

**A G E N D A**  
**SPECIAL MEETING**  
**SAN RAFAEL SANITATION DISTRICT**  
**BOARD OF DIRECTORS**  
**WEDNESDAY – MAY 1, 2024 – 4:00 P.M.**  
**SAN RAFAEL CITY HALL**  
**1400 FIFTH AVENUE – CONFERENCE ROOM CD3**  
**SAN RAFAEL, CALIFORNIA 94901**

Members of the Public may also participate in Open Session through the following:

**Zoom link:** <https://cityofsanrafael-org.zoom.us/j/84156055903>

**Or by Phone: 1 669 444 9171 US**

**Meeting ID: 841 5605 5903**

Public comments for this meeting can be submitted via email to the District Clerk at [Kathryn.Nelson@cityofsanrafael.org](mailto:Kathryn.Nelson@cityofsanrafael.org). The public comment period opens when the agenda is posted online and will close two hours prior to the start of the meeting. Include your name and the item you would like to provide a written comment on.

To provide comments during the meeting, please use the “raise hand” feature in the Zoom Meeting and the host will notify and unmute you when it is your turn to speak.

**Members of the public may speak on Agenda items.**

**1. ROLL CALL**

**2. OPEN PERIOD**

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

**3. CONSENT CALENDAR**

None

**4. OTHER AGENDA ITEMS**

**a.** Review rates for proposed increase in sewer service charges.

**b.** Approve notice of public hearing to ratepayers and authorize mailing of document.

- c. Set first reading of proposed ordinance increasing the sewer service charges for May 17, 2024.
- d. Set public hearing for adoption of proposed ordinance increasing the sewer service charges for June 21, 2024.

**5. INFORMATIONAL ITEMS**

**6. DIRECTOR REPORTS/REQUESTS FOR FUTURE AGENDA ITEMS**

**7. ADJOURNMENT**

The next scheduled meeting is May 17, 2024.

**SAN RAFAEL SANITATION DISTRICT**  
*Agenda Item No. 4*

**DATE:** May 1, 2024  
**TO:** Board of Directors, San Rafael Sanitation District  
**FROM:** Doris Toy, District Manager/District Engineer  
**SUBJECT:** Proposed Increase in Sewer Service Charges

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At the April 26, 2024, Board meeting, the Board had a discussion on proposed increase in Sewer Service Charge. The Board recognized that the District needs to recover some of the inflation costs since the last rate increase in 2017; and wish to increase its sewer replacement from 1.6 miles per year to 2.5 miles per year; and Central Marin Sanitation Agency increased its fees due to capital improvements at its treatment plant and other increasing costs, i.e. chemicals, insurance, and inflation. The Board recommended that the Sewer Service Charge be increased by 10% for Fiscal Year 2024-25 and by 5% for Fiscal Year 2025-26; and the District shall re-evaluate the District's 10-year budget forecast next year when the District considers its adoption for the next 2-year budget for Fiscal Year 2025-26 and 2026-27.

The timeline for the proposed increase in the sewer service charge should adhere to the general requirements regarding the passage of ordinances and the requirements relating to increases in fees pursuant to Proposition 218 [Article XIII D, Section 6 of the California Constitution Code].

The specific timeline is dependent upon the date of the monthly meeting of the District. Since the District must notify the County of Marin of its rates in early July in order for the sewer service charge to be placed on the FY 2024-25 property tax roll, the District will need to hold the public hearing for adoption of the proposed ordinance increasing the sewer service charges on June 21, 2024. Please note that the government code generally requires ordinances to be passed at regular meetings, not special meetings.

**May 1, 2024:** At this SRSD Board meeting, the Board will consider the following:

- (1) Whether they want to consider the passage of an ordinance to increase the sewer service charge;
- (2) Whether, as a preliminary matter, the increase in the sewer service charge will meet the following requirements of Proposition 218:
  - a. Revenues derived from the charge shall not exceed the funds required to provide the property related service;
  - b. Revenues derived from the charge shall not be used for any purpose other than that for which the charge was imposed;
  - c. The amount of fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel;
  - d. No charge shall be imposed for a service unless that service is actually used by or immediately available to the owner of the property in question; and

- e. No charge may be imposed for general governmental services, including but not limited to police, fire, ambulance, or library services where the service is available to the public at large in substantially the same manner as it is to property owners.
- (3) Whether the District's proposed Notice of Hearing is acceptable and whether the contents of the material outlining the need for the increase is acceptable, assuming that the Board does want to consider an increase in the sewer service charge;
- (4) Authorizing the mailing of the Notice of Hearing and other material pursuant to Proposition 218 by May 6, 2024. (The written notice must be made at least 45 days in advance of the Public Hearing in which the District will consider the proposed increase of the charge.)
- (5) Setting May 17, 2024, as the date for the first reading of the Proposed Ordinance authorizing the increase of the sewer service charge; and
- (6) Setting June 21, 2024, as the date of the regular meeting for the Public Hearing on whether the Board will increase the sewer service charge and pass the Ordinance for such increase.

**May 6, 2024:** SRSD staff must send out the Notice of Hearing and other material to all parcel owners within SRSD pursuant to the requirement of Proposition 218.

**May 17, 2024:** At this regular Board meeting, the Board will perform the following:

- (1) Conduct a first reading of the Proposed Ordinance;
- (2) Authorize a publication of a summary of the Proposed Ordinance, which includes the date of the Hearing on such Proposed Ordinance in the Marin Independent Journal by June 5, 2024, and post the full text of the Proposed Ordinance at both the District office and City Hall.

**June 5, 2024:** Publication of the summary of the Proposed Ordinance and date of Hearing should occur in the Marin Independent Journal. Also, the full text of the Proposed Ordinance should be posted at the District office and City Hall though June 21, 2024. District Secretary Kathryn Nelson should execute a certificate that a summary of the Ordinance was published and the full text was posted.

**June 21, 2024:** SRSD Meeting – Hearing on Proposed Ordinance. This date also represents the date that persons receiving the Notice of the Proposed Sewer Service Charge Increase can verbally protest or submit written protests. Please note, if there is not a majority protest and the Board passes the Ordinance, then the Ordinance should be prepared and submitted for publication (either in full or a summary) to the Marin Independent Journal by July 6, 2024.

**July 6, 2024:** Publication of the Ordinance as passed or a summary of the Ordinance should be published within fifteen (15) days of June 21, 2024, in the Marin Independent Journal along with the names of the Board members voting for and against the Ordinance. Additionally, the full text of the Ordinance as passed should be posted at the District office for one week as well as at City Hall where the Ordinance was passed. District Secretary Kathryn Nelson should execute a certificate under penalty of perjury that both of the publication and posting occurred.

Attachment: Draft Notice of Hearing to Parcel Owners



# San Rafael Sanitation District

## PROPOSED RATE INCREASES

The District is considering changes to sewer service charges.

The current amount per residential unit is \$71.72 per month.

The proposed amounts are:

2024-25 \$78.89/month

2025-26 \$82.84/month

More details about the proposed rates are found throughout this document.

### Contact

Mail: 111 Morphew St.

San Rafael, CA 94901

Telephone: (415) 454-4001

Email: SRSD@cityofsanrafael.org

### Board of Directors

Kate Colin, Chair

Maribeth Bushey, Secretary/Director

Katie Rice, Director

### District Manager/Engineer

Doris Toy

## NOTICE OF PUBLIC HEARING ON PROPOSED INCREASES IN SEWER SERVICE CHARGES

### WHY INCREASES ARE NEEDED

San Rafael Sanitation District (SRSD) is proposing increases in its charges to cover the cost of providing all sanitary service needs, including collection, treatment, and disposal. Key reasons for the proposed increases are:

- Rates have not been increased in seven years and the District must recover some of the inflation costs over that time.
- An increase in the amount charged to the District for use of the Regional Wastewater Treatment plant, which processes the District's sewage.
- Additional funds to speed up the replacement of aging sewer pipelines.

**Higher Costs Charged by the Regional Treatment Plant.** San Rafael Sanitation District is one of several local wastewater agencies that joined to build the Central Marin Sanitation Agency's regional wastewater treatment plant.

**The Amount San Rafael Sanitation District Must Pay for Treatment Services Is Scheduled to Increase Substantially in Each of the Next Five Years.** The increases are for needed improvements to the treatment plant to meet regulations and higher costs of numerous items, including chemicals, insurance, and inflation.

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*Our District has never been fined for a sewer spill or overflow. The District must continue upgrading its wastewater sewer system in order to continue protecting public health and the environment.*

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**Speed Up Replacement of Aging Sewer Pipelines.** As sewer pipelines age, they can develop breaks, cracks, and root intrusions, potentially leading to illegal and harmful spills and overflows.

The District has been investing about \$6.3 million each year to maintain the pipelines adequately but must increase that to about \$8 million each year.

### BASIS FOR THE INCREASE.

The District Manager has calculated the increase in the sewer service charge based upon all estimated District costs, including those described in this document. A copy of these calculations is on file at the District office located at 111 Morphew Street, San Rafael.

## BEFORE CONSIDERING AN INCREASE WE CUT COSTS

### San Rafael Sanitation District Works Continuously to Hold Costs Down.

Some of the more notable cost-saving actions include:

#### **Collaborate with Our Neighbors.**

The District collaborates on many programs: pollution prevention, inspections, businesses outreach, household hazardous waste, and more.

#### **Participate in Joint Treatment Plant.**

By sharing a single, regional wastewater treatment plant, the District and our neighbors improve quality, increase environmental protection, and lower costs for all.

**Cross-train Staff.** This allows us to maintain a smaller, more efficient workforce.

**Install Energy-saving, High-efficiency Pumps and Motors** to lower electrical power and maintenance costs.

**Combine Sewer Projects with City Projects** to lower construction, bidding, repaving, and management costs.

**Carry Out Key Services in-house**, such as project management and inspection.

## QUESTIONS? CONTACT US

*If you have any questions or if you wish to review the data on which the District's charges are calculated, please:*

**Call the District Office** at (415) 454-4001 during regular business hours, Monday through Friday.

**Participate in the Public Hearing** on June 21, 2024, in the City of San Rafael Council Chambers.

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*Even with the proposed rate increase, our rates are expected to remain in the lower half in Marin County in the coming year.*

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## NOTICE OF HEARING ON PROPOSED INCREASES IN SEWER SERVICE CHARGE

Friday, June 21, 2024, at 9:00 A.M. at the Council Chambers located in the City Hall of the City of San Rafael (1400 Fifth Avenue, San Rafael).

**Proposed Charge Per EDU to Be Considered.** At the hearing, the Board of Directors of San Rafael Sanitation District will consider the passage of an ordinance to increase the District's sewer service charge per Equivalent Dwelling Unit (EDU) as shown below:

Current Rate	2024-2025	2025-2026
\$71.72 per month (\$860.63 annually)	\$78.89 per month (\$946.68 annually)	\$82.84 per month (\$994.03 annually)

During the hearing, the District Board will consider all protests against the proposed increases and will vote on the proposed increases. Should a majority of the parcel owners make a written protest of the increase, then the Board will not impose any increase.

**Residential Charges.** One EDU is the average amount of wastewater calculated to come from each residential dwelling unit. All residential units are charged one EDU.

**Non-Residential Charges.** The sewer service charge for non-residential customers is calculated individually based upon the volume and strength (cost to treat) of the sewage measured in EDUs. For example, restaurants pay a higher strength factor due to the grease and food in their sewage. The same EDU rate that applies to residential users also applies to non-residential users, and the proposed increases in EDU rates are identical. For assistance calculating the specific charge for a business contact the District.

**Effective Date.** If there is no majority protest and the majority of the Board of Directors approves the sewer service charge increases, the increases will be reflected on the September 2024, property tax bill and will be implemented in fiscal years 2024-2026.

## HOW TO PROTEST THE PROPOSED CHANGES

Any affected property owner may submit a written protest to the proposed increases. If a majority of the affected property owners within the District's service area submit written protests, the proposed rate increases will not go into effect. A valid protest must: 1) be in writing; 2) state opposition to the proposed sewer rates; 3) state the location of the owner's parcel by County Assessor's Parcel Number (APN) or street address; 4) list the owner's name(s); 5) have an original signature; and 6) be received at or before the time of the above public hearing.

Protests may be mailed to 111 Morpew St. San Rafael, CA 94901, or personally delivered to the hearing at City Hall of the City of San Rafael at 1400 Fifth Avenue, San Rafael. By law, the District will not accept email, fax, and photocopied protests. All protests must be received prior to the conclusion of the public hearing.

This notice is being sent to you pursuant to Proposition 218 [California Constitution, Article XIII, D., Section 6]. Proof of service of this notice of public hearing to you is on file in the District office.