

## NOTICE OF THE BOARD OF DIRECTORS - FINANCING AUTHORITY - AND FINANCING CORPORATION MEETINGS

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**MEETING DATE:** 01-03-2023

**TIME:** 6:00 p.m. – Meeting Begins (Public)  
6:01 p.m. or Thereafter - Closed Session (Only Board and Staff)  
7:30 p.m. – Open Session (Public)

**LOCATION:** This meeting will be held virtually, pursuant to Assembly Bill (AB) 361.

To participate online, go to <https://us06web.zoom.us/j/88134852296>. You can also participate by phone by calling **1-669-444-9171** or **1-669-900-6833** and entering the **webinar ID#: 881 3485 2296**.

**PARTICIPATION DURING MEETINGS:** During the public comment periods, the public may comment by clicking the “raise hand” button on the bottom of the Zoom screen; if you are joining by phone and would like to comment, press \*9 and we will call on you as appropriate.

**EMAILED PUBLIC COMMENTS:** You may submit your comments in advance of the meeting by emailing them to [BoardComment@MarinWater.org](mailto:BoardComment@MarinWater.org). All emailed comments received by 3 p.m. on the day of the meeting will be provided to the Board of Directors prior to the meeting. All emails will be posted on our website. **(Please do not include personal information in your comment that you do not want published on our website such as phone numbers and home addresses.)**

AGENDA ITEMS	RECOMMENDATIONS
Call to Order and Roll Call* at 6:00 p.m.	
Adoption of Agenda	<i>Approve</i>

### Public Comment – Only on Items on the Closed Session

Comments will be limited to three (3) minutes per speaker, and time limits may be reduced by the board president to accommodate the number of speakers and ensure that the meeting is conducted in an efficient manner.

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**Convene to Closed Session at after 6:01 p.m.**  
(Only the Board of Directors and staff will participate)

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**\*MARIN WATER BOARD OF DIRECTORS ORDER OF ROLL CALL:** MATT SAMSON, MONTY SCHMITT, JED SMITH, RANJIV KHUSH AND LARRY RUSSELL

## AGENDA ITEMS

## RECOMMENDATIONS

### Closed Session Items

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#### 1. Conference With Real Property Negotiators

(Government Code §54956.8)

Property: APN 052-140-27, 700 Donahue Street, Sausalito (Lease 65)

Agency Negotiator: Ben Horenstein, General Manager

Negotiating Party: Synergy (Sprint/T-Mobile)

Under Negotiation: Price and Terms of Payment

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#### 2. Liability Claim

(Government Code §54956.9(e)(3))

One Claim

Claimant: Wandre Gomes

Agency Claimed Against: Marin Municipal Water District

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#### 3. Conference with Legal Counsel – Existing Litigation

(California Government Code Section § 54956.9(a))

*Bender v. Marin Municipal Water District*

Case Number: CIV 2103037

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#### 4. Conference with Legal Counsel – Existing Litigation

(California Government Code Section § 54956.9(a))

*Coalition of Sensible Taxpayers vs. Marin Municipal Water District*

Case Number: CIV 1903160

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**Convene to Open Session at or after 7:30 p.m.**

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### Closed Session Report Out

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### Public Comment - Items Not on the Agenda

Members of the public may comment on any items not listed on the agenda during this time. Comments will be limited to three (3) minutes per speaker, and time limits may be reduced by the board president to accommodate the number of speakers and ensure that the meeting is conducted in an efficient manner.

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### Directors' and General Manager's Announcements

(7:40 p.m. – Time Approximate)

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**AGENDA ITEMS****RECOMMENDATIONS****Consent Calendar (7:45 p.m. – Time Approximate)**

All matters listed on the consent calendar are considered to be routine and will be enacted by a single action of the Board, unless specific items are removed from the consent calendar by the Board during adoption of the agenda for separate discussion and action.

5. Minutes of the Board of Directors' Special Meeting of December 12, 2022, and Regular Bi-Monthly Meeting of December 13, 2022	<i>Approve</i>
6. Professional Services Agreement with Point Blue Conservation Science for Annual Northern Spotted Owl Monitoring	<i>Approve</i>
7. Legal Services Agreement Amendment with Best, Best, & Krieger, LLP for Employment and Labor Law Services	<i>Approve</i>
8. Resolution Continuing the Emergency Contracting Provisions for Repair of Pipe Failure on Paradise Drive, Tiburon	<i>Approve</i>
<b>Regular Calendar (7:50 p.m. – Time Approximate)</b>	
9. Organization of the Board of Directors for 2023: (A) Election of President and (B) Election of Vice President (Approximate time 15 minutes)	<i>Approve</i>
10. 2023 Calendar of Marin Municipal Water District Board and Committee Meetings (Approximate time 15 minutes)	<i>Approve</i>
11. Resolution to Allow Continuation of Virtual Meetings Pursuant to AB 361 (Approximate time 5 minutes)	<i>Approve</i>
12. Water Supply Update (Approximate time 20 minutes)	<i>Information</i>
13. Rate Setting Process Update – Reserve Targets and Capital Investments (Approximate time 20 minutes)	<i>Information</i>
14. Future Meeting Schedule and Agenda Items (Approximate time 5 minutes)	<i>Information</i>

**AGENDA ITEMS****RECOMMENDATIONS****Adjourn Regular Board Meeting and Convene Financing Authority Meeting**

<b>Roll Call of the Marin Municipal Water District Financing Authority Board</b>	
15. Minutes of Marin Municipal Water District Financing Authority (Authority) Meeting of January 4, 2022, Confirmation of New Officers, and 2022 Financial Report (Approximate time 10 minutes)	<i>Approve</i>
<b>Adjourn Financing Authority Meeting and Convene to MMWD Financing Corporation Meeting</b>	
16. Minutes of the MMWD Financing Corporation Meeting of January 4, 2022, Recognition of New Officers, 2022 Financial Report and Resolution to Dissolve the MMWD Financing Corporation (Approximate time 15 minutes)	<i>Approve</i>

**Adjourn MMWD Financing Corporation Meeting (9:35 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 Board Secretary Terrie Gillen at 415.945.1448, at least two 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 OFFICE, AND ON THE MARIN WATER WEBSITE (MARINWATER.ORG)

**FUTURE BOARD MEETINGS:**

- ❖ Friday, January 13, 2022 (Tentative)  
Operations Committee/Board of Directors (Operations) Meeting  
9:30 a.m.
- ❖ Tuesday, January 17, 2022 (Tentative)  
Board of Directors' Meeting  
6:30 p.m. Closed Session and 7:30 p.m. Open Session

  
Board Secretary



## Approval Item

### TITLE

Minutes of the Board of Directors' Special Meeting of December 12, 2022 and regular board meeting of December 13, 2022

### RECOMMENDATION

Approve the adoption of the minutes for both meetings

### SUMMARY

On December 12, 2022, the Board of Directors held a special meeting and on December 13, 2022, the Board of Directors held its regular bi-monthly meeting. The minutes of both meetings are attached.

### DISCUSSION

None

### FISCAL IMPACT

None

### ATTACHMENT(S)

1. Minutes of the Board of Directors' Special Meeting of December 12, 2022
2. Minutes of the Board of Directors' Scheduled Meeting of December 13, 2022

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

**MARIN MUNICIPAL WATER DISTRICT  
BOARD OF DIRECTORS**

**SPECIAL MEETING MINUTES**

**Tuesday, December 12, 2022**

**Via teleconference**

(In accordance with Assembly Bill 361)

**CALL TO ORDER, SWEARING-IN OF NEW BOARD OF DIRECTORS, AND ROLL CALL**

President Larry Russell called the meeting to order at 5:00 p.m.

Next, the board secretary conducted the swearing-in ceremony for each director-elect: Matt Samson (Division 1), Ranjiv Khush (Division 3), and Jed Smith (Division 4). They were welcomed by continuing Board of Directors Monty Schmitt and Larry Russell.

There were six (6) members of the public that provided comments.

Afterwards, the board secretary took the official roll call of the new Board of Directors.

***Present:*** Directors Khush, Samson, Schmitt, Smith, and Russell

***Absent:*** None

**DISCUSSION ITEM**

**Item 1 Initial Review of Cost of Service Analysis**

Finance Director Bret Uppendahl introduced consultants from Bartle Wells Associates and provided a presentation of the District's financial operations, including fixed expenses, revenue variables, financial planning considerations, structural challenges, financial forecasting, current tier water rates, water consumption data, and discount waivers. There were questions from the board and discussion with staff throughout the presentation.

There were eight (8) public comments.

**ADJOURNMENT**

There being no further business, the special Board of Directors' meeting of December 12, 2022, adjourned at 7:10 p.m.

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Board Secretary

**MARIN MUNICIPAL WATER DISTRICT  
BOARD OF DIRECTORS**

**MEETING MINUTES**

**Tuesday, December 13, 2022**

**Via teleconference**  
(In accordance with Assembly Bill 361)

**CALL TO ORDER AND ROLL CALL**

Vice President Monty Schmitt called the meeting to order at 7:32 p.m.

**Directors Present:** Ranjiv Khush, Matt Samson, Monty Schmitt, Jed Smith, and Larry Russell (*Director Russell arrived during Adoption of Agenda.*)

**Directors Absent:** None

**ADOPTION OF AGENDA**

On motion made by Director Smith and seconded by Director Samson, the board adopted the agenda.

Ayes: Directors Khush, Samson, Schmitt, Smith, and Russell  
Noes: None

There were two (2) public comments provided during the adoption of the agenda.

**PUBLIC COMMENT – ITEMS NOT ON THE AGENDA**

Public comments were provided after the *Directors' and General Manager's Announcements & Committee Reports*.

There were five (5) public comments.

**DIRECTORS' AND GENERAL MANAGER'S ANNOUNCEMENTS & COMMITTEE REPORTS**

- General Manager Ben Horenstein announced that the District was notified of the initial successful step towards the receipt of a \$6.5M grant for aging infrastructure. The GM also shared with the board the list of employees that were recognized in the fourth quarter by their peers for their achievements in the District.

- Director Khush reported on attending training sessions and familiarizing himself with the District.
- Director Smith reported on meeting with District staff and looking forward to meeting others and working with them.

Afterwards, the board went back to Public Comment on Items not on the agenda to hear from the public.

#### **PUBLIC COMMENT – ITEMS NOT ON THE AGENDA**

There were five (5) public comments.

The board then went to the *Consent Calendar*.

#### **CONSENT CALENDAR (ITEMS 1-4)**

- |               |   |
|---------------|---|
| <b>Item 1</b> | <b>Minutes of the Board of Directors’ Regular Bi-Monthly Meeting of November 15, 2022</b>   |
| <b>Item 2</b> | <b>Resolution to Continue Board and Committee Virtual Meetings Pursuant to Assembly Bill (AB) 361 (Resolution No. 8729)</b>                 |
| <b>Item 3</b> | <b>General Manager’s Report for November 2022</b>   |
| <b>Item 4</b> | <b>Resolution Continuing Emergency Contracting Provisions for Repair of Pipe Failure on Paradise Drive in Tiburon (Resolution No. 8730)</b> |

On motion made by Vice President Schmitt and seconded by Director Smith, the board approved the Consent Calendar, excluding Item 4.

Ayes: Directors Khush, Samson, Schmitt, Smith, and Russell  
 Noes: None

Engineering Director Crystal Yezman provided an update on the Paradise Drive emergency project (Agenda Item 4) and General Manager Horenstein explained why this item needed to go back to the board for approval.

On motion made by Director Smith and seconded by Vice President Schmitt, the board approved Agenda Item 4 – Resolution Continuing Emergency Contracting Provisions for Repair of Pipe Failure on Paradise Drive in Tiburon (Resolution No. 8730).

Ayes: Directors Khush, Samson, Schmitt, Smith, and Russell



Noes: None

There were no public comments on the Consent Calendar items.

#### **REGULAR CALENDAR (ITEMS 5-8)**

##### **Item 5 Resolution Updating the Fine Schedule for Fire-Related Offences on District Watershed (Resolution No. 8731)**

Watershed Resources Manager Shaun Horned presented this item. Discussion ensued.

There were three (3) public comments.

On motion made by Director Smith and seconded by Vice President Schmitt, the board approved the resolution (Resolution No. 8730).

Ayes: Directors Khush, Samson, Schmitt, Smith, and Russell

Noes: None

##### **Item 6 Water Supply Assessment for Proposed Northgate Town Square Redevelopment**

Engineering Planning Manager Elysha Irish brought forth this item for board approval. There were no comments from the board.

There were three (3) public comments.

On motions made by Directors Ranjiv and Samson and seconded by Director Smith, the board approved this item.

Ayes: Directors Schmitt, Bragman, Gibson, and Koehler, Russell

Noes: None

##### **Item 7 Water Management Portfolios for the Strategic Water Supply Assessment**

Water Resources Division Manager Sellier introduced this item addressing the issue of conservation as playing a part of the District's Strategic Water Supply Assessment and introducing Armin Munevar and Marcelo Reginato, consultants with Jacobs Engineering. Afterwards, Mr. Munevar provided a brief synopsis of the project from its beginnings to the present and explained the different draft portfolios, which would be tested, evaluated and used to develop a road map for the District to use in its pursuit to increase its water supply.

There were comments and questions from the board throughout the presentation and after public comments.

There were a total of 13 public comments.

This was an information item. The board did not take any formal action.

**Item 8            Future Meeting Schedule and Agenda Items**

The board secretary reported on the upcoming internal and external meetings for December. President Russell encouraged the new directors to attend the committee meetings.

There was no public comment.

This was an informational item. The board did not take any formal action.

**ADJOURNMENT**

There being no further business, the regular Board of Directors' meeting of December 13, 2022, adjourned at 9:56 p.m.

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Board Secretary

## Approval Item

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**TITLE**

Professional Services Agreement for Annual Northern Spotted Owl Monitoring

**RECOMMENDATION**

Approval of Professional Services Agreement in the amount of \$162,108 with Point Blue Conservation Science for Northern Spotted Owl Survey work on the watershed

**SUMMARY**

Staff is requesting that the Board of Directors approve and authorize the general manager to sign a Professional Services Agreement in the amount of \$162,108 with Point Blue Conservation Science for two years of Northern Spotted Owl Survey work to support implementation of the Biodiversity, Fires, and Fuels Integrated Plan (BFFIP).

**DISCUSSION**

Each year, the Marin Municipal Water District (District) carries out protocol level Northern Spotted Owl surveys to determine occupancy status of nests throughout the watershed. These surveys ensure that the District can complete critical infrastructure and fuel reduction work without impacting sensitive biological species on the watershed. In October of 2019, the District adopted the Biodiversity, Fire, and Fuels Integrated Plan (BFFIP), which describes the actions the District will implement to reduce wildfire hazards and to maintain and enhance ecosystem function on the District's watershed. Under the BFFIP, there are 27 management actions that are being implemented to fulfill the goals and approach described in the plan. Vegetation management under the BFFIP aims to reduce fuel loads, maintain fuelbreak infrastructure, preserve defensible space, and reduce invasive weed species. Ahead of new vegetation management projects the District conducts per-project environmental compliance surveys to ensure that vegetation management activities will not impact sensitive natural resources. This Professional Services Agreement will support annual monitoring of historical nesting sites in the vicinity of planned vegetation management areas and construction projects, which is crucial for avoiding impacts to Northern Spotted Owls during project implementation.

The District continues to scale up vegetation management work and forest restoration on the watershed to address fuel load issues and to treat non-native invasive plants. Through the use of environmental compliance measures, the District can schedule and coordinate vegetation management work to avoid sensitive biological and physical resources. Furthermore, ongoing monitoring of the occupancy and reproductive status of Northern Spotted Owls helps to track the health of this species in Marin County, and to detect any early warning signs of declines.

### Proposal Selection Process

On September 18, 2022, the District released a Request for Proposals (RFP) for a two-year Northern Spotted Owl monitoring contract. The RFP was sent to three local environmental consulting firms with experience in biological monitoring. Proposals were received by the District on October 2, 2022, and Point Blue Conservation Science (PBCS) was selected as the most qualified firm.

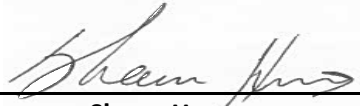

Staff recommend that the Watershed Committee/ Board of Directors review and refer a Professional Services Agreement with PBCS in the amount of \$162,108 for two years of Northern Spotted Owl Survey work to support implementation of the Biodiversity, Fires, and Fuels Integrated Plan (BFFIP) to a future regular bi-monthly meeting of the Board of Directors for approval.

### FISCAL IMPACT

The funds for environmental compliance for BFFIP implementation are in budgeted in part in Watershed Fund Center 2044, which will be used to cover the \$162,108 NSO contract costs.

### ATTACHMENT(S)

None

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

## Approval Item

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### **TITLE**

Legal Services Agreement Amendment with Best, Best & Krieger for Employment and Labor Law Services

### **RECOMMENDATION**

Approve an Amendment to the Legal Services Agreement with Best, Best & Krieger for the continuation of Employment and Labor Law Services

### **BACKGROUND**

In March 2021, following the issuance of a request for qualifications and an interview process, the District entered into a Legal Services Agreement with the law firm of Best, Best & Krieger for employment and labor law services in an amount not to exceed \$50,000, which was amended to add funds of \$40,000 to increase the total not to exceed amount to \$90,000. Staff seeks Board approval to amend the agreement to add additional funds for services in an amount not to exceed \$150,000, which will allow the District to continue to access these services.

### **DISCUSSION**

In January 2021, the District issued a Request for Qualifications for Labor and Employment Counsel and received several proposals, all of which were evaluated. The District conducted interviews of the finalists by a panel consisting of the District General Counsel, Staff Attorney and Human Resources Manager. Following the interview process, Best, Best & Krieger was selected as the preferred proposal and the District entered into a Legal Services Agreement with the firm. The firm of Best, Best & Krieger, primarily through its partner Stacey Sheston, has provided effective employment and labor law services to the District for the past two years.

The initially funded amount of \$90,000 is close to exhausted and an amendment of the Legal Services Agreement is necessary to continue these services for the benefit of the District. Because the amount of this amendment will exceed the General Manager's award authority, District Board approval is required. The General Counsel's office is recommending an increase in funds for this agreement in an amount not to exceed \$150,000 to account for additional services that may be needed in 2023 for the renewal of the Collective Bargaining Agreement with SEIU Local 1021. It is anticipated that these funds would cover services for approximately the next two years, depending on the level of services need.

### **FISCAL IMPACT**

Funding for these services will be included in the District General Counsel's Office budget in fiscal years 2023 and 2024. Amounts have already been budgeted for the remainder of fiscal year 2022.

ATTACHMENT  
None

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
General Counsel	 Molly MacLean General Counsel	 Ben Horenstein Executive Director

## Approval Item

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### **TITLE**

Continuation of Emergency Contracting Provisions for Repair of Pipe Failure on Paradise Drive, Tiburon

### **RECOMMENDATION**

Approve a resolution to continue the invocation of the District's emergency contracting provisions for Contract No. 1990 with Maggiora & Ghilotti, Inc., without advertisement, to ensure prompt repair of the pipe failure damage under the Paradise Drive Emergency Repair Project (D23015)

### **SUMMARY**

On November 14, 2022, a main break occurred near 4755 Paradise Drive causing damage to the retaining wall embankment and undermining the roadway, which caused risk of roadway failure. On November 18, 2022, the board adopted Resolution No. 8728 invoking the District's emergency contracting procedures and acknowledging the General Manager's award of Contract No. 1990 with Maggiora & Ghilotti Inc., without advertisement, to ensure prompt repair of the retaining wall embankment and roadway damage caused by the main break under the Paradise Drive Emergency Repair Project (D23015). District Code Section 2.90.055(c) requires the Board to review the emergency action and determine by a four-fifths vote whether there is a need to continue the emergency action at each subsequent regularly scheduled Board meeting until the emergency is terminated.

### **DISCUSSION**

This District installed a 6-inch cast iron water main along Paradise Drive in 1939 (83 years ago) to convey water into the Town of Tiburon and adjacent homeowners along the way. On November 14, 2022, District staff responded to a main break across from the address at 4755 Paradise Drive and discovered that the 6-inch cast iron main had failed causing water to flow beneath the adjacent retaining wall, saturating the retaining wall embankment, undermining the roadway and damaging a portion of the road. The saturated embankment failed and slipped out downhill, exposing the retaining wall concrete foundation piers.

District crews repaired the main break, but were unable to backfill the road section due to the large void that was left when the retaining wall embankment slipped out downhill. District engineering staff arrived to evaluate the damage to the embankment and roadway and then notified senior staff that the water main damage required immediate attention to prevent failure of the retaining wall and further damage to the roadway. Maggiora & Ghilotti Inc., was

contacted by District staff for construction availability and they were immediately available to assist the District with the emergency repairs.

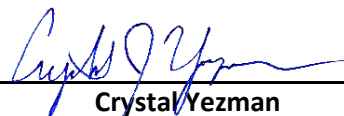

On November 18, 2022, District staff presented this emergency item at the Operations Committee for urgent approval and the board approved Resolution No. 8728 invoking the District's emergency contracting provisions and acknowledging the General Manager's execution of Contract No. 1990 with Maggiora & Ghilotti Inc., without advertisement, to ensure prompt repair of the retaining wall embankment and roadway damage caused by the main break under the Paradise Drive Emergency Repair Project (D23015). In accordance with District Code Section 2.90.055 (c), which is consistent with California Public Contracts Code section 22050, the Board must determine, by a four-fifths vote, the need to continue the emergency action at every regularly scheduled meeting thereafter until the action is terminated. The emergency conditions with the Paradise Drive repair remain, and will continue to remain until the retaining wall embankment and damaged road section are repaired. While work has commenced on the Paradise Drive repair, the work is not yet complete and emergency circumstances persist. Therefore, District staff recommends that the board continue the invocation of the District's emergency contracting provisions to ensure repair of the retaining wall embankment and roadway on Paradise Drive under the Paradise Drive Emergency Repair Project (D23015), which is necessary for public and first responder access as well as the ongoing stability of the District's water main.

**FISCAL IMPACT**

None

**ATTACHMENT(S)**

1. Proposed Resolution

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
Engineering	 Crystal Yezman Director of Engineering	 Ben Horenstein General Manager



**MARIN MUNICIPAL WATER DISTRICT**

**RESOLUTION NO.**

**A RESOLUTION OF THE BOARD OF THE MARIN MUNICIPAL WATER  
DISTRICT CONTINUING THE EMERGENCY CONTRACTING PROVISIONS  
FOR THE PARADISE DRIVE EMERGENCY REPAIR PROJECT**

**WHEREAS**, the Marin Municipal Water District, a special purpose municipal corporation, is authorized by District Code Section 2.90.055, consistent with California Public Contracts Code section 22050, to award construction contracts without advertisement in certain emergency situations; and

**WHEREAS**, on November 18, 2022, the Marin Municipal Water District Board of Directors unanimously adopted Resolution 8728 acknowledging the General Manager's execution of Contract No. 1990 with Maggiora & Ghilotti Inc., for the Paradise Drive Emergency Repair Project (Project), without advertisement, for the retaining wall embankment and roadway repair and continuing the District's emergency contracting provisions; and

**WHEREAS**, the main break on the pipeline in Paradise Drive caused the retaining wall embankment to fail and slide downhill exposing the foundation piers and causing damage to the roadway and is a significant emergency in that it presents a risk to the retaining wall and section of Paradise Drive and if not promptly repaired, which roadway failure would impact the public roadway to one lane of traffic on Paradise Drive and risk further slide and damage to the District's water main; and

**WHEREAS**, the District proposes to complete repair of the retaining wall embankment and roadway section to ensure the retaining wall continues to function properly and restore the damaged road surface for vehicle and cyclist travel along Paradise Drive under the Project, thus ensuring safe public access to the roadway and stability for the District's water main; and

**WHEREAS**, the Board of Directors finds that a local emergency situation continues to exist since the embankment and roadway repairs are still not complete and given the work to complete the repair is ongoing; and

**WHEREAS**, the Board of Directors finds this continued emergency action to ensure repair of the Paradise Drive retaining wall embankment and roadway is necessary to respond to the current emergency situation.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS**, pursuant to District Code Section 2.90.055, hereby continues the emergency contracting provisions

due to the pipe failure on Paradise Drive retaining wall embankment and roadway damage, finding that the emergency will not permit delay from a competitive solicitation for bids for the services described herein, and this action is necessary in this situation to preserve public health and safety and to allow the District to continue to provide water service and emergency response access to its customers and the public at large.

**PASSED AND ADOPTED** this 3rd day of January, 2023, by the following vote of the Board of Directors.

**AYES:**

**NOES:**

**ABSENT:**

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**Larry Russell**  
**President, Board of Directors**

**ATTEST:**

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**Terrie Gillen**  
**Board Secretary**

## Approval Item

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**TITLE**

Marin Municipal Water District Organization 2023

**RECOMMENDATION**

1. Elect a President of the Board of Directors
2. Elect a Vice President of the Board of Directors

**SUMMARY**

Annually, the Board of Directors elects a president and vice president of its board every first meeting of the calendar year, consistent with Board Policy No. 1, the Board Handbook.

**DISCUSSION**

As stated in Section 2 of the Board Handbook, *Board Officers and Board Appointed Staff*, both a president and vice president are elected to the board every first meeting of the year. The president leads the regular bi-monthly meetings of the board, and signs the approved resolutions and adopted ordinances on behalf of the agency. The vice president acts on behalf of the president, if the president is absent or unavailable.

**FISCAL IMPACT**

None

**ATTACHMENT(S)**

None

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

## Approval Item

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### **TITLE**

2023 Calendar of Marin Municipal Water District Board and Committee Meetings

### **RECOMMENDATION**

Approve the 2023 Calendar of Board and Committee Meetings

### **SUMMARY**

During its first annual meeting of the calendar year – the Board of Directors adopts a calendar of Board and Committee Meetings for the coming year pursuant to Section 3 (Board Meetings) of the Board Handbook, adopted as Board Policy No. 1 (Board Handbook).

### **DISCUSSION**

Annually, the District’s Board of Directors adopts the Board and Committee Meeting Calendar at the first Board meeting of the year. Regular Board Meetings are the primary venue for the Board to conduct District business and are noticed at least 72 hours prior to the meeting date/time. Regular meetings of the full Board requires a quorum of the Board or at least three of the five Directors in order to hold the meeting. Pursuant to the Board Handbook, the regular bi-monthly Board meetings will be held the first and third Tuesday each month to begin at or after 5p.m., with the normal start time of 7:30p.m., unless otherwise adopted by the Board in the annual calendar prior to January 31 of each year.

Standing Committees are created by the Board and consist solely of less than a quorum. Each committee consist of two board members annually appointed by the Board President, with the advice and consent of the other Board members.

The purpose of a standing committee is to cover a “continuing subject matter jurisdiction” and to provide a venue for routine and regular consideration and recommendations on items within that specific subject matter.

Currently there are four Board committees:

**Communications & Water Efficiency Committee**, which meets quarterly on the 3rd Wednesday of the month in February, May, August and November;

**Finance & Administration Committee**, which meets on the 4th Thursday of each month;

**Operations Committee**, which meets on the 3rd Friday of each month; and

**Watershed Committee**, which meets quarterly on the 3rd Thursday of the month in March, June, September and December.

The Standing Committees are subject to the requirements of the Brown Act. Pursuant to direction provided by the Board of Directors in January 2020, the District dually notices each committee meeting as both a Committee and a special board meeting, which allows all Directors to attend and participate. Though, typically no final actions are taken at these dually noticed meetings, unless there is an urgent need. The Board may choose to direct noticing of Committee Meetings only, which would still allow non-committee Directors to attend the Committee meetings, but not to speak or participate in the meeting.

The Board Handbook is policy adopted by the Board and as such provides guidelines for setting the yearly schedule for Board and Committee meetings as well as other special board meetings. The Board retains discretion, however, to make modifications when adopting the Calendar and in establishing or changing Committees and Committee Jurisdiction.

District staff have developed a proposed 2023 Meeting Calendar utilizing the Board Handbook guidelines and past Board practices.

The Board may choose to modify the meeting dates, start times, frequency, and formation of the various committees proposed in the 2023 Meeting Calendar.

The proposed 2023 meeting calendar also takes into consideration the Board of Directors' involvement in regional boards and committees, their possible participation at both the spring and fall Association of California Water Agencies (ACWA) conferences and the annual American Water Works Association (AWWA) conference. Furthermore, the Calendar also considers District holidays and other religious observances. Therefore, some of the regularly occurring board or committee meetings have proposed alternatives to accommodate such conflicts.

The Calendar also identified a number of Special Meetings that the District anticipates needing to hold in 2023 for the 2023 Rate Setting process and the ongoing Strategic Water Supply Assessment, as well as the Board's Annual Planning retreat. Additional Special Meetings may also be scheduled at any time during the year when there is a need for the Board to meet.

Staff proposes that the board adopt the draft calendar included with this report providing any direction on changes, which will be incorporated into the adopted calendar.

**FISCAL IMPACT**

None

**ATTACHMENT(S)**

1. Draft 2023 Calendar of Board and Committee Meetings

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



**2023 REGULAR BI-MONTHLY BOARD MEETINGS & REGULAR COMMITTEE/BOARD MEETING SCHEDULE**

MONTH	BOARD MEETINGS Bi-monthly Tuesday 5:00 p.m.*	Committee Meetings				Special Meeting* 5:00 p.m.
		Operations Committee/ Board Friday 9:30 a.m.	Finance & Administration Committee/ Board Thursday 9:30 a.m.	Communications & Water Efficiency Committee/ Board Wednesday 9:30 a.m.	Watershed Committee/ Board Thursday 1:30 p.m.	
JAN	3 17	13*	26			24* 31*
FEB	7 21	17	23	15		2* 14* 28*
MARCH	7 21	10*	23		16	
APRIL	4 18	21	27			
MAY	2 16	19	25	17		
JUNE	6 20	16	22		15	
JULY	11* 25*	21	*			
AUG	1 15	18	24	16		
SEPT	5 19	15	28		21	
OCT	10* 24*	20	26			
NOV	7 *	17	*	15		
DEC	5 19	*			*	

**CONFERENCES:**

ACWA Spring Conf., May 9-11  
AWWA Annual Conf., June 11-14  
ACWA Fall Conf., Nov. 28 – Nov. 30  
WEFTEC, Sept. 30-Oct.4

**\*Notes:**

1. **Start times for Bi-monthly Board Meeting** - Closed sessions can begin as early as 5:00 p.m. pursuant to the Board Handbook, but regular open sessions begin at 7:30 p.m., unless otherwise adopted in the annual calendar
2. **January 13 Operations Committee** - The Operations Committee meeting is proposed for January 13 instead of January 20 to accommodate the Lagunitas TAC meeting, which is usually scheduled for the third Friday of the first two quarters of the year.
3. **January 24 Special Board Meeting** – A special meeting for the Strategic Water Supply Assessment is proposed for this date.
4. **January 31 Special Meeting** – A special meeting for a potential Rate Setting Update is tentatively proposed this date.
5. **February 2 Special Meeting** – A special meeting for the Annual Planning Retreat is proposed on this date for 9 a.m. to 3:30 p.m.
6. **February 14 and 28 (Tentative) Special Meetings**- Special meetings for either a Rate Setting Update or Strategic Water Supply Assessment Update are tentatively proposed for these dates.
7. **March 10 Operations Committee** – The Operations Committee meeting is proposed for March 10 instead of March 17 to accommodate the Lagunitas TAC meeting, which is usually scheduled for the third Friday of the first two quarters of the year.
8. **July 11 Board Meeting** – The first Tuesday of July in 2023 is July 4, a District-observed holiday; therefore, July 11 is proposed as the alternative date for the first July meeting.
9. **July 25 Board Meeting**- To avoid having board meetings in consecutive weeks in July, proposing to hold the second July Board meeting on the fourth Tuesday of the month – July 25 instead of July 18.
10. **No July Finance and Administration Committee Meeting** - To provide staff preparation time for the End of Year close outs and audits, no Finance and Administration Committee Meeting is proposed for July.
11. **October 10 Board Meeting** – Proposing to move the October 3 Board meeting to October 10 to not conflict with the Rosh Hashanah holiday (October 2 – October 4)
12. **October 24 Board Meeting** – To avoid having board meetings in consecutive weeks in October, proposing to hold the second October Board meeting on the fourth Tuesday of the month – October 24 instead of October 17.
13. **No second Board Meeting in November** – Proposing to not hold a second Board meeting in November, which in 2023 falls on November 21, the week of the Thanksgiving holiday. Note: The following Tuesday, November 28, is first day of the ACWA Fall Conference.
14. **No Finance and Administration Committee meeting in November** – Proposing to not hold an FAC meeting in November as the fourth Thursday of November in 2023 is the Thanksgiving holiday. Note: The following Thursday, November 30, is the last day of the ACWA Fall Conference.
15. **No Operations Committee Meeting in December** – Proposing to not hold an Operations Committee Meeting in December as the third Friday of the month (December 15) is the last day of Chanukah. Note: the fourth Friday of the month is December 22, Christmas eve and Christmas Day are Sunday, Dec. 24 and Mon. Dec 25.
16. **No Watershed Committee Meeting in December** – The third Thursday of the month, December 21, is right up against the Christmas holiday. Note: The second Thursday of the month, December 14) is during Chanukah.



## Approval Item

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### **TITLE**

Allow Continuation of Virtual Board and Committee Meetings Pursuant to Assembly Bill (AB) 361

### **RECOMMENDATION**

Approve a Resolution for the Marin Municipal Water District to allow continued virtual Board and Committee meetings as appropriate due to public health and safety concerns in accordance with AB 361

### **SUMMARY**

On September 17, 2021, the Governor signed Assembly Bill (AB) 361, which codifies certain changes to the Brown Act allowing teleconference (or virtual) meetings to continue during a health emergency. The Board has taken action to allow virtual meetings to continue in accordance with AB 361 based on health and safety concerns due to COVID-19.

### **DISCUSSION**

AB 361 authorizes local agencies to continue holding their public meetings virtually during a proclaimed state of emergency under section 8625 of the Government Code (i.e., the California Emergency Services Act), under any of the following circumstances:

- State or local officials have imposed or recommended measures to promote social distancing.
- The meeting is being held for the purposes of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.
- The legislative body has determined that as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

AB 361 requires the Board to reconsider the emergency circumstances every 30 days.

On June 17, 2022, Governor Newsom issued Executive Order N-11-22, which eliminated certain of the COVID-19 emergency provisions put in place in previous orders, but left in place other measures and the overall emergency proclamation. The Director of Health & Human Services for the County of Marin also continues to recommend employment of social distancing to enhance public safety at public meetings; in particular, where indoor settings may exceed room capacity and not provide the ability to socially distance. Further, the District has experienced an increase in positive cases during the holiday season and the COVID19 levels for Marin and Sonoma County continue at medium as of the December 16<sup>th</sup> update, indicating that there continues to be a spread of cases within the community. Adding to this, the District's boardroom may not be able to accommodate a full return to in-person meetings consistent with recommended social distancing. Therefore, staff is recommending that the Board adopt a

resolution continuing to allow virtual meetings for Board and Committee meetings. The proposed resolution will require a majority vote of the Board for adoption.

The adoption of a resolution to allow the continuation of virtual meetings in accordance with AB 361 while the state proclamation of emergency remains in place and will not preclude the District from holding in person or hybrid meetings when and where appropriate. The Governor has recently announced that he will end the COVID-19 emergency as of February 28, 2023, which would eliminate the use of virtual meetings pursuant to AB 361. The Brown Act will continue to allow virtual participation by Board members under those rules in place prior to the COVID-19 emergency, to include posting of the Board members location. Changes to the Brown Act adopted this year and effective as of January 1, 2023, will allow Board members to attend meetings virtually under limited circumstances without posting their location.

FISCAL IMPACT

There is no fiscal impact associated with this item.

ATTACHMENT(S)

- 1. Proposed Resolution

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
General Counsel’s Office	 Molly MacLean General Counsel	 Ben Horenstein General Manager

**MARIN MUNICIPAL WATER DISTRICT**

**RESOLUTION NO.**

**A RESOLUTION OF THE MARIN MUNICIPAL WATER DISTRICT BOARD OF DIRECTORS TO  
ALLOW VIRTUAL BOARD AND COMMITTEE MEETINGS PURSUANT TO AB 361**

**WHEREAS**, Assembly Bill (AB) 361 was adopted by the California State legislature as an urgency item and was signed into law on September 16, 2021, which allows the Board of Directors to consider whether to continue virtual meetings during a proclamation of emergency under section 8625 of the Government Code (i.e., the California Emergency Services Act); and

**WHEREAS**, The Governor's March 4, 2020 Proclamation of Emergency pursuant to the California Emergency Services Act, California Government Code Section 8625, addressing the COVID-19 pandemic is still in effect and continues to remain in effect; and

**WHEREAS**, the California Department of Public Health continues to recommend caution in crowded indoor settings where social distancing is not possible and the Marin County Director of Health & Human Services continues to recommend social distancing where possible in order to minimize the potential spread of COVID-19 during indoor, public meetings due to the continued transmission of new variants; and

**WHEREAS**, a recent uptick in cases among District staff and the limited size of the District's boardroom indicate there may be a need to hold meetings virtually to protect the health and safety of District staff and members of the public; and

**WHEREAS**, the Board seeks to maintain the ability to continue virtual meetings as necessary to assure public safety.

**NOW THEREFORE, BE IT RESOLVED THAT:**

1. The Board has reconsidered the circumstances of the COVID-19 state of emergency since the Board Meeting of December 13, 2022.

2. There remains an ongoing proclaimed state of emergency relating to the novel coronavirus causing the disease known as COVID-19.

3. The state of emergency continues to directly impact the ability of the Board to meet safely in person in particular in its boardroom, which lacks the capacity to accommodate social distancing with more than a small number in attendance.

4. Local officials continue to recommend, pursuant to Government Code Section 54953(e)(1), measures to promote social distancing, and, a result of that emergency, meeting in person would present imminent risks to the health or safety of attendees at in-person meetings of this legislative body, unless special circumstances that will allow social distancing and mitigate possible transmission can be made.

**PASSED AND ADOPTED** this 3rd day of January, 2023, by the following vote of the Board of Directors.

**AYES:**

**NOES:**

**ABSENT:**

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**President, Board of Directors**

**ATTEST:**

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**Terrie Gillen**  
**Board Secretary**

## Informational Item

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**TO:** Board of Directors

**FROM:** Paul Sellier, Water Resources Director



**THROUGH:** Ben Horenstein, General Manager



**DIVISION NAME:** Water Resources

**ITEM:** Water Supply Update

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### **SUMMARY**

Overall, reservoir storage is approximately 71% of capacity and 94% of the average for this time of year. With reservoirs near average capacity and continued wet weather forecasted in the short term forecast, the District is well positioned to provide water for both potable needs and environmental releases in the coming year. Storage level projections indicate that, with average rainfall and runoff, the reservoirs will be at or near capacity on April 1, 2023. Below average hydrology would result in lower levels of storage. Staff will provide a brief presentation and discussion on water supply.

### **FISCAL IMPACT**

None

### **ATTACHMENT(S)**

None

## Informational Item

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**TO:** Board of Directors

**FROM:** Bret Uppendahl, Finance Director



**THROUGH:** Ben Horenstein, General Manager



**DIVISION NAME:** Administrative Services Division

**ITEM:** Rate Setting Process Update – Reserve Targets and Capital Investments

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### SUMMARY

The District provides high quality water to over 191,000 residents in a 147 square mile area that includes most cities, towns and unincorporated areas within Marin County. Novato and West Marin are located outside of the District's service area.

As a municipal water district that relies on water rates to fund ongoing operations and capital improvements, Marin Municipal Water District (District) is subject to the procedural requirements of Proposition 218 in order to adopt new or increased rates. These procedural requirements include, but are not limited to, an analysis of the cost of providing water service and a public hearing to consider the proposed rate adjustment.

A fundamental step in the Proposition 218 process is an evaluation of the revenue required to support the cost of providing water service to customers within the District's service area. Capital investment and reserve targets are key variables in the overall cost of providing water service and related revenue requirement. Based on discussions in previous Board meetings, staff will be providing a presentation to the Board to review current reserve policies, debt management guidelines and a history of water rate increases.

### DISCUSSION

The District's FY 2023 budget is \$116 million, including capital funds. Of this amount, approximately 70% is for ongoing operations and 30% is for capital projects and debt service. In response to the recent drought, the District's customers reduced their water consumption substantially and, at the same time, the District increased the volume of water purchased from the Sonoma County Water Agency to ensure adequate water supply would be available during the height of the drought. Due to the revenue shortfalls and increased water supply expenses, the District relied on the use of reserves and reduced annual funding for the capital improvement program.

The District's existing reserve policy (Board Policy No. 46) prescribes minimum reserve levels that are to be reviewed annually and at the time of adopting the two-year budget. In addition

to liability insurance funds that are based on self-insured retention amounts and actuarial projections, the current policy sets minimum targets of six months operating budget for the Unrestricted Operating Reserve and the annual capital expenditure budget for the Capital Reserve.

In addition to the reserves discussed above, the District also established a Rate Stabilization Reserve to be used for debt service coverage purposes and a Pension Reserve Fund in 2018 that can be used to mitigate future pension payment impacts, to lower future unfunded liabilities, or for any other lawful purpose.

Due to the District's current operating shortfall, discretionary reserve levels are projected to decline by \$16.6 million in FY 2023 which will result in an Unrestricted Reserve fund of \$19.6 million and a Capital Reserve balance of \$1.9 million. While industry standards for minimum unrestricted operating reserve levels are generally one to two months of operating expenses, it is important to take other factors into consideration such as rate structure, revenue volatility, contingency budget practices, and credit rating objectives. Capital Reserve levels are even more agency-specific, but should generally be sufficient to provide funding for unanticipated cost overruns and unplanned emergency repairs.

In addition to maintaining the aforementioned Capital Reserve, the District's existing policies with regard to the Capital Improvement Program (CIP) include complementary goals of:

- Maintaining the District's infrastructure in a cost-effective manner to assure reliable operation; and,
- Provide a water rate structure that is fair and reasonable, and that adequately funds the long-term maintenance and capital needs of the District's supply and delivery systems.

Should the District determine that additional capital funding is required to adequately fund the long-term maintenance and reliable operation of the District's supply and delivery system, it would have the option to use long-term debt financing for all or a portion of the funding needs. The District's debt management policy (Board Policy No. 51) currently contains the following provisions:

- Debt Capacity: The District's policy is to limit total debt outstanding to four times total annual operating expense.
- Debt Service Coverage: The District shall maintain strict compliance with covenants regarding coverage of annual debt service by net revenues embodied in the terms of debt instruments. In addition, the District intends to maintain an average debt service coverage ratio of 150%.

The District currently has \$149,439,596 in long term debt obligations and pays approximately \$9.5 million in debt service payments each year. Under current market conditions, annual debt service payments for the additional \$219 million in proceeds would likely range between \$13

million and \$15 million. Existing bond covenants require that the District maintain debt service coverage of 125% at a minimum.

Finally, there has been discussion regarding the District's history of water rate increases. Over the past 30 years the average annual rate increase has been four percent per year. During the same time period, inflation has averaged about three percent per year. According to surveys conducted by the American Water Works Association (AWWA), water utility rates across the country have averaged 10 percent per year from 1998 to 2018, which is more than twice the rate of inflation during the same period.

**FISCAL IMPACT**

None

**ATTACHMENT(S)**

None



## Informational Item

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**TO:** Board of Directors

**FROM:** Terrie Gillen, Board Secretary

**THROUGH:** Ben Horenstein, General Manager

**DIVISION NAME:** Communications & Public Affairs Department

**ITEM:** Future Meeting Schedule and Agenda Items

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### SUMMARY

Review of the upcoming Board of Directors and Committee meetings

### DISCUSSION

Below are the upcoming meetings of the Board of Directors and/or Committees:

#### Internal Meetings

- Friday, January 13, 2023  
Operations Committee/Board of Directors (Operations) Meeting  
9:30 a.m.
- Tuesday, January 17, 2023  
Board of Directors' Regular Bi-Monthly Meeting  
7:30 p.m.
- Tentative - Tuesday, January 24, 2023  
Special Board of Directors Meeting  
Strategic Water Supply Assessment - Portfolios  
5:00 p.m.
- Tentative - Friday, January 27 or Thursday, February 2, 2023  
Board Retreat  
9 a.m. – 3 p.m.

#### External Meetings

- Friday, January 6, 2023  
North Bay Watershed Association Meeting  
9:30 a.m.

- Friday, January 20, 2023  
Lagunitas Creek Technical Advisory Committee (TAC) Meeting  
9:30 a.m.

**FISCAL IMPACT**

None

**ATTACHMENT(S)**

None

## Approval Item

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### **TITLE**

Minutes of Marin Municipal Water District Financing Authority (Authority) Meeting of January 4, 2022, Confirmation of New Officers, 2022 Financial Report

### **RECOMMENDATION**

Confirm new officers for the Authority Board of Directors based on election of officers for the District Board, approve the minutes of the Marin Municipal Water District Financing Authority Meeting of January 4, 2022, and receive the 2022 financial report for the Authority

### **BACKGROUND**

On April 16, 2010, the District created the Marin Municipal Water District Financing Authority by entering into a joint exercise of power agreement with the California Municipal Financing Authority for the purpose of facilitating financing on behalf of the District. Pursuant to the bylaws adopted by the Authority, the Board of the Authority shall consist of the District Board of Directors and the officers shall be the officers of the District Board. The bylaws also provide that confirmation of officers shall occur at the first meeting of the Authority each calendar year.

### **CONFIRMATION OF NEW OFFICERS**

In accordance with the Authority's Bylaws, the Authority board should confirm its new officers its first meeting each year based upon election of new officers of the District Board. This will further inform the public regarding officers of the Authority.

Section 2.1-2.7 – Officers, and Confirmation of Officers, of the Bylaws of MMWD Financing Authority ("Authority") dated April 21, 2010, states:

*Section 2.1 – The officers of the Authority shall be the President, Vice President, Executive Director, Secretary and Treasurer.*

*Section 2.2 – President - The President of the Authority shall be the member who is the President of the Board of Directors of MMWD. The term of office shall be the same as the term of the President of the Board of Directors of MMWD.*

*Section 2.3 – Vice President - The Vice President of the Authority shall be the member who is the Vice President of the Board of Directors of MMWD. The term of office shall be the same as the term of the Vice President of the Board of Directors of MMWD.*

*Section 2.4 – Executive Director - The General Manager of MMWD is hereby designated as the Executive Director of the Authority.*

*Section 2.5 – Secretary – The Secretary shall be the person who is the Secretary to the Board of Directors of MMWD.*

*Section 2.6 – Treasurer – The Finance Director of MMWD is hereby designated as the Treasurer of the Authority.*

*Section 2.7 – Confirmation of Officers – Confirmation of officers shall be the first order of business at the first meeting of the Authority, regular or special, held in each calendar year.*

### **APPROVAL OF MINUTES**

The board of the Financing Authority held a meeting on January 4, 2022. The minutes, which are attached to this staff report for consideration and approval by the Authority Board.

New directors may vote on approval of the minutes. An affirmative vote to approve the minutes merely expresses support for making the minutes an official record of the Authority. Corrections, if any, may be submitted and considered by the board.

### **2022 FINANCIAL REPORT**

On May 15, 2012, the Authority issued the Water Revenue Bonds (2012 Series A) in the amount of \$85,000,000. The proceeds of the Revenue Bonds (2012 Bonds) were then used by the District under the terms of the Installment Sale Agreement between the two entities dated May 3, 2012. The proceeds of the issue were used to refund \$16.5 million of the outstanding Marin Municipal Water District Water Revenue Refunding Bonds, Series 2002 bonds, advance refund a portion of the outstanding Certificates of Participation, 2004 Financing Project of \$21.6 million, finance \$54.6 million in District capital projects and pay certain costs incurred in connection with issuance, sale and delivery of the bonds.

On January 21, 2020, the Board approved Resolution No. 8554 authorizing the commencement of proceedings of refunding 2012 Revenue Bonds and the issuance and sale of Refunding Water Revenue Bonds, Series 2022 at the future call date of April 2022 to Morgan Stanley. On April 4, 2022, the Authority issued the Water Refunding Revenue Bonds (2022 Series) in the amount of \$67,505,000.

On November 15, 2016, the Authority issued the Refunding Revenue Bonds (2016 Series) in the amount of \$31,380,000. The proceeds of the Refunding Revenue Bonds (2016 Bonds) were then used by the District under the terms of the Installment Sale Agreement between the two entities dated November 1, 2016. The proceeds of the issue were used to refund, on an advance basis, the Marin Municipal Water District Financing Authority Water Revenue Bonds, Series 2010, which were outstanding in the principal amount of \$31.14 million.

On August 1, 2017, the Authority issued the Water Revenue Bonds (2017 Series) in the amount of \$36,120,000. The proceeds of the Revenue Bonds (2017 Bonds) were then used by the District under the terms of the Installment Sale Agreement between the two entities dated as of August 1, 2017. The proceeds of the issue are used to finance \$42 million in the District's capital program and pay certain costs incurred in connection with issuance, sale and delivery of the bonds. The obligation of the District to make installment payments is subordinate to

payments the District makes in connection with bonds issued by the Authority to finance and refinance projects of the District issued in 2012 and 2016. This issue is subordinate to the prior issues to provide flexibility to the District for future borrowings. The District covenanted in the 2017 Installment Sale Agreement that it will not issue any obligations senior to the 2017 Bonds.

### Debt Service Payments

For the 2012, 2016, and 2017 bonds, semi-annual debt service payments are made on January 1 and July 1 of every year. Interest payments are made every January and July, and principal payments are made once a year in July. For the 2022 bonds, semi-annual debt service payments are made on June 15 and December 15 of every year. Interest payments are made every June and December, and principal payments are made once a year in June. Below are a summary of the debt service payments funded in calendar year 2022 for the 2012, 2016, 2017 and 2022 debt issues.

2012 Bonds Debt Service Payments in CY 2022			
Due Date	Interest	Principal	Total
July 1, 2022 – Final payment	\$46,856.25	\$2,205,000.00	\$2,251,856.25
Total			\$2,251,856.25

2016 Bonds Debt Service Payments in CY 2022			
Due Date	Interest	Principal*	Total
July 1, 2022	\$740,987.50	\$0.00	\$740,987.50
January 1, 2023	\$740,987.50	\$0.00	\$740,987.50
Total			\$1,481,975.00
* For the 2016 Bonds, annual principal payments do not begin until July 1, 2030.			
2017 Bonds Debt Service Payments in CY 2022			
Due Date	Interest	Principal	Total
July 1, 2022	\$805,000.00	\$685,000.00	\$1,490,000.00
January 1, 2022	\$787,875.00	\$0.00	\$787,875.00
Total			\$2,277,875.00

2022 Bonds Debt Service Payments in CY 2022			
Due Date	Interest	Principal	Total
June 15, 2022	\$545,280.00	\$970,000.00	\$1,515,280.00
December 15, 2022	\$1,367,850.00	\$0.00	\$1,367,850.00
Total			<b>\$2,883,130.00</b>

#### Future Scheduled Events

Below are a summary of the debt service payments funded in calendar year 2023 for the 2016, 2017 and 2022 debt issues.

2016 Bonds Debt Service Payments in CY 2023			
Due Date	Interest	Principal	Total
July 1, 2023	\$740,987.50	\$0.00	\$740,987.50
January 1, 2024	\$740,987.50	\$0.00	\$740,987.50
Total			<b>\$1,481,975.00</b>

2017 Bonds Debt Service Payments in CY 2023			
Due Date	Interest	Principal	Total
July 1, 2023	\$787,875.00	\$720,000.00	\$1,507,875.00
January 1, 2024	\$769,875.00	\$0.00	\$769,875.00
Total			<b>\$2,277,750.00</b>

2022 Bonds Debt Service Payments in CY 2023			
Due Date	Interest	Principal	Total
June 15, 2023	\$1,367,850.00	\$2,325,000.00	\$3,692,850.00

December 15, 2023	\$1,332,975.00	\$0.00	\$1,332,975.00
Total			\$5,025,825.00

Based on the foregoing, Staff recommends that the Authority Board (1) confirm the new officers of the Authority, and (2) approve the minutes of the Board of Directors' Marin Municipal Water District Financing Authority meeting of January 4, 2022.

**FISCAL IMPACT**

None

**ATTACHMENT(S)**

1. Minutes of the Board of Directors' Financing Authority Meeting of January 4, 2022

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
Finance	 Bret Uppendahl Finance Director	 Ben Horenstein Executive Director

**MARIN MUNICIPAL WATER DISTRICT FINANCING AUTHORITY  
BOARD OF DIRECTORS MEETING**

**MINUTES**

**Tuesday, January 4, 2022**

**Via teleconference**

(In pursuant to Assembly Bill 361)

**CALL TO ORDER AND ROLL CALL:**

President Larry Russell called the meeting to order at 8:51 p.m.

***Directors Present:*** Larry Bragman, Jack Gibson, Cynthia Koehler, Monty Schmitt, Larry Russell

***Directors Absent:*** None

**CALENDAR ITEMS:**

*(The agenda item numbering is in correspondence with the **Notice of the Board of Directors – Financing Authority – and Financing Corporation Meetings of January 4, 2022**)*

**Item 14 Marin Municipal Water District Financing Authority Officers**

This item was moved to the end of the meeting.

**Item 15 Minutes of the Marin Municipal Water District Financing Authority Meeting of January 5, 2021**

On motion made by Director Koehler and seconded by Director Gibson, the board approved the minutes by the following roll call vote:

Ayes: Directors Bragman, Gibson, Koehler, Schmitt, and Russell

Noes: None

There were no public comments.

**Item 16 Resolution Establishing Regular Meetings of the Financing Authority of 2022**

*(Financing Authority Resolution No. 10)*

Finance Director/Treasurer Chuck McBride brought forth this item.

There were two (2) public comments.

Board discussion followed.



On motion made by Director Gibson and seconded by Director Bragman, the board approved the resolution by the following roll call vote:

Ayes: Directors Bragman, Gibson, Koehler, Schmitt, and Russell  
Noes: None

**Item 17 Financial Update for the Calendar Year 2021**

Finance Director McBride also presented this item. Discussion ensued.

There were no public comments.

This was an information item. The board did not take any formal action.

**Item 14 Marin Municipal Water District Financing Authority Officers**

Finance Director McBride recognized the officers, executive director, treasurer, and secretary.

There were no board or public comments.

This was an information item. The board did not take any formal action.

**ADJOURNMENT**

There being no further business, the meeting adjourned at 9:04 p.m.

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Board Secretary

## Approval Item

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### **TITLE**

Minutes of the MMWD Financing Corporation Meeting of January 4, 2022, Recognition of New Officers, 2022 Financial Report and Resolution to Dissolve the MMWD Financing Corporation

### **RECOMMENDATION**

Approve the minutes of the MMWD Financing Corporation Meeting of January 4, 2022, recognize new officers for the MMWD Financing Corporation Board of Directors based on election of officers for the District Board, receive the 2022 financial report and approve a resolution to dissolve the MMWD Financing Corporation

### **BACKGROUND**

The MMWD Financing Corporation is a California nonprofit public benefit corporation, which was incorporated on behalf of the District on March 10, 2004 to facilitate financing for the District, including to provide financial assistance to the District by acquiring, constructing, rehabilitation, remodeling, improving, installing and financing various facilities, land and equipment, and leasing facilities, land and equipment, including potable or nonpotable water treatment, pumping or storage facilities and the acquisition of water rights (Facilities) for the use, benefit and enjoyment of the public served by the District and for any use purpose incidental thereto. The MMWD Financing Corporation Board of Directors consists of the District Directors. The corporation bylaws provide that the corporation will hold its annual board meeting in conjunction with the first regular District board meeting each January. The bylaws further provide that the officers of the MMWD Financing Corporation will be the officers of the District Board of Directors. The MMWD Financing Corporation held its last annual board meeting on January 4, 2022.

### **DISCUSSION**

The board of the MMWD Financing Corporation held its annual meeting on January 4, 2022. The minutes are attached to this staff report for consideration and approval by the MMWD Financing Corporation Board of Directors. New directors may vote on approval of the minutes. An affirmative vote to approve the minutes merely expresses support for making the minutes an official record of the corporation. Corrections, if any, may be submitted and considered by the board.

There is no requirement to hold an annual election of officers of the MMWD Financing Corporation. The corporation board need solely to recognize the new officers, as determined by the election of new officers to the District Board. This will further inform the public of the new officers of the Corporation in accordance with the Corporation's Bylaws.

Article IV, Section 4.02 – Election, of the Bylaws of MMWD Financing Corporation states:

“The acting President of the Board of Directors of the District shall be the President of the Corporation. The acting Vice President of the Board of Directors of the District shall be the Vice President of the Corporation. The acting General Manager of the District shall be the Executive Director of the Corporation. The acting Finance Director of the District shall be the Treasurer of the Corporation. The acting Secretary of the District shall be the Secretary of the Corporation.”

There were no financial activities during the calendar 2022.

On April 16, 2010, the District created the Marin Municipal Water District Financing Authority by entering into a joint exercise of powers agreement with the California Municipal Financing Authority for the purpose of facilitating financing on behalf of the District in place of the MMWD Financing Corporation. The MMWD Financing Corporation has no outstanding financial obligations and is no longer needed to fulfill the purpose for which it was formed, and therefore, may be dissolved.

Based on the foregoing, staff recommends that the MMWD Financing Corporation Board (1) approve the minutes of the annual MMWD Financing Corporation meeting from January 4, 2022, and (2) approve a resolution to dissolve the MMWD Financing Corporation.

**FISCAL IMPACT**

None

**ATTACHMENT(S)**

1. Minutes of the Board of Directors' Financing Corporation Meeting of January 4, 2022
2. Proposed Resolution to Dissolve the MMWD Financing Corporation

DEPARTMENT OR DIVISION	DIVISION MANAGER	APPROVED
Finance	 Bret Uppendahl Finance Director	 Ben Horenstein Executive Director

**MMWD FINANCING CORPORATION  
BOARD OF DIRECTORS MEETING**

**MINUTES**

**Tuesday, January 4, 2022**

**Via teleconference**

(In pursuant to Assembly Bill 361)

**CALL TO ORDER AND ROLL CALL:**

President Larry Russell called the meeting to order at 9:04 p.m.

***Directors Present:*** Larry Bragman, Jack Gibson, Cynthia Koehler, Monty Schmitt, Larry Russell

***Directors Absent:*** None

**CALENDAR ITEMS:**

*(The agenda item numbering is in correspondence with the **Notice of the Board of Directors – Financing Authority – and Financing Corporation Meetings of January 4, 2022**)*

**Item 18 MMWD Financing Corporation Officers**

Finance Director Chuck McBride recognized the officers, executive director, treasurer, and secretary.

There were no board or public comments.

This was an information item. The board did not take any formal action.

**Item 19 Minutes of the Marin Municipal Water District Financing Corporation Meeting of January 5, 2021**

On motion made by Director Gibson and seconded by Director Bragman, the MMWD Financing Corporation Board approved the minutes by the following roll call vote:

Ayes: Directors Bragman, Gibson, Koehler, Schmitt, and Russell  
Noes: None

There were no public comments.

**Item 20 Financial Update for the Calendar Year 2021**

Finance Director McBride reported that there was no activity.

There were neither board comments nor public comments.

This was an information item. The board did not take any formal action.

#### **ADJOURNMENT**

There being no further business, the meeting adjourned at 9:06 p.m.

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Board Secretary

**MMWD FINANCING CORPORATION**

**RESOLUTION NO. XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MMWD FINANCING CORPORATION  
APPROVING THE DISSOLUTION OF THE MMWD FINANCING CORPORATION**

**WHEREAS**, on March 10, 2004, the MMWD Financing Corporation (Corporation) was officially incorporated with the California Secretary of State; and

**WHEREAS**, on April 2, 2004 the Board of Directors of the Marin Municipal Water District (District), sitting as the MMWD Financing Corporation Board (Corporation) adopted Resolution No. FC-2004-1 establishing bylaws, Resolution No. FC-2004-2 electing officers, Resolution No. FC-2004-3 setting the time and place of regular meetings, Resolution No. FC-2004-4 authorizing execution and filing of exemption application to State Franchise Tax Board, Resolution No. FC-2004-5 authorizing execution and filing of various federal forms, Resolution No. FC-2004-6 authorizing and directing execution of certain installment financing documents and authorizing and directing certain actions with respect thereto; and

**WHEREAS**, pursuant to Section 3.03 of the Corporation Bylaws the Board of Directors of the Corporation shall be constituted of the same persons serving as members of the Board of Directors of the Marin Municipal Water District; and

**WHEREAS**, the above referenced actions authorized by the Corporation Board, established the Corporation as a nonprofit public benefit corporation organized under the Nonprofit Public Benefit Corporation Law (CA Corporations Code Section 5110 *et seq*), to provide financial assistance to the District by acquiring, constructing, rehabilitation, remodeling, improving, installing and financing various facilities, land and equipment, and leasing facilities, land and equipment, including potable or nonpotable water treatment, pumping or storage facilities and the acquisition of water rights (Facilities) for the use, benefit and enjoyment of the public served by the District and for any use purpose incidental thereto; and

**WHEREAS**, on April 16, 2010, the District created the Marin Municipal Water District Financing Authority by entering into a joint exercise of powers agreement with the California Municipal Financing Authority for the purpose of facilitating financing on behalf of the District in place of the Corporation; and

**WHEREAS**, the Corporation currently has no outstanding financial obligations and is no longer needed to fulfil the purpose for which it was formed, and therefore, may be dissolved.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of the MMWD Financing Corporation does hereby elect to wind up and dissolve this Corporation; and

**BE IT FURTHER RESOLVED**, that the officers of this Corporation are hereby authorized and directed to file the Certificate of Dissolution as required by Section 6615 of the Corporations Code of California, and to take any and all such further actions as may be necessary or convenient to wind up and dissolve this Corporation.

**PASSED AND ADOPTED** this 3rd day of January 2023, by the following vote of the Board of Directors of the MMWD Financing Corporation.

**AYES:**

**NOES:**

**ABSENT:**

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**President, Board of Directors**

**ATTEST:**

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**Board Secretary**