



2019 ANNUAL REPORT



MARIN WATER



Our roots run deep.



MARIN WATER: FROM THE SOURCE



Chartered on April 25, 1912, the Marin Municipal Water District is the first municipal water district in California. Prior to that, water in central and southern Marin had been provided by several small,

private companies, many of them subsidiaries to local real estate developers. Recognizing the critical importance of reliable water service, the community came together to create a publicly owned and managed water system. Our proud history is what drives our work, and it is at the heart of our mission: to manage our natural resources in a sustainable manner, and to provide you with high-quality water at a reasonable price.

We are proud to provide 100 percent locally sourced drinking water. About 75 percent of our water supply comes from our reservoirs on Mt. Tamalpais and in west Marin, with the remaining supply coming from neighboring Sonoma County's Russian River water system. Our local water supply means you can be sure your water is clean, fresh and sustainably sourced.

OUR MOUNT TAMALPAIS WATERSHED

Caring for our 22,000 acres of Mt. Tamalpais watershed is among our top priorities. A healthy watershed means healthy reservoirs and a robust and lasting resource for our community. Our stewardship centers on sustainable practices and responsible vegetation management that reduces invasive species, while preserving native species and natural habitats for wildlife. Guided by an extensive land management plan and supported by our community volunteer and education programs, we are working daily to preserve and protect our watershed for generations to come.

FACTS AND FIGURES



California's
1st municipal
water district

Serving more
than 191,000
people



100% locally
sourced water

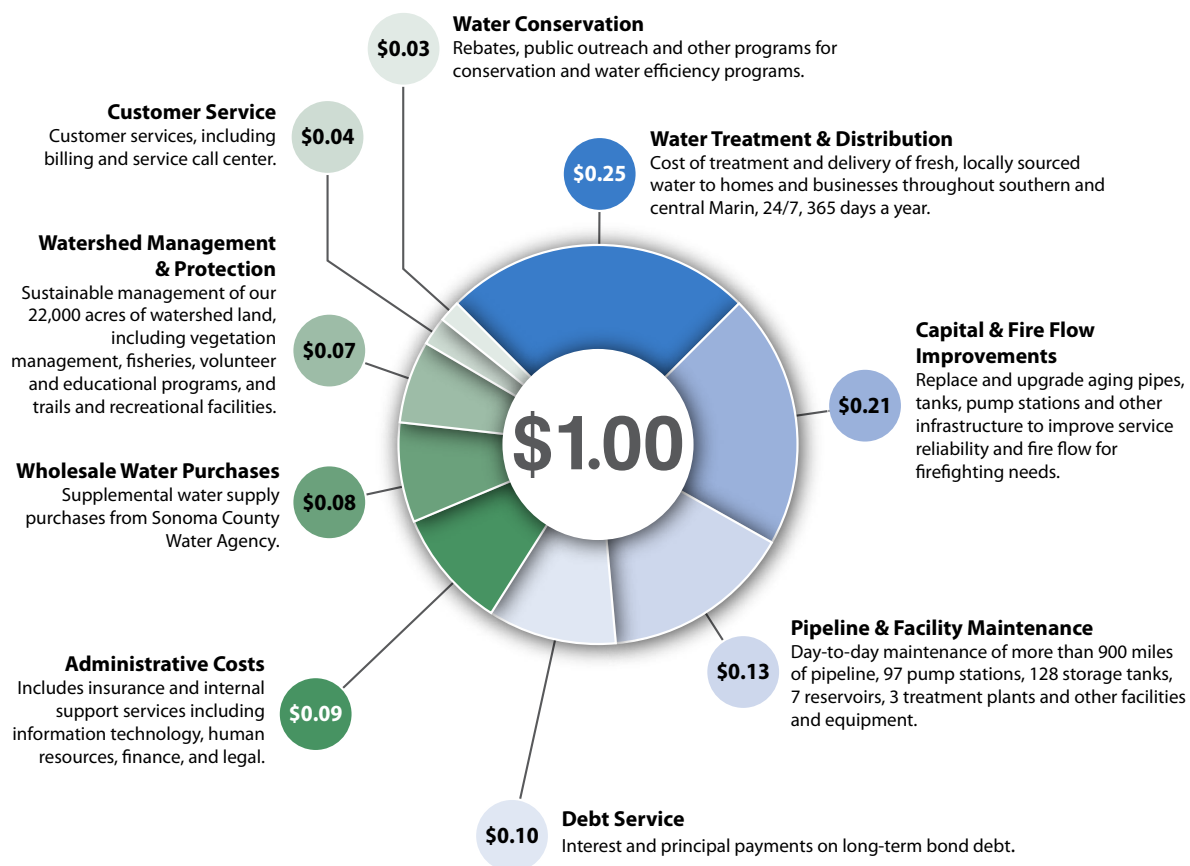
FINANCIAL STEWARDSHIP

Marin Water ended the 2019 fiscal year with strong financial performance. Our year-end fiscal results included adequate reserves, solid operating revenues with budgetary constraints, and positive budget-to-actual results. The district continues to follow responsible financial policies and examine ways to be well positioned to ensure long-term fiscal sustainability.

Our financial goals also include responsibly managing our resources with care, foresight, and transparency. Throughout the year, our team is responsible for implementing their budgets and monitoring fiscal performance. That includes responding to unforeseen or emergency circumstances, such as PG&E's Public Safety Power Shutoffs and the recent COVID-19 pandemic.



WHERE YOUR DOLLAR GOES



PLANNING FOR THE FUTURE

In May of 2019, after a series of workshops, community meetings and budget reviews, the district's Board of Directors adopted rate and fee increases to continue to provide high-quality drinking water to our customers and to address the need for replacing the district's aging infrastructure. The new rates and fees will generate an estimated annual 4% increase in revenue, allowing the district to continue to provide safe, reliable drinking water for customers, pay for fire prevention efforts on the watershed, and invest in infrastructure.

As California's first municipal water district established in 1912, replacing our aging infrastructure is one of our most critical needs. Many of our pipelines are more than 100 years old. Upgrading our system of underground pipelines increases the overall reliability of our system, and helps us to continue to keep customers' water flowing 24/7 throughout the year. Greater reliability means fewer pipe breaks—preserving our precious water supply. Our pipeline replacements also improve fire flow, allowing us to provide large volumes of water during short periods for firefighting needs.

In June of 2019, the district adopted its two-year budget for fiscal years 2019-20 and 2020-21. The total budget for fiscal year 2019-20 is \$105.2 million, which includes an operating budget of \$83.6 million and a capital budget of \$21.6 million. The fiscal year 2020-2021 budget includes an operating budget of \$86.2 million and a capital budget of \$21.7 million. The biennial budget allows for greater investment in our infrastructure and continued protection and management of our watershed lands and reservoirs.





INVESTING IN OUR FUTURE

We are proud of our rich history as the first municipal water district in California, established in 1912. With that distinction, comes the critical responsibility to address our aging infrastructure. Many of our pipelines are more than a century old, and susceptible to breaks and leaks. Marin Water's Capital Improvement Program responsibly replaces aging pipelines with pipes that will better withstand earthquakes and have greater overall reliability for our customers. Fewer pipe breaks and leaks mean you can count on reliable service, 24/7, 365 days a year.

In 2019, Marin Water managed 14 large construction projects designed to improve the reliability of our infrastructure. These projects included water main replacements and repairs, large valve replacements, and bypass installations. Many of these projects are also designed to improve fire flow—fire flow standards require our system to have the capacity to deliver large amounts of water in a short period for firefighting. We are investing in our network of pipes, pump stations, storage tanks and treatment plants today, to continue to provide you with high-quality drinking water for generations to come.



FACTS AND FIGURES



3

Water Treatment
Plants

97

Pump Stations



130

Storage Tanks

908

Miles of Pipeline





Replaced Ross Reservoir Bypass Pipeline

This capital project on the district's watershed replaced an undersized system designed to bypass the Ross Reservoir for maintenance purposes or in an emergency, with a larger more reliable system.

Cost: \$441,000

Installed new pipeline in San Anselmo and Ross

The district replaced 4,080 linear feet of pipes under portions of Baywood Avenue, Crest Road, and Wellington Avenue in the towns of San Anselmo and Ross. The new pipeline replaced pipes that were more than 100 years old, improving reliability.

Cost: \$987,900

Installed new pipeline in the Mill Valley Area

The district replaced 6,120 linear feet of pipeline under portions of Rosemont Avenue, Greenhill Road, and Almonte Boulevard. The new pipeline replaced pipes that were more than 110 years old, making the system less susceptible to pipe breaks.

Cost: \$1.25 million

New in 2020: Pipe in Kentfield at Sir Francis Drake Boulevard

Marin Water is installing a new pipeline under a portion of Sir Francis Drake Boulevard in Kentfield, replacing old pipes that date back to 1920. The new pipeline work is being done in tandem with the County of Marin's Sir Francis Drake Boulevard Rehabilitation Project to reduce construction costs and minimize traffic disruptions.

Cost: \$3.9 million





READY AND RESILIENT

Our climate is changing. Hot, dry weather creates high-risk wildfire conditions, and the need to be ready and resilient. Adapting to changing conditions to reliably deliver water to our customers under difficult conditions is part of what we do. In 2019, the Pacific Gas & Electric Public Safety Power Shutoffs (PSPS) put our resilience to the test, and we delivered.

Our water treatment and delivery systems rely on electricity. We use electricity to power treatment plants

and pump stations that provide water to more than 191,000 people, 24 hours a day, seven days a week.

During two rounds of PG&E power shutoffs, our planning and preparation made the difference. Backup generators at our treatment plants, and a fleet of portable generators deployed to our pump stations kept the water flowing for our customers, without interruptions. We secured our fuel supplies in advance, and developed contingency plans. During the PSPS,

we asked for your help in conserving water by turning off irrigation systems and using water for your indoor needs only, and you responded. Conserving water during emergencies is important to ease the strain on our backup generators, and to ensure we have an ample supply for essential needs, including firefighting.

Together, we navigated difficult conditions, and we are ready for whatever lies ahead.



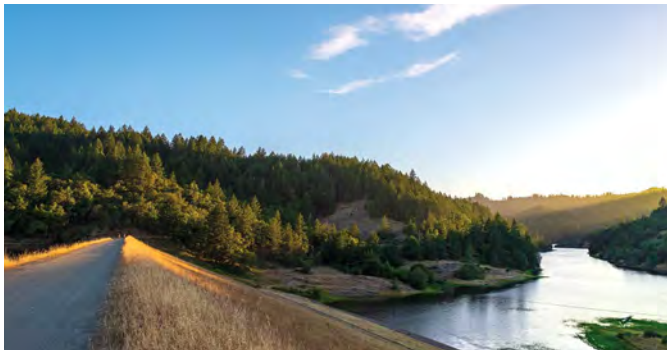
MOUNT TAMALPAIS

Marin's iconic Mt. Tamalpais is home to our watershed, and the source of much of our water supply. Protecting and preserving our 22,000 acres of watershed land on Mt. Tamalpais and in west Marin is one of our most important responsibilities.

In October of 2019, Marin Water's Board of Directors unanimously adopted a plan that expanded vegetation management throughout the Mt. Tamalpais watershed using no herbicides, with an adaptive management approach that will benefit from the latest science and research. The Biodiversity, Fire, and Fuels Integrated Plan (BFFIP) is designed to restore forest health and watershed resiliency.

The comprehensive plan, which has been more than a decade in the making, demonstrates the water district's leadership and approach in the area of sustainable land management. It describes the actions the district will take over many years to minimize fire hazards and maximize the ecological health of the watershed. It will guide the methods we will use to reduce wildfire risk while preserving and enhancing the existing biological resources—all of which protect water quality.

In addition to detailed planning and monitoring, our approach to vegetation management includes reducing potential fire fuels, removing invasive species, prescribed burning, and fuelbreak maintenance. Our landscape stewardship enhances ecosystem resiliency and improves the health of our forests and our watershed. Read about our plan at MarinWater.org/BFFIP.





A VIBRANT ECOLOGICAL RESOURCE

Marin Water's Mt. Tamalpais watershed is also an important community resource, with its network of trails and reservoirs. The Mt. Tamalpais watershed is home to more than 1,000 species of plants and 400 species of wildlife, and includes rare, threatened, and endangered species. We are committed to sustaining the ecological health and biological diversity of the watershed, with programs to monitor wildlife such as the northern spotted owl, osprey, the yellow-legged frog and the western pond turtle. Our team is also monitoring rare plants, and mapping and managing non-invasive plant species.

Lagunitas Creek, which begins above the district's reservoirs near the peak of Mt. Tamalpais, is a spawning and rearing ground for endangered coho salmon and steelhead trout. We also collaborate with other downstream land management agencies to restore habitats and monitor fisheries, to help preserve what is now the largest remaining population of Central California Coast coho salmon.

Our California roots run deep. We are committed to responsible, sustainable land management that preserves and protects our watershed for generations to come.

MOUNT TAMALPAIS

- About 22,000 acres of watershed
- 59 miles of watershed trails
- 93 miles of watershed roads





CARING FOR MOUNT TAMALPAIS, TOGETHER

Sustainably managing our natural resources is part of our core mission. At Marin Water, protecting and preserving our 22,000 acres of watershed on Mt. Tamalpais and in west Marin includes managing a thriving ecosystem for plants, animals, and aquatic life, alongside our reservoirs that serve as a primary source of drinking water.

Marin Water is fortunate to have strong community partnerships that help us care for our watershed. We work together through volunteer programs, educational programs with our local schools, and partnerships like

One Tam—a coalition of agencies working to preserve and protect Mt. Tamalpais that includes Marin Water, the National Park Service, California State Parks, Marin County Parks, and Golden Gate National Parks Conservancy.

Building connections with our customers, local communities, and partner agencies through outreach and education programs is at the heart of our conservation and stewardship efforts. We take pride in working together to build greater awareness of the importance of our watershed, and in nurturing future

stewards to help protect and preserve Mt. Tamalpais.

Throughout the year, Marin Water's volunteer programs connect our community with the watershed. Volunteers learn about Marin's ecology, native species, water conservation and our locally sourced water supply. They participate in community science, habitat restoration, and help remove invasive species. Their work helps preserve the diversity of plant and animal life on the watershed. Learn more about how you can partner with us to preserve and protect Mt. Tamalpais on our website, **MarinWater.org**.

FACTS AND FIGURES



1,192

Students participated in Trout in the Classroom in 2019

6,900

Volunteer hours in 2019



8,930

Participants in the School Education Programs in the past 10 years



THE NEXT GENERATION OF LAND STEWARDS



From classrooms to on-site watershed visits, we provide opportunities for students to discover where their drinking water comes from and to learn about the importance of environmental stewardship.

Through our Trout in the Classroom program, conducted in partnership with Trout Unlimited, One Tam, and the California Department of Fish and Wildlife, more than 1,400 elementary school students a year hatch and raise baby trout in their classrooms, and visit Mt. Tamalpais to release them into our watershed streams.

As stewards of this land, we understand the importance of engaging and educating our community, so that together, we can preserve and protect the Mt. Tamalpais watershed for generations to come.

Our programs are designed to support California education standards while fostering water conservation and environmental stewardship. Learn more about our volunteer programs on our website, MarinWater.org.

BOARD OF DIRECTORS

A five-member board of directors governs our district, with each director elected to represent one of five geographic areas. The directors serve overlapping four-year terms. The board establishes policy on the district's mission, goals, and operations. It represents the general public in deciding issues related

to water supply. The board also has the authority to adopt ordinances that have the force of law within the district.

The board reviews staff recommendations and decides which policies should be implemented in light of the

district's mission and goals. The board also monitors the implementation of its policies. The board appoints a general manager to supervise all district operations.

Marin Water's board of directors welcomes public input and operates in compliance with California's Brown Act.



Jack Gibson
President, Division I Director

Division I: Includes Sleepy Hollow, northwest portion of San Anselmo, Terra Linda, Santa Venetia, Marinwood, Lucas Valley, and portions of San Rafael near Highway 101 in the Lincoln Avenue and Dominican areas.

Term: December 7, 2018 to December 2, 2022.

Committee Assignments:
Vice Chair of Finance Committee and Communications Committee; Chair of Drought Resiliency Task Force.



Armando Quintero
Division II Director

Division II: Includes all areas of incorporated San Rafael except Terra Linda and portions of San Rafael around Highway 101 in the Lincoln Avenue and Dominican areas, unincorporated areas of San Rafael contiguous with San Pedro Road, and the unincorporated area of the eastern most portion of North San Pedro Road.

Term: December 2, 2016 to December 4, 2020.

Committee Assignments:
Vice Chair of Watershed Committee and Vice Chair of District Operations Committee.



Larry Bragman
Division III Director

Division III: Includes San Geronimo Valley, incorporated Fairfax plus unincorporated Fairfax neighborhoods, portion of San Anselmo not including northwest area, Ross, Greenbrae, Kentfield, Kent Woodlands, and portion of Larkspur north of Corte Madera Creek and west of Highway 101, portion of Larkspur south of Corte Madera Creek and west of Bon Air Road and west of Skylark Road, watershed land lying north of Fairfax-Bolinas Road or contiguous with towns in Division III and up to Division IV boundary.

Term: December 7, 2018 to December 2, 2022.

Committee Assignments:
Chair of Watershed Committee.



Cynthia Koehler
Vice President, Division IV Director

Division IV: Includes incorporated Mill Valley and all surrounding unincorporated neighborhoods west of Highway 101, the area east of Highway 101 and north of Tiburon Boulevard and west of Tiburon and south of Corte Madera, Sausalito, Marin City, Muir Woods, north and south slopes of Mt. Tamalpais, watershed land south of Fairfax-Bolinas Road and up to Division III boundary, and Fort Baker, Barry, and Cronkhite and portions of Golden Gate National Recreation Area lands within the district's service area.

Term: December 7, 2018 to December 2, 2022.

Committee Assignments:
Chair of Finance Committee and Communications Committee.



Larry Russell
Division V Director

Division V: Includes Corte Madera, portions of Larkspur south of Corte Madera Creek and east of Highway 101, San Quentin, Strawberry, Tiburon and surrounding unincorporated areas, and Belvedere.

Term: December 2, 2016 to December 4, 2020.

Committee Assignments:
Chair of District Operations Committee and Compensation Committee; Vice Chair of Drought Resiliency Task Force.



MARIN WATER

415.945.1455

MarinWater.org