Date Posted: 7/10/2025



NORTH MARIN WATER DISTRICT

AGENDA - REGULAR MEETING July 15, 2025 – 4:00 p.m. Location: 999 Rush Creek Place Novato, California

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

Item Subject

CALL TO ORDER

- 1. **APPROVE MINUTES FROM REGULAR MEETING:** June 17, 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:** Base Salary Schedule Revision

ACTION ITEMS

- 6. Approve: Appeal of Repair Reimbursement Denial 14 Campolindo Rd, Point Reyes Station
- 7. **Approve**: Authorize Affirmative Vote for New Water Supply Agreement Between Marin Water and Sonoma Water
- 8. *Approve:* Novato Blvd. Construction Phase Agreement with the City of Novato

INFORMATION ITEMS

- 9. Administration & Laboratory Open House
- 10. Administration & Laboratory Building Dedication Plaque
- 11. 5-Year Strategic Plan Development Update
- 12. NBWA Meeting Agenda July 11, 2025
- 13. **MISCELLANEOUS**

Disbursements – Dated June 19, 2025

Disbursements - Dated June 26, 2025

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

age 2 Date Posted: 7/10/2025

Item Subject

Disbursements – Dated July 3, 2025

Disbursements – Date July 10, 2025 Auditor-Controller's Monthly Report of Investments for May 2025

Monthly Progress Report

NOAA Seasonal Drought Outlook - June 30, 2025

Trump Administration Releases Detailed Fiscal Year 2026 Budget – ACWA

Water Supply Roadmap - Sonoma Water

State of the Water Industry 2025 Executive Summary - AWWA

News Articles:

Marin IJ – County to buy site for housing – POINT REYES STATION

Social Media Posts:

NMWD Web and Social Media Report - June 2025

- 14. **CLOSED SESSION:** Conference with Real Property Negotiator (California Government Code Section § 54956.8). Property: APNs 160-274-07 and 160-020-15; Agency Negotiators: General Manager, AGM/Chief Engineer, District Counsel, and Eric Lueder of Associated Right of Way Services, Inc. (AR\WS); Under Negotiation: Price
- 15. **RECONVENE:** Reconvene as the Board of Directors
- 16. **ADJOURNMENT**

DRAFT
NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
June 17, 2025

CALL TO ORDER

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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 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, Karen Clyde, Vincent Verissimo, and Pablo Ramudo were also in the audience.

Craig Judson, District counsel, was also in the audience.

MINUTES

On the motion of Director Fraites, seconded by Director Petterle, the Board approved the minutes of the June 3, 2025, meeting by the following vote:

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

20 NOES: None

21 ABSENT: None

22 ABSTAIN: Director Eichstaedt

GENERAL MANAGER'S REPORT

Tony Williams noted that there is an item Miscellaneous that is a recent informational flyer from ERPA that has some good information on the Potter Valley Project.

Mr. Williams gave a brief update on the recruitment for Robert Clark's job. He said a job offer has been extended to one of the candidates and that once he has gone through all the steps to accept the job, Mr. Williams will have more detailed information on the person at the next meeting.

Mr. Williams said that he will bring an update on the Strategic Plan at the July 15 meeting. He said staff will be recommending a Board workshop to get feedback on goals and actions from the Board. He said that one goal would be public education and engagement.

Mr. Williams informed the Board that we have staff volunteers for the July 4th parade. He said that we are hoping to get an order of novelty ducks in time for the parade.

Mr. Williams noted that there are three public hearings tonight, and for the latter two the action for approval will be at the close of each hearing. He also reminded the Board that there is a closed session at the end of the meeting. Director Fraites asked about the ducks and Mr. Williams

1 said they are very popular. He said that if we don't get the ducks in time for the parade, we can

pass out candy instead. President Joly said he is grateful for the volunteers and thanked Mr.

3 Williams.

OPEN TIME

President Joly asked if anyone in the audience wished to bring up an item not on the agenda. Rhonda Kutter, Pt. Reyes Station resident, spoke to the Board about Western Weekend in Pt. Reyes. She thanked Robert Clark for his participation. She suggested the Board may want to be a part of the parade out there next year.

Director Baker joined the meeting.

STAFF/DIRECTORS REPORTS

President Joly asked if there were any staff or director's reports.

Pablo Ramudo gave a brief update on the lab certification. He said that it is a long process to get state certified. He said because we weren't able to move in sooner to the new lab, we still have certification at the Buck Center, but hope to get the new lab certified by July 31. He said we have had an assessment and the report had 18 findings, however that is a low number and most issues were very minor. We have 30 days to respond and he hopes to submit a formal response by the end of this week. He said that once we are approved, we can apply for the certification. Mr. Ramudo feels like we are in a good position to get the certification by July 31. He said he is very happy and will be more so when lab staff no longer has to up to the Buck Center lab. President Joly said he was glad to get an update.

PUBLIC HEARING/APPROVE: STATUS OF VACANCIES, RECRUITMENT, AND RETENTION

The public hearing to consider the Status of Vacancies, Recruitment, and Retention was opened at 4:12 p.m.

Julie Blue said that this is a new state requirement, and a similar item will be on the agenda every year moving forward. California State Assembly Bill (AB) 2561 states that we have to conduct a public hearing related to the status of vacancies, recruitments, and retention. As of June 1, 2025, there is one Employee Association (represented) vacancy, which is a 2% vacancy rate. For the unrepresented employees, there are no vacancies and therefore there is 0% vacancy rate. To comply with AB 2561 the District must also identify changes to policies or procedures that have an impact on the hiring process. She mentioned that the District recently implemented background checks for new hires. Additionally, there was a Board policy approved in October 2024 related to succession planning which allows overlap for new hires when replacing key positions due to retirements.

There was no public comment, and the public hearing was closed at 4:15 p.m.

PUBLIC HEARING/APPROVE: PROPOSED WEST MARIN SERVICE AREA WATER RATE INCREASE

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The public hearing to consider the proposed West Marin Service Area Water Rate Increase was opened at 4:15 p.m.

Tony Williams gave a presentation to the Board. He said the rate increase process started with a rate study prepared by Hildebrand Consulting in April of this year. He said it is a multi-year financial plan and a primary goal was to be in compliance with Prop. 218. He said the financial plan includes increases to the costs of utilities, chemicals, and supplies. He said we are asking the Board to approve an annual 19% rate revenue increase for four years, and a 15% rate increase for the 5th year. The recommendation is to reduce the commodity charge from 3 tiers to 2 tiers, as well as make changes to the hydraulic zone charge and service charge adjustments. He said it won't be an across the board 19% increase in year 1 due to rate structure changes so some customers will have slightly lower and some slightly higher than 19%. He said there were several rate increase notifications with presentations at Board meetings starting back in March, in addition to notices sent out to customers, spots on the local radio station, a dedicated web page, social media pushes, information in the newsletter, and ads in the Pt. Reyes Light. Mr. Williams highlighted the aging infrastructure in West Marin: 27 miles of pipeline, 4 wells, 13 tanks, 6 pump stations, 175+ fire hydrants, one treatment plant, and water mains on Caltrans and Marin County bridges. Mr. Williams went through the long-term CIP projects, the funding plan, and the costs of the CIP projects to fiscal year 2030 and beyond. Mr. Williams presented a slide with a map highlighting the planned projects for the next 5 years. Another slide demonstrated the regional comparison for water bills for different agencies, showing that NMWD's are second to the lowest in cost. Mr. Williams said we have not received any rate protests from West Marin. He said that at the last meeting we had received one protest letter, but it was found to be a protest for the Oceana Marin sewer service area.

President Joly asked about loans in regard to the bridge projects. Director Eichstaedt asked if rates could be adjusted again, that he is concerned about down the road and impact from natural disasters. Mr. Williams said we could amend the proposed resolution to adjust the rates but said if they would be increasing we would need to do another Prop. 218 notification. He said we have a 5-year period to demonstrate to a bank that we will generate revenue to pay the loans which is one reason to adopt a 5-year rate plan. Director Eichstaedt asked if rates are connected to the CIP projects and Mr. Williams said that they are primarily. Director Eichstaedt also asked about the recent line break on Hwy 1 and asked if it cut into funds that are allocated for basic maintenance/emergency repair. Mr. Williams said it did, and that we will fix a leak or break no matter what the budget has available but West Marin is such a small enterprise. We do have a Maintenance of Mains budget line item that is less than \$10K in West Marin currently.

President Joly opened up the hearing for public comment. Rhonda Kutter spoke to the Board. She said the rate increase is very complex and she learned some new information from being at this hearing. She said she feels it is important to have a Board meeting in West Marin occasionally and possibly at a different time and that Zoom meetings would be good. She said that we did a great job with public outreach and using traditional media, but that West Marin is not traditional. She said they pay more attention to the post office billboard than to the local radio. She said it's easy to miss radio spots and notices in the paper. Mr. Williams noted that in the last 20 years, that we have had an average of 2 people per meeting at the West Marin meetings, many times there was only one person attending. He said we are sensitive to the budget and we went over budget on public outreach so there is a cost in holding a meeting out there. He said we built this building and boardroom and we are hoping to be able to do Zoom meetings in the future. President Joly acknowledged that we did do a great deal of public outreach.

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The public hearing was closed at 4:39 p.m.

On the motion of Director Eichstaedt, and seconded by Director Baker, the Board approved the Resolution that approves the changes to Regulation 54 for the West Marin service area water rate increase by the following vote:

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

18 NOES: None

19 ABSENT: None

20 ABSTAIN: None

PUBLIC HEARING/APPROVE: PROPOSED OCEANA MARIN SERVICE AREA WATER RATE INCREASE

The public hearing to consider the proposed Oceana Marin Sewer Rate Increase was opened at 4:41 p.m.

Tony Williams said the proposed rate increase for the Oceana Marin Service Area (OM) is 8%, which will bring in approximately \$30,000 in additional revenue for the next fiscal year. He said that 8% is needed to cover inflationary costs for OM, and that this aligns with the prior budget and keeps us status quo. He noted that the Operations group performs I&I (infiltration and inflow) work as needed on the system but there are no large capital projects planned. He said that it is important to note that we will run out of money in OM in the near future at the current rate and will need to borrow from the Novato enterprise. President Joly asked about the \$200K loan noted, and if that is a placeholder for now, and Mr. Williams confirmed that it is. Director Eichstaedt asked if the master plan will be next year and Mr. Williams said that it is in the next budget and that it will be an update to the 2015 plan. President asked any comments were received. Mr. Williams said we did receive one letter; however it was a bit confusing as it opposed sewer property taxes but also mentioned a

water charge, which we do not provide (only sewer), and the letter also mentioned Marin Water, but the letter did come from a homeowner in OM.

The was no public comment; and the public hearing was closed at 4:48 p.m.

On the motion of Director Eichstaedt, and seconded by Director Fraites, the Board approved the Oceana Marin Sewer Rate Increase and Ordinance 109 by the following vote:

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

NOES: NoneABSENT: NoneABSTAIN: None

ACTION CALENDAR

APPROVE: NOVATO SERVICE AREA RATE INCREASE

Tony Williams said this item was to approve changes to Regulation 54 but noted that last year a 4-year rate increase was approved by the Board with Resolution 24-04 which established the 4-year rate period, a pass-through increase from Sonoma Water. The changes also capture a 6.5% increase from Sonoma Water as a pass-through for Tier 1. President Joly noted that last year was an 8% rate increase for Novato and this is the first year of the pass through at 6.3%. President Joly asked Julie Blue to give an overview of water use. Ms. Blue gave a brief history of the past several years and said that we are in the 2nd year of the 3-year Prop. 218 approval. Director Petterle commented that this is his 24th year on the Board and this is the first year of not having people come to the public hearing meeting to complain or comment, noting that we have taken the steps to improve public outreach. He said he feels the information is very detailed and credited Ms. Blue and her staff as well as Mr. Williams and his staff. President Joly said that they don't like having to increase rates but they have to ensure that they meet the expectations of customers and so that water infrastructure remains intact. He said he has heard little negative response, customers seem to understand.

On the motion of Director Petterle, and seconded by Director Fraites, the Board approved the Resolution that approves the changes to Regulation 54 for the Novato and Recycled Water Service Areas Rate Increase by the following vote:

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

30 NOES: None31 ABSENT: None32 ABSTAIN: None

APPROVE: FY 25/26 BUDGETS NOVATO & WEST MARIN SERVICE AREAS

Julie Blue gave a presentation outlining the fiscal year (FY) 2025/26 budgets for the Novato and West Marin Service Areas and said that the budget is essentially the same as what was presented at the June 3rd meeting. She briefly covered the Key Assumptions, Historical Billed

Draft NMWD Minutes 5 of 7 June 17, 2025

1 Water Consumption, Budget Summary, Financial Forecast, Outstanding Debt, and Budget Review.

She said the budgeted consumption volume for Novato Water is 2.2BG (billion gallons) with a projected rate increase of 6%, Recycled Water is 215MG (million gallons) with a 6% projected rate increase, and West Marin consumption is budgeted at 55MG, with a projected 19% rate increase.

She added that Oceana Marin Sewer includes an 8% projected rate increase.

She said the total Operating Revenue is budgeted at \$31.4M, and that 83% of that revenue is from water sales. Ms. Blue said the Operating Expenses are shown at \$25.3M and that source of supply, that is purchased water from Sonoma Water, is the second largest expense at 21% of the budget. The largest expense is Operations and Maintenance (O&M), which is 36% of the total budget. Included in the expenses is an increase of \$180,000 to account for the Board approved cost-of-living adjustment to employee wages. While this is offset by a decrease in Workers' Compensation insurance, pension expenses remain greater than 30% of employee earnings. Ms. Blue said memberships to organizations, software, and regulatory fees have increased by 11% and we are also seeing PG&E rates increase every year. The planned Studies and Special Projects are budgeted at \$632K.

Ms. Blue reviewed the overall financial forecast, cash reserves, and debt service. She explained that the budget, and proposed rate increases provide cash reserves above the minimum required and an estimated debt service coverage ratio of 1.73 for FY 25/26. The debt service slide summarized the outstanding debt balance of \$34.4M with an annual debt service of \$4.5M. President Joly noted the electric utility charges of 23% dwarf the water rate increases. He also asked Mr. Williams if the consultants we are using for the Emergency Response Plan will be looking into landslides. Mr. Williams said the Novato Water Master Plan will address vulnerability of natural hazards such as landslides. He added that, as part of the Emergency Response Plan and updates to the Master Plan, we have had successful outreach with the Fire District and the Chamber of Commerce.

On the motion of Director Joly, and seconded by Director Petterle, the Board approved the FY 25/26 Budgets Novato & West Marin Service Areas by the following vote:

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

29 NOES: None

30 ABSENT: None

31 ABSTAIN: None

INFORMATION ITEMS

NBWA MEETING AGENDA, JUNE 6, 2025

Director Fraites reported on the June 6 NBWA meeting. He said that Director Baker also attended and that the group met here at NMWD headquarters. He said the meeting included a tour of the new building and lab, and said he was very impressed. He said that Pablo Ramudo was very

informative about the new lab which was part of the tour.

Director Fraites said the meeting also included a presentation on sea level rise around the bay area. He said that southern Marin County will do a separate analysis than northern Marin County because of the different communities that front the bay and the requirement for different strategies. He said he feels the best system is horizontal levee. He also said that the prediction is that by 2050, there will be an 8/10th of a foot of seal level rise. He reported that inland lands also absorb water and groundwater increases more flooding and less stability along the coast line. SB272 provides \$100M to get the program going. He said that most of the communities in the bay area are on board.

MISCELLANEOUS

The Board received the following miscellaneous items: Disbursements – Dated June 5 and 12, 2025, Monthly Progress Report, Eel-Russian River Project Authority – Project Overview, ACWA Update on Priority Issues, June 2025.

The Board also received the following articles: Marin IJ – Public Hearing Notices (run June 3 & 10, 2025), Marin IJ - \$1.25M allotted to study pipeline – MMWD, Pt. Reyes Light – West Marin Rate Study Notice (run June 12, 2025).

The Board also received the NMWD Web and Social Media Report – May, 2025.

Regular Board meeting recessed at 5:24 p.m. before entering closed session.

CLOSED SESSION

President Joly President Joly convened the Board into closed session at 5:30 p.m. to meet with Real Property Negotiators as allowed under Government Code Section 54956.8 regarding property at 500 Country Club Drive, Novato, CA 94949. In addition to the five Board Directors, Tony Williams, General Manager and Julie Blue, Auditor-Controller were present along with District Counsel Craig Judson and Attorney Ari Lauer.

OPEN SESSION

Upon returning to regular session at 5:54 p.m., President Joly stated that no reportable action had been taken during closed session.

<u>ADJOURNMENT</u>

29 President Joly adjourned the meeting at 5:55 p.m.
30 Submitted by
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34 Eileen Mulliner
35 District Secretary



MEMORANDUM

To: Board of Directors July 15, 2025

From: Julie Blue, Auditor-Controller

Karen Clyde, HR/Safety Manager KRU

Subj: Base Salary Schedule Revision

t\ac\board reports\board memos\2025\salary schedule revisions effective 07.01.25\correction 07.15.25\board memo salary corrections.docx

RECOMMENDED ACTION: Approve updated District Salary Schedule Effective July 1, 2025

FINANCIAL IMPACT: 2.25% Base Salary Increase Effective July 1, 2025 (FY 25/26)

FY 25/26 Salary & Benefit Cost Increase \$207,000

At the June 3, 2025 meeting, the Board of Directors approved the updated salary schedule effective July 1, 2025 which incorporates a 2.25% Cost of Living Adjustment (COLA). Following that approval, staff identified a miscalculation in the application of Operators certificate pay in the salary tiers. Specifically, the 2.25% COLA was inadvertently applied to the certificate pay add-on, resulting in uneven tier differentials.

The corrected salary schedule reflects a consistent \$100 difference between certificate pay tiers, in alignment with the intended structure. The impact of this correction is minimal, resulting in a reduction of \$2 to \$90 per month for certain positions compared to the previously approved version.

The 2.25% base COLA increase remains unchanged and in compliance with the terms outlined in the Memorandum of Understanding (MOU) between the District and the Employee Association. All other positions, including the Unrepresented classifications, remain unchanged from the previously approved salary schedule.

As required by Title 2, Section 570.5 of the California Code of Regulations, the District's pay schedule must be adopted by the governing body in a public meeting. The revised Salary Schedule is included as Attachment 1 for the Board's review and approval. Once approved, the updated version will be posted on the District's website as a publicly available document.

RECOMMENDATION:

Approve the corrected District Salary Schedule effective July 1, 2025.

ATTACHMENTS:

1. Revised Salary Schedule Effective July 1, 2025 (Corrected)

Step 5

Monthly /

North Marin Water District Employee Salary Ranges and Job Classifications - Effective 07/01/2025

Step 1

Monthly /

Step 2

Monthly /

Step 3

Monthly /

Step 4

Monthly /

Draft for Board of Directors Approval at the July 15, 2025 Board Meeting

	Monthly /	Monthly /	Monthly /	Monthly /	Monthly /
Administration Department	Annual	Annual	Annual	Annual	Annual
Receptionist/Customer Service Asst.	5,844	6,136	6,443	6,765	7,103
	70,128	73,632	77,316	81,180	85,236
Account/Credit Clerk II	6,453	6,776	7,115	7,471	7,845
	77,436	81,312	85,380	89,652	94,140
Field Service Rep I	6,501	6,826	7,167	7,525	7,901
·	78,012	81,912	86,004	90,300	94,812
Field Service Rep II	6,956	7,304	7,669	8,052	8,455
•	83,472	87,648	92,028	96,624	101,460
Field Service Representative Lead	7,848	8,240	8,652	9,085	9,539
'	94,176	98,880	103,824	109,020	114,468
Consumer Services Supervisor	9,691	10,176	10,685	11,219	11,780
1	116,292	122,112	128,220	134,628	141,360
Storekeeper/Safety Coord.	7,387	7,756	8,144	8,551	8,979
	88,644	93,072	97,728	102,612	107,748
Executive Assistant/District Secretary	10,109	10,614	11,145	11,702	12,287
	121,308	127,368	133,740	140,424	147,444
HR/Safety Manager	11,254	11,817	12,408	13,028	13,679
The Caroty Manager	135,048	141,804	148,896	156,336	164,148
Accounting Clerk II	6,453	6,776	7,115	7,471	7,845
Accounting Clerk II	77,436	81,312	85,380	89,652	94,140
Staff Accountant	8,314	8,730	9,167	9,625	10,106
Clair / Noccaritant	99,768	104,760	110,004	115,500	121,272
Senior Accountant	9,522	9,998	10,498	11,023	11,574
Selloi Accountant	114,264	119,976	125,976	132,276	138,888
Accounting Supervisor	10,679	11,213	11,774	12,363	12,981
Accounting Supervisor	128,148	134,556	141,288	148,356	155,772
Auditor-Controller	16,225	17,036	17,888	18,782	19,721
Auditor-Controller	194,700	204,432		225,384	236,652
Water Conservation Tech	4,783	5,022	214,656 5,273	5,537	5,814
Water Conservation recir			63,276		
Water Conservation & Communications Mar	57,396 12,039	60,264 12,641	13,273	66,444 13,937	69,768 14,634
Water Conservation & Communications Mgr	•			•	
Conoral Manager	144,468	151,692	159,276 24,583.34	167,244	175,608
General Manager			295,000		
	-		295,000		
	Step 1	Step 2	Step 3	Step 4	Step 5
	Monthly /	Monthly /	Monthly /	Monthly /	Monthly /
Engineering Department	Annual	Annual	Annual	Annual	Annual
Engineering Administrative Assistant	7,190	7,550	7,928	8,324	8,740
-	86,280	90,600	95,136	99,888	104,880
Engineering Services Rep	7,868	8,261	8,674	9,108	9,563
	94,416	99,132	104,088	109,296	114,756
Engineering Technician IV	8,750	9,188	9,647	10,129	10,635
	105,000	110,256	115,764	121,548	127,620
Senior Engineering Technician	9,645	10,127	10,633	11,165	11,723
5 5	115,740	121,524	127,596	133,980	140,676
Junior Engineer	9,645	10,127	10,633	11,165	11,723
5	115,740	121,524	127,596	133,980	140,676
Assistant Engineer	10,544	11,071	11,625	12,206	12,816
· · · · · · · · · · · · · · · · · · ·	126,528	132,852	139,500	146,472	153,792
Associate Engineer	12,397	13,017	13,668	14,351	15,069
, toostate Engineer	148,764	156,204	164,016	172,212	180,828
Caniar Engineer	140,704	130,204	104,010	172,212	160,020

14,448

18,449

173,376

221,388

15,170

182,040

19,371

232,452

15,929

191,148

244,080

20,340

16,725

200,700

21,357

256,284

13,760

17,570

165,120

210,840

Assistant General Manager/Chief Engineer

Senior Engineer

	Step 1	Step 2	Step 3	Step 4	Step 5
	Monthly /	Monthly /	Monthly /	Monthly /	Monthly /
Construction Department	Annual	Annual	Annual	Annual	Annual
Utility Worker I	6,029	6,330	6,647	6,979	7,328
	72,348	75,960	79,764	83,748	87,936
Utility Worker II	6,467	6,790	7,130	7,487	7,861
LIERA AMARIANA III	77,604	81,480	85,560	89,844	94,332
Utility Worker III	7,491	7,866	8,259	8,672	9,106
Hoovy Equipment Operator	89,892 7,755	94,392 8,143	99,108 8,550	104,064 8,978	109,272 9,427
Heavy Equipment Operator	93,060	97,716	102,600	107,736	113,124
Distribution/Maintenance Foreman	9,304	9,769	102,000	107,730	11,309
Distribution/Maintenance Oreman	111,648	117,228	123,084	129,240	135,708
Pipeline Foreman	9,304	9,769	10,257	10,770	11,309
	111,648	117,228	123,084	129,240	135,708
Construction/Maintenance Superintendent	12,863	13,506	14,181	14,890	15,63
-	154,356	162,072	170,172	178,680	187,620
		•	•	•	
	Step 1	Step 2	Step 3	Step 4	Step 5
	Monthly /	Monthly /	Monthly /	Monthly /	Monthly /
Operations Department	Annual	Annual	Annual	Annual	Annual
Utility Worker I	6,029	6,330	6,647	6,979	7,32
	72,348	75,960	79,764	83,748	87,93
Utility Worker II	6,467	6,790	7,130	7,487	7,86
	77,604	81,480	85,560	89,844	94,33
Program Assistant I	5,898	6,193	6,503	6,828	7,16
D 4 11 11	70,776	74,316	78,036	81,936	86,02
Program Assistant II	7,169	7,527	7,903	8,298	8,71
Dragram Assistant III	86,028 7,884	90,324 8,278	94,836	99,576 9,127	104,55
Program Assistant III	94,608	99,336	8,692 104,304	109,524	9,58 114,99
Cross Connection Tech I	6,831	7,173	7,532	7,909	8,30
Closs Colliection reciti	81,972	86,076	90,384	94,908	99,64
Cross Connection Tech II	8,304	8,719	9,155	9,613	10,09
Orosa Connection real in	99,648	104,628	109,860	115,356	121,12
Auto/Equipment Mechanic	7,740	8,127	8,533	8,960	9,40
. 1	92,880	97,524	102,396	107,520	112,89
Apprentice Elec/Mech Tech	7,546	7,923	8,319	8,735	9,17
••	90,552	95,076	99,828	104,820	110,064
Electrical/Mechanical Tech	8,856	9,299	9,764	10,252	10,76
	106,272	111,588	117,168	123,024	129,18
Senior Elec/Mech Tech	9,595	10,075	10,579	11,108	11,66
	115,140	120,900	126,948	133,296	139,950
		12,158	12,766	13,404	14,07
Maintenance Supervisor	11,579	12,130	12,700	13,404	17,07
Maintenance Supervisor	138,948	145,896	153,192	160,848	168,888

86,916

8,635

103,620

122,868

134,460

164,088

10,239

11,205

13,674

82,776

8,224

9,751

98,688

117,012

128,052

156,276

13,023

10,671

91,260

9,067

108,804

10,751

129,012

141,180

172,296

14,358

11,765

95,820

9,520

114,240

11,289

12,353

148,236

15,076

180,912

135,468

100,608

119,952

142,236

155,652

189,960

15,830

12,971

11,853

9,996

Lab Analyst I

Lab Analyst II

Senior Chemist

Water Quality Supervisor

	Step 1	Step 2	Step 3	Step 4	Step 5
On anotion a Remonture and (a and)	Monthly /				
Operations Department (cont.)	Annual	Annual	Annual	Annual	Annual
Asst Water Distrib & TP Op - Tier 1 *	7,460	7,828	8,214	8,620	9,046
_	89,520	93,936	98,568	103,440	108,552
Asst Water Distrib & TP Op - Tier 2 *	7,560	7,928	8,314	8,720	9,146
_	90,720	95,136	99,768	104,640	109,752
Asst Water Distrib & TP Op - Tier 3 *	7,660	8,028	8,414	8,820	9,246
_	91,920	96,336	100,968	105,840	110,952
Water Distrib & TP Op - Tier 2 *	9,364	9,822	10,303	10,808	11,338
	112,368	117,864	123,636	129,696	136,056
Water Distrib & TP Op - Tier 3 *	9,464	9,922	10,403	10,908	11,438
	113,568	119,064	124,836	130,896	137,256
Water Distrib & TP Op - Tier 4 *	9,564	10,022	10,503	11,008	11,538
	114,768	120,264	126,036	132,096	138,456
Sr. Water Distrib & TP Op - Tier 3 *	10,498	11,008	11,543	12,105	12,695
	125,976	132,096	138,516	145,260	152,340
Sr. Water Distrib & TP Op - Tier 4 *	10,598	11,108	11,643	12,205	12,795
	127,176	133,296	139,716	146,460	153,540
Sr. Water Distrib & TP Op - Tier 5 *	10,698	11,208	11,743	12,305	12,895
	128,376	134,496	140,916	147,660	154,740
Treatment & Distribution Supervisor - Tier 3	13,640	14,307	15,007	15,742	16,514
	163,680	171,684	180,084	188,904	198,168
Treatment & Distribution Supervisor - Tier 4	13,740	14,407	15,107	15,842	16,614
	164,880	172,884	181,284	190,104	199,368
Treatment & Distribution Supervisor - Tier 5 *	13,840	14,507	15,207	15,942	16,714
_	166,080	174,084	182,484	191,304	200,568
Operations/Maintenance Manager **	14,989	15,738	16,525	17,351	18,219
_	179,868	188,856	198,300	208,212	218,628

^{*} Treatment Operators Tiers 1-5 schedules are based on certifications held by Stafford Treatment Plant Operators issued by the State Water Resources Control Board. The certification tiers are outlined below:

Tier 1 = Distribution (D)1/ Transmission (T)1 -\$100 per month, Tier 2 = D2/T2 -\$200 per month,

Tier 3 = D3/T3-\$300per month, Tier 4 = D4/T4-\$400per month & Tier 5 = D5/T5-\$500 per month

The employee will be paid at the lower of the two certifications held.

North Marin Water District

Temporary/Seasonal Employee Hourly Ranges & Job Classifications - 07/01/25

Draft for Board of Directors Approval at the July 15, 2025 Board Meeting

	Step 1	5	Step 2	5	Step 3	5	Step 4	Step 5	
	Hourly	H	Hourly	H	Hourly	H	lourly	Hourly	
rary/Seasonal Worker	\$ 27 60	\$	29.00	\$	30.50	\$	32 00	\$ 33 60	

^{**} Operations/Maintenance Superintendent job title changed to Operations/Maintenance Manager in March 2025.





MEMORANDUM

To: Board of Directors Date: July 15, 2025

From: Tony Williams, General Manager

Subj: Appeal of Repair Reimbursement Denial – 14 Campolindo Rd, Point Reyes Station \mmwdfileserver\administration\GM\BOD Memos 2025\7-15-25 Meeting\Appeal Reimbirsement Denial\7-15-25 BOD memo appeal of reimburse denial.docx

RECOMMENDED ACTION: The Board provide direction to staff

FINANCIAL IMPACT: Unknown at this time

Background - Low-Pressure Service

District water service to customers where the delivered pressure is limited to less than 40 pounds per square inch (psi) is considered "low-pressure" service. This condition has been formally recognized by the District since 1965 with the establishment of Regulation 11 Low-Pressure Service (Attachment 1). Low pressure conditions can occur when the land elevation of the property is located less than 100 feet below the bottom level of the water storage tank providing service pressure. There are currently over 300 customers with a designated lowpressure service throughout the District. In low-pressure situations there are certain obligations required of the customer on their side of the water meter (private side). Specifically, the customer must install a pumping system that provides higher pressure on the property. Per the current regulation, the pumping system must have a low-pressure cutoff switch to prevent damage to the pump when pressure drops below 5 psi. Low-pressure services are unique compared to normal service or even high-pressure services because of the required pumping system at the customer's end. These systems become vulnerable when there is an unplanned or planned disruption in the distribution system such as a main line break or scheduled maintenance unless protections are in place to prevent damage to the customer's pump system. In comparison, when a main line break occurs or water is shutoff for planned maintenance to a normal or high-pressure service customer, there are typically no impacts to the customer's plumbing system when the water is eventually restored, other than some air can enter the plumbing pipes, which can be released through an existing fixture such as a shower or faucet.

Regulation 11 has been modified six (6) times since its adoption by the Board in late 1965 (Resolution 627). A modification was made in 1971 (Resolution 907) adding the condition that a customer acknowledges the low-pressure condition exists and that the customer releases the District from any liability associated with the low pressure. The specific requirement to install a low-pressure cutoff switch was added to Regulation 11 in 1979. Additional changes were made to the Regulation in 1988, 1992 and 1999.

Background – Pipelines in Roadways

The majority of District water pipelines are located within public roadways or right-of-way (ROW). Within the District's service boundary, these roadways and ROWs are either owned by the City of Novato, County of Marin or the California Department of Transportation (Caltrans)¹. These agencies allow the District to construct pipelines or other appurtenances within the roadway by virtue of an encroachment permit. A pipeline installed via encroachment is subject to certain obligations, requirements and limits per state law (mostly the Streets and Highways Code). If existing pipelines or other facilities are in the way or otherwise conflict with any modification or improvement to the roadways, then the District is obligated to move or adjust such pipelines or facilities at its own cost and in line with the agency's schedule. Typically, a routine paving project for a roadway does not have an impact on the District's facilities other than the possible need to raise valve covers to the new pavement height. Only in cases where there is gross negligence on the part of the roadway agency or their contractor regarding impacts to a District pipeline or facility located in the roadway or ROW, would there be liability for damages by that agency. Staff are not aware of any instances where a main line break was the direct fault of a ROW agency or their contractor doing paving work.

Background - District Liability for Damages

The District carries and maintains several types of insurance including general liability coverage. Under its current pooled type of deduction plan, the District is responsible for the first \$100,000 for any claims. When a water main break occurs within a roadway, the discharged water is typically contained within the roadway's curb and gutter and associated storm drainage system. However, when a main break occurs on larger pipe or the break occurs on streets with no curb or gutter, steep sloped streets, or in non-roadway areas, the discharge and flow of water can cause property damage. In these circumstances, the District will make repairs directly, reimburse the property owner for repairs, or process a claim through the insurance provider (depending on overall cost). After the changes to Regulation 11 in 1971 that added release of liability language, staff are not aware of any reimbursements made to customers with a low-pressure agreement where the damage occurred to the private pump system or any associated plumbing.

Summary of Recent Water Main Break

Just before midnight on May 1, 2025, District on-call staff detected a major leak within a portion of the West Marin water system and subsequently determined there was a break in the water main pipeline in the highway in Point Reyes Station. A District crew was dispatched, and repairs were completed in the early morning hours of May 2nd. To complete the repairs, water was

¹ There are portions of the North Marin Aqueduct pipeline within Sonoma County ROW.

shutoff to customers within portions of the Point Reyes distribution system. The water main break was on a section of pipe that crosses State Route 1 (SR1) north of Campolindo Road. A Caltrans paving project was in progress on the highway in this area at the time the break occurred and it seems likely that the combination of the various types of large paving equipment (milling machine, dump trucks, etc.) and the overall depth of the pipeline within the roadway contributed to the failure. Based on review of District records, the pipeline in this area dates to before the District's West Marin Water System was formed² and was connected to newer pipe installed in 1982 as part of the District's "Point Reyes System Improvement Plan." The reason for reusing this segment of pipe at the time, as opposed to replacing it with the newer pipe, is not known but probably had to do with avoiding the Caltrans encroachment process and impacts to traffic. A reasonable person would have to agree that in hindsight it was a sound decision to reuse the pipe since it lasted over 50 years and there are no records of any prior issues until the May 1st pipe break.

Shortly after the water main repair, there were internal and external discussions about whether the Caltrans paving contractor was culpable for the water main break. Based on discussions with Chris Kehoe, who responded to the initial report of a leak and was onsite when the repair took place, as well as review of District as-built records, there was no reason to fault the paving contractor or Caltrans.

On May 15th I received an email from the County Supervisor's office asking about the water main break and the claims process with Caltrans. After a period of email exchanges, I spoke to Morgan Patton, Aide to Supervisor Rodoni, on May 28th regarding Mrs. Lynn Axelrod Mitchell, a District customer at 14 Campolindo Drive. Ms. Patton provided information about the service disruption to Mrs. Mitchell's home from the main break on SR1 and the subsequent repairs made to her pressure pump at the property. I received a copy of an invoice from NorCal PumpWorks in the amount of \$2,001.43 (Attachment 2) and a request for District reimbursement. Previously, Chris Kehoe received a phone call from Mrs. Mitchell regarding the pump repair cost and request for reimbursement and he explained that the service is low pressure which waives any liability of the District. Chris received other calls from customers in the area and after confirming those customers were on low-pressure agreements, he explained the District would not reimburse any repair costs to pumping systems. Based on my independent review of District records for the water service at 14 Campolindo, a low-pressure agreement is in place and was acknowledged at the time of initial service in 1976 (signed by David Mitchell) as shown in Attachment 3.

[,]

² As part of the annexation of the West Marin Water System, several private water companies were acquired and, in some cases, the existing water infrastructure was repurposed as part of the new buildout. The era of this pipe segment is estimated to be the early 1970s.

On June 3rd, I sent an email to Ms. Morgan and explained the District's position on this matter, including the low-pressure agreement and applicable requirements of District Regulations. On June 22nd I received a written request from Mrs. Axelrod Mitchell for a refund addressed to the Board of Directors (Attachment 4). At the time the low-pressure agreement for Mrs. Axelrod Mitchell service was signed in 1976, Regulation 11 did not explicitly require a low-pressure cutoff switch for any pumping system. However, the Regulation in effect at the time as well as the signed agreement clearly stipulate that the customer releases the District from any liability associated with the low-pressure service. As described above, low-pressure services are vulnerable to planned or unplanned shutoffs within the distribution system and avoiding any liability associated with that was recognized by the District and the Board of Directors as early as 1965 and specifically in 1971 by updates to Regulation 11. The cause of the main break in this case is irrelevant to the decision to reimburse for any damage under a low-pressure agreement condition.

RECOMMENDATION

The Board provides direction to staff specifically related to Mrs. Axelrod Mitchell's request for reimbursement of pump repair costs.

ATTACHMENTS:

- 1. District Regulation 11, Low-Pressure Service
- 2. NorCal PumpWorks Invoice
- 3. Low-Pressure Agreement (Excerpt from Service Record for 14 Campolindo)
- 4. Letter from Lynn Axelrod Mitchell

NORTH MARIN WATER DISTRICT REGULATION 11

LOW-PRESSURE SERVICE

a. Low-Pressure Service

Water service to land where the building pad elevation receiving said service or the meter serving said property has pressure less than 40 psi as solely determined by the District is designated "low-pressure service" and will be furnished only in accordance with this regulation.

b. Condition of Service

Low-pressure service shall be furnished only if all the following conditions are met:

- (1) The Applicant applies for low-pressure service and enters into a recordable agreement running with the land to be served agreeing to accept service at such low pressure as the District is able to provide, releasing the District from any liability from lower pressure water service and from all responsibility to provide water service at normal pressure, and agreeing to maintain in good and sanitary condition and repair without cost to the District the pumping and storage facilities required by Section c. hereof.
- (2) The District determines that it is feasible to serve the Applicant's land from existing District facilities in the vicinity thereof. In determining such feasibility the District shall take into consideration the amount and elevation of water storage available and whether a sufficient quantity of water can be furnished to said land.
- (3) The District determines that installation of a standard gravity-type distribution system to provide water to said land under adequate pressure is not presently feasible and will not be feasible within a reasonable period of time.
- (4) The meter for the service is located at an elevation which the District determines will result in an adequate supply of water at normal pressure under normal operating conditions.
- (5) The Applicant's service line from the meter is not less than one-inch inside diameter.
- (6) The Applicant delivers to the District for its review and approval plans and specifications for the pumping and storage facilities required by Section c. hereof.
- (7) The pumping and storage facilities required by Section c. hereof are installed without cost to the District and there is delivered to the District written certification by a licensed plumber, registered engineer or pump manufacturer recognized by the District that said facilities comply with Section c. hereof.

c. Pumping and Storage Facilities

- (1) The Applicant for low-pressure service shall cause to be installed on the Applicant's side of the water meter, a pump, storage tank and related piping which shall be adequate to supply to the land water for fire protection either through residential sprinklers or supplemental on-site storage, or both, and which shall not create a negative suction pressure.
- (2) The pump shall:
 - (i) be a centrifugal type;
 - (ii) have a motor not less than one horsepower;
 - (iii) have a capacity of not less than 50 gallons per minute;

- (iv) be capable of maintaining a pressure of 20 pounds per square inch (psi) or the required pressure for proposed sprinkler operation, whichever is greater, at the highest point of use within the customer's system when supplying water at the maximum use rate;
- (v) have electrical power supplied via a circuit separate from that connected to dwelling units or structures to prevent interruption of power to the pump in the event of a fire; and
- (vi) be protected against damage to the pump or motor by a low-pressure cutoff switch which interrupts power to the pump when the suction water pressure to the pump drops to 5 psi or less.
- (3) The hydro pneumatic storage tank shall:
 - (i) have a nominal capacity of not less than 180 gallons, except where the Applicant is required to provide storage as described in Section c. (4) hereof, this capacity may be reduced;
 - (ii) have a minimum working pressure equal to 75 psi and a minimum hydrostatic test pressure of 150 psi;
 - (iii) be equipped with a pressure-relief valve set to release pressures in excess of safe design limits and having a release capacity equal to the maximum pumping rate.
- (4) If the low pressure service is located within a State Responsibility Area for fire protection purposes, and/or the District determines that adequate and reliable water service for fire-fighting is not available to the land, a storage tank shall be provided and sized to meet the requirements of the State of California Public Resources Code, Section 4290, and have a capacity of not less than 3,000 gallons with a valved fire department connection meeting the requirements of the responsible fire department; and the pump shall be as described in Section c. (2) hereof.

Lic#747799 Lic #972858 Lic #498942

Invoice



Nor-Cal PumpWorks Po Box #2208 Petaluma, CA. 94953

Marin: 415.457.1243

Sonona: 707.938.2323 West Marin: 415.663.0500
Web: norcalpumpworks.com E-mail: gary@norcalpumpworks.com

Name / Address

Lynn Mitchell Po Box #786

Point Reyes Station, CA. 94956

Invoice # 5687

Date 5/5/2025 Due Date 5/5/2025

Rep

PROJECT

pump replacement...

Description	Qty	Cost	Total
Reimbursement on Pace Supply invoice. (pump, well & water treatment supplies)	1	1,405.37	1,405.371
1- 1 HP Goulds jet pump. (J10S)			
1- Goulds pressure switch.			
1- 1/4" pressure tubing (& fittings)			
Reimbursement on Friedman's invoice. (plumbing supplies)	1	27.82	27.827
Labor (1-man, round trip with vehicle, per 1-hr) to pick up materials, replace damaged booster pump, touch-up existing plumbing, calibrate controls & cycle. (Morgan)	4	125.00	500.00
* To help with travel time, a \$50 discount has been applied. (Per Gary)	1	-50.00	-50.00
* ALL newly installed plumbing & electrical to meet ALL current Sonoma & Marin County Building code requirements!!!			
Thank you Gary Wilson			
	Subtotal		\$1,883.19
	Sales Tax (· · · · · · · · · · · · · · · · · · ·	\$118.24
	Payments/	Credits	-\$2,001.43
	Total	· · ·	\$2,001.43

NORTH MARIN COUNTY WATER DISTRICT							
NEW SERVICE ORDER Date 12-15-76 By							
Owner's Name David V. Mitchell Area O Book Service No. 20393							
Street Address 14 Campo In D. PPS Fac. Map NoJob. No. 1101 P							
Assessor's Parcel No. 119 140-3B Date Service Desired							
Property Location:Side of							
fromfeet to	f	eet			of		
FEE SCHEDULE					SERVICE INFORMATION		
		Char	ge		Main		
Meter Charge	5/8	40	100	Size	Type		
Lateral Charge	2/2	190	ISD	5126-			
Double Check Valve Assembly	WA		<u> </u>	1	Consumer Service		
Reimbursement Fund Charge			00				
Facilities Reserve Charge			20	Size_	Туре		
Dwelling Unit Charge		324	500				
Date 12-15.76 Receipt 740 9 \$ 700 00 Meter 15 PSI House							
Desired Location: Marked wit	h bl	ue flag	gging	Othe	r:		
Desired Location: Marked with blue flagging Other: Stated Use: Encroachment Permit Application: City Count							
		904	<u> </u>				
LOW	RESS	URE SE	RVICE	AGREEM	ENT		
I hereby acknowledge the	at sei	vice wi	ll be	rendered	under low pressure condi-		
tions and agree to accept th			1		_		
construction of facilities to							
against the District to prov							
maintain a private pressure					and agree to another and		
Date 12,15,76	_	-	1	-	IV. moderal		
HIGH PRESSURE SERVICE AGREEMENT							
			!		under high pressure condi-		

I hereby acknowledge that service will be rendered under high pressure conditions and agree to install and maintain a pressure reducing valve and pressure relief valve at my sole expense. I further waive all claims against the District for damages to my property resulting from said high pressure service or failure of my private pressure regulating facilities.

Date_____Signature:___

I hereby certify that I have been informed of the District regulations governing installation of this service and that I am aware that changes in the status of my property (subdivision, etc.) which result in non-compliance with District regulations shall be cause for relocation at my expense or termination of this service.

Signature \

Form No. 125 Rev. April 1974

From: Lynn Axelrod <lynnaxelrod@hotmail.com>

Sent: Sunday, June 22, 2025 5:06 PM

To: Tony Williams

Subject: Request for reimbursement Attachments: Letter to NMWD .pdf; PAID

Inv_5687_from_NorCal_PumpWorks_LLC_88860.pdf

You don't often get email from lynnaxelrod@hotmail.com. Learn why this is important

Dear Mr. Williams,

Please find attached my request to be reimbursed for having to replace my pressure pump because of the water main break May 1 on H. 1 during repaving. Also attached is the invoice, marked paid, from Nor-Cal Pump Works.

Please note my PO Box is still 542, where the bill goes. 786, on the invoice, was my husband's box number.

Would you kindly forward these to the NMWD Board and let me know next steps or if anything else is needed? I thank you for this assistance.

Sincerely, Lynn Axelrod Mitchell 415-663-8400 Dear North Marin Water District President Joly, Vice President Eichstaedt, and Directors Baker, Fraites, and Petterle:

I'm writing to request a reimbursement for my costs installing a new pressure pump after CalTrans broke the water main on May 1, while repaving H. 1. When my neighbors got water back on May 2, I didn't.

I contacted NorCal Pump Works. Seven or eight years ago they installed a pressure pump, replacing an older one. It was in perfect working order until May 1.

They weren't able to come to the house until Monday, May 5. They installed a new pump and attachments. The detailed invoice is attached.

They told me that the pump burned out trying to start when the water main broke and that the PVC pipes expanded at the connections, from the heat. I had no idea this is what happened until they told me. I don't have an engineering, or mechanical, background.

We (or I) am the only house on our road with a pump. My neighbor, at about the same altitude, told me they decided not to install one when they built their house and are ok with that.

I received a copy from NMWD of a waiver signed by my late husband in 1976. We were not together then, and I wasn't aware of it.

But I think he took the right steps: by knowing about the possibility of inadequate pressure, he put in a pressure pump and made sure to maintain it (or a replacement) in good working order.

What happened on May 1 and 2 was more than inadequate pressure that I had to prepare for, ie, by having a pump. It was zero pressure. The cause wasn't from my system.

I understand CalTrans broke the water main because it was not buried deep enough and/or that CalTrans equipment was too heavy. Neither I (nor my husband, back when) could know or assume that the water main was too shallow and that, last month, no one at NMWD would warn CalTrans about it.

A little about my situation: My husband died 18 months ago, in late Oct. 2023. Still trying to find my way through grief, this past November 2024 I was hospitalized for a week from, basically, a system breakdown: anxiety and an asthma attack that led to increasing trouble breathing, despite using an inhaler. This led to the beginning stages of sepsis. My nurse-practitioner in town called for an ambulance, and I went to the ER, where the above was diagnosed, and I was admitted. I was released after five days and am now on a medical regimen that includes anti-anxiety medication.

I try to "buck up" but avoid situations that will bring on worry or over-excitement and have cut back on my activities, to rest. I'm amazed at how fragile and tired I often feel. I'm 75 but I didn't feel like this until my husband died.

I have contributed to my community, most recently for nine years as a disasterreadiness coordinator, working with MCFD here in Point Reyes Station. I left this work in early 2023, as my husband was needing more care. I was his caregiver.

I'm hoping you'll see your way to an exception for my situation. I thank you for reviewing this and will answer any questions you may have.

Sincerely, Lynn Axelrod Mitchell June 22, 2025 PO Box 542 Point Reyes Station 94956

cc: General Manager Tony Williams



MEMORANDUM

To: Board of Directors July 15, 2025

From: Tony Williams, General Manager

Subj: Authorize Affirmative Vote for New Water Supply Agreement Between Marin Water and

Sonoma Water

t:\gm\bod memos 2025\7-15-25 meeting\7-15-25 bod memo mmwd-scwa agreement.docx

RECOMMENDED ACTION: Authorize WAC Representative to vote in favor of New Water

Supply Agreement between Sonoma Water and Marin Water

FINANCIAL IMPACT: None

This memo outlines the current water supply arrangements between Sonoma Water (SW) and Marin Municipal Water District (Marin Water). A new single agreement between the two agencies has been drafted and, because of provisions in the 2006 Restructured Agreement for Water Supply by and between Sonoma County Water Agency, City of Cotati, City of Petaluma, City of Rohnert Park, City of Santa Rosa, City of Sonoma, Forestville Water District, North Marin Water District, Valley of the Moon Water District, Town of Windsor (Restructured Agreement), a Water Advisory Committee (WAC) vote is required to approve a new agreement.

Current Water Supply Agreements

Since 1975, Marin Water has entered into a series of contracts to import wholesale water supplies from Sonoma Water. Marin Water uses the imported Sonoma Water supplies to supplement the water supplies developed by their local reservoirs to provide retail public water service within Marin Water's sphere of influence. From 2015 through 2020, about 77 percent of MMWD's average annual water supply originated from its local reservoirs, while about 23 percent was imported from Sonoma Water.

Marin Water currently obtains wholesale water supplies from Sonoma Water pursuant to the 2015 Renewal of the Third Amended Offpeak Water Supply Agreement and the Amended Agreement for the Sale of Water between the Sonoma County Water Agency and Marin Municipal Water District (2015 Renewal Agreement). The 2015 Renewal Agreement took effect July 1, 2015, with a ten-year term that expires on June 30, 2025.

Proposed Single Agreement

Marin Water and Sonoma Water have drafted the Amended and Restated Water Supply

Agreement by and between The Marin Municipal Water District and The Sonoma County Water

Agreement with a proposed 15-year term expiring in 2040, the same year that the Restructured Agreement expires. The intent of this Draft Agreement is to provide a single agreement extending and consolidating the terms of the 2015 Renewal Agreement and its Exhibits, while eliminating or changing certain provisions of the 2015 Renewal Agreement that do not serve either party's interests under current conditions. A summary of the proposed changes is included in the Marin Water memo entitled Review of Proposed Changes to the Sonoma Water — Marin Municipal Water District Water Supply Agreement (Attachment 1). A copy of the Draft Agreement is provided as Attachment 2 for reference.

Technical Advisory Committee (TAC) Leadership, which consists of City Santa Rosa serving as Chair and Valley of the Moon Water District serving as Vice Chair, as well as the District's TAC member, Tony Williams, have reviewed the Draft Agreement and recommended approval to the TAC. The TAC recommended WAC approval at the June 2, 2025 TAC Meeting by a unanimous vote of the members.

Nothing in the proposed Draft Agreement changes any of the existing agreements between the District and Marin Water in regard to the North Marin Aqueduct operation or operation of the Kastania Pump Station. Regarding the latter, the District has "...operational control of the Kastania Pump Station..." based on conditions in the District's distribution system. In 2022, the ownership of the Kastania Pump Station transferred from Sonoma Water to Marin Water as detailed in the 2022 Kastania Pump Station Transfer Agreement, signed by all three parties.

RECOMMENDATION

Board authorize WAC representative to vote in favor of the 2025 Water Supply Agreement between Sonoma Water and Marin Water at the August 4, 2025 WAC Meeting.

ATTACHMENTS:

- 1. Marin Water Summary Memorandum, May 2, 2025
- 2. 2025 Draft Agreement Sonoma Water Marin Water



DATE: May 2, 2025

TO: Ben Horenstein, Marin Water General Manager

FROM: Molly MacLean, Marin Water General Counsel

Paul Sellier, Marin Water - Water Resources Director

SUBJECT: Review of Proposed Changes to the Sonoma Water – Marin Municipal

Water District Water Supply Agreement

EXECUTIVE SUMMARY

The purpose of this memorandum is to provide an evaluation of the proposed draft Amended and Restated Water Supply Agreement ("Draft Agreement") between the Marin Municipal Water District ("Marin Water" or "District") and the Sonoma County Water Agency ("Sonoma Water" or "Agency") in comparison to the current agreement for water supply between the Marin Water and the Sonoma Water entered into in 2015. The District currently obtains wholesale water supplies from Sonoma Water pursuant to the 2015 Renewal of the Third Amended Offpeak Water Supply Agreement and the Amended Agreement for the Sale of Water between the Sonoma County Water Agency and Marin Municipal Water District ("2015 Renewal Agreement"). The 2015 Renewal Agreement took effect July 1, 2015, with a ten-year term that expires on June 30, 2025. Exhibit A to the 2015 Renewal Agreement is the Fourth Amended Offpeak Water Supply Agreement ("Offpeak Agreement"), while Exhibit B is titled Amendments to Amended Agreement for the sale of Water between Sonoma County water Agency and Marin Municipal Water District ("Water Sale Agreement"). Additional details of each of these can be found in the attached Background.

In advance of the 2015 Renewal Agreement's expiration, District staff met with Sonoma Water staff to discuss the extension of the 2015 Renewal Agreement. Although initial discussions focused on extension (or, renewal without amendments), subsequent discussions landed on a proposed amended and restated agreement that would provide a more clear, single agreement, which would also eliminate or change certain provisions of the 2015 Renewal Agreement that do not serve either party's interests under current conditions.

The Draft Agreement, though restated into a single, comprehensive agreement, pulls forward most of the provisions of the 2015 Renewal Agreement, with the exception of the following key provisions:

New lump sum payment by Marin Water for regional water resiliency projects.

- Addition of a roll over provision to address Sonoma Water's inability to deliver the 5,300 acre feet of minimum take-or-pay water in any given year, which would allow the District to pay for any remaining undelivered balance and take that balance in the following fiscal year, subject to availability;
- Elimination of the ramp-up/ramp-down provision that limited Marin Water's water purchases based on prior year water purchase amounts;
- Simplification and revision to the delivery caps, eliminating seasonal acre foot limitations and revising the caps on gallons per day deliveries to Marin Water;
- Elimination of provisions regarding a new segment of aqueduct parallel to the Petaluma line, but including added mention of Marin Water's consideration of a new aqueduct from the North Marin Aqueduct to Nicasio and/or Soulajule Reservoirs¹;
- The Term of the Draft Agreement runs for fifteen (15) years, as opposed to the ten (10) year term of the 2015 Renewal Agreement; and
- Renewal provision includes Sonoma Water's statement of support for Marin Water's participation in discussions regarding the extension or renewal of the 2006 Restructured Agreement

Despite these changes, however, the 14,300 AFY water quantity remains unchanged, the 5,300 annual minimum take-or-pay amount remains unchanged, and the transmission system capacity requirements and water shortage allocation approaches remain unchanged. Meaning that the operation of the Draft Agreement will continue the prioritization of transmission system capacity in favor of the Water Contractors² under the 2006 Restructured Agreement for Water Supply between Sonoma Water and the Water Contractors ("2006 Restructured Agreement") and will continue the same allocation of water supplies among the Water Contractors and Marin Water.

EVALUATION OF PROPOSED 2025 DRAFT AGREEMENT

The remainder of this memorandum sets forth key provisions of the proposed 2025 Draft Agreement and evaluates them in comparison to the 2015 Renewal Agreement and includes a review for consistency with the 2006 Restructured Agreement between Sonoma Water and its Water Contractors.³

Proposed 2025 Draft Agreement Versus 2015 Renewal Agreement

Recitals: Compared to the 2015 Renewal Agreement, the proposed 2025 Draft Agreement includes the same or similar recitals but also includes additional recitals providing a more detailed background on Sonoma Water's role in developing and paying for the Russian River Project. The more fulsome recitals trace the evolution of Marin Water's agreements with

¹ The Atmospheric River Capture Project has not been approved and is only in early stages of design and environmental review.

² "Water Contractors" means the City of Cotati, City of Petaluma, City of Rohnert Park, City of Santa Rosa, City of Sonoma, North Marin Water District, Valley of the Moon Water District, and Town of Windsor.

³ Capitalized terms not otherwise defined herein, including in Exhibit A, have the meaning ascribed in the Draft Agreement.

Sonoma Water, including documenting the three lump-sum payments made by the District to Sonoma Water totaling \$9,331,949 for parity with the investment made by the Water Contractors in the Russian River System and to secure the District's 14,300 AFY of firm Agency water supply.

Water Amount and Delivery Rates: The Draft Agreement's 14,300 acre feet per year ("AFY") amount and 5,300 AFY minimum take-or-pay amount remain unchanged. The Draft Agreement would eliminate the 2015 Renewal Agreement's mechanisms for ratcheting each year's water availability up or down based on the amount of water delivered to Marin Water the prior year. (Compare 2025 Draft Agreement § 3 at pp. 9-10 to 2015 Water Sale Agreement § 4(a)-(b) at pp. 10-11.) In most years the availability of water and of Transmission System capacity have served as the practical limit on the District's ability to take Agency water to the extent requested by Marin Water.

The 2015 Renewal Agreement also imposes certain maximum delivery rates on the District that would be simplified and revised by the proposed Draft Agreement. Specifically, the Offpeak Agreement states deliveries to the District may not exceed 760 AF per month, and for the five-month period May 1 through September 30 may not exceed 360 AF per month without the prior consent of Sonoma Water, while the total quantity delivered during this five-month period may not exceed 1,800 AF, (Offpeak Agreement § 1 at pp. 3-4). The Water Sale Agreement augments these provisions and allows additional deliveries, which vary by season and based on prior year deliveries. The 2006 Restructured Agreement currently limits the District's delivery rate to 12.8 MGD between May 1 and October 31. (Restructured Agreement § 3.12 at p. 35.) In practice, the availability of water and of Transmission System capacity have served as the actual limit on the District's ability to take Agency water requested by the District.

The Draft Agreement instead proposes to establish new delivery caps, specifically the Draft Agreement would limit deliveries during the months of May through October to 12.8 mgd and limit deliveries to Marin Water during the months of November through March to 25 mgd. The proposed Draft Agreement would continue to consider Transmission System capacity in that it provides that: "Sonoma Water shall deliver water at the requested rate to [the District] only to the extent that the Transmission System has capacity in excess of that required by Sonoma Water to supply the Water Contractors, but not less than 5,300 acre feet per fiscal year." (Draft Agreement § 3(b).) This approach is similar to the one applied to Marin Water in the 2006 Restructured Agreement, which states Sonoma Water "may deliver water to Marin Municipal when and to the extent that the Transmission System has capacity in excess of that required by Agency to supply its Regular Customers the[ir] Entitlements" (Restructured Agreement § 3.12 at p. 35; id. § 3.5(b)(2) at pp. 30-31 [allocating Transmission System capacity during temporary impairment].)

The Draft Agreement also contains a new provision that would allow the District, in the event of inability to deliver water to Marin Water, to pay for the 5,300 AF minimum take or pay amount and roll any undelivered portion of that 5,300 AF into the following fiscal year, if Sonoma Water determines that water is then available. Marin Water shall be required to take or pay for 5,300 AF each fiscal year and Marin Water shall take delivery of any amount undelivered amount rolled over into storage in addition to the 5,300 AF minimum take or pay in the following fiscal year. This provision was added to address situations like the slide impacting the North Marin Aqueduct in 2023 where Marin Water was unable to receive its minimum take-or-pay allotment.

Water Shortage Allocation: The proposed Draft Agreement's Section 4 shortage provisions would first allocate health and safety water to Sonoma Water's Regular Customers, Russian

River Customers, and Marin Water, after considering other potable water sources available to each customer, and then allocate any additional supply to the same entities in proportion to their respective contract amounts. (Draft Agreement § 3(a) at p. 9.) These provisions are unchanged from those water-shortage provisions in the 2015 Renewal Agreement, (Offpeak Agreement § 4 at pp. 5-7; Water Sale Agreement § 8 at p. 17). Water allocation during a shortage is critically important to all Sonoma Water's water service customers, and this provision would continue the same allocation and curtailment process currently in place, consistent with the Restructured Agreement.

Payment: The proposed payments in the Draft Agreement are unchanged from those in the 2015 Renewal Agreement, with the sole exception of the lump sum payment for regional water resiliency projects from Marin Water to Sonoma Water. (Draft Agreement § 5.) The Draft Agreement details how revenue from the District's payments is to be allocated among specified Agency fund accounts. (*Ibid.*) The Draft Agreement would continue to impose a per-acre-foot Russian River Conservation Charge and Russian River Projects Charge (the latter not to exceed \$20 per AF) — both in lieu of property taxes levied on property in Sonoma County. (*Id.*) The Draft Agreement applies the take-or-pay approach for the 5,300 AFY. (*Ibid.*)

Transmission System Capacity: The 2015 Renewal Agreement's Offpeak and Water Sale agreements acknowledge that, as of 2015, Sonoma Water had "excess capacity" in its Transmission System to meet the District's delivery requests for its existing contract water amounts but anticipated that more capacity might be needed in the future. To that end, the Offpeak Agreement explains:

... Marin acknowledges that priorities of use of delivery capacity in Agency's facilities have been allocated to others who are not parties to this Offpeak Agreement, and that capacity to make deliveries of water to Marin at the rates in Section 1 of this Offpeak Agreement may not always be available to Agency. ... If [Agency's annual] reports indicate that delivery capacity is insufficient, or soon will be insufficient, to provide deliveries at the rates specified in Section 1 of this Offpeak Agreement, then Agency shall use its best efforts to secure an alternative means, solely at Marin's expense, to accomplish the purposes of this Offpeak Agreement.

(Offpeak Agreement § 4 at p. 7.)

The Water Sale Agreement explains:

At the present time and under normal circumstances, the Transmission System has excess capacity that may be used by Agency to supply District with water pursuant to this Water Sale Agreement. In order for the Transmission System in the future to continue to have such excess capacity under normal circumstances, Agency will need to construct elements of a new aqueduct from the Russian River to the Ely Pumping Plant, roughly paralleling portions of the existing Cotati Intertie and Petaluma Aqueduct, at an earlier date than would be necessary absent this Water Sale Agreement, and Agency will need to construct a new aqueduct from the Ely Pumping Plant to Kastania

Reservoir, roughly paralleling portions of the existing Petaluma Aqueduct, which would not be necessary absent this Water Sale Agreement.

(Water Sale Agreement Recital O at p. 5.)

Section 13 of the Water Sale Agreement provides:

If Agency initiates construction of a new aqueduct roughly paralleling the portion of the existing Petaluma Aqueduct that extends from the junction of that aqueduct and the Cotati Intertie to the Ely Pumping Plant, then District may make a written request to Agency, requesting Agency to construct at District's expense an aqueduct roughly paralleling the portion of the existing Petaluma Aqueduct that extends from the Ely Pumping Plant to Kastania Reservoir, with sufficient capacity to meet the maximum delivery limits specified in Section 2 of this Water Sale Agreement and the maximum delivery limit specified in the Offpeak Agreement, taking into account surplus capacity in that portion of the existing Petaluma Aqueduct.

(Id. § 13 at p. 23.)

As of 2025, the new delivery capacity described above has not been added to Sonoma Water's Transmission System as additional capacity was not required to meet Marin Water's supply needs. The Draft Agreement would omit any reference to the earlier approach of expanding delivery capacity in parallel with the Petaluma Aqueduct from the Ely Pumping Plant to Kastania Reservoir.

The Draft Agreement does acknowledge that the District is investigating the potential to build a pipeline connecting the existing Transmission System to the District's Nicasio or Soulajule reservoirs, ⁴ so that the District may store Agency water there for later recovery and use to help meet Marin Water service area demand during dry years. To that end, section 6 of the 2025 Draft Agreement provides:

Sonoma Water acknowledges that [the District] is evaluating the feasibility and efficacy of constructing, at [the District's] sole cost and expense, a new aqueduct from the existing North Marin Aqueduct to [the District's] Nicasio and/or Soulajule Reservoirs to enhance water resiliency and reliability consistent with long term planning for the Russian River Project. [The District] will continue to actively communicate with Sonoma Water regarding project design and development and Sonoma Water, if requested by [the District], will provide available information and data necessary to project planning and assessment of project benefits and impacts.

(2025 Draft Agreement § 6.)

⁴ The Atmospheric River Capture Project has not been approved and is only in early stages of design and environmental review.

Despite this provision, however, the 14,300 AFY water quantity remains unchanged, the 5,300 AFY take-or-pay amount remains unchanged, and the Transmission System capacity requirements and water shortage allocation approaches remain unchanged. Meaning that, even if this project is developed at some future date, the provision of water to this project would continue to be subject to the constraints set forth in the Draft Agreement and allocation of water among the Water Contractors.

Support for SCWA Water Right Changes: The Draft Agreement's Section 7 says the District acknowledges that the 75,000-AFY limit on Sonoma Water's water rights prevents full use of the Russian River Project's water supply yield, that Sonoma Water has previously filed applications and petitions asking the State Water Resources Control Board ("State Board") to increase the limit to provide water to Sonoma Water customers and to modify instream fish-flow requirements in response to federal fish-protection mandates or hydrologic conditions. (Draft Agreement § 7.) The Draft Agreement says "[the District] recognizes and agrees that it will be in the public interest for the State Board to grant such petitions and applications." (Ibid.) A similar provision is include in the Water Sale Agreement (Water Sale Agreement, § 17).

Waiver and Indemnity: The Draft Agreement's Section 8 waivers and indemnity in favor of Sonoma Water are essentially the same as those in the 2015 Renewal Agreement. (*Compare* Sale of Water Agreement § 21 to Draft Agreement § 8).

Term; Renewal: The 2015 Renewal Agreement had a ten-year term with renewal rights. (Offpeak Agreement § 7 at p. 12 and Water Sale Agreement §18 at p. 26) The Draft Agreement proposes a 15 year term, to June 30, 2040, with similar rights of renewal, but also includes recognition of the concurrent expiration of the 2006 Restructure Agreement, and provides that "Sonoma Water agrees to advocate to include MMWD in any discussions related to any renewal or extension of the Restructured Agreement". (Draft Agreement § 13)

Water Quality: The Draft Agreement's Section 10 would require Sonoma Water to deliver water to Marin Water that has the same quality as water delivered through the Transmission System to the Water Contractors *and* that complies with California drinking water standards. That would improve upon the water quality language in the Water Sale Agreement, which omits any reference to drinking water standards. (Water Sale Agreement § 22 at p. 29.)

COMPARISON TABLE

The following table sets forth a comparison of key provisions of the Draft Agreement relative to the 2015 Renewal Agreement, as well as how these provisions relate to the 2006 Restructured Agreement for Water Supply.

Key Provision	2025 Draft Agreement	2015 Renewa <u>l</u> <u>Agreement</u>	2006 Restructured Agreement
Total Water Amount:	14,300 AFY	14,300 AFY	Consistent
Take-or- Pay Amount:	5,300 AFY	5,300 AFY	Consistent
Annual Ramp-up:	No	Yes	Silent/Consistent

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Water Shortage Allocation

Priorities: Yes Yes Consistent

Transmission
System
Capacity
Allocation
Priorities:

Priorities: Yes Yes Consistent

Yes

Payment @ 111% of highest Petaluma/ Santa Rosa Aqueduct Charge:

Reference to Potential New

Aqueduct: To Nicasio/Soulajule Parallel to Petaluma N/A

Aqueduct

Yes

Consistent

MMWD Support SCWA Water

Right Changes: Yes Yes, Offpeak Silent

Agreement

MMWD Waiver, Yes Yes, Water Sale Similar to Water

indemnity: Agreement Agreement

Renewal: Yes Yes Consistent

BACKGROUND

Since 1975, Marin Municipal Water District ("Marin Water" or "District") has entered into a series of contracts to import wholesale water supplies from Sonoma County Water Agency ("Sonoma Water" or "Agency"). The District uses the imported Sonoma Water supplies to supplement the water supplies developed by the District's local reservoirs to provide retail public water service within Marin Water's sphere of influence. From 2015 through 2020, about 77 percent of MMWD's average annual water supply originated from its local reservoirs, while about 23 percent was imported from Sonoma Water.

The District currently obtains wholesale water supplies from Sonoma Water pursuant to the 2015 Renewal of the Third Amended Offpeak Water Supply Agreement and the Amended Agreement for the Sale of Water between the Sonoma County Water Agency and Marin Municipal Water District ("2015 Renewal Agreement"). The 2015 Renewal Agreement took effect July 1, 2015, with a ten-year term that expires on June 30, 2025. Exhibit A to the 2015 Renewal Agreement is the Fourth Amended Offpeak Water Supply Agreement ("Offpeak Agreement"), while Exhibit B is titled Amendments to Amended Agreement for the sale of Water between Sonoma County water Agency and Marin Municipal Water District ("Water Sale Agreement").

2015 Renewal Agreement

As stated above, the 2015 Renewal Agreement is comprised of two separate components, the Offpeak Agreement, which evolved from the initial series of agreements between the District and Sonoma Water, and the Water Sale Agreement, which augments the Offpeak Agreement. In 1996, these two agreements were incorporated into one, the Supplemental Water Supply Agreement, which was renewed and extended pursuant to the current 2015 Renewal Agreement.

1. Exhibit A - Offpeak Agreement

The 2015 Renewal Agreement's Exhibit A - Offpeak Agreement provides that Sonoma Water shall deliver to Marin Water up to 4,300 acre-feet per year ("AFY") of water at delivery rates not to exceed 760 AF per month. (Renewal Agreement, Exhibit A, § 1 at p. 3.) For the five-month period May 1 through September 30, the delivery rate shall not exceed 360 AF per month without the prior consent of Sonoma Water, and the total quantity delivered during this period shall not exceed 1,800 AF. (*Id.* at pp. 3-4.)

The Offpeak Agreement's Section 3 requires the District to pay Sonoma Water for at least 4,300 AFY of water, regardless of whether the District actually requests or receives this amount (commonly called a "take-or-pay" amount). (*Id.* § 3 at p. 5.)

The Offpeak Agreement's Section 2 requires the District to pay for water at a rate of 111 percent of the highest rate that Sonoma Water's primary wholesale water contractors pay for Agency water they take from the Petaluma Aqueduct or Santa Rosa Aqueduct. (*Id.* § 2 at p. 4.) Section 5 requires the District to pay a Russian River Conservation Charge and a Russian River Projects Charge. (*Id.* § 5(a)-(b) at pp. 9-10.)

The Offpeak Agreement's Section 4 provides that the District shall release stored water from lakes Mendocino or Sonoma when needed to meet Sonoma Water's delivery obligations to Marin Water. (*Id.* § 4 at p. 5.) Section 4 describes how Sonoma Water will allocate available water among competing customers during a shortage caused by factors outside the Agency's control:

- First, health-and-safety deliveries to Marin Water and Sonoma Water's "regular customers" and "Russian River customers" based on quantities required for human consumption, sanitation, and fire protection in consideration of other potable water sources available to each such customer; and
- Second, additional water beyond health-and-safety deliveries is allocated to regular customers, Russian River Customers, and Marin Water in proportion to each customer's respective contract quantity, but not to exceed specified average monthly delivery rates or each customer's contract amount or reasonable need.

The Offpeak Agreement's Section 4 also allocates capacity in the Agency's Transmission System. With respect to Marin Water, Section 4 provides in part:

Agency shall make all reasonable efforts to deliver water to Marin at Kastania Reservoir or at North Marin's meter, as specified in Section 1 of this Offpeak Agreement, using all facilities available to Agency. However, Marin acknowledges that priorities of use of delivery capacity in Agency's facilities have been allocated to others who are not parties to this Offpeak Agreement, and that capacity to make deliveries of water to Marin at the rates in Section 1 of this Offpeak Agreement may not always be available to Agency.

(Id. at p. 7.)

If Transmission System capacity is limited for reasons beyond Sonoma Water's control, the available capacity is generally allocated as follows:

• First, capacity for health-and-safety deliveries first goes to Sonoma Water's Regular Customers;

⁵ "Regular Customers" collectively means "Water Contractors" and "Other Customers." "Water Contractors" means the City of Cotati, City of Petaluma, City of Rohnert Park, City of Santa Rosa, City of Sonoma, North Marin Water District, Valley of the Moon Water District, and Town of Windsor. "Other Customers" means Sonoma Water, the County of Sonoma, California American Water Company (with respect to the Larkfield Water District), Forestville Water District, Lawndale Mutual Water Company, Kenwood Village Water Company, Penngrove Water Company, the City of Sebastopol, the State of California, and Santa Rosa Junior College. (Offpeak Agreement § 4 at p. 9 [incorporating definitions from 2006 Restructured Agreement]; 2006 Restructured Agreement § 1.2(g)(5) at p. 3 [defining "Regular Customer"]; *id.* § 1.2(g)(1) at p. 2 [defining "Water Contractor"]; *id.* § 1.2(g)(2) at p. 3 [defining "Other Agency Customer"].)

⁶ "Russian River Customer" means any Sonoma Water customer within Sonoma County who has or in the future will have contracts with Sonoma Water to divert or redivert water directly from the Russian River or Dry Creek without the use of the Transmission System." (2006 Restructured Agreement § 1.2(gg) at p. 7.)

- Second, additional capacity is allocated to Regular Customers in proportion to their respective contract amounts, but not to exceed their reasonable needs;
- Third, additional capacity is allocated to Regular Customers in excess of their entitlements, but subject to certain limits;
- Fourth, additional capacity is allocated to Marin Water;
- Fifth, additional capacity is allocated to deliver surplus water to the Water Contractors;
- Sixth, additional capacity is allocated to deliver surplus water to Other Customers.

(Id. at p. 8.)

The Offpeak Agreement's Section 6 states that the water provided to the District here is in addition to the water provided under the Sale of Water Agreement (Exhibit B to the 2015 Renewal Agreement, which is described below).

The Offpeak Agreement's Section 7 says its term starts July 1, 2015, and remains effective until June 30, 2025, and that the District has the following right to renew:

Upon the request of Marin, Agency agrees to enter into renewal agreements for periods not to exceed the then-existing term of the Restructured Agreement for Water Supply or any renewals, amendments or replacement agreements to the Restructured Agreement for Water Supply upon the same terms and conditions contained in this Offpeak Agreement, except that the Agency may make reasonable adjustments to the charges under Section 5 ...

(Id. § 7 at p. 12.)

2. Exhibit B Sale of Water Agreement

The 2015 Renewal Agreement's Exhibit B Water Sale Agreement provides that Sonoma Water shall deliver to the District up to 10,000 AFY or the District's "Maximum Delivery Limit." (Water Sale Agreement § 3 at pp. 9-10.) the District's Maximum Delivery Limit started at 5,000 AFY in 1995 and could be increased in a following year by up to 1,000 AFY by Marin Water taking or paying for at least 90 percent of its then-current limit in any year. (*Id.* § 4(a), which is referred to as the "ramp-up".) The District's Maximum Delivery Limit may be decreased by the District not taking at least 90 percent of its then-current limit in any year in which sufficient Agency water supply and Transmission System capacity were available. (*Id.* § 4(b).)

The Water Sale Agreement's Section 5 allows the District to pay Sonoma Water in lieu of taking delivery of water to prevent any reduction in the District's Maximum Delivery Limit for the next year. (*Id.* § 5 at p. 11.) Section 5 essentially requires the District to take or pay for 1,000 AFY of water, under the Water Sale Agreement, (*ibid.*), which creates a total combined take-or-pay obligation of 5,300 AFY under the Offpeak Agreement and Water Sale Agreement.

Consistent with Section 2 of the Offpeak Agreement, the Water Sale Agreement's Section 10 requires Marin Water to pay for water at a rate of 111 percent of the highest rate of Sonoma Water's primary wholesale water contractors pay for Agency water they take from the Petaluma

Aqueduct or Santa Rosa Aqueduct. (*Id.* § 10(a) at p. 18.) Section 10 requires the District to pay a Russian River Conservation Charge and a Russian River Projects Charge. (*Id.* § 10(b)-(c) at pp. 19-20.) Section 10 requires additional payments when the amount of water Sonoma Water delivers to the District and the amount of water for which the District has made payments in lieu of delivery is less than the 10,000 AFY of firm water supply for which the District made lumpsum firming payments pursuant to Section 8 of the Water Sale Agreement. (*Id.* § 10(c)-(e).)

Consistent with Section 4 of the Offpeak Agreement, the Water Sale Agreement's Section 8 provides that Sonoma Water shall release stored water from lakes Mendocino or Sonoma when needed to meet Sonoma Water's delivery obligations to Marin Water. (*Id.* § 8(d)-(e) at pp. 12-14.)

The Water Sale Agreement's Section 8 uses the same priority principles as the Offpeak Agreement to allocate available Agency water among competing customers during a shortage caused by factors outside Sonoma Water's control:

- First, health-and-safety deliveries to Marin Water and Sonoma Water's "regular customers" based on quantities required for human consumption, sanitation, and fire protection in consideration of other potable water sources available to each such customer; and
- Second, additional water beyond health-and-safety deliveries is allocated to regular customers, Russian River Customers, and Marin Water in proportion to each customer's respective contract quantity, but not to exceed specified average monthly delivery rates or each customer's contract amount or reasonable need.

(Id. § 8 at p. 17.)

In practice, any curtailments under the 2015 Renewal Agreement rely on the water shortage methodology employed by Sonoma Water with respect to all Water Contractors and Marin Water.

The Water Sale Agreement's Section 2 states that the first 360 AF of water the District receives from Sonoma Water in any month shall be accounted for as being received pursuant to the Offpeak agreement. (*Id.* § 2 at p. 9.) Further, the District may not receive any water under the Water Sale Agreement in any month unless (1) the District already has received in that month at least 360 AF pursuant to the Offpeak Agreement, or (2) the District already has received in that year the maximum amount of water allowed by the Offpeak Agreement. (*Ibid.*)

The Water Sale Agreement's Section 9 allocates capacity in the Agency's Transmission System, stating:

... Agency shall be obligated to release water from storage or deliver water to District pursuant to this Water Sale Agreement only to the extent that the Transmission System has capacity in excess of that required by Agency to supply all of its Other

⁷ Consistent with the Offpeak Agreement, the Water Sale Agreement defines "regular customers" consistent with the 2006 Restructured Agreement. (*Id.* § 8(f) at p. 17; see, supra, note 1 [defining "Regular Customers"].)

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Customers and Contractors, and District under the Offpeak Agreement.

(*Id.* § 9 at p. 17.) The Water Sale Agreement's Section 1 defines "Other Customers and Contractors" to mean:

... the North Marin Water District and all present and future Agency customers within Sonoma County, including all entities within Sonoma County that receive or will receive water from the Transmission System or other water conveyance facilities, and all entities within Sonoma County that divert or will divert water purchased from Agency directly from the Russian River or Dry Creek.

(Id. § 1(d) at p. 6.)

The Water Sale Agreement's Section 18 says its term starts July 1, 2015, and remains effective until June 30, 2025, and that Marin Water has the following right to renew:

Upon the request of District, Agency shall enter into renewal agreements for periods not to exceed the then-existing term of the Restructured Agreement for Water Supply or any renewals, amendments or replacement agreements to the Restructured Agreement for Water Supply upon the same terms and conditions contained in this Water Sale Agreement, except that the Agency may make reasonable adjustments to the charges under Section 10

(Id. § 18 at p. 26.)

DRAFT May 2, 2025

Amended and Restated Water Supply Agreement by and between The Marin Municipal Water District and The Sonoma County Water Agency

Amended and Restated Water Supply Agreement

by and between

The Marin Municipal Water District

and

The Sonoma County Water Agency

This Amended and Restated Water Supply Agreement ("Agreement") is made by and between the Marin Municipal Water District ("MMWD") and the Sonoma County Water Agency ("Sonoma Water") (each referred to individually as "Party" and collectively as "Parties") and is effective as of _______, 2025

Section 1: Recitals.

- A) Sonoma Water was formed and operates pursuant to Appendix 53 of the California Water Code, which authorizes Sonoma Water to enter into contracts to provide a firm supply of water within or outside of Sonoma Water's jurisdictional boundaries to any municipal corporation or agency (Water Code Appendix 53-9).
- B) MMWD was formed and operates pursuant to the Municipal Water District Act of 1911, which authorizes MMWD to acquire and distribute water for the beneficial use of its residents (Cal. Water Code § 71610).
- C) Sonoma Water entered into contracts with the United States Government to secure the construction of Coyote Valley Dam on the east fork of the Russian River and Warm Springs Dam on Dry Creek (hereafter "Russian River Project").
- D) The Coyote Valley Project was authorized by the Flood Control Act of 1950 (Pub. L. No. 81-516) and was completed by the U. S. Army Corps of Engineers in 1958. This component of the Russian River Project includes the impoundment of Lake Mendocino, which has a capacity of 122,500 acre feet of which between 64,800 acre feet and 111,000 acre feet, depending on the time of year, is allocated to storage for water supply.

- E) In 1955, Sonoma Water (then called the "Sonoma County Flood Control and Water Conservation District") sold general obligation bonds to raise \$5,650,000, which it paid to the United States for the reimbursable costs of the water-storage element of the Coyote Valley Project. Parts of the property taxes paid since 1955 by taxpayers within Sonoma County have been used to make payments on these bond obligations and to fulfill other obligations to the United States Government for the Russian River Project.
- F) The Warm Springs Dam Project was authorized by the Flood Control Act of 1962 (Pub. L. No. 87-874) and was completed by the U.S. Army Corps of Engineers in 1984. This component of the Russian River Project includes the impoundment of Lake Sonoma, which has a capacity of 381,000 acre feet, of which 245,000 acre feet is allocated to storage for water supply.
- G) Sonoma Water contracted with the United States to make annual payments to the U.S. for portions of the construction, operation, maintenance, major-replacement and major-rehabilitation costs of the Warm Springs Dam Project. Parts of the property taxes paid since 1971, including future taxes to be paid, by taxpayers within Sonoma County have been paid into a sinking fund that was established to fund Sonoma Water's payment obligations, and to fulfill other obligations, to the United States Government for the Russian River Project.
- H) In October 1974, Sonoma Water entered into a contract with the cities of Cotati, Petaluma, Rohnert Park, Santa Rosa and Sonoma, the Forestville County Water District, the Valley of the Moon Water District, and the North Marin Water District entitled "Agreement for Water Supply and Construction of Russian River-Cotati Intertie Project", which was last amended June 23, 2006 (hereafter the "Restructured Agreement for Water Supply").
- I) The Restructured Agreement for Water Supply authorizes the use of certain water transmission facilities (hereinafter "Transmission System") for the purpose of Sonoma Water delivering water to MMWD, under prescribed terms and conditions, water which is available in the Russian

River and the Santa Rosa Plain groundwater wells.

- J) On July 3, 1975, Sonoma Water and MMWD entered into an agreement entitled "Offpeak Water Supply Agreement", which provides for Sonoma Water to deliver up to 4,300 acre feet of water per fiscal year, subject to specified terms and conditions, which Offpeak Water Supply Agreement was amended on August 28, 1984, on May 3, 1988, and on January 25, 1995. On October 22, 1991, Sonoma Water and MMWD entered into an agreement entitled the "Agreement for Sale of Water between the Sonoma County Water Agency and the Marin Municipal Water District" for the delivery of up to 10,000 acre feet of water per fiscal year from Sonoma Water to MMWD, under prescribed terms and conditions. On January 25, 1996, Sonoma Water and MMWD entered into a "Supplemental Water Supply Agreement", which amended and incorporated the "Third Offpeak Water Supply Agreement" as Exhibit A thereto and the "Amended Agreement for Sale of Water between the Sonoma County Water Agency and the Marin Municipal Water District" as Exhibit B thereto, which Supplemental Water Supply Agreement was renewed and extended pursuant to the "Renewal of the Third Amended Offpeak Water Supply Agreement and the Amended Agreement for the Sale of Water between the Sonoma County Water Agency and Marin Municipal Water District" effective July 1, 2015 through June 30, 2025 (hereinafter the "2015 Renewal Agreement").
- K) Pursuant to the Restructured Agreement for Water Supply and the Off Peak Water Supply Agreement, the North Marin Water District and MMWD, respectively, have paid Sonoma Water a Russian River Conservation Charge, the proceeds of which have been paid into the sinking fund established to fund Sonoma Water's obligations to the United States for the Russian River Project, as described in Recitals E and G above.
- L) Sonoma Water currently utilizes the Transmission System to supply water to the Water Contractors under the Restructured Agreement for Water Supply, as well as Other Agency Customers under other agreements. Payments by the Water Contractors under the Restructured Agreement for Water Supply were and are being used to fund payments on the bonds sold to finance the construction of, and upgrades to, the Transmission

System and to directly fund the construction of parts of the Transmission System. Other customers of Sonoma Water divert water directly from the Russian River.

- M) In June 1980, Sonoma Water certified its final environmental impact report on Proposed Amendments of Permits on Applications 12919A, 15736, 15737 and 19351. In July 1984, Sonoma Water certified its supplemental environmental impact report covering Proposed Coordinated Use of the Water Supply of Lake Mendocino and Lake Sonoma, Russian River Project. On November 14, 1990, MMWD certified its Water Supply Plan Program Final Environmental Impact Report. On September 24, 1991, MMWD certified its Water Supply Project Final Environmental Impact Report. These reports together satisfy the requirements of the California Environmental Quality Act (Pub. Res. Code § 21000, et seq.) for ongoing water sales pursuant to this Agreement.
- N) Sonoma Water holds Water Right Permits 12947A, 12949, 12950 and 16596, which were issued by the State Water Resources Control Board and its predecessors pursuant to Applications 12919A, 12920A, 15736, 15737 and 19351, which Permits authorize Sonoma Water to divert Russian River water and to redivert water previously stored in Lake Mendocino and Lake Sonoma, subject to specific terms and conditions.
- O) Recital E. in the Supplemental Agreement recognized that one of the reasons for that agreement was "to accommodate the Agency's [Sonoma Water] efforts to attempt to ensure a continuation of Pacific Gas and Electric Company's historic diversions of Eel River water to the Russian River and to increase the reliability of the water supply deliverable to [MMWD]." The need to ensure the continuation of such flows for the benefit of all of Sonoma Water's Water Contractors was heightened by the amendments made by the Federal Energy Regulatory Commission in 2004 to Pacific Gas & Electric Company's (PG&E) license for the Potter Valley Project, which reduced such flows and subsequently by PG&E's decision to pursue surrender of its license to operate the Potter Valley Project and propose its decommissioning. By entering into this Agreement, the parties recognize the ongoing importance of the continuation of flows from the Eel River to the Russian River for the benefit of all of Sonoma Water's customers.

- P) MMWD and Sonoma Water recognize the need for a regional approach to water supply, water conservation, fishery and water reuse issues.
- Q) In May 1984, June 1996 and June 2005, MMWD made payments to Sonoma Water of \$168,348, \$2,837,344 and \$6,326,257, respectively, and MMWD made the latter two payments pursuant to Section 8 of the Water Sale Agreement for the purpose of securing firm water, which lump sum payments represent a share of the Warm Springs Dam sinking fund and principal payments made to the United States Government by Sonoma Water for Lake Sonoma water storage space corresponding to a potential additional 10,000 acre feet per annum of the 75,000 acre feet per annum net firm yield of the Warm Springs Dam Project, which increased MMWD's total potential net yield of the Warm Springs Dam Project to 14,300 acre feet per fiscal year.
- R) Due to changes in circumstances since the Offpeak Agreement and the Water Sale Agreement were agreed upon, some provisions are no longer relevant and impose obligations and procedures on MMWD and Sonoma Water that are no longer necessary and provide undue burden to the Parties. The Parties wish to update the agreements and consolidate them into one document for ease of use. As of the effective date of this Agreement, this Agreement will replace all prior water sales agreements between Sonoma Water and MMWD including the 2015 Renewal Agreement.

Now, therefore, in consideration of the foregoing recitals, which are incorporated herein and made part of this Agreement, and of the prior agreements between the parties, and of the promises made herein, MMWD and Sonoma Water agree as follows:

Section 2: Definitions.

When used in this Agreement, unless otherwise distinctly expressed or manifestly incompatible with the intent of this Agreement, capitalized terms shall have the meanings set forth below or, if not defined below, the meanings set forth in the Restructured Agreement for Water Supply:

(a) "Sonoma Water" means the Sonoma County Water Agency or any DRAFT, May 28, 2025 -- Page 5

successor thereto.

- (b) "Sonoma Water's Water Rights Permits" means water rights permits 12947A, 12949, 12950 and 16596, which the State Water Resources Control Board and its predecessors issued to Sonoma Water pursuant to Applications 12919A and 12920A, 15736, 15737 and 19351, as such permits now exist or in the future may exist (including any licenses that may be issued to replace these permits).
- (c) "Agreement" means this Amended and Restated Water Supply Agreement.
- (d) "Fiscal Year" means the financial accounting year beginning on July 1 and ending on June 30.
- (e) "MMWD" means the Marin Municipal Water District or any successor thereto.
- (f) "Potter Valley Project" means the hydroelectric project owned and operated by the Pacific Gas and Electric Company and licensed by the Federal Energy Regulatory Commission as Project No. P-77.
- (g) "Other Agency Customers" means Sonoma Water, the County of Sonoma, California American Water Company (with respect to the Larkfield Water District), Forestville Water District, Lawndale Mutual Water Company Kenwood Village Water Company, Penngrove Water Company, the City of Sebastopol, the State of California, and Santa Rosa Junior College.
- (h) "Regular Customers" means any of the Water Contractors or Other Customers.
- (i) "Restructured Agreement for Water Supply" means the Restructured Agreement for Water Supply between Sonoma Water

and the Cities of Cotati, Petaluma, Santa Rosa, Rohnert Park, and Sonoma, the Town of Windsor, and Forestville, Valley of the Moon, and North Marin Water Districts, executed on June 23, 2006, and any amendments or successor agreements thereto.

- (j) "Russian River Conservation Charge" means the charge described in Section 5(b) of this Agreement.
- (k) "Russian River Projects Charge" means the charge described in Section 5(c) of this Agreement.
- (I) "Transmission System" means the water-supply facilities financed and constructed pursuant to the Restructured Agreement for Water Supply and its predecessor agreements.
- (m) "Water Contractor" means a party signatory to the Restructured Agreement for Water Supply executed on June 23, 2006, and any amendments or successor agreements thereto.

Section 3: Sonoma Water Delivery of Water to MMWD.

- (a) Subject to all of the terms and conditions of this Agreement, and subject to the provisions of the Restructured Agreement for Water Supply (as now existing or as may be amended in the future), MMWD may purchase water from Sonoma Water pursuant to this Agreement in any Fiscal Year in an amount not less than 5,300 acre feet but not to exceed 14,300 acre-feet.
- (b) Sonoma Water shall deliver water at the requested rate to MMWD only to the extent that water supply is available and the Transmission System has capacity in excess of that required by Sonoma Water to supply the Water Contractors, but not less than 5,300 acre feet per fiscal year.
- (c) In September each year, Sonoma Water and MMWD will meet to determine MMWD's likely water demand for the coming fiscal year and whether MMWD's potential water supply needs can likely be supported by anticipated Sonoma Water's water supply availability and Transmission System capacity. Notwithstanding the foregoing, the maximum delivery rate to MMWD shall be limited to 25 million gallons per day (MGD) during

the calendar months of January, February, March, April, November and December, and shall be limited to 12.8 mgd between the months of May through October. In the event that, in any given year, MMWD has a desire for a greater maximum mgd deliveries, MMWD may request the same from Sonoma Water and provided that there is sufficient Transmission System capacity and available water, Sonoma Water will not unreasonably withhold such additional deliveries to MMWD. MMWD agrees to provide written notice to all members of the Technical Advisory Committee, as that term is defined in the Restructured Agreement, of any such request by MMWD as well as the correspondent determination made by Sonoma Water.

- (d) All water furnished by Sonoma Water to MMWD hereunder shall be delivered at a separately metered turnout or through the North Marin Water District's metered turnout(s) at MMWD's option.
- (e) Water received by MMWD pursuant to this Agreement shall only be used within the sphere of influence (as such term is defined in section 56076 of the Government Code) of the MMWD.

Section 4: Shortage and Impairment.

Except as otherwise provided herein, Sonoma Water shall release water from storage in Lake Mendocino or Lake Sonoma when necessary to make available in the Russian River sufficient water to make the deliveries provided for herein. If by reason of drought, environmental laws or regulations, other causes beyond the control of Sonoma Water, a deficiency does occur, then Sonoma Water shall not be liable to MMWD for any damage resulting therefrom. In the event of an impairment of or limitation on the use or capacity of the Transmission System, or other facility that affects Sonoma Water's ability to deliver water to MMWD pursuant to this Agreement, by reason of natural disaster, sabotage, legal impediment or other cause beyond the control of Sonoma Water, Sonoma Water shall not be liable to MMWD for any damage arising therefrom, provided however, that in such event MMWD shall have the right to roll any remaining undelivered allotment below the minimum 5,300 acre feet minimum fiscal year requirement into the following Fiscal Year such that the minimum take for that year is the 5,300 AF minimum and the undelivered water from the prior fiscal year so long as MMWD pays for the full 5,300 acre feet at the end of the fiscal year in which it was to be delivered at the then current rates if Sonoma Water

reasonably determines that it has water available.

In the event of shortage of water in the Russian River or the Russian River Project that requires Sonoma Water to apportion available supply of water, Sonoma Water shall apportion the available water supply in accordance with the shortage and apportionment provisions in the Restructured Agreement section 3.5, so that it may make deliveries as follows:

- (a) First, Sonoma Water shall deliver to each of its Regular Customers, not in excess of the respective entitlements set forth in Sections 3.1, 3.2 and 3.3 of the Restructured Agreement for Water Supply or any amendments or successor agreements thereto, authorize Sonoma Water's Russian River customers to divert or redivert not in excess of the amounts for which those customers have contracted to purchase from Sonoma Water, and deliver water to MMWD not in excess of the amounts set forth in Section 3 of this Agreement, the quantities of water required by each for human consumption, sanitation and fire protection, as determined by Sonoma Water after taking into consideration all other sources of potable water then available to said customer;
- (b) Second, to the extent additional water is available to Sonoma Water, Sonoma Water shall deliver such water to Sonoma Water's Regular Customers, authorize Sonoma Water's Russian River customers, to divert or redivert such water and deliver such water to MMWD in proportion to the respective entitlements set forth in Section 3.1, 3.2 and 3.3 of the Restructured Agreement for Water Supply, or any amendment or successor agreements thereto, the agreements between Sonoma Water and its Russian River customers, and section 3 of this Agreement, provided, however, that no customer shall receive under subdivisions (a) and (b) hereof a total quantity of water in excess of its reasonable requirements or its said entitlement or contracted amount, whichever is less.

Section 5: Charges and Payment.

For all water delivered under this Agreement, MMWD shall pay Sonoma Water each of the following charges:

(a) A per-acre-foot charge equal to the highest rate per acre-foot then charged by Sonoma Water to any party to the Restructured Agreement for

Water Supply for water taken from either the Petaluma Aqueduct or the Santa Rosa Aqueduct, multiplied by 1.11; provided, however, that the 20% surcharge imposed on the Town of Windsor under Section 4.17(a) of the Restructured Agreement for Water Supply shall not be included in determining the highest rate per acre-foot for water taken from the Santa Rosa Aqueduct or Petaluma Aqueduct. Seven and four hundred thirty-two one-thousandths percent (7.432%) of this per-acre-foot charge shall be placed in the Russian River Projects Fund; two and four hundred seventy-seven thousandths percent (2.477%) of this per-acre-foot charge shall be used, at the discretion of Sonoma Water, to pay for the costs of Common Facilities, to pay the Capital Costs of Aqueduct Facilities relating to the Santa Rosa or Petaluma Aqueducts, or to pay operations and maintenance costs; and the remainder shall be applied pursuant to the Restructured Agreement for Water Supply, with the water delivered to MMWD considered to be delivered from the Petaluma Aqueduct.

- (b) A per-acre-foot Russian River Conservation Charge in lieu of the property taxes levied by Sonoma Water on property in Sonoma County, to pay the capital, operation and maintenance costs associated with the Warm Springs Dam Project and the Russian River Project. The charge shall be determined annually on or before April 30 preceding each September 30. The Russian River Conservation Charge shall be determined by multiplying the tax rate levied by Sonoma Water in the then current Fiscal Year to pay the costs associated with the Warm Springs Dam Project times the total assessed value of secured and unsecured property situated within the cities of Cotati, Petaluma, Rohnert Park, Santa Rosa and Sonoma, the Valley of the Moon Water District, and the Town of Windsor, and dividing the product by the total number of acre feet of water delivered to said public agencies pursuant to Section 3.1 and 3.3 of the Restructured Agreement for Water Supply, or any amendments or successor agreements thereto, during the twelve month period ending on March 31.
- (c) A per-acre-foot Russian River Projects Charge in lieu of the property taxes levied on property in Sonoma County and other Sonoma Water general fund monies which are transferred by Sonoma Water to Sonoma Water's Russian River Projects Fund and expended to pay for or partially pay for: (1) carrying out Sonoma Water's Coyote Valley Dam Project and Warm

Springs Dam Project channel-stabilization works obligations to the United States Government and the State of California under Sonoma Water Board of Directors Resolutions No. 6847 adopted May 24, 1955, No. 7798 adopted September 27, 1955, No. DR00793-1 adopted September 25, 1961 and Resolution No DR68485 adopted December 23, 1980; (2) securing and defending appropriative water rights which are necessary for the realization of the full benefits of the Coyote Valley Dam and Warm Springs Dam Projects; (3) Sonoma Water's share of the United States Government's investment, operation and maintenance costs associated with the Coyote Valley Dam and Warm Springs Dam Projects; (4) the acquisition of all or part of the Potter Valley Project, contributions made to the Potter Valley Project owner, or its successor, to insure the continued operation of all or part of the Potter Valley Project or its successor; and (5) fishery mitigation and enhancement projects undertaken by Sonoma Water in the Russian River and Eel River and their tributaries. The Russian River Projects Charge shall be determined by dividing the total amount of Sonoma Water monies expended from Sonoma Water's Russian River Projects Fund in the preceding ten Fiscal Years, exclusive of the funds contributed to the Fund by MMWD and the North Marin Water Districts and interest earnings attributable to funds contributed by MMWD and the North Marin Water District, by the sum of the total acre-feet of water delivered by Sonoma Water to the cities of Cotati, Petaluma, Rohnert Park, Santa Rosa, and Sonoma, the Valley of the Moon Water District, and the Town of Windsor (plus amounts diverted by the Town of Windsor via its own facilities under Sonoma Water's water rights) pursuant to Sections 3.1 and 3.3 of the Restructured Agreement for Water Supply, or any amendments or successor agreements thereto, during the preceding ten Fiscal Years and multiplying the quotient by the ratio that the assessed value of secured and unsecured property situated within the cities of Cotati, Petaluma, Rohnert Park, Santa Rosa and Sonoma, the Valley of the Moon Water District, and the Town of Windsor bears to the assessed value of all secured and unsecured property within Sonoma County, provided however, in no event shall the Russian River Projects Charge exceed \$20.00 per acre-foot. Sonoma Water shall keep proper books, records and accounts in which complete and accurate entries shall be made of all Sonoma Water general fund monies transferred to Sonoma Water's Russian River Projects Fund and all expenditures made from the fund for the purposes described in this paragraph. Sonoma Water shall

maintain a separate account within the Russian River Projects Fund for monies contributed by MMWD and the North Marin Water District. Monies expended from the Russian River Projects Fund shall be deemed to have been expended from the MMWD and North Marin Water District account in the proportion that the balance of the account bears to the total Russian River Projects Fund balance at the end of the Fiscal Year quarter preceding the expenditure.

- (d) A lump sum payment which shall be determined by multiplying the Russian River Conservation Charge times the difference between 14,300 acre-feet and the sum of the total acre-feet of water delivered under this agreement during the prior Fiscal Year plus the total acre-feet of water for which payments have been made in lieu of delivery pursuant to Section 5(f) of this Agreement during the prior Fiscal Year.
- (e) A lump sum payment which shall be determined by multiplying the Russian River Projects Charge times the difference between 14,300 acrefeet and the sum of the total acre-feet of water delivered under this Agreement during the prior Fiscal Year plus the total acre-feet of water for which payments have been made in lieu of delivery pursuant to Section 5(f) of this Agreement during the prior Fiscal Year.
- (f) A lump sum payment, calculated as follows: If the total amount of water delivered to MMWD pursuant to this Agreement is less than 5,300 acrefeet in any Fiscal Year, then Sonoma Water shall include in the bill for the month of August the difference between the actual amount of water delivered during the previous Fiscal Year and 5,300 acre-feet, and MMWD shall pay for such amount at the same rate as though such water had been delivered, if and to the extent that such water was available to MMWD. Water shall be deemed to have been available to MMWD during the previous Fiscal Year if MMWD could have taken delivery of such water at any time during such Fiscal Year at delivery rates not exceeding available Transmission System capacity. Sonoma Water shall keep and make available for review by MMWD operating records indicating the availability of water to MMWD.
- (g) MMWD Payment to Support Regional Water Resiliency. Within sixty (60) days following full execution of this Agreement, MMWD will pay to Sonoma Water an amount equal to Twelve Million Five Hundred Thousand

Dollars (\$12,500,000), a portion of which funds, specifically Nine Million Dollars (\$9,000,000) will be used by Sonoma Water for projects to enhance water resiliency within the Russian River System. The remaining portion, Three Million Five Hundred Thousand Dollars (\$3,500,000) will be used by Sonoma Water for projects to enhance Sonoma Water's ability to deliver winter water. Sonoma Water shall be responsible for conducting any environmental review that may be required under the California Environmental Quality Act for all such projects.

(h) Notwithstanding any dispute between Sonoma Water and MMWD, MMWD shall pay all bills made by Sonoma Water pursuant to this Agreement when due and shall not withhold all or any part of any amount billed pending the final resolution of such dispute. In the event of a dispute, MMWD may pay its bills under protest, and if necessary under the ultimate resolution of the dispute, Sonoma Water shall make an appropriate refund to MMWD, including interest on the overpaid amount at the rate obtained by Sonoma Water as a result of investment of the disputed amount. If MMWD does not pay any bill by the due date for such bill, then, in addition to the principal amount due, MMWD also shall pay Sonoma Water interest on this principal amount due, calculated from the due date until the payment date at the legal rate per annum established pursuant to section 685.010 of the Code of Civil Procedure.

Section 6: Construction of New Aqueduct.

Sonoma Water acknowledges that MMWD is evaluating the feasibility and efficacy of constructing, at MMWD's sole cost and expense, a new aqueduct from the existing North Marin Aqueduct to MMWD's Nicasio and/or Soulajule Reservoirs to enhance water resiliency and reliability consistent with long term planning for the Russian River Project. MMWD will continue to actively communicate with Sonoma Water regarding project design and development and Sonoma Water and if requested by MMWD, will provide available information and data necessary to project planning and assessment of project benefits and impacts. In connection with the foregoing, MMWD will be solely responsible for the completion of any analysis required pursuant to the California Environmental Quality Act.

Section 7: Sonoma Water Petitions and Applications with State Water Resources Control Board.

MMWD acknowledges that the existing 75,000 acre foot per year limit on diversions and rediversions in Sonoma Water's Water Right Permits does not allow Sonoma Water to utilize the entire yield of the Russian River Project, and that Sonoma Water may from time to time file petitions or applications with the State Water Resources Control Board ("State Board") to increase this or future limits or otherwise provide water to Sonoma Water customers. MMWD also acknowledges that Sonoma Water has filed petitions with the State Board requesting changes in minimum instream flow requirements and other changes in its water rights permits to respond to hydrologic conditions or any environmental release requirements, or both. MMWD recognizes and agrees that it will be in the public interest for the State Board to grant such petitions and applications.

Section 8: Waiver and Indemnity.

(a) MMWD waives, releases and forever discharges Sonoma Water, its officers, agents and employees from any and all liabilities, claims, demands, losses and costs relating to any of the following: (1) any property damage or personal injury arising from any non-delivery of water requested by MMWD pursuant to this Agreement, or for any property damage or personal injury arising from the quality of water delivered pursuant to this Agreement, if such property damage or personal injury is caused by lack of available capacity in the Transmission System, drought, earthquake or other Act of God, strike or other labor dispute, partial or total dam, gate or tunnel loss, dam, gate or tunnel repairs, water pollution, or any factor beyond the control of Sonoma Water (whether or not such factor is listed in this sentence); and (2) any property damage or personal injury arising from any decision of Sonoma Water regarding: (a) determinations of the availability of water for sale by Sonoma Water to MMWD pursuant to this Agreement; (b) allocation of transmission system capacity; (c) proposed expansions of the Transmission System; or (d) repair (or non-repair) of the Potter Valley Project, Coyote Valley Dam or Warm Springs Dam. MMWD's waiver, release and discharge described in this paragraph shall apply to any of the property damages or personal injuries described in this paragraph, whether or not such property damages or personal injuries were caused by Sonoma Water's negligence, unless such property damages or personal injuries resulted from Sonoma Water's negligence, willful misconduct or violation of law.

- (b) MMWD shall indemnify, hold harmless, protect and defend Sonoma Water, its officers, agents and employees from and against any and all liabilities, claims, demands, damages, losses, disabilities or expenses (including attorney fees and litigation costs) of every nature arising out of, or in connection with: (1) the lack of quantity of water that has been delivered by Sonoma Water to MMWD pursuant to this Agreement; or (2) the control, conveyance and disposition of water that has been delivered by Sonoma Water to MMWD pursuant to this Agreement. For the purposes of this section, the point of delivery shall be as specified in Section 3 of this Agreement. MMWD shall provide such indemnification, holding harmless, protection and defense whether or not such liabilities, claims, demands, damages, losses, disabilities or expenses are based on Sonoma Water's negligence, unless such liabilities, claims, demands, damages, losses, disabilities or expenses are based on Sonoma Water's sole negligence, willful misconduct or violation of law.
- (c) This section shall not apply to any construction activities, or construction contracts, relating to the construction described in Section 6of this Agreement. The provisions in this section regarding attorney fees shall not apply to any other section of this Agreement.

Section 9: Water Conservation; Coordination on Urban Water Management Planning.

- (a) MMWD and Sonoma Water will comply with all applicable state laws related to water conservation planning and implementation, including the Urban Water Management Planning Act, Water Code sections 10610-10655 (as such act now exists or in the future may exist). MMWD shall implement or use its best efforts to secure the implementation of any water conservation requirements that may be added as terms or conditions of Sonoma Water's appropriative water rights permits or licenses, or with which the Agency must comply under compulsion of regulation or law.
- (b) MMWD and Sonoma Water shall coordinate the preparation of their respective Urban Water Management Plans required by the Urban Water Management Planning Act. MMWD shall provide Sonoma Water MMWD's projections of projected future water demands, conservation, recycled water use, and other non-Sonoma Water water supplies, and the methodology and assumptions used by MMWD to produce those

projections. Sonoma Water shall review the projections and may provide comments on the projections, and shall provide MMWD with projections of the amount of water to be provided by Sonoma Water to MMWD to be used in MMWD's and the Sonoma Water's Urban Water Management Plans, provided, however, that nothing in this Section 9, including any lack of compliance, shall impact the other provisions of this Agreement nor any obligation hereunder.

Section 10: Water Quality.

Water delivered by Sonoma Water to MMWD pursuant to this Agreement shall be of the same general quality as water delivered by Sonoma Water from the transmission system to the Water Contractors in compliance with California drinking water standards. Except as expressly stated in the preceding sentence, Sonoma Water does not make any express or implied warranty regarding the quality of the water delivered pursuant to this Agreement. The payment obligations of MMWD set forth in Section 5 shall not be affected in any manner by the quality of the water delivered by Sonoma Water hereunder.

Section 11: CEQA for Future Projects.

Pursuant to section 15051(d) of the State CEQA Guidelines, MMWD is designated as the lead agency under the California Environmental Quality Act for the construction of any new aqueduct to be constructed by MMWD pursuant to Section 6 of this Agreement. Sonoma Water is designated as the lead agency for any other projects north of Kastania Reservoir that Sonoma Water may construct to implement this Agreement.

Section 12: CEQA for this Agreement.

Pursuant to section 15061 of the California Environmental Quality Act (CEQA) Guidelines, the parties have evaluated this Agreement and have concluded that their approval of this Agreement is exempt from the provisions of CEQA under Section 15301 of the CEQA Guidelines because MMWD fully exercised its right to delivery of water under the 2015 Renewal Agreement, the not to exceed amount of water to which MMWD is entitled under this Agreement is unchanged from the amounts included under the 2015 Renewal Agreement and future levels of diversions and use of water by MMWD under this Agreement will not be significantly different from present levels of diversion and use. Accordingly, the parties will file, pursuant to CEQA Guidelines section 15062, notices of

exemption with the Marin and Sonoma County Clerks and the State Clearinghouse of the Office of Planning and Research.

Section 13: Term.

This Agreement supersedes the 2015 Renewal Agreement. This Agreement shall be effective on July 1, 2025 and shall remain in effect until June 30, 2040. Upon the request of MMWD, Sonoma Water agrees to enter into renewal agreements for periods not to exceed the then-existing term of the Restructured Agreement for Water Supply or any renewals or amendments to the Restructured Agreement for Water Supply upon the same terms and conditions contained herein, except that Sonoma Water may make reasonable adjustments to the charges under Section 5 of this Agreement, and any such reasonable adjustments then shall be included in any renewal agreement. Sonoma Water acknowledges that the expiration date of the Restructured Agreement for Water Supply is June 30, 2040. Based upon MMWD's longstanding and ongoing participation and support of Sonoma Water's Russian River Project, including lump sum capital payments and other payments made by MMWD in parity with Sonoma Water's Water Contractors, Sonoma Water agrees to advocate to include MMWD in any discussions related to any renewal or extension of the Restructured Agreement for Water Supply. If at the expiration date of this Agreement and the Restructured Agreement for Water Supply has been terminated or has expired without either being renewed or replaced by another agreement pertaining to water supply, then upon the request of MMWD, Sonoma Water shall enter into renewal agreements for periods not to exceed forty (40) years upon the same terms and conditions contained herein, except that Sonoma Water may make reasonable adjustments to the charges under Section 5 of the Agreement and any such reasonable adjustment then shall be included in any renewal agreement.

Section 14: Modifications:

This writing is intended both as the final expression of the agreement between the parties hereto with respect to the included terms and conditions and as a complete and exclusive statement of the terms of the agreement. Pursuant to Code of Civil Procedure section 1856, no modification of the Agreement shall be effective unless and until such modification is evidenced by a writing signed by all parties.

Section 15: Equitable Remedies.

Because water is a scarce and precious resource, MMWD will not have an adequate remedy at law, and thus may request a court of competent jurisdiction to order equitable remedies, to compel Sonoma Water to deliver the water that MMWD is entitled to receive pursuant to this Agreement. Such equitable remedies shall be MMWD's sole and exclusive remedies in actions brought by MMWD relating to the amounts of water that Sonoma Water must deliver to MMWD pursuant to this Agreement.

Section 16: Notices.

All notices shall be in writing and notices and payments may be given by personal delivery or by mail. Notices and payments sent by mail shall be addressed as follows:

To Sonoma Water:
General Manager,
Sonoma County Water Agency,
404 Aviation Boulevard, Santa Rosa, CA 95403;

To MMWD: General Manager, Marin Municipal Water District, 220 Nellen Avenue, Corte Madera, CA 94925

When so addressed, a notice shall be deemed given upon deposit in the United States Mail, postage prepaid. In all other instances, notices and payments shall be deemed given at the time of actual delivery. Changes may be made to the names and addresses of the person to whom notices and payments are to be given by giving notice pursuant to this section.

Section 17: Demand for Assurances. When reasonable grounds for insecurity arise with respect to the performance of either party, the other party may, in writing, demand adequate assurance of due performance and, until it receives such assurance, may, if commercially reasonable, suspend any performance for which the agreed return performance has not been received. "Commercially reasonable" includes not only the conduct of either party with respect to performance under this Agreement, but also conduct with respect to other agreements with the other party to this Agreement or others. After receipt of a justified demand, the failure to provide within a reasonable time, but not

exceeding 30 days, such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of this Agreement. Acceptance of any improper delivery, service, or payment does not prejudice the aggrieved party's right to demand adequate assurance of future performance.

Section 18: No Third-Party Beneficiaries.

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

Section 19: Representation by Counsel.

Sonoma Water and MMWD each was represented by independent counsel in the negotiation and execution of this Agreement. For the purposes of interpretation of this Agreement, neither party shall be deemed to have been the drafter of this Agreement.

Section 20: Merger.

This Agreement is intended both as a final expression of the agreement between the parties hereto with respect to the included terms and conditions and as a complete and exclusive statement of the terms of the Agreement.

ATTEST:	MARIN MUNICIPAL WATER DISTRICT	
	By:	
Board Secretary	Matt Samson, President Board of Directors	
Reviewed As To Form:		
Molly MacLean General Counsel		
ATTEST:	SONOMA COUNTY WATER AGENCY	

	By:
Deputy Clerk of the Board of Directors	Chair, Board of Directors
	DATE:
Reviewed As To Substance By Sonoma County Water Agency:	
Grant Davis, General Manager	
Reviewed As To Form:	
Deputy County Counsel	



MEMORANDUM

To: **Board of Directors** Date: July 15, 2025

Eric Miller, Assistant General Manager/Chief Engineer From:

Tim Fuette, Senior Engineer

Cost Share Agreement with City of Novato for Novato Blvd Improvements

R:\Folders by Job No\7000 jobs\7195 Novato Blvd Widening Diablo to Grant\1. BOD memos\7195 Novato Blvd Widening City BOD Memo City CM Agreement 07-09-25.doc

RECOMMENDED ACTION: The Board authorizes the General Manager to execute a cost

share agreement with City of Novato for Water Improvements

in Novato Boulevard, between Diablo Avenue to Grant

Avenue.

FINANCIAL IMPACT: \$3.2M (\$1.2M included in FY25/26 CIP Budget)

Background

The City of Novato (City) plans to complete roadway, sidewalk, and streetscape improvement along the Novato Boulevard corridor between Diablo Avenue and Grant Avenue; known as the Novato Boulevard Improvement Project (Roadway Improvements Project). Concurrently, the North Marin Water District (District) is proposing to replace an existing distribution water main and branch mains (Water Improvements Project) located within the limits of the City's Roadway Improvements Project. City and District staff have determined that implementing their respective improvement projects at the same time under one construction contract (Joint Project) is beneficial to both agencies for economy of scale savings for administration, and to the public by minimizing construction disturbances.

The attached Draft Agreement (Agreement) specifies the responsibilities and requirements of the City and the District to accomplish the Water Improvements Project as part of the Roadway Improvements Project, collectively known as Joint Project. Responsibility and requirements stipulated in the agreement include provisions for: preparation of contract documents, plan check, contract award, alignment and sequencing, differing site conditions, and change orders. The agreement also includes provisions for: a cost sharing structure for contract administration, project administration, geotechnical support, construction contract mobilization, joint project notification, coordination of shop drawing submittals, and long-term construction zone signage, payment requirements, final acceptance of contract and construction, maintenance responsibility; and other general contract stipulations.

Both the City Attorney and District's Legal Counsel have reviewed, modified, and agreed to the current language in the Agreement. The Novato City Council will consider the proposed Agreement at an upcoming Council meeting.

Budget

The District's Water Improvement Project costs associated with the Agreement are estimated to be \$3.2M. Ancillary project costs not associated with the Agreement are estimated to be \$0.5M, which include the following efforts related to construction: in-house construction inspection, in-house review and response to construction submittals (shop drawings), in-house engineering services and response to requests for information, material testing, construction staking and surveying, review and response to change order requests and force account work.

Total project costs are estimated to be \$3.7M and are expected to be realized in Fiscal Years (FY) 26, 27, and 28. Staff included \$1.2M in the approved CIP budget for FY26 (item 1a1) and has included \$2M and \$0.5M in budget projections for FY27 and FY28 respectively.

RECOMMENDATION

That the Board authorize the General Manager to execute the Cost Share Agreement with the City of Novato for the construction phase of the Novato Boulevard Improvements Project.

ATTACHMENT:

1. Agreement Between City of Novato and North Marin Water District regarding Water Improvements in Novato Boulevard, Diablo Avenue to Grant Avenue

AGREEMENT BETWEEN CITY OF NOVATO

AND

NORTH MARIN WATER DISTRICT REGARDING

WATER IMPROVEMENTS IN NOVATO BOULEVARD, DIABLO AVENUE TO GRANT AVENUE

This Agreement is made and entered into as of this _____ day of ________, 2025, by and between the City of Novato, hereinafter "City" and the North Marin Water District, hereinafter "District" on the following terms and conditions. The City and the District are collectively referred to herein as the "Parties," and either the City or the District can be referred to herein as a "Party."

1. Purpose and Scope.

- a. The City intends to construct certain roadway, sidewalk, and streetscape improvements along Novato Boulevard between Diablo Avenue and Grant Avenue ("Roadway Improvements"). These Roadway Improvements are described in the plans and specifications for the City's Novato Boulevard Improvements Project Project No. 01-004 ("Roadway Improvements Project") prepared by Mark Thomas & Company, Inc.
- b. The District proposes to replace its existing distribution water main including branch mains located in Novato Boulevard, starting just east of Diablo Avenue and terminating just west of Grant Avenue ("Water Improvements"). These Water Improvements are described in the plans and specifications known as North Marin Water District Job No. 7195.
- c. It is to the mutual benefit of the Parties to construct the Roadway Improvements and Water Improvements together.
- d. This Agreement specifies the responsibilities and requirements of the City and the District to accomplish design and construction of the Water Improvements ("Water Improvements Project") as part of the Roadway Improvements Project (collectively referred to as the "Joint Project"). This is not an agreement specifying the duties of the City and/or its contractor(s) in constructing the Roadway Improvements except to the extent specified hereinafter. The City shall have exclusive responsibility and authority for all matters related to the construction of the Roadway Improvements.
- e. The Water Improvements shall be constructed concurrent with and under the same construction contract as the Roadway Improvements.

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f. The City will manage the integration of design plans and the bidding and award of the Joint Project contract to the lowest responsive and responsible bidder, herein after referred to as "Contractor."

2. Definitions of Water and Roadway.

- a. As used in this Agreement, the term "water" shall include water pipelines, fire hydrants, blow-off assemblies, valves, valve covers, service laterals, and other appurtenances described in the plans and specifications prepared for the Water Improvements Project.
- b. As used in this Agreement, the term "roadway" shall include all of the roadways, sidewalks, curbs, gutters, storm drains, landscaping, lighting, landscape irrigation facilities, and other road appurtenances and improvements described in the plans and specifications prepared for the Roadway Improvements Project.

3. Project Responsibilities of City and District.

a. General.

- i. At its sole cost, the District shall be responsible for and shall have final decision-making authority with respect to the design, inspection, shop drawing review and approval, construction schedule and all other related engineering services for all Water Improvements work. Notwithstanding the foregoing, the construction schedule and any revisions thereto for Water Improvement work shall be subject to the approval of the City, which said approval shall not be unreasonably withheld so long as the construction schedule and any revisions thereto do not adversely affect the construction schedule established by the City for the Roadway Improvement Project. The District shall be principally responsible for the enforcement of the approved construction schedule for the Water Improvements and if the District fails to timely exercise that duty of enforcement, the City may enforce said schedule. At its sole cost, the District shall also provide material testing relating to Water Improvements construction and staking and surveying for Water Improvements construction. At its sole cost, the District shall obtain all permits required for the construction of Water Improvements and any District approvals required under the California Environmental Quality Act (CEQA) as it relates to the Water Improvements construction.
- ii. At its sole cost, the City shall perform and have sole authority over and the sole decision-making power concerning the design, inspection, shop drawing review, construction schedule and all other related engineering services for all Roadway Improvements construction. At its sole cost, the City shall also provide material testing for Roadway Improvements construction and staking and surveying for Roadway Improvements construction. At its sole cost, the City shall perform all tasks related to the Roadway Improvements

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construction, including but not limited to, public notification, permit acquisition, and compliance with CEQA as it relates to the Roadway Improvements construction. At its sole cost, the City shall also perform all tasks related to the advertisement for bids, the bidding process, and the award of contract for the Joint Project pursuant to and in accordance with applicable law. The City shall also perform and/or provide all contract and project administration for the Joint Project but shall be reimbursed its costs for that work in accordance with Sections 5 and 6, below.

b. Contract Documents.

- i. The contract documents for the Joint Project shall include provisions requiring the successful bidder to, among other things, (1) name the District, its officers, officials, employees, and volunteers as additional insured on any required insurance policies, including but not limited to general liability and automobile insurance policies, (2) name the District as an additional obligee on all performance and payment bonds posted with the City, and (3) defend, indemnify, and hold harmless the District, its officers, directors, officials, employees, agents, and volunteers from liabilities in the same manner as is provided to the City.
- ii. The bid and contract documents shall set forth the Water Improvements work and shall be bid as a separate set of bid items to be included within and as part of the Joint Project bid and contract. The City shall obtain written approval of the contract documents (as they pertain to the Water Improvements) from the District prior to advertising the Joint Project for bid, which approval shall not be unreasonably withheld or delayed.
- c. Contract Award. The City shall award the contract for the Joint Project to the lowest responsive and responsible bidder pursuant to the laws that apply to public works contracts let by the City, or reject all bids. If the total amount of the Water Improvements work bid items does not exceed the District's Engineer's estimate (a copy of which has been provided to the City and is on file in the office of the Public Works Director), the City may award the contract without further approval by the District. However, if the total amount of the Water Improvements work bid items exceeds the District's Engineer's estimate (the amount by which the said bid exceeds the District's Engineer's estimate shall be referred to as the "water bid exceedance"), the City and District will, in good faith, agree upon a mutually acceptable method of paying the water bid exceedance as between the City and the District. Said agreement shall be in writing and shall be executed by the Parties within thirty (30) working days from the City's notifying the District of the official bid results. In the event that no such agreement is executed within said thirty (30) working day period, the City may award the contract for the Joint Project or for only the Roadway Improvements Project without further approval by the District, but in such event, the District reserves all rights to contest its payment of the water bid exceedance, if applicable; provided that any dispute which arises between the Parties as to the

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District's obligation to pay such water bid exceedance under the circumstances described in this sentence shall be subject to the procedures set forth in Section 17 (Mediation), below.

d. Determinations.

- i. The City shall be solely responsible for the negotiation, preparation, and issuance of change orders, force account work determinations and construction claim resolution applicable to any and all portions and aspects of the Joint Project. Notwithstanding the forgoing, the District shall be included in the negotiations of change orders, force account work determinations, and construction claims resolution to the extent that they involve Water Improvements construction. Time is of the essence in District's review of such work. The District's approval shall not be unreasonably withheld or delayed.
- ii. During construction, the City shall contact the District's Chief Engineer or authorized representative ("District Engineer") by telephone, voice mail, or electronic mail in regard to questions and decisions concerning the Water Improvements construction. In the event that the District Engineer fails to make a timely decision concerning the Water Improvement construction, the District shall indemnify, defend, and hold the City harmless from all liability resulting therefrom, as specified in Section 4.a., below.
- e. Alignment and Sequencing. The Water Improvements shall be designed and constructed in appropriate sequence in relation to and in coordination with all other work on the Joint Project, as well as any other planned improvements by other utility providers. Paving of the roadways shall occur subsequent to installation of buried water pipe shown in the Water Improvements. Prior to finalizing contract documents, alignment and sequencing of other utilities improvements relative to the Water Improvements shall be mutually agreed upon between the Parties.
- f. Change Orders. All change orders related to or involving Water Improvements construction shall be reviewed and are subject to the written approval of the District prior to any such change order being issued to the Contractor by the City, which approval shall not be unreasonably withheld or delayed. The City shall be responsible for the negotiation, preparation, and issuance of change orders, force account work determinations and construction claim resolution applicable to any and all portions and aspects of the Joint Project. The District shall be included in the negotiations of change orders, force account work determinations and construction claim resolution to the extent that they involve Water Improvements construction.
- g. *Inspections*. The District will perform construction inspection of the Water Improvements construction and, upon request by the City's Engineer, will develop responses to submittals, requests for information and requests for clarification, design clarifications, and similar construction documentation with respect to the Water

- Improvements construction. The District will direct all communications to the City's contractor through the City's Engineer.
- h. <u>Differing Site Conditions</u>. The District shall reimburse the City for reasonable costs associated with an unavoidable delay in the construction of the Water Improvements related to differing subsurface or otherwise concealed physical conditions in the roadway. The City shall give written notice to the District promptly after the first observance of such conditions.
- i. <u>Plan Check</u>. The District shall be responsible for reviewing and approving the District's Water Improvements plans to be incorporated into the final plans for the Joint Project plans in accordance with District codes. The District shall reimburse the City for reasonable unavoidable costs resulting from or related to an unreasonable delay by the District in completing the Plan Check of the Water Improvement plans.

4. Indemnity.

- a. The District shall defend, indemnify, save, and hold harmless the City, its council or board members, officers, officials, agents, and employees from any and all claims, demands, suits, costs, liability, and expenses, including reasonable attorneys' fees, for any damages, injury, sickness, or death, including liability for inverse condemnation, nuisance or trespass (collectively "liability") to the extent arising out of any of the District's performance under this Agreement, including, but not limited to, the design and performance of the Water Improvements, permit acquisition for the Water Improvements, compliance with CEQA with respect to the Water Improvements, inspection or shop drawing review and approval of the Water Improvements, any other engineering and other services provided by District during construction of Water Improvements, and decisions made, or failed to be made, by the District as described in Section 3.d, except for liability as is caused by the sole or active negligence or willful misconduct of the City, its council or board members, officers, officials, employees, contractors, or agents.
- b. The City shall defend, indemnify, save, and hold harmless the District, its council or board members, officers, officials, employees, and volunteers from any and all claims, demands, suits, costs, liability, and expenses, including reasonable attorneys' fees, for any damages, injury, sickness or death, including liability for inverse condemnation, nuisance or trespass (collectively "liability") to the extent arising out of any of the City's performance under this Agreement, including, but not limited to, the design and performance of the Roadway Improvements Project, public notification of the Joint Project, permit acquisition for the Roadway Improvements, compliance with the CEQA with respect to the Roadway Improvements, compliance with all laws related to advertisements for and evaluation of bids and award of a contract for the Joint Project, and contract and project administration for the Joint Project, except for liability as is

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caused by the sole or active negligence or willful misconduct of the District, its council or board members, directors, officers, officials, employees, contractors, or agents.

- c. Nothing in this Agreement is intended to affect the legal liability of either Party by imposing any standard of care different from the standard of care imposed by law.
- d. This Section and Section 3(d)(ii) shall survive the termination of this contract.
- 5. <u>Cost Sharing</u>. The City and the District shall share the cost attributable to the design, project administration, construction, contract administration, and inspection of the Joint Project as outlined below.
 - a. The District shall reimburse the City a percentage of each of the Joint Project costs listed below. The percentage for progress payments shall be derived by dividing the total bid costs for the Water Improvements Project by the total bid costs for the Joint Project. When the Joint Project is complete, the City will compile actual total costs for the Joint Project and Water Improvements Project (including itemized change orders pertinent to Water Improvements), and the actual percentage will be adjusted. The District will make a final adjustment payment for the difference between the percentage based on bid prices and the percentage based on actual costs. The District shall reimburse the City a percentage of the reasonable costs incurred by the City and/or its agent(s), consultant(s), and/or contractor(s) in performing the following work:
 - Contract administration and project administration.
 - Geotechnical investigation, including but not limited to soil borings.
 - Construction contract mobilization/demobilization.
 - Joint Public notification activities.
 - Coordination of shop drawing submittals.
 - Long-term construction zone signage (i.e., "Begin Construction," "End Construction").

Contract and project administration will include reasonable costs associated with work items that are part of the normal prosecution of work on public works, roadway, and water replacement projects such as, without limitation: processing of progress payments, preparation of reports, communications with the contractor, and normal project coordination functions.

Public notification activities will include communication and coordination of work with merchants and the public in regards to the Joint Project.

- b. The District shall be responsible for 100 percent of the design and construction costs of the Water Improvements Project.
- c. At its sole cost, the District shall also provide the following services during construction:

- all inspections of Water Improvements construction.
- review and approval of all Water Improvements construction submittals (shop drawings).
- all engineering services related to Water Improvements construction.
- all material testing related to Water Improvements construction.
- all Water Improvements construction staking and surveying.
- review and approval/disapproval of change orders and force account work related to Water Improvements construction.
- d. The City shall be responsible for 100 percent of all costs incurred by the City to design and construct the Roadway Improvements Project, except for those payments and services provided by the District as provided herein.

6. Payment.

- a. The District shall make payments to the City for the District's share of the costs described in Section 5, above, to the extent such costs are incurred by the City. The District will make progress payments to the City as the construction work proceeds. The City shall forward to the District a copy of the contractor's request for progress payment with an invoice showing the District's share of the cost owed. The City shall also periodically, but not more than once every thirty (30) days, invoice the District for the District's share of the Joint Project costs specified in Section 5.a), above. The City's invoices to the District shall include sufficient documentation to fully support and justify the costs invoiced.
- b. The District shall provide payment to the City within thirty (30) days of receiving an invoice, including disputed payments made under protest. The District shall not unreasonably withhold or delay payment of such work. Payment shall not include any allowances for materials not incorporated into any work.
- c. Subsequent to the Final Completion, as defined by the Joint Project contract, of the Joint Project (as determined by the City in its sole, reasonable judgement after consultation with the District), the City shall prepare in a within sixty (60) calendar days final accounting reports concerning the costs of the Water Improvements Project. These reports shall include documentation to fully support and justify all costs. These reports ("Final Accounting Reports") shall detail the amounts which the City believes the District owes to the City and/or the Joint Project Contractor, provided, however, that in no instance would the District pay the Contractor directly. The final costs to be paid by the District for the Water Improvements Project shall be calculated based on the cost-sharing provisions set forth in this Agreement and on the actual cost of the Water Improvements Project and Joint Project.

d. Within thirty (30) calendar days of delivery of the Final Accounting Reports to the District, the District shall pay the amount(s) specified in said reports to the City, including disputed payments made under protest.

7. Final Acceptance of Contract and Construction.

- a. The City shall have sole authority to authorize the final acceptance of the contract work for the Joint Project as complete. The District shall have the right to make such inspections of the Water Improvements Project work as would be ordinary and necessary prior to the final acceptance by the City of the contract work as being complete.
- b. The City shall not authorize final acceptance of the Water Improvements work until after it has consulted with the District as to whether such work is complete in accordance with the District's standard procedures. Upon completion of the Water Improvements work, the City and the District shall conduct a joint final inspection of those facilities. After the District, through its Chief Engineer and in writing, has determined that the Water Improvements work has been completed to the District's satisfaction, the City shall accept the Water Improvements work as complete for itself and for the District. The District will not unreasonably withhold or delay its approval of said Water Improvements work. If the District does not approve or disapprove the Water Improvements work within ten (10) business days, or after such reasonable additional time with consent by the City, which it will not unreasonably withhold, after the joint final inspection, the Water Improvements work will be deemed approved by District.
- 8. <u>Maintenance Responsibility</u>. At the time that the City accepts the contract work for the Joint Project as complete, and subject to any warranty provision of the Joint Project construction contract:
 - a. The City is deemed to thereby accept maintenance and repair responsibility only for the Roadway Improvements as defined herein in accordance with applicable law except for those facilities that, pursuant to applicable law and/or separate agreement, are to be maintained by third party property owner(s) and/or others; and,
 - b. The District is deemed to thereby accept complete maintenance and repair responsibility for only the Water Improvements as defined herein except for those facilities that, pursuant to applicable law and/or separate agreement, are to be maintained by third party property owner(s) and/or others.
- 9. Accountability. Both Parties shall strictly account for all funds directly related to this Agreement and shall report to the other, upon request, on all pertinent receipts and disbursements.

- 10. <u>Cooperation</u>. The City and District agree to work cooperatively toward the successful completion of the Joint Project.
- 11. <u>Modification of Agreement</u>. This Agreement shall be subject to modification only by a subsequent written agreement executed by both of the Parties.
- 12. <u>Entire Agreement.</u> This Agreement contains the entire understanding of the Parties concerning its subject matter. Any representation or promise of the Parties relating to the subject matter shall not be enforceable unless it is contained in this Agreement or in a subsequent written agreement executed by the Parties.
- 13. <u>Successors</u>. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Parties.
- 14. Notices. Any and all notices or documents to be delivered between the Parties shall be deemed delivered: (1) upon hand delivery to the address below; (2) upon being sent and received via United States Postal Service Certified Mail to the address below as evidenced by a United States Postal Service Certified Mail receipt; or (3) five (5) days after being deposited in the United States Mail, if sent via first class United States Postal Service Mail. Facsimile transmission shall be promptly followed by first class United States Postal Service Mail. The addresses and facsimile numbers are as follows:

TO THE CITY: Elisa Sarlatte

Sr. Civil Engineer City of Novato

900 Sherman Avenue Novato, CA 94945 (415) 899-8246 (Office) (415) 899-1496 (Facsimile)

TO THE DISTRICT: Eric Miller

Assistant General Manager-Chief Engineer

North Marin Water District

P.O. Box 146 Novato, CA 94948 (415) 897-4133 (Office)

- 15. <u>Interpretation</u>. Both Parties have had ample opportunity, with the benefit of counsel, to comment upon the contents of this Agreement; therefore, the rule that ambiguities in contracts are to be construed against the drafter, and any related rules, shall not apply.
- 16. <u>Mediation</u>. In the event that a dispute or claim in law or equity between the District and the City arising out of this Agreement that is not subject to the provisions of the Public Contacts

Code Sections 20104 et seq. exists, the Parties agree to first attempt to resolve any dispute or claim in law or equity between them through informal negotiation between the Parties. If the dispute or claim is not resolved by an informal negotiation between the Parties, then the Parties agree that they will attempt to resolve the dispute or claim by private, non-binding mediation. The Parties will agree upon the selection of a mediator. If the Parties cannot agree upon the selection of a mediator, then the Presiding Judge of the California Superior Court for the County of Marin shall select the mediator. The Parties shall each be responsible for their own attorneys' fees for the mediation, and the cost of the medication shall be split and shared equally amongst and between the Parties. The completion of the mediation shall be a prerequisite to the filing of any lawsuit, litigation, and/or demand for arbitration. The non-binding mediation process shall continue until the case is resolved or until such a time as the mediator makes a finding that there is no possibility of resolution. If mediation is unsuccessful, the Parties may avail themselves of any other remedies, including but not limited to lawsuit, litigation, and/or demand for arbitration.

- 17. <u>No Third-Party Beneficiaries</u>. Except as expressly stated herein, there is no intended third-party beneficiary of any right or obligation assumed by the Parties.
- 18. <u>Attachments</u>. To the extent a conflict exists between the attachments and the terms of this Agreement, the terms of this Agreement shall control.
- 19. <u>Time of the Essence</u>. Time is of the essence for each and every provision of this Agreement.
- 20. <u>Waiver</u>. No provision, covenant, and/or condition of this Agreement shall be deemed to have been waived by the City and/or the District unless in writing signed by someone authorized to bind the Party asserted to have consented to the waiver. The waiver by the City and/or the District of any breach of any provision, covenant, and/or condition of this Agreement shall not be deemed to be a waiver of any subsequent breach of the same and/or any other provision, covenant, or condition of this Agreement.
- 21. Severability. If any section, clause, or phrase of this Agreement or the application thereof to any Party or any other person or circumstance is for any reason held to be invalid by a court of competent jurisdiction, it shall be deemed severable, and the remainder of the Agreement or the application of such provisions to any other Party or to other persons or circumstances shall not be affected thereby. In the event a provision is held to be invalid, the Parties shall work in good faith to restore the intent of any provision that held to be invalid. Each Party hereby declares that it would have entered into this Agreement, and each subsection, sentence, clause and phrase thereof, irrespective that one or more sections, subsections sentences, clauses or phrases or the application thereof might be held invalid.
- 22. <u>Headings</u>. The headings herein are for convenience of the Parties only, and shall not be deemed to govern, limit, modify and/or in any manner affect the scope, meaning and/or intent of the provisions or language of this Agreement.
- 23. Governing Law; Venue. Any judicial action or proceeding that relates to this Agreement shall

be brought in Marin County Superior Court. The terms of this Agreement shall be interpreted under the laws of the State of California.

- 24. <u>Counterparts</u>. This Agreement may be executed in counterparts, each of which shall constitute original and all of which together shall constitute one and the same agreement.
- 25. <u>Electronic Signatures</u>. The Parties acknowledge and agree that this Agreement may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, "electronic signature" shall mean and be deemed to include faxed or emailed versions of an original signature, electronically scanned and transmitted versions (e.g., via pdf) of an original signature, and/or a digital signature.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement dated as of the date provided above to be executed in duplicate by officials which each respective Party covenants has full authority to execute this Agreement.

NORTH MARIN WATER DISTRICT	<u>CITY OF NOVATO</u>
By: Anthony Williams, General Manager Dated:	Amy Cunningham, City Manager
ATTEST: Eileen Mulliner, District Secretary Dated:	
APPROVED AS TO FORM:	
By: J. Kevin Moore, District Legal Council	
Dated:	Dated:



MEMORANDUM

To: Board of Directors July 15, 2025

From: Eileen Mulliner, Executive Assistant / District Secretary

Subject: Administration & Laboratory Building - Open House t\gm\admin secty\events parties\admin lab open house 2025\open house bod memo.doc

RECOMMENDED ACTION: None, for information only

FINANCIAL IMPACT: ~\$5,500 (included in FY25-26 Budget)

September 19th has been set as the date for the District Open House which will run from 10:00 a.m. - 12:00 p.m. The date and time will be noticed to all invited guests (via email or USPS) along with postings on the District Facebook page, Instagram, and website.

The open house is still in the planning stage, but there will be formal recognition and dedication with unveiling of the plaque, visual displays, live demonstrations, such as backflow prevention/cross-connection, in addition to tours of the buildings and demo garden. Refreshments will be available as well as some giveaways. The cost of the open house will be charged to a general ledger account for District events. Your comments and ideas are encouraged.



MEMORANDUM

To: **Board of Directors** Date: July 15, 2025

Eric Miller, Assistant General Manager/Chief Engineer From:

Administration & Laboratory Building – Dedication Plaque Subject:

R:\Folders by Job No\6000 jobs\6501.44 NMWD Office_Yard Bldg Renovation\BOD Memos\2025 0715 - dedication plaque\Administration & Labratory Building Dedication Plaque BOD Memo.docx

RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: None

District staff moved back into the remodeled Administration and Laboratory building in February 2025 and opened our doors to the public in April 2025, for the first time since the office closed in 2020 in response to the COVID-19 Pandemic.

To commemorate project completion and reopening to the public, staff is organizing an open house and ribbon cutting ceremony to occur in September 2025. In preparation for the event, staff is proposing to fabricate and mount a dedication plaque commemorating the year of reopening, the Board of Directors, and the communities served by the North Marin Water District.

The Board previously provided feedback on the dedication plaque at the April 1, 2025 Board meeting. The plaque verbiage was revised consistent with Board comment, and staff is now seeking feedback on the final version as proposed in the attached slides.

ATTACHMENT:

1. Presentation slides dated July 15, 2025



Administration & Laboratory Building Dedication Plaque

July 15, 2025

Building Dedication

11 in

This Building is dedicated to the Communities of North Marin and those that have served North Marin Water District since 1948

2025 Board of Directors

Jack Baker

Ken Eichstaedt

Rick Fraites

Michael Joly

Stephen Petterle

Proposed Dedication for 999 Rush Creek

- Material: Brushed Stainless Steel
- Black Etched and Filled Lettering
- Size: 11 x 11 inches

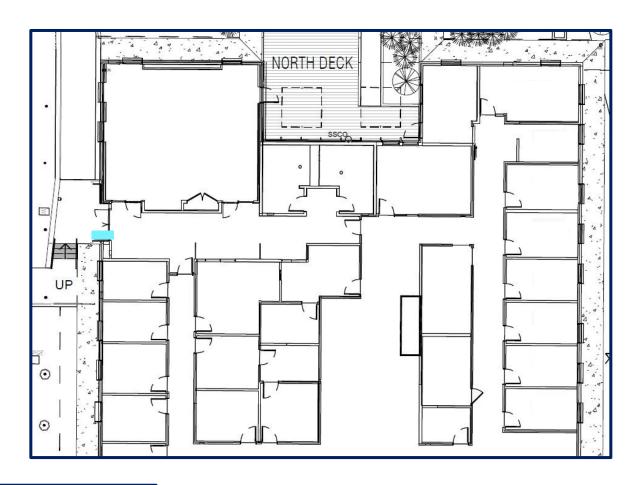


Brushed Stainless Steel Sample



Dedication Plaque Location



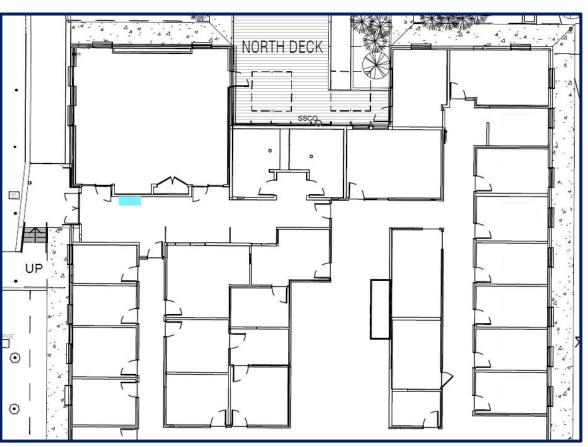


Dedication Plaque Proposed Location



Dedication Plaque Location





Dedication Plaque Alternate Location 1





Questions?



MEMORANDUM

To: Board of Directors Date: July 15, 2025

From: Tony Williams, General Manager

Subject: 5-Year Strategic Plan Development Update

\nmwdfileserver\administration\gm\bod memos 2025\4-15-25 meeting\strategic plan update\4-15-25 bod memo strategic plan update.docx

RECOMMENDED ACTION: Information Only, Provide Direction to Staff

FINANCIAL IMPACT: None, included in FY26 Budget

Strategic Planning Background

At the November 7, 2023 Board meeting, Staff presented the final 2018-2023 Strategic Plan status report. At the February 6, 2024, meeting, the Board authorized an agreement with District's public relations and communications consultant, Kiosk Creative LLC ("Kiosk"), in the amount of \$24,620. The work performed under this agreement included research of comparable water providers, conducting a series of staff engagements, including a comprehensive survey and one-on-one interviews at all levels, and conducting interviews with the Board of Directors. In addition, Kiosk conducted a review of organizational needs and potential structural changes, using comparisons of organizational charts from other agencies as well as two focused meetings with the District's department heads.

The information gathered through the various surveys and interviews as well as the other 2024 work was reviewed, analyzed and synthesized, and after further discussions with District staff leadership, ten "themes" or focus areas were identified. The results of the efforts described above were presented to the Board at the April 15, 2025 Board meeting. At the same Board meeting, the Board authorized a subsequent agreement with Kiosk for the development of a written 5-year Strategic Plan. An update of that work is presented below.

Strategic Plan Development

Since April 2025, Kiosk and staff have held several workshops to review the themes/focus areas and identify a reasonable number of strategic goals. The outcome of those workshops was the six proposed goals listed below:

- Strengthen Infrastructure Reliability
- Ensure Resilient Water Supply
- Foster Organizational Excellence
- Optimize Operational Performance
- > Enhance Customer Understanding & Engagement
- Maintain Effective & Transparent Governance

The six goals and how they emerged from the ten themes/focus areas are depicted in the attached graphic (Attachment 1). Associated with each goal are a series of initiatives or specific actions, which are well defined and aligned with the specific goal. It is important that the initiatives and actions are achievable and realistic within a 5-year timeframe. A draft of the actions or initiatives for each goal is provided as Attachment 2.

The primary objective for the goals and associated actions is to improve overall efficiencies to ensure that the day-to-day District administrative and operational needs are met, and to transition from a reactive posture to a more proactive one with respect to managing the District's infrastructure. This primary intention is important given the District's many obligations, challenges and liabilities with limited resources. In addition, considering the ever-changing regulatory environment that exists at all levels¹, staff seek to strengthen resiliency to adapt to these changing conditions. There are many current activities, functions or business areas that could benefit from additional resources or more focused attention to better address overall functionality, efficiencies or timely execution of required tasks. As examples, the following important organizational functions, have been identified as areas where current staffing levels, reliance on third party consultants, or overall strategies could be adjusted to further support operational effectiveness:

Activity or Function	Lead Staff	Currently Managed
Real Estate and Property Management	0	Combination of staff; consultants
Emergency Management	0	Combination of staff, consultants
Public Outreach and Communications	1	Combined with water conservation (WC)
Grant Writing and Management	0	Consultants or combination of staff
Legislative Affairs/Rulemaking	0	Reliance on SCWA, ACWA, etc.
Water Resources Planning and Permitting	0	Consultants
Recycled Water Management	0	Combination of staff
Information Technology (IT)	0	Consultant
Operational Technology (OT) and SCADA	0	Consultants
Water Conservation	1	Combined with public outreach
Water Supply Planning	0	Consultants, GM, Chief Eng, WC

Although there may be opportunities to enhance the level of service or to offer new services or programs to its customers, this likely comes with the need for increased staffing levels or the additional cost of new technology. Additionally, the implementation of new services or capabilities

¹ We typically think of regulatory requirements impacting our water treatment processes and water quality testing, but more and more legislative actions are impacting all areas of the District, including but not limited to accounting, finance, rate setting, HR, engineering, construction, safety, materials handling, land management, and governance.

is secondary to addressing existing gaps or limitations in current operations in support of the District's primary mission of providing reliable water service to its customers.

Board Workshop

Prior to finalizing the Strategic Plan, staff are proposing a Board Workshop to receive input from the Board, customers or members of the public. The workshop can be held as part of a Regular scheduled meeting or as a Special Meeting. For the Special Meeting options, the workshop could be held at any time between 10am and 4pm. Some options that staff is recommending are the following:

- August 5th Board Meeting
- August 19th Board Meeting
- Special Board Meeting on July 29th or July 30th

Regardless of the date chosen by the Board, the meeting will be publicly noticed in accordance with the Brown Act. Although the workshop is subject to the Brown Act, requiring noticing and an open meeting, it allows for in-depth discussion and informal decision-making (without formal voting) as well as more relaxed parliamentary procedures.

RECOMMNEDATION

The Board provide staff with the preferred date for a Board Workshop to hold discussion on the draft 2025 Strategic Plan.

ATTACHMENTS:

- 1. Proposed Strategic Goals Graphic
- 2. Proposed Strategic Initiatives and Actions

			3. Safety & Regulatory Compliance				
hemes			4. Organizational Structure Review & Leadership Succession	7. Emergency Preparedness & Risk Mitigation			
F			5. Workforce Development & Retention	9. Technology & Operational Efficiency			•
	1. Infrastructure Resilience	2. Water Supply & Regional Partnerships		ustainability & nagement	8. Public Engagement & Education	10. Governance & Board Effectiveness	
Goals	Strengthen Infrastructure Reliability	Ensure a Resilient Water Supply	Foster Organizational Excellence	Optimize Operational Performance Readiness	Enhance Customer Understanding & Engagement	Maintain Effective & Transparent Governance	11

DRAFT STRATEGIC ACTIONS (PER GOAL)

1. Strengthen Infrastructure Resilience

#	Draft Initiative of Action	Initial Feedback from Leadership
1.1	Replace aging infrastructure with a phased approach Update and implement a multi-year capital improvement plan that prioritizes aging assets - especially at high-risk facilities like the Point Reyes Treatment Plant - using condition-based assessments to phase out reliance on emergency repairs.	Keep – Master plan to inform multi-year CIP
1.2	Eliminate single points of failure Identify and address vulnerabilities in the system - such as single-source pipelines and pump stations - by adding redundancy and bypass solutions to prevent service disruptions.	If we keep, needs to be changed to something achievable e.g. looping pressure zones to increase redundancy or similar language Emergency response plan already addresses system failures or loss of single-point of supply
1.3	Establish a comprehensive asset management and preventative maintenance program Create a structured maintenance plan to proactively service infrastructure, reduce lifecycle costs, and extend the life of critical assets.	Keep and combine with other "actions/initiatives" that address asset management, GIS, advanced technology, NexGen (action 1.8)
1.4	Secure diversified funding for capital projects Pursue state and federal grants, low-interest loans, and regional cost-sharing opportunities to finance priority upgrades while keeping rates affordable.	Look for and go after grants when available. Make sure the measurable "action" is attainable even if no grants are secured
1.5	Interconnection - Interconnected with other agencies, and with our own zones, e.g. Eagle Drive - can we create an interconnection/ looping?	Combine with the "action/initiative" above that looks to identify vulnerabilities in the system. Also see 3.7
1.6	Expand water storage capacity for supply resilience Construct new water storage tanks to maintain service continuity during droughts, aqueduct failures, and other supply interruptions.	If we are going to keep, change the "action" to be about optimizing water quality in conjunction with stored water. Increasing capacity is not something the District should pursue.

1.7	Strengthen seismic and rural resilience Upgrade infrastructure in seismically vulnerable zones and in West Marin to ensure continued service and structural stability during natural disasters. Review and upgrade site access to facilities, especially in remote locations.	Keep – this is our standard procedure when retrofitting facilities (e.g. tanks and pump stations)
1.8	Leverage advanced technology to improve system reliability Utilize existing GIS mapping, predictive maintenance tools, and adopt automation to monitor system health, prioritize repairs, and prevent failures before they occur.	Keep and combine with other "actions/initiatives" that address asset management, GIS, advanced technology, Next Gen
1.9	Deepen regional coordination for emergency preparedness Strengthen collaboration with neighboring agencies to develop regional emergency plans, coordinate response protocols, and seek joint funding for shared infrastructure needs.	This is already happening so does not make sense as an action

2. Foster Organizational Excellence

#	Draft Initiative of Action	Initial Feedback from Leadership
2.1	Review Organizational Structure to Improve Effectiveness Perform a comprehensive evaluation of the current org chart, including roles and duties in light of current activities, functions or business areas that need or could benefit from additional resources or more focused attention to better address overall functionality, efficiencies or timely execution of required tasks as well as less reliance on third parties.	This is an initiative (versus an action)
2.1.1	 Consider the following actions under the Initiative 2.1: Centralize oversight of district-wide safety, training, and regulatory compliance to reduce risk and improve accountability across departments. Evaluate the Water Quality Division's role to ensure it receives adequate strategic focus and regulatory oversight as compliance expectations grow. Restructure senior leadership (department heads and divisions) roles and reporting lines Rebalance management workloads by evaluating span of control to improve focus and efficiency. 	These are specific actions under the above initiative
2.2	Standardize safety training and emergency preparedness using new Emergency Response Plan (ERP) as guide Implement mandatory annual safety training, department-wide emergency drills, and a uniform onboarding safety curriculum for all employees.	Keep – increase focus on these topics as a matter of practice
2.3	Establish a centralized compliance tracking and audit system Create a digital system for monitoring regulatory deadlines, documentation, and policy updates, etc.	Can this be accomplished by utilizing NextGen for any requirement (e.g. calendar reminders for annual/recurring reporting requirements)?

#	Draft Initiative of Action	Initial Feedback from Leadership
2.4	Improve internal communication and team cohesion Hold regular all-staff meetings, explore launching an intranet, and launch cross-department initiatives to foster collaboration and morale.	Keep – involve department heads in developing quarterly (twice a year?) all-staff meetings with meaningful agendas
2.5	Develop and implement a formal succession plan Prepare for upcoming retirements by identifying key roles, documenting critical institutional knowledge, and establishing a transition process.	Keep
2.6	Formalize a mentorship and leadership development program Pair experienced staff with emerging leaders to build management skills and support succession planning through hands-on learning and crosstraining.	We currently do the following on a regular basis: Leadership Novato, Dominican College Leadership Programs
2.7	Explore "shared resources" opportunities and alternative models Collaborate with neighboring water agencies to explore shared staffing or regional apprenticeship models, especially for remote or hard-to-staff areas.	Keep
2.8	Implement a proactive staff retention/engagement strategy Develop a comprehensive plan addressing compensation competitiveness, work-life balance, career progression, and culture— positioning the District as a long-term career destination.	Keep but combine with the action to expand career development and promotion opportunities (below)
2.9	Expand career development and promotion opportunities Create clear pathways for advancement, offer leadership training, and improve transparency around promotion criteria and opportunities.	Keep but combine with the action to implement a proactive staff retention/engagement strategy (above)

3. Ensure a Resilient Water Supply

#	Draft Initiative of Action	Initial Feedback from Leadership
3.1	Advocate for stronger district representation regionally Actively pursue greater influence and equitable representation in Sonoma Water and other key regional water agencies to protect the District's interests in cost and supply negotiations.	Keep but consider rewording due to optics
3.2	Conduct a district-wide water supply vulnerability assessment Identify system weak points, single-source dependencies, and areas most at risk from drought or infrastructure failure, and prioritize them for investment.	Keep
3.3	Develop a long-term water strategy for West Marin Create a roadmap for addressing West Marin's limited supply, including evaluating supplemental sources, conservation programs, and small-scale local solutions.	Keep but include this in the action above, as part of the "district-wide" assessment
3.4	Optimize existing infrastructure for supply efficiency Use asset data and modeling to improve water conveyance, reduce losses, and make better use of current infrastructure under normal and emergency conditions.	Keep but include this in the action above, as part of the "district-wide" assessment
3.5	Establish an Aqueduct Failure Contingency Program Create a district-specific contingency program that includes pre-purchased spare parts for critical infrastructure, rapid repair contracts, mobile treatment or pumping assets, and scenario-based planning for aqueduct failure.	Keep but include this in the action above, as part of the "district-wide" assessment
3.6	Regularly Review and Update emergency water-sharing agreements Several regional water-sharing arrangements with neighboring agencies (e.g., Marin Municipal Water District, Sonoma Water) exist to ensure support during droughts or supply disruptions. Regular review/updates should be performed.	Keep - "update existing" agreements and expand with new agreements where opportunities exist

3.7	Implement drought contingency & water redundancy strategies Develop and update drought response plans using the current Water Shortage Contingency Plan (Novato) and Annual Water Supply and Demand Assessments, explore additional interties and bypasses, and improve conveyance efficiency to ensure backup options are available before crisis situations emerge.	Keep - We already have these plans in place
3.8	Pursue state and federal funding for supply projects Seek grant funding for storage, conveyance, and recycled water initiatives to reduce the burden on ratepayers while advancing long-term resilience.	Consider combining with action 1.4
3.9	Strengthen regional partnerships and coordination Continue building relationships with nearby districts and watershed agencies to align on shared goals, secure joint funding, and address regional water challenges collaboratively.	Keep – can be accomplished by continued membership in local/regional organizations
3.10	Engage and educate the public about water supply planning Educate customers about current risks, storage limitations, and the importance of diversification, e.g. through meetings and campaigns.	Keep but relocate to Goal #4

4. Enhance Customer Understanding & Engagement

#	Draft Initiative of Action	Initial Feedback from Leadership
4.1	Launch a proactive, year-round public education campaign Develop a campaign that explains where NMWD's water comes from, how it's treated and delivered, and why conservation and infrastructure upgrades are essential. Include both digital and printed content.	Keep – but make sure the goals are clear and attainable
4.2	Develop a multi-year community engagement plan The plan would identify community events to participate including community pop-ups (e.g., farmers markets, schools, events) to provide updates, answer questions, and build relationships beyond crisis moments. Community events include periodic open house events at STP, Rush Creek Place (RCP) or key pump stations.	Keep – seems related to the action above, consider combining
4.3	Implement a district-wide school/youth education program Partner with schools to offer classroom visits, facility tours, and educational materials to build water literacy and long-term conservation values among students and families.	Keep – already doing this to some extent. Opportunity to expand?
4.4	Build a rapid response strategy for misinformation Develop a clear process for monitoring misinformation and potentially responding quickly with fact-based communications to maintain public trust. The team will likely be multi-departmental and must handle all areas of potential misinformation: finances, projects, regulations, the dam, the lake, water quality, development, water supply, etc.	Кеер
4.5	Provide regular financial planning and rate forecast updates Issue accessible, jargon-free summaries of financial plans and upcoming projects to prepare the public for necessary rate changes and infrastructure investments.	Business as usual? Quarterly financial statements are already being presented to the Board. Look into PAFR

#	Draft Initiative of Action	Initial Feedback from Leadership
4.6	Establish a "Know Your Water" campaign A branded initiative to make water literacy mainstream - covering topics like aqueduct reliance, supply vulnerabilities, conservation tips, and infrastructure needs - through local media, social and digital content.	Keep, but can be combined with action 4.1
4.7	Create a library of public-facing educational materials Produce explainer videos, infographics, and FAQs that simplify complex topics like rate structures, infrastructure costs, and supply risks—shared on the website, social media, and in bill inserts.	Keep, but combine with the "Know Your Water" campaign and action 4.1
4.8	Expand multi-lingual and multi-channel communications Ensure materials are translated into Spanish and other key languages, and use a mix of communication methods - including social media, mailers, radio, and events -to reach all demographics.	Кеер
4.9	Increase visibility of District leadership in the community Encourage Board participation at public forums, school events, and civic group meetings to strengthen personal connections and show accountability.	Keep – need to figure out the most effective strategy to help success. Some overlap with Goal 6

5. Optimize Operational Performance Readiness

#	Draft Initiative of Action	Initial Feedback from Leadership
5.1	Develop a comprehensive, long-term IT modernization plan Create a district-wide roadmap for upgrading systems, software, hardware, and infrastructure - prioritizing integration, reliability, and future scalability.	Keep, align actions 5.1, 5.4, and 5.7 together so that they are cohesive and build on each other
5.2	Conduct a full data and cybersecurity audit Engage a third-party firm to assess vulnerabilities in current IT infrastructure, including SCADA, remote monitoring, and proprietary software systems.	Keep, replace "technology" with "data security"
5.3	Establish a formal district-wide cybersecurity program Develop protocols for intrusion detection, data backup, staff training, and ransomware response—ensuring resilience against cyberattacks.	Keep, align actions 5.2 and 5.3 together so that they are cohesive and build on each other
5.4	Reduce dependence on single IT contractors and proprietary systems Document system processes, invest in crosstraining, and build internal IT capacity to mitigate risk from over-reliance on individual vendors or staff.	Keep, align actions 5.1, 5.4, and 5.7 together so that they are cohesive and build on each other
5.5	Standardize mobile tools and digital workflows for field staff Equip crews with tablets or mobile apps that sync with central systems, eliminating the need for paper forms and office-based data entry.	Keep – align actions 5.5 and 5.6 together so that they are cohesive and build on each other
5.6	Consolidate and integrate siloed operational data Implement a centralized data platform that brings together engineering, field ops, customer service, and finance data for better system-wide insight and analytics.	Keep – align actions 5.5 and 5.6 together so that they are cohesive and build on each other
5.7	Replace legacy systems with integrated, cloud-based solutions Phase out outdated software and manual processes by investing in cloud-based platforms	Keep, align actions 5.1, 5.4, and 5.7 together so that they are cohesive and build on each other

	that support remote access, continuity planning, and system-wide integration.	
5.8	Review and upgrade the SCADA system & telemetry infrastructure Replace or modernize aging SCADA components and expand telemetry capabilities to enable real-time monitoring, faster emergency response, and better operational visibility.	Keep
5.9	Expand GIS mapping and GPS asset tracking tools Implement use of GPS equipment, and advance use of GIS software customizations to improve infrastructure mapping, field data collection, and planning accuracy.	Keep but modify language to reflect that we have already moved to ArcGIS and now we need to customize/adapt/etc. to better meet our needs
5.10	Leverage existing smart meter data and implement predictive analytics Use data from smart water meters to improve demand forecasting, and apply predictive models that help identify system vulnerabilities and optimize maintenance planning.	Keep w/minor edits
5.11	Create a formal technology onboarding and training program Ensure staff receive structured, role-specific training during and after new system rollouts to improve adoption, reduce frustration, and increase ROI.	Keep
5.12	Modernize customer service and billing systems Upgrade billing software and customer engagement platforms to reduce manual errors, improve responsiveness, and streamline service interactions.	Keep

6. Maintain Effective and Transparent Governance

#	Draft Initiative of Action	Initial Feedback from Leadership	
6.1	Establish a structured board training and onboarding program Create a formal orientation and ongoing education program covering governance roles, strategic planning, financial literacy, and public communication. Review and update the Board Manual	Keep, encourage attendance at conferences and workshops that teach what board members should be doing	
6.2	Clarify and document board-staff boundaries and responsibilities Review and update handbook that outlines the board's role in oversight versus management, with examples and boundary-setting tools.	Keep	
6.3	Increase board involvement in policy advocacy and funding efforts Encourage board members to represent the District in regional, state, and federal forums to advocate for funding, legislation, and regional water policy priorities.	Кеер	
6.4	Emphasis that Board Meetings are intended to focus on strategic issues Include consent calendar purpose and day to day approvals	Keep – combine with 6.5	
6.5	Implement annual board self-assessments Facilitate regular evaluations of board effectiveness, including peer feedback and reflection on role clarity, preparation, and strategic focus.	Keep but may be difficult to achieve	
6.6	Strengthen board-staff communication protocols Create a standardized process for sharing information between staff and the board—such as pre-meeting briefings, executive dashboards, and follow-up Board summaries	Keep	
6.7	Provide quarterly public-facing board performance summaries Issue accessible updates summarizing major board decisions, progress on goals, and key issues addressed to reinforce transparency	Keep but combine with action 6.5	

6.8	Develop a board succession and continuity plan Create a framework to anticipate and prepare for board member turnover, ensuring continuity in leadership, institutional knowledge, and strategic priorities.	Keep, combine with 6.9 Need legal review as this may violate the CA Elections Code
6.9	Establish a board mentorship program Pair experienced board members with new directors to support institutional continuity and faster onboarding of governance best practices.	Keep, combine with 6.8



North Bay Watershed Association Board Meeting - Agenda

July 11, 2025 | 9:30 - 11:30 a.m.

MEETING WILL BE HELD AT THE Central Marin Sanitation Agency

1301 Andersen Drive, San Rafael, CA 94901

For those wishing to attend virtually Join Zoom Meeting:

https://us02web.zoom.us/j/81630673971?pwd=dm94TXJCRWMyWFBLc3U5V2pTSmNRZz09

Webinar ID: 816 3067 3971 Password: 216460

Agenda and materials will be available the day of the meeting at: www.nbwatershed.org

AGENDA

Time	Agenda Item	Proposed Action
9:30	Welcome and Call to Order – Roll Call and Introductions	N/A
	Jean Mariani, Chair	
9:35	General Public Comments	N/A
	This time is reserved for the public to address the meeting about matters NOT on the agenda and within the jurisdiction of the association.	
9:40	Agenda and Past Meeting Minutes Review	Approve/
	Jean Mariani, Chair	Accept
	Treasurer's Report	
	Jean Mariani, Chair	
9:45	Guest Presentation—Impacts of Nonnative Fish on Salmon Recovery: Lessons Learned from Long-Term Predation Studies in the San Joaquin Basin	Presentation slides
	Dana Lee, Senior Fish Biologist, FISHBIO	
	While nonnative fish are frequently identified as a challenge to salmon recovery, this area of study has received far less attention than many of the other stressors impacting salmon populations. Dana's talk will detail the findings of recent studies from the San Joaquin Basin, which suggest that the impacts of nonnative fish on native fish species are far more widespread and prevalent than previously thought.	

10:20	Executive Director Report Andy Rodgers, Executive Director	ED updates, Board questions, and input
	Andy will provide updates and solicit board input on activities since the June 6 Board meeting, including administrative updates, regional programs participation, 2026 conference planning, preparation of draft Director Packet, and other activities, programs, and communications.	
10:25	Executive Director Services - Amendment	
	Andy Rodgers, Executive Director	
	Andy will provide an overview of NBWA administration expenses during FY2024-25 including completing unbudgeted tasks such as transition of treasury agency and supporting creation and launch of an expanded Small Grants and Scholarship Program. The total extra cost incurred associated with these two tasks was \$17,500 which is proposed for a one-time amendment to reconcile West Yost's FY2025-26 budget.	
10:35	Small Grant and Scholarship Program Update	Presentation slides
	Andy Rodgers, Executive Director	stides
	Andy will provide an overview of program launch, outreach, status of applications, and next steps.	Board questions and input
10:40	Board Information Exchange and Updates	N/A
	Members	
	Members will highlight issues and share items of interest.	
10:55	Agenda Items for Future Meetings	
	Andy Rodgers, Executive Director	
	Andy will outline ideas for next and future Board meeting topics and solicit feedback.	
11:00	Announcements/Adjourn	N/A
	Next Board Meeting: August 1	

DISBURSEMENTS - DATED JUNE 19, 2025

Date Prepared 6/16/25

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
E13788*	Unicorn Group	Postage for Novato Water Quality Postcards	\$5,469.18
1		Retiree Exp Reimb (June Health Ins)	1,572.71
2	Asbury Environmental Services	Anti-Freeze Disposal	8.00
3	Bank of Marin	Bank of Marin Loan Principal & Interest (Pymt 164 of 240) Aqueduct Energy Efficiency Project	46,066.67
4	Bay Alarm Company	Fire Permit (\$264) & Quarterly Fire Alarm Monitoring Fee (7/1/25-9/30/25) (\$338) (STP)	602.19
5	Bold & Polisner	May Legal Fees-General (\$9,081) & NMWD Portion Potter Valley Project (\$910)	9,991.00
6	Buck Institute for Research on Aging	June & July 2025 Rent for Lab Space @ Buck Institute	27,168.00
7		Retiree Exp Reimb (June Health Ins)	595.05
8	California Water Service	June Water Service	35.36
9	Camilleri, Christine	Novato Washer Rebate Program	75.00
10		Retiree Exp Reimb (June Health Ins)	626.75
11		Retiree Exp Reimb (June Health Ins)	626.75
12	C.J. Brown & Company, CPAs	May Progress Billing Financial Statement Audit	
		FY25/26 (Balance Remaining on Contract \$36,220)	630.00
13	Comcast	June Internet (Buck Institute)	367.16
14	Cummings Trucking	Rock (86 yds) & Pea & Sand (34 yds)	2,067.00
15	Diesel Direct West	Gasoline (1,000 gal)	4,070.35
16	ESRI Environmental Systems Research Institute, Inc	Arc Geographic Information System Software Suite (6/28/25-6/27/26) (Engineering)	7,650.00

Seq	Payable To	For	Amount
17	Exele Information Systems, Inc.	Alarm System Software for SCADA	8,879.00
18	D.L. Falk Construction, Inc.	Prog Pymt#32: Admin & Lab Building Upgrades (Balance Remaining on Contract \$214,900)	3,717.84
19	D.L. Falk Construction Escrow Acct	5% Retainer: DL Falk Construction-CA Bank of Commerce Admin Bldg & Lab Upgrade	195.67
20	Fiserv/Bastogne Inc.	Return Payment-Not Our Customer	57.66
21	Grainger	Pipe Cement (20) (\$276), Primer (12) (\$159), Floor Fans (2) (\$197), Building Wire (1,000') (\$366), Miscellaneous Tools & Supplies	1,272.53
22	Grauss, Phillip & Neneng	Refund Over Payment on Closed Account	69.66
23	InfoSend, Inc.	May Processing Fee for Water Bills (\$1,502), Postage (\$4,507) & Monthly Support Fee (\$1,099)	7,107.86
24		Retiree Exp Reimb (June Health Ins)	626.75
25	Kehoe, Chris	Exp Reimb: Wine Country Water Works Membership Renewal	35.00
26	Kropelnicki, Nicole	Novato Washer Rebate Program	75.00
27		Retiree Exp Reimb (June Health Ins)	626.75
28		Retiree Exp Reimb (June Health Ins)	1,572.71
29	McMaster-Carr Supply Co	Insect Screening (25') & 1" Steel Bars (4)	304.16
30	Nachnani, Sudhir	Novato Washer Rebate Program	75.00
31	Nave Motors	Towing Services on 5/19/25 ('23 Ford Ranger)	175.00
32	North Bay Gas	Nitrogen (\$254), Carbon Dioxide (\$223) & Welding Supplies (\$430)	906.71
33	ODP Business Solutions, LLC	Miscellaneous Office Supplies	321.65
34	Pace Supply	Nipples (8)	186.30
35	Pacific Gas & Electric Co	Power: Bldg/Yd (\$2,210), Other (\$251), Pumping (\$61,561), Rect/Cont (\$793) & T/P (\$4,443)	69,258.23

Seq	Payable To	For	Amount
36	Prismic Photography	Drone Photos of STP (Balance Remaining on Contract \$2,081)	618.75
37	Reischmann, Marc	Exp Reimb: Microscope Filters for Lab	95.99
38		Retiree Exp Reimb (June Health Ins)	626.75
39	Staples Advantage	Copy Paper (30 reams)	193.86
40		Retiree Exp Reimb (June Health Ins)	1,572.71
41	United Parcel Service	Delivery Services: Sent Out Pressure Data Loggers for Recalibration (Engineering)	51.18
42	US Bank	May Safekeeping Treasury Securities	128.25
43	Waste Management	Waste Removal	153.09
44	Zenith Insurance Company	Workers' Comp Final Audit Premium (5/1/24-5/1/25) TOTAL DISBURSEMENTS	3,248.00 \$209,773.23

The foregoing payroll and accounts payable vouchers totaling \$209,773.23 are hereby approved and authorized for payment.

Audit Blue Auditor-Controller	06/17/25
Auditor-Controller	Date
Mall-	06/17/2025
General Manager	Daté /

DISBURSEMENTS - DATED JUNE 26, 2025

Date Prepared 6/23/25

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 P/E 6/15/25	\$202,675.52
90884*	Internal Revenue Service	Federal & FICA Taxes PPE 6/15/25	93,850.05
90885*	State of California	State Taxes & SDI PPE 6/15/25	21,979.18
90886*	CalPERS	Pension Contribution PPE 6/15/25	59,587.86
90887*	Nationwide	Deferred Compensation-457 PPE 6/15/25	16,515.70
90888*	Nationwide	Deferred Compensation 6/15/25-401A Match	2,888.22
EFT*	US Bank	May Bank Analysis Charge (Lockbox \$920 & Other \$413 Less Interest \$156)	1,177.09
90882*	Amazon	Computer Supplies (\$584), Office & Kitchen Supplies (\$730), Respirator Masks (22) (\$326), Hard Drives for SCADA Upgrade (\$444), Safety Supplies (\$110), & Metal Zip Ties	2,249.77
90883*	US Bank Card	GoDaddy Domain Renewals, Internet PRTP & Gallagher Well #2, Zoom Subscription, Starlink Monthly, Lunch Oper/Maint Manager for Interview Panels (2 days-\$395), City of Novato-No Parking Signs (250) (\$375), Clear Truck Compliance Fee, STP Alarm System-Internet Set Up Fee (\$176) & Ink for Postal Meter (\$272)	2,328.86
1	Able Fence Company	Fence Supplies (Recycled Water)	160.07
2	All Star Rents	Propane (5 gal), Trencher (2 Days) (\$761) & Post Hole Digger Rentals (1 Day) (\$103)	886.14
3	Alpha Analytical Labs	Lab Testing (Novato-\$5,174 & W.M\$2,808)	7,982.00
4	Asbury Environmental Services	Used Oil Disposal Fee	153.00
5	Associated Right of Way Services	Prog Pymt#12: Valuation Services for Lynwood Pump Station (Balance Remaining on Contract \$22,210)	10,380.00

Seq	Payable To	For	Amount
6	AT&T	Leased Lines	63.08
7	Automation Direct	Enclosure Latch, Subpanel, Hook-Up Wire (1,000') & Screw Down End Brackets (100)	500.37
8	Bohler, Lawrence	Novato Smart Irrigation Controller Program	46.00
9	Bray Process Control-West Coast	t Gear Box & Bracket-STP Influent Valve Filter #2	675.32
10	Coast Counties Peterbilt	Service Parts ('09 Peterbilt 335 Crew Truck)	189.56
11	Corda, Jeff	Exp Reimb: T4 Renewal Certification	105.00
12	Core Utilities, Inc	Consulting Services: May IT Support (\$6,000), SCADA & PLC Support (\$2,475) & CORE Billing Maintenance	8,525.00
13	Core & Main	12" Coupling	682.81
14	Covia Solutions Inc.	Microsand for STP Actifloc Coagulation Process (22 tons)	6,266.75
15	Durkin Signs & Graphics	Installed Window Tints (Admin Bldg)	925.07
16	Enterprise FM Trust	Monthly Leases for Nissan Rogue (2), Nissan Frontier, F-150's (6), F-250's (4), Ford Rangers (6), Chevy Bolts (2) & Nissan Leaf	13,041.73
17	Eurofins Eaton Analytical, Inc	Lab Testing	693.00
18	Evoqua Water Technologies LLC	Service on Deionization System (Lab)	1,285.00
19	Fisher Scientific	Lattice Rod, Cylinder, Safety Glasses (6), Chlorite Standard, Bullet Probes (2) & Probe Thermometers (2) (Lab)	690.19
20	Forevergreen Landscape and Maintenance	Cut Weeds Inside of Fenced Property @ STP (\$3,665), Clean Up, Remove Debris & Blow Off Concrete Skirt (Admin Bldg) (\$630) & Mowing, Clean up Weeds on Road 10 ft. on Either Side & Inside Fenced Property @ Hamilton Airbase (\$2,775)	7,070.00

Seq	Payable To	For	Amount
21	GHD Inc.	Prog Pymt#8: Stafford Dam Stability Analysis Project (\$5,354) (Balance Remaining on as needed Contract \$159,626), Prog Pymt#24: GIS Conversion to ESRI & Mapping Support (\$746) (Balance Remaining on Contract \$2,161) & Prog Pymt#10: Construction Management Services for Crest Pump Station Project (\$8,635) (Balance Remaining on Contract \$21,846)	14,734.84
22	Grainger	Pressure Washer & Parts (\$460), Circuit Protectors (4) (\$360), Chlorine Reagent (1,000) (STP) (\$359), Oxygen Sensor (\$247), Dry Erase Boards (3) (\$219), Miscellaneous Tools & Supplies	2,408.68
23	High-Purity Standards	Phosphorus Standard (Lab)	87.67
24	Idexx Laboratories	Coli Comparator (Lab)	31.77
25	Kehoe, Chris	Exp Reimb: Posts for Railroad Tree Planting	1,003.71
26	Kemira Water Solutions	Ferric Chloride (10 dry tons) (STP)	17,351.25
27	Kiosk Creative LLC	Prog Pymt#2: 5-Year Strategic Plan Consulting May 2025 (Balance Remaining on Contract \$14,920)	2,740.00
28	LeBrun, Kent	Exp Reimb: Tire for District Vehicle	206.29
29	Lincoln Life Employer Serv	Deferred Compensation PPE 6/15/25	7,432.91
30	Locati, Charles	Novato Washer Rebate Program	75.00
31	Madgetech	Probe (Lab)	164.40
32	Marin County Flood Control & Water Conservation District	Hydrologic & Hydraulic Study - Stafford Reservoir	143,882.50
33	Marin Pool Service CO	Refund Security Deposit on Hydrant Meter Less Final Bill	594.56
34	McLellan Co, WK	Misc Paving	9,502.04
35	McMaster-Carr Supply Co	Eyebolts (8) & Strut Channel Washers (8)	255.36
36	Mehrer, Karen	Novato Toilet Rebate Program	100.00
37	ODP Business Solutions, LLC	Miscellaneous Office Supplies	107.07

Seq	Payable To	For	Amount
38	O'Reilly Auto Parts	Wiper Fluid & Brake Cleaner	346.89
39	Pace Supply	Elbows (10) & Couplings (10) (\$2,891)	3,008.53
40	Park, Austin	Novato Smart Irrigation Controller Program	60.00
41	Point Reyes Prop Mgmt Assn	June HOA Fees (25 Giacomini Rd)	75.05
42	Preferred Alliance, Inc.	Pre-Employment Tests (3 Employees)	180.00
43	Quincy Compressor	Maintenance Parts for STP Compressors	1,693.50
44	Redwood Painting Co., Inc.	Refund Security Deposit on Hydrant Meter Less Final Bill	499.44
45	Red Wing Business Advantage	Safety Boots (2 Employees)	549.43
46	Roy's Sewer Service	Emergency Sewer Services-Including Flushing & Video Inspection (Admin Bldg) (\$3,275) & Clean North Street Sump & Lift Station Grit Chamber (O.M.) (\$4,000)	7,275.00
47	Sabah International	Retention Billing: Security & Access Control Install Rush Creek Place	12,639.50
48	Schlosser, Susan	Refund Payment on Incorrect Account	205.63
49	Scott Technology Group	June Monthly Maintenance on Engineering, Admin Copiers & Contract Overage Charge	447.47
50	Soiland Co., Inc.	Rock (34 yds) (\$1,063) & Asphalt Recycling (8 yds) (\$282)	1,344.14
51	Sonoma County Water Agency	May Contract Water	457,925.21
52	SPG Solar Facility XII, LLC	May Energy Delivered Under Solar Services Agreement	17,373.45
53	State Water Resources Control	D4 Certification Renewal (Simpson)	105.00
54	State Board of Equalization Tax Area Service Sect	Fee for Jurisdictional Boundary Change in Our West Marin Territory	6,500.00
55	Stevenson, Charmaine	Novato Toilet Rebate Program	300.00
56	Tamagno Green Products	Sludge Removal from STP (120 yds)	5,400.00
57	Thatcher Company of California	Chlorine (4,000 lbs) (STP)	5,837.60

Seq	Payable To	For	Amount
58	Thomas Scientific	Citrajet (1 gal) (\$314) & Quick Connectors (12) (Lab)	349.46
59	Underground Republic Water Works, Inc.	Butterfly Valve (\$10,859), All Threads (10) (\$385), Spools (4) (\$3,234), Nuts (51), Bolts (40) (\$787), Flanges (3) (\$361), Gaskets (4) (\$236), Reducer (\$602), Adapters (200) (\$3,998), Pipe (740') (\$756), Couplings (35), Bushings (50) & Tees (50)	21,883.32
60	Unicorn Group	Spring Novato Waterline	6,295.03
61	USA BlueBook	Chlorine Standard (\$341), Orion Sealed Triodes (2) (\$799) & Lamp Assembly (\$295) (STP)	1,435.24
62	VWR International LLC	Graduated Cylinder, Tubing (\$229), Steel Test Tubes (2), Thermometer/Data Logger (\$359), Timers (4) & Phosphorus Buffer	1,014.23
63	Watersavers Irrigation Inc.	Tire Ties (72) & Pine Stakes (26)	280.92
64	ZORO	Fuses (10), Hook-Up Wire & DeWalt Batteries for Cordless Tools (4) (\$686) TOTAL DISBURSEMENTS	885.44 \$1,218,159.87

The foregoing payroll and accounts payable vouchers totaling \$1,218,159.87 are hereby approved and authorized for payment.

Auditor-Controller	e	06/24/25
Auditor-Controller	-	Date

DISBURSEMENTS - DATED JULY 3, 2025

Date Prepared 6/30/25

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	American Family Life Ins	June 2025 Employee Paid Benefit	\$4,385.60
2	Anderson, Mona	Novato Washer Rebate Program	75.00
3	AWWA CA-NV SEC	Backflow Prevention Assembly Tester Recertification (M. Williamson)	340.00
4	Bearings & Hydraulics	Miscellaneous Hardware	136.50
5	Buck's Saw Service	Fuel for Yard Tools	255.64
6	Consolidated CM	Prog Pymt#50: Construction Management for Admin & Lab Upgrade Project (Balance Remaining on Contract \$31,896)	1,218.00
7	Diesel Direct West	Diesel (630 gal) & Gasoline (467 gal)	5,436.97
8	Ferguson Waterworks	Clamps (4)	56.62
9	Fong, Katherine	Novato Cash for Grass Rebate Program	445.00
10	Forevergreen Landscape and Maintenance	Cut Weeds & Clear Debris @ Trumbull Tank Site (\$3,875) & Clean Up & Remove Oak Tree Debris (\$1,765)	5,640.00
11	Freyer & Laureta, Inc.	Prog Pymt#32: Engineering & Design for Lynwood Pump Station (Balance Remaining on Contract \$62,077)	637.50
12	Grogan, Christine	Novato Toilet Rebate Program	100.00
13	Hellman, Sarah	Novato Rainwater Harvesting Rebate Program	225.00
14	Home Depot	Ceiling Light Strips (2) (\$165) & Rapid Set Concrete (50-60 lb bags) (\$871)	1,035.83
15	Industrial Scientific Corp	Air Monitor (Maintenance)	1,184.35
16	Kane, Shawn	Exp Reimb: Snacks for Annual Inventory Count	249.75

Seq	Payable To	For	Amount
17	Kiosk Creative LLC	May Marketing Communication & Outreach Services (Balance Remaining on Contract \$12,346)	6,843.57
18	McLellan Co, WK	Miscellaneous Paving	9,257.33
19	Miller Pacific Engineering	Prog Pymt#22: Geotechnical Services San Mateo Tank Project (Balance Remaining on Contract \$10,057)	300.00
20	Mitch's Certified Classes	Backflow Prevention Assembly Workshop in Sacramento (8/7-8/8/25) (M. Williamson)	850.00
21	Mutual of Omaha	July 2025-Mutual of Omaha Group Life/ADD Insurance Premium & Vision	2,313.54
22	NeoGOV	Recruitment Software Annual Software Renewal FY25/26 (Budget \$6,000)	6,177.05
23	Nerviani's Backflow	Backflow Testing (39)	2,535.00
24	Noll & Tam Architects	Prog Pymt#48: Architecture & Engineering Services Admin & Lab Upgrade Project (Balance Remaining on Contract \$13,794)	1,105.50
25	ODP Business Solutions, LLC	Miscellaneous Office Supplies	328.80
26	Pace Supply	Elbows (33) (\$830), Bushings (6) (\$100), Cap, Assessory Sets (6) (\$379), Couplings (27) (\$1,221), Gaskets (34) (\$155), Nipples (56) (\$1,488), Spools (3) (\$1,590), Valve (\$803), Nut & Bolts (36) (\$212) & Bell Restrainers (3) (\$562)	7,413.71
27	Parkinson Accounting Systems	Annual Maintenance on Accounting Software (8/25-7/26) (Budget \$2,600)	2,625.00
28	Point Reyes Light	West Marin Water Rate Study Ad (3/16/25)	300.00
29	Redwood Health Services, Inc.	April 2025-Dental Claims & June 2025 Fees	8,487.84
30	Sage Software Inc	Accounting Software Annual Subscription (\$11,438) (7/25-7/26), & Fixed Assets Module Annual Subscription (\$1,513) (7/25-7/26)	12,951.13
31	Sonoma-Marin Arborists Inc	Poison Oak & Tree Removal from Stafford Spillway & Debris Disposal	7,100.00
32	Unicorn Group	Banners for 4th of July Parade (2 - 60" x 60")	344.14

Seq	Payable To	For	Amount
33	Vanguard Cleaning Systems of the North Bay	July Janitorial Services (Rush Creek Place- \$4,500 & STP-\$920)	5,420.00
34	VWR International LLC	Beakers (24) (\$94), Stir Bars (\$106), & Miscellaneous Lab Supplies	394.21
35	Wilson, Angelita	Novato Cash for Grass Rebate Program TOTAL DISBURSEMENTS	1,000.00 \$97,168.58

The foregoing payroll and accounts payable vouchers totaling \$97,168.58 are hereby approved and authorized for payment.

Julie Blue	07/01/25	
Auditor-Controller	Date	
Ma lill	7/1/2025	
General Manager	Date	

DISBURSEMENTS - DATED JULY 10, 2025

Date Prepared 7/7/25

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 P/E 6/30/25	\$210,993.72
90892*	Internal Revenue Service	Federal & FICA Taxes PPE 6/30/25	96,999.03
90893*	State of California	State Taxes & SDI PPE 6/30/25	22,681.43
90895*	CalPERS	Pension Contribution PPE 6/30/25	59,551.71
90889*	CalPERS	July 2025 Health Insurance Premium (Employer \$65,683, Retirees \$12,855 & Employees \$7,968)	86,506.10
90890*	Nationwide	Deferred Compensation-457 PPE 6/30/25	16,626.53
90891*	Nationwide	Deferred Compensation 6/30/25-401A Match	2,893.11
1	Able Tire & Brake	Tires (10) ('24 F250-\$1,889, '02 Int'l 5 Yd Dump Truck-\$3,527) & Repair ('22 Ford Ranger)	5,454.43
2	Bearings & Hydraulics	Miscellaneous Supplies	122.75
3	Borges & Mahoney	12 Volt Batteries (2)	229.17
4	Building Supply Center	Concrete (60 lbs)	10.81
5	Caltest Analytical Laboratory	Lab Testing	226.00
6	CDW-Government, Inc.	Routers (2) (Telemetering Equipment)	277.67
7	Cervantes, Carmen	Novato Toilet Rebate Program	200.00
8	Comcast	July Internet (Yard)	1,573.65
9	DataTree	June Subscription to Parcel Data Information	100.00
10	Direct Line Inc	June Telephone Answering Service	425.00
11	Fisher Scientific	Potassium Tartrate (Lab)	27.20
12	Forevergreen Landscape and Maintenance	Cut Weeds & Clear Debris @ Lynwood Pump Station (\$490) & Tank Site (\$3,685)	4,175.00

Seq	Payable To	For	Amount
13	Freyer & Laureta, Inc.	Prog Pymt#18: Master Plan Update (Balance Remaining on Contract \$202,935)	50,589.17
14	Frontier Communications	Leased Lines	1,788.47
15	Frontier Communications	July Internet (STP)	640.00
16	Arthur J. Gallagher Risk Management Services LLC	FY 25/26 Cyber Liability Insurance (07/01/25-04/01/26)	5,215.75
17	Grainger	Level Sensors (O.M.) (\$1,004), Utility Pumps (2) (\$888) (STP), Control Transformers (2) (\$359), Miscellaneous Tools & Supplies	2,728.58
18	Gronner, Jill	Refund Overpayment on Open Account	142.64
19	Hach Co.	Lamp Assembly (STP)	424.55
20	Justifacts Credential Verification	Pre-employment Credential Verification (Engineering & Maintenance)	282.51
21	Kehoe, Chris	Exp Reimb: Lunch During Truck Builds in Hayward on 7/1/25-\$129 & Bark for Consumer's Front Yard After Main Break-\$152	281.13
22	Kemira Water Solutions	Ferric Chloride (9 dry tons) (STP)	16,040.12
23	Lincoln Life Employer Serv	Deferred Compensation PPE 6/30/25	7,400.31
24	Marin County Tax Collector	FY26 Possessory Interest Tax Bill (25 Giacomini Rd, Pt Reyes)	919.19
25	Marin Landscape Materials	Soil (8 yds) (Railroad Replacement Project)	344.14
26	McMaster-Carr Supply Co	Gauge & Miscellaneous Hardware (\$353) (STP)	465.02
27	North Marin Auto Parts	Service Parts ('18 Ford Cargo Van & '02 Int'l Dump Truck), Fuel Stabilizer (2), Trailer Seals (2), Wheel Bearing, Oil Seals (4) & Primer (11)	620.43
28	Pini Hardware	Socket Wrench (\$273), Drill Impact Kit (\$190), Miscellaneous Tools & Supplies	1,357.42
29	Recology Sonoma Marin	June Waste Removal	696.33
30	Reed, Corey	Exp Reimb: Treatment & Distribution Operator Certificate Renewals	165.00
31	RoadSafe Traffic Systems, Inc.	Traffic Cones with NMWD Stencil (50)	1,827.65

Seq	Payable To	For	Amount
32	State Water Res. Control Board	Lab Certification Fees for New Lab	5,525.00
33	Survival AED, LLC	Membership Renewal-AED Compliance Program on 4 Defibrillator Devices	600.00
34	Tec Help Fleet Training	Registration Fee for EV & Hybrid Class 8/6-8/7 in Vallejo (Watkins)	500.00
35	Testa, Michael	Refund Overpayment on Closed Account	338.47
36	Thomas Scientific	Lab Chairs (5)	2,300.51
37	Underground Rep Water Works	Blind Flange (San Mateo Tank Trans Main Project)	2,063.73
38	Univar	Sodium Hypochlorite (432 gal) (STP)	1,684.80
39	USA BlueBook	Indicator Solution, Hardness Solution (2) & Ammonium Hydroxide (STP)	200.51
40	US Postal Service	Meter Postage	1,500.00
41	VBS CAL LLC	Inkjet Bond Paper (3' x 150')	109.12
42	Verizon Wireless	Cell Phone Charges	1,630.15
43	VertexOne Software LLC	May Monthly Fee	92.51
44	Vulcan Materials Company	Power Patch (4 yds)	822.81
45	Winzer Corporation	Miscellaneous Hardware for Auto Shop	375.58
46	ZORO	Backup Power Supply (4) (\$414), Fan Grille (\$245), Fan Filter Media & Fuses (12) TOTAL DISBURSEMENTS	923.68 \$619,668.59

The foregoing payroll and accounts payable vouchers totaling \$619,668.59 are hereby approved and authorized for payment.

Auditor-Controller

Date

1/8/2025

General Manager

Date



MEMORANDUM

To: Board of Directors July 15, 2025

From: Julie Blue, Auditor-Controller

Nancy Williamson, Accounting Supervisor

Subj: Auditor-Controller's Monthly Report of Investments for May 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 \$21,729,209 and a market value of \$21,741,944. During May the cash balance decreased by \$1,667,395. The market value of securities held decreased \$1,668,457 during the month. The total unrestricted cash balance at month end was \$1,421,125, 65% of the Target Reserves are funded and 94% of the Minimum Reserves are funded.

At May 31, 2025, 68% 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 4% retained locally for operating purposes. The weighted average maturity of the portfolio was 102 days, compared to 93 days at the end of April. The LAIF interest rate for the month was 4.27%, compared to 4.28% the previous month. The weighted average Portfolio rate was 3.98%, compared to 3.95% for the prior month.

Investment Transactions for the month of May are listed below:

5/2/2025	LAIF	US Bank	\$150,000	Trsf from LAIF account
5/12/2025	RAIZ Federal CU	US Bank	\$248,000	CD Maturity
5/12/2025	US Bank	Transporation Alliance Ba	\$249,000	Purchase 3.95% TCD due 5/12/27 - Semi-Monthly Pay
5/19/2025	LAIF	US Bank	\$100,000	Trsf from LAIF account
5/29/2025	LAIF	US Bank	\$1,000,000	Trsf from LAIF account

ATTACHMENTS:

1. Monthly Report of Investments – May 2025

NORTH MARIN WATER DISTRICT AUDITOR-CONTROLLER'S MONTHLY REPORT OF INVESTMENTS May 31, 2025

		S&P	Purchase	Maturity	Cost	5/31/2025		% of
Type	Description	Rating	Date	Date	Basis ¹	Market Value	Yield ²	Portfolio
LAIF	State of CA Treasury	AA-	Various	Open	\$14,996,677	\$15,009,412	4.27% ³	68%
Time (Certificate of Deposit							
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%
TCD	Security First Bk	n/a	3/21/25	3/22/27	245,000	245,000	4.00%	1%
TCD	Toyota Fncl Svgs BK NV	n/a	4/10/25	4/12/27	245,000	245,000	4.00%	1%
TCD	Transportation Alliance Bk	n/a	5/12/25	5/12/27	249,000	249,000	3.95%	1%
				-	\$4,919,000	\$4,919,000	4.37%	23%
				=				
Other								
Agenc	y Marin Co Treasury	AAA	Various	Open	\$1,044,474	\$1,044,474	0.73%	5%
Other	Various	n/a	Various	Open	769,058	769,058	0.06%	4%
			TOTAL	IN PORTFOLIO	\$21,729,209	\$21,741,944	3.98%	100%
				=	·			

Weighted Average Maturity =

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 May 31, 2025.

	Loan	Maturity	Original	Principal	Interest
Interest Bearing Loans	Date	Date	Loan Amount	Outstanding	Rate
Marin Country Club Loan	1/1/18	11/1/47	\$1,265,295	\$983,592	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 BE	EARING LOANS	\$5.415.295	\$2,992,440	

102 Days

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

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NORTH MARIN WATER DISTRICT

MONTHLY PROGRESS REPORT FOR JUNE 2025 July 15, 2025

1.

Novato Potable Water Prod - SW & STP Combined - in Million Gallons - FYTD

Month	FY24/25	FY23/24	FY22/23	FY21/22	FY20/21	25 vs 24 %
July	264.8	218.6	224.5	282.9	341.7	21%
August	252.9	230.9	235.9	212.4	290.1	10%
September	237.7	212.4	203.5	214.5	225.6	12%
October	237.2	197.0	191.6	198.5	307.8	20%
November	166.5	145.7	137.4	94.1	201.6	14%
December	137.9	121.6	106.6	137.1	183.0	13%
January	139.1	122.4	113.8	118.3	156.6	14%
February	118.0	117.5	105.2	118.6	110.5	0%
March	129.7	121.0	123.1	130.3	124.1	7%
April	163.9	140.6	146.4	137.7	225.4	17%
May	224.1	211.5	176.2	204.7	209.9	6%
June	241.2	243.5	197.6	207.7	215.3	-1%
FYTD Total	2,313.0	2,082.8	1,961.6	2,057.0	2,591.4	11%

West Marin Potable Water Production - in Million Gallons - FY to Date

Month	FY24/25	FY23/24	FY22/23	FY21/22	FY20/21	25 vs 24 %
July	8.9	7.1	6.3	6.0	8.2	25%
August	8.7	7.5	6.8	5.7	9.2	17%
September	7.9	6.7	6.3	5.9	7.9	18%
October	7.6	6.4	5.7	5.1	6.7	20%
November	5.7	5.0	4.6	3.5	5.8	13%
December	5.1	4.2	4.3	4.0	5.1	22%
January	5.1	4.6	3.9	3.8	4.2	12%
February	4.2	3.7	3.3	4.0	3.8	14%
March	4.8	5.1	3.7	4.1	5.1	-7%
April	5.6	4.9	4.9	5.1	4.8	16%
May	7.3	6.5	5.1	4.9	7.3	13%
June	7.9	6.7	5.0	5.5	6.2	17%
FYTD Total	78.8	68.3	60.0	57.5	74.4	15%

Stafford Treatment Plant Production - in Million Gallons - FY to Date

Month	FY24/25	FY23/24	FY22/23	FY21/22	FY20/21	25 vs 24 %
July	0.0	67.0	56.3	67.0	105.8	-
August	0.0	98.3	67.9	31.3	81.1	-
September	0.0	112.6	57.8	41.7	16.1	-
October	0.0	109.4	54.0	28.2	7.7	-
November	0.0	21.8	30.0	0.0	0.6	-
December	0.0	0.0	0.0	0.0	0.0	-
January	0.0	0.0	0.0	0.0	0.0	-
February	24.3	0.0	0.0	0.0	0.0	-
March	41.3	0.0	50.5	0.0	0.0	-
April	48.7	0.0	110.0	0.0	0.0	-
May	108.9	0.0	111.4	0.0	0.0	-
June	85.6	0.0	98.6	0.0	0.0	-
FYTD Total	308.8	409.1	537.8	168.1	211.3	-25%

Recycled Water Production* - in Million Gallons - FY to Date

Month	FY24/25	FY23/24	FY22/23	FY21/22	FY20/21	25 vs 24 %
July	54.6	31.0	43.1	42.9	39.0	76%
August	50.1	34.8	41.6	41.4	43.2	44%
September	41.0	26.1	29.2	39.6	29.5	57%
October	28.9	22.4	24.7	18.3	22.8	29%
November	11.4	3.6	5.1	0.8	10.9	216%
December	3.9	0.4	0.3	0.3	0.2	791%
January	1.8	0.4	0.4	0.8	0.3	403%
February	1.6	0.9	0.4	1.3	0.5	79%
March	1.6	0.9	0.4	14.3	11.4	81%
April	0.8	3.1	5.1	16.7	18.1	-75%
May	26.4	24.2	22.3	32.7	39.2	9%
June	42.5	34.9	28.4	43.2	41.6	22%
FYTD Total*	264.7	182.7	201.1	252.3	256.7	45%

 $^{^{\}star}$ Excludes potable water input to the RW system: FY25=19MG, FY24=13.8MG, FY23=10.8 MG FY22=10 MG; FY21=24.7 MG

2. Regional and Local Water Supply

Lake Sonoma

	Current	2024
Lake Storage*	82,402 MG	2024 82,507 MG 96 %
Supply Capacity	96 %	96 %

^{*}Normal capacity =-245,000 AF (79,833.5 MG); deviation storage pool of 264,000 AF (86,025 MG)

Lake Mendocino

	Current	2024
Lake Storage *	30,981 MG	30,583 MG
Supply Capacity	86 %	85 %

^{*}Normal capacity = 70,000-110,000 AF (22,800-35,840 MG); FIRO pool 26,000-36,170 MG

3. Stafford Lake Data

	June A	verage	June	2025	Ju	ine 2024
Rainfall this month	.18	Inches	0	Inches	0	Inches
Rainfall this FY to date	26.36	Inches	25.48	Inches	34.52	Inches
Lake elevation*	190.25	Feet	191.49	Feet	197.33	Feet
Lake storage**	999	MG	1,077	MG	1,496	MG
Supply Capacity	71	%	77	%	107	%

^{*} Spillway elevation is 196.0 feet (NGVD29)

Temperature (in degrees)

	<u>Minimum</u>	<u>Maximum</u>	<u>Average</u>
June 2025 (Novato)	44	91	71
June 2024 (Novato)	44	97	76

4. Number of Services

										:\ac\excel\wtr u	ise\[production.	xlsx]srvcsmorpt
	N	ovato Wat	er	Rec	ycled	Water	Wes	t Marir	Water	Ocean	a Marir	n Sewer
June 30	FY25	FY24	Incr %	FY25	FY24	Incr %	FY25	FY24	Incr %	FY25	FY24	Incr %
Total meters installed	21,030	21,025	0.0%	106	103	2.9%	811	806	0.6%	-	-	-
Total meters active	20,882	20,875	0.0%	104	101	3.0%	802	797	0.6%	-	-	-
Active dwelling units	23,976	24,097	-0.5%	-	-	-	838	837	0.1%	241	237	1.7%

5. Oceana Marin Monthly Status Report

Description	June 2025	June 2024
Effluent Flow Volume (MG)	.347	.422
Irrigation Field Discharge (MG)	.918	.828
Treatment Pond Freeboard (ft)	9.4	6.3
Storage Pond Freeboard (ft)	8.6	empty

^{**} Lake storage less 390 MG = quantity available for normal delivery

6. Safety/Liability

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Ind	ustrial Injury v	Liability Claims Paid				
Lost Days	OH Cost of Lost Days (\$)	No. of Emp. Involved	No. of Incidents	Incurred (FYTD)	Paid (FYTD) (\$)	
1	\$0	0	0	4	\$78,292 \$13,624	(a)
1	\$368	1	1	2	\$13,624	(b)

FY 24/25 through June FY 23/24 through June

Days since lost time accident through June 30, 2025

713 Days

7. Energy Cost

		Jur	ne e	Fiscal Year-to	o-Date thru	June
FYE	kWh	¢/kWh	Cost/Day	kWh	¢/kWh	Cost/Day
FY 24/25 Stafford TP	69,576	24.3¢	\$563	620,122	24.1¢	\$409
Pumping	174,453	41.6¢	\$2,198	1,537,464	40.4¢	\$1,706
Other ¹	34,179	50.8¢	\$526	372,127	49.1¢	\$502
	278,207	38.4¢	\$3,286	2,529,714	37.7¢	\$2,617
FY 23/24 Stafford TP	70,726	23.6¢	\$555	645,668	23.4¢	\$411
Pumping	158,052	41.6¢	\$2,056	1,351,709	36.3¢	\$1,336
Other ¹	38,763	47.0¢	\$570	406,605	43.8¢	\$485
	267,541	37.6¢	\$3,181	2,403,982	34.1¢	\$2,231
FY 22/23 Stafford TP	67,115	22.9¢	\$495	644,064	22.5¢	\$398
Pumping	129,908	32.1¢	\$1,391	1,306,261	29.0¢	\$1,037
Other ¹	30,621	38.9¢	\$397	396,115	34.1¢	\$370
	227,644	30.3¢	\$2,283	2,346,440	28.1¢	\$1,805

¹Other includes West Marin Facilities

 $\verb|\nmwdfileserver| administration| AC\Board\ Reports PGE\PG\&E\ Usage\FY\ 24.25\[PGE\ Usage\ 06.2025.x] mo\ rpt to the properties of the$

8. Water Conservation Update

	Month of June 2025	Fiscal Year to Date	Program Total to Date
High Efficiency Toilet (HET) Rebates	6	175	4,239
Retrofit Certificates Filed	13	189	7,111
Cash for Grass Rebates	2	18	1,107
Washing Machine Rebates	7	25	6,958
Water Smart Home Survey	3	17	3,955

⁽a) FY24/25 Water Damage from main break Feliz Dr. & Shady Lane (3 claims), and Gate Damage on Obertz Lane

⁽b) FY23/24 Vehicle damage by NMWD valve cap (1), Planter/Drivew ay Repair Highland Drive (2) & Homeward Bound Lightpole damage (3).

9. <u>Utility Performance Metric</u>

June 2025 Service Disruptions

SERVICE DISRUPTIONS (No. of Customers Impacted)	June 2025	June 2024	Fiscal Year to Date 2025	Fiscal Year to Date 2024
PLANNED				
Duration Between 0.5 and 4 hours	4	12	76	141
Duration Between 4 and 12 hours	0	0	41	57
Duration Greater than 12 hours	0	0	0	0
UNPLANNED				
Duration Between 0.5 and 4 hours	0	7	111	70
Duration Between 4 and 12 hours	34	32	61	140
Duration Greater than 12 hours	0	0	2	0
SERVICE LINES REPLACED				
Polybutylene	1	3	26	50
Copper Replaced or Repaired)	3	9	5	49

June 2025 Service Disruptions

For the month of June, we had 4 planned service disruptions:

Plastic: There was one plastic service leak on Kyleswood PI in West Marin.

Copper: We replaced 3 copper services on Alameda De La Loma and Fernbridge Pl.

Unplanned: There was an 8" AC main break on San Andreas Dr that affected 34 customers.

10. Summary of Complaints and Service Orders - June 2025

Tag Breakdown:

Total: 160 Consumer: 79 Office: Jun-24 Added Notes Type Jun-25 **Billing** High Bill Total **Meter Replacement** 6 Total **Need Read** Total No-Water 2 Total Leak Consumer 82 74 District 8 26 Total 90 100 **Check Pressure** 6 Total Turn Off / On 34 25 34 25 Total Other 21 12 Total

Bill Adjustments Under Board Policy:

June 25 vs. June 24

TOTAL FOR MONTH:

Jun-25 11 \$2,909 Jun-24 9 \$1,427

160

Fiscal Year vs Prior FY

FY 24/25 297 \$121,198 FY 23/24 169 \$42,521

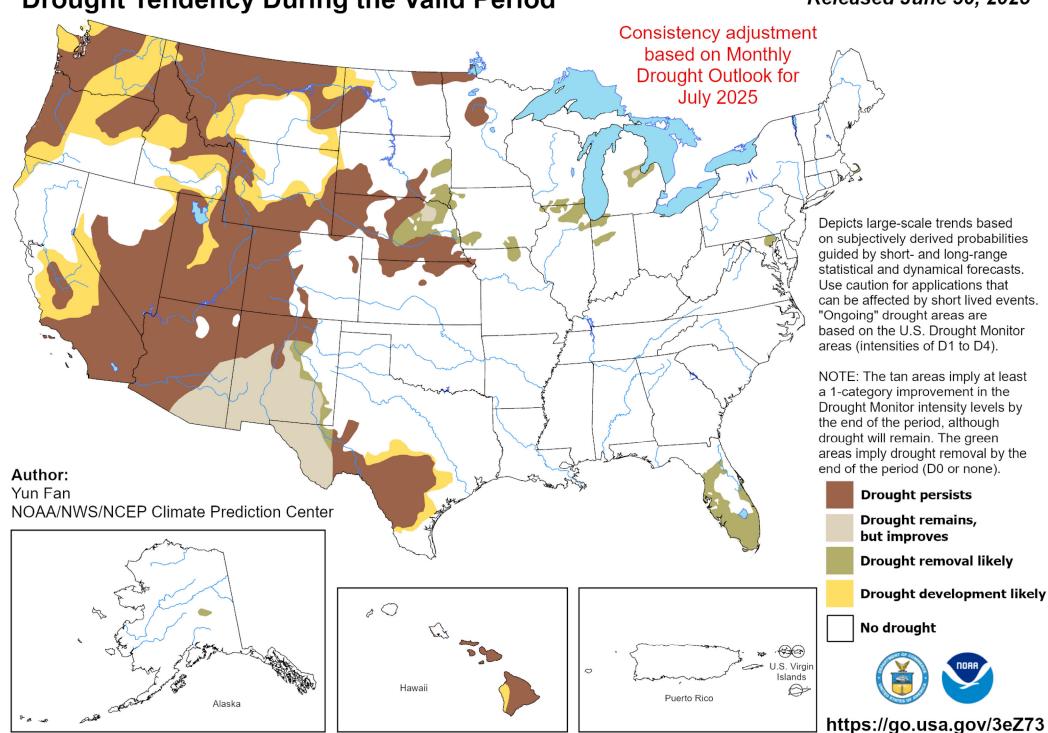
159

1%

Customer Service Questionnaire Quarterly Re	eport	
Quarter Ending :06/30/2025		
Customer Comments	Staff Response to Comments	Issues NMWD Should Address In The Future
PRESSURE		
The young lady was very professional and not afraid to get her hands dirty digging out mud from the meter box.		
The representative arrived on time and was very courteous. All of my concerns were resolved.		
LEAK		
Very impressive and prompt service. The young lady was very professional and knowledgeable.		
Service was fast. I called in the moming and someone was able to come that same day to help me find the issue.		
It was late on a Friday night when we discovered a water leak. Your emergency on call tech came out and shut off our water. We had it repaired the next day. Without your help the water would have kept gushing out all day.		
I was told there may be a leak on consumer side but it was unclear at time of inspection.	A tag was made for construction and the shut off was replaced. Consumer was notified of this repair.	
The staff was very courteous and professional. I was frustrated because it seemed like I was trying to create an answer to a problem that doesn't exist.		
Travis was excellent.		
Helpful and prompt.		
We had two leaks, Gina was not able to locate the leak and we had to hire a leak pro to locate the problem. Gina was very nice and came back when my husband did not understand how to turn the water back on. Gina was patient and took the time to explain it to him. He was grateful.		
The staff was nice and friendly. Thank you very much.		
Very capable and thorough visit. She took her time and found the leaks. I was very pleased with the service.		
NMWD Personnel came quickly and appeared to see the leak. Used white marker lines out into the road and the side of the gutter. I think they are going to fix the leak but I have not seen a quote or when it is going to happen.	Per Chris Kehoe the leak was repaired while the questionnaire was out in the mail for the customer. The leak was minor and repaired on 6/4/25.	
I appreciate the notification.		
Great service, Thank you.		
The field rep was great!		NMWD should find and fix the leak or not bill customers for it.
My problem was treated promptly and my questions were answered to my complete satisfaction.		
We were able to find which one of the lines were leaking. The field rep was very gracious.		
The rep helped isolate the area where the leak was. The leak was in the house, not in the irrigation.		
Travis was very professional and courteous. We always have a great experience with NMWD.		
Thank you for letting me know as soon as possible that my leak was from my hose.		
Super nice and well explained. This was handled efficiently.		
OTHER		
Your team was very professional and efficient. Nice work!		
The tech was professional and competent. I was very happy with the response and service. Good job!		
Thank you for such a prompt response.		
I learned a lot while meeting with the field technician. Very good service all around.		
The rep was very nice and helpful. After checking around the neighborhood she called me back.		

U.S. Seasonal Drought Outlook Drought Tendency During the Valid Period

Valid for July 1 - September 30, 2025 Released June 30, 2025





TRUMP ADMINISTRATION RELEASES DETAILED FISCAL YEAR 2026 BUDGET

BY ACWA STAFF JUN 11, 2025 WATER NEWS

WASHINGTON, D.C. — On May 30, 2025, the Trump administration released a supplemental appendix to its Fiscal Year 2026 budget proposal. The supplemental appendix provides a greater level of detail than the "skinny budget" released earlier in May.

The President's budget would reduce non-military spending by approximately 23 percent. These cuts are spread across different federal agencies at various levels. While the President's budget is an important document, it is ultimately up to Congress to set funding levels and appropriate funds for federal programs. ACWA is working closely with partner organizations and allies on Capitol Hill to secure robust funding for water infrastructure.

Topline Takeaways

The **Bureau of Reclamation** budget request is for \$1.2 Billion, a reduction of approximately \$600 million as compared to last year. These cuts come from a number of programs across Reclamation. ACWA is especially concerned about the recommendation to zero out (allocate no funding to) Reclamation's WaterSmart programs (including Title XVI), WIIN Act Storage Funding, Water Conservation Field Services Program, and Aging Infrastructure Program funding.

The **Environmental Protection Agency** (EPA) budget request is for \$4.16 billion, a 54 percent cut. ACWA is especially concerned about cuts to the Clean Water and Drinking Water State Revolving Loan Funds (SRF). The budget requests \$155 million for the CWSRF and \$150 million for the DWSRF. This represents a \$2.4 billion dollar decrease to the SRF programs.

The **Army Corps of Engineers** budget request is for \$6.6 billion \$2 billion or a 23 percent reduction over enacted funding levels. Funding cuts include zeroing out funding for new Corps WIFIA projects.

The **Department of Agriculture** budget request totals \$23 billion, a decrease of \$6.7 billion or 23 percent from the FY 2025 Enacted Budget level.

Detailed Summary

U.S. Department of Agriculture (USDA)—USDA FY 2026 budget summary

The FY 2026 proposed budget for USDA totals \$23 billion, a decrease of \$6.7 billion or 23 percent from the FY 2025 Enacted Budget level.

\$112 million for the Natural Resource Conservation Service (NRCS) for conservation measures including farm irrigation, land drainage, water management, and pollutant control.

\$265 million for Rural Development Programs to plan and develop infrastructure projects regarding aging rural water and wastewater systems.

\$0 for the Source Water Protection Program (SWPP) to help prevent water pollution and improve water quality.

\$78 million for U.S. Forest Service capital improvements and maintenance including facilities, roads, and trails.

\$1.47 billion for U.S. Forest Service management, protection, improvement, and utilization of the National Forest System.

\$759 million for the Forest Service Operations to support facilities maintenance and leases, information technology, and administrative support.

\$0 for wildland fire management and instead proposes to consolidate USDA and Department of the Interior (DOI) wildland fire management programs under a new U.S. Wildland Fire Service within DOI, and transfer appropriations of \$175 million. More information on the U.S. Wildland Fire Service can be found in the Department of the Interior summary section of this update.

U.S. Army Corps of Engineers (USACE)—USACE FY 2026 budget summary

The FY 2026 proposed budget for USACE totals \$6.66 billion, a decrease of \$2 billion or 23 percent from the FY 2025 Enacted Budget level.

\$1.5 billion for construction, \$2.3 billion for operation and maintenance, and \$130 million for investigations to support water resources development, management, and restoration.

\$0 in new funding for USACE's Water Infrastructure Finance and Innovation Act (WIFIA) program.

U.S. Environmental Protection Agency (EPA)—EPA FY 2026 budget summary

The FY 2026 proposed budget for EPA totals \$4.16 billion, a decrease of \$5 billion or 54 percent from the FY 2025 Enacted Budget level.

\$155 million for the Clean Water State Revolving Fund and \$150 million for the Drinking Water State Revolving Fund, which offers low-cost financing for water quality projects. This is a \$2.4 billion cut to the SRF programs.

\$8 million for EPA's WIFIA program, which helps fund water and wastewater projects.

\$282 million for the Superfund program to help clean up hazardous waste sites. The budget also proposes significant changes to Superfund funding by transitioning the Superfund Remedial program to Superfund excise tax revenues.

Funding is not directly mentioned for PFAS, however the proposed budget states it plans to "address 40 different PFAS compounds in surface water, groundwater, and wastewater through cutting-edge methods."

U.S. Department of the Interior (DOI)—DOI FY 2026 budget summary

The FY 2026 proposed budget for DOI totals \$14.4 billion, (this figure includes funding for a new U.S. Wildland Fire Service which would require legislation from Congress). The DOI request is for \$11.9 billion in current authority, or \$11.7 billion in net discretionary authority.

\$1.2 billion for the Bureau of Reclamation (BOR) to help manage water resources such as storage and delivery projects in the 17 Western states. BOR proposed funding includes California-specific projects such as \$32 million for the California Bay-Delta Restoration, \$65.4 million for the Central Valley Project Restoration Fund, and \$13.6 million for the San Joaquin Restoration Fund. As noted above, Reclamation's WaterSmart programs (including Title XVI), WIIN (Section 4007) Storage funding, Water Conservation Field Services Program, and Aging Infrastructure Program are all zeroed out.

\$936 million for the Bureau of Land Management (BLM), including \$827 million for the management of lands, resources, and wildlife habitat.

\$1.1 billion for the Fish and Wildlife Service (USFWS) for the management of fish and wildlife resources, species recovery activities, and construction to maintain infrastructure.

\$891.6 million for U.S. Geological Survey (USGS) programs relating to surveys, investigations, and research that provide science information on natural hazards, ecosystems, water, energy and mineral resources.

U.S. Wildland Fire Service – as discussed above the President's budget proposes consolidating Department of the Interior and U.S. Forest Service wildland fire fighting functions on federal lands into the new U.S. Wildland Fire Service housed within the Department of the Interior. A total of \$6.55 billion is requested for the U.S. wildland Fire Service which includes \$3.7 billion for operations and \$2.85 billion for the Wildfire Suppression Operations Reserve Fund. Establishing the U.S. Wildland Fire Service would require specific authorization from Congress.

U.S. Department of Commerce (Commerce)—DOC FY 2026 budget summary

The FY 2026 proposed budget for DOC totals \$8.4 billion, a decrease of \$1.76 billion or 17 percent from the FY 2025 Enacted Budget level.

\$4.45 billion for the National Oceanic and Atmospheric Administration (NOAA) to support weather

forecasting, coastal restoration, and fisheries.

\$790 million for the National Marine Fisheries Service (NMFS). The budget requests also includes a proposed restructuring and transfer of NMFS responsibilities for endangered species and marine mammal protection to DOI's U.S. Fish and Wildlife Service. This transfer of authorities is similar to H.R. 1894 (The FISH Act), legislation that is supported by ACWA.

\$1.3 billion for the National Weather Service, a \$59 million increase, for timely and accurate weather-related warnings and forecast- related research.

U.S. Department of Homeland Security (DHS)—DHS FEMA FY 26 budget summary

The FY 2026 proposed budget for FEMA totals \$ 36.2 billion, an increase of \$3.94 billion, or 17 percent from the FY 2025 Enacted Budget level. This includes \$26.5 billion for the Disaster Relief Fund, which reimburses states for disaster cleanup and recovery.

\$2.38 billion for Cybersecurity and Infrastructure Agency (CISA), a \$495 million dollar cut for CISA which identifies and manages risk to the cyber and physical infrastructure including water and wastewater systems that provide critical services like drinking water, fire suppression, and sanitation.

For more information on the Trump administration's budget proposal and the congressional appropriations process, please contact ACWA Federal Relations Director, Ian Lyle, at ianl@acwa.com.

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Water Supply Roadmap

Ensuring resilient water resources now and for future generations

Roadmap dates and project scopes are approximate and subject to change

Lake Mendocino FIRO Water **Control Manual Update** Up to 11,650 acre-feet per year of additional water supply

Lake Sonoma FIRO **Deviation Requests** up to 19,000 acre-feet per year water supply above current

Sebastopol Road Well Aquifer Storage and Recovery Project Up to 250 acre-feet per year of

water supply

Occidental Road Well **Aquifer Storage and Recovery Project**

Up to 250 acre-feet per year of water supply

CURRENTLY BEING STUDIED

Cloverdale Water Supply Agreement

Up to 1,500 acre-feet per year provided to fill gaps in the City of Cloverdale's water supply

Lake Sonoma FIRO Water Control Manual Update

Up to 30,000 acre-feet per year of additional water supply above current

CURRENTLY BEING STUDIED

Riverbank Filtration Facility Redundancy

Up to 25 million gallons a day of water production redundancy

A PARTNERSHIP

New Eel-Russian Diversion Facility

30,000 acre feet per year of resiliency benefit water supply, not only to Sonoma Water

CURRENTLY BEING STUDIED

Lake Sonoma FIRO Secondary Outlet

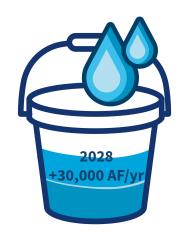
Up to 40,000 acre-feet per **vear** of additional water supply per year above current











Estimated potential additional average water supply





sonomawater.org

Roadmap dates and project scopes are approximate and subject to change

Eel-Russian River Diversion Project

Sonoma Water is a partner in the Eel-Russian Project currently being studied. It will develop a reconfigured water diversion facility near the current location of Cape Horn Dam (part of Pacific Gas and Electric Company's Potter Valley Project), to continue water diversions seasonally from the Eel River to the Russian River watershed once PG&E decommissions that project and ends its current diversion of Eel River water.

Depending on rainfall levels and Lake Mendocino storage capacity, diversion volumes up to 30,000 acre-feet per year are anticipated (under typical wet-season conditions, the facility can reliably divert up to 40,000 acre-feet per year).

Forecast-Informed Reservoir Operations (FIRO) Atmospheric river forecasting data has updated how the U.S. Army Corps manages flood control releases from Lake Mendocino, and Lake Sonoma – holding more water when weather forecasts indicate favorable conditions ahead, avoiding tens of thousands of acre-feet of water from being released into the ocean, while still preventing the risk of flood.

Water Control Manual: Provides a "guide curve" that dictates a storage and release schedule based on past weather patterns.

Deviation Requests: Deviation requests are developed and submitted to the U.S. Army Corps of Engineers (USACE) for approval.

Secondary Outlet: Sonoma Water is currently studying a potential future project to help mitigate reduced Eel River diversions would be a new second outlet from Lake Sonoma to the Russian River above Dry Creek.

Water Supply Resiliency/Redundancy

Projects we are studying could provide additional resilience to ensure reliable water supply: supplemental water supply to the City of Cloverdale in times of seasonal low supply/drought conditions and siting additional riverbank filtration facilities adjacent to Mirabel to provide greater redundancy to Sonoma Water's water supply production facilities.

Aquifer Storage and Recovery, or ASR, is an innovative water management strategy that stores water underground during wet periods and recovers it for use during dry seasons or emergencies. It is sometimes referred to as groundwater banking.

Through specially designed ASR wells, drinking water sourced from the Russian River and delivered via Sonoma Water aqueducts would be injected directly into deep aquifers for safe, seasonal or long-term storage, and extracted later when that water is needed.

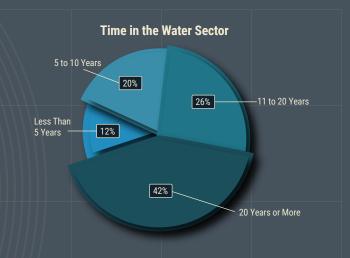


The American Water Works Association's annual State of the Water Industry Report provides valuable insights into the challenges and priorities facing the water sector.

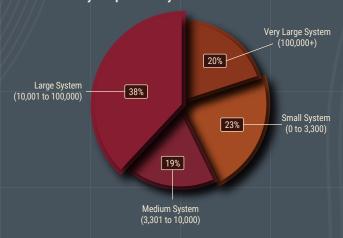
A total of 3,575 water professionals participated in this year's survey, which was conducted from Sept. 23 to Nov. 1, 2024, just before the 2024 U.S. presidential election. The largest category of respondents (64%) represented water sector utilities, followed by those providing goods and services to the water sector (19%).

Against the backdrop of the SOTWI survey and report, AWWA's Water 2050 initiative is shaping a long-term vision of the future of water. Water 2050 seeks to create a future in which challenges like those identified in the SOTWI survey are addressed through five strategic priority areas:

- Sustainability and Resilience
- Equity, Access and Community Engagement
- · Finance and Affordability
- Innovation and Circular Economy
- One Water Governance



Utility Respondent by Number of Connections



Utility Respondents by Job		
CATEGORY	RESPONSES	PERCENT
 Operations and maintenance Executive/operations officer/management Engineering Other Scientific/research Conservation/water resource management Customer service Planning-business/strategic/ 	722 696 233 97 70 53 38 29	35.0% 33.7% 11.3% 4.6% 3.4% 2.6% 1.8% 1.4%
performance/process Financial officer Information technology, chief information officer, control system specialist Communications Human resources Legal/legislative/regulatory Finance/purchasing	26 26 20 19 19	1.3% 1.3% 1.0% 0.9% 0.9% 0.5%
Security/emergency preparedness	6	0.3%

Number of Participants Indicating Organization Type						
ТҮРЕ	RESPONSES	PERCENT				
Drinking water utilityCombined water/wastewater utility	1,062 974	29.7% 27.2%				
 Consulting firm/consultant 	429	12.0%				
 Wastewater utility 	193	5.4%				
Manufacturer (including products, representatives, distributors)	153	4.3%				
Non-utility government (municipal, provincial, federal, etc.)	140	3.9%				
Other	126	3.6%				
 Regulatory authority/regulator 	121	3.4%				
 Technical services/contractor 	87	2.4%				
 University/educational institution 	85	2.4%				
 Retired 	84	2.3%				
 Nonprofit organization 	56	1.6%				
 Water wholesaler 	37	1.0%				
 Stormwater utility 	15	0.4%				
Reuse/reclamation utility	13	0.4%				

Capital improvement funding rises to top priority for water professionals

While recent months have been marked by political upheaval and dramatic transformations in government, survey respondents were relatively optimistic about the water sector at the time of the survey. An annual question about the health of the industry produced a score of 4.85, modestly above the 22-year average of 4.72. However, financing for capital improvements has emerged as the top challenge in 2025, overtaking last year's source water protection and previous years' infrastructure renewal and replacement.

These financial challenges are occurring against a backdrop of significant economic shifts in North America. Inflation is placing additional pressure on utility budgets, with increased materials and construction costs affecting infrastructure projects. While an influx of federal infrastructure funding has spurred on many critical projects, the water sector faces intense competition for these resources, and the availability and future direction of these funds remain uncertain.

Utilities of all sizes are struggling to secure funding for essential upgrades and new treatment technologies, with only 41% feeling very or fully able to cover costs through rates and fees. While access to capital has improved for some, 13% of utilities still report poor access, demonstrating persistent disparities.

Rate increases remain the most common funding method, utilized often or always by 44% of utilities. Looking ahead, investments in new treatment technologies and green solutions are expected to more than double in the next one to three years, indicating a growing focus on long-term sustainability.

Addressing this financial strain and ensuring financial sustainability for water systems will require exploring diverse funding sources, including rate adjustments, savings from operational efficiencies, and grants, while carefully balancing the need for infrastructure investment with affordability for customers.

Table 2. Frequency of Capital Funding Sources

	Never	Rarely	Sometimes	Often	Always	Don't Know/ No Opinion
Rate increases	2.7%	11.8%	36.1%	24.4%	20.0%	5.0%
Operational savings	5.1%	13.6%	36.0%	26.5%	11.2%	7.6%
Reserves	6.3%	15.7%	33.5%	24.2%	9.7%	10.6%
Grants	11.6%	18.5%	31.7%	24.0%	6.3%	7.9%
Bonds	15.7%	16.3%	26.5%	21.4%	8.2%	11.9%
State revolving funds	16.0%	19.1%	26.6%	20.6%	7.0%	10.7%
Other loans	23.8%	18.9%	26.4%	11.8%	2.4%	16.7%
Water Infrastructure Finance and Innovation Act (WIFIA)	35.2%	16.8%	17.5%	9.2%	2.4%	18.9%

Figure 1. State of the Water Industry, 2004–2025

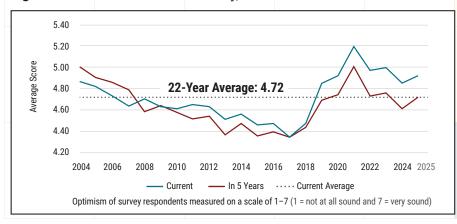


Table 1. Ranking of Issues Facing the Water Sector

- 1. Financing for capital improvements
- 2. Infrastructure renewal and replacement
- 3. Long-term drinking water supply availability
- 4. Public understanding of the value of water sector systems and services
- 5. Watershed/source water protection
- 6. Financial sustainability
- 7. Workforce issues
- 8. Cybersecurity issues
- 9. Groundwater management and overuse
- 10. Drought or periodic water shortages
- 11. Integrated water resource planning
- 12. Public acceptance of rate increases
- 13. Energy use/efficiency
- 14. Service affordability
- 15. Physical security issues
- 16. Climate-related impacts
- 17. Increasing and/or expanding regulatory requirements
- 18. Service equity and environmental justice

1 = most important



Charting a financially sustainable future

Within the Water 2050 Finance and Affordability strategic priority area, volunteer experts are identifying and sharing proven funding models, financing mechanisms, and pricing strategies that promote affordability while ensuring the long-term financial viability of water utilities.

A water utility that cannot access capital for critical infrastructure improvements is simply not financially sustainable. The cost of providing water service is rising, as the compounding needs to replace aging pipes collides with investments required to meet new regulatory requirements. Inevitably, these expenses impact everyone who pays a water bill. In light of this conundrum, utilities need to be innovative in order to know where the dollars will come from.



Aging infrastructure a persistent challenge

The longstanding need for infrastructure renewal and replacement remains a critical challenge for the water sector, ranking as the second most pressing concern in the 2025 SOTWI survey. Many systems are reaching or exceeding their design lives, necessitating significant investments to ensure continued service and public health protection. Utilities are actively investing in asset renewal and rehabilitation, with 40% of them reporting currently funded projects. However, the sector faces ongoing challenges in balancing reactive repairs with proactive asset management to maintain system integrity and reliability.

Impact of natural hazards

Natural hazards, particularly drought and extreme weather events, continue to pose a threat to water infrastructure. The increasing frequency and severity of billion-dollar disaster events are a growing concern, exacerbating the strain on aging systems. While climate change is a factor, the fundamental challenge of aging infrastructure requires attention and investment to secure the long-term sustainability of water services.



Building sustainable and resilient water systems

Water 2050's Sustainability and Resilience strategic priority focuses on building a water community that thrives amid change. Volunteer experts from within and outside the water community are exploring how to mitigate risk, promote sustainable systems, and integrate technology to support a resilient future for water resources.



Natural Hazard Concerns Vary by Region

Concerns about natural hazards vary across North America. In the eastern half of the continent, top concerns include extreme weather, precipitation patterns, and flooding. In the western half, drought, wildfires, and precipitation patterns are the primary concerns.

WEST

- 1. Droughts
- 2. Wildfires
- 3. Precipitation Patterns
- 4. Extreme Weather
- 5. Temperature Increases
- 6. Earthquakes/Hydraulic Fracturing
- 7. Flooding
- 8. Sea Level Rise

EAST

- 1. Extreme Weather
- 2. Precipitation Patterns
- 3. Flooding
- 4. Droughts
- 5. Temperature Increases
- 6. Earthquakes/Hydraulic Fracturing
- 7. Wildfires
- 8. Sea Level Rise





Long-term water supply availability and source water protection

Long-term water supply availability and source water protection remain significant challenges for the water sector. Long-term drinking water supply availability is ranked as the third most pressing concern overall, and watershed/source water protection, although dropping from last year's top spot, is still a major issue, ranking fifth.

Utilities are actively implementing water loss control programs (67.8%) and watershed/source water protection programs (57.1%). However, only 45% of utilities feel very or fully prepared to meet long-term water supply needs, a decrease from the previous year, when 55.3% of utility personnel reported that their utilities were very or fully prepared to meet long-term water supply needs.

With more than half of water utilities not fully prepared to meet long-term water supply needs, proactive source water protection is essential for safeguarding drinking water quality and reducing reliance on advanced and costly treatment. Utilities must also plan for drought management and explore diverse alternative water sources to build resilience and secure sustainable supplies for the future.

Percent of utilities that have fully implemented or are in the process of implementing plans and programs related to water resource management, including the following:



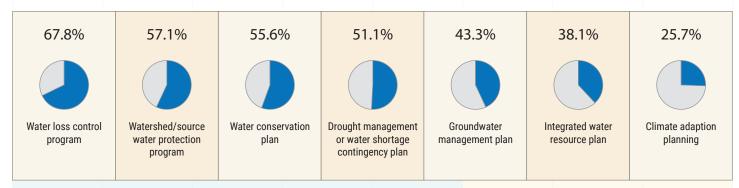
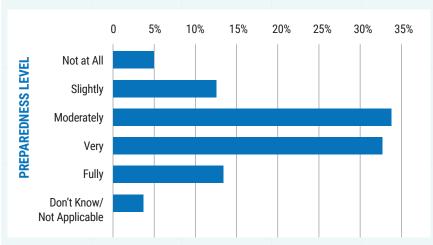


Figure 3. Ability to Meet Long-Term Water Needs





Scaling regional solutions

In the One Water Governance strategic priority area, Water 2050 visionaries are exploring and proposing regional solutions, encouraging a water community that shares water resources, expertise, and infrastructure for a more sustainable future.



The value of public trust

Public understanding of the value of water systems and services is ranked fourth in this year's top 10 challenges. This issue has consistently appeared in the top 10 challenges in recent years, and it rose two positions from sixth in 2024. Building and maintaining public trust is requisite for securing funding and community support, and factors such as water quality, affordability, and customer service all influence public perception.

Customer communication plans are implemented or in progress, at 60.6% of utilities.

Survey respondents also highlighted the need for public education about water's value and the impact of regulations on fixed-income consumers.



When communicating with the public, the water sector faces a rapidly evolving media landscape. According to a 2024 report from Pew Research Center, social media is now a primary news source for many Americans, with 54% of U.S. adults reporting they at least sometimes get news from social media. This shift, along with the spread of misinformation and disinformation on some platforms, suggests the water sector must adapt its communication strategies to ensure accurate information reaches the public and trust is maintained.

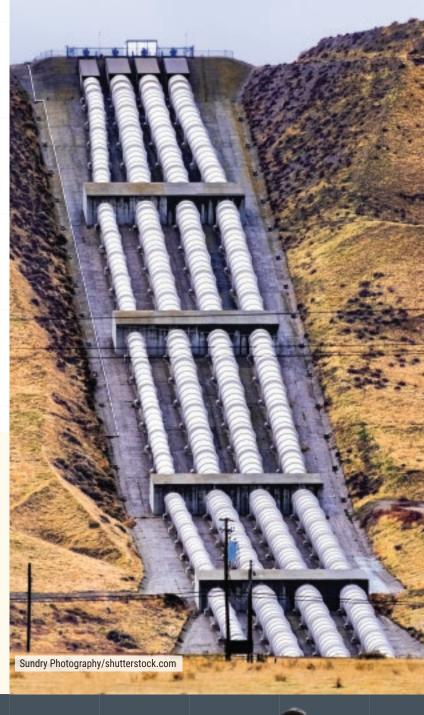


Strengthening public trust in water services

Water 2050's Equity, Access, and Community Engagement strategic area is focused on a future in which there is strong public trust in water services. Experts in this strategic area are seeking a future with universal appreciation for the essential role of water in communities and a culture in which everyone feels a shared responsibility for the resource and systems.

planning, we secure not just water quality today,

but future generations."



Source water protection is one of the biggest challenges facing the drinking water industry. It's also one of our greatest opportunities for impact and improvement. The path forward lies in practical, proactive solutions like advancing land-use planning that prioritizes watershed health, investing in green infrastructure, and expanding community wide stewardship programs. Data-driven monitoring, stronger regulatory frameworks, and interagency partnerships are critical components of our efforts. We must treat source water protection not as a constraint, but as an opportunity for innovation and resilience. By incorporating watershed protection into utility

Ben Thesing Lead Natural Resource Specialist Central Arkansas Water



A rapidly evolving technological landscape

With artificial intelligence (AI) and other cutting-edge technologies transforming every business sector, "investment in innovation" ranked high in importance among utility respondents. Just under half of utility personnel stated that they have defined an organizational need and expectations for innovation, and two-fifths reported having established strategic alignment of innovation to their organizational priorities.

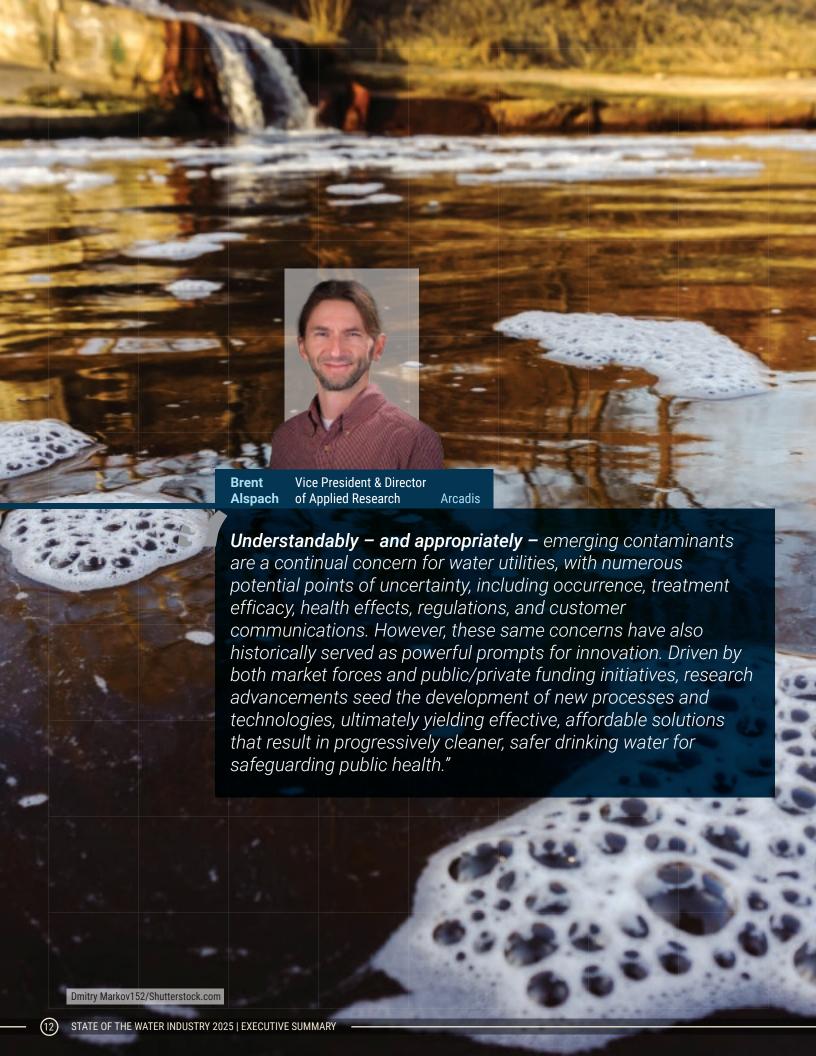
Cybersecurity is also a top priority—ranked eighth in the top challenges—with 73% of SOTWI survey participants rating it as very to critically important. Cyberattacks are a growing threat to critical infrastructure sectors, including water and wastewater systems. However, 26% of small systems report having low to no ability to implement cybersecurity measures.

Service providers also highlight technology and data management as key areas for innovation. The water sector is exploring the potential of Al and data analytics to improve operations, though adoption is still in its early stages. Investing in a technology-savvy workforce is essential for the water sector's future success.

Table 3. Looking Forward at Innovation in the Water Sector

- 1. Cybersecurity technologies
- 2. A technology-savvy workforce
- 3. Investment in innovation
- 4. Expanded data network technology
- 5. Advancements in material science
- 6. Fit-for-purpose treatment technologies
- 7. Artificial intelligence and machine learning 8. Augmented reality technologies
- 9. Robotics
 - 1 = most important



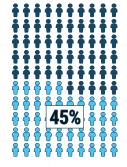


Confronting contaminant concerns

Contaminants with high public policy profiles and media saliency, particularly per- and polyfluoroalkyl substances (PFAS), are top concerns in the water sector. There are now federal drinking water standards for some PFAS, and requirements for wastewater systems are developing. This regulatory pressure is affecting how utilities invest in treatment and how they diversify their sources of supply.

Nearly 45% of respondents indicated they were very to extremely concerned about PFAS.

Pathogens, microplastics, and more broadly nonpoint source pollution were also frequently observed concerns. Write-in responses included fluoride; pharmaceuticals; and heavy metals like lead, arsenic, and manganese.



Recent and anticipated regulatory actions appear to have impacted survey results. Pathogens ranked second among water quality concerns and disinfection byproducts were sixth, perhaps owing to the Microbial and Disinfection Byproduct rulemaking due to be proposed this summer. *Legionella* proliferation in buildings and secondary disinfectant residual standards have been a recuring focus of rule development. Interestingly, lead and copper is not highly ranked this year as it was in 2024, perhaps due to steps water systems have taken to prepare service line inventories, review their corrosion control practices to comply with the Lead and Copper Rule Revisions, and prepare for the Lead and Copper Rule Improvements

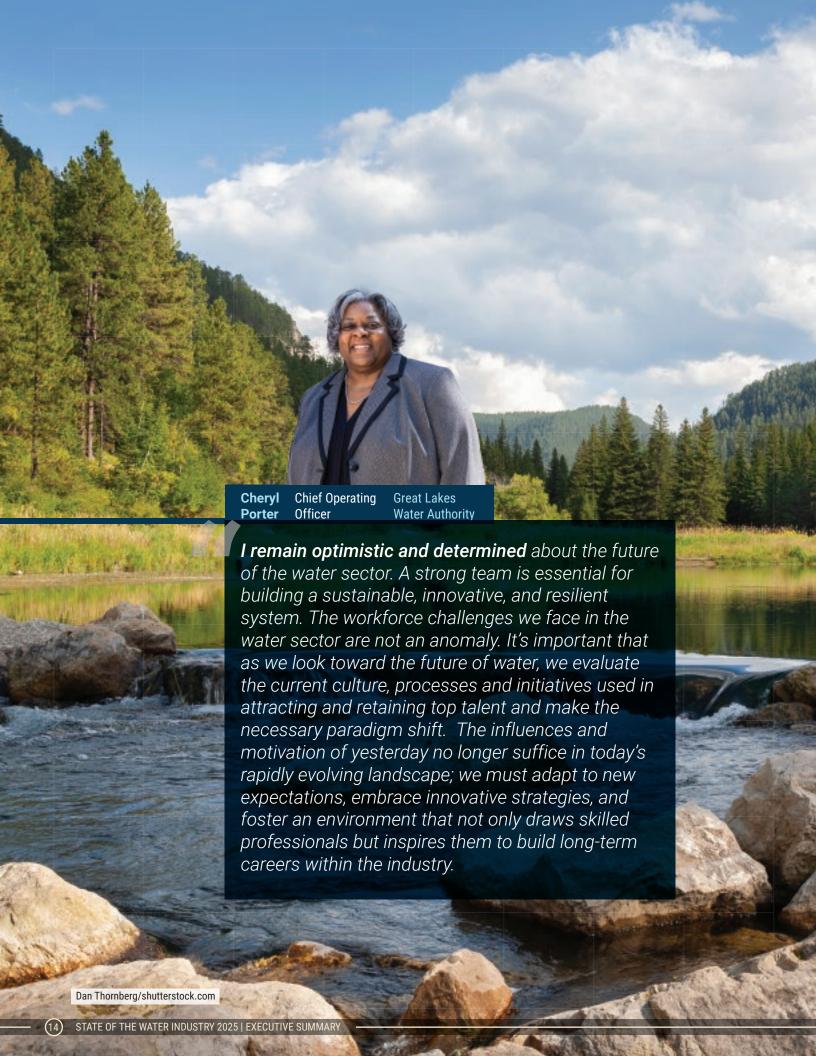


Table 4. Ranked Water Quality Concerns

- 1. Per- and polyfluoroalkyl substances (PFAS)
- 2. Pathogens
- 3. Microplastics
- 4. Nonpoint source pollution
- 5. Lead and copper
- 6. Disinfection byproducts
- 7. Nutrient removal
- 8. Cyanotoxins

1 = greatest concern





Future of the water workforce

Building a sustainable and diverse workforce is essential for the future of the water sector. Utilities face critical challenges, including an aging workforce, recruitment difficulties, and the need for specialized skills.

Workforce issues are a major concern, ranked 7 in the top 10 challenges this year in the SOTWI survey. The 2024 Interagency Water Workforce Working Group Report to Congress shows that the median age of the current workforce is 48 years old, which is slightly older than the national median across all occupations. Estimates indicate one-third of the U.S. water utility operators will be eligible for retirement within the next 10 years. Meanwhile, only 10% of the water workforce is under the age of 24. A skillset gap is growing, especially as the current water workforce retires and technology advances.

10% 20% 30% 40% 50% 60% 70% 80% 90% 100% Eligible for retirement

within the next 10 years

Open-ended responses also highlight concerns about an aging workforce, recruitment and retention difficulties, and the need for better compensation and training.

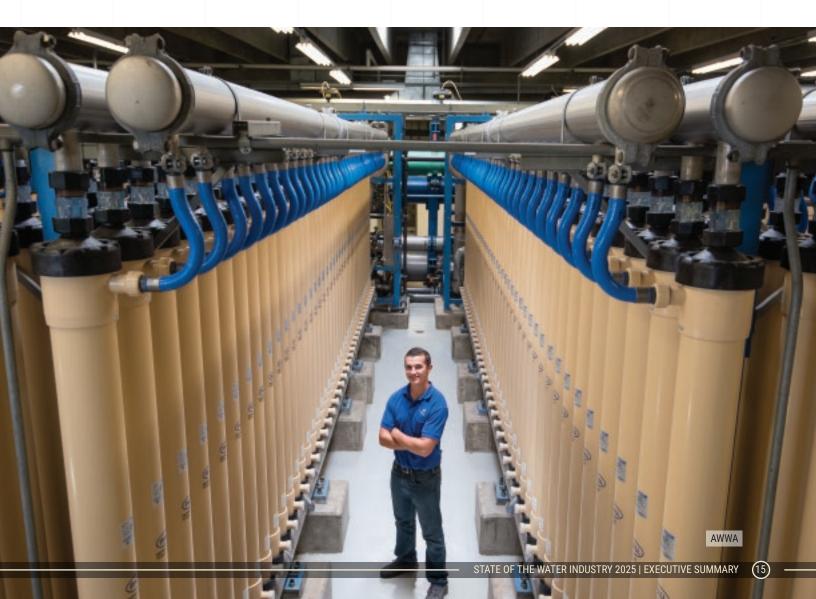
In response to these hurdles, utilities are placing more emphasis on retention and engagement of current talent.

58.7% of utility executives indicate that workforce training is fully funded at their utility



17.8%
prioritize workforce
training in the next one
to three years







County to buy site for housing

Deal seen as solution to ranch evictions

BY RICHARD HALSTEAD

RHALSTEAD@MARINIJ.COM

Marin County intends to purchase a small lot in Point Reyes Station to provide housing for people being evicted from ranches in the Point Reyes National Seashore and other substandard housing.

County supervisors have stated their intent to purchase the 39,640-square-foot parcel for \$1.1 million from the Community Land Trust Association of West Marin, known as CLAM. CLAM is currently in the process of buying the property from House in Point Reyes, a limited liability company.

"The site will initially provide between 12 to 16 homes-on-wheels by early 2026, operating for three to five years to house displaced residents," CLAM said in a message sent to supporters. "Over 150 residents qualifying as 'extremely low-income' who earn less than \$41,000 are experiencing or at risk of homelessness in West Marin as a result of the ongoing and impending displacement of households living on ranches," a staff report prepared for the supervisors said.

"A large portion of these residents live on historic ranches in the Point Reyes National Seashore that face closure by early 2026 as a result of a Jan. 8, 2026 settlement agreement between ranches and environmental groups," the report said.

Christy McRoy, a county property agent, told supervisors on Tuesday that people living in substandard housing on other privately owned ranches in West Marin are also at risk of being evicted.

Jasmine Bravo, speaking on behalf of Familias Afectadas de Rancho, an organization representing people living in the seashore, said, "It's an emergency, and we don't have any time to wait. The people at the seashore have an eviction date of March 2026."

Enrique Hernandez, who attended the meeting with his wife and disabled son, said, "We don't wish to have to leave and to go to places that we don't know, that we're unfamiliar with. I've been here for 25 years with my family and we would like to remain close to our community."

Hernandez and his family are part of a group of about 40 people living in substandard housing on the Martinelli ranch near Point Reyes Station.

Point Reyes Station residents who live near the site also attended the meeting to express their concerns about the plan and ask why they received no advance notice.

"While we would support reasonable emergency housing on that site, we just learned of this plan three days ago," said Stephanie Rapp, a member of a 10-family homeowners association created in 1989.

Rapp said there are a number of unknowns that should be addressed before the sale is approved. Such questions include how many people would live at the site; what plans would be in place for septic and water; whether an environmental study would be conducted given the proximity to sensitive habitats; where residents would park and what would happen at the end of the three- to five-year period.

Rapp said, "We approach this with good will and a desire to work out a plan in everyone's best interest, but this is not an earthquake that happened unexpectedly."

Mediated negotiations involving the National Park Service, ranchers and environmental groups suing to have the ranches removed began in 2022. County supervisors chose not to intervene in the legal action despite the urging of Save Marin County Ag, a group led by Albert Straus, chief executive officer of the Straus Dairy and the Straus Family Creamery.

In March, supervisors voted to renew a shelter crisis declaration that will allow emergency housing to be placed at the Point Reyes Station site without having to comply with state and local planning, zoning, safety and environmental regulations. The exemption applies only to property owned or leased by the county.

McRoy said the purchase of the site is intended to allow CLAM to take advantage of the provisions in the shelter crisis resolution. She said the plan is for CLAM to lease the property back from the county and manage the short-term housing that is installed there.

Rapp said, "The lack of foresight should not be a basis to ignore regulations that protect the area and the habitat. By creating this emergency, you're waiving our rights to notice, zoning and Coastal Commission review."

Jay Rosenblatt, another neighbor, said, "I do not oppose reasonable emergency, temporary shelter on that site, but I cannot fathom how so many RVs and people can be placed on such a small lot without creating issues."

Point Reyes Station resident Nancy Vanger, however, said the people threatened with eviction are essential workers.

"The West Marin economy is based on having a strong minimum wage workforce to help

keep alive our hotel and restaurant businesses for several thousand park visitors each weekend," Vanger said. "These families support our local businesses as well as support our school and our culture in West Marin."

Jarrod Russell, CLAM's director, said his organization is collaborating with the county, the Marin Community Foundation, the West Marin Fund and the Marin Agricultural Land Trust to identify other potential sites in the county for temporary emergency housing. The Marin Community Foundation has given CLAM \$150,000 to help finance the effort.

Marin County supervisors met in closed session on Tuesday to discuss property negotiations involving two parcels: one at 350 Merrydale Road/3833 Redwood Highway in San Rafael and the other at 350 Ignacio Blvd. in Novato.

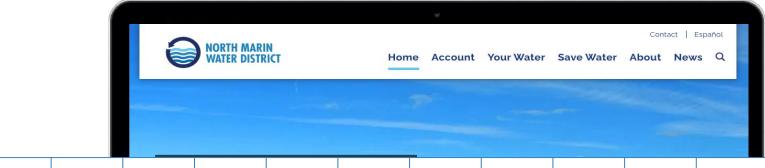
County Executive Derek Johnson wrote in an email, "Price and terms of payment were discussed for each agenda item," but he declined to supply further information about the discussions.



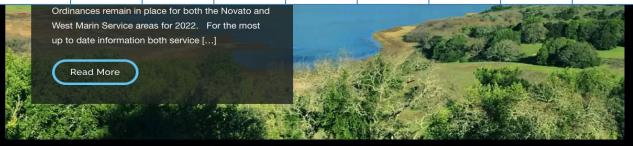
Web & Social Media Report

June 2025

Website Statistics



	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	June 2025	
2024/5 Visitors	5,846	5,487	6,952	8,083	7,173	6,724	7,263	7,181	7,717	6,044	6,960	





Social Media Followers

	Aug-2024	Sep-2024	Oct-2024	Nov-2024	Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025
Facebook Followers	2,671	2,685	2,697	2,712	2,731	2,764	2,785	2,795	2,808	2,817	2,826
X (Twitter) Followers	131	132	129	124	124	124	121	121	120	121	122
Instagram Followers	937	938	947	954	957	965	977	977	980	986	985



NMWD Most Visited Pages

Pages	Views
<u>Home</u>	3,184
Online Billing	2,586
Novato Waterline Spring 2025	1,532
My Water Usage (WaterSmart Portal)	866
What Is An Acre Foot?	384
NMWD Water Conservation Rebates	282
Low-Income Rate Assistance (LIRA) Program	219
<u>Contact</u>	203
Employment Opportunities	188











131 people reached | 5 engagements



262 people reached | 18 engagements







94 people reached | 3 engagements



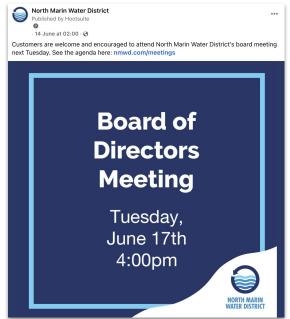
118 people reached | 6 engagements

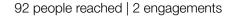


112 people reached | 4 engagements











95 people reached | 2 engagements

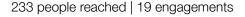


104 people reached | 6 engagements











255 people reached | 9 engagements



157 people reached | 5 engagements







107 people reached | 4 engagements





June Social Media Highlights | Instagram

Post likes

Post engagement

Post views

Post engageme...

102 likes

~ 9.7% from 93

107 engagements

~ 8.1% from 99

1,452

~ 9.5% from 1,326

11.86%

engagement rate

~ 25.2% from 9.48%

Top posts



Please join us in celebrating Gina Hanson's first anniversary with North Marin Water District! As a Field Service Representative, Gina plays a vital role in supporting our customers and ensuring our operations in the field run smoothly. Here's to many more milestones ahead. #anniversary

19 likes



Cheers to 3 years! We're proud to celebrate Eric Miller, our Chief Engineer, on his third anniversary with the District. His expertise and passion continue to drive innovation and sustainability in everything we do. Thank you, Eric! #3Year/Anniversary

14 likes



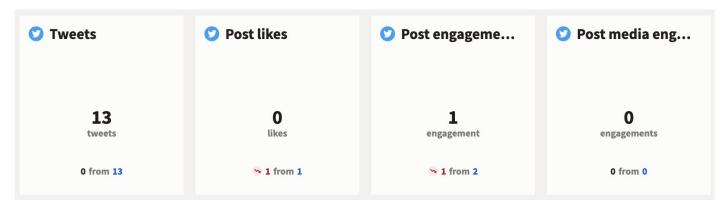
On World Environment Day, let's take action for the planet and commit to ecoconscious habits like minimizing plastic waste, preserving water, and other sustainable actions. Let's work together to pave the way for a greener future for everyone. A #WorldEnvironmentDay #ReducePlastic

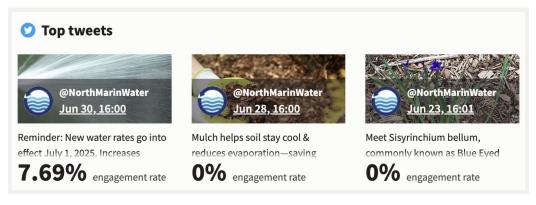
12 likes





June Social Media Highlights | X (Twitter)



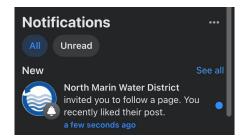




Facebook Likes Campaign - June Report







We are running an evergreen ad which encourages customers in the NMWD service areas to 'like' (follow) the NMWD Facebook page. We selected images that have historically performed the best to drive more likes.

Spend in June (Number of people who saw the ad)		Impressions	Results (New Page Likes)	Cost Per New Page Like	
\$44.81	2,210	3,528	13	\$3.45	



What's Next?

- Kiosk is working with SMWSP on the summer outreach social media toolkit. Posts will highlight how to irrigate efficiently.
- Kiosk is working on a new social campaign highlighting the facilities around Novato.
- Kiosk to work on a creative refresh for the likes campaign.
- Kiosk to continue with a new social campaign on drought tolerant plants featured in the new demonstration garden at the NMWD office.
- Social media posts will also feature national holidays, summer water savings tips & resources, employees on their work anniversaries, as well as highlight outdoor rebates.
- Kiosk to incorporate new photos and videos from NMWD in the upcoming months.



CLOSED SESSION ITEM