



NOTICE OF THE BOARD OF DIRECTORS' REGULAR BI-MONTHLY MEETING

Tuesday, June 02, 2026 at 5:00 PM

AGENDA

LOCATIONS:

Open Session to start at or after 5:00 p.m.

Marin Water Board Room – 220 Nellen Avenue, Corte Madera, CA 94925

Public Participation:

The public may attend this meeting in-person or remotely using one of the following methods:

On a computer or smart device, go to: <https://marinwater.zoom.us/j/88134852296>

By phone, dial: **1-669-444-9171** and use Webinar ID: **881 3485 2296**

HOW TO PROVIDE PUBLIC COMMENT:

During the Meeting: Typically, you will have 3 minutes to make your public comment, however, the board president may shorten the amount of time for public comment due to a large number of attendees. Furthermore, pursuant to Government Code, section 54954.2 (the Brown Act), the Board may not take action or discuss any item that does not appear on the agenda.

-- **In-Person Attendee:** Fill out a speaker card and provide to the board secretary. List the number/letter (ex: 6a) of the agenda item(s), for which you would like to provide a comment. Once you're called, proceed to the lectern to make your comment.

-- **Remote Attendee:** Use the "raise hand" button on the bottom of the Zoom screen. If you are joining by phone and would like to comment, press *9. The board secretary will use the last four digits of your phone number to call on you (dial *6 to mute/unmute).

In Advance of the Meeting: Submit your comments by email in advance of the meeting to boardcomment@marinwater.org. To ensure that your comment is provided to the Board of Directors prior to the meeting, please email your comment 24 hours in advance of the meeting start time. Comments received after this cut off time will be sent to the Board after the meeting. Please do not include personal information in your comment such as phone numbers and home addresses.

AGENDA ITEMS:

- 1. Call to Order and Roll Call**
- 2. Adoption of Agenda**
- 3. Public Comment on Non-Agenda Matters**

This is the time when any person may address the Board of Directors on matters not listed on this agenda, but which are within the subject matter jurisdiction of the Board.

- 4. Directors' and General Manager's Announcements (5:10 p.m. – Time Approximate)**
- 5. Board Committee Reports**

Each Committee Chair or Vice Chair will provide a report on recent committee meetings. Directors may ask questions or provide brief comments or requests for additional information on an item.

- 6. Consent Items (5:20 p.m. – Time Approximate)**

All Consent Items will be enacted by a single action of the Board, unless specific items are pulled from Consent by the Board during adoption of the agenda for separate discussion and action.

- a.** May 26, 2026 Board Meeting Minutes

RECOMMENDATION: Accept the minutes of the Board of Directors' Regular Bi-Monthly Meeting on May 26, 2026

- b.** Request for Marin County Elections to Perform Election Services for November 2026 District Elections

RECOMMENDATION: Adopt a resolution calling for and consolidating the election of District Directors in Divisions I, III and IV with the November 3, 2026 Statewide General Election, and requesting that the Marin County Elections Department perform all necessary election services and canvassing of said election

- c.** Amendment No. 1 to Contract No. 2050 with Forester and Kroeger Inc.

RECOMMENDATION: Approve Amendment No. 1 to Contract No. 2050 (CN-2050) with Forester and Kroeger, Inc. to add \$323,400 for vegetation maintenance and landscaping services supporting the Pump Station Fire Hardening Project for a total not to exceed amount of \$5,424,840, and Authorize the General Manager to execute the amendment

- d.** Award of Contract No. 2061 – Capital Improvement Program – Miracle Mile – East Pipeline Replacement Project (D26016)

RECOMMENDATION: Approve a resolution authorizing award of Contract No. 2061, Capital Improvement Program – Miracle Mile – East Pipeline Replacement Project, to Piazza Construction in the amount of \$1,070,000 and authorizing the General Manager to execute any necessary amendments to Contract No. 2061, which do not exceed \$110,000

- e.** Amendment No. 1 to Contract No. 2004 with The Professional Tree Care Co. for Tree Maintenance

RECOMMENDATION: Authorize the General Manager to execute Amendment No. 1 to Contract No. 2004 with The Professional Tree Care Co. to extend the contract term for one additional year and not to exceed \$256,255

7. Regular Items (5:25 p.m. – Time Approximate)

- a.** Amendment No. 3 to Professional Services Agreement MA 6188 with Woodard and Curran

RECOMMENDATION: Approve Amendment No. 3 to Professional Services Agreement MA 6188 with Woodard and Curran to provide Water Supply Roadmap Program Management assistance, water supply modeling, review of ARC engineering plans, ARC draft EIR review and assistance responding to comments, finalize In-system Improvement projects evaluation and other services such as grant support not to exceed \$477,900 and authorize the general manager to execute the amendment

- b.** Budget Update

RECOMMENDATION: Receive an update on the District’s budget planning process

- c.** Board Policy No. 46 (Reserve Policy)

RECOMMENDATION: Approve changes to Board Policy No. 46 to establish a Facility Reserve Fund

8. Future Board and Committee Meetings and Upcoming Agenda Items

This schedule lists upcoming board and committee meetings as well as upcoming agenda items for the next month, which may include Board interest in adding future meeting items. The schedule is tentative and subject to change pending final publication and posting of the meeting agendas.

- a.** Upcoming Meetings

9. Announcement of Closed Session Item(s); Public Comments on Closed Session Item(s) - None.

10. Reconvene to Open Session; Closed Session Report Out - Not applicable.

11. Adjournment (7:00 p.m. – Time Approximate)

ADA NOTICE AND HEARING-IMPAIRED PROVISIONS

In accordance with the Americans with Disabilities Act (ADA) and California Law, it is Marin Water’s policy to offer its public programs, services, and meetings in a manner that is readily accessible to everyone, including those with disabilities. If you are an individual with a disability and require a copy of a public hearing notice, an agenda, and/or agenda packet in an appropriate alternative format, or if you require other accommodations, please contact the Board Secretary/ADA Coordinator at 415.945.1448, at least two business days in advance of the meeting. Advance notification will enable Marin Water to make reasonable arrangements to ensure accessibility.

Information agendas are available for review at the Civic Center Library, Corte Madera Library, Fairfax Library, Mill Valley Library, Marin Water Administration Building, and marinwater.org.

Posted: 05-29-2026



STAFF REPORT

Meeting Type: Board of Directors
Title: May 26, 2026 Board Meeting Minutes
From: Terrie Gillen, Board Secretary
Through: Ben Horenstein, General Manager
Meeting Date: June 2, 2026

TYPE OF ITEM: X Action Information

RECOMMENDATION: Accept the minutes of the Board of Directors’ Regular Bi-Monthly Meeting on May 26, 2026

SUMMARY: The Board of Directors held their regular bi-monthly meeting on May 26, 2026. The minutes of that meeting are attached for your approval.

DISCUSSION: None.

ENVIRONMENTAL REVIEW: Not applicable.

FISCAL IMPACT: None.

ATTACHMENT(S):

1. Draft May 26, 2026 Regular Meeting Minutes

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
Communications & Public Affairs Department	 Terrie Gillen Board Secretary	 Ben Horenstein General Manager



NOTICE OF THE BOARD OF DIRECTORS' REGULAR BI-MONTHLY MEETING

Tuesday, May 26, 2026 at 5:00 PM

MINUTES

LOCATIONS:

Open Session to start at or after 5:00 p.m.

Marin Water Board Room – 220 Nellen Avenue, Corte Madera, CA 94925

Public Participation:

The public attended this meeting in-person or remotely using one of the following methods: on a computer or smart device, <https://marinwater.zoom.us/j/88134852296>, or by phone, 1-669-444-9171, using Webinar ID No.: 881 3485 2296.

AGENDA ITEMS:

1. Call to Order and Roll Call

Board President Jed Smith called the meeting to order at 5:30 PM.

DIRECTORS PRESENT

Ranjiv Khush

Diana Maier

Matt Samson

Larry Russell (*left meeting at approximately 5:08 PM*)

Jed Smith

2. Adoption of Agenda

Director Maier made the motion to adopt the agenda. Director Samson seconded the motion.

There were no public comments.

Voting Yea: Directors Maier, Russell, Samson, Khush, and Smith

Motion passed.

3. Public Comment on Non-Agenda Matters

There was one (1) public comment on an item not on the agenda.

4. Directors' and General Manager's Announcements

- President Smith reported that he attended the last stage of the Marin City Pipeline Replacement Project.

There were no announcements from the other directors or general manager.

5. Board Committee Reports

- Planning Committee Chair Russell provided a report on the agenda item discussed at the last Planning Committee Meeting on May 14.

6. Consent Items

- a. May 12, 2026 Board Meeting Minutes

RECOMMENDATION: Accept the minutes of the Board of Directors' Regular Bi-Monthly Meeting on May 12, 2026

- b. Award of Contract No. 2074 for the Lagunitas Creek Coho Habitat Enhancement Phase 1C Project (GC-21001)

RECOMMENDATION: Resolution to approve Contract No. 2074 in the amount of \$983,720 for the Lagunitas Creek Coho Habitat Enhancement Project Phase 1C to Hanford Applied Restoration and Conservation (*Resolution No. 8834*)

- c. General Services Agreement for Portable Toilet Services for Watershed Facilities Fiscal Years 2027 – 2029 (MA-6536)

RECOMMENDATION: Approve a General Services Agreement for Portable Toilet Services for Watershed Facilities Fiscal Years 2027 – 2029 (MA-6536) and authorize a one-year extension for up to two additional years with an annual increase in rates in accordance with increases in the All Urban Consumer Price Index (CPI-U) for the San Francisco-Oakland-Hayward region

- d. Purchase of Water Treatment Chemicals for Fiscal Year 2027

RECOMMENDATION: Approve the purchase of water treatment chemicals in a total aggregate amount not to exceed \$2,776,913 and authorize the General Manager to negotiate and execute the final agreements

- e. Amendment No. 1 to Professional Services Agreement MA-6269 with Kennedy/Jenks Consultants for Engineering Services for the Soulajule Project

RECOMMENDATION: Approve Amendment No.1 to professional services agreement MA-6269 with Kennedy/Jenks Consultants, Inc. to change the agreement scope of work from the Soulajule Pipeline Project design to the Soulajule Pump Station Electrification Project design with an adjusted total not to exceed amount of \$2,010,669.21

Directors Samson and Khush commented on agenda items 6b (Lagunitas Creek Enhancement Project) and 6e (Soulajule Water Project).

Director Khush motioned to adopt the Consent Calendar items. Director Samson seconded the motion.

There were no public comments.

Voting Yea: Directors Maier, Russell, Samson, Khush, and Smith

Motion passed.

7. Regular Item(s)

- a. Contract Award for Advanced Metering Infrastructure (AMI) Equipment, Professional Services, and Software to Badger Meter, Inc. and approval of positions for AMI implementation

RECOMMENDATION: Approve three agreements with Badger Meter, Inc. for a total not to exceed amount of \$20,635,100 and authorize the General Manager to finalize and execute the agreements, as follows:

1. Equipment Purchase Agreement for the supply of meters, endpoints, and equipment not to exceed \$17,711,600
2. A 10-year Master Services Agreement for data hosting and cellular fees not to exceed \$2,823,500
3. A Professional Services Agreement not to exceed \$100,000 for training and integration of Badger AMI data with District enterprise software such as SAP

Approve the recruitment and hiring of two limited term Meter Reader & Repair Workers for the implementation of the AMI project

Vice President Russell recused himself from this item due to a conflict of interest, so he left the meeting.

Water Resources Director Paul Sellier and AMI Manager Craig Lauridsen presented this item.

Discussion ensued.

There were three (3) public comments.

Director Khush made the motion to approve all of staff's recommendations. Director Maier seconded the motion.

Voting Yea: Directors Maier, Samson, Khush, and Smith

Motion passed.

8. Future Board and Committee Meetings and Upcoming Agenda Items

a. Upcoming Meetings

The board secretary mentioned that there was one more meeting left in May and all of the board and committee meetings happening in June will begin next week.

There were no comments.

9. Announcement of Closed Session Item(s); Public Comments on Closed Session Item(s) - None.

10. Reconvene to Open Session; Closed Session Report Out - Not applicable.

11. Adjournment

There being no further action, the Board of Directors adjourned the May 26 Board Meeting at 5:50 PM.

Board Secretary

ENVIRONMENTAL REVIEW: Not applicable.

FISCAL IMPACT: The District will reimburse the County for all costs associated with performing these election services. According to the County Elections Department, the estimated cost in a general election range from \$1.75 to \$3.00 per voter. In Divisions I, III, and IV, there is a total of approximately 82,748 registered voters. If everyone votes in those divisions, the cost can range from \$104,889 - \$248,244.

After the General Election of November 8, 2022, when these division seats were up, the District paid \$30,938.69 for the Division I Election, \$33,549.94 for the Division III Election, and \$33,330.07 for the Division IV Election. The total cost was \$97,818.70, which was approximately \$1.63 per registered voter.

ATTACHMENT(S):

- 1. Draft Resolution

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
Communications & Public Affairs	 Adriane Mertens Communications & Public Affairs Manager	 Ben Horenstein General Manager

Attachment 1
MARIN MUNICIPAL WATER DISTRICT

RESOLUTION NO.

A RESOLUTION OF MARIN MUNICIPAL WATER DISTRICT’S BOARD OF DIRECTORS CALLING FOR A REGULARLY SCHEDULED ELECTION TO BE HELD IN THIS JURISDICTION; REQUESTING THE MARIN COUNTY BOARD OF SUPERVISORS TO CONSOLIDATE WITH ANY OTHER ELECTION CONDUCTED ON SAID DATE, AND REQUESTING ELECTION SERVICES BY THE MARIN COUNTY ELECTIONS DEPARTMENT

WHEREAS, it is the determination of the District Board of Directors that the regularly scheduled election be held on the 3rd day of November, 2026, at which election the issue to be presented to the voters shall be to elect the following members to the Board of Directors:

Number of Regular Term Positions for divisions I, III, and IV (4-year) 3

Number of Short-Term Positions (2-year) 0

NOW, THEREFORE, BE IT RESOLVED, pursuant to Elections Code §10002, the Board of Supervisors of the County of Marin is hereby requested to:

- 1) Consolidate said election with any other applicable election conducted on the same day in the manner prescribed in Elections Code §10418;
- 2) Authorize and direct the Elections Department at District’s expense, to provide all necessary election services and to canvass the results of said election.

PASSED AND ADOPTED this 2nd day of June, 2026, by the following vote of the Board of Directors:

AYES:

NOES:

ABSENT:

Jed Smith
President, Board of Directors

ATTEST:

Terrie Gillen
Board Secretary
Resolution No.



STAFF REPORT

Meeting Type: Board of Directors
Title: Amendment No. 1 to Contract No. 2050 with Forester and Kroeger Inc.
From: Shaun Horne, Director of Watershed Resources
Through: Ben Horenstein, General Manager
Meeting Date: June 2, 2026

TYPE OF ITEM: X Action Information

RECOMMENDATION: Approve Amendment No. 1 to Contract No. 2050 (CN-2050) with Forester and Kroeger, Inc. to add \$323,400 for vegetation maintenance and landscaping services supporting the Pump Station Fire Hardening Project for a total not to exceed amount of \$5,424,840, and Authorize the General Manager to execute the amendment

SUMMARY: Staff is requesting that the Board of Directors approve and authorize Amendment No. 1 to CN-2050 in the amount of \$323,400 to expand the scope of work under the existing contract with Forester and Kroeger Inc. to include defensible space improvements at District pump stations. This proposed amendment would allow the District to leverage the existing CN-2050 contract, approved by the Board on September 25, 2025, for BFFIP Maintenance and Forestry and Pile Burn Support. Expanding the scope will allow the District to implement additional fire hardening work for the Pump Station Fire Hardening Project and additional vegetation management work on District watershed lands.

The Pump Station Fire Hardening Project was presented at the February 10, 2026 Planning Committee Meeting, and aligns with Goal 2, Objective 1 of the District’s Five-Year Strategic Plan. This project builds on the 2024 pump station fire hardening assessment conducted in collaboration with the Marin Wildfire Prevention Authority (MWPA).

DISCUSSION: In 2024, staff conducted a comprehensive above ground infrastructure fire hardening assessment in collaboration with the Marin Wildfire Prevention Authority (MWPA). As part of this effort, defensible space around pump stations was evaluated to identify practical measures to improve fire resilience. At the February 10, 2026 Planning Committee Meeting, staff presented the Pump Station Fire Hardening Project, which proposes to address fire hardening deficiencies identified during the 2024 assessment to increase fire resiliency of pump stations.



The project prioritizes improvements within Defensible Space Zones 0 and 1, which are the areas closest to pump station facilities and most vulnerable to wildfire impacts. The proposed actions are intended to

include vegetation and landscape management measures by thinning vegetation, removing debris piles, and reducing the presence of ladder fuels to slow fire spread and reduce intensity near pump stations. The additional scope of work proposed in this amendment would be carried out at 59 pump stations located throughout the District’s service area, the estimated acreage of work is 7 acres.

ENVIRONMENTAL REVIEW: The Director of Engineering has determined that the Pump Station Fire Hardening Project is exempt from CEQA pursuant to Public Resources Code section 21080.49, as the proposed project creates defensible space and fuel breaks around pump stations. The project also qualifies for exemption pursuant to the following CEQA Guidelines sections 15301, Existing Facilities, and 15304, Minor Alteration to land, as the project will include maintenance work of existing structures, that does not result in an expansion of use, and involve minor alteration to the condition of land and vegetation, with no negative impact to existing scenic trees.

FISCAL IMPACT: Staff estimates the costs to perform the vegetation maintenance and landscaping services to support fire hardening of district pump stations, will be \$323,400 (CN-2050). Funds for this contract will be paid out of the District’s FY26/FY27 Capital Budget.

ATTACHMENT(S): None.

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
Watershed	 Shaun Horne Watershed Resources Director	 Ben Horenstein General Manager



STAFF REPORT

Meeting Type: Board of Directors
Title: Award of Contract No. 2061 – Capital Improvement Program – Miracle Mile – East Pipeline Replacement Project (D26016)
From: Alex Anaya, Director of Engineering
Through: Ben Horenstein, General Manager
Meeting Date: June 2, 2026

TYPE OF ITEM: X Action Information

RECOMMENDATION: Approve a resolution authorizing award of Contract No. 2061, Capital Improvement Program – Miracle Mile – East Pipeline Replacement Project, to Piazza Construction in the amount of \$1,070,000 and authorizing the General Manager to execute any necessary amendments to Contract No. 2061, which do not exceed \$110,000

SUMMARY: This item was reviewed by the District Planning Committee on May 14, 2026. The Capital Improvement Program – Miracle Mile – East Pipeline Replacement Project will install approximately 1,840 feet of new pipe to replace old, leak-prone piping in the City of San Rafael within the County of Marin, California.

DISCUSSION: The Miracle Mile – East Pipeline Replacement Project (Project) is a component of the District’s Capital Improvement Program. This Project will install approximately 1,840 feet of new 12-, 8, and 6-inch welded steel pipe to replace old, leak-prone piping installed as early as 1883.

This project is one of two pipeline projects planned along the Miracle Mile during the FY26/27 budget cycle. Miracle Mile East Pipeline Replacement Program will occur first, as construction will be coordinated with the City of San Rafael’s upcoming road restoration project to minimize disruption to the public. The second portion of this project will happen under the Miracle Mile West Pipeline Replacement Project, which is planned for construction in late 2026.

The Project will take place in the locations described in Table 1 and shown on the map provided in Attachment 2.

Table 1. Pipeline Replacement Locations, Lengths, Installation Dates, and Existing Sizes and Types

STREET	LENGTH	INSTALLATION DATE	EXISTING SIZE & TYPE
Fourth Street	840 ft	1883, 1937	12” LCP, 6” CIP

STREET	LENGTH	INSTALLATION DATE	EXISTING SIZE & TYPE
Second Street	860 ft	1965	6" CIP
Marquard Avenue	140 ft	1975	6" CIP

*LCP = Lock-Converse Pipe, CIP = Cast Iron Pipe

These street segments were evaluated for the installation of recycled water piping. The nearest existing recycled water pipeline is approximately 2.7 miles away, located at the intersection of Sequoia Road and North San Pedro Road in San Rafael. Therefore, the installation of recycled water piping was determined to be infeasible.

On May 14, 2026, the District opened four (4) bids, as shown in Table 2, for the Miracle Mile – East Pipeline Replacement Project. Piazza Construction submitted the lowest responsive and responsible bid in the amount of \$1,070,000. Therefore, staff recommends that the Board of Directors approve a resolution awarding Contract No. 2061 to Piazza Construction in the amount of \$1,070,000 and authorizing the General Manager to execute any necessary amendments to Contract No. 2061, which do not exceed \$110,000.

Table 2. Bid Results for the Miracle Mile – East Pipeline Replacement Project

Bid Rank	Contractor Name	Bid Amount
1.	Piazza Construction	\$1,070,000
2.	Team Ghilotti, Inc.	\$1,115,115
3.	Maggiora & Ghilotti, Inc.	\$1,327,700
4.	W.R. Forde Associates, Inc.	\$1,418,620

Engineer’s Estimate: \$1,320,000

Summaries of the estimated Project costs and schedule are provided below.

Budget:

Contract Award: \$ 1,070,000
 Contingency (10%): \$ 110,000
 Materials and Professional Fees: \$ 184,000
 District Labor/Inspection: \$ 125,000
 Total Budget: \$ 1,489,000
 Budget Category: A1A02A

Project Implementation:

Project Advertisement: April 28, 2026
 Bid Opening: May 14, 2026

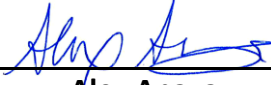

Project Award: June 2, 2026
Estimated Completion Date: August 28, 2026
Duration: 88 days

ENVIRONMENTAL REVIEW: The Director of Engineering has found that the Project is Categorically Exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15302(c), Replacement or Reconstruction, and statutorily exempt under Public Resources Code section 21080.21, pipelines less than one mile. The Project qualifies for exemption pursuant to Section 15302(c) inasmuch as it is the replacement of existing water pipeline involving negligible or no expansion of capacity and is statutorily exempt pursuant to Public Resources Code section 21080.21 since the proposed Project will replace less than one mile of pipe within the public right of way or street.

FISCAL IMPACT: The total cost to complete the Capital Improvement Program – Miracle Mile – East Pipeline Replacement Project is estimated at \$1,489,000, inclusive of District Labor, materials and contingencies.

ATTACHMENT(S):

1. Proposed Resolution
2. Site Map
3. Draft Notice of Exemption

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
Engineering	 Alex Anaya Engineering Director	 Ben Horenstein General Manager

Attachment: 1

MARIN MUNICIPAL WATER DISTRICT

RESOLUTION NO.

**A RESOLUTION OF THE BOARD OF THE MARIN MUNICIPAL WATER DISTRICT
APPROVING AWARD OF CONSTRUCTION CONTRACT NO. 2061 TO PIAZZA
CONSTRUCTION FOR THE CAPITAL IMPROVEMENT PROGRAM – MIRACLE MILE –
EAST PIPELINE REPLACEMENT PROJECT**

WHEREAS, on April 28, 2026, the District advertised Contract No. 2061, Capital Improvement Program – Miracle Mile – East Pipeline Replacement Project (D26016), which will replace approximately 1,840 feet of piping; and

WHEREAS, the District received and publicly opened four (4) bids on May 14, 2026, of which the Piazza Construction bid of \$1,070,000 was the lowest responsive and responsible bid.

NOW, THEREFORE, THE BOARD OF DIRECTORS RESOLVES that:

1. The bid of \$1,070,000 submitted by Piazza Construction for the Capital Improvement Program – Miracle Mile – East Pipeline Replacement Project under Contract No. 2061 (“Contract”) was the lowest responsive and responsible bid submitted therefor, and said bid is hereby accepted.
2. A Contract for this project be awarded to said low bidder, and the General Manager is authorized and directed to execute said Contract on behalf of the District upon receipt of a performance bond, payment bond, proof of insurance, and the executed contract for the work from said bidder.
3. The General Manager is authorized to execute any and all future amendments to the Contract, which he deems necessary, without further Board approval, so long as those amendments to the Contract do not exceed \$110,000.
4. Upon complete execution of said Contract, the bonds and/or checks of the other bidders are to be returned to said other bidders, and all bids other than that of Argonaut Constructors are to be rejected.
5. The project is Categorically Exempt from review under Section 15302(c) of the CEQA Guidelines inasmuch as it is the replacement of existing water pipeline involving negligible or no expansion of capacity.

- 6. The project is statutorily exempt pursuant to the California Public Resources Code Division 13 Environmental Quality Section 21080.21 inasmuch as the project involves the replacement of less than one mile of pipe within the public right-of-way.

PASSED AND ADOPTED this 2nd day of June, 2026, by the following vote of the Board of Directors.

AYES:

NOES:

ABSENT:

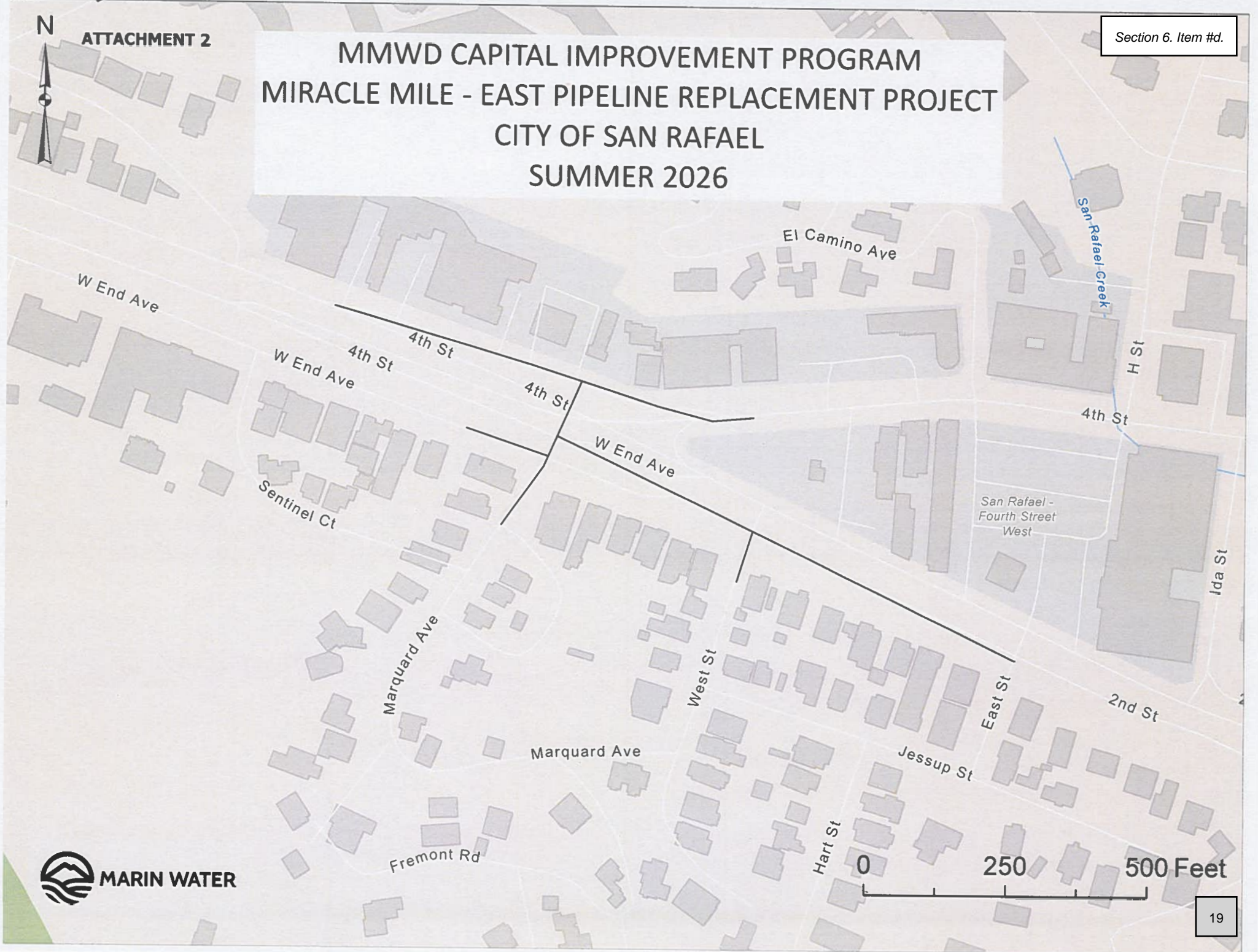
Jed Smith
President, Board of Directors

ATTEST:

Terrie Gillen
Board Secretary

ATTACHMENT 2

MMWD CAPITAL IMPROVEMENT PROGRAM MIRACLE MILE - EAST PIPELINE REPLACEMENT PROJECT CITY OF SAN RAFAEL SUMMER 2026



Notice of Exemption

Attachment 3



Filing Requested By and When Filed Return To:

Marin Municipal Water District
220 Nellen Ave
Corte Madera, CA 94925
Attn: Alex Anaya, Director of Engineering

Project Title: Capital Improvement Program – Miracle Mile – East Pipeline Replacement Project (D26016)

Project Location: City of San Rafael

Project Location – County: Marin

Project Description: This Project will install approximately 1,840 feet of new 12-, 8-, and 6-inch welded steel pipe to replace old, leak-prone piping as part of the District’s Capital Improvement Program.

The project will take place in the locations described in Table 1 and shown in Figure 1.

Table 1. Pipeline Replacement Locations, Lengths, Installation Dates, and Existing Sizes and Types

STREET	LENGTH	INSTALLATION DATE	EXISTING SIZE & TYPE
Fourth Street	840 ft	1883, 1937	12” LCP, 6” CIP
Second Street	860 ft	1965	6” CIP
Marquard Avenue	140 ft	1975	6” CIP

*LCP = Lock-Converse Pipe, CIP = Cast Iron Pipe

Public Agency Approving Project: Marin Municipal Water District

Name of Person or Agency Carrying Out Project: Marin Municipal Water District

CEQA Exemption Status: Categorical Exemption Section 15302(c), Replacement or Reconstruction and California Public Resource Code Division 13 Environmental Quality Section 21080.21, less than one mile of pipeline.

Reason for Exemption: This project qualifies for exemption pursuant to Section 15302(c) of the CEQA Guidelines inasmuch as it is the replacement of existing water pipelines involving negligible or no expansion of capacity. This project is also statutorily exempt pursuant to the California Public Resource Code Division 13 Environmental Quality Section 21080.21 inasmuch as the project involves the replacement of less than one mile of pipeline within the public right-of-way.

Project Approval: The Marin Municipal Water District Board of Directors approved the award of a contract for project construction, which represents project approval as defined by Section 15352 of the Guidelines for Implementation of the California Environmental Quality Act, at their regularly scheduled meeting on June 2, 2026.

Lead Agency Contact Person: Alex Anaya, Marin Municipal Water District

Telephone: (415) 945-1588

Alex Anaya, Director of Engineering

Date

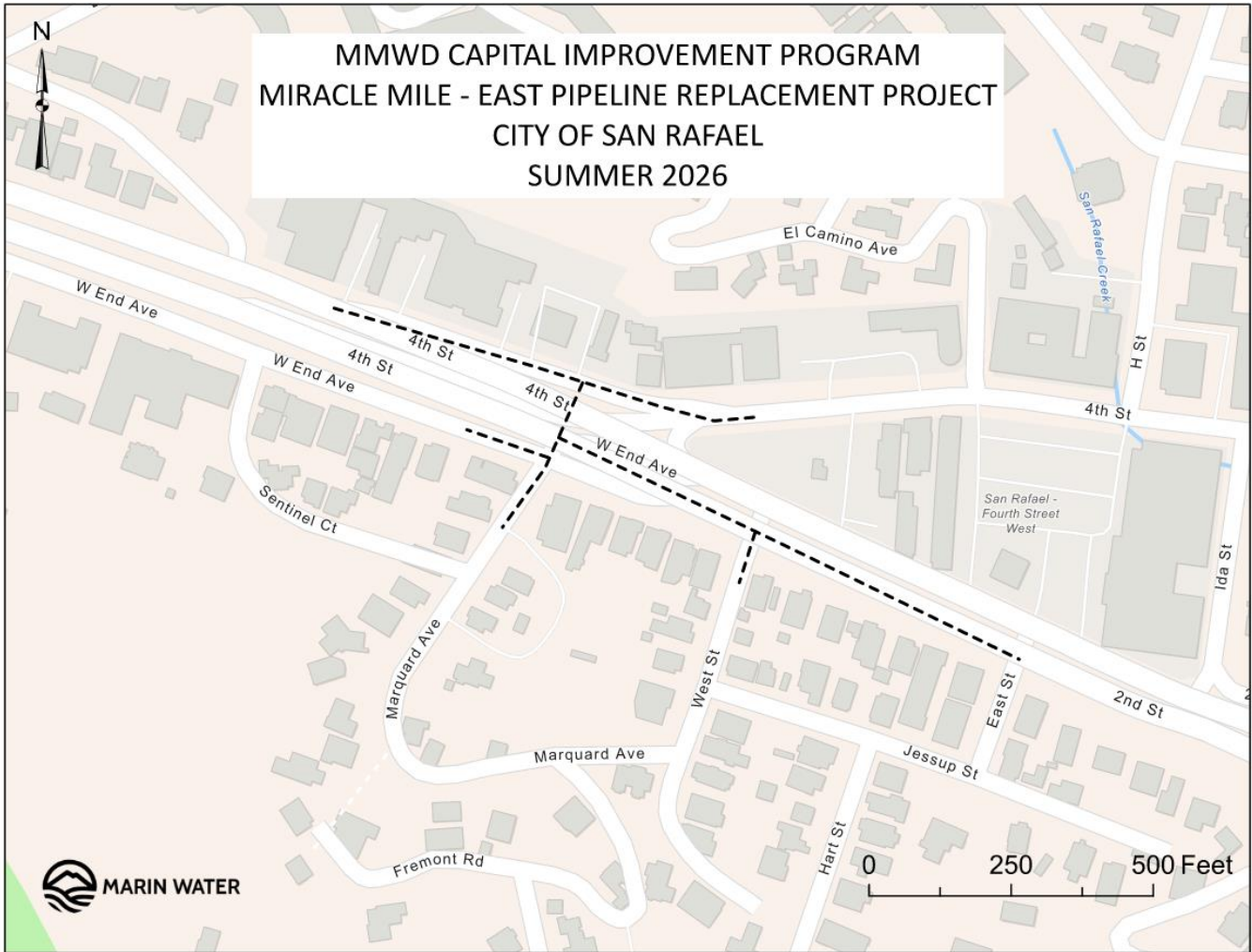


Figure 1. Site Map for the Capital Improvement Program – Miracle Mile – East Pipeline Replacement Project.



STAFF REPORT

Meeting Type: Board of Directors
Title: Amendment No. 1 to Contract No. 2004 with The Professional Tree Care Co. for Tree Maintenance
From: Darren Machado, Operations Director
Through: Ben Horenstein, General Manager
Meeting Date: June 2, 2026

TYPE OF ITEM: X Action Information

RECOMMENDATION: Authorize the General Manager to execute Amendment No. 1 to Contract No. 2004 with The Professional Tree Care Co. to extend the contract term for one additional year and not to exceed \$256,255

SUMMARY: On June 6, 2023, the Board of Directors approved a three-year contract with The Professional Tree Care Co. for tree maintenance at various District sites and on watershed lands. The contract included options to extend the term of the contract in one (1) year increments for up to an additional two years.

Per section 1.18 of Contract No. 2004, the contractor is allowed to escalate the unit prices in accordance with the San Francisco-Oakland-San Jose Consumer Price Index (CPI). Contractor provided in writing they would like to keep their rates the same as they were in the last year (FY26) of the original Contract.

DISCUSSION: In October of 2019, the District adopted the Biodiversity, Fire, and Fuels Integrated Plan (BFFIP) which outlines the actions the District will implement to reduce wildfire hazards and to maintain and enhance ecosystem function. Under the BFFIP, there are 27 management actions that are being implemented to fulfill the goals and approach described in the BFFIP. Vegetation management under the BFFIP aims to reduce fuel loads, maintain fuel break infrastructure, preserve defensible space, reduce invasive weed species, manage hazardous trees and enhance biodiversity. Vegetation management is conducted continuously throughout the year with the primary goal of reducing fuel loads and maintaining the watershed’s biological diversity. This contract extension will support fuel reduction work, forestry restoration, and hazardous tree management, which is necessary to reduce wildfire fuel issues and enhance native plants.

The Facilities Maintenance Department coordinates tree maintenance work at all tank and pump sites on an as-needed basis. Staff continually visit sites to identify and prioritize trees with safety risk

factors. Once trees are identified, staff prioritize pruning and removal to ensure public safety and help reduce potential fire risks. Hazardous trees are also regularly inventoried by Watershed Maintenance Staff and prioritized based on proximity to critical facilities and the immediacy of potential risk. The probability of a hazard tree impacting a target such as a building, power or communication line, visitor use facility or road, is evaluated during each inventory. Identified trees are most often structurally unsound and may be pest infested, diseased, storm damaged, pose a fire risk or are otherwise in decline. These are often large diameter trees that require climbing, boom trucks and cranes to address.

The current contract expires June 30, 2026. The District has an ongoing need for contractor support for fuel reduction and hazardous tree work. Staff proposes exercising the District’s option to extend services for one additional year. Staff is recommending that the Board approve the contract extension and authorize the General Manager to execute the First Amendment to Contract No. 2004 to extend the contract term for one additional year with a total not to exceed amount of \$256,255.

ENVIRONMENTAL REVIEW: Staff has reviewed the Project pursuant to the California Environmental Quality Act (CEQA) and has found that the Project is eligible for a Categorical Exemption pursuant to CEQA Guidelines Section 15301(h), Existing Facilities. The Project qualifies for exemption pursuant to section 15301(h) inasmuch as the tree maintenance contract involves maintenance of existing landscaping, native growth, and water supply reservoirs with negligible or no expansion of existing or former use. The Biodiversity, Fire and Fuels Integrated Plan (BFFIP) Environmental Impact Report was adopted in October of 2019 and covers work occurring on the watershed.

FISCAL IMPACT: Funding for this first amendment is budgeted in the FY 2027 budget as an operating expenditure under the Facilities Maintenance Department (6230-6410) and the Watershed Maintenance Department (2505-6410) as both operating/capital expenditures.

ATTACHMENT(S):

- 1. First Amendment to Contract No. 2004

DEPARTMENT OR DIVISION	DEPARTMENT MANAGER	APPROVED
Operations Division	 Darren Machado Operations Director	 Ben Horenstein General Manager

FIRST AMENDMENT TO
CONTRACT NO. 2004 BETWEEN
MARIN MUNICIPAL WATER DISTRICT AND THE PROFESSIONAL TREE CARE Co.

This First Amendment to Contract No. 2004 (“First Amendment”) is entered into by and between Marin Municipal Water District (“District”) and The Professional Tree Care Co. (“Contractor”).

For good and valuable consideration the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Recitals:

- A. On July 1, 2023, the District and the Contractor entered into Contract No. 2004 for Tree Maintenance Services (“Contract”) for a period of three years, which expires on June 30, 2026.
- B. The Contract contains an option for the District to extend the term in one year increments for up to an additional two years.
- C. At this time, the Parties desire to execute an Amendment (“Amendment No. 1”) to the Contract to extend the services of Contractor for a term of one additional year, until June 30, 2027, with a District option to extend the term of the Contract for one subsequent year.
- D. The Contract and this Amendment No. 1 shall be referred to herein as “Agreement” and shall constitute the complete agreement of the parties.

Section 2. Terms:

- A. Amendment to Contract: This Amendment No. 1 modifies the Contract. Except for the modifications contained herein, all the terms of the Agreement shall apply.
- B. Terms:
 - 1. Special Provisions Part 1-General-Paragraph 1.5 entitled “Award and Duration of Contract” is amended to read as follows:

This Agreement shall commence on July 1, 2026 and terminate on June 30, 2027 unless otherwise terminated pursuant to Article 46 of the standard specifications.
 - 2. The unit pricing for the term of this Agreement shall be that set forth in Attachment A which is hereby incorporated by this reference. The total amount payable to Contractor under this Agreement shall not exceed \$256,255

Dated: _____

The Professional Tree Care Co.

By _____
Charlie Slesinger

Dated: _____

MARIN MUNICIPAL WATER DISTRICT

By _____
Bennett Horenstein, General Manager



STAFF REPORT

Meeting Type: Board of Directors
Title: Amendment No. 3 to Professional Services Agreement MA 6188 with Woodard and Curran
From: Paul Sellier, Director of Water Resources
Through: Ben Horenstein, General Manager
Meeting Date: June 2, 2026

TYPE OF ITEM: X Action Information

RECOMMENDATION: Approve Amendment No. 3 to Professional Services Agreement MA 6188 with Woodard and Curran to provide Water Supply Roadmap Program Management assistance, water supply modeling, review of ARC engineering plans, ARC draft EIR review and assistance responding to comments, finalize In-system Improvement projects evaluation and other services such as grant support not to exceed \$477,900 and authorize the general manager to execute the amendment

SUMMARY The Board selected the Integrated Water Supply Roadmap at the end of February 2023 and Woodard and Curran (W&C) has been assisting staff in various aspects of the work under this agreement and subsequent amendments since July 2023. Staff is proposing to further amend the existing agreement with W&C to include continued program management support, modeling and evaluation of in-system improvements to finalize the selection of those projects, support the Atmospheric River Capture (ARC) project through the EIR process, and design review for the ARC pump stations and pipeline design.

DISCUSSION: The ARC Project is complex in that it traverses multiple jurisdictions, has large capacity pump stations to move water over several hundred feet of elevation to Nicasio reservoir, has the potential to accommodate multiple delivery points (Stafford Lake and Nicasio reservoir), and has technical operational elements to ensure the project integrates smoothly with existing North Marin Water District operations. The District’s work on the project will benefit from W&C’s input into the design and related issues. In addition, W&C developed the latest update to the District’s water supply model that will allow the District to understand how additional water supplies will impact reservoir storage levels under different hydrologic scenarios. W&C will assist the District in further developing this information for the ARC draft Environmental Impact Report.

In-System Improvements are also an important aspect of the Roadmap and focus on maximizing the direct use of winter water by improving existing bottlenecks within the distribution system. There are



several potential combinations of projects that could increase the District’s use of winter water within the District’s existing distribution system. To determine the optimum combination of projects, additional work is needed to evaluate the individual projects and then to determine the most effective and efficient portfolio of projects to implement. W&C will build on prior work on In-System Improvements to review project constructability, provide estimated costs, and develop conceptual designs to support the selected In-System Improvements portfolio.

ENVIRONMENTAL REVIEW: None.

FISCAL IMPACT: Amendment No. 3 to MA 6188 will add \$477,900 to the existing contract amount, for a total contract value of \$1,392,110 that covers a period of approximately four years, from spring of 2023 through mid-2027.

ATTACHMENT(S):

- 1. Scope of Work For Amendment No. 3
- 2. Amendment No. 3 Fee

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
Water Resources	 _____ Paul Sellier Water Resources Director	 _____ Ben Horenstein General Manager

Attachment A-2**Amendment #3****Scope of Work**

This scope of work describes only the additional scope added via the amendment.

1. OVERALL PROGRAM MANAGEMENT ASSISTANCE

Consultant will continue overall program management assistance as needed, subject to available task funds. Anticipated activities include:

- Assisting with planning and coordination of work among consultants including those for environmental studies and design.
- Assisting with procuring additional consultant assistance as required.
- Assistance with interagency cooperation.

Deliverables: as directed; for example draft briefing materials, review comments on work of technical consultants, strategic advice, draft procurement documents (RFQ, RFP) for consultant services.

2. OTHER SERVICES**2.1 Project Alternatives Evaluation**

As requested, Consultant will define and evaluate potential additional conveyance alternatives (e.g., "NML-1" and potentially variants thereof), to be considered alongside alternatives (PETA-3, PETA-4, COTATI-3, etc) already developed and evaluated as part of earlier studies. Specific aspects of the work may include defining operational concepts and facility descriptions, estimating costs and evaluating performance relative to program goals. As requested, Consultant will support Board or community discussions.

2.2 Other Services

As requested, Consultant will provide other services in support of the roadmap implementation, such as:

- Assistance identifying and pursuing grant funding opportunities
- Assistance responding to inquiries from the public

Deliverables: as directed; for example, technical memoranda, maps, schematics, or presentation materials.

3. WATER SUPPLY MODELING

Consultant will continue to support the program by enhancing and applying the existing MarinSim water system model and accompanying Excel tools.

The area of focus will be operational optimization of the ARC conveyance project selected by the District. The Excel tool and model already developed to help evaluate capital projects will be further refined to evaluate operational strategies based on risk reduction and operational cost.

The model will also be updated to incorporate recent years' data including that for demand, environmental releases and hydrology.

Consultant will develop an Operations Plan for the ARC conveyance project that summarizes the key assumptions and operational strategies to guide operations of the project.

Deliverables: working model files; model results; Excel tool; training; operations plan

4. IN-DISTRICT BOTTLENECK REFINEMENT

Consultant will select and refine up to three portfolios from the previous bottlenecks analysis to assess feasibility for future inclusion in the District's capital improvement program. Selection will involve screening previously identified portfolios to identify the three most promising portfolios for consideration, using criteria such as cost, yield, implementability and operational flexibility. Unselected portfolios will not be eliminated; rather, they will be de-prioritized relative to selected portfolios based on existing information. The selected portfolios will be further refined to assess costs and benefits.

The following subtasks comprise the work:

4.1 Workshops and Meetings

Workshops as needed with District staff to validate key assumptions, present results and seek feedback. Up to two virtual workshops are assumed.

4.2 Screen Portfolios

Consultant will develop screening and evaluation criteria to apply to portfolios identified in prior analyses. Criteria are likely to include cost (developed at the time of the prior analysis), hydraulic performance, constructability/implementability, environmental considerations and operational flexibility. Criteria will be discussed and finalized at a workshop with the District under Task 4.1 before screening is conducted.

Consultant will screen the portfolios, resulting in the selection of up to three portfolios for further consideration as part of this analysis. Consultant will document the results of the screening in PowerPoint format, along with an accompanying Excel workbook. District will review results of the screening and provide a single, consolidated, consistent set of comments for consideration. Consultant will update screening based on feedback from the District and finalize selection of up to three portfolios prior to conducting further assessments.

4.3 Refine Selected Portfolios & Assess Feasibility

Consultant will prepare conceptual layouts for each of the selected portfolios. These will be high-level, illustrating the location of portfolio projects with respect to District facilities, and consider probable sizing for all facilities included in each portfolio.

Consultant will update modeling assumptions (including capacity and status of specific District facilities) before modeling multi-season performance for each of the three selected portfolios. Modeling multi-season performance will allow the Consultant and the District to determine the utility of each portfolio across a range of flows; it may also identify other system benefits beyond winter-water availability. Consultant will revisit facility sizing for each portfolio at the conclusion of modeling efforts.

Consultant will develop cost estimates (Class 5) for each selected portfolio based on the conceptual layout and proposed facility sizing developed earlier in the analysis. Consultant will also perform a constructability review for each selected portfolio to identify potential conflicts, considerations, or roadblocks to implementation. This constructability review will be documented in narrative format. Consultant will also identify environmental markers near selected portfolio facilities. Consultant will conduct a relative cost-benefit analysis for each of the selected portfolios. The cost benefit analysis will quantify benefits where practicable; not all benefits (e.g., system flexibility) are expected to be quantified.

Consultant will document findings from Task 4.3 through either a standalone TM or as an update to the previously completed Bottlenecks TM. Documentation is captured in Task 4.4.

4.4

4.5 Technical Memorandum

The results of this task will be summarized in a Draft and Final TM.

Deliverables:

- Draft and final updated technical memorandum summarizing all work done under this Task.
- Workshop presentation materials for up to 2 workshops (e.g., one to confirm projects and discuss criteria, one to identify a preferred alternative for each project, and a third to review conceptual designs).

Assumptions (Task 4):

- Summer flow conditions will be evaluated to confirm project sizing, but benefits of water supply will be based on winter-water analysis.
- Conceptual layouts will include Bluebeam, GIS, or Google-earth sketches, not CAD drawings.

Assumption (all tasks):

- Level of effort is limited to available funds.
- Task budgets may be reallocated among tasks to align with program needs.



**MMWD Roadmap Implementation
Amendment #3 itemization**
Amounts shown are additions to existing tasks.

Tasks	Project Manager	Technical Lead	Project Engineer/Planner 2	Goldsim Modeler	Hyd Modeler/Project Engineer	Engineer	QA/QC/Cost estimator	Project Assistant	Total Hours	W&C Labor Costs (1)	Total ODCs (3)	Total Fee
	Xavier Irias	Chris van Lienden	Max Storms & others	Melissa Stine	Nery Berrera	Dylan Merlo & others	Glenn H.	Staff				
	\$375	\$370	\$315	\$280	\$300	\$300	\$365	\$150				
Task 1 Overall Program Management Assistance												
General program management assistance	220		180	20	40	40	20	12	532	\$177,900	\$550	\$178,450
Subtotal Task 1:	220		180	20				12	532	\$177,900	\$550	\$178,450
Task 2 Other Services												
Other services	60		60			80		40	240	\$71,400	\$0	\$71,400
Subtotal Task 2:	60		60	0				40	240	\$71,400	\$0	\$71,400
Task 3 Water Supply Modeling												
Operations plan development	40		60	40					140	\$45,100	\$0	\$45,100
Model additional operational options, provide training	60		60	60					180	\$58,200	\$0	\$58,200
Subtotal Task 3:	100	0	120	100	0	0	0	0	320	\$103,300	\$0	\$103,300
Task 4 In-District Improvements -- Project Development												
4.1 Workshops, meetings	16	8	8		8	16		6	62	\$19,580	\$550	\$20,130
4.2 Screen Portfolios	10	0	18	0	0	44	0	0	72	\$22,620	\$0	\$22,620
Develop criteria	2		4			8			14	\$4,410	\$0	\$4,410
Screen portfolios	4		8			24			36	\$11,220	\$0	\$11,220
Document draft screening results (PowerPoint slides)	2		4			8			14	\$4,410	\$0	\$4,410
Document final screening results (PowerPoint slides); after screening workshop in 4.1	2		2			4			8	\$2,580	\$0	\$2,580
4.3 Refine Selected Portfolios & Assess Feasibility	28	16	38	0	40	72	6	0	200	\$64,180	\$0	\$64,180
Prepare conceptual layouts	6		12			24			42	\$13,230	\$0	\$13,230
Update cost estimates (Class V)	6		6			16	6		34	\$11,130	\$0	\$11,130
Update modeling assumptions & model year round performance (for three portfolios)	4	16	4		40				64	\$20,680	\$0	\$20,680
Constructability Assessment	2		4			8			14	\$4,410	\$0	\$4,410
Identify Environmental Markers	2		4			8			14	\$4,410	\$0	\$4,410
Cost Benefit Analysis	8		8			16			32	\$10,320	\$0	\$10,320
4.4 Draft and final Updated TM	4	4	12		8	24	4		56	\$17,820	\$0	\$17,820
Subtotal Task 4:	58	28	76	0	56	156	10	6	390	\$124,200	\$550	\$124,750
TOTAL	438	28	436	120	96	276	30	58	1482	\$476,800	550	\$477,900

1. The individual hourly rates include salary, overhead and profit.
2. Subconsultants will be billed at actual cost plus 10%.
3. Other direct costs (ODCs) such as reproduction, delivery, mileage (rates will be those allowed by current IRS guidelines), and travel expenses, will be billed at actual cost plus 10%.
4. W&C reserves the right to adjust its hourly rate structure and ODC markup at the beginning of the calendar year for all ongoing contracts.



STAFF REPORT

Meeting Type: Board of Directors
Title: Budget Update
From: Bret Uppendahl, Finance Director
Through: Ben Horenstein, General Manager
Meeting Date: June 2, 2026

BU BH

TYPE OF ITEM: Action X Information

RECOMMENDATION: Receive an update on the District’s budget planning process

SUMMARY: On June 3, 2025, the Board of Directors approved a budget covering two fiscal years (FY 2026 and FY 2027). Prior to the start of the second fiscal year, staff presents a financial update, including updated revenue and expenditure projections.

DISCUSSION: The District’s FY 2025-26 (FY 2026) approved expenditure budget totals \$185.5 million. Operating expenditures account for \$114.2 million, or 61 percent of the total budget. Capital Expenditures account for \$67.2 million, or 36 percent of the total. An additional \$5 million is included in the FY 26 budget for planned increases to reserves. In FY 2026-27 (FY 2027), the approved budget increases to \$188 million. Operating expenditures are planned to increase by five percent, to \$119.7 million, and Capital expenditures are decreasing by four percent due to a reduction in grant-funded projects. It should be noted that the rate-funded capital budget is increasing by 10 percent. Increased rate-funded capital budgeting includes funding for water treatment facilities, pipeline replacement projects and Automated Metering Infrastructure (AMI).

Staff regularly provides monthly financial updates at the District’s Finance and Administration Committee meetings. Through the first ten months of the current fiscal year, both revenues and expenditures are projected to end the year below the budgeted amount. Expenditures are expected to finish the fiscal year at \$8.5 million less than the budgeted amount, primarily due to savings on personnel costs attributable to vacancies. Total revenues are expected to finish the fiscal year approximately \$6 million less than originally budgeted. Water sales, which are the District’s largest and most volatile source of revenue, are expected to finish the fiscal year at \$8.1 million below the budget due to lower than expected consumption in the first half of the year. However, water rate revenue shortfalls will be partially offset by higher-than-expected interest earnings resulting from persistently high interest rates.

Looking ahead to FY 2027, the District’s revenues will continue to be largely impacted by overall water consumption. As outlined in the approved budget, water rate revenues are expected to increase by 5.7

percent, while other revenue sources are expected to be largely flat, except for multi-year grants. Assuming consumption trends remain largely similar to the current year, which are currently slightly lower than what was originally projected, the District would expect to have a revenue shortfall ranging between \$6.0 and \$8.0 million in rate revenue. Staff expects this shortfall to be largely offset by expenditure savings; however, the exact source of the savings will not be identified until late in the fiscal year.

Expenditures in FY 2027 are expected to be consistent with the budget with a few exceptions. Despite recent increases in recruitment activity, the District continues to experience turnover and retirements that create unanticipated vacancies. This results in savings from Personnel Services ranging between five and ten percent. At this time, staff expects savings from vacancies to be approximately \$3 million in FY 2027. Water purchases from Sonoma County Water Agency (SCWA) will be in line with the approved budget SCWA recently approved their FY 2027 budget with a 7.7% increase for Marin Water purchases.

In total, the District’s adopted budget for FY 2027 is expected to be sufficient to support planned operations and capital improvements. Known expenditure increases will likely be offset by savings in other areas. Staff will monitor expenses and will provide regular updates to the Board.

The process for the next two-year budget (FY 2027-2029) will begin in the Fall of 2026, and there will be public discussion and Board workshops in the Spring of 2027. Personnel costs, which are the largest component of the District’s Operating budget, are largely in line with previous projections. The District has begun receiving actuarial reports that determine required expenses for retiree obligations. These reports are generally consistent with District’s long-term forecast, and staff does not expect any major changes within the next two years. The Board of Directors approved salary scales for District staff in February 2026 which provides four percent cost of living adjustments for FY 28 and FY 29. Healthcare insurance premiums are an exception, as the annual cost increase has been closer to ten percent. CalPERS administers the District’s healthcare plans, and the District is currently obligated to provide staff with the median cost healthcare plan among the CalPERS offerings.

The District is also in the early stages of conducting a Cost of Service Analysis (COSA) on the current water rate structure. Staff will be providing regular updates on the water rate study at Board and Finance and Administration Committee meetings throughout the remainder of 2026. The District is planning to conduct a public hearing regarding proposed changes to the rate structure in the Spring of 2027. The key uncertainties impacting the next budget cycle will be interest rates, inflation, purchased water costs, capital investment needs, regulatory changes, staffing needs, rainfall, and water use.

ENVIRONMENTAL REVIEW: Not applicable.

FISCAL IMPACT: None.

ATTACHMENT(S): None.

twenty percent of the operating fund budget for personnel services. For FY 2025/26, this would equate to a minimum balance of \$1,885,298 and a target balance of \$12,568,655.

ENVIRONMENTAL REVIEW: Not applicable.

FISCAL IMPACT: There is no direct fiscal impact from the addition of this reserve. Funds added to this reserve would come from unrestricted unspent surplus funds in prior years and would be used to invest in large scale facility projects.

ATTACHMENT(S):

- 1. Current Board Policy No. 46
- 2. Proposed Change to Board Policy No. 46

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
Finance	 Bret Uppendahl Finance Director	 Ben Horenstein General Manager



MARIN MUNICIPAL WATER DISTRICT

BOARD POLICY

No.: 46

DATE: 10/24/2023

LAST REVISED: 04/04/2023

SUBJECT: RESERVES

Introduction

The purpose of this document is to establish a consistent policy for establishing the minimum and target reserve levels to be maintained by the District.

Scope

It is intended that this policy cover all reserve funds currently or to be established and held by the District. This policy shall not pertain to reserves held for the benefit of the District by others or reserves established as the result of the borrowing money or the issuance of debt by the District.

General

The Board recognizes the need and benefit of maintaining reserves to ensure that sufficient funding is available for operating, capital and debt service needs. Reserve funds will be accumulated and managed in a manner which allows the District to maintain daily operations and planned capital investments during times of economic uncertainty and to utilize reserves to stabilize long term water rates. It is the goal of this policy to establish the purpose for each reserve fund, as well as the minimum amount and target balances to be maintained by each.

Policy

The Board of Directors of the Marin Municipal Water District shall review the level of reserves held in each fund annually and at the time of adopting the two-year operating and capital budget.

The Board authorizes and directs that the following reserve funds be established and further directs that the minimum amount and target balance of each reserve fund shall be calculated as follows:

- 1) Insurance Reserve Fund: This fund is established to provide funding for the self-insured retention portion of insured loss claims. The fund shall maintain a minimum balance equivalent to the District's total annual self-insured retention. The target balance shall be two times the District's total annual self-insured retention.

- 2) Workers Compensation Reserve Fund: This fund is established to accumulate reserves sufficient to pay current and future workers compensation claims and operating expenses. The minimum balance shall be set by an actuarial review of the District's net claim liabilities. An actuarial study shall be conducted as required by state law but no less frequently than bi-annually.
- 3) Capital Reserve Fund: This fund is established to accumulate reserves that may be used for capital construction projects, equipment purchases, and grant matching purposes for capital projects. The fund shall accumulate unspent funds from annual transfers from operating revenues, unspent prior year Capital Maintenance Fee revenues and Connection Fees, funds received from one time "windfall" revenues and revenues from the sale of capital assets. The minimum balance shall be equivalent to 25 percent of the annual Capital Maintenance Fee revenue budget. The target balance shall be equivalent to 50 percent the annual Capital Maintenance Fee revenue budget.
- 4) Undesignated Operating Reserve Fund: This fund is established to accumulate reserves which may be used for any purpose of the District, including but not limited to unanticipated expenditures, emergency response, grant matching or pilot projects. A minimum balance equivalent to two months of the annual operating budget shall be maintained. The target balance shall be equivalent to three months of the annual operating budget. The target level shall be incorporated in the rate model when setting the District's water rates, fees, and charges.
- 5) Rate Stabilization Fund: This fund is established to accumulate reserves which may be used to mitigate the impact of revenue shortfalls attributable to reduced water sales, or to transfer gross revenues to be used in the calculation of the District's debt coverage ratio, or for any other lawful purpose of the District. The minimum balance shall be equivalent to ten percent of the District's variable water revenue. The target balance shall be equivalent to twenty percent of the District's variable water revenue. The target level shall be incorporated in the rate model when setting the District's water rates, fees and charges.
- 6) Water Supply Project Fund: This fund is established to accumulate reserves to support large scale investments and grant matching requirements related to supplemental water supply enhancement and resiliency projects. Beginning FY 2023-24, \$2.5 million will be transferred to the Water Supply Project Fund annually. The annual transfer shall be incorporated in the rate model when setting the District's water rates, fees and charges.
- 7) Pension Stabilization Fund: This fund is established to provide funding for required Unfunded Accrued Liability (UAL) payments resulting from investment market shortfalls and/or actuarial assumption changes. The minimum balance shall be equivalent to thirty five percent of the District's annual UAL payment. The target balance shall be equivalent to sixty percent of the District's annual

UAL payment. The target level shall be incorporated in the rate model when setting the District's water rates, fees and charges.

**Board Policy No. 46****Last Revised Date: 10-24-23****Revised Policy Date: 06-02-26****RESERVES****Introduction**

The purpose of this document is to establish a consistent policy for establishing the minimum and target reserve levels to be maintained by the District.

Scope

It is intended that this policy cover all reserve funds currently or to be established and held by the District. This policy shall not pertain to reserves held for the benefit of the District by others or reserves established as the result of the borrowing money or the issuance of debt by the District.

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The Board recognizes the need and benefit of maintaining reserves to ensure that sufficient funding is available for operating, capital and debt service needs. Reserve funds will be accumulated and managed in a manner which allows the District to maintain daily operations and planned capital investments during times of economic uncertainty and to utilize reserves to stabilize long term water rates. It is the goal of this policy to establish the purpose for each reserve fund, as well as the minimum amount and target balances to be maintained by each.

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- 2) Workers Compensation Reserve Fund: This fund is established to accumulate reserves sufficient to pay current and future workers compensation claims and operating expenses. The minimum balance shall be set by an actuarial review of the District's net claim liabilities. An actuarial study shall be conducted as required by state law but no less frequently than bi-annually.
- 3) Capital Reserve Fund: This fund is established to accumulate reserves that may be used for capital construction projects, equipment purchases, and grant matching purposes for capital projects. The fund shall accumulate unspent funds from annual transfers from operating revenues, unspent prior year Capital Maintenance Fee revenues and Connection Fees, funds received from one time "windfall" revenues and revenues from the sale of capital assets. The minimum balance shall be equivalent to 25 percent of the annual Capital Maintenance Fee revenue budget. The target balance shall be equivalent to 50 percent the annual Capital Maintenance Fee revenue budget.
- 4) Undesignated Operating Reserve Fund: This fund is established to accumulate reserves which may be used for any purpose of the District, including but not limited to unanticipated expenditures, emergency response, grant matching or pilot projects. A minimum balance equivalent to two months of the annual operating budget shall be maintained. The target balance shall be equivalent to three months of the annual operating budget. The target level shall be incorporated in the rate model when setting the District's water rates, fees, and charges.
- 5) Rate Stabilization Fund: This fund is established to accumulate reserves which may be used to mitigate the impact of revenue shortfalls attributable to reduced water sales, or to transfer gross revenues to be used in the calculation of the District's debt coverage ratio, or for any other lawful purpose of the District. The minimum balance shall be equivalent to ten percent of the District's variable water revenue. The target balance shall be equivalent to twenty percent of the District's variable water revenue. The target level shall be incorporated in the rate model when setting the District's water rates, fees and charges.
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- 7) Pension Stabilization Fund: This fund is established to provide funding for required Unfunded Accrued Liability (UAL) payments resulting from investment market shortfalls and/or actuarial assumption changes. The minimum balance shall be equivalent to thirty-five percent of the District's annual UAL payment. The target balance shall be equivalent to sixty percent of the District's annual UAL payment. The target level shall be incorporated in the rate model when setting the District's water rates, fees and charges.
- 8) Facility Fund: This fund is established to accumulate reserves to support large-scale investments in worksite facilities. The fund shall accumulate unspent unrestricted appropriations during years that the District's Operating Fund ends the fiscal year with a surplus. The reserves may be used for the purchase, construction or improvement of worksite facilities or buildings that are accessed by the public. The minimum balance shall be equivalent to three percent of the District's annual budget for personnel services. The target balance shall be equivalent to twenty percent of the District's annual personnel services budget.



UPCOMING MEETINGS

This schedule lists upcoming board and committee meetings as well as upcoming agenda items for the next month, which may include Board interest in adding future meeting items. The schedule is tentative and subject to change pending final publication and posting of each meeting agenda.

Internal Meetings		
Meeting Date	Meeting Type	Key Item(s)
Wednesday, Jun. 10, 2026 11:00 a.m. – 1 p.m.	Special Board of Director’s Meeting (Closed Session)	Public Employment
Tuesday, Jun. 16, 2026 5:00 p.m.	Board of Directors’ Regular Bi-Monthly Meeting	Public Hearing on Urban Water Management Plan, CIP Update
Thursday, Jun. 18, 2026 5:00 p.m.	Special Watershed Committee Meeting/Special Meeting of the Board of Directors	Road and Trail Management Plan Update
Thursday, Jun. 25, 2026 9:30 a.m.	Finance & Administration Committee Meeting	
Tuesday, Jun. 30, 2026 9:30 a.m.	Planning Committee Meeting/Special Meeting of the Board of Directors	Valve Actuator Project, and Palm Avenue Pipeline Replacement Project (FFIP)

External Meetings	
Meeting Date	Meeting Type
Friday, Jun. 5, 2026 9:00 a.m.	Lagunitas Creek Technical Advisory Committee Meeting
Friday, Jun. 5, 2026 9:30 a.m.	North Bay Watershed Association Meeting - CANCELLED
Wednesday, Jun. 17, 2026 3:00 p.m.	Tomales Bay Foundation Meeting