

A G E N D A

**SAN RAFAEL SANITATION DISTRICT
BOARD OF DIRECTORS
THURSDAY – JULY 14, 2016 - 3:30 P.M.
SAN RAFAEL CITY HALL
1400 FIFTH AVENUE – CONFERENCE ROOM 201
SAN RAFAEL, CALIFORNIA 94901**

Members of the public may speak on Agenda items.

1. OPEN PERIOD

Opportunity for the public to address the Board on items not on the agenda.
(Presentations are generally limited to 2 minutes.)

2. MINUTES OF THE MEETING

Request approval as submitted – April 14, 2016, May 10, 2016, & June 9, 2016.

3. PAYMENTS

Request approval as submitted.

4. OLD BUSINESS

None scheduled.

5. NEW BUSINESS

- a. Adopt resolution establishing the sewer connection fee for FY 2016-17.
- b. Appropriations limit for 2016-17 on tax proceeds (Proposition 4).
 - Adopt resolution establishing the 2016-17 appropriations limit.
- c. Report on Adoption of Investment Policy.
 - Adopt resolution approving the Marin County investment policy as the investment policy for the San Rafael Sanitation District.
- d. Review Budget Status Report for the period 1-1-16 through 3-31-16.
- e. Adopt resolution authorizing the District Manager/District Engineer to execute a Professional Services Agreement with Miller Pacific Engineering Group for Geotechnical Observation and Testing Services for the Sun Valley Sewer Replacement Project, Phase 2.
- f. Adopt resolution approving an Amendment to an August 26, 1987, Amended Agreement between the City of San Rafael and the San Rafael Sanitation District.
- g. Discuss Joseph and Margaret Caramucci letter dated June 29, 2016, regarding the Glenwood Pump Station Improvement Project.
- h. Adopt resolution authorizing the Chairman and Secretary to enter into a Repayment Agreement for the 365 and 366 Margarita Drive Sewer Main Extension.

6. INFORMATIONAL ITEMS

7. ADJOURNMENT

The next scheduled meeting is August 11, 2016.

**SAN RAFAEL SANITATION DISTRICT
Minutes of the Meeting
April 14, 2016**

Regular Meeting

City of San Rafael
Conference Room 201
1400 Fifth Avenue
San Rafael, CA 94901

The meeting was called to order at 3:40 P.M. by Chairman Phillips.

Attendance Board: Gary O. Phillips, Chairman
Katie Rice, Director

Attendance Staff: Doris Toy, District Manager/District Engineer
Karen Chew, Senior Civil Engineer
Cynthia Hernandez, District Secretary

1. OPEN PERIOD - No persons were present to address the Board.

2. MINUTES OF MARCH 10, 2016.

MOTION by Director Rice, seconded by Chairman Phillips, to approve the minutes of the March 10, 2016, meeting as presented.

AYES: Director Rice, Chairman Phillips

NOES: None

ABSENT: Director Bushey

Motion Carried

3. PAYMENTS

MOTION by Director Rice, seconded by Chairman Phillips, to approve the payments for March 2016 in the amount of \$1,192,360.62 for maintenance and operation of the District and for capital improvements.

AYES: Director Rice, Chairman Phillips

NOES: None

ABSENT: Director Bushey

Motion Carried

4. OLD BUSINESS

None.

5. NEW BUSINESS

- a. **Adopt resolution authorizing the District Manager/District Engineer to execute a Professional Services Agreement with Miller Pacific Engineering Group for geotechnical observation and testing services for the Lincoln Avenue Sewer Improvement Project, Paloma Avenue to Prospect Drive, for an amount not to exceed \$45,000.**

District Manager Toy reported that the District had awarded the contract for this project to Cratus, Inc., last month. She reported that the next step is to obtain a geotechnical engineer for the observation and testing portion of the project. She also reported that because Miller Pacific had already done the soil investigation for the design of this project, the District had requested them to submit a proposal for the construction portion of the project. Manager Toy then reported that Miller Pacific had submitted a proposal to perform the geotechnical observation and testing services for an amount not to exceed \$45,000 and recommended that the Board accept this proposal.

MOTION by Director Rice, seconded by Chairman Phillips, to adopt the resolution authorizing the District Manager/District Engineer to execute a Professional Services Agreement with Miller Pacific Engineering Group for geotechnical observation and testing services for the Lincoln Avenue Sewer Improvement Project, Paloma Avenue to Prospect Drive, for an amount not to exceed \$45,000.

AYES: Director Rice, Chairman Phillips

NOES: None

ABSENT: Director Bushey

Motion Carried

- b. **Review Budget Status Report for the period 10-1-15 through 12-31-15.**

District Manager Toy first reviewed the revenue section of the Budget Status Report. She reported that the District had received a little more than half of the annual sewer user fee monies in December of 2015. She also reported that out of the \$33,000 received for sewer connection fees, approximately \$30,000 had come from Marin Academy for their new science building. Next Manager Toy reviewed the expenditure section of this report. She reported that the budget for the contract with the City of San Rafael was on schedule. She then reviewed the budget for the capital improvement projects. She reported that the Warner Court/Woodland Place Project had been completed with \$65,000 remaining; the Sun Valley Project, Phase I, is currently complete and within budget; the Lincoln Avenue, Mission to Paloma, Project is also complete with \$169,000 remaining; and the H Street Project (combined City & District project) was underestimated by \$15,835, but the District may receive approximately \$23,000 from PG&E for the construction delay due to a gas transmission line that was in conflict with this project.

MOTION by Director Rice, seconded by Chairman Phillips, to accept the Budget Status Report for the period 10-1-15 through 12-31-15.

AYES: Director Rice, Chairman Phillips

NOES: None

ABSENT: Director Bushey

Motion Carried

- c. **Adopt resolution authorizing the District Manager/District Engineer to sign an Amendment to Agreement with Park Engineering, Inc., for additional inspection related services for various projects.**

District Manager Toy reported that back in December, the District had entered into an agreement with Park Engineering for inspection related services for various projects on a time-and-materials basis for \$47,871. She reported that these services were mostly for the Sun Valley Sewer Replacement Project, Phase I, on a part-time basis. She also reported that these services were full time during the month of January when the District Inspector was on vacation for a month. Next, Manager Toy reported that the District will need additional inspection services for this year's construction projects since the District Inspector will be out during the months of June, July, and possibly some of August for medical reasons. She then reviewed a table showing the proposed inspection staffing schedule and the various projects to be inspected. Manager Toy reported that Park Engineer had submitted a proposal to perform the additional inspection related services on a time-and-materials basis for an amount not to exceed \$119,000 and recommended that the Board accept this proposal. The Board and staff then discussed the various tasks involved in project inspections and the benefits of having a full-time inspector.

MOTION by Director Rice, seconded by Chairman Phillips, to adopt the resolution authorizing the District Manager/District Engineer to sign an Amendment to Agreement with Park Engineering, Inc., for additional inspection related services for various projects.

AYES: Director Rice, Chairman Phillips

NOES: None

ABSENT: Director Bushey

Motion Carried

6. INFORMATIONAL ITEMS.

- a. **Marin County Civil Grand Jury Report: 2015-16 Web Transparency Report Card, "Bringing Marin County's Local Governments to Light."**

District Manager Toy reported that most of the information requested by the Grand Jury is included in the District's webpage, but it is not as easily accessible as the Grand Jury would like for it to be. She reported that she planned to work with the City's IT Department in order to make access to the information clearer and simpler and also planned to review the websites of some of the other agencies

that had received either an "A" or an "A-" from the Grand Jury. Manager Toy reported that the Grand Jury had requested a response to its findings and recommendations by June 10, 2016, and recommended that SRSD improve its web transparency score to a "B-" or better and to include the annual compensation of its elected officials, officers, and employees in its website. Director Rice suggested that it might be more efficient for the District to contract this job out, but Manager Toy reported that she would still need to provide all of the information.

7. DIRECTOR REPORTS/REQUESTS FOR FUTURE AGENDA ITEMS

8. ADJOURNMENT

There being no further business to come before the Board, the meeting of April 14, 2016, was adjourned at 4:06 P.M. The next meeting of the San Rafael Sanitation District scheduled for Thursday, May 12, 2016, at 3:30 P.M. at San Rafael City Hall was later rescheduled for Tuesday, May 10, 2016, at 3:30 P.M. at San Rafael City Hall.

Respectfully submitted,

Katie Rice, Acting Recording Secretary

ATTEST THIS 14th DAY OF JULY 2016

Gary O. Phillips, Chairman



SAN RAFAEL SANITATION DISTRICT
Minutes of the Meeting
May 10, 2016

Special Meeting

City of San Rafael
CDD Conference Room
1400 Fifth Avenue
San Rafael, CA 94901

The meeting was called to order at 3:37 P.M. by Acting Chairman Rice.

Attendance Board: Katie Rice, Acting Chairman
Maribeth Bushey, Director

Attendance Staff: Doris Toy, District Manager/District Engineer
Karen Chew, Senior Civil Engineer
Cynthia Hernandez, District Secretary

1. OPEN PERIOD - No persons were present to address the Board.

2. MINUTES OF APRIL 14, 2016.

The Minutes were carried over to the next meeting since Chairman Phillips was not present today to sign them, and Director Bushey was not at the April 14, 2016, meeting.

3. PAYMENTS

MOTION by Director Bushey, seconded by Director Rice, to approve the payments for April 2016 in the amount of \$1,043,435.41 for maintenance and operation of the District and for capital improvements.

AYES: Director Bushey, Director Rice

NOES: None

ABSENT: Chairman Phillips

Motion Carried

4. OLD BUSINESS

None.

5. NEW BUSINESS

a. Report on bid opening for the Sun Valley Sewer Replacement Project, Phase 2, and adopt resolution to award contract.

District Manager Toy reviewed the project site map and pointed out the streets that had been included in the first phase of the project (Nevada Street, Humboldt Street, and California Avenue, between Fifth Avenue and Humboldt Street), which was completed in March, and the streets that would be included in the second phase of the project (Solano Street, Alpine Street, California Avenue, from Humboldt Street to the end of Windsor Avenue, and Center Street, from J Street to K Street), which is about to begin. She also reported that there are two additive alternates that could be added to the base bid for this project: Additive Alternate A is to install a pipe crossing the Sun Valley Park by direction drilling instead of open cut so as not to disturb the existing basketball/volleyball court and landscaping for an additional cost of \$8,136; and Additive Alternate B is to replace the sewer pipe on K Street, between Fifth Avenue and Humboldt Street, which includes running the new sewer under two 48" x 60" arched corrugated metal storm drains for an additional cost of \$240,748. Manager Toy then recommended that Additive Alternate A be included in the contract with Ranger Pipelines and that the work in Additive Alternate B not be performed, since the Engineer's Estimate was half the amount of the \$240,748 bid made by Ranger Pipelines. She also reported that the Engineer's Base Estimate was \$2,985,000, and Ranger Pipeline's base bid was \$2,585,846. Manager Toy reported that the District had previously worked with Ranger Pipelines approximately 8-9 years ago and that their work was pretty good back then. She also reported that Nute Engineering had reviewed Ranger's bid packet and found everything to be in order. Next, she reported that because the bid opening had just taken place yesterday, Ranger had 5 days to submit their financial documents, and the other bidders had 5 days to protest the bid. She then reported that she would like to proceed with the award of the bid and recommended that it be awarded to Ranger Pipelines, with the condition that they submit their financial documents and that there are no protests.

The Board requested that the minutes reflect that the staff report for Agenda Item No. 5.a. (Adopt Resolution Awarding Contract to Ranger Pipelines, Inc., for the Sun Valley Sewer Replacement Project, Phase 2) was corrected to indicate that the bids were opened on May 9, 2016.

Manager Toy reported that this project would begin in about a month so that the majority of the work would be completed by Halloween due to the huge annual Sun Valley Halloween block party.

MOTION by Director Bushey, seconded by Director Rice, to adopt the resolution awarding contract to Ranger Pipelines, Incorporated, for the Sun Valley Sewer Replacement Project, Phase 2, in the amount of \$2,593,982, which includes Additive Alternate A.

AYES: Director Bushey, Director Rice

NOES: None

ABSENT: Chairman Phillips

Motion Carried

- b. **Adopt resolution authorizing the District Manager/District Engineer to execute a Professional Services Agreement with California CAD Solutions, Inc., for sewer billing review, analysis, and automation services.**

District Manager Toy reported that the District currently serves approximately 11,000 parcels. She also reported that the admin assistant calculates the sewer user fees manually and that they are charged through the property tax bills. Manager Toy reported that the residential properties are charged at a flat rate, but the commercial and industrial properties are charged based on water usage. She reported that each year several months are spent performing research, contacting property owners, and calculating the fees. She also reported that the public agencies must be billed manually because they do not receive property tax bills. Next, Manager Toy reported that California CAD Solutions (Cal CAD) has been working with both the City and the District on maintaining and updating the data on the GIS. She also reported that the District had recently become aware that Cal CAD had automated the sewer billing calculations for the City of Half Moon Bay and has assisted other special districts with similar types of revenue automation. Manager Toy reported that she had spoken to the person who does the sewer billing at the City of Half Moon Bay, and they reported that they are very happy with the automated billing process designed by Cal CAD. They also reported that the automated process has reduced their billing period from approximately 3 months to approximately 3 days. Staff then gave the Board a brief overview of the various types of reports and information that is used to calculate the sewer service charges. Manager Toy then reported that Cal CAD's proposal to SRSD for automated sewer billing services was for \$65,000 plus an annual payment of 25% of any additional revenue found during the analysis of last year's billing for three (3) consecutive years. She reported that SRSD was offered a reduced rate of 25% instead of the usual 50% because SRSD has been a long-term client. She also reported that Cal CAD had made an alternate proposal for \$80,000 with no additional fee for found revenue. She then reported that Cal CAD would be paid 50% of the project cost when the project is half done, and the remaining 50% will be paid when the project has been completed. The Board then discussed the possibilities associated with any undercharges or overcharges that might be found and the benefits of having the sewer service charges automated.

MOTION by Director Bushey, seconded by Director Rice, to adopt the resolution authorizing the District Manager/District Engineer to execute a Professional Services Agreement with California CAD Solutions, Inc., for sewer billing review, analysis, and automation for an amount of \$65,000 plus 25% of any additional revenue found during the analysis for three (3) consecutive years.

AYES: Director Bushey, Director Rice

NOES: None

ABSENT: Chairman Phillips

Motion Carried

6. INFORMATIONAL ITEMS.

None.

7. DIRECTOR REPORTS/REQUESTS FOR FUTURE AGENDA ITEMS

a. Future Rate Increase from CMSA for the Next 5-Year Capital Improvement Program.

Director Bushey reported that CMSA's Finance Committee was beginning to work on CMSA's next 5-year capital improvement program. She also reported that CMSA will need additional revenue to cover the cost of this program and that SRSD should anticipate a rate increase from CMSA in approximately 3 years that will probably be at the higher end of the single digits but less than 10%. She then reported that this is a very tentative preliminary view.

8. ADJOURNMENT

There being no further business to come before the Board, the meeting of May 10, 2016, was adjourned at 4:10 P.M. The next meeting of the San Rafael Sanitation District was scheduled for Thursday, June 9, 2016, at 3:30 P.M. at San Rafael City Hall.

Respectfully submitted,

Maribeth Bushey, Recording Secretary

ATTEST THIS 14th DAY OF JULY 2016

Katie Rice, Acting Chairman



SAN RAFAEL SANITATION DISTRICT
Minutes of the Meeting
June 9, 2016

Regular Meeting

City of San Rafael
Conference Room 201
1400 Fifth Avenue
San Rafael, CA 94901

The meeting was called to order at 3:57 P.M. by Chairman Phillips.

Attendance Board: Gary O. Phillips, Chairman
Maribeth Bushey, Director

Attendance Staff: Doris Toy, District Manager/District Engineer
Karen Chew, Senior Civil Engineer

The majority of these items were carried over to the next meeting because of the late start time due to a major traffic backup centered in downtown San Rafael.

1. **OPEN PERIOD** - No persons were present to address the Board.

2. **MINUTES OF APRIL 14, 2016, AND MAY 10, 2016.**

This item was carried over to the next meeting.

3. **PAYMENTS**

This item was carried over to the next meeting.

4. **OLD BUSINESS**

a. **Discussion and consideration of adopting the resolution approving and authorizing the Chairman to execute the San Rafael Sanitation District's Response to the 2015-16 Marin County Civil Grand Jury Report entitled "2015-16 Web Transparency Report Card: Bringing Marin County's Local Governments to Light."**

MOTION by Director Bushey, seconded by Chairman Phillips, to adopt the resolution approving and authorizing the Chairman to execute the San Rafael Sanitation District's Response to the 2015-16 Marin County Civil Grand Jury Report entitled "2015-16 Web Transparency Report Card: Bringing Marin County's Local Governments to Light."

AYES: Director Bushey, Chairman Phillips

NOES: None

ABSENT: Director Rice

Motion Carried

5. NEW BUSINESS

- a. Adopt resolution establishing the sewer connection fee for FY 2016-17.**

This item was carried over to the next meeting.

- b. Appropriations limit for 2016-17 on tax proceeds (Proposition 4).**
• **Adopt resolution establishing the 2016-17 appropriations limit.**

This item was carried over to the next meeting.

- c. Report on Adoption of Investment Policy.**
• **Adopt resolution approving the Marin County investment policy as the investment policy for the San Rafael Sanitation District.**

This item was carried over to the next meeting.

- d. Review Budget Status Report for the period 1-1-16 to 3-31-16.**

This item was carried over to the next meeting.

- e. Adopt resolution authorizing the District Manager/District Engineer to execute a Professional Services Agreement with Nute Engineering for design and construction related services for the 2016 Pipe Bursting Project.**

MOTION by Director Bushey, seconded by Chairman Phillips, to adopt the resolution authorizing the District Manager/District Engineer to execute a Professional Services Agreement with Nute Engineering for design and construction related services for the 2016 Pipe Bursting Project.

AYES: Director Bushey, Chairman Phillips

NOES: None

ABSENT: Director Rice

Motion Carried

- f. Adopt resolution approving a second amendment to the agreement between the City of San Rafael and the San Rafael Sanitation District for the transfer of the City's sanitary sewer gravity collection system to the District.**

This item was carried over to the next meeting.

6. INFORMATIONAL ITEMS.

None.

7. ADJOURNMENT

There being no further business to come before the Board, the meeting of June 9, 2016, was adjourned at 4:10 P.M. The next meeting of the San Rafael Sanitation District was scheduled for Thursday, July 14, 2016, at 3:30 P.M. at San Rafael City Hall.

Respectfully submitted,

Maribeth Bushey, Recording Secretary

ATTEST THIS 14th DAY OF JULY 2016

Gary O. Phillips, Chairman

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SAN RAFAEL SANITATION DISTRICT
PAYMENT SUMMARY
 May 1, 2016 - May 31, 2016

Vendor/Payee	Memo	Class	Acct #	Account Name	Amount
AAA BUSINESS SUPPLIES	Office Supplies - toner (2 cartridges) for DPW printer shared by SRSD	100	2133	Office & shop supplies	\$ 447.88
ACE PRINTING & MAIL SERVICE	Lincoln Ave - public outreach letters	300	4319	Lincoln, Prospect/Paloma (80)	\$ 618.54
ACE PRINTING & MAIL SERVICE	Lincoln Ave - public outreach letters	300	4319	Lincoln, Prospect/Paloma (80)	\$ 1,005.52
ARAMARK UNIFORM SERVICES	Uniforms - weekly service ending 04/20/16	200	2021	Uniforms	\$ 125.24
ARAMARK UNIFORM SERVICES	Uniforms - weekly service ending 04/27/16	200	2021	Uniforms	\$ 119.56
ARAMARK UNIFORM SERVICES	Uniforms - weekly service ending 05/04/16	200	2021	Uniforms	\$ 146.94
ARAMARK UNIFORM SERVICES	Uniforms - weekly service ending 05/11/16	200	2021	Uniforms	\$ 125.15
AT&T	Telephone Service - pump station dialers to CMSA from 3/20/16-4/19/16	100	2534	Telephone service	\$ 242.03
AT&T MOBILE	Telephone Service - cell phones service from 3/04/16-4/03/16	100	2534	Telephone service	\$ 664.30
BERNARDES ANA	Memberships and Dues - reimbursement for P.E. license renewal	100	2388	Training and education	\$ 115.00
BPXPRESS	Lincoln Ave. - conformed sets of plans	300	4319	Lincoln, Prospect/Paloma (80)	\$ 190.10
CALIFORNIA CAD SOLUTIONS	Facilities Mapping - force main monument project	100	4188	Facilities mapping services	\$ 2,900.00
CAL-STEAM CO INC	Pump Stations - air release valves	200	2359	Maint- pump sta's & force mains	\$ 248.78
CAL-STEAM CO INC	Pump Stations - pipe fittings for 8-inch bypass pump	200	2359	Maint- pump sta's & force mains	\$ 17.12
CITY OF SAN RAFAEL	Contract with San Rafael - 4th quarter FY 15-16 reimbursement	100	2361	Contract with San Rafael	\$ 721,289.09
CITY OF SAN RAFAEL	Vehicles - fuel used by SRSD from 1/25/16-3/28/16	200	2083	Parts and repairs vehicles	\$ 2,762.95
CORNELL PATRICIA	Collection System - reimbursement for sewer service at 6 Madrona Street	200	2360	O&M - collection systems	\$ 503.00
COUNTY OF MARIN	Director's Fees - Katie Rice board meeting on 4/14/16	100	2282	Director's fees	\$ 100.00
CWEA-TCP	Memberships and Dues - Douglas W St. Cyr membership renewal	100	2388	Training and education	\$ 81.00
CWEA-TCP	Memberships and Dues - Ozaki membership renewal	100	2388	Training and education	\$ 86.00
CWEA-TCP	Memberships and Dues - Rodriguez membership renewal	100	2388	Training and education	\$ 81.00
FASTENAL	Pump Stations - nozzles and epoxy glue for force main monuments	200	2359	Maint- pump sta's & force mains	\$ 73.38
JMB CONSTRUCTION, INC.	Glenwood - improvement project, Progress Payment #6	300	4146	Glenwood Pump Station (10Yr)	\$ 283,545.37
KOORHAN GLEN S	Rebate/Refunds - refund for overpayment of 2014-2015 sewer service charge for 711 Fourth St.	100	2122	Rebate/Refunds	\$ 744.41
MAHER ACCOUNTANCY	Accounting Services - April	100	2717	Accounting services	\$ 3,600.00
MARIN COUNTY TAX COLLECTOR	Legal Services - from 1/01/16-3/31/16	100	2713	Legal services	\$ 2,921.25
MARIN MUNICIPAL WATER DIS	Water - 44 Lagoon Rd. from 2/17/16-4/14/16	200	2536	Water utility costs	\$ 41.00
MARIN MUNICIPAL WATER DIS	Water - 220 Tamal Vista Blvd. from 3/01/16-4/29/16	200	2536	Water utility costs	\$ 530.49
MARIN MUNICIPAL WATER DIS	Water - 1271 Andersen Dr. from 2/11/16-4/08/16	200	2536	Water utility costs	\$ 41.00
MARIN MUNICIPAL WATER DIS	Water - 3106 Kerner Blvd. from 2/17/16-4/13/16	200	2536	Water utility costs	\$ 41.00
MARIN MUNICIPAL WATER DIS	Water - Andersen Dr. from 2/11/16-4/08/16	200	2536	Water utility costs	\$ 41.00
MARIN MUNICIPAL WATER DIS	Water - Castro Ave. from 2/13/16-4/12/16	200	2536	Water utility costs	\$ 349.45
MARIN MUNICIPAL WATER DIS	Water - Catalina Blvd. from 2/13/16-4/12/16	200	2536	Water utility costs	\$ 72.05
MARIN MUNICIPAL WATER DIS	Water - E Francisco Blvd. from 2/13/16-4/12/16	200	2536	Water utility costs	\$ 41.00
MARIN MUNICIPAL WATER DIS	Water - E Francisco Blvd. from 2/17/16-4/13/16	200	2536	Water utility costs	\$ 193.10
MARIN MUNICIPAL WATER DIS	Water - Montecito Rd. from 2/17/16-4/13/16	200	2536	Water utility costs	\$ 51.40
MARIN MUNICIPAL WATER DIS	Water - N San Pedro Rd. from 2/17/16-4/14/16	200	2536	Water utility costs	\$ 73.85
MARIN MUNICIPAL WATER DIS	Water - Peacock Dr. from 2/17/16-4/14/16	200	2536	Water utility costs	\$ 41.00
MARIN MUNICIPAL WATER DIS	Water - Pt. San Pedro Rd. from 2/17/16-4/13/16	200	2536	Water utility costs	\$ 55.05
MARIN MUNICIPAL WATER DIS	Water - Riviera Dr. from 2/17/16-4/14/16	200	2536	Water utility costs	\$ 41.00
MARIN MUNICIPAL WATER DIS	Water - Simms St. from 2/11/16-4/08/16	200	2536	Water utility costs	\$ 41.00
MARIN MUNICIPAL WATER DIS	Water - Woodland Ave. from 2/11/16-4/08/16	200	2536	Water utility costs	\$ 54.02
McMASTER-CARR	Pump Stations - o-rings for flygt pumps	200	2359	Maint- pump sta's & force mains	\$ 20.02
McMASTER-CARR	Pump Stations - parts for flygt pump	200	2359	Maint- pump sta's & force mains	\$ 18.89

SAN RAFAEL SANITATION DISTRICT
 PAYMENT SUMMARY
 May 1, 2016 - May 31, 2016

Vendor/Payee	Memo	Class	Acct #	Account Name	Amount
MILLER PACIFIC ENGINEERING GROUP	Sun Valley - geotechnical services from 3/21/16-4/17/16	300	4324	Sun Valley-Cal, Solano, Alpine,	\$ 8,900.00
NUTE ENGINEERING	Consulting Services - Loch Lomond Village plan review services from 3/1/16-3/31/16	100	2325	Consulting services	\$ 2,055.25
NUTE ENGINEERING	Glenwood - construction review services from 3/1/16-3/31/16	300	4146	Glenwood Pump Station (10Yr)	\$ 5,390.50
NUTE ENGINEERING	Lincoln - sewer improvement services from 3/1/16-3/31/16	300	4319	Lincoln, Prospect/Paloma (80)	\$ 5,752.00
NUTE ENGINEERING	Sun Valley - construction review services from 3/1/16-3/31/16	300	4309	Sun Valley-Cal, Humboldt, Nev	\$ 4,046.75
NUTE ENGINEERING	Sun Valley - rehabilitation phase 2 services from 3/1/16-3/31/16	300	4324	Sun Valley-Cal, Solano, Alpine,	\$ 44,057.50
PARK ENGINEERING, INC	Lincoln - April inspection services for Lincoln Ave. sewer replacement project, phase 3	300	4319	Lincoln, Prospect/Paloma (80)	\$ 10,340.91
PARK ENGINEERING, INC	Sun Valley - April inspection services for Sun Valley sewer replacement project, phase 2	300	4324	Sun Valley-Cal, Solano, Alpine,	\$ 6,971.40
PG&E a/c 2480926202-5	Power - service for pump stations 3/10/16-4/08/16	200	2535	Electric utility costs	\$ 16,885.43
PHILLIPS, GARY	Director's Fees - board meeting 4/14/16	100	2282	Director's fees	\$ 100.00
ROTO-ROOTER SEWER SERVICE	Collection System - work at 80 Fairhills Dr.	200	2360	O&M - collection systems	\$ 6,430.00
SEQUOIA SAFETY SUPPLY COM	Safety Supplies - gloves	200	2365	Safety equipment and supplies	\$ 166.44
SHAMROCK	Collection System - crushed rock and topsoil for sewer repair job at 65 Treehaven Drive	200	2360	O&M - collection systems	\$ 32.16
STAPLES INC	Office Supplies - wireless mouse thumb drives and ream of blue copy paper	100	2133	Office & shop supplies	\$ 64.20
US BANK CORPORATE PAYMENT	Sun Valley - publication of notice inviting bids	300	4324	Sun Valley-Cal, Solano, Alpine,	\$ 853.65
VALLEY TOWING AND RECOVERY	Collection System - winch out vehicle #8149 from easement	200	2360	O&M - collection systems	\$ 185.00
VALLEY TOWING AND RECOVERY	Collection System - winch out vehicle #8174 from easement	200	2360	O&M - collection systems	\$ 185.00
VERIZON WIRELESS	Telephone Service - wireless service for laptops 3/21/16-4/20/16	100	2534	Telephone service	\$ 266.75
WATER COMPONENTS & BLDG SUPPLY	Collection System - parts for sewer repair job at 65 Treehaven Dr.	200	2360	O&M - collection systems	\$ 148.59
WATER COMPONENTS & BLDG SUPPLY	Collection System - parts for sewer repair job at 65 Treehaven Dr.	200	2360	O&M - collection systems	\$ 246.13
WATER COMPONENTS & BLDG SUPPLY	Collection System - rod hole lids	200	2360	O&M - collection systems	\$ 110.63
WECO INDUSTRIES LLC	Collection Systems - tools for power rodder	200	2360	O&M - collection systems	\$ 1,231.21
WECO INDUSTRIES LLC	Parts and Repairs - repair power rodder	200	2083	Parts and repairs vehicles	\$ 2,716.25
WOODLAND CTR AUTO SUPPLY	Pump Stations - oil for flygt pumps	200	2359	Maint- pump sta's & force mains	\$ 29.63
WOODLAND CTR AUTO SUPPLY	Pump Stations - oil for pump motor	200	2359	Maint- pump sta's & force mains	\$ 71.97
WOODLAND CTR AUTO SUPPLY	Vehicles - fuses for vehicle #8149	200	2083	Parts and repairs vehicles	\$ 5.30
Total					\$ 1,141,737.28

SAN RAFAEL SANITATION DISTRICT
PAYMENT SUMMARY
 June 1, 2016 - June 30, 2016

Vendor/Payee	Memo	Class	Acct #	Account Name	Amount
ARAMARK UNIFORM SERVICES	Uniforms - weekly service ending 05/18/16	200	2021	Uniforms	\$ 125.15
ARAMARK UNIFORM SERVICES	Uniforms - weekly service ending 05/25/16	200	2021	Uniforms	\$ 125.24
ARAMARK UNIFORM SERVICES	Uniforms - weekly service ending 06/01/16	200	2021	Uniforms	\$ 125.15
ARAMARK UNIFORM SERVICES	Uniforms - weekly service ending 06/08/16	200	2021	Uniforms	\$ 125.15
ARAMARK UNIFORM SERVICES	Uniforms - weekly service ending 06/15/16	200	2021	Uniforms	\$ 125.15
AT&T *4667	Telephone Service - pump station dialers to CMSA from 4/20/16-5/19/16	100	2534	Telephone service	\$ 242.03
AT&T *4777	Telephone Service - land lines for dialers and pump stations from 5/02/16-6/01/16	100	2534	Telephone service	\$ 437.69
AT&T *8362	Telephone Service - land lines for dialers and pump stations from 5/02/16-6/01/16	100	2534	Telephone service	\$ 266.28
AT&T MOBILE	Telephone Service - cell phones service from 4/04/16-5/03/16	100	2534	Telephone service	\$ 672.10
AT&T MOBILE	Telephone Service - cell phones service from 5/04/16-6/03/16	100	2534	Telephone service	\$ 674.80
BPXPRESS	Sun Valley - bid package	300	4324	Sun Valley-Cal, Solano, Alpine,	\$ 784.45
BPXPRESS	Sun Valley - conformed sets of plans	300	4324	Sun Valley-Cal, Solano, Alpine,	\$ 431.56
COUNTY OF MARIN	Director's Fees - Katie Rice board meeting on 5/10/16	100	2282	Director's fees	\$ 100.00
CRATUS INC.	Lincoln Ave. - sewer improvement project Prospect Ave to Paloma Ave, progress payment #1	300	4319	Lincoln, Prospect/Paloma (80)	\$ 446,229.25
FLYERS ENERGY, LLC	Pump Stations - red dyed diesel for North Francisco	200	2359	Maint- pump sta's & force mains	\$ 794.67
FLYERS ENERGY, LLC	Pump Stations - red dyed diesel for West Railroad	200	2359	Maint- pump sta's & force mains	\$ 999.44
FOURTH STREET PRESS	Sun Valley - public outreach notification letter	300	4324	Sun Valley-Cal, Solano, Alpine,	\$ 397.73
JMB CONSTRUCTION, INC.	Glenwood - improvement project, Progress Payment #7	300	4146	Glenwood Pump Station (10Yr)	\$ 121,506.43
MAHER ACCOUNTANCY	Accounting Services - May	100	2717	Accounting services	\$ 3,600.00
MAHER ACCOUNTANCY	Accounting Services - June	100	2717	Accounting services	\$ 3,600.00
MARIBETH BUSHEY	Director's Fees - board meetings on 5/10/16	100	2282	Director's fees	\$ 100.00
MARIBETH BUSHEY	Director's Fees - board meetings on 6/09/16	100	2282	Director's fees	\$ 100.00
MARIN INDEPENDENT JOURNAL	Subscriptions - Marin IJ 26 week renewal	100	2131	Memberships and subscriptions	\$ 288.60
NUTE ENGINEERING	Consulting - Loch Lomond Village Plan Review from 4/01/16-4/30/16	100	2325	Consulting services	\$ 2,702.00
NUTE ENGINEERING	Consulting - Loch Lomond Village plan review services from 5/01/16-5/31/16	100	2325	Consulting services	\$ 856.00
NUTE ENGINEERING	Consulting - Revised Standard Specs from 4/01/16-4/30/16	100	2325	Consulting services	\$ 478.00
NUTE ENGINEERING	Glenwood - construction review services from 4/01/16-4/30/16	300	4146	Glenwood Pump Station (10Yr)	\$ 4,800.75
NUTE ENGINEERING	Glenwood - construction review services from 5/01/16-5/31/16	300	4146	Glenwood Pump Station (10Yr)	\$ 6,008.00
NUTE ENGINEERING	Lincoln - sewer improvement project services from 4/01/16-4/30/16	300	4319	Lincoln, Prospect/Paloma (80)	\$ 2,640.25
NUTE ENGINEERING	Lincoln Ave. - sewer improvement services from 5/01/16-5/31/16	300	4319	Lincoln, Prospect/Paloma (80)	\$ 5,477.00
NUTE ENGINEERING	Sun Valley - sewer rehabilitation services from 4/01/16-4/30/16	300	4324	Sun Valley-Cal, Solano, Alpine,	\$ 45,990.60
NUTE ENGINEERING	Sun Valley - sewer rehabilitation services from 5/01/16-5/31/16	300	4324	Sun Valley-Cal, Solano, Alpine,	\$ 17,433.50
OWEN EQUIPMENT	Collection System - air cylinder for vactor truck	200	2360	O&M - collection systems	\$ 146.74
OWEN EQUIPMENT	Collection System - footage counter for vactor truck	200	2360	O&M - collection systems	\$ 611.23
PAC MACHINE CO	Pump Stations - parts for bypass pump	200	2359	Maint- pump sta's & force mains	\$ 2,030.77
PARK ENGINEERING, INC	Lincoln - May inspection services for Lincoln Ave. sewer replacement project, phase 3	300	4319	Lincoln, Prospect/Paloma (80)	\$ 11,619.00
PARK ENGINEERING, INC	Sun Valley - May inspection services for Sun Valley sewer replacement project, phase 2	300	4324	Sun Valley-Cal, Solano, Alpine,	\$ 4,182.84
PG&E a/c 2480926202-5	Power - service for pump stations 4/08/16-5/10/16	200	2535	Electric utility costs	\$ 10,277.98
PG&E a/c 2480926202-5	Power - service for pump stations 5/10/16-6/09/16	200	2535	Electric utility costs	\$ 10,322.55
PHILLIPS, GARY	Director's Fees - board meeting 6/09/16	100	2282	Director's fees	\$ 100.00
PUMP REPAIR SERVICE CO	Pump Stations - wear rings for Andersen B pump station	200	2359	Maint- pump sta's & force mains	\$ 1,603.79
ROTO-ROOTER SEWER SERVICE	Consulting Services - work at 539 Bret Harte Rd.	200	2325	Consulting services	\$ 945.00
ROTO-ROOTER SEWER SERVICE	Rehab Gravity Sewer System - work at Jewell St.	300	4302	Rehab of Gravity Sewer (80yr)	\$ 23,104.00
ROTO-ROOTER SEWER SERVICE	Standby - work at 6 Madrona St.	200	2363	Standby services	\$ 460.00

SAN RAFAEL SANITATION DISTRICT
PAYMENT SUMMARY
 June 1, 2016 - June 30, 2016

<i>Vendor/Payee</i>	<i>Memo</i>	<i>Class</i>	<i>Acct #</i>	<i>Account Name</i>	<i>Amount</i>
<i>ROTO-ROOTER SEWER SERVICE</i>	Standby - work at 201 Cantera Way	200	2363	Standby services	\$ 460.00
<i>ROTO-ROOTER SEWER SERVICE</i>	Standby - work at 655 Irwin St.	200	2363	Standby services	\$ 1,235.00
<i>ROTO-ROOTER SEWER SERVICE</i>	Standby - work at 1533 Lincoln Ave./145 Prospect	200	2363	Standby services	\$ 460.00
<i>ROTO-ROOTER SEWER SERVICE</i>	Standby - work at Pt. San Pedro and Marina Blvd.	200	2363	Standby services	\$ 230.00
<i>SHAMROCK</i>	Collection System - crushed rock for spot repair at 243 Glen Park Ave.	200	2360	O&M - collection systems	\$ 19.62
<i>TIFCO INDUSTRIES</i>	Pump Stations - penetrating oil	200	2359	Maint- pump sta's & force mains	\$ 111.59
<i>US BANK CORPORATE PAYMENT</i>	Collection System - small machine parts	200	2360	O&M - collection systems	\$ 186.00
<i>US BANK CORPORATE PAYMENT</i>	Collection System - small machine parts	200	2360	O&M - collection systems	\$ 113.97
<i>US BANK CORPORATE PAYMENT</i>	Pump Stations - pump anodes	200	2359	Maint- pump sta's & force mains	\$ 39.84
<i>US BANK CORPORATE PAYMENT</i>	Pump Stations - pump anodes	200	2359	Maint- pump sta's & force mains	\$ 113.48
<i>US BANK CORPORATE PAYMENT</i>	Safety Equipment - chromecast streaming device (returned)	200	2365	Safety equipment and supplies	\$ (38.24)
<i>US BANK CORPORATE PAYMENT</i>	Safety Equipment - HDTV 6-ft. cable	200	2365	Safety equipment and supplies	\$ 11.99
<i>US BANK CORPORATE PAYMENT</i>	Safety Equipment - Toshiba HDTV for viewing safety videos	200	2365	Safety equipment and supplies	\$ 370.98
<i>US BANK CORPORATE PAYMENT</i>	Safety Equipment - TV Wall Mount Bracket	200	2365	Safety equipment and supplies	\$ 33.69
<i>VERIZON WIRELESS</i>	Telephone Service - wireless service for laptops 4/21/16-5/20/16	100	2534	Telephone service	\$ 266.73
<i>WATER COMPONENTS & BLDG SUPPLY</i>	Collection System - sewer repair job at 243 Glen Park Ave.	200	2360	O&M - collection systems	\$ 175.39
<i>WORKSMART AUTOMATION, INC</i>	Misc Projects - The Village at Loch Lomond Marina Sewage Pump Station, 50% complete	300	4200	Miscellaneous projects (10yr)	\$ 14,250.00
<i>Total</i>					\$ 751,680.91

5.a.

SAN RAFAEL SANITATION DISTRICT
Agenda Item 5a.

DATE: July 14, 2016
TO: San Rafael Sanitation District Board of Directors
PREPARED BY: Doris Toy, District Manager/District Engineer *DT*
SUBJECT: Resolution of the Board of Directors of the San Rafael Sanitation District Establishing Sewer Connection Fees Effective July 1, 2016 – June 30, 2017

RECOMMENDATION:

Staff recommends that the Board of Directors of the San Rafael Sanitation District adopt the resolution.

BACKGROUND:

Ordinance No. 56, Section 5 (Annual Connection Fee Adjustment), which was adopted March 1, 2006, states that each year, commencing on July 1, 2006, and continuing thereafter on each July 1st, the sewer connection fees shall be adjusted by an increment determined by the change in the base index as shown in the Engineering News Record Construction Cost Index (ENR Index) for San Francisco. However, the District Board may, at its discretion, postpone the adjustment for any successive year.

ANALYSIS:

When the sewer connection fees were increased last year, the ENR Index for May 2015 was 11,169.32. This year, the ENR Index for May 2016 is 11,550.40, which results in a 3.41% increase in the District's connection fees.

FISCAL IMPACT:

The following are the proposed connection fees for FY 2016-2017 with an increase of 3.41%:

Connection Fees	FY 15-16	FY 16-17	Change
Administrative/Inspection	\$1,377.17	\$1,424.13	\$46.96
Single Family Residence	\$3,314.71	\$3,427.74	\$113.03
Multiple Dwelling/unit	\$3,314.71	\$3,427.74	\$113.03
Commercial for first 16 plumbing fixture units	\$3,314.71	\$3,427.74	\$113.03
Each Fixture unit over 16	\$207.17	\$214.23	\$7.06
Public schools & Public agencies for first 16 plumbing fixture units	\$3,314.71	\$3,427.74	\$113.03
Each Fixture unit over 16	\$207.17	\$214.23	\$7.06

OPTIONS:

1. The Board may decide not to adopt the resolution. In the future when the Board does decide to increase the connection fees, it may be a larger increase.
2. Staff recommends increasing the connection fees in small increments, such as annually, and adopting the resolution to increase the sewer connection fees for FY 2016-17.

ACTION REQUIRED:

It is the recommendation of District staff that the Board of Directors of the San Rafael Sanitation District adopt the resolution increasing sewer connection fees in accordance with Ordinance Number 56, effective July 1, 2016 – June 30, 2017.

Attachment: Resolution

SAN RAFAEL SANITATION DISTRICT

RESOLUTION NO. 16-1134

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SAN RAFAEL SANITATION DISTRICT
INCREASING SEWER CONNECTION FEES
IN ACCORDANCE WITH ORDINANCE NUMBER 56
EFFECTIVE JULY 1, 2016 - JUNE 30, 2017**

WHEREAS, an important element of the San Rafael Sanitation District's Financing Plan for Wastewater Transport System Improvements was the need for regular adjustments of the District's sewer connection charges; and

WHEREAS, said Financing Plan recommended annual adjustments to said charges to stay even with construction cost inflation; and

WHEREAS, the most widely accepted measure of change in construction costs is the Engineering News Record Construction Cost Index (ENR Index); and

WHEREAS, District Ordinance Number 56, adopted March 1, 2006, revised sewer connection fees and provided for an annual adjustment based on the change in said Construction Cost Index; and

WHEREAS, the ENR Index for May, 2016, would result in an increase of 3.41% in District sewer connection fees.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Directors of the San Rafael Sanitation District, County of Marin, State of California, that effective July 1, 2016, through June 30, 2017, sewer connection fees are established as follows:

SECTION 1. Section 4 of Ordinance Number 56 is hereby amended to read as follows:

SECTION 4. Connection fees. The connection fees for connecting to the District's sewer system are as follows:

(a) **Basic Connection Fee**

Administrative/Inspection fee	\$1,424.13
Single family residence	\$3,427.74
Multiple dwelling, per unit	\$3,427.74
Commercial establishments	\$3,427.74
for the first 16 plumbing fixture	
units plus \$214.23 for each fixture	
unit over 16	
Public schools and public agencies	\$3,427.74
for the first 16 plumbing fixture	
units plus \$214.23 for each fixture	
unit over 16	

PASSED AND ADOPTED at a regular meeting of the San Rafael Sanitation District Board of Directors held on the 14th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN:

Gary O. Phillips, Chairman

ATTEST:

Maribeth Bushey, Secretary

5.6.

SAN RAFAEL SANITATION DISTRICT
Agenda Item No. 5.b.

DATE: July 14, 2016
TO: San Rafael Sanitation District Board of Directors
FROM: Doris Toy, District Manager/District Engineer *DT*
SUBJECT: **2016-17 Appropriations Limit (Proposition 4)**

Recommendation:

Adopt resolution establishing the Fiscal Year 2016-17 Appropriations Limit.

Background/Summary:

Article XIII B of the California Constitution specifies that appropriations made by State and local governments may increase annually by a factor comprised of the change in population combined with either the change in California per capita personal income or of the change in the local assessment roll due to local non-residential construction.

The Department of Finance is mandated to provide the population and California per capita personal income change data for local jurisdictions to calculate their appropriations limits. District staff has been provided with the new price and population factors for setting the Fiscal Year 2016-17 Appropriations Limit. Using the factors provided, the calculated maximum limit applicable to the Fiscal Year 2016-17 appropriations of tax proceeds is \$1,125,796.

The District receives proceeds of taxes from property taxes and ERAF revenues that may be excluded from the limit as qualified capital outlay under the rules for appropriations subject to limitation. For the Fiscal Year 2016-17, the District anticipates its proceeds of taxes to be excluded from the limit in their entirety or excluded below the limit and the amount subject to refund to be \$0. The calculation of actual proceeds of taxes received and the extent of proceeds of taxes excluded from the limit is included as part of the annual audit.

Attachments: Resolution
2016-17 Appropriation Limit Calculation
Department of Finance Price and Population Information

SAN RAFAEL SANITATION DISTRICT

RESOLUTION NO. 16-1135

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SAN RAFAEL SANITATION DISTRICT
ESTABLISHING THE 2016-17 APPROPRIATIONS LIMIT
(PROPOSITION 4)**

BE IT RESOLVED by the Board of Directors of the San Rafael Sanitation District, County of Marin, State of California, that the calculated maximum limit applicable to the 2016-17 appropriation of tax proceeds is \$1,125,796 in accordance with Article XIII B of the Constitution of the State of California.

PASSED AND ADOPTED at a regular meeting of the San Rafael Sanitation District Board of Directors on the 14th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN:

SAN RAFAEL SANITATION DISTRICT

Gary O. Phillips, Chairman

ATTEST:

Maribeth Bushey, Secretary

SAN RAFAEL SANITATION DISTRICT
2016-17 APPROPRIATION LIMIT CALCULATION

Per Capita Personal Income Change For FY 2016-17				5.37%
<u>PCPI Ratio:</u>	$\frac{5.37+100}{100}$			<u>1.0537</u>
Population Change For FY 2016-17				
San Rafael	0.12			
Unincorporated	0.21			
Population Change Weighted Average:	(a)	(b)		(a) x (b)
San Rafael	0.12	0.90		0.1080
Unincorporated	0.21	0.10		0.0210
		<u>1.00</u>		<u>0.1290</u>
<u>Population Ratio:</u>	$\frac{0.1290+100}{100}$			<u>1.0013</u>
	(a)	(b)		(a) x (b)
Factor for FY 2016-17	1.0537	1.0013		1.0551
FY 2015-16 Appropriation Limit				1,067,004
	(a)	(b)		(a) x (b)
Calculated FY 2016-17 Appropriation Limit	1.0551	1,067,004		<u>1,125,796</u>



May 2016

Dear Fiscal Officer:

Subject: Price Factor and Population Information

Appropriations Limit

The California Revenue and Taxation Code, section 2227, requires the Department of Finance (Finance) to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2016, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2016-17. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2016-17 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts

Some special districts must establish an annual appropriations limit. The Revenue and Taxation Code, section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The Code and the California Constitution can be accessed at the following website: <http://leginfo.legislature.ca.gov/faces/codes.xhtml>.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. Finance will certify the higher estimate to the State Controller by June 1, 2016.

Please Note: Prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

MICHAEL COHEN
Director
By:

AMY COSTA
Chief Deputy Director

Attachment

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2016-17 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2016-17	5.37

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2016-17 appropriation limit.

2016-17:

Per Capita Cost of Living Change = 5.37 percent
 Population Change = 0.90 percent

Per Capita Cost of Living converted to a ratio: $\frac{5.37 + 100}{100} = 1.0537$

Population converted to a ratio: $\frac{0.90 + 100}{100} = 1.0090$

Calculation of factor for FY 2016-17: $1.0537 \times 1.0090 = 1.0632$

Fiscal Year 2016-17

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2015 to January 1, 2016 and Total Population, January 1, 2016

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total</u>
	2015-2016	1-1-15	1-1-16	1-1-2016
Marin				
Belvedere	0.42	2,153	2,162	2,162
Corte Madera	-0.01	9,345	9,344	9,344
Fairfax	-0.09	7,433	7,426	7,426
Larkspur	0.60	12,371	12,445	12,445
Mill Valley	0.34	14,830	14,880	14,880
Novato	0.84	54,097	54,550	54,749
Ross	0.24	2,521	2,527	2,527
San Anselmo	0.17	12,845	12,867	12,867
San Rafael	0.12	60,507	60,582	60,582
Sausalito	0.07	7,212	7,217	7,217
Tiburon	0.20	9,484	9,503	9,503
Unincorporated	0.21	64,682	64,815	68,572
County Total	0.33	257,480	258,318	262,274

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

5.c.

SAN RAFAEL SANITATION DISTRICT
Agenda Item 5.c.

DATE: July 14, 2016
TO: Board of Directors, San Rafael Sanitation District
FROM: Doris Toy, District Manager/District Engineer *DT*
SUBJECT: Adoption of Investment Policy

RECOMMENDATION:

Approve and adopt the *Statement of Investment Policy, FY 2015-2016* of the County of Marin as the investments policy for the San Rafael Sanitation District.

BACKGROUND/SUMMARY:

The California Government Code Section 53600 requires all California special districts to adopt an investment policy annually. The District utilizes the services of the Marin County to collect its revenues, disburse expenses, and to invest its cash not required for immediate use. The County of Marin invests all of its cash and cash held in custody for other Marin County special districts in accordance with its Statement of Investment Policy adopted annually by the Marin County Board of Supervisors. The Marin County investment policy meets the requirements of the California Government Code as well as County-specific requirements such as the Nuclear Freeze Ordinance Measure A approved by Marin voters in 1986. The Marin County investment policy is audited annually for conformance with its stated policy and California law.

The District maintains all of its cash with the County of Marin's pooled cash and investments. Given that the District does not independently manage investments, the District's investments, therefore, conform with those of the County of Marin to the extent of its pro-rata share of the aggregate investment pool. Accordingly, the investments policy of the County of Marin effectively serves as the investments policy of the District.

FINANCIAL IMPACT:

None.

Attachments: District Resolution
County of Marin Statement of Investment Policy, FY 2015-2016

SAN RAFAEL SANITATION DISTRICT

RESOLUTION NO. 16-1136

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SAN RAFAEL SANITATION DISTRICT
TO APPROVE THE INVESTMENT POLICY
OF THE COUNTY OF MARIN AS THE INVESTMENT POLICY
FOR THE SAN RAFAEL SANITATION DISTRICT**

WHEREAS, all California Special Districts are required by the California Government Code to adopt an investment policy annually; and

WHEREAS, the District does not independently manage investments but rather utilizes the services of the County of Marin for most of its cash management needs; and

WHEREAS, the County of Marin invests the District's cash as well as all other cash in its custody in accordance with its *Statement of Investment Policy* adopted annually by the Marin County Board of Supervisors and audited annually by the County's external auditors; and

WHEREAS, the District's investments are its pro-rata share of the aggregate Marin County pool.

NOW, THEREFORE, BE IT HEREBY RESOLVED to approve and adopt the *Statement of Investment Policy, FY 2015-16* of the County of Marin as the investment policy for the San Rafael Sanitation District.

PASSED AND ADOPTED by the Board of Directors of the San Rafael Sanitation District at its regular meeting of July 14, 2016, by the following vote:

AYES:

NOES:

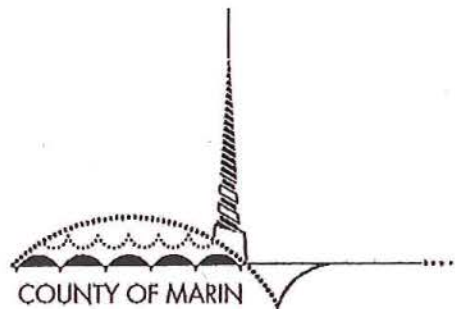
ABSENT/ABSTAIN:

Gary O. Phillips, Chairman

ATTEST:

Maribeth Bushey, Secretary

COUNTY OF MARIN
STATEMENT OF INVESTMENT
POLICY



FY 2015-2016

DEPARTMENT OF FINANCE
ROY GIVEN, DIRECTOR

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COUNTY OF MARIN

STATEMENT OF INVESTMENT POLICY

Under the authority delegated to the Director of Finance by the Board of Supervisors and in accordance with the California Government Code, the following sets forth the investment policy of the County of Marin:

I. OBJECTIVES:

All funds on deposit in the County Treasury shall be invested in accordance with the California Government Code Sections 53600 et sec. and Sections 53639 et sec. to ensure:

- (a) **Preservation of capital** through high quality investments and by continually evaluating the credit of financial institutions approved for investment transactions, and securities considered and held in safekeeping;
- (b) **Maintenance of sufficient liquidity** to enable the participants and other depositors to meet their operating requirements;
- (c) **A rate of return** consistent with the above objectives.

2. PARTICIPANTS

Participants in the Marin County Pool are defined as Marin County, Marin Public School Agencies, Marin Community College, Marin County Office of Education, districts under the control of the County Board of Supervisors, autonomous/independent districts whose treasurer is the Director of Finance and any other district or agency approved by the Board of Supervisors and the Director of Finance using the County of Marin as their fiscal agent.

- (a) **Statutory participants** are those government agencies within the County of Marin for which the Marin County Treasurer is statutorily designated as the Custodian of Funds.
- (b) **Voluntary participants** are other local agencies that may participate in the Pooled Investment Fund, such as special districts and cities for which the Marin County Treasurer is not statutorily designated as the Custodian of Funds. Participation is subject to approval by the Director of Finance, and in accordance with California Government Code Section 53684.

3. AUTHORIZED PERSONS

Authorized persons for investment purposes include principal staff as designated by the Director of Finance on the Authorized Investor List. Designated Principal Staff shall make all investment decisions. To minimize the risk of disrupting the day to day business activities, Principal Staff shall use separate means of travel to attend training and conferences.

All investment decisions shall be made with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person acting, as a trustee, in a like capacity and familiarity would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the participants.

4. *BIDS & PURCHASE OF SECURITIES*

Prior to the purchase of an investment pursuant to this policy the persons authorized to make investments shall assess the market and market prices using information obtained from available sources including investment services, broker/dealers, and the media. Bids for various investments shall be evaluated considering preservation of capital as the most important factor, liquidity as the second most important factor and lastly, yield. Investments in commercial paper, bankers acceptances and certificates of deposit for each issuer shall be limited to five percent (5%) of Treasury assets, determined using the Treasury balance at the time of purchase, except that investments in overnight commercial paper shall be limited to seven percent (7%) of Treasury assets for any one issuer. The investment selected for purchase shall be that investment which in the opinion of the purchaser most clearly meets these objectives. All security transactions shall be documented at the time the transaction is consummated.

5. *TERM*

Maturities of investments in the Marin County Treasury Pool shall be selected based upon liquidity requirements. The maximum remaining term to maturity for an investment shall be three (3) years; except that, subject to the limitations set forth in Sections 53601 et seq. and 53635 et seq. of the California Government Code, the Director of Finance may authorize investments in U.S. Treasury obligations and/or U.S. and local agency obligations with a maximum remaining term to maturity that shall not exceed five (5) years. The weighted average maturity of the investment pool, to be determined at the time of purchase, shall not exceed 540 days to final maturity/call.

Capital Funds, Construction Funds, or money obtained through the sale of agency surplus property, may be invested by the Director of Finance in specific investments outside of the Pool provided the Director of Finance obtains written approval from the governing board of the County, School District or Special District. No investment shall have a remaining maturity in excess of five (5) years.

Proceeds of Debt Issues set aside for repayment of any County, School District, or Special District financings shall not be invested for a term that exceeds the term set forth in the financing documents.

6. **ALLOWED INVESTMENTS**

Pursuant to California Government Code Sections 53601 et seq. &, 53635 et seq., the County Director of Finance may invest in the following subject to the limitations as set forth:

- (a) **United States Treasury obligations.**
- (b) **United States Agency obligations.**
- (c) **Securities of U.S. Government Agencies & Instrumentalities**
- (d) **State of California Bonds and Registered Warrants.**
- (e) **Bonds, Notes, Warrants or other evidence of indebtedness of a local agency within the State of California.**
- (f) **Bankers acceptances not to exceed one hundred eighty (180) days to maturity or at the time of purchase thirty percent (30%) of the treasury fund balance.**
- (g) **Commercial paper of "prime" quality of the highest letter and numerical rating as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation, to be chosen from among corporations organized and operating within the United States with assets in excess of \$500,000,000.00 and having an "A" or higher rating for the issuer's debt, other than commercial paper, as provided for by Moody's Investors Service or Standard and Poor's Corporation. Purchases of eligible commercial paper may not exceed two hundred seventy (270) days in maturity and may not exceed forty percent (40%) of the treasury fund balance.**
- (h) **Negotiable certificates of deposit issued by a nationally or state-chartered bank, a state or federal association or by a state-licensed branch of a foreign bank selected on the basis of financial stability and credit rating criteria employed by the County Director of Finance. Negotiable certificates of deposit may not exceed thirty percent (30%) of the treasury fund balance.**

i) **Non-negotiable certificates of deposit (Time Deposits)** with a nationally or state-chartered bank or a state or federal association selected on the basis of financial stability, credit rating and reputation using criteria employed by the County Director of Finance fully collateralized at one hundred ten percent (110%) of market value with U.S. Government Securities, high-grade Municipal Bonds, instruments of federal agencies, including mortgage backed securities at one hundred fifty percent (150%) of market value with promissory notes secured by first deeds of trust upon improved residential real property as provided by the Government Code.

(j) **Medium-term Notes** rated "A" or better, to be chosen from among corporations with assets in excess of \$500,000,000.00 with a maturity not to exceed two years from the date of purchase. Purchase of eligible medium-term notes may not exceed thirty percent (30%) of the treasury fund balance.

(k) **Shares of beneficial interest issued by diversified management companies**, which are money market funds investing in securities and obligations as authorized by this investment policy. To be eligible for investment these companies shall attain the highest ranking or the highest letter and numerical rating provided by no less than two nationally recognized statistical rating organizations and have assets under management in excess of \$500,000,000.00. The purchase price may not include any commissions that these companies may charge, and the purchase of shares in any one mutual fund may not exceed ten percent (10%) of the treasury balance and the total invested may not exceed twenty percent (20%) of the treasury balance. Shares of beneficial interest issued by diversified management companies may include shares in investment trusts established under provisions of the California Joint Exercise of Powers Act.

(l) **Repurchase agreements** on any investment authorized by this investment policy where the term of the agreement does not exceed one year. The market value of securities that underlay a repurchase agreement shall be valued at one hundred two percent (102%) or greater of the funds borrowed against those securities, and the value shall be adjusted daily. The County Director of Finance or designee must approve any collateral substitution by the seller, and any new collateral should be reasonably identical to the original collateral in terms of maturity, yield, quality and liquidity.

(m) **California State Local Agency Investment Pool (LAIF)** operated by the State Treasurer's office.

(n) **Financial Institution Investment Accounts** - All funds on deposit with the County shall be managed by the County Director of Finance. The Director of Finance may, at his option, at the time of placement, place not more than five percent (5%) of the Treasury assets at the time of investment with a financial institution for the purpose of managing such funds. Securities eligible for purchase by the financial institution are limited to United States Treasury and Agency obligations with a "AAA" credit quality rating, must be held in the County's name in a third party custody account, may not have a remaining maturity in excess of three (3) years, and the account shall have an average maturity of 1.5 years or less. All security transactions shall be supervised and approved by designated staff on the Authorized Investor List.

Where a percentage limitation is specified for a particular category of investments, that percentage is applicable only at the time of purchase.

7. **PROHIBITED INVESTMENTS**

(a) The County Director of Finance **shall not invest** in any **Derivatives** such as inverse floaters, range notes, or interest only strips that are derived from a pool of mortgages or any security bearing a rate of interest which is not known at the time of purchase.

(b) The County Director of Finance shall not invest any funds in any security that could result in **zero interest accrual** if held to maturity or where there is a risk of loss of principal when held to maturity.

(c) **Reverse repurchase agreements**, securities lending agreements and all other investments that are not specifically allowed by this investment policy are prohibited.

(d) In accordance with Marin County's Nuclear Freeze Ordinance Measure "A" (Exhibit 1) as approved by the voters on November 4, 1986, the County is prohibited from investing in securities or other obligations of any corporation or business entity which is a **nuclear weapons contractor**.

Furthermore, said corporations or business entities that the County Director of Finance does invest in must file an affidavit as required by Measure "A" Section VI. B certifying that neither it, nor its parent company, affiliates or subsidiaries are nuclear weapons contractors. A copy of each affidavit received shall be sent to the Peace Commission.

8. *BROKERS*

Broker/dealers shall be selected by the Director of Finance upon recommendation by the Investment Officer or designated principal staff on the Authorized Investor List. Selection of broker/dealers shall be based upon the following criteria: the reputation and financial strength of the company or financial institution and the reputation and expertise of the individuals employed. The Director of Finance shall be prohibited from selecting any broker, brokerage firm, dealer, or securities firm that has, within any 48 consecutive month period following January 1, 1996, made a political contribution in an amount exceeding the limitations contained in Rule G-37 of the Municipal Securities Rulemaking Board, any member of the Board of Supervisors, any member of the governing board of a local agency having funds held in the County Treasury, or any candidate for those offices. The broker/dealers shall be provided with and acknowledge receipt of the County Investment Policy.

9. *WITHDRAWALS*

No withdrawals from the Marin County Pool shall be made for the purpose of investing and or depositing those funds outside the pool without the prior approval of the Marin County Director of Finance. The Director of Finance shall evaluate each proposed withdrawal to assess the effect the withdrawal will have upon the stability and predictability of the investments in the County Treasury. Approval shall be given unless the withdrawal will adversely affect the interests of the other depositors. Requests for withdrawals for the purpose of investing or depositing funds outside the pool shall be made in writing at least ten (10) business days in advance of the proposed withdrawal date. Notice in writing of at least five (5) business days shall be required for withdrawals in excess of \$250,000.00 for loan repayments, capital expenditures and any expenditure not in the ordinary course of operations.

10. *SWAPS*

Securities can be swapped for other approved securities with similar maturity schedules to gain higher rates of return. When a swap involves a change in liquidity, future cash needs shall be conservatively estimated.

11. *LOSSES*

Losses are acceptable on a sale before maturity, and may be taken if the reinvestment proceeds will earn an income flow with a present value higher than the present value of the income flow that would have been generated by the original investment, considering any investment loss or foregoing interest on the original investment.

12. *DELIVERY & SAFEKEEPING*

Delivery of all securities shall be through a third party custodian. Non-negotiable certificates of deposit and notes of local agencies may be held in the Director of Finance's safe. The County's safekeeping agent shall hold all other securities. No security shall be held in safekeeping by the broker/dealer from whom it was purchased. Settlement payment in a securities transaction will be against delivery only, and a Due Bill or other substitution will not be acceptable. Persons authorized under section three (3) who did not originate the investment transaction shall review all confirmations for conformity with the original transaction. Confirmations resulting from securities purchased under a repurchase agreement shall state the exact and complete nomenclature of the underlying securities purchased.

13. *APPORTIONMENT OF INTEREST & COSTS*

Interest shall be apportioned to all pool participants quarterly based upon the ratio of the average daily balance of each individual fund to the average daily balance of all funds in the investment pool. The amount of interest apportioned shall be determined using the cash method of accounting whereby interest will be apportioned for the quarter in which it was actually received. The Director of Finance shall deduct from the gross interest received those actual administrative costs relating to the management of the treasury including salaries and other compensation, banking costs, equipment purchased, supplies, costs of information services, audits and any other costs as provided by Section 27013 of the Government Code.

14. *CONFLICT OF INTEREST*

A member of the county treasury oversight committee, the County Director of Finance or County employees working in the Treasurer's office shall not accept honoraria, gifts, and gratuities from advisors, brokers, dealers, bankers, or other person with whom the county treasury conducts business, that are in violation of *state law*.

15. AUDITS

The County of Marin investment portfolio shall be subject to a process of independent review by the County's external auditors. The County's external auditors shall review the investment portfolio in connection with the annual county audit for compliance with the statement of investment policy pursuant to Government Code Section 27134. The results of the audit shall be reported annually to the Director of Finance and the Marin County Treasury Oversight Committee.

15.1 Compliance Audit: Government Code Section 27134

The Treasury Oversight Committee shall cause an annual audit to be conducted to determine the County Treasury's compliance with Article 6 of the Government Code. This audit may include issues relating to the structure of the investment portfolio and risk

16. REVIEW

The Director of Finance and designated staff will perform a monthly review of the investment function.

17. REPORTS

The Director of Finance shall prepare a monthly report listing all investments in the County Pool as of the last day of the month and a report of the average days to maturity and yield of investments in the County Pool. The Director of Finance shall also prepare a monthly report for all non-pooled investments. These reports shall be distributed to the Marin County Board of Supervisors, Superintendent of Schools, Marin Public School Agencies, Special Districts, non-pooled investors, the County's investment oversight committee, and any other participant upon request.

18. INVESTMENT POLICY

The County Director of Finance shall prepare and submit an annual statement of investment policy to the Board of Supervisors.

19. *TREASURY OVERSIGHT COMMITTEE*

Consistent with State law the County has established a Treasury Oversight Committee. The Committee includes representatives from the County of Marin, Superintendent of Schools' Office, School Districts and Special Districts. The Committee shall review and monitor the Investment Policy as contained in California Government Code Sections 27130 – 27137.

20. *DISASTER/BUSINESS CONTINUITY PLAN*

The County of Marin's banking and investment functions are mission critical and as such, the office must have a business continuity plan.

The goal of a disaster/business recovery plan is to protect and account for all funds on deposit with the county treasury and to be able to continue our banking and investment functions for all participants in the event of an occurrence (Earthquake, Fire, Pandemic or other event) which disrupt normal operations. Our plan provides for the ability to perform our banking and investment function at an off-site location under less than optimal conditions and, if needed, even outside our county.

In the event of an occurrence which precludes staff from being able to operate from our office, the attached plan (exhibit 2) will be activated. The plan includes:

- Scope
- Chain of Command
- Continuity Procedure
- Functions and Tasks to be performed
- Equipment and Emergency Packets
- Disaster Assignment
- Off-site locations

Normal processes may be modified in response to an occurrence. However, the county's investment policy shall be strictly followed.

Dated: July 1, 2015

Roy Given
Director of Finance

Reviewed and monitored by Marin Treasury Oversight
Committee on November 2, 2015

Approved by Marin County Board of Supervisors on
December XX, 2015

Attachments:

- Exhibit 1 Marin County Nuclear Freeze Ordinance
- Exhibit 2 Disaster/Business Continuity Plan
- Exhibit 3 Authorized Investor List

5.d.

Budget Status

San Rafael Sanitation District

July 1, 2015 through March 31, 2016

OPERATING FUND				
ACCOUNT NUMBER - DESCRIPTION OF ITEM	ANNUAL BUDGET 2015-16	ACTUAL	BUDGET REMAINING	Actual as % of Budget
FUND BALANCE AT JUNE 30, 2015	13,249,000	12,828,480	(420,520)	
REVENUE				
400000 · Sewer assessments and charges	15,480,000	8,547,438	(6,932,562)	55%
410010 · Connection fees	10,000	66,363	56,363	664%
451000 · Property taxes	1,157,000	753,713	(403,287)	65%
4410125 · Interest income	15,000	20,288	5,288	135%
461000 · Aid from governmental agencies	-	9,400	9,400	*
499000 · Miscellaneous income	-	-	-	*
Total Revenue	16,662,000	9,397,202	(7,264,798)	56%
TOTAL RESOURCES AVAILABLE	29,911,000	22,225,682	(7,685,318)	
EXPENDITURES				
Supplies and Services				
2361 · Contract with San Rafael	3,005,000	2,163,867	841,133	72%
2388 · Training and education	6,500	1,603	4,897	25%
2477 · Conferences	5,500	-	5,500	0%
2131 · Memberships and subscriptions	14,000	10,706	3,294	76%
2534 · Telephone service	18,500	13,757	4,743	74%
2282 · Director's fees	5,200	2,200	3,000	42%
2713 · Legal services	30,000	10,404	19,596	35%
2325 · Consulting services	64,500	33,439	31,061	52%
2717 · Accounting fees	57,500	42,300	15,200	74%
2716 · Tax collection fees	39,000	22,168	16,832	57%
2059 · General insurance	124,500	86,367	38,133	69%
2051 · Claims and deductibles	35,000	400	34,600	1%
2321 · Public outreach	10,000	1,356	8,644	14%
2221 · Legal notice publications	1,500	-	1,500	0%
2122 · Rebates, refunds of conn fees	10,000	744	9,256	7%
2133 · Office & shop supplies	13,300	8,890	4,410	67%
2389 · Miscellaneous expenses	1,500	274	1,226	18%
2359 · Maint - pump sta's and force mains	210,000	106,322	103,678	51%
2360 · O&M - collection systems	170,000	88,660	81,340	52%
2535 · Electric utility costs	155,000	101,667	53,333	66%
2536 · Water utility costs	12,500	5,061	7,439	40%
2363 · Standby services	40,000	15,736	24,264	39%
2083 · Parts and repairs vehicles	51,500	27,819	23,681	54%
2106 · Odor control chemicals	81,500	48,824	32,676	60%
2021 · Uniforms	11,000	4,367	6,633	40%
2365 · Safety equipment and supplies	12,500	1,716	10,784	14%
4045 · Manhole raising	53,500	11,500	42,000	21%
4300 · FOG Program	37,000	10,931	26,069	30%
4188 · Facilities mapping services	95,000	37,950	57,050	40%
Total Supplies and Services	4,371,000	2,859,028	1,511,972	65%

¹ Revenue collection concentrated in second and fourth quarters of fiscal year.

Budget Status

San Rafael Sanitation District

July 1, 2015 through March 31, 2016

OPERATING FUND (Continued)				
ACCOUNT NUMBER - DESCRIPTION OF ITEM	ANNUAL BUDGET 2015-16	ACTUAL	BUDGET REMAINING	Actual as % of Budget
746040 · Central Marin Sanitation Agency				
4112 · Sewage treatment	4,470,000	3,290,185	1,179,815	74%
4113 · Sewage treatment - debt service	1,800,000	1,688,582	111,418	94%
Total 746040 · Central Marin Sanitation Agency	6,270,000	4,978,767	1,291,233	79%
Transfers to Capital Funds				
Equipment acquisition fund	320,000	320,000	-	100%
80-year life-cycle sewer replacement fund	4,866,000	4,866,000	-	100%
Pump station & force main capital improvements	1,638,000	1,638,000	-	100%
Total Transfers to Capital Funds	6,824,000 ²	6,824,000	-	100%
Budget Status Summary				
Total Supplies & Services	4,371,000	2,859,028	1,511,972	65%
Total Central Marin Sanitation District	6,270,000	4,978,767	1,291,233	79%
Total Transfers to capital funds	6,824,000	6,824,000	0	100%
Total Budgeted Expenditures	17,465,000	14,661,795	2,803,205	84%
FUND BALANCE - ENDING	12,446,000	7,563,887		

² Full amount of annual transfers to capital funds recorded in quarter ended September 2015.

EQUIPMENT ACQUISITION FUND				
ACCOUNT NUMBER - DESCRIPTION OF ITEM	ANNUAL BUDGET 2015-16	ACTUAL	BUDGET REMAINING	Actual as % of Budget
FUND BALANCE AT JUNE 30, 2015	1,085,000	1,085,000	-	
REVENUE				
Transfers from Operating Fund	320,000	320,000	-	100%
TOTAL RESOURCES AVAILABLE	1,405,000	1,405,000	-	100%
EXPENDITURES				
Equipment Acquisitions				
4830 · Vehicle and equipment acquisition	233,000	35,367	197,633	15%
Total Equipment Acquisitions	233,000	35,367	197,633	15%
FUND BALANCE - ENDING	1,172,000	1,369,633		

Budget Status

San Rafael Sanitation District

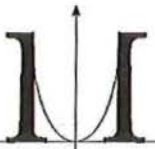
July 1, 2015 through March 31, 2016

80-YEAR LIFE-CYCLE SEWER REPLACEMENT FUND				
ACCOUNT NUMBER - DESCRIPTION OF ITEM	ANNUAL BUDGET 2015-16	ACTUAL	BUDGET REMAINING	Actual as % of Budget
FUND BALANCE AT JUNE 30, 2015	6,349,000	6,349,000	-	
REVENUE				
Transfers from Operating Fund	4,866,000	4,866,000	-	100%
TOTAL RESOURCES AVAILABLE	11,215,000	11,215,000	-	100%
EXPENDITURES				
Capital Improvements - Expend				
4313 · Warner Ct, Woodland Pl (80yr)	300,000	235,421	64,579	78%
4301 · Sewer System condition/capacity	350,000	875	349,125	0%
4309 · Sun Valley-Calif, Humbolt, Nevada	1,883,817	1,423,619	460,198	76%
4318 · Lincoln Ave, Paloma to Mission	840,000	670,905	169,095	80%
4319 · Lincoln Ave, Prospect to Paloma	1,800,000	108,695	1,691,305	6%
4317 · H Street, Fourth to Forbes	70,000	85,835 ³	(15,835)	123%
4321 · Miscellaneous Projects (80yr)	130,183	-	130,183	0%
4302 · Rehab of Gravity Sewer 80yr	200,000	53,204	146,796	27%
4323 · Woodland Pl/Ave & Octavia	700,000	-	700,000	0%
4324 · Sun Valley-Calif, Solano, Alpine, Windsor	100,000	64,655	35,345	65%
Total 746010 · Capital Improvements - Expend	6,374,000	2,643,209	3,730,791	41%
FUND BALANCE - ENDING	4,841,000	8,571,791		

³ Variance caused by difference of 6/30/15 expenditure estimate and the actual costs.

PUMP STATION & FORCE MAIN CAPITAL IMPROVEMENT FUND				
ACCOUNT NUMBER - DESCRIPTION OF ITEM	ANNUAL BUDGET 2015-16	ACTUAL	BUDGET REMAINING	Actual as % of Budget
FUND BALANCE AT JUNE 30, 2015	1,340,000	1,340,000	-	
REVENUE				
Transfers from Operating Fund	1,638,000	1,638,000	-	100%
TOTAL RESOURCES AVAILABLE	2,978,000	2,978,000	-	100%
EXPENDITURES				
Capital Improvements - Expend				
4143 · Cayes Pump Station	-	(4,768) ⁴	4,768	*
4145 · Cathodic Protection	290,000	251,735	38,265	87%
4146 · Glenwood Pump Station	1,700,000	1,260,126	439,874	74%
4151 · Force Main Condition Assessment	129,000	-	129,000	0%
4200 · Miscellaneous projects	130,000	-	130,000	0%
4142 · Stand Pipe at Pump Stations	100,000	-	100,000	0%
Total 746010 · Capital Improvements - Expend	2,349,000	1,507,093	841,907	64%
FUND BALANCE - ENDING	629,000	1,470,907		

⁴ Negative expenditure caused by difference of 6/30/15 expenditure estimate and the actual costs.



ACCOUNTANTS' COMPILATION REPORT

Board of Directors
San Rafael Sanitation District

Management is responsible for the accompanying special purpose statement of San Rafael Sanitation District (a California Special District) which comprise the budgetary status report for the period ended March 31, 2016, and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on this special purpose budgetary comparison statement.

The special purpose statement is prepared in accordance with the budgetary basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This report is intended for the information of the Board of Directors of the District.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the special purpose budgetary comparison statement, they might influence the user's conclusions about the District's results of operations. Accordingly, this special purpose budget status report is not designed for those who are not informed about such matters.

We are not independent with respect to the District because we performed certain accounting services that impaired our independence.

Maher Accountancy
San Rafael, California
May 24, 2016



5.e.

SAN RAFAEL SANITATION DISTRICT
Agenda Item No. 5.e.

DATE: July 14, 2016
TO: Board of Directors, San Rafael Sanitation District
FROM: Doris Toy, District Manager/District Engineer *A*
SUBJECT: Adopt Resolution Authorizing the District Manager/District Engineer to Execute a Professional Services Agreement with Miller Pacific Engineering Group for Geotechnical Observation and Testing Services for the Sun Valley Sewer Replacement Project, Phase 2

RECOMMENDATION:

Adopt resolution authorizing the District Manager/District Engineer to execute a Professional Services Agreement with Miller Pacific Engineering Group for geotechnical observation and testing services for the Sun Valley Sewer Replacement Project, Phase 2.

BACKGROUND:

The Sun Valley Sewer Replacement Project, Phase 2, will replace approximately 1 mile of sewer pipe on Solano and Alpine streets; California Avenue, from Humboldt Street to the end of Windsor Avenue; and Center Street, from J to K streets with 8-inch pipe using various methods, i.e. open trench, pipe bursting, directional drilling, and cured-in-place.

At the May Board meeting, the Board awarded the construction of the Sun Valley project to Ranger Pipelines, Inc. The next step is to obtain a geotechnical firm to perform the geotechnical observation and testing services for this project.

ANALYSIS:

Since Miller Pacific Engineering Group performed the geotechnical investigation and consultation for the design of the project, staff has requested Miller Pacific to provide a proposal to perform the geotechnical observation and testing services during construction. Miller Pacific submitted a proposal on July 8, 2016, which is attached as Exhibit "A".

Miller Pacific proposes to perform the geotechnical observation and testing services on a time-and-materials basis not to exceed \$29,000.

FISCAL IMPACT:

The Sun Valley Sewer Replacement Project, Phase 2, has a budget of \$3 million for Fiscal Years 2015-16 and 2016-17, which includes the geotechnical portion of the work. Therefore, there is sufficient funding for the geotechnical observation and testing services by Miller Pacific.

ACTION REQUIRED:

Staff recommends that the Board adopt the resolution authorizing the District Manager/District Engineer to execute a Professional Services Agreement with Miller Pacific Engineering Group for geotechnical observation and testing services for the Sun Valley Sewer Replacement Project, Phase 2.

Attachment: Resolution
Professional Services Agreement
Proposal from Consultant, Exhibit "A"

SAN RAFAEL SANITATION DISTRICT

RESOLUTION NO. 16-1140

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SAN RAFAEL SANITATION DISTRICT
AUTHORIZING THE DISTRICT MANAGER/DISTRICT ENGINEER
TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH
MILLER PACIFIC ENGINEERING GROUP FOR GEOTECHNICAL
CONSTRUCTION OBSERVATION AND TESTING SERVICES FOR THE
SUN VALLEY SEWER REPLACEMENT PROJECT, PHASE 2**

**THE BOARD OF DIRECTORS OF THE SAN RAFAEL SANITATION DISTRICT,
COUNTY OF MARIN**, hereby resolves as follows:

The District Manager/District Engineer is hereby authorized to execute, on behalf of the San Rafael Sanitation District, a Professional Services Agreement with Miller Pacific Engineering Group for geotechnical construction observation and testing services to for the Sun Valley Sewer Replacement Project, Phase 2, a copy of which is hereby attached and by this reference made a part hereof.

PASSED AND ADOPTED at a regular meeting of the San Rafael Sanitation District Board of Directors held on the 14th day of July, 2016, by the following vote, to wit:

AYES:

NOES:

ABSENT/ABSTAIN:

SAN RAFAEL SANITATION DISTRICT

Gary O. Phillips, Chairman

ATTEST:

Maribeth Bushey, Secretary

**PROFESSIONAL SERVICES AGREEMENT
FOR GEOTECHNICAL CONSTRUCTION OBSERVATION
AND TESTING SERVICES FOR THE
SUN VALLEY SEWER REPLACEMENT PROJECT, PHASE 2**

This Agreement is made and entered into this 14th day of July, 2016, by and between the SAN RAFAEL SANITATION DISTRICT (hereinafter "DISTRICT"), and MILLER PACIFIC ENGINEERING GROUP (hereinafter "CONTRACTOR").

RECITALS

WHEREAS, the DISTRICT has determined that MILLER PACIFIC ENGINEERING GROUP is required to perform geotechnical construction observation and testing services for the "**Sun Valley Sewer Replacement Project, Phase 2**" (hereinafter "PROJECT"); and

WHEREAS, the CONTRACTOR has offered to render certain specialized professional services in connection with this Project.

AGREEMENT

NOW, THEREFORE, the parties hereby agree as follows:

1. DEFINITIONS.

DISTRICT and CONTRACTOR have outlined the scope of services to be provided and related expenses as described in Exhibit "A" attached and incorporated herein.

2. PROJECT COORDINATION

A. DISTRICT. The District Manager/District Engineer shall be the representative of the DISTRICT for all purposes under this Agreement. The Senior Civil Engineer is hereby designated the PROJECT MANAGER for the DISTRICT, and said PROJECT MANAGER shall supervise all aspects of the progress and execution of this Agreement.

B. CONTRACTOR. CONTRACTOR shall assign a single PROJECT DIRECTOR to have overall responsibility for the progress and execution of this Agreement for CONTRACTOR. SCOTT A. STEPHENS is hereby designated as the PROJECT DIRECTOR for CONTRACTOR. Should circumstances or conditions subsequent to the execution of this Agreement require a substitute PROJECT DIRECTOR for any reason, the CONTRACTOR shall notify the DISTRICT within ten (10) business days of the substitution.

3. DUTIES OF CONTRACTOR

CONTRACTOR shall perform the duties and/or provide services as follows: The CONTRACTOR agrees to provide professional services as a Geotechnical Consultant to prepare work outlined in the Proposal from CONTRACTOR dated July 8, 2016, marked Exhibit "A", attached hereto, and incorporated herein by this reference. The CONTRACTOR agrees to perform the work specified in this agreement in the time frame as specified and as shown in Exhibit "A".

4. DUTIES OF THE DISTRICT

DISTRICT shall perform the duties as described and incorporated herein.

5. COMPENSATION

For the full performance of the services described herein by CONTRACTOR, DISTRICT shall pay CONTRACTOR on a time and materials basis for services rendered in accordance with the rates shown on the current fee schedule as described in Exhibit "A" attached and incorporated herein. The total payment made for any individual work task will not exceed the amounts shown on the Proposal Budget set out in Exhibit "A".

Payment will be made monthly upon receipt by PROJECT MANAGER of itemized invoices submitted by CONTRACTOR.

6. TERM OF AGREEMENT

The term of this Agreement shall be from the date of execution until the Project is complete.

7. TERMINATION

A. Discretionary. Either party may terminate this Agreement without cause upon thirty (30) days written notice mailed or personally delivered to the other party.

B. Cause. Either party may terminate this Agreement for cause upon ten (10) days written notice mailed or personally delivered to the other party, and the notified party's failure to cure or correct the cause of the termination notice, to the reasonable satisfaction of the party giving such notice, within thirty (30) days of the receipt of said notice.

C. Effect of Termination. Upon receipt of notice of termination, neither party shall incur additional obligations under any provision of this Agreement without the prior written consent of the other.

D. Return of Documents. Upon termination, any and all DISTRICT documents or materials provided to CONTRACTOR and any and all of CONTRACTOR's documents and materials prepared for or relating to the performance of its duties under this Agreement shall be delivered to DISTRICT as soon as possible, but not later than thirty (30) days after termination.

8. OWNERSHIP OF DOCUMENTS

The written documents and materials prepared by the CONTRACTOR in connection with the performance of its duties under this Agreement shall be the sole property of DISTRICT. DISTRICT may use said property for any purpose, including projects not contemplated by this Agreement.

9. INSPECTION AND AUDIT

Upon reasonable notice, CONTRACTOR shall make available to DISTRICT or its agent, for inspection and audit, all documents and materials maintained by CONTRACTOR in connection with its performance of its duties under this Agreement. CONTRACTOR shall fully cooperate with DISTRICT or its agent in any such audit or inspection.

10. ASSIGNABILITY

The parties agree that they shall not assign or transfer any interest in this Agreement nor the performance of any of their respective obligations hereunder without the prior written consent of the other party, and any attempt to so assign this Agreement or any rights, duties, or obligations arising hereunder shall be void and of no effect.

11. INSURANCE

A. During the term of this Agreement, CONTRACTOR shall maintain, at no expense to DISTRICT, the following insurance policies:

1. A comprehensive general liability insurance policy in the minimum amount of one million (\$1,000,000) dollars per occurrence for death, bodily injury, personal injury, or property damage;

2. An automobile liability (owned, non-owned, and hired vehicles) insurance policy in the minimum amount of one million (\$1,000,000) dollars per occurrence;

3. If any licensed professional performs any of the services required to be performed under this Agreement, a professional liability insurance policy in the minimum amount of one million (\$1,000,000) dollars to cover any claims arising out of the CONTRACTOR's performance of services under this Agreement.

B. The insurance coverage required of the CONTRACTOR by Section 11. A. shall also meet the following requirements:

1. The insurance shall be primary with respect to any insurance or coverage maintained by DISTRICT and shall not call upon DISTRICT's insurance or coverage for any contribution;

2. Except for professional liability insurance, the insurance policies shall be endorsed for contractual liability and personal injury;

3. Except for professional liability insurance, the insurance policies shall be specifically endorsed to include the DISTRICT, its officers, agents, and employees as additionally named insureds under the policies;

4. CONTRACTOR shall provide to PROJECT MANAGER (a) Certificates of Insurance evidencing the insurance coverage required herein and (b) specific endorsements naming DISTRICT, its officers, agents, and employees as additional insureds under the policies;

5. The insurance policies shall provide that the insurance carrier shall not cancel, terminate, or otherwise modify the terms and conditions of said insurance policies except upon thirty (30) days written notice to DISTRICT's PROJECT MANAGER;

6. If the insurance is written on a Claims Made Form, then, following termination of this Agreement, said insurance coverage shall survive for a period of not less than five (5) years;

7. The insurance policies shall provide for a retroactive date of placement coinciding with the effective date of this Agreement;

8. The insurance shall be approved as to form and sufficiency by PROJECT MANAGER and the County Counsel.

C. If it employs any person, CONTRACTOR shall maintain workers' compensation and employers' liability insurance as required by the State Labor Code and other applicable laws and regulations and as necessary to protect both CONTRACTOR and DISTRICT against all liability for injuries to CONTRACTOR's officers and employees.

D. Any deductibles or self-insured retentions in CONTRACTOR's insurance policies must be declared to and approved by the PROJECT MANAGER and the County Counsel. At District's option, the deductibles or self-insured retentions with respect to DISTRICT shall be reduced or eliminated to DISTRICT's satisfaction, or CONTRACTOR shall procure a bond guaranteeing payment of losses and related investigations, claims administration, attorney's fees, and defense expenses.

12. INDEMNIFICATION

CONTRACTOR shall indemnify, release, defend, and hold harmless DISTRICT, its officers, and employees against any claim, demand, suit, judgment, loss, liability, or expense of any kind, including attorney's fees, to the extent arising out of or resulting in any way from any acts or omissions, intentional or negligent, of CONTRACTOR or CONTRACTOR's officers, agents, and employees in the performance of their duties and obligations under this Agreement.

13. NONDISCRIMINATION

CONTRACTOR shall not discriminate in any way against any person on the basis of age, sex, race, color, religion, ancestry, national origin, or disability in connection with or related to the performance of its duties and obligations under this Agreement.

14. COMPLIANCE WITH ALL LAWS

CONTRACTOR shall observe and comply with all applicable Federal, State, and local laws, ordinances, codes, and regulations in the performance of its duties and obligations under this Agreement. CONTRACTOR shall perform all services under this Agreement in accordance with these laws, ordinances, codes, and regulations. CONTRACTOR shall release, defend, indemnify, and hold harmless DISTRICT, its officers, agents, and employees from any and all damages, liabilities, penalties, fines, and all other consequences from any noncompliance or violation of any laws, ordinances, codes, or regulations.

15. NO THIRD PARTY BENEFICIARIES

DISTRICT and CONTRACTOR do not intend, by any provision of this Agreement, to create in any third party any benefit or right owed by one party, under the terms and conditions of this Agreement, to the other party.

16. NOTICES

All notices and other communications required or permitted to be given under this Agreement, including any notice of change of address, shall be in writing and given by personal delivery or deposited with the United States Postal Service, postage prepaid, addressed to the parties intended to be notified. Notice shall be deemed given as of the date of personal delivery, or, if mailed, upon the date of deposit with the United States Postal Service. Notice shall be given as follows:

TO DISTRICT: Ms. Doris Toy
San Rafael Sanitation District
111 Morphew Street
P.O. Box 151560
San Rafael, CA 94915-1560

TO CONTRACTOR: Mr. Scott A. Stephens
Miller Pacific Engineering Group
504 Redwood Blvd., Suite 220
Novato, CA 94947

17. INDEPENDENT CONTRACTOR

For the purposes and for the duration of this Agreement, CONTRACTOR, its officers, agents, and employees shall act in the capacity of an Independent Contractor and not as employees of the DISTRICT. CONTRACTOR and DISTRICT expressly intend and agree that the status of CONTRACTOR, its officers, agents, and employees be that of an Independent Contractor and not that of an employee of DISTRICT.

18. ENTIRE AGREEMENT -- AMENDMENTS

A. The terms and conditions of this Agreement, all exhibits attached, and all documents expressly incorporated by reference, represent the entire Agreement of the parties with respect to the subject matter of this Agreement.

B. This written Agreement shall supersede any and all prior agreements, oral or written, regarding the subject matter between the CONTRACTOR and the DISTRICT.

C. No other agreement, promise, or statement, written or oral, relating to the subject matter of this Agreement, shall be valid or binding, except by way of a written amendment to this Agreement.

D. The terms and conditions of this Agreement shall not be altered or modified except by a written amendment to this Agreement signed by the CONTRACTOR and the DISTRICT.

E. If any conflicts arise between the terms and conditions of this Agreement, and the terms and conditions of the attached exhibits or the documents expressly incorporated by reference, the terms and conditions of this Agreement shall control.

19. SET-OFF AGAINST DEBTS

CONTRACTOR agrees that DISTRICT may deduct from any payment due to CONTRACTOR, under this Agreement, any monies which CONTRACTOR owes DISTRICT under any ordinance, agreement, contract, or resolution for any unpaid taxes, fees, licenses, assessments, unpaid checks, or other amounts.

20. WAIVERS

The waiver by either party of any breach or violation of any term, covenant, or condition of this Agreement, or of any ordinance, law, or regulation, shall not be deemed to be a waiver of any other term, covenant, condition, ordinance, law, or regulation, or of any subsequent breach or violation of the same or other term, covenant, condition, ordinance, law, or regulation. The subsequent acceptance by either party of any fee, performance, or other consideration which may become due or owing under this Agreement, shall not be deemed to be a waiver of any preceding breach or violation by the other party of any term, condition, or covenant of this Agreement or any applicable law, ordinance, or regulation.

21. COSTS AND ATTORNEY'S FEES

The prevailing party in any action brought to enforce the terms and conditions of this Agreement, or arising out of the performance of this Agreement, may recover its reasonable costs (including claims administration) and attorney's fees expended in connection with such action.

22. CITY BUSINESS LICENSE/OTHER TAXES

CONTRACTOR shall obtain and maintain during the duration of this Agreement, a CITY business license as required by the San Rafael Municipal Code. CONTRACTOR shall pay any and all state and federal taxes and any other applicable taxes. CONTRACTOR's taxpayer identification number is 68-0174990, and CONTRACTOR certifies under penalty of perjury that said taxpayer identification number is correct.

23. APPLICABLE LAW

The laws of the State of California shall govern this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day, month and year first above written.

SAN RAFAEL SANITATION DISTRICT

CONTRACTOR

Doris Toy, P.E.
District Manager/District Engineer

APPROVED AS TO FORM:

Jack F. Govi
Assistant County Counsel

MILLER PACIFIC ENGINEERING GROUP

By: _____
Scott A. Stephens

Title: President

EXHIBIT A



July 8, 2016
File: 2157.17pro2.doc

San Rafael Sanitation District
111 Morpew Street
San Rafael, CA 94901

Attn: Ms. Karen Chew

Re: Proposal for Construction Observation and Testing Services
Sun Valley Sewer Replacement Project – Phase 2
San Rafael, California

Introduction

As requested, we are pleased to submit our proposal to provide geotechnical observation and testing services during construction of Phase 2 of the San Rafael Sanitation District (SRSD) Sun Valley Sewer Replacement Project in western San Rafael, California. The purpose of our services is to observe and test the geotechnical portions of the work and to provide our opinion regarding the Contractor's compliance with the project plans and specifications. We previously explored subsurface conditions and provided geotechnical recommendations in our letter report dated April 30, 2015.

Project Description

The project generally includes replacement of approximately 3,700 linear feet of existing sewer pipeline by open cut methods, and 2,000 linear feet via in-place replacement throughout the Sun Valley neighborhood using both open-cut and pipebursting methods. Individual work areas include the following:

- A Line/California Avenue – 450LF open-cut trench;
- E Line/Solano Street – 462LF open-cut trench;
- F Line/Alpine Street – 483LF open-cut trench;
- F1 Line/Alpine Street - +/- 100 LF slip-line;
- G Line/California Avenue – 34LF open-cut and 570LF pipeburst;
- H Line/Solano Avenue – 612LF open-cut trench;
- J Line/Alpine Street – 523LF open-cut trench;
- K Line/Windsor to Alpine – 20LF open-cut trench and 204LF pipeburst;
- L Line/Alpine Street – 160LF open-cut trench;
- M1 and M2 Lines/Windsor Avenue – 276LF pipeburst;
- N Line/Center Street – 880LF open cut trench;
- P Line/Forbes Avenue to Fifth Avenue – 640LF cured-in-place pipe; and
- Q Line Center Street Easement – 200LF cured-in-place pipe.

New pipeline depths generally range between about 5- and 15-feet deep. In addition to replacement of main sewer lines, ancillary work will include replacement of manholes, rodholes, and service laterals, as well as restoration of surface improvements (concrete curb/gutter, concrete sidewalks, asphalt paving) disturbed during the course of construction. Project plans indicate that all trench backfill above pipe bedding and stabilization fabric will consist of Caltrans Class II Aggregate Baserock, and that asphalt restoration will include a new 8-inch minimum asphalt section within the trench line only.

Scope of Services

We customarily provide our services in phases to correspond with project development. Based on our review of project plans, we propose the following scope of services:

Geotechnical Consultation, Observation, and Testing

During construction, we will consult with SRSD and the project Construction Manager to review submittals for trench backfill materials and respond to any geotechnical issues that may arise during the course of the project. We will perform laboratory testing on proposed backfill materials as needed to determine maximum dry density/optimum moisture content. We will perform intermittent site visits, as notified/requested by the project Construction Manager, for observation of construction operations and field density testing of compacted trench backfill and asphalt pavement materials. Upon satisfactory completion of the work, the results of our construction observation and testing will be summarized in a brief letter report offering our opinion regarding the Contractor's compliance with the project plans and specifications, and including our field and laboratory test data.

Contractual Arrangements

Our services will be provided on a time-and-expense basis in accordance with our existing Agreement and the attached Schedule of Charges and Cost Estimate Worksheet. We have assumed we will be working with onsite representatives from San Rafael Sanitary District and/or Nute Engineering to coordinate our on-call, intermittent testing of trench backfill for the new sewer mains and laterals during construction.

For the purpose of estimating our fees, we have anticipated the project will be subject to California prevailing wage regulations. Our actual charges will depend on many factors, including Contractor efficiency and workmanship, construction delays due to unanticipated subsurface conditions, weather, and other factors. We will keep you informed of actual charges through regular progress invoices and notify you promptly upon discovery of any conditions likely to result in exceedance of our budget estimate.

Based on our review of project plans, experience with similar projects, and an assumed average production rate of about 80 to 100LF of open-cut trenching per working day (approximate project duration of 12 to 16 weeks), we propose the following fee arrangements:

Phase 3 – Construction Observation and Testing..... Time and Expense, Estimate, \$29,000

We trust that this proposal contains the information you require at this time, and are pleased to have the opportunity to work with you on this project. Please do not hesitate to contact us should

San Rafael Sanitation District
Page 3 of 3

June 8, 2016

there be any questions or concerns regarding our proposal. To indicate your acceptance, please reply with authorization. We anticipate SRSD will want to use their own agreement form. We can provide our agreement if requested.

Yours very truly,
MILLER PACIFIC ENGINEERING GROUP



Scott Stephens
Geotechnical Engineer No. 2398
(Expires 1/31/17)

Attachments: Schedule of Charges, Cost Estimate Worksheet

MILLER PACIFIC ENGINEERING GROUP
a California corporation

SCHEDULE OF CHARGES
PROFESSIONAL ENGINEERING AND TESTING SERVICES

Professional and Technical Personnel	Hourly Rate
Staff Engineer/Geologist – Level 1-3.....	\$85 - \$95 - \$105
Project Engineer/Geologist – Level 1-3.....	\$115 - \$125 - \$135
Senior Engineer/Geologist – Level 1-3.....	\$155 - \$165 - \$175
Associate Engineer/Geologist – Level 1-3	\$185 - \$195 - \$205
Principal Level 1-3	\$210 - \$220 - \$230
Project Assistant/Word Processor	\$70
Technician Level 1-3	\$80 - \$85 - \$90
Senior Technician Level 1-2	\$100 - \$105
Prevailing Wage Group 3	\$110
Prevailing Wage Group 4.....	\$105
Other Inside Charges	
Mileage	\$ 0.80 per mile
Vehicle (Field)	\$9 per hour
Nuclear Density Gage	\$8 per test
Inclinometer.....	\$150 per day / \$85 per half day
Laser Level.....	\$50 per day
Sampling Equipment.....	\$50 per day / \$30 half day
Outside Services	Cost + 20%
Exploration, drilling equipment and instrumentation, in-situ monitoring, specialized laboratory testing, per diem, shipping, courier/delivery services, outside reproduction, and other services and supplies not normally provided.	

***NOTES:**

1. Field site visits and travel time are normal hourly rates, portal to portal.
2. Overtime – Weekday & Saturday add \$25
Overtime – Sunday/Holiday/Night add \$35
3. Rates are for normal Geotechnical Engineering and Geological services. Rates for depositions and testimony are \$450 per hour for Principal; \$400 per hour for Associate; and \$350 per hour for Senior. All other personnel are \$250 per hour. These fees are due and payable at the time of service.
4. Schedule of charges is effective as of January, 2016. It is subject to revision annually and at other times without notice.
5. Prevailing Wage Note: Personnel working on Prevailing Wage Projects will be billed at normal hourly rates plus \$5 per hour, or at the Group 3 or Group 4 rate, whichever is applicable.

MILLER PACIFIC ENGINEERING GROUP
 Prevailing Wage Field Observation & Testing Budget Estimate Worksheet
 SRSD - Sun Valley Sewer Replacement Phase 2
 San Rafael, California

Date: 7/11/16
 Project Number: 2157.17
 By: sas

	PER UNIT	PER HOUR	SITE VISIT	HALF DAY	FULL DAY
Project Engineer/Geologist III	\$ 135.00				
Project Engineer I	\$ 115.00				
Prevailing Wage Group 3	\$ 110.00		2	4	8
Prevailing Wage Group 4	\$ 105.00				
Senior Technician II	\$ 105.00				
Staff Engineer/Geologist III	\$ 105.00				
Staff Engineer/Geologist II	\$ 95.00				
Staff Engineer/Geologist I	\$ 85.00				
Field Vehicle/Equipment	\$ 9.00		1	3	7
Nuclear Density Tests	\$ 8.00		3	8	20
Miles	\$ 0.80		20	20	20
	\$ -		\$ 269.00	\$ 547.00	\$ 1,119.00

Work Item	Description	Estimated Days	HOURS	SITE VISIT	HALF DAY	FULL DAY
1.0	Mainline Open-Cut Backfill	48		48		
2.0	Mainline Entry/Exit Pit Backfill	8		8		
3.0	Lateral Backfill	20		20		
4.0	Asphalt Paving Compaction	2			1	1
5.0						
6.0						
Totals		0		76	1	1

DOLLARS \$ - \$ 20,444.00 \$ 547.00 \$ 1,119.00

Total Field Costs: \$ 22,110.00

LABORATORY TESTING

Task	Description	Quantity	Unit \$	Amount \$
1.0	Compaction Curve (Single Bulk)	2	\$260	\$ 520.00
2.0	Asphalt Concrete - S-value, Gradation, M.C., Unit Wt. & % Oil		\$1,050	\$ -
3.0	Concrete Compression (per Cylinder)		\$42	\$ -
4.0	Shotcrete Panel Testing (per Panel)		\$400	\$ -
4.0	R-value		\$360	\$ -
5.0	Sand Equivalent		\$80	\$ -
6.0	Durability		\$150	\$ -
7.0	Gradation/Sieve		\$180	\$ -
Total Lab Costs:				\$ 520.00

ENGINEERING/GEOLOGICAL CONSULT & REPORT

Personnel	Title	Hours	\$/Hour	Amount \$
SAS	Principal Eng/Geologist III	10	\$ 230.00	\$ 2,300.00
VPM	Principal Eng/Geologist II		\$ 220.00	\$ -
DSC	Principal Eng/Geologist I		\$ 210.00	\$ -
EAD	Associate Engineer III		\$ 205.00	\$ -
BSP	Associate Engineer I		\$ 185.00	\$ -
VFJ	Senior Geologist I		\$ 155.00	\$ -
RCA	Project Engineer/Geologist III		\$ 135.00	\$ -
NSK	Project Engineer I		\$ 115.00	\$ -
WGO / AJM	Sr. Tech II		\$ 105.00	\$ -
JTO/USC/BAS/SLM	Staff III		\$ 105.00	\$ -
VMT/ENE	Staff II	10	\$ 95.00	\$ 950.00
ZMS	Staff I		\$ 85.00	\$ -
KRB/MLT	Project Asst./Word Processor	2	\$ 70.00	\$ 140.00
Total Engineering Costs:				\$ 3,390.00

SUB TOTAL \$ 26,020.00
 CONTINGENCY 10% \$ 2,602.00
 TOTAL \$ 28,622.00

USE FOR BUDGET \$ 29,000.00

5.f

SAN RAFAEL SANITATION DISTRICT
Agenda Item No. 5.f.

DATE: July 14, 2016
TO: Board of Directors, San Rafael Sanitation District
FROM: Doris Toy, District Manager/District Engineer *DT*
SUBJECT: Adopt Resolution Approving a Second Amendment to the Agreement Between the City of San Rafael and the San Rafael Sanitation District for the Transfer of City's Sanitary Sewer Gravity Collection System to the District

RECOMMENDATION:

Adopt resolution approving a second amendment to the agreement between the City of San Rafael and the San Rafael Sanitation District for the transfer of City's sanitary sewer gravity collection system to the District.

SUMMARY:

At the September 8, 2015, Board meeting, John Maher of Maher Accountancy discussed the new requirement by the Government Accounting Standards Board (GASB). GASB now requires that government agencies record the full liability for pension and post-employment benefits from the past in their financial statements. Since the District has a contract with the City of San Rafael for its employees, a portion of the costs for the City's liability for past pension and post-employment benefits are attributed to District staff. The District's financial statement now includes the past financial obligations for both pension and post-employment health benefits, and the financial obligations are recorded as an obligation from the District to the City of San Rafael.

The City of San Rafael and the District have an agreement from 1987 that states that the District agrees to pay the City for all costs associated with the contractual administrative, operational, and maintenance costs for the sanitary sewer gravity collection system but does not have any statement regarding the pension and other post-employment benefits. At the September 2015 Board meeting, the Board directed staff to work with the District's legal counsel and the City of San Rafael on an addendum to the 1987 Agreement, which would clarify the agreement and state that it is inclusive of pension and other post-employment benefits. Please see the attached "Second Amendment to Agreement Between the City of San Rafael and the San Rafael Sanitation District for the Transfer of City's Sanitary Sewer Gravity Collection System to the District."

ACTION REQUIRED:

Staff recommends that the Board adopt the resolution approving a second amendment to the agreement between the City of San Rafael and the San Rafael Sanitation District for the transfer of City's sanitary sewer gravity collection system to the District.

Attachment: Resolution
Second Amendment to the Agreement

SAN RAFAEL SANITATION DISTRICT

RESOLUTION NO. 16-1138

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SAN RAFAEL SANITATION DISTRICT
APPROVING A SECOND AMENDMENT TO THE AGREEMENT BETWEEN THE
CITY OF SAN RAFAEL AND THE SAN RAFAEL SANITATION DISTRICT FOR THE
TRANSFER OF CITY'S SANITARY SEWER GRAVITY COLLECTION SYSTEM TO
THE DISTRICT**

WHEREAS, the City of San Rafael (City) and the San Rafael Sanitation District (District) entered into an Agreement Between the City of San Rafael and the San Rafael Sanitation District for the Transfer of City's Sanitary Sewer Gravity Collection System to the District dated July 1, 1987, and amended said Agreement on August 26, 1987 (hereinafter, the "Amended Agreement"); and

WHEREAS, the Amended Agreement governs the terms of ownership, maintenance and liability, and responsibility for the sanitary sewer gravity collection system serving the City; and

WHEREAS, the Amended Agreement governs the terms by which the City provides services on a contractual basis to the District; and

WHEREAS, the Amended Agreement provides for the District's compensation to the City for all administrative, operational, and maintenance costs associated with the City's contractual maintenance of the facilities; and

WHEREAS, new financial reporting requirements have prompted a need for additional specificity regarding the definition of operating costs subject to measurement and reporting; and

WHEREAS, the City and District have prepared, for consideration by the City Council and the San Rafael Sanitation District Board, a new amendment to the Amended Agreement that addresses the financial reporting considerations, hereinafter referred to as the Second Amendment, which Second Amendment is attached hereto and incorporated herein by reference;

NOW, THEREFORE, BE IT RESOLVED that the San Rafael Sanitation District Board of Directors hereby approves and authorizes the Chairman to execute this Second Amendment to the Amended Agreement in the form attached hereto.

PASSED AND ADOPTED at a regular meeting of the San Rafael Sanitation District Board of Directors held on the 14th day of July, 2016, by the following vote, to wit:

AYES:

NOES:

ABSENT/ABSTAIN:

SAN RAFAEL SANITATION DISTRICT

Gary O. Phillips, Chairman

ATTEST:

Maribeth Bushey, Secretary

**SECOND AMENDMENT TO
THE AGREEMENT BETWEEN THE CITY OF SAN RAFAEL AND
THE SAN RAFAEL SANITATION DISTRICT FOR THE TRANSFER OF
CITY'S SANITARY SEWER GRAVITY COLLECTION SYSTEM TO THE DISTRICT**

THIS AGREEMENT is entered into this _____ day of _____, 2016, by and between the City of San Rafael ("City") and the San Rafael Sanitation District ("District") with reference to the following facts:

WHEREAS, the City and the District entered into an "Agreement Between the City of San Rafael and the San Rafael Sanitation District for the Transfer of City's Sanitary Sewer Gravity Collection System to the District" dated July 1, 1987, and amended said Agreement on August 26, 1987 (hereinafter, the "Amended Agreement") and

WHEREAS, the Amended Agreement governs the terms of ownership, maintenance and liability, and responsibility for the sanitary sewer gravity collection system serving the City; and

WHEREAS, the Amended Agreement governs the terms by which the City provides services on a contractual basis to the District; and

WHEREAS, the Amended Agreement provides for the District's compensation to the City for all administrative, operational, and maintenance costs associated with the City's contractual maintenance of the facilities; and

WHEREAS, new financial reporting requirements have prompted a need for additional specificity in the Amended Agreement regarding the definition of operating costs subject to measurement and reporting;

NOW, THEREFORE, the parties agree as follows:

1. Section 13 of the Amended Agreement is hereby revised and restated to read in its entirety as follows:

13. District agrees to pay City all administrative, operational, and maintenance costs associated with City's continued contractual maintenance of the facilities described in paragraph 12 herein. For the purpose of this agreement, operational costs shall include all personnel and benefit costs, including unfunded pension and OPEB (retiree medical) obligations. The mutual acceptance of an actuarial or accounting methodology for the purpose of allocating such obligations for the purpose of financial reporting shall not prejudice the selection of a methodology that governs the payment of these obligations.

2. Except as otherwise provided herein, all other terms stated in the Amended Agreement remain in effect and unchanged.

WHEREFORE, the parties have executed this agreement on the date first set forth above.

SAN RAFAEL SANITATION DISTRICT

CITY OF SAN RAFAEL

BY _____
GARY O. PHILLIPS
District Chairman

BY _____
GARY O. PHILLIPS
Mayor

ATTEST

ATTEST

CYNTHIA HERNANDEZ
District Secretary

ESTHER C. BEIRNE
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

JACK F. GOVI
District Counsel

ROBERT F. EPSTEIN
City Attorney

5.g.

SAN RAFAEL SANITATION DISTRICT
Agenda Item No. 5.g.

DATE: July 14, 2016
TO: Board of Directors, San Rafael Sanitation District
FROM: Doris Toy, District Manager/District Engineer *DT*
SUBJECT: Discuss Joseph and Margaret Caramucci letter dated June 29, 2016, regarding the Glenwood Pump Station Improvement Project

BACKGROUND:

On July 1, 2016, the District received a letter from Joseph and Margaret Caramucci who reside at 8 Surfwood Circle, which is adjacent to the Glenwood Pump Station. The District is replacing this pump station, and it has been under construction since October 30, 2015. It is anticipated that this project will be completed by the end of August 2016.

The following is in response to the letter from Mr. and Mrs. Caramucci. On June 29th, PG&E was on site to perform electrical work on the pump station. As part of the work, PG&E crews had to remove the existing transformer and transport it offsite by using a crane to lift it onto a flatbed truck. The flatbed truck was parked in front of Mr. and Mrs. Caramucci's driveway for approximately 15 to 20 minutes in order to load the transformer while the Caramucci's were out. Unfortunately, Mr. and Mrs. Caramucci were unable to access their driveway when they returned and had to park several houses away. When Karen Chew (the District's Senior Civil Engineer) arrived at the jobsite, she saw Mr. Caramucci taking photos of the job related vehicles. She then asked Mr. Caramucci if she could be of help, and Mr. Caramucci responded in a very angry and hostile manner, which resulted in her non-verbal response to his question as described in the letter. When Ms. Chew later spoke to the flatbed driver, he said he would have moved the truck to provide access to the driveway if he had known that the Caramucci's wanted to park their car in the driveway.

In reference to the District's communication with the residents regarding this project, Ms. Chew has contacted them numerous times. In the design phase, the design team (Karen Chew; Matt Smith, Sewer Maintenance Superintendent; and Mark Wilson with Nute Engineering) visited Mr. and Mrs. Caramucci and discussed the project with the proposed plans. During the months of August and September 2015, prior to the start of construction, Ms. Chew sent out between one and four letters to each of the surrounding neighbors (subsequent letters were sent by certified mail) to schedule an appointment with them so that she could discuss the project and its impact. She was able to speak to the majority of the residents, including a revisit with Mr. and Mrs. Caramucci. There was also a public notification letter sent out to the neighborhood regarding the project prior to construction. In addition, the contractor has distributed notifications through door hangers addressing traffic impacts during construction. In March 2016, a letter was sent out to the residents addressing noise issues. Furthermore, there have been numerous emails, phone conversations, and face-to-face conversations with the residents addressing their questions and concerns.

ACTION REQUIRED:

Direct staff if any action is required.

Attachments:

1. June 29, 2016, Caramucci Letter to Board
2. September 22, 2015, Letter
3. October 7, 2015, Public Notification Letter
4. March 25, 2016, Letter
5. June 29, 2016, Daily Inspection Report

June 29, 2016

Board of Directors
Gary O. Philips, Chairman
Maribeth Bushney, Director
Kate Rice, Director

San Rafael Sanitation District
111 Morphew Street
P O Box 151560
San Rafael, CA 94915

VIA FACSIMILE 1-415-454-2270

Re: Glenwood Pump Station Improvement Project

Dear Mr. Philips and Members of the Board of Directors:

I reside at 8 Surfwood Circle, San Rafael, next to the Glenwood Pump Station.

Today, as I drove my wife back from a medical appointment about 11:15 AM, access to my home was blocked by P. G. E Trucks, a Precision crane and Precision crane flat bed truck with an old electrical panel on it. I was unable to use my driveway to take my wife into our home and was forced to park three houses away from my home.

As I was taking pictures of the vehicles, Ms. Karen Chew, Senior Civil Engineer approached me and asked if she could assist me. I told her that this traffic mess is unacceptable and we have endured this construction chaos since November 13, 2015.

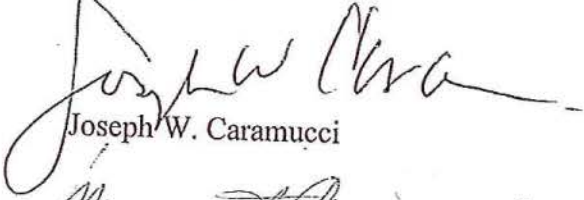
I also asked if the Board of Directors were aware of chaos and impact place upon us and our neighbors due to the construction, she did not verbally response to my question. She just shook her head yes.

I told her that her non-verbal response was not acceptable. I wanted a yes or no answer. She answered yes. Then she continued her comments and said she had to get project done.

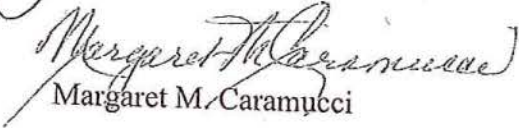
Have any of the members of the Board of Directors personally visited this construction site during working hours to witness first hand the chaos we have to endure?

Have you discussed with any of the neighbors of the impact of this project on their daily lives?

Sincerely yours,

A handwritten signature in black ink, appearing to read "Joseph W. Caramucci". The signature is fluid and cursive, with a long horizontal stroke at the end.

Joseph W. Caramucci

A handwritten signature in black ink, appearing to read "Margaret M. Caramucci". The signature is cursive and somewhat compact.

Margaret M. Caramucci

8 Surfwood Circle
San Rafael, CA 94901

415-454-5429
415-608-1040 cell



**San Rafael
Sanitation
District**

111 Morphew St
PO Box 151560
San Rafael, CA 94915-1560

Telephone 415 454-4001
Facsimile 415 454-2270

Board of Directors

Gary O. Phillips, Chairman
Maribeth Bushey, Secretary/Director
Katie Rice, Director

District Manager/District Engineer

Doris Toy, P.E.

September 22, 2015

JRBMZB TRUST ETAL

John Begg
100 Surfwood Circle
San Rafael, CA 94901

Re: Glenwood Pump Station Improvement Project – Third Notice

To Whom It May Concern:

The San Rafael Sanitation District will be rehabilitating the Glenwood Pump Station on Surfwood Circle. We anticipate beginning this project, approximately, mid-October.

The majority of the improvements will be confined within the limits of the pump station. We will be rebuilding the sanitary sewer manhole on Surfwood Circle and installing a new 8 inch sewer line to the manhole. There will be traffic control on Surfwood Circle at various times during the project.

We would like to meet with you and discuss how we will be proceeding with the work and how it will affect your property. Please contact me at (415) 458-5369, or karen.chew@cityofsanrafael.org to schedule a meeting.

Sincerely,

Karen Chew
Senior Civil Engineer

cc: Doris Toy, District Manager/Engineer



**San Rafael
Sanitation
District**

111 Morphew St
PO Box 151560
San Rafael, CA 94915-1560

Telephone 415 454-4001
Facsimile 415 454-2270

Board of Directors

Gary O. Phillips, Chairman
Maribeth Bushey, Director
Katie Rice, Director

District Manager/District Engineer

Doris Toy, P.E.

October 7, 2015

Re: Glenwood Pump Station Improvement Project

Dear Resident:

The San Rafael Sanitation District (SRSD) will begin the Glenwood Pump Station Improvement Project on October 26, 2015. We will be rehabilitating the pump station, improving the operations. The work is concentrated at the pump station. There will be some excavation on Surfwood Circle for about 2 weeks. Traffic flow will be maintained during the work. The pump station is scheduled to be completed approximately, June 2015.

The Contractor is JMB Construction Inc., and their designated contact is Adrian Power at (650) 267-5300.

If you have any questions, you may contact me at (415) 458-5369.

Sincerely,

Karen Chew

Karen Chew, P.E.
Senior Civil Engineer

cc: Doris Toy, District Manager



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Gary O. Phillips, Chairman
Maribeth Bushey, Director
Katie Rice, Director

District Manager/District Engineer
Doris Toy, P.E.

March 25, 2016

**Re: Glenwood Pump Station Improvement Project
Construction Noise**

Dear Resident:

The San Rafael Sanitation District (SRSD) recognizes that we have received some noise complaints due to the rehabilitation of the Glenwood Pump Station Improvement Project. There are two temporary pumps that are essential to the operation of the sanitary sewer system. The pumps are necessary to maintain the flow of sewage from your residence and surrounding neighborhoods to the wastewater treatment plant.

We constructed a sound insulating container around the two pumps approximately one month ago, but it appears that these efforts proved unsuccessful. We are considering other alternatives, utilizing professional soundproofing in order to mitigate the noise further. Our Contractor has contacted a company that supplies portable acoustic panel systems which will reduce the noise.

The District with the assistance of the Contractor has made every effort to research various options to address the noise issues and we are hoping to install these panels in the coming week.

If you have any questions, you may contact me at (415) 458-5369.

Sincerely,

Karen Chew, P.E.
Senior Civil Engineer

cc: Doris Toy, District Manager



San Rafael Sanitation District

111 Morphew Street
PO Box 151560
San Rafael, CA 94915-1560

Telephone: 415-454-4001
Facsimile: 415-454-2270

DAILY INSPECTION REPORT

Report No. _____ Date: 6/29/2016 Day: Wednesday

Project: Glenwood PS Improvement Project Contractor: JMB Construction

Start time: 8:00 am End Time: 3:30 pm Weather: Sunny/Warm

Location and Description of Operation: 905 S Point San Pedro road

1. JMB (Elias and Digobetto) formed the collar around the standpipe manhole; it will be poured tomorrow.
2. Mike Brown Electric continued making connections to the MCC Panel.
3. PG&E arrived at 7:30 am, removed the old transformer, installed the new, laid the conduit to the new transformer.

Labor and/or Equipment Inventory:

Number	Equipment/Labor	Contractor/Subcontractor	REMARKS
	Gerry Donohgy/Superintendent	JMB Construction	
	Elias Zyas/Laborer	JMB Construction	
	Digobetto Martinez/Laborer	JMB Construction	
	Jorge Aguilera/Laborer	JMB Construction	
	Isaac Bode	MB Electric	
	Art Cater	MB Electric	
	Austin Criverri	MB Electric	
E79	CAT Telescopic Handler	JMB Construction	Idle
3500D	Freightliner Utility Van	JMB Construction	Idle
E02	580M CASE Backhoe	JMB Construction	Idle
		JMB Construction	Idle
	Cat Skid Loader	JMB Construction	Idle

Comments: There were 5 PG&E Electricians and two PG&E trucks on site. PG&E removed and installed the new transformer. Precision crane and flatbed truck were PG&E's contractor, assisting with the transformer. When I arrived on site, resident at 8 Surfwood Circle approached me and said he was going to sue the "profanity" City. Then he asked if my supervisor and the Board knew about this. He asked "Do you see all this "profanity" trucks in front of my house." He yelled don't just stand there, say something. I asked Mr. Caramucci if he would like to know when the trucks were moving. He said yes. I asked the truck driver and the crane operator. They said they were moving now. They informed me that the crane was parked for about 30 minutes and the truck for 20 minutes.


Karen Chan
Inspector Signature

5.h.

SAN RAFAEL SANITATION DISTRICT
Agenda Item No. 5.h.

DATE: July 14, 2016

TO: Board of Directors, San Rafael Sanitation District

FROM: Doris Toy, District Manager/District Engineer 

SUBJECT: Adopt resolution authorizing the Chairman and the Secretary to enter into a Repayment Agreement for the 365 and 366 Margarita Drive Sewer Main Extension.

RECOMMENDATION:

Staff recommends that the Board of Directors of the San Rafael Sanitation District adopt the resolution.

BACKGROUND:

In 2002, the District entered into an agreement for the 365 and 366 Margarita Drive Sewer Main Extension. This sewer main extension was paid for by Ms. Theresa Campbell and Mr. Sasan Faramarzi, the owners of 365 Margarita Drive, and Mr. Frederick Reynolds, who was the former owner of 366 Margarita Drive and who sold the house to Mr. and Mrs. Patton prior to the installation of the sewer main extension. The agreement for the 365 and 366 Margarita Drive Sewer Main Extension is with Ms. Theresa Campbell and Mr. Sasan Faramarzi and Mr. and Mrs. Patton, who were the new owners of 365 Margarita Drive when the project was constructed. (Mr. Reynolds left the money for the sewer main extension in an escrow account with the understanding that any remaining funds would be returned to him.)

The sewer main extension was subsequently constructed and approved by the District Engineer and accepted by the Board in 2005. This means that all future maintenance of the new sewer line will be performed by District crews at no cost to the owners. Since that time, Ms. Theresa Campbell and Mr. Sasan Faramarzi have been trying to enter into a "Repayment Agreement" with the District, which would help them and the other legal owner to recoup some of the funds that they paid for the sewer main extension. This is common practice with the District for sewer main extensions that are paid for by private funds. The Repayment Agreement allows the original owners to charge a proportionate share of the total cost of the sewer main extension to any subsequent property owners that connect to the new sewer main. This agreement also provides for the original owners to receive reimbursement for their initial investment from anyone who connects to the sewer main extension during the life of the Repayment Agreement, which usually spans between 10 and 20 years, depending on the length of time that is chosen by the owners of the extension.

ANALYSIS:

In this instance, the appropriate legal "second owner" for the Repayment Agreement is unclear. Mr. Reynolds is claiming that he paid for the sewer main extension and, therefore, should receive any future connections fees. Mr. and Mrs. Lavelle purchased the property from the Pattons and claim that any sewer connection rights go with the property; and, as such, they should receive any future connection fees.

District Counsel has recommended that the District NOT act as an arbitrator in this matter but instead let the parties resolve the ownership issue themselves. District Counsel has also recommended that in order to finalize the Repayment Agreement, the District should become the temporary second owner on the Agreement until the issue is resolved. Therefore, the names on the Repayment Agreement would be:

- First Party: Ms. Theresa Campbell and Mr. Sasan Faramarzi
- Second Party: San Rafael Sanitation District acting on behalf of the legal second party.

The District would open an interest bearing escrow account and place half of any connection fees that are paid into that account until this matter has been resolved and the legal second party has been determined. Once this has been done, the District would revise the agreement to show the name(s) of the appropriate second party and would forward them their share of any connection fees that had been collected.

In 2009, the District notified Mr. Reynolds and Mr. and Mrs. Lavelle of this proposal and that it would be brought to the Board for approval at the May 2009 meeting. Mr. Lavelle objected to this procedure and felt that the District was “interfering with his rights.” Mr. and Mrs. Lavelle were present at the Board meeting and made the attached statement. The Board asked District Counsel Jack Govi to conduct further research in order to determine whether Mr. Reynolds or Mr. & Mrs. Lavelle should receive the reimbursement on the repayment agreement.

On May 19, 2009, Mr. Govi sent a letter to Mr. and Mrs. Lavelle stating that per the California Health and Safety Code, the person installing sewers or other such facilities is the proper person to receive reimbursement on a payback agreement. Since Mr. Reynolds provided the funds for the installation, it is his opinion that Mr. Reynolds is entitled to the proceeds. Mr. and Mrs. Lavelle did not respond.

OPTIONS:

1. The Board may authorize the Repayment Agreement with Sasan Faramarzi and Theresa Campbell and Mr. Frederick Reynolds as the legal second party.
2. The Board may authorize the Repayment Agreement with Sasan Faramarzi and Theresa Campbell and the District as the legal second party. District Counsel and the District Manager recommend this option so that there is a Repayment Agreement in place, even though the dispute may continue.

ACTION REQUIRED:

It is the recommendation of District staff and the District Counsel that the Board of Directors of the San Rafael Sanitation District approve the resolution for the signing of the Repayment Agreement for the 365 and 366 Margarita Drive Sewer Main Extension.

Attachments:

1. March 26, 2009, Andrew Preston Letter
2. April 2, 2009, James Lavelle Letter
3. April 8, 2009, Jack Govi Letter
4. May 6, 2009, Lavelle Statement at May 2009 Board Meeting
5. May 19, 2009, Jack Govi Letter to Mr. and Mrs. Lavelle
6. Resolution
7. Repayment Agreement



**San Rafael
Sanitation
District**

111 Morphew Street
PO Box 151560
San Rafael, CA 94915-1560

Telephone 415 454-4001
Facsimile 415 454-2270

Board of Directors
Albert J. Boro, Chairman
Cyr N. Miller, Secretary/Director
Steve Kinsey, Director

District Administrator
Andrew J. Preston, P.E., P.L.S.

March 26, 2009

Mr. James Lavelle
365 Margarita Drive
San Rafael, CA 94901

Re: Repayment Agreement for 365 and 366 Margarita Drive Sewer Main Extension

Dear Mr. Lavelle:

I refer to your letter of March 5, 2009, regarding the subject project. I confirm that it is your opinion that you should receive any reimbursements for future connections to the above referenced sewer main extension for reasons stated in your letter. I would also like to advise you that Mr. Reynolds, who owned 365 Margarita Drive before the Pattons, is of the opinion that he should receive any reimbursements because he is one of the original parties that paid for the initial project. The District does not intend to act as an arbitrator on this issue and feels that it is up to you and Mr. Reynolds to resolve this matter.

In the meantime, the District would like to finalize the repayment agreement because this matter has been dragging on for several years. The District proposes to list the two parties in the repayment agreement as follows:

- First Party: Sasan Faramarzi and Theresa Campbell
- Second Party: San Rafael Sanitation District acting on behalf of the legal second party

The District would then open an interest bearing escrow account and place half of any connection fees that are paid into that account until this matter has been resolved and the legal second party has been determined. Afterwards, the District would need to be notified of this decision in writing, and you and Mrs. Lavelle and Mr. Reynolds would all need to attest to such decision and have each of your signatures notarized. Once this has been done, the District would revise the agreement to show the name(s) of the appropriate party and would forward them their share of any connection fees that had been collected.

I enclose herewith a copy of the proposed repayment agreement that I plan to take to the Board on May 6, 2009, for their approval. If you have any comments on this agreement, please contact me in writing. I am also sending a copy of this letter and the proposed repayment agreement to Mr. Faramarzi and Ms. Campbell and to Mr. Reynolds for their information and comment.

Mr. James Lavelle
March 26, 2009
Page 2

The following is the contact information for Mr. Reynolds:

Mr. Frederick Reynolds
290 South Ulukoa Place
Lahaina, HI 96761
Ph. No. (415) 265-7167 or
Ph. No. (808) 661-1661

Sincerely,



ANDREW J. PRESTON, P.E., P.L.S.
District Administrator

AJP/ch

Enclosure

cc: Frederick Reynolds
Sasan Faramarzi and Theresa Campbell
Jack F. Govi, Assistant County Counsel

RECEIVED

APR - 2 2009

SAN RAFAEL
SANITATION DIST.**JAMES LAVELLE****365 MARGARITA DRIVE****SAN RAFAEL, CALIFORNIA 94901**

April 2, 2009

VIA FACSIMILE

Mr. Andrew J. Preston

District Administrator

San Rafael Sanitation District

PO Box 151560

San Rafael, California 94915-1560

Dear Mr. Preston:

The purpose of this letter is to respond to your correspondence to me dated March 26, 2009 regarding your proposed "REPAYMENT AGREEMENT 365 AND 366 MARGARITA DRIVE SEWER MAIN EXTENSION". Based on our telephone conversation yesterday as well as several references made in your letter, I am deeply concerned and object to your approach.

The first time I was made aware of this issue was less than 60 days ago. In my previous letter to you I registered my strong objection to your proposed resolution to this matter. And your stated reason for pressing this matter now "...the District would like to finalize the repayment agreement because this matter has been dragging on for several years" is, on its face, ridiculous.

If this matter was of any importance to the Board it should have been resolved years ago. Moreover, during our telephone conversation yesterday afternoon you stated "Since I'm retiring in couple of months, I want to clean up this 'loose end' before I leave". Neither of these are valid excuses for violating my rights as the property owner of 365 Margarita Drive by moving forward with the proposed agreement. On the other hand, if your action is in response to information you have received about a neighbor's interest in hooking into the sewer line, I demand to know the specifics of your information immediately.

Your statement "The District does not intend to act as an arbitrator on this issue and feels that it is up to you and Mr. Reynolds to resolve this matter" only serves to further undermine my property rights by suggesting Mr. Reynolds, in the absence of any agreement whatsoever with any party to this matter, has any rights at all. His payment for improvements to this property occurred 7 years ago...the property at 365 Margarita Drive has been bought and sold twice over the past 7 years. As I stated in my letter to you of March 5, 2009 who among us wouldn't like to go back seven years to property(s)


we used to own and derive a return on our investment? If Mr. Reynolds didn't factor all property improvements he made into his selling price in 2002 he was foolish not to do so.

Similarly, if Mr. Reynolds wanted to make a business of collecting fees from neighbors who, at some point in the future wanted to hook into the sewer main, he should have filed an application for a business license, become a sewer operator and paid taxes on that business since 2002. I am dumfounded that you and the Board can't see the absurdity of all of this!

I am very offended by your attempt to expedite this matter just because you are retiring in a couple of months and using a "REPAYMENT AGREEMENT 365 AND 366 MARGARITA DRIVE SEWER MAIN EXTENSION" as the instrument to absolve you of responsibility. This proposed agreement directly interferes with my right to derive the full value and benefits of my property and all of its assets. I paid a high price for my home (to which I have clear title) including the sewer, sewer line and sewer main. The former owner told me this is an asset I share with the property owners of 366 Margarita Drive. Simply put, your attempt to impede my ability to realize the value of my share of this asset is illegal.

Placing any amounts received at any time by any party into a San Rafael Sanitation District escrow account interferes with my rights. I urge you and the Board to carefully consider all of the implications of this proposed action, because if the Board executes this agreement, I will be forced to seek all available legal remedies to protect my rights as the property owner of 365 Margarita Drive.

Sincerely,



James Lavelle

cc: David Pollak Morgan, Lewis and Bockius

PATRICK K. FAULKNER
COUNTY COUNSEL

JACK F. GOVI
ASSISTANT COUNTY COUNSEL

DOROTHY R. JONES
CHIEF DEPUTY

COUNTY COUNSEL OF MARIN COUNTY

3501 Civic Center Drive, Suite 275
San Rafael, California 94903-5222

(415) 499-6117

FAX (415) 499-3796
TDD (415) 499-6172

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APR 14 2009

SAN RAFAEL
SANITATION DIST.

MARI-ANN G. RIVERS
RENEE GIACOMINI BREWER
DAVID L. ZALTSMAN
MICHELE KENO
NANCY STUART GRISHAM
JENNIFER M. W. VUILLERMET
PATRICK M. K. RICHARDSON
THOMAS F. LYONS
STEPHEN R. RAAB
STEVEN M. PERL
SHEILA SHAH LICHTBLAU
EDWARD J. KIERNAN
JESSICA F. MILLS
DEPUTIES

JEANINE MICHAELS
ADMINISTRATIVE ASSISTANT

April 8, 2009

Mr. James Lavelle
365 Margarita Drive
San Rafael, CA 94903

Re: San Rafael Sanitation District (SRSD)

Dear Mr. Lavelle,

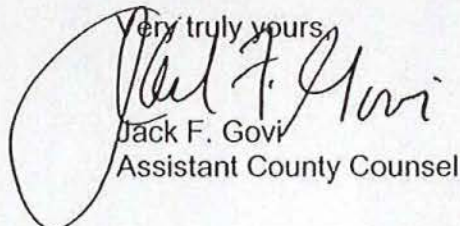
I am the legal counsel for SRSD and have received and reviewed your April 2, 2009 letter regarding the Repayment Agreement.

Please be advised that SRSD is acting upon my legal advice in an attempt to determine the proper distribution of any proceeds of sewer hook-ups to the Sewer Main Extension. The proper distribution of any such proceeds would appear to be a classic case of Property Law to which our research does not have any definitive answers. Accordingly, I have advised the District to notify the parties who may be entitled to such proceeds and let them know that the District will place any proceeds that rightfully belong to 365 Margarita Drive, San Rafael, into an escrow account so that the parties may determine who should lawfully receive the proceeds.

You have asserted your interests to the proceeds and the prior owner (Mr. Reynolds) has made a similar assertion. Should you have clear and competent legal authority that you rightfully own any such proceeds, I will be pleased to review it. However, SRSD would be remiss if it acted upon your vigorous assertion that you are entitled to the proceeds because you now own the property. It should be noted that Mr. Reynolds paid \$100,000 towards the Sewer Main Extension.

Consequently, this matter will remain on the SRSD Board Agenda for its next meeting. Should you have any questions, please do not hesitate to contact me.

Very truly yours,


Jack F. Govi
Assistant County Counsel

file

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APR - 2 2009

SAN RAFAEL
SANITATION DIST.

JAMES LAVELLE
365 MARGARITA DRIVE
SAN RAFAEL, CALIFORNIA 94901

April 2, 2009

VIA FACSIMILE

Mr. Andrew J. Preston

District Administrator

San Rafael Sanitation District

PO Box 151560

San Rafael, California 94915-1560

Dear Mr. Preston:

The purpose of this letter is to respond to your correspondence to me dated March 26, 2009 regarding your proposed "REPAYMENT AGREEMENT 365 AND 366 MARGARITA DRIVE SEWER MAIN EXTENSION". Based on our telephone conversation yesterday as well as several references made in your letter, I am deeply concerned and object to your approach.

The first time I was made aware of this issue was less than 60 days ago. In my previous letter to you I registered my strong objection to your proposed resolution to this matter. And your stated reason for pressing this matter now "...the District would like to finalize the repayment agreement because this matter has been dragging on for several years" is, on its face, ridiculous.

If this matter was of any importance to the Board it should have been resolved years ago. Moreover, during our telephone conversation yesterday afternoon you stated "Since I'm retiring in couple of months, I want to clean up this 'loose end' before I leave". Neither of these are valid excuses for violating my rights as the property owner of 365 Margarita Drive by moving forward with the proposed agreement. On the other hand, if your action is in response to information you have received about a neighbor's interest in hooking into the sewer line, I demand to know the specifics of your information immediately.

Your statement "The District does not intend to act as an arbitrator on this issue and feels that it is up to you and Mr. Reynolds to resolve this matter" only serves to further undermine my property rights by suggesting Mr. Reynolds, in the absence of any agreement whatsoever with any party to this matter, has any rights at all. His payment for improvements to this property occurred 7 years ago...the property at 365 Margarita Drive has been bought and sold twice over the past 7 years. As I stated in my letter to you of March 5, 2009 who among us wouldn't like to go back seven years to property(s)

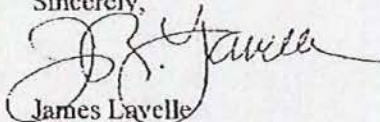
we used to own and derive a return on our investment? If Mr. Reynolds didn't factor all property improvements he made into his selling price in 2002 he was foolish not to do so.

Similarly, if Mr. Reynolds wanted to make a business of collecting fees from neighbors who, at some point in the future wanted to hook into the sewer main, he should have filed an application for a business license, become a sewer operator and paid taxes on that business since 2002. I am dumfounded that you and the Board can't see the absurdity of all of this!

I am very offended by your attempt to expedite this matter just because you are retiring in a couple of months and using a "REPAYMENT AGREEMENT 365 AND 366 MARGARITA DRIVE SEWER MAIN EXTENSION" as the instrument to absolve you of responsibility. This proposed agreement directly interferes with my right to derive the full value and benefits of my property and all of its assets. I paid a high price for my home (to which I have clear title) including the sewer, sewer line and sewer main. The former owner told me this is an asset I share with the property owners of 366 Margarita Drive. Simply put, your attempt to impede my ability to realize the value of my share of this asset is illegal.

Placing any amounts received at any time by any party into a San Rafael Sanitation District escrow account interferes with my rights. I urge you and the Board to carefully consider all of the implications of this proposed action, because if the Board executes this agreement, I will be forced to seek all available legal remedies to protect my rights as the property owner of 365 Margarita Drive.

Sincerely,



James Lavelle

cc: David Pollak Morgan, Lewis and Bockius

San Rafael Sanitation District

May 6, 2009

**My wife Barbara and I purchase our home at 365
Margarita Drive in August 2007. One of our important
purchase considerations was the sewer main and sewer
line. We would not have purchased our home if it
wasn't on the sewer. The previous owners, Mr. and
Mrs. Patton told us about the fact they managed the
construction and installation of the sewer main and
sewer line, and that, if other households downhill from
the sewer wanted to hook up, the owners of 366 and 365
Margarita Drive would share equally in the fees**

charged for hooking up. *In fact, we paid a premium
for our home believing that, at some future point, ~~we~~
the premium would be paid back with these hook ups
we can save some money from*

When we purchased our property we were careful to insure we received clear title to 365 Margarita Drive and that there were / are no encumbrances on the parcels we own. Since this matter came to light I confirmed with our title insurance provider this is the case.

Several months after we moved into our new home, we became acquainted with our neighbors Sasan and Theresa. They offered us a history of the neighborhood including the fact that they and the owner of 365 Margarita Drive before the Patton's paid to have the sewer main and sewer line installed in calendar year 2002. We did not know the name of the owner of our home at that time, nor was it relevant to us.

Several weeks ago we received a letter from Mr. Andrew Preston indicating his intention to ask San Rafael Sanitation District Board to engage in an agreement whereby our neighbors at 366 Margarita Drive and someone named Fritz Reynolds would share in any moneys collected by San Rafael Sanitation District to hook up to the sewer line. We were completely blind-sided by this letter.

The action Mr. Preston purposed would allow someone who invested in a home he owned and sold seven years ago to derive financial benefit from that same home and property now and in the future. Mr. Preston also cited that 'matters like this are customarily handled in this manner.' Contrary to Mr. Preston's personal opinion as expressed in his letter, such an action cannot be justified under any circumstances and will not stand up under legal review.

I have taken the time and incurred the expense of researching Mr. Preston's opinion and found, not one scintilla of evidence from legal precedence, legal opinion, practice or procedure by other municipalities and districts ever having taken such a position...ever.

Notwithstanding Mr. Reynolds decision to upgrade the property at 365 Margarita Drive when he owned it, his rights to derive benefit ended when he sold the property. Who among us who have invested in property we owned many years ago wouldn't like to go back and have the benefit of getting a return on our investment now and into the future.

My wife and I built roadways and under-grounded power lines at a significant cost at our home on our property in Sonoma when we owned it. The result substantially benefited our neighbors as well. We would love to have the City of Sonoma provide us a way to get our money back plus a return on our investment now and in the future but we sold the property two years ago and our rights and privileges over that property ended.

Unfortunately we were not able to derive the kind of return on our investment we would have liked but, when buying and selling real estate, we're all subject to the variability of the market. Mr. Reynolds, just like every other seller, must have factored his investments in 365 Margarita Drive seven years ago, into his selling price. According to public records, he only owned 365 Margarita Drive for six months.

And here's another question:

if and when our immediate neighbors decide to hook into the sewer line and are required to come across our property to do so, do you really think Mr. Reynolds should be compensated?
Even the idea of such an action is wrong.

If he didn't, that was his decision. If the real estate market at the time he sold his property seven years ago didn't cover his investments in 365 Margarita Drive, he would have to incur a loss like so many of us have also experienced when buying and selling real estate. I think we know, that's how the market works.

And who here would be willing to give up your right to someone who owned your property seven years ago, under the same conditions and circumstances, to make claims against your property?

In Mr. Preston's letter and in conversation a couple of days ago with a staff member of San Rafael Sanitation District we have been told that, because of the District's small staff and busy calendar, this matter has remained an open item. We were also told the District Board has one meeting per month during which it addresses District Board business.

This indicates, over the past seven years, during 84 San Rafael Sanitation District Board meetings over a period of over 2000 days, this matter wasn't important enough to be elevated to a level of becoming an agenda item for consideration by the District Board but, now, suddenly, as I understand, because Mr. Preston is leaving and wants to "tie up loose ends before leaving" this has been resurrected and become "our problem".

Our being told by Sanitation District staff a couple of days ago that Mr. Preston is 'friendly' with the owners of 366 Margarita Drive and Mr. Reynolds causes us serious concern.

A few weeks ago Mr. Reynolds phoned me to discuss this matter and asserted his claim to receive monies now and in the future for down-hill households hooking up to the sewer line. During that conversation Mr. Reynolds acknowledged two critically important facts to me.

First, he admitted a property owner's rights and privileges end when the property is sold. Second, and most important, he told me he does not have nor has he ever had any agreement of any kind with any individual, entity, agency or district entitling him to make a claim to recover any money he spent seven years ago for the sewer main and sewer line at 365 and 366 Margarita Drive let alone any agreement entitling him to be paid monies now and in the future. He also told me he lives in Hawaii.

Well, we live here in San Rafael California. We pay taxes to the City of San Rafael and The County of Marin. In fact we have been paying taxes to the County of Marin for over 30 years.

At a minimum I think it is reasonable to expect the City of San Rafael and, as an extension of the City, the San Rafael Sanitation District Board of Directors to consider our protection, the protection of our property and the enforcement of laws and contracts that secure the ownership of our property and all of its assets.

In my opinion, the Board's best decision now is to find in our favor and help us to preserve our rights. We are your residents and we ask you to support our property rights. We are your constituents. We live here. We deserve to have you protect our rights.

By taking action on Mr. Preston's recommendation today and establishing authority over an escrow account to collect monies that may be collected from neighbors desiring to hook up to the sewer line "until Mr. Reynolds and Mr. Lavelle resolve their differences" you indirectly, but nevertheless in real terms, validate Mr. Reynolds claim of entitlement without any legal agreement establishing entitlement or valid evidence of any rights whatsoever.

Do you really want to set a prescient that someone can come back 2, 3, 4, 5 or seven years later and make a claim like this?

I once again ask the Board to find in our favor. We are your residents and we are your constituents. We live here. We deserve to have you protect our rights.

Thank you for your consideration.

PATRICK K. FAULKNER
COUNTY COUNSEL

JACK F. GOVI
ASSISTANT COUNTY COUNSEL

DOROTHY R. JONES
CHIEF DEPUTY

COUNTY COUNSEL OF MARIN COUNTY

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MAY 22 2009

SAN RAFAEL
SANITATION DIST.

MARI-ANN G. RIVERS
RENEE GIACOMINI BREWER
DAVID L. ZALTSMAN
MICHELE KENO
NANCY STUART GRISHAM
JENNIFER M. W. VUILLERMET
PATRICK M. K. RICHARDSON
THOMAS F. LYONS
STEPHEN R. RAAB
STEVEN M. PERL
SHEILA SHAH LICHTBLAU
EDWARD J. KIERNAN
JESSICA F. MILLS
DEPUTIES
JEANINE MICHAELS
ADMINISTRATIVE ASSISTANT

May 19, 2009

Mr. and Mrs. James Lavelle
365 Margarita Drive
San Rafael, CA 94903

Re: San Rafael Sanitation District (SRSD)

Dear Mr. and Mrs. Lavelle,

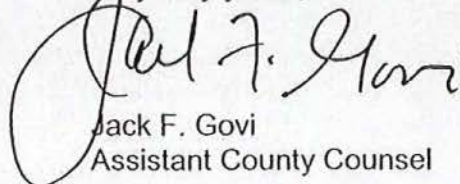
As you know, the SRSD Board requested that I conduct further research into the issue regarding the entitlement to any proceeds from a payback agreement for the sewer main extension that occurred in 2004 or 2005.

I have conducted additional research. Please be advised that California Health and Safety Code Section 4742.3 provides that the person installing sewers or other such facilities is the proper person to receive reimbursement on a payback agreement. I have enclosed a copy of this section and you should note that SRSD has utilized this provision for the past twenty-five years in facilitating payback agreements. Since Mr. Reynolds provided the funds (escrow) for the installation, it is my opinion that he is entitled to the proceeds.

I am writing you to provide you with the opportunity to address this issue before I finalize any opinion to the SRSD Board. Accordingly, I will be pleased to meet with you at your convenience to discuss the above referenced code section and/or discuss any other competent legal authority that you may present. Please call me if you wish to meet with me. Should I not hear from you prior to May 31st, I will issue my opinion.

Should you have any questions, please do not hesitate to contact me.

Very truly yours,


Jack F. Govi
Assistant County Counsel

§ 4742.2
Repealed

§ 4742.2. Repealed by Stats.1983, c. 256, § 67

SANITATION
Div. 5

Historical and Statutory Notes

The repealed section, added by Stats.1961, c. 1280, p. 3154, § 1, eff. July 11, 1961, related to joint construction or operation with public or private corporation or person. See Public Contract Code § 20782.

§ 4742.3. Reimbursement for use of sewer or other facility for benefit of property not owned by person making installation

Whenever a person installs sewers or other facilities for sewers and the district board determines that it is necessary that such sewers or other facilities be constructed so that they can be or will be used for the benefit of property other than that of the person making the installation and such sewers or other facilities are dedicated to the public or become the property of the district, the district board may by contract agree to reimburse such person for such sewers or other facilities. Such contract may provide that the district may collect from any person using such sewer or other facility for the benefit of property not owned by the person making the installation a reasonable fee or charge. (Added by Stats.1961, c. 1380, p. 3154, § 2, eff. July 11, 1961.)

Cross References

"District board" defined for purposes of this Chapter, see Health and Safety Code § 4702.
"District" defined for purposes of this Chapter, see Health and Safety Code § 4701.

§ 4742.4. Contracts between districts and counties to pay and apportion costs of locating, repairing or relocating facilities on roads or other property of the other

Any county sanitation district and any county may enter into a contract agreeing to pay and apportion between them the costs of locating, removing, repairing, or relocating any facilities owned or to be owned by either party on the roads or other property of the other in such proportion and upon such terms as the governing boards of the parties shall determine to be equitable. (Added by Stats.1967, c. 164, p. 1248, § 1.)

Cross References

"District" defined for purposes of this Chapter, see Health and Safety Code § 4701.

Library References

Counties Ⓢ111(1).
Health Ⓢ369.
Westlaw Topic Nos. 104, 198H.
C.J.S. Counties § 150.
C.J.S. Health and Environment §§ 7 to 9, 16 to 17, 26 to 27, 44 to 45, 98 to 100.

§ 4742.5. Street-cleaning and streetsweeping services

It may make provision for street-cleaning and streetsweeping services upon the roads and streets within the boundaries of the district. It may contract with any district, city, governmental agency or person for the operation of a street-cleaning and streetsweeping service upon the roads and streets within the boundaries of the district, when, in the judgment of the district board, it is for

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SAN RAFAEL SANITATION DISTRICT

RESOLUTION NO. 16-1141

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SAN RAFAEL SANITATION DISTRICT
AUTHORIZING THE CHAIRMAN AND THE SECRETARY TO ENTER INTO
A REPAYMENT AGREEMENT WITH SASAN FARAMARZI AND THERESA
CAMPBELL AND THE LEGAL SECOND PARTY TO THE AGREEMENT
FOR THE 365 AND 366 MARGARITA DRIVE SEWER MAIN EXTENSION AND
AUTHORIZING THE DISTRICT MANAGER/DISTRICT ENGINEER TO
SIGN THIS AGREEMENT ON BEHALF OF THE SAN RAFAEL SANITATION
DISTRICT AS THE LEGAL SECOND PARTY TO THE AGREEMENT**

**THE BOARD OF DIRECTORS OF THE SAN RFAEL SANITATION DISTRICT,
COUNTY OF MARIN, hereby resolve as follows:**

The Chairman and the Secretary are authorized to enter into a Repayment Agreement with **Sasan Faramarzi and Theresa Campbell, Re: 366 Margarita Drive (APN 186-520-01)** and **the legal second party to the agreement, Re: 365 Margarita Drive (APN 016-011-02 & 16)** for pay-back costs for the installation of the 365 and 366 Margarita Drive Sewer Main Extension, and the District Manager/District Engineer is authorized to sign said Repayment Agreement on behalf of the San Rafael Sanitation District as the legal second party to the agreement. A copy of the Repayment Agreement is hereby attached and by this reference made a part hereof.

PASSED AND ADOPTED at a regular meeting of the San Rafael Sanitation District Board of Directors held on the 14th day of July, 2016, by the following vote, to wit:

AYES:

NOES:

ABSENT/ABSTAIN:

Gary O. Phillips, Chairman

ATTEST:

Maribeth Bushey, Secretary

APPROVED AS TO FORM:

Jack F. Govi, Assistant County Counsel

**REPAYMENT AGREEMENT
365 AND 366 MARGARITA DRIVE SEWER MAIN EXTENSION**

THIS REPAYMENT AGREEMENT, made this 14th day of July, 2016, between the SAN RAFAEL SANITATION DISTRICT, Marin County, California, hereinafter called "DISTRICT" and Sasan Faramarzi and Theresa Campbell, Re: 366 Margarita Drive (APN 186-520-01) and the San Rafael Sanitation District, acting on behalf of the legal second party to this agreement, Re: 365 Margarita Drive (APN 016-011-02 & 16, which is currently APN 016-011-30), hereinafter called "OWNERS." The San Rafael Sanitation District will remain the second party to this agreement until the legal dispute between Mr. and Mrs. James Lavelle, 365 Margarita Drive, San Rafael, CA 94901 and Mr. Frederick Reynolds, 290 South Ulukoa Place, Lahaina, HI 96761 has been resolved. At that time, this agreement will be revised to show the name of the appropriate party in lieu of the District's name; and

WHEREAS, the current mailing addresses for the OWNERS are known by the DISTRICT to be the following: Sasan Faramarzi and Theresa Campbell (count as one owner) shall be sent to Sasan Faramarzi, C/O, Mahendra Shah, 292 Margarita Drive, San Rafael, CA 94901 and the San Rafael Sanitation District, P.O. Box 151560, San Rafael, CA 94915-1560;

WITNESSETH

WHEREAS, there are certain properties located on or along Margarita Drive, San Rafael, Marin County, California, adjacent to or near said properties, which were not served by a sanitary sewer system; and

WHEREAS, in order to serve said properties with public sanitary sewer service, it was necessary to construct the 365 and 366 Margarita Drive Sewer Main Extension as authorized by the Board of Directors of the San Rafael Sanitation District by Resolution No. 04-892 dated May 5, 2004; and

WHEREAS, OWNERS, at their own expense, did construct the sewer main extension from the DISTRICT'S sewer main in Highland Avenue (APN 016-011-14),

thence continuing north westerly along Highland Avenue approximately 510 feet to Assessor's Parcel Number 016-011-16, thence continuing in sewer easements across Assessor's Parcel Number 016-011-30, which was Assessor's Parcel Number 016-011-16 and 016-011-02, an additional 630 feet (approximately) to a termination in the vicinity of Assessor's Parcel No. 186-520-01 as shown on Exhibit "A" attached hereto and incorporated herein; and

WHEREAS, the project has been accepted by the DISTRICT; and

WHEREAS, it would be fair and equitable for the OWNERS to receive back a proportionate share of the expense of said construction from other property owners, whose property is hereinafter specified, if and when they connect to said sewer main;

NOW, THEREFORE, IT IS HEREBY AGREED as follows:

1. The DISTRICT shall enact and keep in force an ordinance providing that all of the parcels hereinafter set forth which connect to said sewer main extension within a period of fifteen (15) years from the date of this REPAYMENT AGREEMENT, hereinafter called "PAYEES," shall pay a "sewer main extension reimbursement charge," in addition to any other fees required by the DISTRICT, which fees may include a DISTRICT connection fee, annexation, and other fees levied at the time of actual connection to the sewer main. Said parcels are:

Marin County Assessor's Parcel No. 015-241-12
Marin County Assessor's Parcel No. 016-011-19
Marin County Assessor's Parcel No. 016-011-20
Marin County Assessor's Parcel No. 016-021-08
Marin County Assessor's Parcel No. 016-021-30
Marin County Assessor's Parcel No. 186-520-02

and any other parcels that connect to the new said sewer main.

2. The original constructors of the sewer main extension expended \$126,431. The purpose of this repayment agreement is to reimburse the original owners and any payees so that each owner that pays into the agreement is reimbursed to an extent that is fair and equitable. Thus, the first payee into this Agreement will pay 1/3 of the original cost, \$42,144. That payee will then have paid 1/3 of the cost of the sewer line

and thereafter be eligible to receive 1/3 of the proceeds paid by the next payee. The original two owners will also get 1/3 each of the proceeds paid by the next payee. The next payee will pay 1/4 the original cost (\$31,608). That next payee will then have paid 1/4 of the cost of the sewer line and thereafter be eligible to receive 1/4 of the proceeds paid by the next payee. The chart outlined in Section 3 below details the costs through four payees. Should there be a fifth or sixth payee, the formula will work the same and the fifth payee will be paying 1/7 of the original cost and will receive 1/7 of the proceeds paid by the next payee and the sixth will be paying 1/8 of the original cost. As the chart in Section 3 indicates, there will be a surcharge of two percent (2%) beginning with year six (6) through year ten (10) and five percent (5%) beginning with year eleven (11) and each year thereafter for a period of fifteen (15) years. In no event shall an owner receive more funds than the original owner expended and in no event shall a payee receive more funds than expended by that payee.

3. The cost of said sewer main extension is determined to be \$126,431, based on a statement of project costs on file with the DISTRICT, such costs include all Engineering Costs, Construction Costs, Financing and Legal Costs, Plan Check and Inspection Fees, and other direct and related costs incurred by the OWNERS. The sewer main extension reimbursement charge for each parcel shall be as follows with two percent (2%) interest being added annually to the reimbursement charge commencing after five (5) years and five percent (5%) interest added annually to the reimbursement charge commencing after ten (10) years from the date of this REPAYMENT AGREEMENT:

	<u>1st Payee</u>	<u>2nd Payee</u>	<u>3rd Payee</u>	<u>4th Payee</u>
Year 1	\$ 42,144	\$ 31,608	\$ 25,286	\$ 21,072
Year 2	\$ 42,144	\$ 31,608	\$ 25,286	\$ 21,072
Year 3	\$ 42,144	\$ 31,608	\$ 25,286	\$ 21,072
Year 4	\$ 42,144	\$ 31,608	\$ 25,286	\$ 21,072
Year 5	\$ 42,144	\$ 31,608	\$ 25,286	\$ 21,072
Year 6	\$ 42,987	\$ 32,240	\$ 25,792	\$ 21,493
Year 7	\$ 43,846	\$ 32,885	\$ 26,308	\$ 21,923
Year 8	\$ 44,723	\$ 33,542	\$ 26,834	\$ 22,362
Year 9	\$ 45,618	\$ 34,213	\$ 27,370	\$ 22,809

Year 10	\$ 46,530	\$ 34,898	\$ 27,918	\$ 23,265
Year 11	\$ 48,857	\$ 36,642	\$ 29,314	\$ 24,428
Year 12	\$ 51,299	\$ 38,475	\$ 30,779	\$ 25,650
Year 13	\$ 53,864	\$ 40,398	\$ 32,318	\$ 26,932
Year 14	\$ 56,558	\$ 42,418	\$ 33,934	\$ 28,279
Year 15	\$ 59,385	\$ 44,539	\$ 35,631	\$ 29,693

Said yearly time periods referred to herein shall be deemed to commence running on the effective date of this agreement which is the date this REPAYMENT AGREEMENT is signed by all parties. Thus, year one (1) shall be deemed to run for 365 days after the effective date of this agreement. Year two (2) shall commence on the 366th day.

4. In addition to the total reimbursement charge assessed to each new connector, there will be an additional charge of \$500.00 for administrative costs involved in the calculation and disbursement of said reimbursement charges to said OWNERS and PAYEES. Said administrative cost shall be paid to the DISTRICT, who will also be responsible for the disbursement of the reimbursement charge to the OWNERS and PAYEES upon receipt of said fees from any new connector(s). Any new connector(s) will also be required to pay the DISTRICT for the DISTRICT'S sewer connection fee, any applicable annexation fees, any other DISTRICT fees in effect, and for Central Marin Sanitation Agency's sewer capacity charge, and it should be noted that the DISTRICT will also be responsible for disbursement of this sewer capacity charge payment to the Central Marin Sanitation Agency.

5. The DISTRICT will forward the reimbursement charge payments to the OWNERS and PAYEES at the addresses shown on the REPAYMENT AGREEMENT. The DISTRICT will make no attempt to contact any OWNER or PAYEE who has moved from the above shown addresses and not informed the DISTRICT of their new address. It is the OWNER'S and PAYEE'S sole responsibility to advise the DISTRICT in writing of any change of address where any reimbursement charge payments should be sent. In the event that the DISTRICT is unable to locate an OWNER or PAYEE and deliver the reimbursement charge payment, the DISTRICT will keep the payment until it is

claimed by the OWNER or PAYEE. Any unclaimed amounts not claimed by the end of the REPAYMENT AGREEMENT will become the property of the DISTRICT.

5. a. The DISTRICT shall receive the proportionate share of any Repayment on behalf of Mr. and Mrs. James Lavelle or Mr. Frederick Reynolds. The DISTRICT shall hold any such Repayments in an escrow account and shall provide such monies to either Mr. and Mrs. James Lavelle or Mr. Frederick Reynolds upon documentation that either is entitled to the proceeds of the Repayment. The dispute over the Repayment involves Mr. Reynolds, the former owner of 365 Margarita Drive, and Mr. and Mrs. James Lavelle, the current owners of 365 Margarita Drive. The DISTRICT does not know who is entitled to the Repayment funds and shall hold any such Repayment funds until Mr. and Mrs. James Lavelle and Mr. Frederick Reynolds reach a settlement or provide legal documentation that one or the other is legally entitled to the proceeds of the Repayment.

6. For their share of the cost of construction of the sewer main extension, the properties of the OWNERS, and each of the other parcels upon payment of the reimbursement charge as provided herein, will be permitted to connect one single family residence to the sewer main, upon payment of any other DISTRICT fees in force at that time.

7. In the event any party breaches this REPAYMENT AGREEMENT, the non-breaching parties shall be entitled to reimbursement of all attorney's fees and costs incurred in enforcing this REPAYMENT AGREEMENT, whether or not suit is filed.

IN WITNESS WHEREOF, the parties hereto have executed this REPAYMENT AGREEMENT on the day and year herein above first written.

SAN RAFAEL SANITATION DISTRICT

Gary O. Phillips, Chairman

ATTEST:

Maribeth Bushey, Secretary

OWNERS

Sasan Faramarzi, Owner
366 Margarita Drive, San Rafael, CA 94901
APN 186-520-01

Date

Theresa Campbell, Owner
366 Margarita Drive, San Rafael, CA 94901
APN 186-520-01

Date

Doris Toy, District Manager/District Engineer
San Rafael Sanitation District
P.O. Box 151560, San Rafael, CA 94915-1560
On Behalf of Legal Second Party to this Agreement for
365 Margarita Drive, San Rafael, CA 94901
APN 016-011-30

Date

APPROVED AS TO FORM:

Jack F. Govi, Assistant County Counsel