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

Tuesday, September 15, 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

Closed Session to immediately follow open session
Marin Water Mt. Tam Conference 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** (5:05 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** (5:10 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. September 1, 2026 Board of Directors' Regular Meeting Minutes

      RECOMMENDATION: Accept the minutes of the Board of Directors' meeting held on September 1, 2026

   b. General Manager's Report August 2026

      RECOMMENDATION: Approve Report

   c. Purchase of Corrosion Control Chemical

      RECOMMENDATION: Approve the purchase of corrosion control chemical (Zinc Orthophosphate) in an amount not to exceed $270,840 and authorize the General Manager to negotiate and execute an agreement

   d. Amendment No. 3 to Professional Services Agreement MA-6211 with VistaVu Solutions for SAP Support Services

      RECOMMENDATION: Approve Amendment No. 3 to Professional Services Agreement MA-6211 with VistaVu Solutions for SAP software consulting, operational support and enhancements to the District's existing SAP software environment for an additional $356,400 for a total contract amount not to exceed $656,400, and Authorize the General Manager to execute the amendment

7. **Regular Items** (5:15 p.m. – Time Approximate)

   a. Water Rate Setting Update

      RECOMMENDATION: Receive an update on the District's rate setting process

   b. Nicasio Creek Hydrology Study Update

      RECOMMENDATION: Receive an update on the Nicasio Creek Hydrology Study

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)

Following announcement of Closed Session items and prior to recess into Closed Session, the public may speak up to three minutes on items to be addressed in Closed Session. The Board will convene to Closed Session in the Mt. Tam Conference Room after public comment.

a. Conference with Legal Counsel – Existing Litigation
(*California Government Code §54956.9(d)(1)*)

Delta Grinding Company, Inc. v. Town of Fairfax; Marin Municipal Water District

Marin County Superior Court

Case No. CV0006328

b. Conference with Legal Counsel – Anticipated Litigation
(*Significant exposure to litigation pursuant to §54956.9(d)(4)*)

One potential case

Adjourn closed session and reconvene to open session in the Board Room and via Zoom.

10. Reconvene to Open Session; Closed Session Report Out

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: 09-11-2026

MARIN WATER

STAFF REPORT

Meeting Type:	Board of Directors
Title:	September 1, 2026 Board of Directors' Regular Meeting Minutes
From:	Terrie Gillen, Board Secretary
Through:	Ben Horenstein, General Manager
Meeting Date:	September 15, 2026

TYPE OF ITEM: X Action Information

RECOMMENDATION: Accept the minutes of the Board of Directors' meeting held on September 1, 2026

SUMMARY: The Board of Directors held their regular bi-monthly meeting on September 1, 2026. The minutes from that meeting are attached for your approval.

DISCUSSION: None.

ENVIRONMENTAL REVIEW: Not applicable.

FISCAL IMPACT: None.

ATTACHMENT(S):

1. Draft September 1, 2026 Regular Meeting Minutes

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

Attachment 1

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

Tuesday, September 01, 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: 881 3485 2296.

AGENDA ITEMS:

1. Call to Order and Roll Call

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

DIRECTORS PRESENT
Ranjiv Khush
Diana Maier
Matt Samson
Larry Russell (*arrived at 5:01 PM*)
Jed Smith

2. Adoption of Agenda

Director Maier motioned to adopt the agenda. Director Khush seconded the motion.

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

Absent: Director Russell

There were no public comments.

Motion passed.

3. Public Comment on Non-Agenda Matters

There was one (1) public comment.

4. Directors' and General Manager's Announcements

- General Manager Ben Horenstein reported that he sent a letter to City Manager Heather Abrams with the Town of Fairfax regarding the Fairfax Manor First Pump Station reconstruction project and the District's need for an easement from the Town in order to reconstruct the pump station to include off-site access, which would ensure the ability to maintain emergency vehicle access along Tamalpais Road.

- Director Samson acknowledged the recent prescribed fires on the watershed and thanked staff.

- Director Khush thanked the general manager for his outreach to the Town of Fairfax. On another note, he reported that Senate Bill 1153, *Disaster Preparedness: Urban Retail Water Suppliers and Public Water Systems: Wildfire,* passed the California Legislature and was with the governor for his adoption.

There were no further Board announcements.

5. Board Committee Reports

Finance & Administration Committee Chair Maier and Vice Chair Smith reported on the items that were brought to their committee on August 27, 2026.

Also, Planning Committee Chair Russell reported on agenda items discussed at the Planning Committee Meeting/Special Meeting of the Board of Directors on August 25, 2026.

6. Consent Items

a. August 18, 2026 Board of Directors' Regular Meeting Minutes

RECOMMENDATION: Accept the minutes of the Board of Directors' meeting held on August 18, 2026

b. Approve Amended Conflict of Interest Code

RECOMMENDATION: Approve a resolution adopting an amended Conflict of Interest Code for Marin Municipal Water District (*Resolution No. 8841)*

c. Capital Improvement Program – North Marin Line Stabilization Phase 1: Shafter Valve Relocation Project (D26022)

RECOMMENDATION: Approve a resolution authorizing award of Contract No. 2076, Capital Improvement Program – North Marin Line Stabilization Phase 1: Shafter Valve Relocation Project, to W.R. Forde and Associates in the amount of $722,465 and authorizing the General Manager to execute any necessary amendments to Contract No. 2061, which do not exceed $110,000 (*Resolution No. 8842*)

d. Marin County Grand Jury Report Response

RECOMMENDATION: Approve the District's response to the Grand Jury Report "*Better Service at a Lower Cost: Optimizing Essential Services for the Future of Marin*" (Report) and Authorize the General Manager to execute and transmit the response on behalf of the District

Director Maier motioned to adopt the Consent Calendar. Director Samson seconded the motion.

There were no public comments.

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

Motion passed.

7. Regular Items

a. Award of Contract No. 2073 – Fire Flow Improvement Program – Palm Avenue Pipeline Replacement Project (F26002) to D & D Pipelines, Inc.

RECOMMENDATION: Approve a resolution awarding Contract No. 2073, Fire Flow Improvement Program - Palm Avenue Pipeline Replacement Project, to D & D Pipelines, Inc. in the amount of $615,410 and authorizing the General Manager to execute any necessary amendments to Contract No. 2073, which do not exceed $65,000 (*Resolution No. 8843*)

Engineering Director Alex Anaya presented this item.

There was discussion between the directors and staff throughout the presentation.

There was one public comment.

Director Samson motioned to adopt the recommendation. Director Khush seconded the motion.

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

Motion passed.

b. Seeger Dam Spillway Modernization Design and Alternatives Selection Project

RECOMMENDATION: Approve award of professional services agreement, MA 6599, with Black and Veatch, for the Seeger Dam spillway modernization alternatives analysis and design of selected spillway alternative in the amount of $4,848,171 with a staff requested contingency of $730,000, for a total not to exceed amount of $5,578,171, for the Seeger Dam Spillway Modernization Design and Alternatives Selection Project subject to final negotiation of contract terms, and Authorize the General Manager to finalize and execute the agreement

Engineering Director Anaya and Engineering Planning Manager Elysha Irish presented this item.

Discussion ensued.

There were no public comments.

Director Khush motioned to approve the recommendation. Director Maier seconded the motion.

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

Motion passed.

c. Amendment No. 2 to Contract No. 2050 with Forester and Kroeger Inc.

RECOMMENDATION: Approve Amendment No. 2 to Contract No. (CN) 2050, with Forester and Kroeger, Inc. to add $483,000, which includes a 20% contingency for vegetation maintenance and landscaping services supporting the Nicasio Creek Vegetation Management 2026 Project, for a total not to exceed amount of $5,906,840, and Authorize the General Manager to execute the agreement

Water Resources Director Paul Sellier presented this item.

Discussion followed.

There were no public comments.

Director Samson motioned to approve the recommendation. Director Khush seconded the motion.

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

Motion passed.

d. Advanced Metering Infrastructure (AMI) Opt-Out Policy

RECOMMENDATION: Receive an update regarding an Opt-Out policy for Advanced Metering Infrastructure (AMI)

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

There was discussion between staff and the directors throughout the presentation.

There were no public comments.

This was an information item. No formal action was taken.

8. Future Board and Committee Meetings and Upcoming Agenda Items

a. Upcoming Meetings

The board president listed upcoming meetings.

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 business, the Board of Directors' regular bi-monthly meeting adjourned on September 1, 2026, at 6:14 PM.

____
Board Secretary

MARIN WATER

STAFF REPORT

Meeting Type:	Board of Directors
Title:	General Manager's Report August 2026
From:	Ben Horenstein, General Manager
Meeting Date:	September 15, 2026

TYPE OF ITEM: X Action Information

RECOMMENDATION: Approve Report

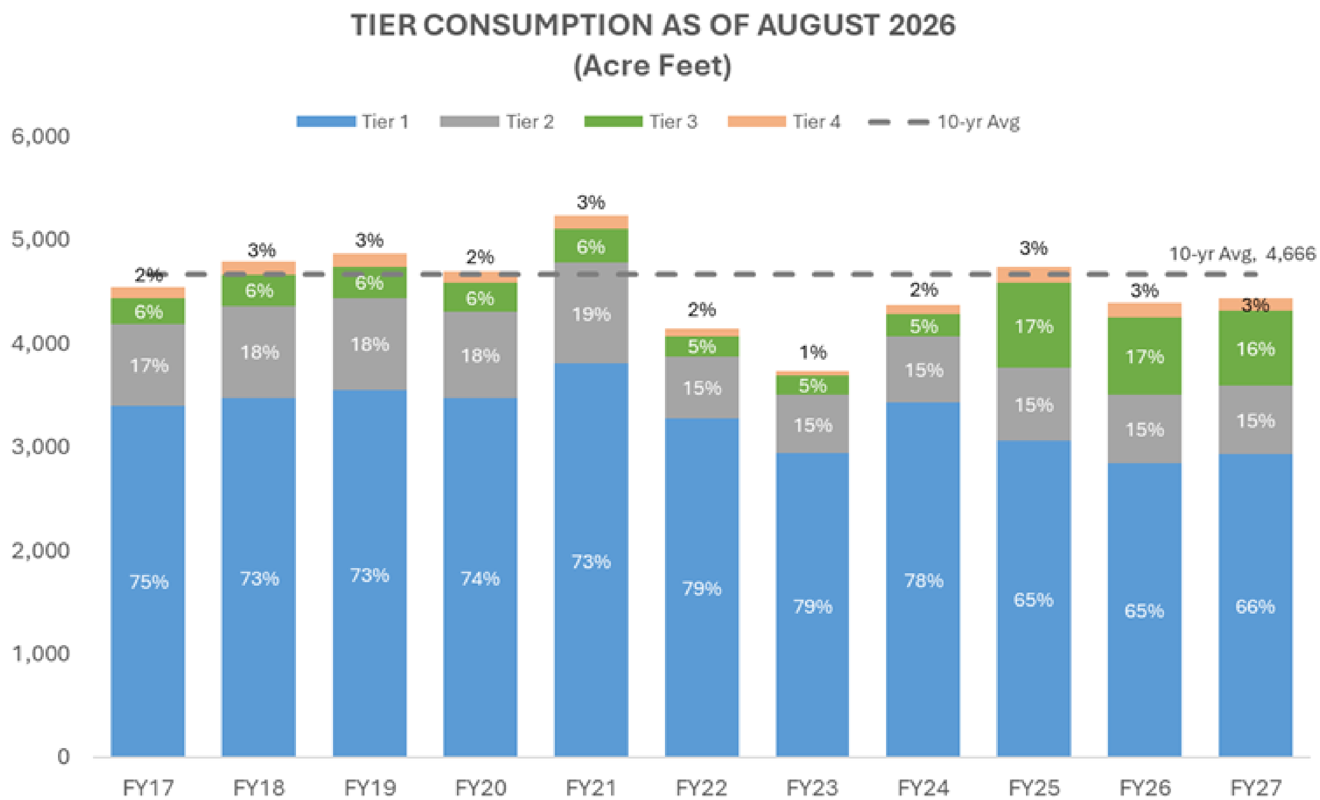
SUMMARY:

A. HIGHLIGHTS:

- The daily average net production for the month of August 2026 was 24.7 MGD compared to 24.5 MGD for the month of August 2025. Typical usage for August is 31.5 MGD.
- Staff received proposals for the Seeger Spillway Modernization Project. Staff interviewed the consultant teams and will be making a recommendation for award of contract at the September 15 Board meeting. The selected consultant will provide design of the preferred alternative to address the concerns the Division of Safety of Dam (DSOD) had on deficient underdrains and lack of modern spillway standards. Completing the design work will allow the District to execute a future contract to rehabilitate the spillway by bringing it up to modern day standards and back into a satisfactory rating with DSOD.
- Staff have completed condition assessments of the outlet works at both Bon Tempe and Phoenix Dam. Staff are working closely with the consultant team to finalize the report that will feed into the design of outlet valve and other appurtenant components to replace equipment that is leaking and has exceeded its service life, helping to restore full functionality of the outlet works at Phoenix and Bon Tempe Dams.
- Staff responded to 1,188 underground service alert tickets and marked out approximately 34,387 feet (~6.51 miles) of pipe in the month of August, helping ensure that District underground infrastructure is not damaged by contractors or homeowners during excavation work.
- Staff identified through SCADA that the Fairfax Transmission Line 16-inch control valve was not fully opening causing restricted flow through the North Marin Line, a critical system pipeline. The issue was traced to a failed open solenoid, which was replaced, restoring full valve functionality and ensuring reliable system flow capacity.
- Staff developed a solution to electrically isolate two currently interconnected rectified piping

systems in preparation for the upcoming Scott Highlands Tank coating project. The proposed insulation design will improve system troubleshooting, prevent interference between rectifier systems, and enhance the effectiveness of cathodic protection, resulting in more reliable long-term pipeline corrosion protection.

- Staff responded to a reported 8-inch class I water main break at 1801 Mar West Street in Tiburon on 8/23/26 at 2:38am. The damaged main was originally installed in 1921 and operates at approximately 120 PSI. Staff worked quickly to isolate and repair the break, minimizing service impacts. A total of 16 service laterals were affected. Due to the main break causing a loss in pressure in the distribution system in the surrounding area, additional flushing was required to restore normal operations throughout the affected area.
- Staff successfully replaced a 120-foot section of 2-inch plastic water main at East Francisco Boulevard and Grand Avenue in San Rafael. The 2-inch plastic pipe had experienced more than 10 leaks during its 55-year service life.
- Knob 1 Rx Burn was completed on August 25th. This operation was completed with the support from MCFD, MCFD Fire Foundry, Central Marin FD, Stinson Beach FD, Bolinas FD, Kentfield FD, Watershed Maintenance, and Watershed Natural Resources. With this large collaborative effort of over 100 fire personnel these agencies were able to safely ignite 84.2 acres within 2 hours. The burn unit remained under watch for multiple days, while heavy fuel in the interior of the unit safely burned down. At the same time on the days after ignition MCFD Tam Crew and Watershed staff continued to perform mop-up operations in the unit.
- Pine Point Rx Burn was completed on August 26th. This operation was completed with the support from MCFD, MCFD Fire Foundry, Central Marin FD, Stinson Beach FD, Bolinas FD, Kentfield FD, Watershed Maintenance, and Watershed Natural Resources. With this large collaborative effort of 86 fire personnel. These agencies were able to safely ignite 40.2 acres. Watershed Maintenance and Ranger staff were able to use a Marin Water boat and portable pumps to more efficiently conduct mop-up operations on more remote sections of the burn.
- The "Rooted in the Watershed" guided hike series continued with a midweek hike around Lake Lagunitas to discuss oak woodland habitat and the forest health work we have done in the area. The final hike was a Saturday outing with State Park partners at Samuel P Taylor that focused on the quiet power of Redwoods.
- Work has begun on the 72” x 120’ Soulajule culvert replacement project on District property near the Barboni Ranch.
- Staff completed monthly dam and spillway inspections and have begun coordinating and completing annual vegetation maintenance at all seven District dams prior to Division of Safety of Dams annual inspections.
- Construction began on Phase 1C of the Lagunitas Creek Habitat Enhancement Project, including installing a temporary water diversion system, relocating fish from the construction area, and importing log and rock materials.
- Fisheries continued annual snorkel surveys of Lagunitas Creek to determine juvenile salmon abundance and monitor the effectiveness of previous enhancement work.


TIER CONSUMPTION AS OF AUGUST 2026
(Acre Feet)
Tier 1
Tier 2
Tier 3
Tier 4
10-yr Avg
10-yr Avg, 4,666
6,000
5,000
4,000
3,000
2,000
1,000
0
FY17
FY18
FY19
FY20
FY21
FY22
FY23
FY24
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FY26
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75%
17%
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AWARDED GRANTS					
PROJECT	FUNDER	FUNDING OPPORTUNITY	DESCRIPTION	STATUS	AWARD AMOUNT
Marin City and Canal Pipeline Replacement Project	DWR	Prop.1. Round 2 IRWM Disadvantaged Community	Replacing aging transmission lines and laterals in Marin City and San Rafael's Canal District	Awarded; in progress and ahead of schedule. All funds have been spent down and final invoice submitted. Staff is working with DWR to complete closeout activities.	$6,408,000
Forestry Corps	CCNB		Workforce development; state funding directly to CCNB to fund crews working on the watershed	Awarded; in progress and on-track.	$500,000
Lagunitas Creek Salmonid Spawning Gravel Improvement Project - Phase 2 Design	CDFW	Fisheries Restoration Grant Program (FRGP)	Lagunitas Creek Coho Habitat Enhancement Plan - 100% Designs for Phase 2 Sites (7, 8, 9, 10, 11); CEQA	Awarded; in progress and on-track.	$599,689
Lagunitas Creek Salmonid Spawning Gravel Improvement Project	DWR	Riverine Stewardship Program (RSP)	This project will inject 1,700 tons of clean river-run gravel just below Peters Dam and Kent Lake at two sites within Lagunitas Creek and is part of our larger effort to restore 4 miles of Lagunitas Creek to its historical geomorphic condition.	Awarded; in progress and on-track.	$1,990,000
Lagunitas Creek Salmonid Spawning Gravel Improvement Project	USBR		Gravel augmentation for Lagunitas Creek Sites 1-3	Awarded; in progress and on-track. No-cost extension was executed to extend through 2026 construction.	$1,400,000
Rain Water Harvesting Project	MCSTOPP		Barells for customers	Awarded; in progress and on-track.	$15,032
Water Conservation: turf rebates	USBR	Water and Energy Efficiency Grant (WEEG)	Turf rebates	Awarded; in progress and on track	$722,925
Lagunitas Creek Salmonid Spawning Gravel Improvement Project	CDFW	Prop 1	Lagunitas Creek Restoration Sites 1-6	Awarded; in progress and on track	$4,659,898
Azalea Hill Trail Restoration	California State Parks	Recreational Trails Program (RTP)	Azalea Hill Restoration	Awarded; closeout package and final invoice have been submitted and are under review.	$952,657
One Tam Regional Forest Health Project	CA WCB		BFFIP implementation. $4,260,000 total award; $2,880,000 District award.	Awarded; in progress and on-track.	$4,260,000
Water Resources - Modeling	USBR	WaterSMART Aplied Science	Funding for weather modeling to inform water resources management	Awarded; in progress.	$150,628.00
One Tam Regional Forest Health Project Phase II	CAL FIRE	California Climate Investments Department of Forestry and Fire Protection Forest Health Program 2023-2024	BFFIP Implemenation. $6,966,078 total award; $3,520,000 District award.	Awarded; in progress and on-track.	$6,966,078
Lagunitas Creek Salmonid Spawning Gravel Improvement Project	Wildlife Conservation Board	Restoration	Funding for construction of Phase 2A in 2027	Secured	$1,109,000
Water Supply	U.S. Army Corps of Engineers	Water Resources Development Act 2022	$2M for Marin Water is written into the current FY26 Army Corps funding bill.	Secured; Marin Water was written into the FY26 Army Corps workplan. Staff have begun coordinating with USACE SF.	$2,000,000
			TOTAL FUNDED:		**$31,733,907**

PENDING (SUBMITTED) GRANTS					
PROJECT	**FUNDER**	**FUNDING OPPORTUNITY**	**DESCRIPTION**	**STATUS**	**AMOUNT REQUESTED**
Water Supply	USACE	FY27 Congressionally Directed Spending Requests	Staff is purusuing funding through the congressional directed spending request process for the offices of Rep. Huffman, Sen. Padilla, and Sen. Schiff.	Rep. Huffman: Declined Sen. Padilla: Pending Sen. Schiff: Pending	$3M
One Tam Block Grant	California Natural Resources Agency	Block/Regional Grant	One Tam block grant request to CNRA to increase the pace and scale of forestry work between FY26 and FY32. Total request across One Tam agencies is $28,378,435. MMWD's request of $10,371,070 would enable us to complete an estimated 2,700 additional treatment acres during the project period. Submitted 7/2/25.	Pending	$10,371,070
Cash for Grass Turf Replacement	USBR	WaterSMART Small-Scale Water Efficiency	Funds requested to support the FY28-FY29 Cash for Grass rebates.	Pending; staff submitted a full proposal on 6/1/26	$83,250
Beneficial Gravel ReUse	CDFW	Fisheries Restoration Grant Program (FRGP)	Approximately 50% of historic anadromous salmonid habitat in the Lagunitas Creek watershed lies above Seeger Dam (Nicasio Reservoir) and Peters Dam (Kent Lake). These dams and past land management practices have reduced spawning gravel needed for endangered CCC coho salmon and threatened CCC steelhead. Marin Water has monitored these species for over 25 years and implemented restoration efforts, including gravel augmentation. This project will create a long-term plan for beneficial gravel reuse in the watershed.	Staff submitted a concept proposal on 3/2 and a full proposal on 6/2. Staff met with CDFW FRGP program staff on 7/9 to review the project.	$400,000
BFFIP	CAL FIRE	Forest Health Program	Funds for active restoration and reforestation activities aimed at providing for more resilient and sustained forests. As in past Forest Health phases, the District will apply as part of the One Tam collaborative.	One Tam submitted a pre-proposal 3/28/26 and was invited to submit a full proposal. The full proposal is pending and was submitted on 6/27/26.	$7,893,175
Pump Station Hardening	CAL FIRE	Wildfire Prevention Grants	stations to protect critical water supply infrastructure and reduce wildfire risk in the wildland-urban interface. Treatments will include vegetation thinning, ladder fuel reduction, hazardous tree removal, and debris clearing within defensible space zones surrounding pump stations. The project will improve resilience of water infrastructure serving approximately 200,000 residents and thousands of structures in Moderate, High, and Very High Fire Hazard Severity Zones.	Pending; staff submitted full proposal 7/8	$200,000
ARC	USBR	WaterSMART Drought Response	Up to $1.5M for projects designed to improve drought resilience by developing effective water management strategies and drought contingency plans. $13.5M total available with 20 awards expected. District proposal requested $1.5M for construction costs.	Pending; staff submitted full proposal 7/28	$1,500,000
Co-Benefits of One Tam Vegetation Treatments	CAL FIRE	Forest Health Research Grant Program	This solicitation will fund collaborative research that supports forest health and greenhouse gas reduction at landscape scales through improved forest and vegetation management across California. Our proposed project is a cross-jurisdictional field study of the effects of One Tam's vegetation treatments on multiple indicators of forest health co-benefits in priority forest types in Marin County. Leading indicators of improved forest health that may respond rapidly to vegetation treatments include metrics representing tree vigor, native plant recruitment, soil health, and wildlife habitat, and these same metrics are also leading indicators of expected co-benefits, including carbon sequestration, biodiversity, cultural value, economic and recreation, and water	Pending; concept proposal submitted 7/30/26	$750,000
Seeger Dam Modernization	USACE	Report to Congress on Future Water Resources Development	The Annual Report to Congress on Future Water Resources Development provides an opportunity for communities to inform Congress about their interest in a new congressional authorization – or modifying an existing authorization – for specifically authorized Civil Works water resources studies, projects, and environmental infrastructure programs	Pending; submitted 8/31/26	$27,500,000

OPEN FUNDING OPPORTUNITIES					
PROJECT	**FUNDER**	**FUNDING OPPORTUNITY**	**DESCRIPTION**	**STATUS**	**TIMELINE**
Beneficial Gravel ReUse	USBR	WaterSMART Enhancing Water Resources	The WaterSMART Enhancing Water Resources Projects funding opportunity supports collaboratively developed projects that benefit multiple water users, improve water supply reliability, and enhance watershed health. Note: this funding opportunity was previously known as Environmental Water Resources Projects.	In progress	Closes September 9, 2026
BFFIP	CAL FIRE	Regional Wildfire & Landscape Resilience	The CAL FIRE Regional Wildfire and Landscape Resilience Grants fund collaborative, multi-benefit projects—such as hazardous fuels reduction, prescribed burns, and reforestation—to reduce wildfire risk and improve ecosystem health. The District will apply as part of the One Tam collaborative.	One Tam submitted a concept proposal on 6/30/26. ***Update:*** CAL FIRE Regional Landscape Grants Program received **42 concept proposals** for this solicitation, totaling **$401,130,604.39.** One Tam is **one of only 7 collaboratives** selected to submit full proposals. The Regional Grants Program has $30 million to award; total request for selected organizations: $80,473,347. One Tam request: $19,572,547.	Closes October 6, 2026

DISCUSSION:

B. SUMMARY:

AF = Acre Feet

Mg/L = milligrams per liter

MPN = most probable number

MPY = mils per year

MG = million gallons

NTU = nephelometric turbidity units

1. Water Production:

	FY 2026/27		FY 2025/26	
	(million gallons)	(acre-feet)	(million gallons)	(acre-feet)
Potable				
Total production this FY	1,523	4,673	1,535	4,712
Monthly production, August	762	2,338	786	2,413
Daily average, August	24.58	75.43	25.36	77.83
Recycled				
Total production this FY	71.78	220.28	71.26	218.69
Monthly production, August	35.58	109.19	36.21	111.12
Daily average, August	1.15	3.52	1.17	3.58
Raw Water				
Total production this FY	20.33	62.39	21.64	66.42
Monthly production, August	10.49	32.20	10.06	30.89
Daily average, August	0.34	1.04	0.32	1.00
Imported Water				
Total imported this FY	609	1,869	631	1,936
Monthly imported, August	319	979	317	974
Reservoir Storage				
Total storage, August	21,866	67,104	21,840	67,026
Storage change during August	-907	-2,784	-971	-2,980
Stream Releases				
Total releases this FY	459	1,409	450	1,382
Monthly releases, August	229	703	226	695

2. Precipitation:

	FY 2026/27 (in.)	FY 2025/26 (in.)
ALPINE	0.00	0.00
BON TEMPE	0.00	0.00
KENT	0.00	0.00
LAGUNITAS	0.00	0.00
NICASIO	0.00	0.00
PHOENIX	0.00	0.00
SOULAJULE	0.00	0.00

Average to date = 0.00 inches

3. Water Quality:

Laboratory	FY 2026/27	FY 2025/26
Water Quality Complaints:		
Month of Record	17	16
Fiscal Year to Date	33	27
Water Quality Informational Inquiries:		
Month of Record	8	7
Fiscal Year to Date	16	18

The WQ Lab ensured that the water supplied met or surpassed water quality regulations by collecting and analyzing 1,630 analyses on treatment plants and distribution system samples.

Mild steel corrosion rates averaged 4.61 (0.61 – 7.16) MPY. The AWWA has recommended an operating level of <5 MPY with a goal of <1 MPY.

Complaint Flushing: No customer complaint flushing was recorded for the month on record.

Disinfection Program: No new pipeline was disinfected during the month of August. Performed chlorination on 44 water storage tanks to ensure compliance with bacteriological water quality regulations.

Tank Water Quality Monitoring Program: Performed 54 water quality-monitoring events on storage tanks for various water quality parameters this month to help ensure compliance with bacteriological water quality regulations.

Summary:

The Lab analyzed 1,630 treatment plants and distribution water samples, and the water quality department treated 44 tanks for low chlorine and checked an additional 54 tanks for low chlorine residual in August 2026.

4. **Water Treatment**:

	San Geronimo		Bon Tempe		Ignacio	
Treatment Results	Average	Monthly Goal	Average	Monthly Goal	Average	Monthly Goal
Turbidity (NTU)	0.06	≤ 0.10	0.03	≤ 0.10	0.05	≤ 0.10
Chlorine residual (mg/L)	2.77	2.75 *	2.75	2.75 *	2.75	2.75 *
Color (units)	0.4	≤ 15	0.2	≤ 15	0.1	≤ 15
pH (units)	7.9	7.8*	7.8	7.8*	8.0	8.1**

* Set monthly by Water Quality Lab

** pH to Ignacio is controlled by SCWA

5. **Capital Improvement:**

a. Pine Mountain Tank Phase 2 – New Water Tanks Project (D21043): The Pine Mountain Tunnel Tanks Replacement Project is a multi-year two-phased project that will replace the existing Pine Mountain Tunnel. The current project (Phase 2) will construct two 90-foot inside diameter pre-stressed concrete potable water storage tanks, install yard piping and control systems, and complete final site grading.

- Project Budget: $19,142,500
- Monthly Activities: The contractor is nearing completion of the tank subgrade preparation. The subcontractor has mobilized to the project site and has begun construction of the tank foundations. Project completion is estimated in 2029.

b. San Geronimo Treatment Plant Roof Replacement Project (D21034): The San Geronimo Treatment Plant Roof Replacement Project is a component of the District’s Capital Improvement Program. This project will remove and replace the existing leaky roof membrane with a new Class A fire-rated thermoplastic polyolefin (TPO) roof membrane and will install fall protection guardrails at the San Geronimo Treatment Plant and North Marin Line Pump Station.

- Project Budget: $1,495,747
- Monthly Activities: The contractor is nearing completion of the project, and the remaining work consists of a small amount of ballasted guardrail installation and minor punchlist items. Project completion is estimated Summer 2026.

c. Bon Tempe Treatment Plant Backwash Vale Replacement Project (D23008): This project is part of the District's Capital Improvement Program and will address the deteriorating condition of the existing backwash system by replacing existing backwash valves, select pipe, and associated appurtenances.

- Project Budget: $1,200,960
- Monthly Activities: The contractor has completed the installation of the new backwash valve actuator and the 8-inch house water piping. The District is currently testing the new backwash valve before the existing valve is permanently taken out of service and the project is completed. Project completion is estimated to be September 2026.

d. Kastania Pump Station Rehabilitation Project Phase II (D21027): This project will install a single, new high efficiency pump and motor and will incorporate various new drainage features at Kastania Pump Station. The project will also install a new 16” pressure relief valve and 8,000-gallon pressure relief discharge tank at Ignacio Treatment Plant.

- Project Budget: $3,733,577
- Monthly Activities: The contractor continues to perform the initial phase of the project, which includes procuring equipment and materials for installation. Project completion is estimated Summer 2027.

e. Sleepy Hollow Pipeline Replacement Project (F24002): Sleepy Hollow Pipeline Replacement Project is a component of the District’s Fire Flow Improvement Program. This Project will install approximately 4,250 feet of new 12-, 8-, and 6-inch welded steel pipe to replace old, leak-prone, fire flow deficient piping installed as early as 1932.

- Project Budget: $2,328,132
- Monthly Activities: The contractor has completed all underground facility installation and trench pavement restoration. The remaining work includes completing final minor punchlist items and restoration of one roadway monument. The District is coordinating these closeout activities with the County of Marin and contractor. The project is anticipated to be closed out completely this summer.

f. Bolinas Road Pipeline Replace Project (D18026): This project will install approximately 4,350 feet of new 10”, 8”, 6” and 4” welded steel pipe to replace leak prone cast iron pipe that’s over 100 years old.
   - Project Budget: $3,300,855
   - Monthly Activities: The construction project is on hold until further notice. The District is working with various partnering jurisdictions to reinitiate the project.

g. Tocaloma Pump Station Rehabilitation Project (D20008): This project is a component of the District’s Capital Improvement Program and rehabilitates the Tocaloma Pump Station. The project consists of various facility improvements including constructing a new seismically resilient and fire-hardened electrical control building, installing new electrical switchgear, replacing five (5) pumps and motors, installing variable frequency drives for each pump, and replacing critical valves and appurtenances.
   - Project Budget: $12,085,685
   - Monthly Activities: The contractor continues to prepare and submit initial project submittals, and material and equipment procurement for District review and approval. The earliest field mobilization date is estimated May 2027. The estimated completion date is December 2028.

h. Scenic Avenue Tank Replacement Project (D25025): This project is a component of the District’s Capital Improvement Program and replaces an existing 20,000-gallon redwood tank in San Anselmo with a new seismically resilient bolted steel tank.
   - Project Budget: $715,024
   - Monthly Activities: The contractor continues to prepare initial project submittals, and material and water tank procurement. Construction mobilization date is estimated Spring 2027, upon tank fabrication and delivery.

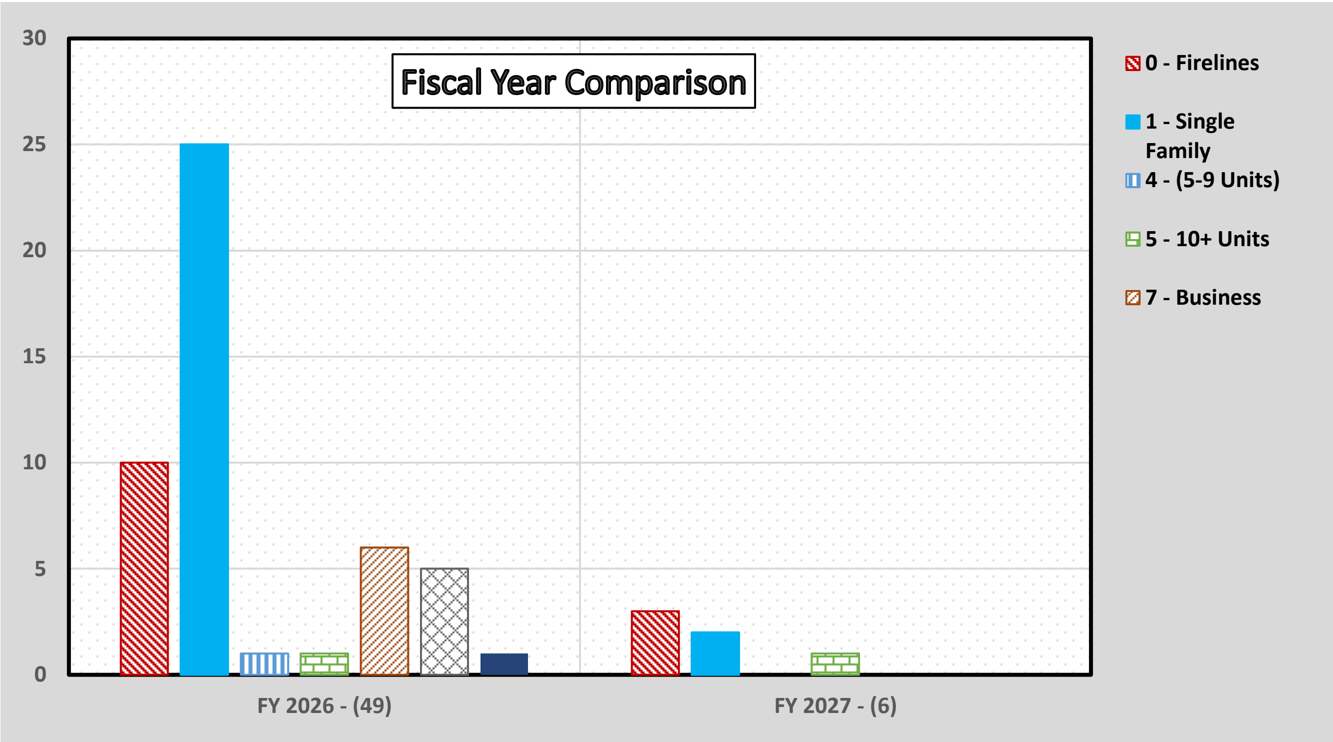
i. Miracle Mile East Pipeline Replacement Project (D26016): This project is a component of the District’s Capital Improvement Program and replaces approximately 1,840 feet of aged leak-prone piping on Fourth Street, also known as the “Miracle Mile,” near the Second and Fourth Street intersection.
   - Project Budget: $1,489,000
   - Monthly Activities: The contractor is currently obtaining their encroachment permit from the City of San Rafael and is preparing initial project submittals. Construction field work is anticipated to begin in September. The project is anticipated to be complete Fall 2026.

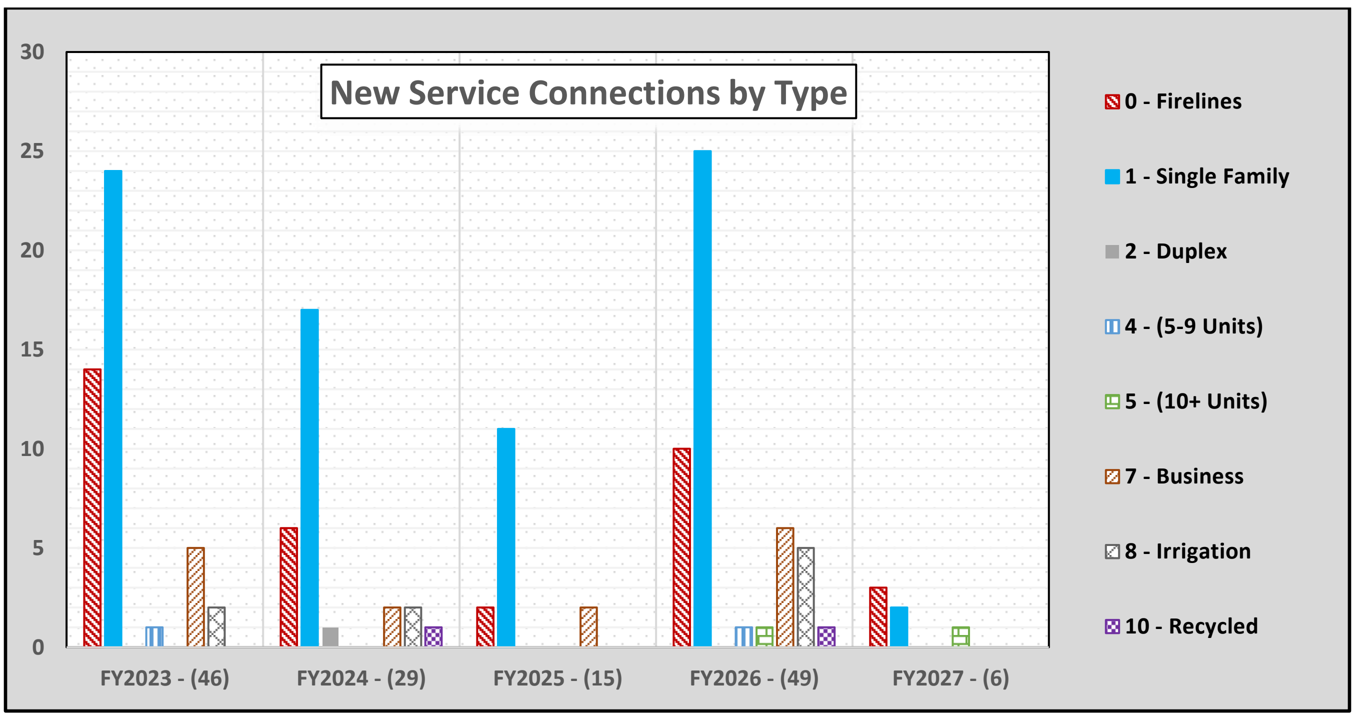
j. Pump Station Fire Hardening Improvement Project (D26028): This project improves various District facilities to harden them from risks associated with wildfires. The project prioritizes improvements within Defensible Space Zones 0 and 1, which are most vulnerable to wildfire impacts. The proposed actions are intended to reduce ember intrusion, limit combustible materials, and strengthen structural protection from the risk of wildfires. In Zone 0, the project includes upgrading the facilities with 180-minute fire-rated doors, adding 1/8-inch fire-rated screens to existing vents, and sealing gaps around utility penetrations with approved non-combustible materials.
   - Project Budget: $507,000

- Monthly Activities: The Notice to Proceed was issued August 19, 2026 and the District is preparing a preconstruction meeting agenda. The contractor is preparing project submittals and planning for mobilization. Project completion is anticipated Winter 2026/2027.

6. Other:

Pipeline Installation	**FY 2026/27**	**FY 2025/26**
Pipe installed during August (feet)	20	3,177
Total pipe installed this fiscal year (feet)	129	4,491
Total miles of pipeline within the District	908	908
** Reflects adjustment for abandoned pipelines*		
Pipe Locates (1,188 Responses)	**FY 2026/27**	**FY 2025/26**
Month of August (feet)	34,387	29,990
Total this fiscal year (feet)	65,038	80,330
Main Line Leaks Repaired	**FY 2026/27**	**FY 2025/26**
Month of August	11	11
Total this fiscal year (7/1/26-5/31/27)	27	29
Services	**FY 2026/27**	**FY 2025/26**
Service upgrades during August	12	13
Total service upgrades this FY	33	43
Service connections installed during August	4	0
Total active services as of September 1st, 2026	60,666	60,612
(Total Including firelines)	62,070	61,998


Fiscal Year Comparison
30
25
20
15
10
5
0
FY 2026 - (49)
FY 2027 - (6)
0 - Firelines
1 - Single Family
4 - (5-9 Units)
5 - 10+ Units
7 - Business


New Service Connections by Type
30
25
20
15
10
5
0
FY2023 - (46)
FY2024 - (29)
FY2025 - (15)
FY2026 - (49)
FY2027 - (6)
0 - Firelines
1 - Single Family
2 - Duplex
4 - (5-9 Units)
5 - (10+ Units)
7 - Business
8 - Irrigation
10 - Recycled

7. **<u>Recruitments and Hires</u>**:

The District recruited for the following positions:

1. Corrosion Control Technician I/II
2. Ecologist, Vegetation I/II
3. Mechanical & Electrical Maintenance Worker III or IV
4. Meter Reader and Repair Worker I - Limited Duration
5. Project Coordinator

The District hired new employees for the following positions:

1. Park Ranger II
2. Junior Engineer
3. Assistant Utility-Maintenance Worker
4. Summer Helper - Meter Box Maintenance
5. Intern - Marketing & Digital Communication

8. Demand Management:

	Aug-26	FY 26/27 TOTAL	FY 25/26 TOTAL	FY 24/25 TOTAL
WATER-EFFICIENCY PROGRAMS				
Water-Use Site Surveys				
Conservation Assistance Program (CAP) Consultations				
Residential properties resi 1-2 (single-family)	76	162	872	692
Residential properties resi 3-5 (multi-family units)	0	0	10	10
Non-residential properties resi 6-7 (commercial)	2	4	16	1
Dedicated irrigation accounts resi 8-10 (large landscape)	0	0	8	7
Marin Master Gardeners' Marin-Friendly Garden Walks				
Residential garden walks	24	43	152	147
Public Outreach, Education, Customer Service				
Public outreach events (number of people attending)	1	1	8731	3870
Public education events (number of participants)	19	19	239	265
Department customer calls/emails	526	1127	5944	6124
Outreach to new Marin Water customers (letters sent)	183	274	2019	1483
School Education				
School assemblies				
Number of activities	0	0	14	19
Number of students reached	0	0	4883	7212
Field trips				
Number of activities	0	0	15	22
Number of students reached	0	0	334	471
Classroom presentations				
Number of activities	0	0	17	13
Number of students reached	0	0	565	390
Other (e.g. Earth Day booth events, school gardens)				
Number of activities	0	0	4	2
Number of students reached	0	0	160	225
Incentives				
Rain Barrel/Cisterns approved	0	0	4	14
Rain Barrel/Cisterns gallons	0	0	3980	13650
Rain Barrel Give-a-way (Gallons)	100	1450	15900	33550
"Cash for Grass" Lawn Replacements total properties approved	13	25	89	81
"Cash for Grass" (Best Practices) square ft. lawn replaced	966	966	4571	17699
"Cash for Grass" (Standard) square ft. lawn replaced	12432	28439	89970	51049
"Cash for Grass" (MCSTOPP) square ft. lawn replaced	0	2200	7961	3555
Number of Laundry-to-Landscape Systems (kits) approved	0	1	2	0
Hot water recirculating system rebates	0	0	6	6
Pool Cover rebates	3	3	6	25
Number of Smart Home Water Monitor "Flume Direct Distribution" redeemed	19	52	390	456
Number of Smart Controllers MW rebates approved	4	10	29	37
Number of Smart Controllers "Rachio Direct Distribution" approved	10	25	127	184
Custom Rebate - Commercial and Multi-Family	1	1	1	1
Advanced Metering Infrastructure (AMI)				
AMI leak letters sent to customers (>200 GPD)	116	179	1184	1319
ORDINANCES				
Water Waste Prevention				
Water Waste Reports Received	14	27	114	177
Water Waste Notifications Sent	4	7	23	34
Landscape Plan Review				
Plans submitted	8	13	120	90
Plans exempt	0	1	31	15
Plans completed	0	0	36	23
Plans in workflow (pass & fail)	9	23	204	139
Tier 4 Exemption				
Inspections that resulted in a pass	0	0	0	1

9. Watershed Protection:

Prescribed Burns

Ranger and maintenance staff assisted Marin County Fire with two fuel-reduction prescribed burns in August. Several local fire agencies also provided personnel and equipment on the burns that, combined, reduced fuels on over 130 acres of watershed.

Welcome New Rangers

We recently added 2 new Rangers to our staff.

Garrett Anderson most recently worked for a winery in Sonoma County. Mike has prior police and fire experience and is an EMT. He is currently in the first phase of the Ranger Field Training Program.

Alexandra "Alex" Panarra worked as a watershed aide before coming to the Ranger Unit. She also has prior fire experience and is an EMT. Alex will be attending the POST Police Academy in Santa Rosa in January.

Welcome New Deputy

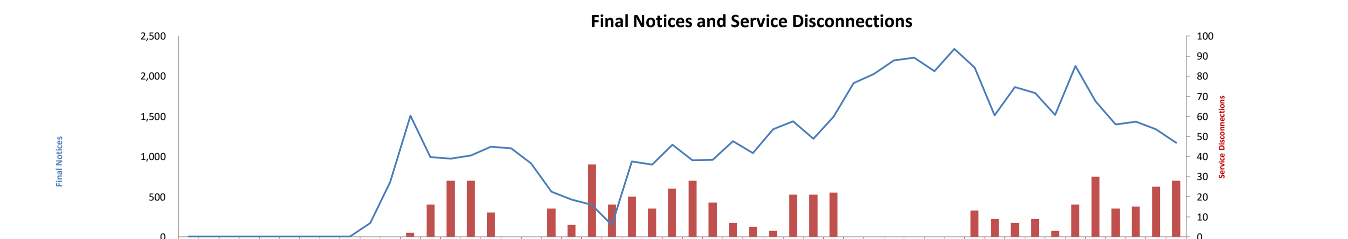
Deputy Mike Thompson. Mike has over 20 years of experience as a Deputy Sheriff here in Marin. We welcome Mike and look forward to having him share his breadth of knowledge and be a part of our group.

Deputy Roberto Walton is leaving us to take a detective position in the Sheriff's Investigations unit. His service at MMWD was greatly appreciated.

RANGER ACTIVITIES	
Law Enforcement	**#**
MMWD Ordinance Violations	
Citations	46
Dog Off Leash	31
Bike on Trail	4
Illegal Trail Building	4
Swimming	1
Parking	33
Warnings	98
Penal Code Violations	**#**
Vandalism	4
Resisting a Peace Officer	2
Theft	1
Vehicle Code Violations	**#**
• Parking Violations Cites	45
• Obstruct Traffic	1
Fish and Wildlife	**#**
• License Checks	11
• Warning for Fishing Violations	7
Other	
Misc. Law Enforcement Calls	23
Humane/Animal Related	5
Suspicious Circumstances	2
Fire Service	6
Search and Rescue	1
Medical/Fire	**#**
• Medical Calls	2
General	**#**
Visitor Assists	91
Dam Checks	39
Assist MMWD groups	30
Outreach and Interpretation Events	3
Watershed Observation Reports	**#**
Received	7
Additional Patrols	
Foot	45 miles
Bike	25 miles
ATV/UTV	10 miles
Boat patrols	1
LIDAR patrols	2

10. Shutoff Notices and Disconnections:

*Final Notices
Service Disconnections
* Includes 10 day and final notices



	July 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023
Service Disconnections	0	0	0	0	0	0	0	0	0	0
*Final Notices	0	0	0	0	0	0	0	0	0	170

	May 2023	June 2023	July 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024
Service Disconnections	0	2	16	28	28	12	0	0	14	6
*Final Notices	682	1507	991	975	1015	1120	1103	916	562	461

	Mar 2024	Apr 2024	May 2024	June 2024	July 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024
Service Disconnections	36	16	20	14	24	28	17	7	5	3
*Final Notices	397	147	939	898	1147	952	957	1192	1042	1340

	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	June 2025	July 2025	Aug 2025	Sept 2025	Oct 2025
Service Disconnections	21	21	22	0	0	0	0	0	0	13
*Final Notices	1441	1219	1500	1916	2027	2199	2232	2064	2339	2110

	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	June 2026	July 2026	Aug 2026
Service Disconnections	9	7	9	3	16	30	14	15	25	28
*Final Notices	1513	1864	1792	1518	2127	1694	1398	1435	1341	1173

FISCAL IMPACT:

None

ATTACHMENT(S):

None

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
Office of the General Manager		
	Ben Horenstein **General Manager**	**Ben Horenstein** **General Manager**

STAFF REPORT

Meeting Type:	Board of Directors
Title:	Purchase of Corrosion Control Chemical
From:	Darren Machado, Operations Director
Through:	Ben Horenstein, General Manager
Meeting Date:	September 15, 2026

TYPE OF ITEM: X Action Information

RECOMMENDATION: Approve the purchase of corrosion control chemical (Zinc Orthophosphate) in an amount not to exceed $270,840 and authorize the General Manager to negotiate and execute an agreement

SUMMARY: Staff solicited competitive bids for Zinc Orthophosphate, and bids were received on May 7, 2026. The only bid for Zinc Orthophosphate received was from Brenntag. The purchase of Zinc Orthophosphate and the other treatment chemicals were approved by the Board on May 26, 2026. However, the District failed to obtain an executed contract from Brenntag and staff found Brenntag to be noncommunicative. Therefore, staff solicited subsequent bids with two other suppliers of Zinc Orthophosphate. The District received one no bid from Univar Solutions and a bid from Thatcher Company. Thatcher Company was the lowest responsive bidder and $4,560 less than Brenntag's original bid. Staff recommend entering into a contract with Thatcher Company to ensure a reliable and continuous supply of Zinc Orthophosphate.

DISCUSSION: The District utilizes water treatment chemicals to treat water from its reservoirs and water imported from the Sonoma County Water Agency to ensure the water delivered to District customers meets all federal and state water quality requirements. Zinc Orthophosphates reduce corrosion in the District's piping system as well as our customers' household piping, among other benefits.

Specifications and Standards

In addition to the District's own requirements, standards published by the American Water Works Association are used in the purchase contract. Also, since 1994, California requires that all drinking water "direct additive" products be certified by a testing organization that is accredited by the American National Standards Institute (ANSI). The two major testing organizations are the National Sanitation Foundation (NSF International) and Underwriter's Laboratory (UL). These organizations provide independent quality control oversight to the producers of drinking water treatment chemicals.

Corrosion Control (Caustic Soda & Zinc Orthophosphate)

Corrosion control is important in maintaining the longevity of the District's pipe network as well as consumer household piping and helps to maintain compliance with lead and copper water quality regulations. The District uses two chemicals to provide corrosion control to the water: pH adjustment using caustic soda (sodium hydroxide) and zinc orthophosphate. The two chemicals have a synergistic effect that protects both the customers' and the District's piping without the scale build-up of other techniques. Corrosion control also minimizes the lead and copper that can leach from customers' soldered copper piping and brass faucets. The District has one of the lowest lead/copper corrosion rates in the Bay Area as measured by first-draw testing at customers' faucets. New and existing plumbing components still contain small amounts of lead; therefore, the District's corrosion control program is critical to minimizing the amount of lead in drinking water.

Originally, staff solicited competitive bids for Zinc Orthophosphate, and bids were received on May 7, 2026. The only bid for Zinc Orthophosphate received was from Brenntag, who was the currently supplier at the time of bid. The purchase of Zinc Orthophosphate and the other treatment chemicals were approved by the Board on May 26, 2026. However, following the Board's award of the contract, the District has failed to obtain an executed contract from Brenntag and staff has found Brenntag to be noncommunicative. Therefore, staff solicited subsequent bids with two other suppliers of Zinc Orthophosphate. The District received one no bid from Univar Solutions and a bid from Thatcher Company. Thatcher Company was the lowest responsive bidder and $4,560 less than Brenntag's original bid as detailed below. The new bid price for Zinc Orthophosphate is $270,840, representing a 1.66% decrease from previously approved annual contract cost.

September 15, 2026 – June 30, 2027

CHEMICAL	COMPANY	ESTIMATED QUATITY	UNITS	UNIT PRICE	TOTAL ESTIMATED COST
Zinc Orthophosphate **Original Supplier**	Brenntag Pacific	135	W Tons	$ 2,040.00	$ 275,400
Zinc Orthophosphate New Proposed Supplier	**Thatcher Company**	**135**	**W Tons**	**$2,006.00**	**$270,840**

ENVIRONMENTAL REVIEW: Not applicable

FISCAL IMPACT: The purchase of Zinc Orthophosphate is essential to the production of safe drinking water and the cost of this chemical will be funded through the FY 2027 budget. The new bid price for Zinc Orthophosphate is $270,840 for FY 2027.

ATTACHMENT(S): None

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

STAFF REPORT

Meeting Type:	Board of Directors
Title:	Amendment No. 3 to Professional Services Agreement MA-6211 with VistaVu Solutions for SAP Support Services
From:	Bret Uppendahl, Finance Director
Through:	Ben Horenstein, General Manager
Meeting Date:	September 15, 2026

TYPE OF ITEM: X Action Information

RECOMMENDATION: Approve Amendment No. 3 to Professional Services Agreement MA-6211 with VistaVu Solutions for SAP software consulting, operational support and enhancements to the District's existing SAP software environment for an additional $356,400 for a total contract amount not to exceed $656,400, and Authorize the General Manager to execute the amendment

SUMMARY: The District uses VistaVu Solutions for a variety of SAP software support services, including critical security patches, essential updates, and other required maintenance. With recent retirements in the IT Department as well as the loss of a key SAP consultant, the District has an increased need for ongoing SAP Basis administration support. Additionally, a considerable amount of "deferred maintenance" has accumulated with respect to the SAP infrastructure, and the District is looking to 3rd party consulting firms like VistaVu to help address those deficiencies.

The District will utilize VistaVu's specialized SAP expertise to support system enhancements, improve reporting and operational efficiency, and provide knowledge transfer and training to District IT staff. Maintaining the legacy SAP environment on a current and supported version will be increasingly critical in the coming years as SAP will no longer provide support for older software versions.

DISCUSSION: The District's SAP production environments require routine maintenance and optimization in order to keep the systems running smoothly and efficiently. This is often referred to as SAP Basis administration and includes the application of critical security patches, essential software updates, and other required systems maintenance. Performing this work in addition to the implementation of requested system enhancements exceeds the capacity and expertise of District staff.

At the end of 2022, the District's SAP Basis Administrator retired, resulting in a need to supplement internal resources with specialized third-party SAP expertise. Additionally, in early 2026, one of the District's key SAP consultants, Y2B Solutions, closed their business. The District had relied on this resource for key Basis administration tasks. Since that time, the District has relied on qualified vendors, including VistaVu, to provide SAP Basis administration and related technical services necessary to maintain the stability, security, and performance of the District's SAP enterprise application environment.

SAP Basis administration is an essential and critical function for supporting a large enterprise application. These services include ongoing technical administration and maintenance of the SAP environment, as well as activities necessary to ensure system availability, performance, and reliability.

In addition to ongoing administration of our SAP infrastructure, various District divisions have identified opportunities to enhance existing SAP capabilities, particularly in the areas of reporting, process improvement, and operational efficiency. VistaVu will provide specialized technical assistance to support these enhancements and help the District maximize the value of its existing SAP investment.

An additional objective of this engagement is to strengthen the District's internal IT capabilities through knowledge transfer and training. VistaVu will work with District IT staff to provide training and hands-on experience with selected SAP administration tasks, including system refreshes and other routine technical activities. This approach will allow the District to gradually increase its internal capacity while continuing to utilize specialized vendor expertise where appropriate.

Maintaining the District's SAP environment on a current and supported version of the software is also important as the District prepares for its eventual transition to a replacement enterprise system. Keeping the current SAP environment technically current will help reduce technical debt, maintain access to current functionality and support, and make the eventual transition to a new system more manageable. A more current software environment will also provide a better foundation for documenting existing processes, identifying opportunities for improvement, and migrating relevant data and business processes to a future system.

Staff recommends that the Board approve Amendment No. 3 to Professional Service Agreement MA-6211 to extend day-to-day operational support, SAP Basis administration with VistauVu Inc. for an additional $356,400 for a total not to exceed amount of $656,400, and authorize the General Manager to execute the amendment.

ENVIRONMENTAL REVIEW: Not applicable.

FISCAL IMPACT: On August 24, 2023, the District entered into a professional services agreement with VistaVu to provide these services in an amount not to exceed $200,000. Subsequent amendments increased the total to $300,000 and extended the time for performance under the agreement.

Funding for the expenditures detailed above is available within the Information Technology Department’s Operational budget for Fiscal Year 2026-27 and Fiscal Year 2027-28.

ATTACHMENT(S): None.

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

MARIN WATER

STAFF REPORT

Meeting Type:	Board of Directors
Title:	Water Rate Setting Update
From:	Bret Uppendahl, Finance Director BU
Through:	Ben Horenstein, General Manager BH
Meeting Date:	September 15, 2026

TYPE OF ITEM: Action X Information

RECOMMENDATION: Receive an update on the District's rate setting process

SUMMARY: As a municipal water district that relies on water rates to fund ongoing operations and capital improvements, the District is subject to the procedural requirements of Proposition 218 in order to modify or increase water rates and charges. These procedural requirements include providing written notice of the public hearing and proposed rate increases to each parcel and holding the noticed public hearing.

The substantive requirements of Proposition 218 provide that the proposed rates must be proportional to the benefit provided to each parcel and cannot exceed the cost of providing water service. The District last completed a cost of service rate study with Bartle Wells and Associates in 2023. That rate study supported the District's rate structure from Fiscal Year 2023-24 through Fiscal Year 2026-2027. To ensure that the District's rates are generating sufficient revenue for operating and capital expenditures and are reflective of current costs of service, staff is working with Water Resource Economics LLC to conduct a cost-of-service water rate study. The study is expected to provide recommended rate structure adjustments for the four-year period from 2027 to 2031. Staff anticipates that changes in the District's rate structure will be effective in July 2027.

The primary objectives of the Cost-of-Service Water Rate Study are to:

- Recover the costs of providing service, including operating, capital and debt funding needs
- Support the long-term operational and financial stability of the District
- Ensure the rate design is proportionate, fair and equitable to all customers
- Comply with substantive requirements of the California Constitution, Article 13D, Section 6 (approved by voters as Proposition 218)

Staff will provide an overview of the District's current rate structure, the preliminary financial plan and a high-level estimate of the revenue requirement.

DISCUSSION: The District's FY 2026-27 budget is $188 million, with operating expenditures of $119.7 million, capital expenditures of $64.8 million and $3.5 million in planned contributions to reserves. Staff is still in the process of finalizing the accounting for the prior fiscal year (FY 2025-26) and audited financial results will be available in late 2026; however, water sales and consumption data is now available. The total billed consumption in FY 2025/26 was 20,048 acre feet (AF), which represented a reduction of four percent compared to the prior year and was five percent below the amount incorporated in the FY 2025/26 revenue budget. The recent data, as well as that for the prior two years, indicates that projected water consumption levels will need to be reduced in the new cost-of-service study to reflect a sustained downward shift in local demand. Staff is working with Water Resources Economics to analyze water use patterns, seasonal impacts, and peaking trends in greater detail. Each of these factors will inform aspects of the cost-of-service study and may result in structural adjustments within the District's water rates.

Expenditure projections will also be incorporated in the cost-of-service study. The District's largest operating expenditure items include personnel costs, water purchases and utilities. Although each of these categories have different inflationary drivers, they are expected to increase at a higher rate than overall inflation over the next four years. For reference, inflation in the Bay Area, as measured by the Consumer Price Index (CPI-U) has ranged between two and four percent in recent months.

Personnel costs, which represent approximately 35 percent of the District's total budget, are largely driven by salaries and required retiree benefit obligations. Future wage increases, which are detailed in the District's current Memorandum of Understanding (MOU) and Salary Resolution, will be four percent in FY 2027/28 and an additional four percent in FY 2028/29. For planning purposes, staff assumes a three percent cost of living adjustment for staff salaries in FY 2029/30 and an additional three percent in FY 2030/31.

Retiree benefits and healthcare are the next largest line items within the personnel cost category. As a result of favorable investment market returns in recent years, the District's required pension contributions, as a percent of payroll, are projected to decline over time. It is worth noting that CalPERS utilizes smoothing methods which spread gains and losses over a multi-year period. Given that there have been four years of relatively positive gains since 2022, the smoothing formulas will continue to provide a buffer against potentially unfavorable market returns in the next few years. Assuming investment returns align with the current expectation of 6.8% per year, the CalPERS five-year projection for normal costs shows a gradual decline each year, from the current 10.6% of salary to 9.8% of salary by FY 2030-31. Required Unfunded Accrued Liability (UAL) payments are also benefitting from the recent investment earnings, however changes to CalPERS assumptions and the remaining smoothing from the investment market losses of 2022 have been an offset to any District savings on UAL payments.

The District's required healthcare premium costs have increased substantially in recent years, with annual increases ranging from eight to ten percent. These increases in healthcare premiums not only increase the District's costs for current employees, but they also impact the District's annual contributions toward retiree healthcare benefits. The most recent analysis shows that the District's actuarially determined contribution (ADC) for retiree healthcare benefits will increase by 12 percent in FY 2027/28 and by an additional two percent in FY 2028/29. CalPERS recently provided rates for 2027 that increased by just five percent. Staff is assuming that future healthcare premium costs will increase by approximately six percent per year over the next four to five years.

Aside from personnel costs, the District's largest operating expense is purchased water from the Sonoma County Water Agency (Sonoma Water). The District purchases approximately 25 percent of the service area's potable water from Sonoma Water. Each year, Sonoma Water updates its wholesale water rates and the District is contractually required to purchase at least 5,300 acre feet each fiscal year. In the past four years, the District has purchased approximately 5,750 acre feet per year. However, during dry years the District has purchased between 7,000 and 9,000 acre feet to supplement local supplies. Annual cost increases to imported water have averaged 7.5 percent since 2021, and staff expects this rate of inflation to continue over the next four to five years.

The cost of electricity is another notable line item in the District's budget, as the treatment process and distribution system require significant energy usage to move water from the reservoirs to the customer. Of the District's $7 million annual budget for utilities, approximately $6.3 million is for electricity, with approximately 75 percent of the District's electricity usage going toward water treatment. Over the past five years, the District's price per kilowatt hour ($/Kwh) has increased by over 50 percent, including two years where the price increased by more than 10 percent.

Overall, annual cost increases to the District's operating budget are expected to be an average of 4.5 percent over the next four years, which results in expenditure increases ranging between $5 million and $6.5 million annually. The Capital Improvement Program (CIP) also experiences annual cost increases; however, many of these costs are project-specific and difficult to predict with a high degree of certainty. Since FY 2022-23, the District has substantially increased annual investments in infrastructure improvements, including water supply projects and deferred maintenance. As such, the CIP has increased from $23.9 million in FY 2022-23 to $64.8 million in the current fiscal year. Within this total, the District also applies grants and Fire Flow revenues, which come from parcel taxes and are not funded by water rates. When excluding Fire Flow and grant-funded projects, the District's rate-funded CIP has grown from $18.7 million to $57.9 million in the past five years. Although deferred maintenance will remain an ongoing priority for the District, staff expects to reduce the rate-funded CIP by $5 to $7 million for the upcoming planning period.

Assuming the aforementioned water demand trends and inflationary assumptions for the District's operating budget hold true, and assuming a rate-funded CIP reduction of $5 to $7 million, the District will likely need to increase rate revenue by four to six percent per year over the next four years to maintain a balanced budget.

Finally, District staff has begun an initial comparison of rate structures in the region. Staff notes that the District's rate structure has more tiers than our regional comparators, both for residential and commercial customers. Staff has also found that the District's rate structure for Commercial, Industrial and Institutional customers, which is based on annual baselines, differs significantly from other agencies in the region, who largely utilize a uniform rate for all non-residential customers.

Staff is actively working with Water Resource Economics to further analyze the District's current rate structure and to refine long-term expenditure projections. Staff will be providing regular updates on the water rate study at Board meetings 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

ENVIRONMENTAL REVIEW: Not applicable

FISCAL IMPACT: Not applicable

ATTACHMENT(S): None.

MARIN WATER

STAFF REPORT

Meeting Type: Board of Directors

Title: Nicasio Creek Hydrology Study Update

From: Paul Sellier, Director of Water Resources

Through: Ben Horenstein, General Manager

Meeting Date: September 15, 2026

TYPE OF ITEM: Action X Information

RECOMMENDATION: Receive an update on the Nicasio Creek Hydrology Study

SUMMARY: The Nicasio Creek Hydrology Study was designed to identify measures that could be implemented to help alleviate or reduce localized flooding affecting the area above Nicasio Reservoir. The scope of the study was limited to understanding the potential effects of the Reservoir on upstream flooding and it does not seek to identify the origin of the sediment or potential measures that upstream property owners could take to reduce sediment transport or barriers to water movement downstream. Staff will provide a presentation on the development of the hydrologic model, data collection, and the effects of potential management actions on localized flooding.

DISCUSSION: In response to concerns raised by property owners upstream of Nicasio Reservoir, Environmental Science Associates (ESA), at the District's direction, developed a hydrologic model to understand existing conditions and to identify measures to help alleviate upstream flooding. The model allows the District to understand the approximate portion of Nicasio creek that is under the influence of the reservoir and how potential changes to vegetation, channel depth or width can impact flooding upstream of the reservoir. Under existing conditions, it is likely that the Nicasio Elementary School will experience flooding in rainfall conditions that are similar to the February 2025 storm – a 7-year recurrence event. A 7-year recurrence event has a 14.3% chance of occurring in any given year.

Broadly, the proposed work will occur in two areas – below and above the confluence with Halleck Creek. Below the confluence of Halleck and Nicasio Creeks widening, the channel, while adding some depth in the upper reaches of this area of work, will increase the capacity of the creek to move water into the reservoir. Above the confluence, the work focuses more on deepening the channel to increase capacity of the creek. Throughout the length of the creek, thinning of vegetation and removal of channel blockages from fallen trees are important.

In terms of implementation of the work, the thinning of vegetation and removal of channel blockages are scheduled for September – October 2026 as part of the Nicasio Creek Vegetation Management 2026

Project. The larger and more impactful channel widening and sediment removal work have become part of the Atmospheric River Capture Project (ARC). During the ARC scoping period, the District received comments seeking an evaluation of the impact ARC may have on Nicasio Creek and has therefore included the channel widening and sediment removal work (not the Nicasio Creek Vegetation Management 2026 Project work) as part of the ARC project. It is further expected that there will be an ongoing, periodic component of work to ensure that the creek capacity is maintained over time. As a result, the District will need to establish and monitor levels of vegetation and aggradation of sediment in the creek in order that further maintenance work may be initiated.

ENVIRONMENTAL REVIEW: Not applicable.

FISCAL IMPACT: The Nicasio Vegetation Management 2026 Project is estimated at $483,000 and the channel widening and sediment removal work may cost significantly more between $5M -$10M.

ATTACHMENT(S): None

MARIN WATER

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)**
Thursday, Sep. 17, 2026 9:30 a.m.	Watershed Committee Meeting/Special Meeting of the Board of Directors	E-Bike Pilot Year 1 Report, Sky Oaks Facility Assessment
Tuesday, Sep. 22, 2026 9:30 a.m.	Planning Committee Meeting/Special Meeting of the Board of Directors	Local Hazard Mitigation Plan, FFIP - Hillside Avenue Pipeline Replacement Project
Thursday, Sep. 24, 2026 9:30 a.m.	Finance & Administration Committee Meeting	Monthly Financial Report

External July Meetings	
Meeting Date	**Meeting Type**
Wednesday, Sep. 16, 2026 3:00 p.m.	Tomales Bay Foundation Meeting
Monday, Sep. 28, 2026 9:30 a.m.	North Bay Water Reuse Authority Meeting