

A G E N D A
SPECIAL MEETING
SAN RAFAEL SANITATION DISTRICT
BOARD OF DIRECTORS
FRIDAY – JUNE 1, 2018 - 10:30 A.M.
SAN RAFAEL CITY HALL
1400 FIFTH AVENUE – CONFERENCE ROOM
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 – March 16, 2018.

3. PAYMENTS

Request approval as submitted.

4. OLD BUSINESS

- a. Consideration of approval of the Updated CMSA Joint Exercise of Powers Agreement.

5. NEW BUSINESS

- a. Adopt resolution authorizing the District Manager/District Engineer to execute a Utility Agreement with the State of California for the 36-Inch Trunk Sewer Relocation Project.
- b. Adopt resolution authorizing the District Manager/District Engineer to execute a Professional Services Agreement with Park Engineering for Inspection Related Services.
- c. Consideration of approval of a refund request from Randy Harris for overpayments of sewer service charges for 1945 Francisco Blvd. East, Suites 24 & 25 (APNs 009-380-24 & 25).
- d. Discussion on response to Marin County Civil Grand Jury Report on Consolidation of Sanitation Districts dated April 13, 2018.

6. INFORMATIONAL ITEMS

7. DIRECTOR REPORTS/REQUESTS FOR FUTURE AGENDA ITEMS

8. CLOSED SESSION

- a. **Conference with Legal Counsel**
California Government Code
Section 54956.9(d)(2)
Number of Potential Cases: One (1)

9. ADJOURNMENT

The next scheduled meeting is Monday, June 25, 2018.

SAN RAFAEL SANITATION DISTRICT
Minutes of the Meeting
March 16, 2018

Special Meeting

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

The meeting was called to order at 9:01 A.M. by Acting Chair Rice.

Attendance Katie Rice, Acting Chair
Board: Maribeth Bushey, Secretary/Director

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

Attendance Jack F. Govi, Assistant County Counsel
Others: Dean DiGiovanni, CMSA Commissioner for SRSD

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

2. MINUTES OF FEBRUARY 23, 2018.

MOTION by Director Bushey, seconded by Acting Chair Rice, to approve the minutes of the February 23, 2018, meeting as presented.

AYES: Director Bushey, Acting Chair Rice

NOES: None

ABSENT: Chair Phillips

Motion Carried

3. PAYMENTS

MOTION by Director Bushey, seconded by Acting Chair Rice, to approve the payments for February 2018 in the amount of \$1,504,960.86 for maintenance and operation of the District and for capital improvements.

AYES: Director Bushey, Acting Chair Rice

NOES: None

ABSENT: Chair Phillips

Motion Carried

4. CLOSED SESSION

- a. Conference with Legal Counsel**
California Government Code Section 54956.9(d)(2)
Number of Potential Cases: One (1)

Closed Session – Opened at 9:02 A.M.

Closed Session – Ended at 9:44 A.M.

Acting Chair Rice reported that the Board gave direction to Counsel and staff on the proposed SMART contract with regard to both recital language and contract provisions; and if met, the District Manager has authority to sign the contract with SMART.

5. OLD BUSINESS

None.

6. NEW BUSINESS

- a. Adopt resolution authorizing the District Manager/District Engineer to execute a funding agreement with SMART for the San Rafael Sewer Force Main Relocation at Rice Drive.**

Acting Chair Rice reported that this matter had been addressed in the report out on Closed Session Item 4.a. referenced above.

- b. Adopt resolution authorizing the District Manager/District Engineer to sign an agreement with WorkSmart Automation, Inc., for programming services for the San Pedro Pump Station Improvements Project.**

District Manager Toy reported that the San Pedro Pump Station Improvements Project Rebid had been awarded to Valentine Corporation at the December 22, 2017, Board meeting. She also reported that the contract specifications for this project did not include the programming portion of the work because District staff wanted it to be performed by a consultant who is familiar with the programming of the District's pump stations. Manager Toy reported that because WorkSmart Automation had performed the programming services for the past several pump station projects, the District had requested WorkSmart to provide a proposal for the San Pedro Pump Station Improvements Project. She then reported that WorkSmart's proposal was for a lump-sum cost of \$39,000 and recommended that the Board adopt the resolution authorizing an Agreement with WorkSmart to provide programming services for the San Pedro Pump Station.

MOTION by Director Bushey, seconded by Acting Chair Rice, to adopt the resolution authorizing the District Manager/District Engineer to sign an agreement with WorkSmart Automation, Inc., for programming services for the San Pedro Pump Station Improvements Project.

AYES: Director Bushey, Acting Chair Rice

NOES: None

ABSENT: Chair Phillips

Motion Carried

- c. **Adopt resolution authorizing the District Manager/District Engineer to sign an agreement with Nute Engineering for design related services for the 36-Inch Trunk Sewer Relocation Project for the Caltrans San Rafael Harbor Bridge Replacement Project.**

District Manager Toy reported that on February 1, 2018, Caltrans engineers met with SRSD staff to explain their upcoming project, the "San Rafael Harbor Bridge Replacement Project." She then reported that this project consists of replacing the bridge section at the Highway 101 Central San Rafael northbound off-ramp due to the scoured pier foundation, which includes widening and realigning the bridge. Next, Manager Toy referred to a map showing a 30-inch sewer line coming from Hetherton, which carries the wastewater from the Dominican area, and another 30-inch sewer line coming from Second Street, which carries the wastewater from central and west San Rafael, and reported that these sewer lines tie into a 36-inch trunk sewer that runs under the canal, then under the overpass, and across Highway 101 at the Central San Rafael northbound off-ramp to the North Francisco Pump Station. She also reported that the widening of the bridge would cause the portion of the 36-inch trunk sewer currently located on the shoulder of said exit to be in the first left lane of the future off-ramp. She then reported that in order to avoid this problem, the portion of the sewer line currently running parallel to the highway shoulder could either be relocated further west, or the portion of sewer line that crosses the highway off-ramp could be abandoned and a new sewer line could be constructed across the off-ramp. Manager Toy reported that Caltrans had previously agreed to reimburse the District for its design and construction costs for the sewer work, but their Right-of-Way Division later advised the District that Caltrans would first need to receive proof that the District's sewer line was there first or a copy of a utility agreement with Caltrans. She then reported that she had recently sent Caltrans a drawing showing that the sewer facilities at the off-ramp had been in place since 1954, which is prior when the State took ownership in the 1960's, and was waiting to hear back from them. Manager Toy also reported that because Caltrans plans to begin construction in the spring or summer of 2019, the District will need to have the sewer work designed and constructed by the summer or fall of 2018. She reported that the design services for the parallel realignment of the 36-inch pipeline on the west side of the off-ramp (Schedule A) would be \$44,000, and the design services for the realignment of the 36-inch pipeline by a new crossing of the Central San Rafael exit ramp to the North Francisco Pump Station (Schedule B) would be \$55,000, and all work would be done on a time-and-materials basis. Manager Toy then recommended that the Board adopt the resolution authorizing an Agreement with Nute Engineering for design related services for the 36-Inch Trunk Sewer Relocation Project. After a brief discussion and with the expectation that Caltrans will pay for the design and construction related services for this project, the Board decided to adopt the resolution.

MOTION by Director Bushey, seconded by Acting Chair Rice, to adopt the resolution authorizing the District Manager/District Engineer to sign an agreement with Nute Engineering for design related services for the 36-Inch Trunk Sewer Relocation Project for the Caltrans San Rafael Harbor Bridge Replacement Project.

AYES: Director Bushey, Acting Chair Rice

NOES: None

ABSENT: Chair Phillips

Motion Carried

d. Review Budget Status Report for the period 7-1-17 through 12-31-17.

District Manager Toy reported that for revenue, the District had received approximately \$9.4 million in sewer assessment charges, \$836,000 in property taxes, and \$10.4 million in total revenue through the end of December 2017. She confirmed for the Board that everything is currently on-track but that she may need to modify some of the capital improvement projects prior to the end of the fiscal year. Director Rice then inquired about the wording in the Accountant's Compilation Report in regard to disclosures, and Manager Toy reported that she would check with Maher Accountancy on that.

7. INFORMATIONAL ITEMS.

8. DIRECTOR REPORTS/REQUESTS FOR FUTURE AGENDA ITEMS.

9. ADJOURNMENT

There being no further business to come before the Board, the meeting of March 16, 2018, was adjourned at 9:57 A.M. The next meeting of the San Rafael Sanitation District scheduled for Monday, April 23, 2018, was later rescheduled for Monday, April 30, 2018, at 9:00 A.M. at San Rafael City Hall.

Respectfully submitted,

Maribeth Bushey, Recording Secretary

ATTEST THIS 1st DAY OF JUNE 2018

Katie Rice, Acting Chair

**SAN RAFAEL SANITATION DISTRICT
PAYMENT SUMMARY**

April 1, 2018 - April 30, 2018

Vendor/Payee	Memo	Class	Acct #	Account Name	Amount
AIR RESOURCES BOARD	Pump Stations - portable equipment registration program renewal for three engines, SN 80051, 85853, and 85855	200	2359	Maint- pump sta's & force mains	\$ 1,710.00
ARAMARK UNIFORM SERVICES	Uniforms - weekly service ending 3/21/18	200	2021	Uniforms	\$ 135.00
ARAMARK UNIFORM SERVICES	Uniforms - weekly service ending 3/28/18	200	2021	Uniforms	\$ 135.00
ARAMARK UNIFORM SERVICES	Uniforms - weekly service ending 4/04/18	200	2021	Uniforms	\$ 181.67
ARAMARK UNIFORM SERVICES	Uniforms - weekly service ending 4/11/18	200	2021	Uniforms	\$ 135.00
ARAMARK UNIFORM SERVICES	Uniforms - weekly service ending 4/18/18	200	2021	Uniforms	\$ 128.81
AT&T *4667	Telephone Service - pump station dialers to CMSA from 2/20/18-3/19/18	100	2534	Telephone service	\$ 240.83
AT&T *8362	Telephone Service - land lines for pump stations and dialers from 3/02/18-4/01/18	100	2534	Telephone service	\$ 323.34
AT&T MOBILE	Telephone Service - cell phones service from 3/04/18-4/03/18	100	2534	Telephone service	\$ 631.25
BXPRESS	San Pedro Pump Station Improvements Project Rebid - conformed plan pages for contractor	300	4147	San Pedro Pump Station (10)	\$ 81.86
BWS DISTRIBUTORS	Safety Equipment - calibration gas for gas detectors	200	2365	Safety equipment and supplies	\$ 239.80
CALIFORNIA CAD SOLUTIONS INC	Facilities Mapping Services - cleaning list changes 10/2017-2/2018	100	4188	Facilities mapping services	\$ 600.00
CALIFORNIA CAD SOLUTIONS INC	Force Main Condition Assessment - "Data as a Service" from 2/01/18-1/31/19	300	4151	Force Main Condition Assess(10)	\$ 11,940.00
CENTRAL MARIN SANITATION AGENCY	Service Charges - Fourth Quarter Service Charges for FY 2017-18, 4/01/18-6/30/18	400	4112	Sewage treatment	\$ 1,067,802.49
NUTE ENGINEERING	Caltrans San Rafael Harbor Bridge - services from 2/01/18-2/28/18	300	4331	Caltrans SR Harbor Bridge (80)	\$ 4,815.00
NUTE ENGINEERING	Consulting Services - revise standard specs services from 2/01/18-2/28/18	100	2325	Consulting services	\$ 480.00
NUTE ENGINEERING	N. Francisco FM Relocation Project - services from 2/01/18-2/28/18	300	4152	North Francisco Force Main (10)	\$ 1,728.00
NUTE ENGINEERING	San Pedro Pump Station - services from 2/01/18-2/28/18	300	4147	San Pedro Pump Station (10)	\$ 12,189.00
OZAKI, KRIS	Collection System - reimbursement for shop vac for spill at 53 Moncada Way	200	2360	O&M - collection systems	\$ 119.89
PG&E a/c 2480926202-5	Power - service for pump stations 2/07/18-3/08/18	200	2535	Electric utility costs	\$ 11,785.56
PUMP REPAIR SERVICE CO	Pump Stations - new pump for North Francisco PS	300	4200	Miscellaneous projects (10yr)	\$ 77,112.94
ROTO-ROOTER SEWER SERVICE INC	Standby - service at 1 Neame Avenue	200	2363	Standby services	\$ 650.00
ROTO-ROOTER SEWER SERVICE INC	Standby - service at 40 Windsor Avenue	200	2363	Standby services	\$ 650.00
ROTO-ROOTER SEWER SERVICE INC	Standby - service at 53 Moncada Way	200	2363	Standby services	\$ 975.00
ROTO-ROOTER SEWER SERVICE INC	Standby - service at 115 Laurel Place	200	2363	Standby services	\$ 650.00
ROTO-ROOTER SEWER SERVICE INC	Standby - service at 116 Bayo Vista Way	200	2363	Standby services	\$ 650.00
ROTO-ROOTER SEWER SERVICE INC	Standby - service at 220 Bungalow Avenue	200	2363	Standby services	\$ 2,767.50
ROTO-ROOTER SEWER SERVICE INC	Standby - service at 418 Mission Avenue	200	2363	Standby services	\$ 650.00
ROTO-ROOTER SEWER SERVICE INC	Standby - service at 1304 Second Street	200	2363	Standby services	\$ 650.00
ROTO-ROOTER SEWER SERVICE INC	Sun Valley - investigate sewer lateral at 211 California Avenue	300	4324	SunValley-Ca.Solano, Alpine(80)	\$ 325.00
ROTO-ROOTER SEWER SERVICE INC	Sun Valley - investigate sewer lateral at 211 California Avenue	300	4324	SunValley-Ca.Solano, Alpine(80)	\$ 3,121.00
SEQUOIA SAFETY SUPPLY COM	Safety Equipment - gloves	200	2365	Safety equipment and supplies	\$ 35.97
SEQUOIA SAFETY SUPPLY COM	Safety Equipment - gloves and safety glasses	200	2365	Safety equipment and supplies	\$ 150.75
SmartCover Systems, Inc.	Collection System - renewal of tech services and warranties from 4/01/18-3/31/20	200	2360	O&M - collection systems	\$ 3,558.00
STAPLES INC	Office Supplies - batteries	100	2133	Office & shop supplies	\$ 94.75
STAPLES INC	Pump Stations - APC battery backup and UPS for Riviera PS	200	2359	Maint- pump sta's & force mains	\$ 141.69
TELSTAR INSTRUMENTS INC	Pump Stations - North Francisco PS - pump 1 upgrade	200	2359	Maint- pump sta's & force mains	\$ 8,219.00
TELSTAR INSTRUMENTS INC	Pump Stations - replace VFD at Loch Lomond PS	200	2359	Maint- pump sta's & force mains	\$ 2,789.00
US BANK CORPORATE PAYMENT	Miscellaneous Expenses - internet service for District Manager to work offsite	100	2389	Miscellaneous expenses	\$ 15.95
US BANK CORPORATE PAYMENT	Miscellaneous Expenses - miscellaneous supplies	100	2389	Miscellaneous expenses	\$ 57.49
US BANK CORPORATE PAYMENT	Office Supplies - camera for SRSD Inspector	100	2133	Office & shop supplies	\$ 196.18
US BANK CORPORATE PAYMENT	Pump Stations - tool box for vehicle #8154	200	2359	Maint- pump sta's & force mains	\$ 325.91

US BANK CORPORATE PAYMENT	Pump Stations - tool box liners	200	2359	Maint- pump sta's & force mains	\$	22.85
US BANK CORPORATE PAYMENT	Pump Stations - vent fans for West Railroad PS	200	2359	Maint- pump sta's & force mains	\$	340.96
US BANK CORPORATE PAYMENT	San Pedro Pump Station - City encroachment permit for the San Pedro PS Improvements Project	300	4147	San Pedro Pump Station (10)	\$	919.00
US BANK CORPORATE PAYMENT	Training & Education - hazwoper refresher course for SRSD inspector	100	2388	Training and education	\$	157.50
VERIZON WIRELESS	Telephone Service - wireless service for laptops 1/21/18-3/20/18	100	2534	Telephone service	\$	532.14
WATER COMPONENTS & BLDG SUPPLY	Pump Stations - pump station parts	200	2359	Maint- pump sta's & force mains	\$	79.73
					\$	1,221,234.81

4.a.

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

DATE: June 1, 2018

TO: Board of Directors, San Rafael Sanitation District

FROM: Doris Toy, District Manager/District Engineer *DT*

SUBJECT: **Consideration of Approval of the Updated CMSA Joint Exercise of Powers Agreement**

SUMMARY:

For the past 12 months, the CMSA Joint Exercise of Powers Agreement, which came into effect in October 1979, has been reviewed and revised to reflect the current and future delivery of wastewater services in Central Marin by an Ad-Hoc Committee. This committee was comprised of a representative from each JPA member agency.

The Agreement was separated into five group topics to review, discuss, and make recommended changes to one group topic at each of the monthly Committee meetings. The recommended changes were presented to each of the JPA member agencies for their review and comment and taken back to the Committee for its consideration. The Committee, JPA member agencies, and their legal counsels have now completed their review and revisions.

At the April 30, 2018, Board meeting, the Board reviewed the final draft, which included the new Withdrawal language, and had no comments. The other JPA member agencies and the CMSA Board also accepted the new Withdrawal section and had no further revisions to the draft. Therefore, the Agreement is now ready to be approved and signed by each of the JPA member agencies. Ross Valley Sanitary District approved the updated Agreement at its May 23rd meeting, and it is anticipated that the other member agencies will also approve the Agreement at their next meetings.

Please note that the only change from our last Board meeting is the updated "CMSA, RVSD, SD2, & SRSD Joint Facilities" map, shown as Attachment 1.

ACTION REQUIRED:

Staff requests that the SRSD Board review the final draft of the CMSA Joint Exercise of Powers Agreement for consideration of approval.

Attachments: 1. Joint Exercise of Powers Agreement Draft, May 2018 (Redline)
2. Joint Exercise of Powers Agreement Draft, May 2018 (Clean version)

ATTACHMENT 1



CENTRAL MARIN SANITATION AGENCY

JOINT EXERCISE OF POWERS AGREEMENT

May, 2018

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CENTRAL MARIN SANITATION AGENCY
JOINT EXERCISE OF POWERS AGREEMENT

This Agreement, dated _____, 2018, is by and between **ROSS VALLEY SANITARY DISTRICT**, SAN RAFAEL SANITATION DISTRICT, SANITARY DISTRICT NO.2 of MARIN COUNTY, and the CITY OF LARKSPUR.

RECITALS

Whereas, on October 15, 1979, the San Rafael Sanitation District (SRSD), Sanitary District #1 of Marin County (SD1), Sanitary District #2 of Marin County (SD2), and the City of Larkspur entered into a joint powers agreement (JPA) to jointly exercise their powers and form the Central Marin Sanitation Agency (CMSA ~~or Agency~~) to plan, administer, and coordinate wastewater treatment and disposal services throughout their combined service area; and

Whereas, CMSA is a regional wastewater treatment agency that began operation in 1985 and provides wastewater and biosolids treatment, resource recovery, and other environmental services to the residents and businesses in Larkspur, Corte Madera, Ross, Fairfax, San Anselmo, a portion of San Rafael, and unincorporated areas in the Central Marin County, including San Quentin State Prison; and

Whereas, the 1979 CMSA JPA was amended six times between 1979 and 2006, and the original 1979 JPA and its six amendments are on file in **CMSA's** and each Member's administrative offices; and

Whereas, SD1 annexed the City of Larkspur's wastewater service area and assets in 1993, transferring ownership of and operations and maintenance responsibility for Larkspur's wastewater assets, including those referenced in the 1979 CMSA JPA, to SD1; and provisions in that 1993 annexation agreement and its 1995 amendment state that the City of Larkspur will retain a seat on the CMSA Board of Commissioners; and

Whereas, the amended 1979 JPA identifies sole and joint use wastewater conveyance facilities in the CMSA service area with their JPA member ownership and maintenance responsibilities, and these responsibilities were further clarified in two Memoranda of

Understanding between CMSA and the JPA member owners, which have been incorporated into this 2018 JPA; and

Whereas, in February 2018, SD1's Board of Directors adopted a resolution changing the district's name to the Ross Valley Sanitary District (RVSD); and

Whereas, the Members have separately contracted with CMSA for other wastewater related services, such as source control and/or operation of collection system assets, and CMSA has contracted with the County of Marin, California Department of Corrections, and several local public agencies for provision of wastewater services; and

Whereas, CMSA and the Members have developed several programs to share information, services, and resources to increase operational efficiencies, and will continue to explore and consider such future activities; and

Whereas, the Members recognize the benefits to their respective service area customers of a standard Equivalent Dwelling Unit definition, and agree to work collaboratively to develop one; and

Whereas, the Members have prepared this 2018 JPA to update the 1979 JPA, and reflect the state of wastewater service delivery in Central Marin County; and

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

SECTION 1. DEFINITION OF TERMS

Wherever the following terms are used in this Agreement they shall have the following meaning unless otherwise specifically indicated by the context in which they appear:

~~"ACT" means the provisions of Chapter 5 of Division 7 of Title 1 of the Government Code (commencing with Section 6500) pertaining to joint powers agreements.~~

- A. **"CMSA"** means the Central Marin Sanitation Agency.
- B. **"COMMISSION"** means the governing board of Central Marin Sanitation Agency.
- C. **"CAPACITY CHARGE"** means a one-time charge to a property owner when connecting to the sanitary sewer system for the first time or for construction of additional improvements which will add to the quantity and/or strength of wastewater flow.
~~Members charge a connection fee in addition to the Agency's capacity charge, and collect both from the property owner at the time of connection and remit the capacity~~

~~—charge to the Agency.~~

- D. "EQUIVALENT DWELLING UNIT (EDU)" means one unit of wastewater utility service demand. An EDU represents the average wastewater flow and strength generated by a single-family residence or equivalent.
- E. "LARKSPUR" means CITY OF LARKSPUR, a municipal or public corporation, a party to this Agreement.

~~"LAW" means the Joint Exercise of Powers Law, Section 6500 et seq. of the Government Code of the State of California.~~

- F. "MEMBER" means any party to this Agreement.
- G. "OPERATION AND MAINTENANCE" means the regular performance of work required to assure continuous functioning of the wastewater system, and corrective measures taken to repair facilities to keep them in operating condition.

~~"ORDER" means the duly adopted Resolutions and Ordinances of the Agency.~~

- H. "REGIONAL CHARGE" means a charge by CMSA to the Members based on wastewater flow and strength. ~~The revenue from such charges are be to used by the Agency to pay for the cost associated with its wastewater services, including but not limited to operational, capital, and administrative expenses.~~
- I. "RVSD" means the Ross Valley Sanitary District, a special district, a party to this Agreement. RVSD was formerly known as SD1, Sanitary District #1 of Marin County.
- J. "SD2" means SANITARY DISTRICT NO. 2 of MARIN COUNTY, a special district, a party to this Agreement.
- K. "SRSD" means SAN RAFAEL SANITATION DISTRICT, a special district, a party to this Agreement.
- L. "SEWER SERVICE CHARGE" means a charge to a property owner or occupant of designated premises for the use of the sanitary sewer system.

~~"STANDARDS" means the terms and conditions of use of the Agency facilities as specified by the Agency.~~

SECTION 2. FORMATION OF CENTRAL MARIN SANITATION AGENCY

In 1979, the Members entered into the original JPA to form CMSA pursuant to the provisions of Article 1, Chapter 5, Division 7, Title 1 of the Government Code of the State of California relating to the joint exercise of powers common to public agencies. For the purposes of this Agreement, CMSA is a public agency separate from the Members.

SECTION 3. PURPOSE

The purpose of CMSA is to plan, acquire, construct, maintain and operate facilities, for the collection, treatment, reclamation, and disposal of wastewater, and to capture and utilize the renewable resources derived from the wastewater treatment process, including but not limited to biogas, recycled water, and biosolids.

SECTION 4. TERM AND EFFECT

This Agreement shall become effective when the Members have executed this Agreement, and shall continue in force and effect until terminated by an Agreement pursuant to Section 20. However this Agreement may be amended by the Members pursuant to Section 18.

SECTION 5. POWERS

- A. CMSA shall have the power and authorization to plan, acquire, construct, maintain and operate facilities for the treatment, reclamation, and disposal of wastewaters for the benefit of the lands and inhabitants within its boundaries. CMSA will assume for the benefit of the Members responsibility for all functions pertaining to wastewater treatment, reclamation, and disposal.
- B. The Commission may authorize CMSA to contract to provide other services.
- C. CMSA is not authorized to provide wastewater collection or treatment services in a Member's service area unless and until such services have been approved by both the Commission and the governing Board of the Member responsible for the service area in which the wastewater collection or treatment services will be provided.
- D. Currently, CMSA is authorized to provide wastewater services to SD2, the San Quentin Village Sewer Maintenance District, and the San Quentin State Prison; lead and participate in a cooperative multi-agency public education program; provide pollution prevention and source control services to several Marin County agencies; and monitor and enforce illegal stormwater discharges for the Cities of San Rafael and San Anselmo.
- E. **CMSA** may receive organic materials for anaerobic digestion, beneficially reuse its biosolids, produce and distribute recycled water, utilize biogas to produce energy and/or transportation fuel for internal use and external sale, and capture other renewable resources for use or sale.
- F. **CMSA** is hereby authorized, in its own name, to do all acts necessary for the exercise of said powers for said purposes, including but not limited to any or all of the following: to make and enter contracts; apply for and accept grants, advances and contributions; to employ agents and employees; to acquire, construct, manage, maintain and operate any

CMSA buildings, **facilities**, or improvements; to acquire, hold or dispose of property; to sue and be sued in its own name, to incur debts, liabilities, or obligations; to issue bonds, notes, warrants, and other evidences of indebtedness to finance costs and expenses incidental to the projects of **CMSA**; and to exercise jointly the common powers of the parties hereto set forth above. No such debts, liability, or obligation of **CMSA** shall constitute a debt, liability or obligation of any Member. **CMSA** has no power to levy or cause to be levied ad valorem property taxes. **CMSA** has the power of eminent domain.

- G. CMSA has the authority to accept grants and loans on behalf of the Members.
- H. The powers are subject to the restrictions upon the manner of exercising the powers of the Sanitary District Act of 1923, Division 6, of the Health and Safety Code of the State of California, as amended. The Agency specifically excepts Health and Safety Code Section 6487 from its restrictions so that CMSA may make its own provisions regarding payment of invoices, bills, and debt service.
- I. **CMSA** shall have the power to carry out a pretreatment, waste minimization, and other source control and pollution prevention programs in accordance with NPDES permit requirements, and other Federal and State regulatory requirements

SECTION 6. GOVERNING BODY OF THE AGENCY

CMSA shall be governed by the Central Marin Sanitation Agency Commission. The Commission shall, on behalf of **CMSA**, adopt a budget for Agency operations, maintenance, and capital improvements; approve contracts for the Agency; establish rates, charges, and fees; grant easements, licenses, or permits for the use of the property of the Agency; appoint a General Manager; contract for services as necessary; and take such other actions as are necessary or convenient to carry out the purpose and intent of this Agreement.

SECTION 7. COMMISSION MEMBERSHIP AND OFFICERS

- A. The Commission shall consist of six commissioners, two appointed by the governing board of **RVSD**, two appointed by the governing board of **SRSD**, one appointed by the governing board of **SD2**, and one appointed by the City Council of Larkspur.
- B. Each commissioner may be an elected official of the governing body of the City or District he/she represents, or may be such other resident of the City or District as selected by the Member. A commissioner shall serve in such a manner and for such term as each Member may determine, and may be removed at the pleasure of the Member appointing such person. The Commission shall annually choose commissioners to serve as Chair, Vice-Chair, and Secretary. Each Member shall determine its method of selection of the person representing the City or District. An elected official or resident of the City or District may be designated by the Member to serve as an alternate to any

commissioner.

- C. The Commission may appoint and employ a General Manager who shall perform such duties as may be imposed by the Commission and who shall report to the Commission in accordance with such rules and procedures as the Commission may adopt.
- D. The Chair shall sign contracts on behalf of **CMSA** and perform such other duties as may be imposed by the Commission. The Vice-Chair shall act in the absence of the Chair. The Commission may delegate to the General Manager the power to sign contracts on behalf of **CMSA**. If the Chair signs a contract, the Secretary or Vice-Chair shall countersign it on behalf of **CMSA**. The Vice-Chair and Secretary shall perform such other duties as may be imposed by the Commission.
- E. The Commission shall appoint a Treasurer/Controller. Said power of appointment may be vested with the General Manager by action of the Commission. The Treasurer shall have the duties and obligations set forth in Section 6505.5 of the Government Code of the State of California.

SECTION 8. COMMISSION VOTING

Each commissioner shall be empowered to cast one vote on each measure. Four commissioners shall constitute a quorum. Four affirmative votes are required for passage of any measure.

SECTION 9. DUTIES OF THE COMMISSION

- A. The duties of the Commission shall be:
 - to make all policy decisions and exercise all the powers of **CMSA**,
 - to submit full and regular reports to the Members,
 - to adopt and/or revise from time to time Board Policies for the conduct of its affairs as may be required.
- B. **CMSA** shall have the power to compensate commissioners in accordance with the provisions of the Sanitary District Act of 1923, as amended.

SECTION 10. MEETINGS OF THE COMMISSION

- A. Regular meetings of the Commission shall be held at such times and places as shall be established by the Commission by resolution.
- B. All meetings of the Commission including regular, special, and emergency meetings shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act, Section 54950 through 54960 of the Government Code of the State of

California, and other applicable provisions of law.

SECTION 11. FINANCIAL RECORDS AND REPORTS

CMSA shall keep current and accurate financial records of all operating, capital, and contract service activities. These records with their supporting documents shall be readily available for inspection by the Members, Commission, and the public. After the close of the fiscal year, the CMSA's financial records will be audited by independent certified public accountants, who will report the audit findings to the Commission.

SECTION 12. BONDING PERSONS HAVING ACCESS TO PROPERTY

- A. Commissioners and CMSA employees that are authorized to sign CMSA checks shall have a Public Official Bond. CMSA will procure a Government Crime Insurance Bond, or equivalent, to provide coverage for all CMSA employees and commissioners that handle and have access to any CMSA property. Premiums for both bonds shall be paid by CMSA.
- B. The General Manager shall have the responsibility for any and all CMSA property, and shall review and recommend approval or denial of all claims and demands for the disbursement of CMSA funds prior to submittal of said claims and demands to the Commission for approval.

SECTION 13. BONDS AND OTHER BORROWING

- A. CMSA shall have power and authority to issue and sell revenue bonds and other forms of indebtedness, borrow money and enter into contracts related to the foregoing in accordance with any one or more or portion of the following:
 - Articles 2 and 4, Chapter 5, Division 7, Title 1 of the Government Code, commencing with Section 6540;
 - Chapter 6, Division 2, Title 5 of the Government Code, commencing with Section 54300;
 - Chapter 5, Part 3, Division 5 of the Health and Safety Code, commencing with Section 4950;
 - Articles 10 and 11, Chapter 3, Part 1, Division 2, Title 2 of the Government Code, commencing with Section 53570;
 - Such other relevant provisions of law as may now or hereafter be applicable.
- B. For purposes of referendum and vote on an CMSA-wide basis, the boundaries of CMSA shall be the consolidated boundaries of its Members. Under applicable law, CMSA may form improvement districts in which event the boundaries thereof shall be

determinative with respect to referendum and voting. Bond elections shall be conducted pursuant to the Uniform District Election Law and applicable provisions of the Elections Code.

- C. **CMSA** shall have and exercise all powers conferred on “local agencies” by the provisions of the law with respect to such revenue bonds, other forms of indebtedness, or borrowing money.
- D. Revenues required to provide monies for payment of revenue bonds issued by **CMSA**, other forms of indebtedness, or borrowing money shall be derived from sewer Capacity Charges, **CMSA**’s Regional Charge to the Members, and other legally available revenues of **CMSA** as may be specified in the documents related to such revenue bonds, other forms of indebtedness, or borrowing money. The amount of such charges shall be determined by **CMSA**.
- E. In connection with **CMSA** issuing revenue bonds, other forms of indebtedness, or borrowing money for new capital projects or other significant expenditures, **CMSA** and all the Members will enter into a payment agreement or supplement an existing payment agreement that provides for an increase in **CMSA**’s Regional Charge to the Members to comply with the requirements of such revenue bonds, indebtedness, or borrowing.

SECTION 14. OPERATING FUND

- A. An operating fund shall be maintained to pay administrative and incidental expenses incurred by **CMSA**, costs of maintenance and operation arising from the operation of **CMSA**’s facilities, and capital replacement and rehabilitation costs of **CMSA**’s facilities, not funded by grants or borrowing pursuant to Section 13. Revenues for the operating fund shall be derived from Regional Charges periodically charged to each Member by **CMSA**, which Regional Charges the Members hereby agree to pay.

The periodic Regional Charge for each Member will be determined by **CMSA**, and shall be based upon a methodology that may include a Member’s equivalent dwelling unit count, wastewater flow, and/or wastewater flow and strength. Flow will be determined based upon continuous measurement during a specified period by **CMSA**. Strength will be determined by periodic measurement of the wastewater influent’s Total Suspended Solids (TSS) and Biological Oxygen Demand (BOD).

CMSA will utilize current best practices to ensure the flow data is accurate.

- B. Each Member, in turn, shall be responsible for deriving the revenue necessary to pay its Regional Charges to **CMSA**.
- C. Excess operating and capital funds of **CMSA**, if any, from whatever source, are the property of **CMSA**.

- D. Capacity charges may be collected either by a Member or CMSA. If collected by a Member, the capacity charge will be collected when the Member collects its connection fee from a property owner and will be remitted to CMSA.

SECTION 15. OWNERSHIP OF PROPERTIES

With respect to the ownership of wastewater assets and facilities, the Members and CMSA agree that:

- A. CMSA Facilities
CMSA shall own entirely all facilities located at assessor's parcel numbers 018-180-46 and 018-180-47, including but not limited to property, buildings, wastewater and biosolids treatment facilities, resource recovery facilities, and support infrastructure and assets. CMSA also owns the land and marine outfall that are on its property, on easements through public and privately owned properties, and in the San Francisco Bay.
- B. Member Collection System Facilities
Members shall own, operate, and maintain their respective collection system facilities. CMSA and any Member may, by agreement, provide for operation and maintenance of that Member's facilities, all or in part, by CMSA. Any such agreement must provide that all costs associated with the operation and maintenance of such facilities by CMSA shall be charged to and paid by the Member.
- C. Wastewater Assets Other Than CMSA Facilities
Exhibit A lists the ownership, operation, and maintenance responsibilities of other wastewater related assets on CMSA property and in each Member's service area.

Upon the effective date of this Agreement the Members will grant to CMSA the use of all wastewater facilities, shown in Exhibit A, insofar as necessary for the operation of CMSA's facilities.

SECTION 16. FUNCTIONAL RESPONSIBILITIES

With respect to the administration, operation, and maintenance of wastewater facilities within the Member boundaries and the performance of functions related thereto, the Members and CMSA agree as follows:

- A. The Member will be responsible for review of new connection permit applications, collection and accounting for permit fees, inspection of connections, and all associated record-keeping. CMSA may perform these functions directly by contract with a Member.

- B. **CMSA** will have **total** responsibility for the operation and maintenance of all its wastewater treatment and disposal, biosolids processing and dewatering, and resource recovery facilities, and other wastewater facilities specified in this Agreement.
- C. The Member will have total responsibility for its wastewater collection and transport systems.
- D. The Member will be responsible for all billing and collection of sewer connection and service charges and associated record-keeping, accounting, and delinquency follow-up.
- E. The Members shall provide **CMSA** access to its odor control facilities that are located at Member pump stations.
- F. **CMSA and each Member will be responsible for its own obligations under the San Francisco Bay Regional Water Quality Control Board (RWQCB) NPDES Permit No. CA0038628 issued on January 10, 2018, and any subsequent future NPDES permits where CMSA and Members are listed as co-permittees.**

SECTION 17. INDEMNIFICATION AND INSURANCE

A. **CMSA Indemnification**

CMSA shall indemnify, defend and hold Members harmless from any claims or liability arising out of or relating to the functioning of **CMSA** pursuant to this Agreement. **Further, specific as to NPDES Permit No. CA0038628, and any subsequent future NPDES permits, CMSA shall indemnify, defend, and hold Members harmless from any penalties, claims, or liability arising out of any acts or omissions of CMSA related to the NPDES Permit and any resulting violations or penalties.**

CMSA shall procure and maintain at all times insurance against claims for injuries to persons or damages to property which may arise out of or relating to the functioning business of **CMSA** pursuant to this Agreement. The minimum scope of insurance and coverage are shown in Exhibit B and may be adjusted in the future by the Commission, as recommended by the Agency's insurance provider.

B. **Member Indemnification**

Members individually shall indemnify, defend and hold **CMSA** and other Members harmless from any liability arising out of or relating to the individual Member's actions pursuant to this Agreement. **Further, specific as to NPDES Permit No. CA0038628, and any subsequent future NPDES permits, Members individually shall indemnify, defend, and hold CMSA and other Members harmless from any penalties, claims, or liability arising out of any acts or omissions of any individual Member related to the NPDES Permit and any resulting violations or penalties. In no event shall a Member cause a non-responsible Member or non-responsible CMSA to be liable or responsible for any**

actions, omissions, violations, or payment of fines or penalties caused by an individual Member or Members.

Members shall procure and maintain at all times insurance against claims for injuries to persons or damages to property which may arise out of or relating to the individual Member's actions pursuant to this Agreement. The minimum scope of insurance and coverage are shown in Exhibit B.

SECTION 18. AMENDMENTS

This Agreement may be amended only by agreement approved and executed by all of the Members.

SECTION 19. SETTLEMENT OF DISPUTES

If a dispute arises as to the construction, interpretation, or implementation of any provision of the JPA, the issues in dispute or matter requiring action shall be subject to the following dispute resolution process:

A. **Informal Dispute Resolution among Agency Managers**

1. Managers from each **disputing** agency shall meet and attempt to resolve the dispute.
2. This process shall be informal and will be chaired by the CMSA General Manager. If the dispute is between CMSA and a Member(s), the managers shall select a chairperson to chair the meeting.
3. The chair shall set a meeting date with an Agenda.
4. Since this is an informal dispute resolution, attorneys for each **disputing** agency shall not participate in the meeting(s).
5. Should a resolution be reached, attorneys for each **disputing** agency may assist in the preparation of any necessary documents.

B. **Informal Dispute Resolution – Board Members and Managers**

1. Should the dispute resolution in Paragraph A (above) not resolve the dispute, the next step will be an informal dispute resolution with each **disputing** agency and its manager participating.
2. Each **disputing** agency shall appoint two board members who will join its agency manager to participate in a meeting to resolve the dispute.
3. Steps 2 – 5 in Section A. shall be applicable for the meeting process.

C. Mediation of Disputes

1. Should the informal dispute resolutions in Paragraphs A and B (above) not be successful in resolving the dispute, then the **disputing agencies** shall proceed to mediation before a neutral mediator.

Each **disputing** agency shall assign a representative(s) to participate in mediation. Each agency may be represented by counsel at mediation.

2. Selection of Mediator:

- a. For such purposes, an agreed upon mediator shall be selected by all Commissioners.
- b. Should the Commissioners fail to agree upon a mediator, the **disputing agencies** will apply to the Judicial Arbitration and Mediation Services (JAMS) or a comparable service for an assigned mediator.

3. Mediation

- a. Each **disputing** agency shall meaningfully participate in mediation to attempt to reach a resolution of the dispute.
- b. Each **disputing** agency shall equally share in the costs of the mediator regardless of whether a settlement of the dispute is reached.

D. Binding Arbitration

1. Should the informal dispute resolutions in Paragraphs A, B, and C (above) not be successful in resolving the dispute, then the **disputing agencies** shall proceed to Binding Arbitration before a neutral arbitrator.

2. For purposes of arbitration, each **disputing** agency may be represented by counsel.

3. Selection of Arbitrator:

- a. For such purposes, an agreed upon arbitrator shall be selected by all Commissioners.
- b. Should the Commissioners fail to agree upon an Arbitrator, the **disputing agencies** will apply to the Judicial Arbitration and Mediation Services (JAMS) or a comparable service for an assigned arbitrator.

4. Hearing:

The chosen arbitrator or assigned arbitrator shall proceed to arbitrate the matter in accordance with the provisions of Title 9 of Part 3 of the Code of Civil Procedure (CCP Sections 1282 et seq.). At the Arbitration hearing, the rules of evidence shall apply.

5. The ruling of the arbitrator shall be binding on all **disputing** agencies. There shall be no right of appeal to the Court system.

SECTION 20. WITHDRAWAL

If a Member's governing board decides to withdraw from the CMSA JPA, the Members will convene a meeting to discuss the withdrawal process and details.

The Member seeking Withdrawal from the JPA shall not receive or be entitled to any financial or other material compensation from CMSA and the remaining Members relating to the Withdrawal. This provision does not pertain to any separate agreement or dispute not involving withdrawal between Members.

Pursuant to the 2006 Payment for Treatment Services Agreement between the Members and CMSA or subsequent similar agreements for the payment of indebtedness, a Member cannot withdraw from the JPA until it determines a mechanism and makes a formal commitment to fund its payment obligations to CMSA.

SECTION 21. MISCELLANEOUS

The section headings herein are for convenience only and are not to be construed as modifying or governing the language in the sections referred to.

This Agreement is made in the State of California and under its Constitution and laws, and it is to be so construed.

To preserve a reasonable degree of flexibility, many parts of this Agreement are stated in general terms. It is understood that the ~~CMSA Board of Commissioners~~ may from time to time adopt and implement ordinances, policies, and procedures to further define the rights and obligations of ~~the Members and of the Agency~~ CMSA to carry out the purposes of this Agreement.

SECTION 22. PARTIAL INVALIDITY

If any one or more of the terms, provisions, promises, covenants, or conditions of this Agreement shall to any extent be adjudged invalid, unenforceable, void, or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants, and conditions of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

SECTION 23. SUCCESSORS

This Agreement shall be binding upon and shall inure to the benefit of the parties and the successors of the parties hereto.

SECTION 24. PERSONNEL

A. Authority to Hire and Dismiss Employees:

The ~~Board-of~~Commissioners shall be the appointing authority for the General Manager, who shall serve at the pleasure of the BoardCommission. The ~~Board-of~~Commissioners shall annually review the performance of the General Manager.

The General Manager is hereby empowered to hire all personnel subject to the requirements of the Board-Commission adopted personnel policies and procedures. The General Manager shall have the power to reprimand, suspend, reduce in compensation or dismiss any personnel in accordance with the Board-Commission adopted personnel policies and collective bargaining agreements.

B. Personnel Policies and Procedures

The ~~Board-of~~Commissioners shall have the authority to adopt personnel policies and procedures and make amendments thereto by a majority vote of the BoardCommission.

C. Administration of Employer-Employee Relations

The ~~Board-of~~Commissioners shall have the authority to adopt a procedure for the administration of employer-employee relations and make amendments thereto by a majority vote of the BoardCommission.

IN WITNESS WHEREOF, The MEMBERS hereto have caused this Agreement to be executed, and attested by their proper officers thereunto duly authorized and their official seals to be hereto affixed, as the day and the year first above written.

ROSS VALLEY SANITARY DISTRICT

Doug Kelly, President

Attest: Thomas Gaffney, Secretary

SAN RAFAEL SANITATION
DISTRICT

Gary O. Phillips, Chairman

Attest: Maribeth Bushey, Secretary/Director

ROSS VALLEY SANITARY
DISTRICT

Carla Condon, President

Attest: Diane Furst, District Vice President

CITY OF LARKSPUR

Dan Hillmer, Mayor

Attest: Ann Morrison, Vice Mayor

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JPA Exhibit A

Wastewater Conveyance Asset Ownership, Operation, and Maintenance

Exhibit A presents selected sole and jointly owned wastewater conveyance and related facilities in the CMSA service area with their ownership, operation, and maintenance responsibilities. Attachments 1 and 2 are maps showing the general location of the sole and joint use facilities.

A. Definitions

Ownership - the party that owns the identified asset and has the capital replacement responsibilities.

Operations and Maintenance - the party that monitors process parameters, such as wastewater flow and pressure; responds to Underground Service Alert notifications and emergencies (including SSO's); has regulatory and permitting responsibility; maintains and monitors corrosion control systems; and repairs and coordinates any work on the asset.

B. RVSD Ownership, Operation, and Maintenance Responsibilities

1) 54" RV Interceptor (FM IIA-1): RVSD jointly owns, with SD-2, the interceptor and its fittings, connections and other appurtenances, including valves connected to a fitting, from the treatment plant headworks to the downstream side of the flexible coupling connection outside the SQJB (see Attachment 2). RVSD does not have any operation or maintenance responsibility for FM IIA-1.

2) 54" RV Interceptor (FM IIA-2): RVSD jointly owns, with SD-2, the interceptor and its fittings, connections and other appurtenances, including valves connected to a fitting. RVSD solely operates and maintains the interceptor and its pipeline fittings and appurtenances from the upstream side of the flexible coupling connection outside the SQJB to the connection with the 30" Greenbrae Forcemain.

3) 12" Pump Station 10 Landing B Forcemain (FM IIB): RVSD owns, operates, and maintains the forcemain and all its fittings, valves, and other pipeline appurtenances for its entire length, from Pump Station B to the upstream side of the 12" valve flange on the 54" x 12" FM IIA-2 fitting.

4) San Quentin Junction Box: RVSD and SD2 jointly own the SQJB structure, and do not have maintenance responsibility for the structure or the electrical and mechanical equipment within it.

B. SD2 Ownership, Operation, and Maintenance Responsibilities

1) 54" RV Interceptor (FM IIA-1): SD2 jointly owns, with RVSD, the interceptor and its fittings, connections and other appurtenances, including valves connected to a fitting, from the treatment plant headworks to the downstream side of the flexible coupling connection outside the SQJB. SD2 does not have any operation or maintenance responsibility for FM IIA-1.

2) 54" RV Interceptor (FM IIA-2): SD2 jointly owns, with RVSD, the interceptor and its fittings, connections and other appurtenances. SD2 does not have any operation or maintenance responsibilities for FM IIA-2.

3) Corte Madera Forcemain (FM IIC): SD2 owns, operates, and maintains the forcemain and all its fittings, valves, and other pipeline appurtenances for its entire length, from the Paradise Pump Station to the upstream side of the 24" valve flange on the 54" x 24" FM IIA-2 fitting.

4) San Quentin Junction Box: SD2 and RVSD jointly own the SQJB structure and do not have maintenance responsibility for the structure or the electrical and mechanical equipment within it.

5) Abandoned 20" Corte Madera Forcemain: SD2 owns and maintains the disconnected forcemain.

C. SRSD Ownership and Maintenance Responsibilities

1) 45" San Rafael Interceptor (FM IA-1 and 2): SRSD owns the interceptor and all its fittings, valves, and other pipeline appurtenances for the entire length of the interceptor to the CMSA treatment plant headworks, including the fitting that accepts the chemical dosing station pipeline. SRSD shall maintain the interceptor pipeline and its appurtenances upstream of the SFJB (FM IA-2).

2) 10" South Francisco Forcemain (FM IG): SRSD owns the forcemain and all its fittings, valves, and other pipeline appurtenances for its entire length, from the connection to the 45" San Rafael Interceptor to the South Francisco pump station. SRSD shall maintain the forcemain and its appurtenances outside of the SFJB.

D. CMSA Ownership and Maintenance Responsibilities

1) 45" San Rafael Interceptor (FM IA- 2): CMSA shall maintain the interceptor, the 45"x10" connection fitting, 45" valve, and the other pipeline appurtenances in the SFJB and along the length of the pipeline from the downstream side of the SFJB to the treatment plant headworks.

2) 10" South Francisco Forcemain (FM IG): CMSA shall maintain the forcemain and its fittings, the 10" valve, and other pipeline appurtenances within the SFJB.

3) South Francisco Junction Box: CMSA owns and shall maintain the SFJB structure and all existing and future electrical, mechanical, and instrumentation equipment and systems within the SFJB.

CMSA grants SRSD access to the SFJB to inspect the 45" San Rafael Interceptor and the 10" South Francisco forcemain. Access shall be coordinated with CMSA operations staff.

4) Andersen Drive Chemical Dosing Station: CMSA owns and shall maintain the dosing station and its piping and appurtenances upstream of the SR interceptor connection.

5) 54" RV Interceptor (Reach FM IIA-1): CMSA shall operate and maintain the interceptor, fittings, and appurtenances from the treatment plant headworks to the upstream side of the SQJB's flexible coupling connection. CMSA will also maintain the interceptor, the 54"x16" connection fitting, the 54" valve, and the other interceptor appurtenances in the SQJB.

6) San Quentin Junction Box: CMSA shall maintain the SQJB structure, and operate and maintain all electrical, mechanical, and instrumentation equipment and systems within the SQJB. CMSA owns all electrical, instrumentation, and mechanical systems within the SQJB.

CMSA grants RVSD and SD2 access to the SQJB to inspect the 54" RV Interceptor and its fittings and appurtenances. Access shall be coordinated with CMSA operations staff.

7) Chemical Dosing Station: CMSA owns, operates, and maintains the hydrogen peroxide chemical dosing station and its piping and appurtenances upstream of the RV Interceptor (Reach IIA-1) connection in the SQJB.

8) Recycled Water Pipeline: CMSA owns, operates, and maintains the 6" recycled water pipeline from the treatment plant to FM 11A-1, and the pipelines and fittings to the chemical dosing station and to Remillard Pond.

D. Miscellaneous

CMSA, SD2, SRSD, and RVSD understand and agree that the California Department of Corrections owns and operates the 16" San Quentin forcemain (FM IIF) from the San Quentin Pump Station to the upstream side of the RV Interceptor's 54" x 16" fitting in the SQJB.

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CMSA JPA - Exhibit B

CMSA and Member Insurance Requirements

MINIMUM SCOPE OF CMSA INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL)** on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000** per occurrence.
2. **Automobile Liability** covering any auto with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers' Compensation** as required by the State, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.
4. **Property insurance** against all risks of loss to Agency property, at full replacement cost.

Additional Insured Status

The Members, their officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of or relating to the functioning business of the Agency pursuant to this Agreement.

Verification of Coverage

CMSA shall furnish the Members with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause.

MINIMUM SCOPE OF MEMBER INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL)** on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000** per occurrence.
2. **Automobile Liability** covering any auto with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers' Compensation** as required by the State, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.

Additional Insured Status

CMSA, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of or relating to the individual Member's actions pursuant to this Agreement.

Verification of Coverage

Members shall furnish CMSA with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause.

ATTACHMENT 2



CENTRAL MARIN SANITATION AGENCY

JOINT EXERCISE OF POWERS AGREEMENT

May, 2018

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CENTRAL MARIN SANITATION AGENCY

JOINT EXERCISE OF POWERS AGREEMENT

This Agreement, dated _____, 2018, is by and between ROSS VALLEY SANITARY DISTRICT, SAN RAFAEL SANITATION DISTRICT, SANITARY DISTRICT NO.2 of MARIN COUNTY, and the CITY OF LARKSPUR.

RECITALS

Whereas, on October 15, 1979, the San Rafael Sanitation District (SRSD), Sanitary District #1 of Marin County (SD1), Sanitary District #2 of Marin County (SD2), and the City of Larkspur entered into a joint powers agreement (JPA) to jointly exercise their powers and form the Central Marin Sanitation Agency (CMSA) to plan, administer, and coordinate wastewater treatment and disposal services throughout their combined service area; and

Whereas, CMSA is a regional wastewater treatment agency that began operation in 1985 and provides wastewater and biosolids treatment, resource recovery, and other environmental services to the residents and businesses in Larkspur, Corte Madera, Ross, Fairfax, San Anselmo, a portion of San Rafael, and unincorporated areas in the Central Marin County, including San Quentin State Prison; and

Whereas, the 1979 CMSA JPA was amended six times between 1979 and 2006, and the original 1979 JPA and its six amendments are on file in CMSA's and each Member's administrative offices; and

Whereas, SD1 annexed the City of Larkspur's wastewater service area and assets in 1993, transferring ownership of and operations and maintenance responsibility for Larkspur's wastewater assets, including those referenced in the 1979 CMSA JPA, to SD1; and provisions in that 1993 annexation agreement and its 1995 amendment state that the City of Larkspur will retain a seat on the CMSA Board of Commissioners; and

Whereas, the amended 1979 JPA identifies sole and joint use wastewater conveyance facilities in the CMSA service area with their JPA member ownership and maintenance responsibilities, and these responsibilities were further clarified in two Memoranda of Understanding between CMSA and the JPA member owners, which have been incorporated into this 2018 JPA; and

Whereas, in February 2018, SD1's Board of Directors adopted a resolution changing the district's name to the Ross Valley Sanitary District (RVSD); and

Whereas, the Members have separately contracted with CMSA for other wastewater related services, such as source control and/or operation of collection system assets, and CMSA has contracted with the County of Marin, California Department of Corrections, and several local public agencies for provision of wastewater services; and

Whereas, CMSA and the Members have developed several programs to share information, services, and resources to increase operational efficiencies, and will continue to explore and consider such future activities; and

Whereas, the Members recognize the benefits to their respective service area customers of a standard Equivalent Dwelling Unit definition, and agree to work collaboratively to develop one; and

Whereas, the Members have prepared this 2018 JPA to update the 1979 JPA, and reflect the state of wastewater service delivery in Central Marin County; and

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

SECTION 1. DEFINITION OF TERMS

Wherever the following terms are used in this Agreement they shall have the following meaning unless otherwise specifically indicated by the context in which they appear:

- A. "CMSA" means the Central Marin Sanitation Agency.
- B. "COMMISSION" means the governing board of Central Marin Sanitation Agency.
- C. "CAPACITY CHARGE" means a one-time charge to a property owner when connecting to the sanitary sewer system for the first time or for construction of additional improvements which will add to the quantity and/or strength of wastewater flow.
- D. "EQUIVALENT DWELLING UNIT (EDU)" means one unit of wastewater utility service demand. An EDU represents the average wastewater flow and strength generated by a single-family residence or equivalent.
- E. "LARKSPUR" means CITY OF LARKSPUR, a municipal or public corporation, a party to this Agreement.
- F. "MEMBER" means any party to this Agreement.

- G. "OPERATION AND MAINTENANCE" means the regular performance of work required to assure continuous functioning of the wastewater system, and corrective measures taken to repair facilities to keep them in operating condition.
- H. "REGIONAL CHARGE" means a charge by CMSA to the Members based on wastewater flow and strength.
- I. "RVSD" means the Ross Valley Sanitary District, a special district, a party to this Agreement. RVSD was formerly known as SD1, Sanitary District #1 of Marin County.
- J. "SD2" means SANITARY DISTRICT NO. 2 of MARIN COUNTY, a special district, a party to this Agreement.
- K. "SRSD" means SAN RAFAEL SANITATION DISTRICT, a special district, a party to this Agreement.
- L. "SEWER SERVICE CHARGE" means a charge to a property owner or occupant of designated premises for the use of the sanitary sewer system.

SECTION 2. FORMATION OF CENTRAL MARIN SANITATION AGENCY

In 1979, the Members entered into the original JPA to form CMSA pursuant to the provisions of Article 1, Chapter 5, Division 7, Title 1 of the Government Code of the State of California relating to the joint exercise of powers common to public agencies. For the purposes of this Agreement, CMSA is a public agency separate from the Members.

SECTION 3. PURPOSE

The purpose of CMSA is to plan, acquire, construct, maintain and operate facilities, for the collection, treatment, reclamation, and disposal of wastewater, and to capture and utilize the renewable resources derived from the wastewater treatment process, including but not limited to biogas, recycled water, and biosolids.

SECTION 4. TERM AND EFFECT

This Agreement shall become effective when the Members have executed this Agreement, and shall continue in force and effect until terminated by an Agreement pursuant to Section 20. However this Agreement may be amended by the Members pursuant to Section 18.

SECTION 5. POWERS

- A. CMSA shall have the power and authorization to plan, acquire, construct, maintain and operate facilities for the treatment, reclamation, and disposal of wastewaters for the benefit of the lands and inhabitants within its boundaries. CMSA will assume for the

benefit of the Members responsibility for all functions pertaining to wastewater treatment, reclamation, and disposal.

- B. The Commission may authorize CMSA to contract to provide other services.
- C. CMSA is not authorized to provide wastewater collection or treatment services in a Member's service area unless and until such services have been approved by both the Commission and the governing Board of the Member responsible for the service area in which the wastewater collection or treatment services will be provided.
- D. Currently, CMSA is authorized to provide wastewater services to SD2, the San Quentin Village Sewer Maintenance District, and the San Quentin State Prison; lead and participate in a cooperative multi-agency public education program; provide pollution prevention and source control services to several Marin County agencies; and monitor and enforce illegal stormwater discharges for the Cities of San Rafael and San Anselmo.
- E. CMSA may receive organic materials for anaerobic digestion, beneficially reuse its biosolids, produce and distribute recycled water, utilize biogas to produce energy and/or transportation fuel for internal use and external sale, and capture other renewable resources for use or sale.
- F. CMSA is hereby authorized, in its own name, to do all acts necessary for the exercise of said powers for said purposes, including but not limited to any or all of the following: to make and enter contracts; apply for and accept grants, advances and contributions; to employ agents and employees; to acquire, construct, manage, maintain and operate any CMSA buildings, facilities, or improvements; to acquire, hold or dispose of property; to sue and be sued in its own name, to incur debts, liabilities, or obligations; to issue bonds, notes, warrants, and other evidences of indebtedness to finance costs and expenses incidental to the projects of CMSA; and to exercise jointly the common powers of the parties hereto set forth above. No such debts, liability, or obligation of CMSA shall constitute a debt, liability or obligation of any Member. CMSA has no power to levy or cause to be levied ad valorem property taxes. CMSA has the power of eminent domain.
- G. CMSA has the authority to accept grants and loans on behalf of the Members.
- H. The powers are subject to the restrictions upon the manner of exercising the powers of the Sanitary District Act of 1923, Division 6, of the Health and Safety Code of the State of California, as amended. The Agency specifically excepts Health and Safety Code Section 6487 from its restrictions so that CMSA may make its own provisions regarding payment of invoices, bills, and debt service.
- I. CMSA shall have the power to carry out a pretreatment, waste minimization, and other source control and pollution prevention programs in accordance with NPDES permit requirements, and other Federal and State regulatory requirements

SECTION 6. GOVERNING BODY OF THE AGENCY

CMSA shall be governed by the Central Marin Sanitation Agency Commission. The Commission shall, on behalf of CMSA, adopt a budget for Agency operations, maintenance, and capital improvements; approve contracts for the Agency; establish rates, charges, and fees; grant easements, licenses, or permits for the use of the property of the Agency; appoint a General Manager; contract for services as necessary; and take such other actions as are necessary or convenient to carry out the purpose and intent of this Agreement.

SECTION 7. COMMISSION MEMBERSHIP AND OFFICERS

- A. The Commission shall consist of six commissioners, two appointed by the governing board of RVSD, two appointed by the governing board of SRSD, one appointed by the governing board of SD2, and one appointed by the City Council of Larkspur.
- B. Each commissioner may be an elected official of the governing body of the City or District he/she represents, or may be such other resident of the City or District as selected by the Member. A commissioner shall serve in such a manner and for such term as each Member may determine, and may be removed at the pleasure of the Member appointing such person. The Commission shall annually choose commissioners to serve as Chair, Vice-Chair, and Secretary. Each Member shall determine its method of selection of the person representing the City or District. An elected official or resident of the City or District may be designated by the Member to serve as an alternate to any commissioner.
- C. The Commission may appoint and employ a General Manager who shall perform such duties as may be imposed by the Commission and who shall report to the Commission in accordance with such rules and procedures as the Commission may adopt.
- D. The Chair shall sign contracts on behalf of CMSA and perform such other duties as may be imposed by the Commission. The Vice-Chair shall act in the absence of the Chair. The Commission may delegate to the General Manager the power to sign contracts on behalf of CMSA. If the Chair signs a contract, the Secretary or Vice-Chair shall countersign it on behalf of CMSA. The Vice-Chair and Secretary shall perform such other duties as may be imposed by the Commission.
- E. The Commission shall appoint a Treasurer/Controller. Said power of appointment may be vested with the General Manager by action of the Commission. The Treasurer shall have the duties and obligations set forth in Section 6505.5 of the Government Code of the State of California.

SECTION 8. COMMISSION VOTING

Each commissioner shall be empowered to cast one vote on each measure. Four commissioners shall constitute a quorum. Four affirmative votes are required for passage of any measure.

SECTION 9. DUTIES OF THE COMMISSION

- A. The duties of the Commission shall be:
 - to make all policy decisions and exercise all the powers of CMSA,
 - to submit full and regular reports to the Members,
 - to adopt and/or revise from time to time Board Policies for the conduct of its affairs as may be required.
- B. CMSA shall have the power to compensate commissioners in accordance with the provisions of the Sanitary District Act of 1923, as amended.

SECTION 10. MEETINGS OF THE COMMISSION

- A. Regular meetings of the Commission shall be held at such times and places as shall be established by the Commission by resolution.
- B. All meetings of the Commission including regular, special, and emergency meetings shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act, Section 54950 through 54960 of the Government Code of the State of California, and other applicable provisions of law.

SECTION 11. FINANCIAL RECORDS AND REPORTS

CMSA shall keep current and accurate financial records of all operating, capital, and contract service activities. These records with their supporting documents shall be readily available for inspection by the Members, Commission, and the public. After the close of the fiscal year, the CMSA's financial records will be audited by independent certified public accountants, who will report the audit findings to the Commission.

SECTION 12. BONDING PERSONS HAVING ACCESS TO PROPERTY

- A. Commissioners and CMSA employees that are authorized to sign CMSA checks shall have a Public Official Bond. CMSA will procure a Government Crime Insurance Bond, or equivalent, to provide coverage for all CMSA employees and commissioners that handle and have access to any CMSA property. Premiums for both bonds shall be paid by CMSA.
- B. The General Manager shall have the responsibility for any and all CMSA property, and

shall review and recommend approval or denial of all claims and demands for the disbursement of CMSA funds prior to submittal of said claims and demands to the Commission for approval.

SECTION 13. BONDS AND OTHER BORROWING

- A. CMSA shall have power and authority to issue and sell revenue bonds and other forms of indebtedness, borrow money and enter into contracts related to the foregoing in accordance with any one or more or portion of the following:
- Articles 2 and 4, Chapter 5, Division 7, Title 1 of the Government Code, commencing with Section 6540;
 - Chapter 6, Division 2, Title 5 of the Government Code, commencing with Section 54300;
 - Chapter 5, Part 3, Division 5 of the Health and Safety Code, commencing with Section 4950;
 - Articles 10 and 11, Chapter 3, Part 1, Division 2, Title 2 of the Government Code, commencing with Section 53570;
- Such other relevant provisions of law as may now or hereafter be applicable.
- B. For purposes of referendum and vote on an CMSA-wide basis, the boundaries of CMSA shall be the consolidated boundaries of its Members. Under applicable law, CMSA may form improvement districts in which event the boundaries thereof shall be determinative with respect to referendum and voting. Bond elections shall be conducted pursuant to the Uniform District Election Law and applicable provisions of the Elections Code.
- C. CMSA shall have and exercise all powers conferred on "local agencies" by the provisions of the law with respect to such revenue bonds, other forms of indebtedness, or borrowing money.
- D. Revenues required to provide monies for payment of revenue bonds issued by CMSA, other forms of indebtedness, or borrowing money shall be derived from sewer Capacity Charges, CMSA's Regional Charge to the Members, and other legally available revenues of CMSA as may be specified in the documents related to such revenue bonds, other forms of indebtedness, or borrowing money. The amount of such charges shall be determined by CMSA.
- E. In connection with CMSA issuing revenue bonds, other forms of indebtedness, or borrowing money for new capital projects or other significant expenditures, CMSA and all the Members will enter into a payment agreement or supplement an existing payment agreement that provides for an increase in CMSA's Regional Charge to the Members to comply with the requirements of such revenue bonds, indebtedness, or borrowing.

SECTION 14. OPERATING FUND

- A. An operating fund shall be maintained to pay administrative and incidental expenses incurred by CMSA, costs of maintenance and operation arising from the operation of CMSA's facilities, and capital replacement and rehabilitation costs of CMSA's facilities, not funded by grants or borrowing pursuant to Section 13. Revenues for the operating fund shall be derived from Regional Charges periodically charged to each Member by CMSA, which Regional Charges the Members hereby agree to pay.

The periodic Regional Charge for each Member will be determined by CMSA, and shall be based upon a methodology that may include a Member's equivalent dwelling unit count, wastewater flow, and/or wastewater flow and strength. Flow will be determined based upon continuous measurement during a specified period by CMSA. Strength will be determined by periodic measurement of the wastewater influent's Total Suspended Solids (TSS) and Biological Oxygen Demand (BOD).

CMSA will utilize current best practices to ensure the flow data is accurate.

- B. Each Member, in turn, shall be responsible for deriving the revenue necessary to pay its Regional Charges to CMSA.
- C. Excess operating and capital funds of CMSA, if any, from whatever source, are the property of CMSA.
- D. Capacity charges may be collected either by a Member or CMSA. If collected by a Member, the capacity charge will be collected when the Member collects its connection fee from a property owner and will be remitted to CMSA.

SECTION 15. OWNERSHIP OF PROPERTIES

With respect to the ownership of wastewater assets and facilities, the Members and CMSA agree that:

- A. CMSA Facilities
CMSA shall own entirely all facilities located at assessor's parcel numbers 018-180-46 and 018-180-47, including but not limited to property, buildings, wastewater and biosolids treatment facilities, resource recovery facilities, and support infrastructure and assets. CMSA also owns the land and marine outfall that are on its property, on easements through public and privately owned properties, and in the San Francisco Bay.
- B. Member Collection System Facilities
Members shall own, operate, and maintain their respective collection system facilities. CMSA and any Member may, by agreement, provide for operation and maintenance of that Member's facilities, all or in part, by CMSA. Any such agreement must provide that

all costs associated with the operation and maintenance of such facilities by CMSA shall be charged to and paid by the Member.

C. Wastewater Assets Other Than CMSA Facilities

Exhibit A lists the ownership, operation, and maintenance responsibilities of other wastewater related assets on CMSA property and in each Member's service area.

Upon the effective date of this Agreement the Members will grant to CMSA the use of all wastewater facilities, shown in Exhibit A, insofar as necessary for the operation of CMSA's facilities.

SECTION 16. FUNCTIONAL RESPONSIBILITIES

With respect to the administration, operation, and maintenance of wastewater facilities within the Member boundaries and the performance of functions related thereto, the Members and CMSA agree as follows:

- A. The Member will be responsible for review of new connection permit applications, collection and accounting for permit fees, inspection of connections, and all associated record-keeping. CMSA may perform these functions directly by contract with a Member.
- B. CMSA will have total responsibility for the operation and maintenance of all its wastewater treatment and disposal, biosolids processing and dewatering, and resource recovery facilities, and other wastewater facilities specified in this Agreement.
- C. The Member will have total responsibility for its wastewater collection and transport systems.
- D. The Member will be responsible for all billing and collection of sewer connection and service charges and associated record-keeping, accounting, and delinquency follow-up.
- E. The Members shall provide CMSA access to its odor control facilities that are located at Member pump stations.
- F. CMSA and each Member will be responsible for its own obligations under the San Francisco Bay Regional Water Quality Control Board (RWQCB) NPDES Permit No. CA0038628 issued on January 10, 2018, and any subsequent future NPDES permits where CMSA and Members are listed as co-permittees.

SECTION 17. INDEMNIFICATION AND INSURANCE

A. CMSA Indemnification

CMSA shall indemnify, defend and hold Members harmless from any claims or liability arising out of or relating to the functioning of CMSA pursuant to this Agreement.

Further, specific as to NPDES Permit No. CA0038628, and any subsequent future NPDES permits, CMSA shall indemnify, defend, and hold Members harmless from any penalties, claims, or liability arising out of any acts or omissions of CMSA related to the NPDES Permit and any resulting violations or penalties.

CMSA shall procure and maintain at all times insurance against claims for injuries to persons or damages to property which may arise out of or relating to the functioning business of CMSA pursuant to this Agreement. The minimum scope of insurance and coverage are shown in Exhibit B and may be adjusted in the future by the Commission, as recommended by the Agency's insurance provider.

B. Member Indemnification

Members individually shall indemnify, defend and hold CMSA and other Members harmless from any liability arising out of or relating to the individual Member's actions pursuant to this Agreement. Further, specific as to NPDES Permit No. CA0038628, and any subsequent future NPDES permits, Members individually shall indemnify, defend, and hold CMSA and other Members harmless from any penalties, claims, or liability arising out of any acts or omissions of any individual Member related to the NPDES Permit and any resulting violations or penalties. In no event shall a Member cause a non-responsible Member or non-responsible CMSA to be liable or responsible for any actions, omissions, violations, or payment of fines or penalties caused by an individual Member or Members.

Members shall procure and maintain at all times insurance against claims for injuries to persons or damages to property which may arise out of or relating to the individual Member's actions pursuant to this Agreement. The minimum scope of insurance and coverage are shown in Exhibit B.

SECTION 18. AMENDMENTS

This Agreement may be amended only by agreement approved and executed by all of the Members.

SECTION 19. SETTLEMENT OF DISPUTES

If a dispute arises as to the construction, interpretation, or implementation of any provision of the JPA, the issues in dispute or matter requiring action shall be subject to the following dispute resolution process:

A. Informal Dispute Resolution among Agency Managers

1. Managers from each disputing agency shall meet and attempt to resolve the dispute.

2. This process shall be informal and will be chaired by the CMSA General Manager. If the dispute is between CMSA and a Member(s), the managers shall select a chairperson to chair the meeting.
3. The chair shall set a meeting date with an Agenda.
4. Since this is an informal dispute resolution, attorneys for each disputing agency shall not participate in the meeting(s).
5. Should a resolution be reached, attorneys for each disputing agency may assist in the preparation of any necessary documents.

B. Informal Dispute Resolution – Board Members and Managers

1. Should the dispute resolution in Paragraph A (above) not resolve the dispute, the next step will be an informal dispute resolution with each disputing agency and its manager participating.
2. Each disputing agency shall appoint two board members who will join its agency manager to participate in a meeting to resolve the dispute.
3. Steps 2 – 5 in Section A. shall be applicable for the meeting process.

C. Mediation of Disputes

1. Should the informal dispute resolutions in Paragraphs A and B (above) not be successful in resolving the dispute, then the disputing agencies shall proceed to mediation before a neutral mediator.

Each disputing agency shall assign a representative(s) to participate in mediation. Each agency may be represented by counsel at mediation.

2. Selection of Mediator:
 - a. For such purposes, an agreed upon mediator shall be selected by all Commissioners.
 - b. Should the Commissioners fail to agree upon a mediator, the disputing agencies will apply to the Judicial Arbitration and Mediation Services (JAMS) or a comparable service for an assigned mediator.
3. Mediation
 - a. Each disputing agency shall meaningfully participate in mediation to attempt to reach a resolution of the dispute.
 - b. Each disputing agency shall equally share in the costs of the mediator regardless of whether a settlement of the dispute is reached.

D. Binding Arbitration

1. Should the informal dispute resolutions in Paragraphs A, B, and C (above) not be successful in resolving the dispute, then the disputing agencies shall proceed to Binding Arbitration before a neutral arbitrator.
2. For purposes of arbitration, each disputing agency may be represented by counsel.
3. Selection of Arbitrator:
 - a. For such purposes, an agreed upon arbitrator shall be selected by all Commissioners.
 - b. Should the Commissioners fail to agree upon an Arbitrator, the disputing agencies will apply to the Judicial Arbitration and Mediation Services (JAMS) or a comparable service for an assigned arbitrator.
4. Hearing:

The chosen arbitrator or assigned arbitrator shall proceed to arbitrate the matter in accordance with the provisions of Title 9 of Part 3 of the Code of Civil Procedure (CCP Sections 1282 et seq.). At the Arbitration hearing, the rules of evidence shall apply.
5. The ruling of the arbitrator shall be binding on all agencies. There shall be no right of appeal to the Court system.

SECTION 20. WITHDRAWAL

If a Member's governing board decides to withdraw from the JPA, the Members will convene a meeting to discuss the withdrawal process and details.

The Member seeking Withdrawal from the JPA shall not receive or be entitled to any financial or other material compensation from CMSA and the remaining Members relating to the Withdrawal. This provision does not pertain to any separate agreement or dispute not involving withdrawal between Members.

Pursuant to the 2006 Payment for Treatment Services Agreement between the Members and CMSA or subsequent similar agreements for the payment of indebtedness, a Member cannot withdraw from the JPA until it determines a mechanism and makes a formal commitment to fund its payment obligations to CMSA.

SECTION 21. MISCELLANEOUS

The section headings herein are for convenience only and are not to be construed as modifying or governing the language in the sections referred to.

This Agreement is made in the State of California and under its Constitution and laws, and it is to be so construed.

To preserve a reasonable degree of flexibility, many parts of this Agreement are stated in general terms. It is understood that the Commission may from time to time adopt and implement ordinances, policies, and procedures to further define the rights and obligations of CMSA to carry out the purposes of this Agreement.

SECTION 22. PARTIAL INVALIDITY

If any one or more of the terms, provisions, promises, covenants, or conditions of this Agreement shall to any extent be adjudged invalid, unenforceable, void, or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants, and conditions of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

SECTION 23. SUCCESSORS

This Agreement shall be binding upon and shall inure to the benefit of the parties and the successors of the parties hereto.

SECTION 24. PERSONNEL

A. Authority to Hire and Dismiss Employees:

The Commission shall be the appointing authority for the General Manager, who shall serve at the pleasure of the Commission. The Commission shall annually review the performance of the General Manager.

The General Manager is hereby empowered to hire all personnel subject to the requirements of the Commission adopted personnel policies and procedures. The General Manager shall have the power to reprimand, suspend, reduce in compensation or dismiss any personnel in accordance with the Commission adopted personnel policies and collective bargaining agreements.

B. Personnel Policies and Procedures

The Commission shall have the authority to adopt personnel policies and procedures and make amendments thereto by a majority vote of the Commission.

C. Administration of Employer-Employee Relations

The Commission shall have the authority to adopt a procedure for the administration of employer-employee relations and make amendments thereto by a majority vote of the Commission.

IN WITNESS WHEREOF, The MEMBERS hereto have caused this Agreement to be executed, and attested by their proper officers thereunto duly authorized and their official seals to be hereto affixed, as the day and the year first above written.

ROSS VALLEY SANITARY DISTRICT

Doug Kelly, President

Attest: _____
Thomas Gaffney, Secretary

SAN RAFAEL SANITATION
DISTRICT

Gary O. Phillips, Chairman

Attest: _____
Maribeth Bushey, Secretary/Director

SANITARY DISTRICT No. 2
of MARIN COUNTY

Carla Condon, President

Attest: _____
Diane Furst, District Vice President

CITY OF LARKSPUR

Dan Hillmer, Mayor

Attest: _____
Ann Morrison, Vice Mayor

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JPA Exhibit A

Wastewater Conveyance Asset Ownership, Operation, and Maintenance

Exhibit A presents selected sole and jointly owned wastewater conveyance and related facilities in the CMSA service area with their ownership, operation, and maintenance responsibilities. Attachments 1 and 2 are maps showing the general location of the sole and joint use facilities.

A. Definitions

Ownership - the party that owns the identified asset and has the capital replacement responsibilities.

Operations and Maintenance - the party that monitors process parameters, such as wastewater flow and pressure; responds to Underground Service Alert notifications and emergencies (including SSO's); has regulatory and permitting responsibility; maintains and monitors corrosion control systems; and repairs and coordinates any work on the asset.

B. RVSD Ownership, Operation, and Maintenance Responsibilities

1) 54" RV Interceptor (FM IIA-1): RVSD jointly owns, with SD-2, the interceptor and its fittings, connections and other appurtenances, including valves connected to a fitting, from the treatment plant headworks to the downstream side of the flexible coupling connection outside the SQJB (see Attachment 2). RVSD does not have any operation or maintenance responsibility for FM IIA-1.

2) 54" RV Interceptor (FM IIA-2): RVSD jointly owns, with SD-2, the interceptor and its fittings, connections and other appurtenances, including valves connected to a fitting. RVSD solely operates and maintains the interceptor and its pipeline fittings and appurtenances from the upstream side of the flexible coupling connection outside the SQJB to the connection with the 30" Greenbrae Forcemain.

3) 12" Pump Station 10 Landing B Forcemain (FM IIB): RVSD owns, operates, and maintains the forcemain and all its fittings, valves, and other pipeline appurtenances for its entire length, from Pump Station B to the upstream side of the 12" valve flange on the 54" x 12" FM IIA-2 fitting.

4) San Quentin Junction Box: RVSD and SD2 jointly own the SQJB structure, and do not have maintenance responsibility for the structure or the electrical and mechanical equipment within it.

B. SD2 Ownership, Operation, and Maintenance Responsibilities

1) 54" RV Interceptor (FM IIA-1): SD2 jointly owns, with RVSD, the interceptor and its fittings, connections and other appurtenances, including valves connected to a fitting, from the treatment plant headworks to the downstream side of the flexible coupling connection outside the SQJB. SD2 does not have any operation or maintenance responsibility for FM IIA-1.

2) 54" RV Interceptor (FM IIA-2): SD2 jointly owns, with RVSD, the interceptor and its fittings, connections and other appurtenances. SD2 does not have any operation or maintenance responsibilities for FM IIA-2.

3) Corte Madera Forcemain (FM IIC): SD2 owns, operates, and maintains the forcemain and all its fittings, valves, and other pipeline appurtenances for its entire length, from the Paradise Pump Station to the upstream side of the 24" valve flange on the 54" x 24" FM IIA-2 fitting.

4) San Quentin Junction Box: SD2 and RVSD jointly own the SQJB structure and do not have maintenance responsibility for the structure or the electrical and mechanical equipment within it.

5) Abandoned 20" Corte Madera Forcemain: SD2 owns and maintains the disconnected forcemain.

C. SRSD Ownership and Maintenance Responsibilities

1) 45" San Rafael Interceptor (FM IA-1 and 2): SRSD owns the interceptor and all its fittings, valves, and other pipeline appurtenances for the entire length of the interceptor to the CMSA treatment plant headworks, including the fitting that accepts the chemical dosing station pipeline. SRSD shall maintain the interceptor pipeline and its appurtenances upstream of the SFJB (FM IA-2).

2) 10" South Francisco Forcemain (FM IG): SRSD owns the forcemain and all its fittings, valves, and other pipeline appurtenances for its entire length, from the connection to the 45" San Rafael Interceptor to the South Francisco pump station. SRSD shall maintain the forcemain and its appurtenances outside of the SFJB.

D. CMSA Ownership and Maintenance Responsibilities

1) 45" San Rafael Interceptor (FM IA- 2): CMSA shall maintain the interceptor, the 45"x10" connection fitting, 45" valve, and the other pipeline appurtenances in the SFJB and along the length of the pipeline from the downstream side of the SFJB to the treatment plant headworks.

2) 10" South Francisco Forcemain (FM IG): CMSA shall maintain the forcemain and its fittings, the 10" valve, and other pipeline appurtenances within the SFJB.

3) South Francisco Junction Box: CMSA owns and shall maintain the SFJB structure and all existing and future electrical, mechanical, and instrumentation equipment and systems within the SFJB.

CMSA grants SRSD access to the SFJB to inspect the 45" San Rafael Interceptor and the 10" South Francisco forcemain. Access shall be coordinated with CMSA operations staff.

4) Andersen Drive Chemical Dosing Station: CMSA owns and shall maintain the dosing station and its piping and appurtenances upstream of the SR Interceptor connection.

5) 54" RV Interceptor (Reach FM IIA-1): CMSA shall operate and maintain the interceptor, fittings, and appurtenances from the treatment plant headworks to the upstream side of the SQJB's flexible coupling connection. CMSA will also maintain the interceptor, the 54"x16" connection fitting, the 54" valve, and the other interceptor appurtenances in the SQJB.

6) San Quentin Junction Box: CMSA shall maintain the SQJB structure, and operate and maintain all electrical, mechanical, and instrumentation equipment and systems within the SQJB. CMSA owns all electrical, instrumentation, and mechanical systems within the SQJB.

CMSA grants RVSD and SD2 access to the SQJB to inspect the 54" RV Interceptor and its fittings and appurtenances. Access shall be coordinated with CMSA operations staff.

7) Chemical Dosing Station: CMSA owns, operates, and maintains the hydrogen peroxide chemical dosing station and its piping and appurtenances upstream of the RV Interceptor (Reach IIA-1) connection in the SQJB.

8) Recycled Water Pipeline: CMSA owns, operates, and maintains the 6" recycled water pipeline from the treatment plant to FM 11A-1, and the pipelines and fittings to the chemical dosing station and to Remillard Pond.

D. Miscellaneous

CMSA, SD2, SRSD, and RVSD understand and agree that the California Department of Corrections owns and operates the 16" San Quentin forcemain (FM IIF) from the San Quentin Pump Station to the upstream side of the RV Interceptor's 54" x 16" fitting in the SQJB.

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CMSA JPA - Exhibit B

CMSA and Member Insurance Requirements

MINIMUM SCOPE OF CMSA INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL)** on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000** per occurrence.
2. **Automobile Liability** covering any auto with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers' Compensation** as required by the State, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.
4. **Property insurance** against all risks of loss to Agency property, at full replacement cost.

Additional Insured Status

The Members, their officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of or relating to the functioning business of the Agency pursuant to this Agreement.

Verification of Coverage

CMSA shall furnish the Members with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause.

MINIMUM SCOPE OF MEMBER INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL)** on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000** per occurrence.
2. **Automobile Liability** covering any auto with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers' Compensation** as required by the State, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.

Additional Insured Status

CMSA, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of or relating to the individual Member's actions pursuant to this Agreement.

Verification of Coverage

Members shall furnish CMSA with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause.

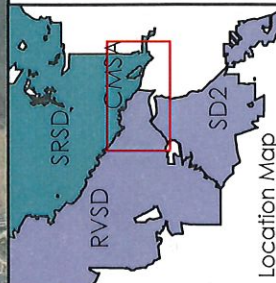


Attachment 1

CMSA, RVSD, SD2, & SRSD Joint Facilities

Legend

	CMSA
	PS
	WTP
	Abandoned 20\" Forcemain
	CMSA 6\" Recycled Water Pipeline
	FM IIC
	FM IIA-1
	FM IIA-2 & FM IIB
	FM IIF (SQ)
	FM IIC
	FM IIA-1
	FM IIA-2 & FM IIB
	FM IIF (SQ)



Location Map



CMSA JPA Members




5.a.

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

DATE: June 1, 2018

TO: Board of Directors, San Rafael Sanitation District

FROM: Doris Toy, District Manager/District Engineer 

SUBJECT: Adopt Resolution Authorizing the District Manager/District Engineer to Execute a Utility Agreement with the State of California for the 36-Inch Trunk Sewer Relocation Project for the Caltrans San Rafael Harbor Bridge Replacement Project

RECOMMENDATION:

Adopt resolution authorizing the District Manager/District Engineer to execute a Utility Agreement with the State of California for the 36-Inch Trunk Sewer Relocation Project for the Caltrans San Rafael Harbor Bridge Replacement Project.

SUMMARY:

At the March 16, 2018, Board meeting, the Board approved an agreement for Nute Engineering to design the 36-Inch Trunk Sewer Relocation Project for the Caltrans San Rafael Harbor Bridge Replacement Project. The Caltrans project consists of replacing the bridge section at the Highway 101 Central San Rafael northbound off-ramp due to the scoured pier foundation, which includes widening and realigning the bridge. The District has a 36-inch trunk sewer line from Second Street to the North Francisco Pump Station, located on the east side of the off-ramp, which carries the flow from central and west San Rafael and the Dominican area. When Caltrans replaces its bridge, a section of the 36-inch sewer line that is currently on the west shoulder of the off-ramp will be in the first left lane. This future location will cause difficulties in maintaining the sewer facilities due to heavy traffic. Therefore, the District's sewer facilities will need to be relocated.

Caltrans is planning to finish its design of the Bridge project by June 2018 and will begin construction in the spring or summer of 2019. Because of their tight timeline, Caltrans staff prefers that the District design and relocate its facilities prior to the start of the Caltrans project.

Both District and Caltrans staff have been doing research in order to locate documentation, such as a sewer easement or an agreement that would show which agency would be liable for relocating the sewer facilities and, thus, which agency would be responsible for the costs. District staff asked Nute Engineering to perform the research on this matter and discovered that the sewer facilities were first installed around 1899 with a 30-inch wood pipe. Caltrans was able to find a parcel map showing that some of the properties at the off-ramp vicinity have been under State control since 1929. Therefore, the District was able to show that its facilities were at the off-ramp location prior to State control; and, therefore, the District would then have prescriptive rights. Caltrans has accepted this information and has drafted the attached Utility Agreement for the District's review and approval. The District's legal counsel has reviewed the Agreement and has no comments.

FISCAL IMPACT:

Staff and Nute Engineering have estimated the total project cost, including both design and construction, to be \$842,853.

This project will be funded under the 80-Year Life Cycle Sewer Replacement Program from both the FY 2017-18 and FY 2018-19 Budgets with full reimbursement from the State of California.

ACTION REQUIRED:

Staff recommends that the Board adopt the resolution authorizing the District Manager/District Engineer to execute a Utility Agreement with the State of California for the 36-Inch Trunk Sewer Relocation Project for the Caltrans San Rafael Harbor Bridge Replacement Project.

Attachments: Utility Agreement
Resolution

SAN RAFAEL SANITATION DISTRICT

RESOLUTION NO. 18-1171

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SAN RAFAEL SANITATION DISTRICT
AUTHORIZING THE DISTRICT MANAGER/DISTRICT ENGINEER
TO EXECUTE A UTILITY AGREEMENT WITH THE
STATE OF CALIFORNIA FOR THE 36-INCH TRUNK SEWER
RELOCATION PROJECT FOR THE CALTRANS SAN RAFAEL
HARBOR BRIDGE REPLACEMENT PROJECT**

**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 Utility Agreement with the State of California for the 36-Inch Trunk Sewer Relocation Project for the Caltrans San Rafael Harbor Bridge Replacement Project, a copy of which is hereby attached and by this reference made a part hereof.

PASSED AND ADOPTED at a special meeting of the San Rafael Sanitation District Board of Directors held on the 1st day of June, 2018, by the following vote, to wit:

AYES:

NOES:

ABSENT/ABSTAIN:

SAN RAFAEL SANITATION DISTRICT

Katie Rice, Acting Chair

ATTEST:

Maribeth Bushey, Secretary

UTILITY AGREEMENT

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District	County	Route	P.M.	PROJECT ID
4	MRN	101	10.6/10.8	04-1300-0490 (4G820)
Fed. Aid. No.				
Owner's File: 14.03.264				
FEDERAL PARTICIPATION: On the Project <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No On the Utilities <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				

UTILITY AGREEMENT NO. 2081.1**DATE**

The State of California, acting by and through the Department of Transportation, hereinafter called "STATE", proposes to replace existing San Rafael Harbor Bridge on Northbound US Route 101 off ramp to 2nd Street in The City of San Rafael, Marin County. This project also includes minor realignment and shoulder widening along the ramp. San Rafael Sanitation District, hereinafter called "OWNER", owns and maintains a sewer line and cleanout location within the limits of STATE's project that require relocation to accommodate STATE's project.

It is hereby mutually agreed that:

I. WORK TO BE DONE

In accordance with Notice to Owner No. 2081.1, dated May 9, 2018, OWNER shall relocate its sewer line and cleanout location in order to accommodate construction of the STATE's project. All work shall be performed substantially in accordance with OWNER's Plan No. 14.03.264 dated May 1, 2018, and STATE's plans for this project, copies of which are on file in the District office of the Department of Transportation at 111 Grand Avenue, Oakland, CA 94612-3771.

Deviations from the OWNER's plan described above initiated by either the STATE or the OWNER, shall be agreed upon by both parties hereto under a Revised Notice to Owner. Such Revised Notices to Owner, approved by the STATE and agreed to/acknowledged by the OWNER, will constitute an approved revision of the OWNER's plan described above and are hereby made a part hereof. No work under said deviation shall commence prior to written execution by the OWNER of the Revised Notice to Owner. Changes in the scope of the work will require an amendment to this Agreement in addition to the Revised Notice to Owner.

II. LIABILITY FOR WORK

The existing facilities described in Section I. above will be relocated at 100% STATE expense and 0% OWNER expense in accordance with Section 703 of the California Streets and Highways Code, in accordance with the following proration:

Total Estimate for OWNER performed relocation:	\$842,853.00
Total Estimated OWNER Liability, (0%):.....	\$0.00
Total Estimated STATE Liability, (100%):.....	\$842,853.00

III. PERFORMANCE OF WORK

OWNER agrees to perform the herein described work with its own forces or to cause the herein described work to be performed by the OWNER's contractor, employed by written contract on a continuing basis to perform work of this type, and to provide and furnish all necessary labor, materials, tools and equipment required therefore, and to prosecute said work diligently to completion.

Pursuant to Public Works Case No. 2001-059 determination by the California Department of Industrial Relations dated October 25, 2002, work performed by OWNER's contractor is a public work under the definition of Labor Code section 1720(a) and is therefore subject to prevailing wage requirements. OWNER shall verify compliance with this requirement in the administration of its contracts referenced above.

Use of out-of-state personnel (or personnel requiring lodging and meal per diem expenses) will not be allowed without prior written authorization by state's representative. Requests for such authorization must be contained in OWNER's estimate of actual and necessary relocation costs. Accounting Form FA 1301 is to be completed and submitted for all non-state personnel travel per diem. OWNER shall include an explanation why local employee or contract labor is not considered adequate for the relocation work proposed. Per diem expenses shall not exceed the per diem expense amounts allowed under the State's Department of Personnel Administration travel expense guidelines.

IV. PAYMENT FOR WORK

The STATE shall pay its share of the actual cost of the herein described work within 45 days after receipt of OWNER's itemized bill in quintuplicate, signed by a responsible official of OWNER's organization and prepared on OWNER's letterhead, compiled on the basis of the actual cost and expense incurred and charged or allocated to said work in accordance with the uniform system of accounts prescribed for OWNER by the California Public Utilities Commission or Federal Communications Commission, whichever is applicable.

It is understood and agreed that the STATE will not pay for any betterment or increase in capacity of OWNER's facilities in the new location and that OWNER shall give credit to the STATE for all accrued depreciation on the replaced facilities and for the salvage value of any material or parts salvaged and retained or sold by OWNER.

UTILITY AGREEMENT NO. 2081.1

Not more frequently than once a month, but at least quarterly, OWNER will prepare and submit progress bills for costs incurred not to exceed OWNER's recorded costs as of the billing date less estimated credits applicable to completed work. Payment of progress bills not to exceed the amount of this Agreement may be made under the terms of this Agreement. Payment of progress bills which exceed the amount of this Agreement may be made after receipt and approval by STATE of documentation supporting the cost increase and after an Amendment to this Agreement has been executed by the parties to this Agreement.

The OWNER shall submit a final bill to the STATE within 360 days after the completion of the work described in Section I above. If the STATE has not received a final bill within 360 days after the notification of completion of OWNER's work described in Section I of this Agreement, the STATE has delivered to OWNER fully executed Director's Deeds, Consents to Common Use or Joint Use Agreements if required for OWNER's facilities, STATE will provide written notification to OWNER of its intent to close its file within 30 days. OWNER hereby acknowledges, to the extent allowed by law, that all remaining costs will be deemed to have been abandoned. If the STATE processes a final bill for payment more than 360 days after notification of completion of OWNER's work, payment of the late bill may be subject to allocation and/or approval by the California Transportation Commission.

The final bill shall be in the form of an itemized statement of the total costs charged to the project, less credits provided for in this Agreement, and less any amounts covered by progress billings. However, the STATE shall not pay final bills which exceed the estimated cost of this Agreement without documentation of the reason for the increase of said cost from the OWNER and approval of the documentation by STATE. Except, if the final bill exceeds the OWNER's estimated costs solely as a result of a Revised Notice to Owner as provided for in Section I, a copy of said Revised Notice to Owner shall suffice as documentation. In either case, payment of the amount over the estimated cost of this Agreement may be subject to allocation and/or approval by the California Transportation Commission.

In any event if the final bill exceeds 125% of the estimated cost of this Agreement, an Amended Agreement shall be executed by the parties to this Agreement prior to the payment of the OWNER'S final bill. Any and all increases in costs that are the direct result of deviations from the work described in Section I of this Agreement shall have the prior concurrence of STATE.

Detailed records from which the billing is compiled shall be retained by the OWNER for a period of three years from the date of the final payment and will be available for audit by State and/or Federal auditors. In performing work under this Agreement, owner agrees to comply with the Uniform System of Accounts for Public Utilities found at 18 CFR Part 101, 201, et al., to the extent they are applicable to owner doing work on the project that is the subject of this Agreement, the contract cost principles and procedures as set forth in 48 CFR, Chapter 1, Part 31, et seq., 23 CFR, Chapter 1, Part 645, and 2 CFR Part 200 et al. If a subsequent State and/or Federal audit determines payments to be unallowable, owner agrees to reimburse AGENCY upon receipt of AGENCY billing. If owner is subject to repayment due to failure by State/Local Public Agency (LPA) to comply with applicable laws, regulations, and ordinances, then State/LPA will ensure that owner is compensated for actual cost in performing work under this agreement.

V. GENERAL CONDITIONS

All costs accrued by OWNER as a result of STATE's request of March 13, 2018 to review, study and/or prepare plans and estimates for the work associated with this Agreement may be billed pursuant to the terms and conditions of this Agreement.

If STATE's project which precipitated this Agreement is canceled or modified so as to eliminate the necessity of work by OWNER, STATE will notify OWNER in writing and STATE reserves the right to terminate this Agreement by Amendment. The Amendment shall provide mutually acceptable terms and conditions for terminating the Agreement.

It is understood that said highway is a Federal aid highway and accordingly, 23 CFR, Chapter 1, Part 645 is hereby incorporated into this Agreement.

In addition, the provisions of 23 CFR 635.410, Buy America, are also incorporated into this agreement. The Buy America requirements are further specified in Moving Ahead for Progress in the 21st Century (MAP-21), section 1518; 23 CFR 635.410 requires that all manufacturing processes have occurred in the United States for steel and iron products (including the application of coatings) installed on a project receiving funding from the FHWA.

All obligations of STATE under the terms of this Agreement are subject to the passage of the annual Budget Act by the State Legislature and the allocation of those funds by the California Transportation Commission.

OWNER shall submit a Notice of Completion to the STATE within 30 days of the completion of the work described herein.

UTILITY AGREEMENT NO. 2081.1

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

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

OWNER:
SAN RAFAEL SANITATION DISTRICT

By: _____
MARK L. WEAVER Date
Deputy District Director, Right of Way

By: _____
DORIS TOY Date
District Manager/District Engineer

APPROVAL RECOMMENDED:

By: _____
LINDA EMADZADEH Date
District Office Chief

By: _____
JOHN O. CARLSTON Date
District Branch Chief

THIS AGREEMENT WILL NOT BE EXECUTED BY THE STATE OF CALIFORNIA – DEPARTMENT OF
TRANSPORTATION UNTIL FUNDS ARE CERTIFIED.

UTILITY AGREEMENT (Continued)

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UTILITY AGREEMENT NO. 2081.1

PLANNING AND MANAGEMENT COMPLETES EXCEPT SHADED COLUMNS

UTILITY COMPLETES:

CT DOCUMENT	EVENT TYPE	DEPT	UNIT	PROJECT ID	PHASE	REPORTING		OBJ CODE		BFY	DOLLAR AMOUNT
0418UA20811	C401	2660	0869	04-1300-0490 (4Q820)	9	9	2081X1	054	N	2018	\$842,853.00

EA FUNDING VERIFIED:

Sign:>

Print:> CHRIS CIERO
R/W Planning & Management Date

REVIEW/REQUEST FUNDING:

Sign:>

Print:> KEANNA COOLINS
Utility Coordinator DateTHE ESTIMATED COST TO STATE FOR ITS SHARE OF THE ABOVE DESCRIBED WORK IS \$ 842,853.00**CERTIFICATION OF FUNDS**

I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure shown here.

HQ Accounting Office

Date

ITEM	CHAP	STAT	FY	AMOUNT
			18/19	\$842,853.00

FUND TYPE	PROJECT ID	AMOUNT
Design Funds		\$
Construction Funds		\$
R/W Funds	04-1300-0490	\$842,853.00

VENDOR CUSTOMER NO.


VENDOR ADDRESS

Distribution: 2 originals to R/W Accounting
1 originals returned to Utility Owner
1 original to Utility File

SAN RAFAEL SANITATION DISTRICT
Agenda Item 5.b.

DATE: June 1, 2018

TO: San Rafael Sanitation District Board of Directors

FROM: Doris Toy, District Manager/District Engineer 

SUBJECT: Adopt Resolution Authorizing the District Manager/District Engineer to Execute a Professional Services Agreement with Park Engineering for Inspection Related Services

RECOMMENDATION:

Adopt Resolution Authorizing the District Manager/District Engineer to execute a Professional Services Agreement with Park Engineering for inspection related services.

BACKGROUND:

The District's inspector will be on vacation from June 7, 2018, through June 29, 2018. Presently, he is inspecting the San Pedro Pump Station Improvement Project in addition to his regular duties, i.e. inspecting private lateral repairs and marking and locating the District's sewer facilities for Underground Service Alert (USA). Therefore, the District will require a full-time inspector in his absence.

Since Park Engineering has assisted the District with inspection services over the past several years, staff has requested Park Engineering to submit a proposal for the month of June.

ANALYSIS:

Since 2015, Park Engineering has assisted the District with inspections from part-time to full-time at various periods for the Sun Valley Sewer Replacement Project, Phases 1 and 2; the Glenwood Pump Station Improvement Project; The Village at Loch Lomond Marina subdivision; the Lincoln Avenue Sewer Improvement Project; lateral inspections; and USA markings.

Park Engineering has submitted a proposal for full-time construction inspection for the month of June on a time-and-materials basis in the amount of \$21,996.24.

FISCAL IMPACT:

Park Engineering's cost for inspection services in the amount of \$21,996.24 will be funded out of the FY 2017-18 Budget for the Pump Station & Force Main Capital Improvement Fund.

ACTION REQUIRED:

Staff recommends that the Board adopt the resolution authorizing the District Manager/District Engineer to execute a Professional Services Agreement with Park Engineering for inspection related services.

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

SAN RAFAEL SANITATION DISTRICT

RESOLUTION NO. 18-1170

**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
PARK ENGINEERING, INC., FOR INSPECTION RELATED SERVICES
FOR AN AMOUNT NOT TO EXCEED \$21,996.24**

**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 Park Engineering, Inc., for inspection related services, a copy of which is hereby attached and by this reference made a part hereof.

PASSED AND ADOPTED at a special meeting of the San Rafael Sanitation District Board of Directors held on the 1st day of June, 2018, by the following vote, to wit:

AYES:

NOES:

ABSENT/ABSTAIN:

SAN RAFAEL SANITATION DISTRICT

Katie Rice, Acting Chair

ATTEST:

Maribeth Bushey, Secretary

**PROFESSIONAL SERVICES AGREEMENT
FOR INSPECTION RELATED SERVICES**

This Agreement is made and entered into this 1st day of June, 2018, by and between the SAN RAFAEL SANITATION DISTRICT (hereinafter "DISTRICT"), and PARK ENGINEERING, INC. (hereinafter "CONSULTANT").

RECITALS

WHEREAS, the DISTRICT has selected PARK ENGINEERING, INC., to perform the required construction inspection related services (hereinafter "PROJECT"); and

WHEREAS, the CONSULTANT 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 CONSULTANT 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 as the PROJECT MANAGER for the DISTRICT, and said PROJECT MANAGER shall supervise all aspects of the progress and execution of this Agreement.

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

3. DUTIES OF CONSULTANT

CONSULTANT shall perform the duties and/or provide services as follows; the CONSULTANT agrees to provide professional services as a Construction Inspection Consultant to provide services outlined in the Proposal from CONSULTANT dated May 18, 2018, marked Exhibit "A", attached hereto, and incorporated herein by this reference. The CONSULTANT agrees to be available and perform the work as required by the District.

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 CONSULTANT, DISTRICT shall pay CONSULTANT 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 will not exceed the \$21,996.24 as 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 CONSULTANT.

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 CONSULTANT and any and all of CONSULTANT'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 CONSULTANT 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, CONSULTANT shall make available to DISTRICT, or its agent, for inspection and audit, all documents and materials maintained by CONSULTANT in connection with its performance of its duties under this Agreement. CONSULTANT 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, CONSULTANT shall maintain, at no expense to DISTRICT, the following insurance policies:

1. A commercial general liability insurance policy in the minimum amount of one million (\$1,000,000) dollars per occurrence and \$2,000,000 aggregate 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 CONSULTANT's performance of services under this Agreement.

B. The insurance coverage required of the CONSULTANT 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. CONSULTANT 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 or terminate 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 years as long as the insurance is reasonably affordable and available;

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, CONSULTANT shall maintain Workers' Compensation and Employer's Liability Insurance, as required by the State Labor Code and other applicable laws and regulations, and as necessary to protect both CONSULTANT and DISTRICT against all liability for injuries to CONSULTANT's officers and employees.

D. Any deductibles or self-insured retentions exceeding \$20,000 in CONSULTANT'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 CONSULTANT shall procure a bond guaranteeing payment of losses and related investigations, claims administration, attorney's fees, and defense expenses.

12. INDEMNIFICATION

CONSULTANT shall indemnify, release, 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, arising out of or resulting in any way from any negligent acts or omissions or negligence of CONSULTANT or CONSULTANT's officers, agents, and employees in the performance of their duties and obligations under this Agreement.

13. NONDISCRIMINATION

CONSULTANT 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

CONSULTANT shall use due professional care to 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. CONSULTANT shall perform all services under this Agreement in accordance with these laws, ordinances, codes, and regulations.

15. NO THIRD PARTY BENEFICIARIES

DISTRICT and CONSULTANT 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. Karen Chew, P.E. (Project Manager)
San Rafael Sanitation District
111 Morphew Street
P.O. Box 151560
San Rafael, CA 94915-1560

TO CONSULTANT: Mr. Jaemin Park, P.E. (President)
Park Engineering, Inc.
372 Village Square
Orinda, CA 94563

17. INDEPENDENT CONSULTANT

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

CONSULTANT agrees that DISTRICT may deduct from any payment due to CONSULTANT under this Agreement any monies which CONSULTANT 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. CITY BUSINESS LICENSE/OTHER TAXES

CONSULTANT shall obtain and maintain during the duration of this Agreement a CITY business license as required by the San Rafael Municipal Code. CONSULTANT shall pay any and all State and Federal taxes and any other applicable taxes. CONSULTANT's taxpayer identification number is 46-3675877, and CONSULTANT certifies under penalty of perjury that said taxpayer identification number is correct.

22. 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

PARK ENGINEERING, INC.

ATTEST:

By: _____
Jaemin Park, P.E.

Cynthia Hernandez
District Secretary

Title: _____

APPROVED AS TO FORM:

Jack F. Govi
Assistant County Counsel



EXHIBIT A

May 18, 2018

Karen Chew, P.E.
Senior Civil Engineer
San Rafael Sanitation District
111 Morpew Street
PO Box 151560
San Rafael, CA 94915-1500

RE: Construction Inspection Services

Dear Karen:

Park Engineering, Inc. is pleased to submit this cost proposal to provide construction inspection services to the San Rafael Sanitation District to support District projects on an as-needed basis.

Pete Martin will be the construction inspector to support the District in the month of June, as requested. We have estimated 168 total hours for Pete for the duration of the assignment. Hours can be adjusted as needed to fit the needs of the project and the District.

Please let me know if you have any questions or if any additional information is needed. I am available at any time on my mobile at 925-818-3756 or e-mail: jpark@park-eng.com.

Sincerely,

A handwritten signature in blue ink that reads "Jaemin Park".

Jaemin Park, P.E.
President

PETE MARTIN, ASSISTANT RESIDENT ENGINEER/FIELD ENGINEER**Years of Experience**

31

Licenses:

CA Contractor's License A & B, #728286 California

Certifications and Training

40 hour HazWOPER and HazMat certifications

Quality Control Certificate, Army Corps of Engineers, 1999

Key Qualifications

Pete has over 30 years in the construction industry and is well respected for his ability to manage public works projects in the field. His work includes 9 years of working on public works projects, and 13 years as a contractor. His most recent experience includes a high-level of expertise in administering and inspection of projects funded by state, federal, local and regulatory agencies. Pete has construction inspection experience in local city public works, heavy construction projects, earthwork, grading, excavations, flood control, pipelines, roads and bridges, utility relocations and downtown streetscapes. Pete is excellent with negotiating with the contractor, public relations, plan and specification interpretation and implementation, customer relationships, effective communication and planning skills, problem solving and contract documentation.

Project Experience

- **BART Concord Station Plaza Improvements Project – \$3.5 M**

Pete was the field engineer for the modification and reconstruction of the east and west parking areas and plaza at the Concord BART station. The project work included modifying and reconstructing the east and west parking areas and plazas including new raised crosswalks, new benches, trash receptacles, lighted bollards, non-lighted bollards, decomposed granite, custom site signage, pavers, new concrete walkways, retaining walls, decorative crosswalks and custom banners. Demolition of wind screen and canopy, and one bus shelter, wayside upgrades, modifying and providing new lighting at plaza, relocating taxi pickup and drop off areas, providing electrical infrastructure for the future bike station, providing new lighting with banners and custom banner arms, new planting and irrigation, relocation of kiss-n-ride drop off area, improvements of bike path striping, and addition of new wayfinding signage including station identity signage above station agent toll booth. Pete provided field engineering and inspection, project documentation and reporting using Wong CMS, coordination for materials testing and public information.

- **City of Concord, Central Concord Pedestrian Improvements Streetscape and Ellis Lake Restroom Projects - \$3M & \$120,000**

Peter was the Assistant Resident Engineer/Construction Inspector on these two projects for the City of Concord that were construction simultaneously.

- ✓ **Central Concord Pedestrian Improvements Streetscape Project, \$3M** – Resident Engineer for roadway resurfacing project that included work of both the mill and fill method and slurry seal, as well as replacement of non-ADA compliant curb ramps for 25 intersections in downtown Concord, a new traffic signal, and streetscape features installed near the Concord BART Station.

- ✓ **Ellis Lake Restroom Project, \$120k** – Site work to prepare for a new pre-fabricated restroom building, including new utility connection.

- **BART Earthquake Safety Program (ESP) – El Cerrito Plaza Station and El Cerrito Del Norte Station Projects, CA –\$9 M**

Pete was the field engineer for the seismic retrofit construction of these two aerial stations on the BART R-Line. The retrofit work involved strengthening of the footings with top mat reinforcing steel, drill and bond dowels and concrete overlay; addition of micropiles with stirrups and top mat reinforcing steel, drill and bond dowels and concrete overlay at specific locations; bent cap strengthening with drill and bond dowels, additional reinforcing, and concrete for thickened cap sections; column retrofits at specific locations with fiber column jackets at specific locations; and in-fill shear walls at specific locations. The work also involved strengthening of structural steel members at the platforms and station exterior. Pete provided field engineering and inspection, project documentation and reporting using Wong CMS, coordination for materials testing and public information.

- **Moraga Road/Ascot Road Street Improvements Project, Town of Moraga, CA - \$1M**

Pete was the Construction Inspector for this federally funded street improvement project that included new signals and median island construction, AC grinding and paving, curb, gutter and sidewalk construction, and signing and striping. Pete provided inspection, project documentation and reporting, coordination for materials testing and public information.

- **3rd Street and Union Street Improvements Project, City of San Rafael, CA - \$2M**

Pete was the Construction Inspector for this project to improve 3rd and Union Street. Work involved widening of Union Street by adding a turn lane, replacing traffic signals, new joint trench installation (electrical and communications), replacing sewer mainline, relocating storm drains and upgrading drainage inlets. The project included removal and replacement of curbs, gutters and sidewalks and new ADA curb ramps, AC overlay with sub-grade repairs (deep lifts). Pete also oversaw ADA and pedestrian accessibility and safe-path-of-travel around or through construction work zones and to-and-from buildings, businesses (Trader Joe's, Walgreens, and Whole Foods), private property and public buildings (Fire station, high school), SWPPP management and BMPs.

- **Public Works Inspection, Various Projects, City of San Pablo, CA**

Pete was the Construction Inspector for various public works construction projects throughout the City of San Pablo. Reporting directly to the City's Construction Manager, Pete provided inspection, project documentation and reporting, for street resurfacing, sewer main installation, underground utilities, PCC sidewalk and curb replacement.

- **Public Works Inspection, Various Projects, City of San Mateo, CA**

Pete was the Construction Inspector for various public works construction projects throughout the City of San Mateo. Reporting directly to the City's Construction Manager, Pete provided inspection, project documentation and reporting for project work, monitoring wells, street resurfacing, sewer main installation, underground utilities, PCC sidewalk and curb replacement, and driveway permit inspection.

- **Cowell-Purisima Coastal Trail Project, CA – \$3 M**

Pete was the construction manager/resident engineer for this trail construction project for the California State Coastal Conservancy/Peninsula Open Space Trust. This project involved constructing a coastal trail across current properties, including a seventeen car staging area and bridges over three large coastal ravines. Key issues addressed in the project included dealing with wetland and riparian habitat, archaeology, geology, hydrology, and impact on active agricultural

operations. The two free-span bridges were constructed to cross drainages located on the North Cowell Ranch segment of the trail and a third bridge was constructed to cross Purisima Creek. South of Purisima Creek, at the trail's southern boundary a formal bluff top overlook was construction and led to a 17-car capacity parking area located just west of Highway One. The entire trail and parking area is ADA accessible. The project also included erosion control features, drainage improvements, weave/hog wire fencing to separate the trail from agricultural and cattle grazing fields, and access gates to allow closure of the trail when necessary.

- **Napa River Flood Control, Napa, CA – \$19.8 M**

The scope of the project encompassed the removal of existing reinforced concrete flood walls, the construction of new reinforced concrete flood control walls, the construction of 24" and 48" diameter CIDH piling and retaining walls, the placement of rock protection, marsh plain excavation and grading along the base of the flood wall, the construction of planters, terraces and a bandstand, and the construction of ramps, stairs, promenades behind the length of the flood walls. Project was constructed to Caltrans standards for CIDH piles, and retaining walls. Pete was the Quality Control Manager and Field Inspector, reporting to the Army Corps of Engineers on this flood control project in Napa County. Pete's primary duty was to oversee the quality control inspections, testing and reporting of all work performed by the contractor.

- **San Jose International Airport/Renzel Airfield Improvements \$32.5 Million**

Pete was the Quality Control Manager for the contractor, reporting to the City of San Jose Public Works Airport Construction Manager and Inspectors on this Taxiway Reconstruction Project at San Jose International Airport in Santa Clara County. Pete's primary duty was to oversee and implement the quality control system and monitor PWL's for the contractor (Percentage within Limits), which included scheduling, inspections, testing and reporting on all work performed. The scope of the project encompassed batching 50,000 cubic yards of concrete, removal of existing asphalt taxiways, sub-grade preparation and compaction, reconstruction of a new 10'000 foot concrete taxiway, installation of storm drain junction box structures and pipeline and asphalt placement. Pete's duties also included documenting construction on the as-built drawings, safety inspections, and submittals.

- **Oakland International Airport Reconstruction of Taxiway D & Apron at Building L, 821, Port of Oakland, CA, \$5.5 M**

Pete oversaw the QC Management System for this airport project. He provided daily reports to the Port of Oakland for the Contractor. His other duties required monitoring all grade settings and concrete placements to maintain Percentage within Limits (PWL) for accurate billing quantities; updating the entire QC documentation in Excel and Expedition software; scheduling laboratory testing; and maintaining an on-site curing facilities environment. Pete kept constant communication with suppliers to maintain specific control of the concrete cement, aggregates, slump, air, temperature and mix designs. Mr. Martin also monitored dowel placement, bonding reports, straight edge tests and coring measurements of in-place concrete for PWLs.

- **Guadalupe River, Project 3A, Phase 1, Army Corps of Engineers, \$34 M**

Pete was the Quality Control Assistant Manager and Field Inspector for the contractor, reporting to the Army Corps of Engineers on this flood control project in Santa Clara County. Pete's primary duty was to oversee the field quality control inspections on work performed by the contractor, and report to the Corps of Engineers Construction Office Representative. The scope of the project encompassed construction of a 2,700 foot long, double 25' x 20' box culvert, weirs and overflow channel. Pete's duties included field inspection of sheet pile walls, construction of cutoff walls, concrete and rebar placement, documenting construction on the as-built drawings, excavation,

safety inspection, submittal of RFI's & materials and contract compliance per the standards of the Army Corps of Engineers.

- **Montecito Creek Debris Basin Project, Santa Barbara County Flood Control District – Santa Barbara, CA, \$2.8 M**

Pete was a Construction Inspector on this contract to construct 15,000 cubic yards of retaining walls and fish ladders and removing over 45,000 cubic yards of debris and sandstone from the basin. In addition to inspecting these items of work, Pete's duties also included, but were not limited to; assisting in contract administration, preparing and negotiating change orders, tracking changes to the contract, analyzing potential claims, and supervising the testing of materials. This project also required the coordination of numerous environmental and regulatory requirements for permits from State Department of Fish and Game, National Marine Fisheries Service, Regional Water Quality Control Board, and the Army Corp of Engineers.

- **San Lorenzo Levee Restoration Project, Army Corps of Engineers, \$8.2 M**

Pete was the Quality Control Manager on this project that raised the levee, installed over 20,000 native plants and over 5,000 feet of 48-inch storm drains, manholes and drain inlets. Pete's duties included preparing and submitting daily accounts and progress reports, completing submittals to ensure timely completion of the project, administering and negotiating change orders, and help manage up to 40 employees and field managers and sub-contractors.

- **Guadalupe River Project 3C, Army Corps of Engineers, \$6.4 M**

Pete was the Construction Manager on this contract. His primary duties included managed, negotiating and implementing the contract between the Corps and the Contractor. The work involved managing up to 15 employees and 4 sub-contractors including Foremen and Superintendents, as well as, effectively tracking schedules, quantities and producing modifications to the contract to increase profit.

- **Road Mitigation Project, Lake Mendocino Drive, Army Corps of Engineers, Ukiah, CA**

Pete was the Project Control Manager for approximately one mile of road rehabilitation work. This work included utility relocations, remove and replace subgrade and asphalt concrete, PCC curb and gutter, PCC V-ditches and street lighting

- **Guadalupe River Project, City Mitigation, Phase 1, Army Corps of Engineers**

Pete was the Quality Control Manager for this mitigation project, which included the realignment of a roadway, traffic phasing, utility relocation (water, sewer), PCC curb and gutter, electrical switching for ACOE equipment and street lighting



San Rafael Sanitation District

Construction Inspection Services 2018

Cost Proposal

Name/Classification	Rates		Hours			Total Regular Hours	Total Overtime Hours	Cost
	Regular Loaded Rate	Overtime Rate	Pre-Con	Construction	Close-out			
Peter Martin Assistant Resident Engineer	\$ 130.93	\$ 196.40	0	168	0	168	0	\$ 21,996.24
							Total =	\$ 21,996.24

1. Rate includes vehicle, mobile phone, laptop and all equipment required to perform required duties.
2. Hours based on full time inspection for the month of June 2018.

5.c.

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

DATE: June 1, 2018

TO: Board of Directors, San Rafael Sanitation District

FROM: Doris Toy, District Manager/District Engineer *DT*

SUBJECT: Consideration of Approval of a Refund Request from Randy Harris for Overpayment of Sewer Service Charges for 1945 Francisco Blvd. East, Suites 24 & 25 (APNs 009-380-24 & 25)

BACKGROUND:

On November 17, 2016, Randy Harris, the owner of 1945 Francisco Blvd. East, Suites 23, 24, and 25, called the District to inquire about the sewer service charges on his three commercial condominiums. He said that he was charged for sewer service on each of these three parcels, but only one has water service, and the other two have warehouses with no water service. Marin Municipal Water District informed us that there is only one water meter for all 30 small parcels (commercial condominiums) in one building and cannot tell us which parcels are connected to the water service.

In October 2017, District staff was able to visit the three parcels. Each parcel was adjacent to one another and there were entry ways through each of the parcels from the inside. Staff verified that Suite 23 was an office with plumbing, and Suites 24 and 25 were used for storage with no plumbing. Since there was only one parcel with plumbing, staff decided to revise Mr. Harris' sewer service charge on his FY 2017-18 property tax bill through the County and only charged one EDU for Suite 23 and did not charge for Suites 24 and 25.

Now, Mr. Harris has requested a refund from July 1, 2005 to June 30, 2017. (Mr. Harris purchased the parcels in May 2005.)

ANALYSIS:

There are two issues to be presented.

1. Per District Ordinance No. 58 (the sewer service charge ordinance), the District is to charge a minimum of one EDU per commercial condominium. The District Manager decided to waive this requirement for Mr. Harris' current sewer service charge, since there was only one parcel with plumbing, and the other two parcels were used as storage space without plumbing. However, the Board may disagree and may not grant this waiver.
2. Per District Ordinance No. 58, each property owner is responsible for the correctness of their own sewer user charges, and refunds would be permitted as mandated by State law. Based

on California Government Code Section 53082, the Board adopted a Sewer Service Fee Refund Policy in February 2013.

According to the District's refund policy, the District can issue a refund for the year in which the timely claim is made and for three prior years with interest. However, since Mr. Harris' first correspondence with the District began in November 2016, which was in Fiscal Year 2016-17, staff recommends considering a refund for four prior years with interest instead of three years. If the District allows a refund for the past four years, the total amount due to Mr. Harris would be \$6,165.07. See below for cost breakdown.

Fiscal Year	Interest Rate*	EDU Rate	No. of EDU Overpaid	Overpayment Amount	Beginning Balance	Interest Amount	Ending Balance
2013-14	0.13%	\$694.88	2	\$1,389.76	\$1,389.76	\$1.81	\$1,391.57
2014-15	0.12%	\$743.52	2	\$1,487.04	\$2,878.61	\$3.45	\$2,882.06
2015-16	0.32%	\$788.16	2	\$1,576.32	\$4,458.38	\$14.27	\$4,472.65
2016-17	0.61%	\$827.52	2	\$1,655.04	\$6,127.69	\$37.38	\$6,165.07
				Total Interest		\$56.91	
				Ending Balance		\$6,165.07	

* Market yield on U.S. Treasury securities at 1-year constant maturity, quoted on investment basis.

Please note that staff previously requested the County to issue revised property tax bills to Mr. Harris for APNs 009-380-24 & 25 (Suites 24 and 25) with no sewer service charges. Suites 24 and 25 were initially charged for one EDU each at \$860.64 per parcel.

The current refund policy also states that for claims over \$5,000, the District Manager shall confer with the District's legal counsel; and after review, the District Manager shall make a recommendation to the Board, and the Board shall make the final decision.

ACTION REQUIRED:

Staff recommends that the Board to approve a refund of \$6,165.07 to Mr. Randy Harris for overpayment of sewer service charges for 1945 Francisco Blvd. East, Suites 24 and 25, for FY 2013-14 through FY 2016-17.

Attachments: Ordinance No. 58
District Sewer Service Fee Refund Policy

**SAN RAFAEL SANITATION DISTRICT
ORDINANCE NUMBER 58**

**AN ORDINANCE AMENDING ORDINANCE NUMBER 57
INCREASING THE SEWER USER SERVICE CHARGE FROM \$53.13
PER MONTH PER USER UNIT TO \$57.91 PER MONTH FOR FISCAL
YEAR JULY 1, 2013, TO JUNE 30, 2014, AND INCREASING THAT
SEWER USER SERVICE CHARGE TO \$61.96 PER MONTH FOR FISCAL
YEAR JULY 1, 2014, TO JUNE 30, 2015, AND INCREASING THAT
SEWER USER SERVICE CHARGE TO \$65.68 PER MONTH FOR FISCAL
YEAR JULY 1, 2015, TO JUNE 30, 2016, AND INCREASING THAT
SEWER USER SERVICE CHARGE TO \$68.96 PER MONTH FOR FISCAL
YEAR JULY 1, 2016, TO JUNE 30, 2017, AND INCREASING THAT
SEWER USER SERVICE CHARGE TO \$71.72 PER MONTH FOR FISCAL
YEAR JULY 1, 2017, TO JUNE 30, 2018, AND SUCH MONTHLY CHARGE
SHALL REMAIN AT \$71.72 PER MONTH FOR EACH SUCCESSIVE YEAR
UNTIL CHANGED BY THE DISTRICT BOARD OF DIRECTORS**

**THE BOARD OF DIRECTORS OF THE SAN RAFAEL SANITATION
DISTRICT OF MARIN COUNTY DO ORDAIN as follows:**

SECTION 1. Definitions.

(a) **Agent.** An agent means any person specifically authorized to act on behalf of the engineer for the San Rafael Sanitation District.

(b) **Assessor's Use Code.** Assessor's Use Code means the number coding and classification of property in use by the Marin County Assessor.

(c) **Connection.** Connection means any physical connection between any type of piping not owned by the District to any type of piping which is directly or indirectly connected to the District Sewer System.

(d) **District.** District means the SAN RAFAEL SANITATION DISTRICT, a special district organized pursuant to California Health and Safety Code Section 4700.

(e) **District Sewer System.** District sewer system means any sewer which is part of the sewage facilities owned and operated by the District.

(f) **Dwelling Unit.** Dwelling unit means any residence, portion of apartment house, or other habitation occupied by a single person or single family and requiring sewage disposal services.

(g) **Engineer.** Engineer means the engineer appointed, employed or retained and designated by the Board of the San Rafael Sanitation District to perform the District's engineering and administrative work.

(h) **Owner.** Owner means the person holding fee title to any premises as shown by the official records of the County Recorder of Marin County.

(i) **Person.** Person means any person, firm, company, corporation, partnership, association, any public corporation, political subdivision, city, county, district, the State of California, or the United States of America, or any department or agency thereof.

(j) **Premises.** Premises means any lot, piece or parcel of real property improved or unimproved within the territorial limits of the District.

(k) **Sewer User Unit.** Sewer user unit means any dwelling unit or any building, commercial establishment, industry, or other improvement which discharges sewage flow equivalent to one dwelling unit.

SECTION 2. Purpose.

The purpose of the ordinance shall be to operate the San Rafael Sanitation District.

SECTION 3. Free Services.

No facilities or services of the sewer system shall be furnished to any premises or to any owner or other person free of charge.

SECTION 4. Minimum Monthly Sewer Service Charge.

For each premise connected or required by the District to be connected to the sewer system, the minimum monthly sewer service charge shall be established by this ordinance of the District Board and may be amended from time to time by future ordinances. There will be no charge for vacant land or premises not connected to the District's sewer system.

SECTION 5. Sewer Service Charge as Minimum.

As used herein, the minimum monthly sewer service charge shall be construed to mean the minimum amount chargeable for said service; however, for any of the classifications listed herein, the monthly service charge may be more than that adopted by the District Board pursuant to Section 4 when it is determined by the District Engineer that because of certain facts involved, it is uneconomical for the District to supply sewer services to the user for the minimum sewer service charge.

SECTION 6. Sewer User Description.

The following sewer user classes are as defined by the Marin County Assessor. Future changes or additions by the Marin County Assessor may be included by the District.

Assessor's Use Code	Assessor's Use Code Description	Sewer User Unit Assignments
00	Vacant	One per dwelling unit
10	Single Family Residential - Unimproved	One per dwelling unit
11	Single Family Residential - Improved	One per dwelling unit
12	Mobile Home - Improved	One per dwelling unit
14	Attached Single Family Residential (condominium)	One per dwelling unit
15	Common Area Parcel (residential and commercial)	One per dwelling unit or equivalent thereof
20	Multiple Residential - Unimproved	One per dwelling unit

21	Multiple Residential - Improved	One per dwelling unit
36	Open Space - Unimproved	One per dwelling unit or equivalent thereof
40	Industrial - Unimproved	One per dwelling unit or equivalent thereof
41	Industrial - Improved	One per dwelling unit or equivalent thereof
50	Commercial - Unimproved	One per dwelling unit or equivalent thereof
51	Commercial - Improved	One per dwelling unit or equivalent thereof
51	Commercial - Improved (condominium)	One per dwelling unit or equivalent thereof
60	Subject to Exemption - Unimproved (churches, schools, etc.)	One per dwelling unit or equivalent thereof
61	Subject to Exemption - Improved	One per dwelling unit or equivalent thereof
80	Non-Taxable - Unimproved/Improved	One per dwelling unit or equivalent thereof
90	Public Utility - Unimproved/Improved	One per dwelling unit or equivalent thereof

SECTION 7. Assignment of Sewer User Units.

(a) **One Unit Minimum.** All premises connected to the District's facilities will be assigned a minimum of one sewer user unit.

(b) **Residential Dwellings.** One sewer user unit shall be assigned to each single family residential dwelling unit, each dwelling unit of a multiple residential building, and each dwelling unit contained in a commercial, industrial, or other improved premise.

(c) **Non-Residential Premises.** For premises other than dwelling units and commercial condominiums, sewer user units shall be assigned based on the water usage of the premise. One sewer user unit shall be assigned for each 1,000 cubic feet of average monthly water consumption determined from the latest winter water consumption records (mid-December to mid-February) available from Marin Municipal Water District. Irrigation flows and other flows not discharging to the sewerage system are assigned zero sewer user units.

High Strength Sewage. For certain non-residential premises which discharge sewage having significantly greater strength characteristics as measured by concentration of suspended solids or biochemical oxygen demand than residential sewage, the total sewer user unit assignment shall be determined by multiplying the units by the strength factor indicated below:

<u>User</u>	<u>Strength Factor</u>
Markets with garbage disposals	2.34
Restaurants	2.34
Bakeries	2.34
Mortuaries	2.34
Food Service Establishments with grease interceptors	2.09

For other users, if any, discharging high-strength sewage, the strength factor shall be determined by the District Manager.

Sewer user units, as calculated above, shall be rounded to the nearest integer (not less than one).

(d) **Inquiries Regarding Assignment of Sewer User Units.** Questions or inquiries regarding the assignment of sewer user units must be submitted to the District in writing before changes in unit assignments will be made.

(e) **Correctness of District Sewer User Charges.** Each property owner is responsible for the correctness of their own sewer user charges. Refunds and the collection of undercharges would be permitted as mandated by State law and District policy regarding refunds.

SECTION 8. Monthly Service Charge.

For fiscal year 2013/2014, the sewer user charge shall be increased from \$53.13 per month to \$57.91 per month; and for fiscal year 2014/2015, the sewer user charge shall be increased from \$57.91 per month to \$61.96 per month; and for fiscal year 2015/2016, the sewer user charge shall be increased from \$61.96 per month to \$65.68; and for fiscal year 2016/2017, the sewer user charge shall be increased from \$65.68 per month to \$68.96; and for fiscal year 2017/2018, the sewer user charge shall be increased from \$68.96 per month to \$71.72 per month and shall remain at \$71.72 per month for each successive year until changed by the District Board of Directors.

SECTION 9. Person Responsible for Payment.

The person responsible for payment of all charges shall be the owner of record of such premise.

SECTION 10. Effective Date of Sewer Service Charges.

Sewer service charges shall become effective against all premises immediately upon connection to the District's facilities. However, charges are established once a year in July for the following fiscal year.

SECTION 11. Termination of Service.

If any premises shall become vacant, the applicable minimum monthly service charge shall continue to be charged to and collected from the owner of such premises until the District Manager is notified in writing that such premises are vacant or unoccupied, or until the District Manager receives a written statement or request from

such owner to disconnect such premises from the sewer system. No rebates will be given for discontinued service for the remainder of the current fiscal year.

SECTION 12. Severability.

If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, no other provision of this ordinance shall be affected thereby.

SECTION 13. Repeals.

All parts of prior ordinances of this District which are inconsistent or in conflict with the constitutional enforcement of this ordinance are hereby repealed.

SECTION 14. Effective Date.

This ordinance shall be effective (30) days after its passage; and before the expiration of fifteen (15) days after its passage, it shall be published once with the names of the members voting for and against it in the Marin Independent Journal, a newspaper of general circulation published within said Sanitation District.

SECTION 15. Challenge to Ordinance.

Any person challenging the validity of any provision of this ordinance must do so within a court of competent jurisdiction not later than ninety (90) days from the effective date of this ordinance.

PASSED AND ADOPTED at a regular meeting of the San Rafael Sanitation District, held this 26th day of June, 2013, by the following vote:

AYES: Director Heller, Chairman Phillips

NOES: None

ABSENT/ABSTAIN: Director Kinsey, Director Rice



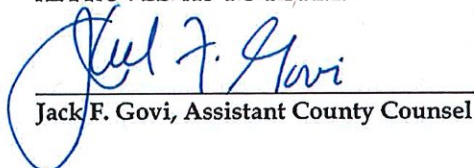
Gary O. Phillips, Chairman

ATTEST:



Barbara Heller, Secretary

APPROVED AS TO FORM:



Jack F. Govi, Assistant County Counsel

SAN RAFAEL SANITATION DISTRICT

Sewer Service Fee Refunds

Governing Law: Where a ratepayer raises an issue of: (1) overpayment on a sewer service fee; (2) payment of a sewer service fee where no service was provided; and/or (3) other circumstances raising refund issues, California Government Code Section 53082 clarifies the refunds mandated by law. This statute provides in relevant part that sewer service refunds shall be made in full for overcharges that occurred prior to December 31, 1991, and that a claim is required for any sewer service fee overcharge that occurred after January 1, 1992, and such claim must be filed with SRSD within 180 days of the improper charge. Pursuant to Government Code Section 53082, SRSD must only refund overcharges for the year in which the timely claim is made (see illustration below). Additionally, where the District is aware of sewer service overcharges that occurred on property prior to January 1, 1992, the District shall notify the ratepayer who paid the overcharge and make arrangements to refund the overpayments to that ratepayer.

SRSD Policy:

1. **Pre-1992 Refund Requests:** It shall be the policy of SRSD to follow the refund mandates of Government Code Section 53082 as they apply to pre-1992 refund requests.
2. **Post January 1, 1992 Refund Requests:** It shall be the policy of SRSD to allow refund requests for the year in which a timely claim is made to SRSD and allow three additional years of refunds if there is an overpayment as described above. No further refunds are authorized.
 - a. **Claim Requirement Illustration:** For example, a ratepayer makes a claim to SRSD on December 12th 2012 for sewer overcharges for the years 2000 – 2012. The ratepayer claims a refund for the 2012-2013 sewer service fee that he/she overpaid in October 2012 and claims refunds on overpayments for the previous eleven years as well. Under Government Code Section 53082, the claim is only timely for the sewer service fee for 2012/13 since it was filed within 180 days of the sewer service charge. The claims for the previous years were untimely. Pursuant to SRSD policy, SRSD is liable for the overcharge, if any, of the 2012-2013 sewer service fees AND for three previous years.
3. Interest on refunds shall be paid at the market yield on U.S. Treasury securities at 1-year constant maturity. Interest shall only be available on: (a) refunds for the pre-1992 overcharges; and (b) with respect to the post January 1, 1992 overcharges, where a timely claim is filed for the current year, interest is available for the three previous years of any overpayment.

4. **Claims over \$5,000:** The District Manager shall review any requests or claims for refunds and confer with District legal counsel on all such requests or claims to determine whether the claim or request meets the legal requirements of California Government Code Section 53082 and this Board policy. Following that review, the District Manager shall make a recommendation to the Board of Directors. The SRSD Board shall make the final decision on refund claims over \$5,000.
5. **Claims for \$5,000 and under:** The District Manager shall review any requests or claims for refunds and confer with District legal counsel on all such requests or claims to determine whether the claim or request meets the legal requirements of California Government Code Section 53082 and this Board policy. Following that review, the District Manager shall have the authority to refund claim amounts for \$5,000 or under. Following the refund, the District Manager shall report all refunds to the SRSD Board.

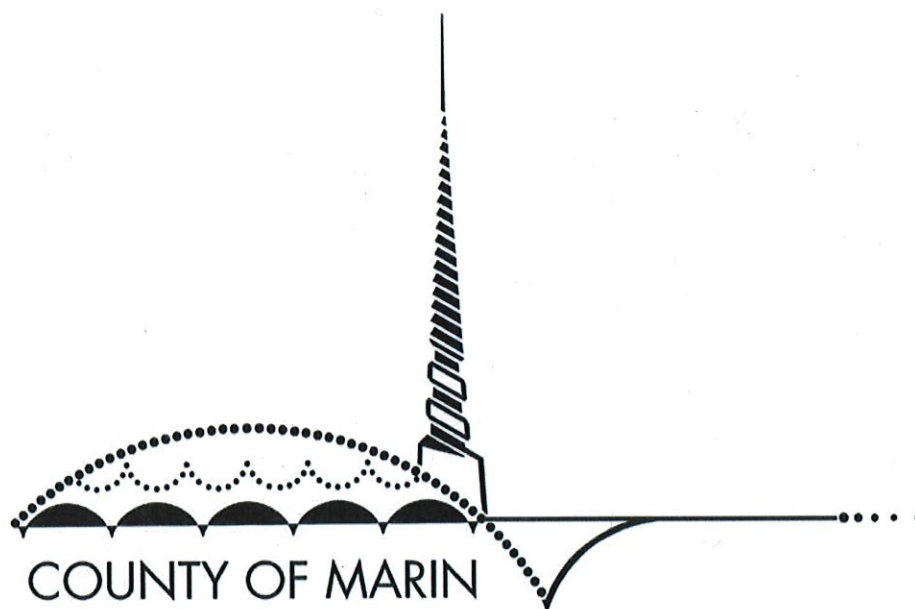
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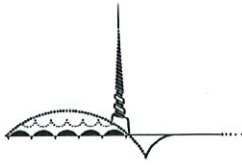
2017-2018 MARIN COUNTY CIVIL GRAND JURY

Consolidation of Sanitation Districts

Report Date: April 13, 2018

Public Release Date: April 20, 2018





Consolidation of Sanitation Districts

SUMMARY

Marin residents support an unusually high number of special districts. These local government entities, such as police, fire and sanitation districts, serve residents daily and are funded through fees and taxes. Each district is governed by a board of directors that decides how money is budgeted and spent. These boards are accountable only to the voters yet public oversight is largely missing. Some Marin districts have responded to budget tightening by sharing resources that led to consolidations, while other districts have responded by increasing their budgets and raising fees. This report examines the merits of consolidating special districts, why certain attempts have succeeded where others have failed, and what path forward is in the best interest of the residents of Marin.

The creation of a high number of special districts in Marin was not by design. It developed over time without a master plan as areas that were once isolated rural communities developed their own services. Today these communities have become connected neighborhoods that are still served by a patchwork of districts.

Consolidation has been recommended repeatedly, most recently in two studies published in 2017. A local Marin study recommends specific sanitary district consolidations.¹ A report by the Little Hoover Commission asks that the State of California remove barriers to district consolidations.² This is not a new idea. A decade earlier an independent consulting firm hired to study the issue by Central Marin Sanitation Agency, Joint Powers Authority (CMSA, JPA) and its member sanitation districts recommended consolidation.³ These studies describe decreased costs, increased efficiency and the use of best practices as benefits.

Several examples exist of successful consolidations in Marin, motivated by budget concerns and cost savings. A police consolidation in central Marin has demonstrated substantial cost savings and fire districts in southern Marin are currently collaborating with the end goal of consolidation.

For decades, attempts to combine sanitary districts have been unsuccessful. We examine why, including the differences in funding schemes, the fear of losing local control, and the lack of oversight.

Increasingly, special districts will be required to respond to climate change challenges, such as sea level rise and increased wildfire risk due to drought. Specific to sanitation, the use of gravity in wastewater systems results in sanitation facilities being located at the lowest elevation, thereby

¹ [“Central Marin Wastewater Services Study.”](#) Marin LAFCO.

² [“Special Districts: Improving Oversight & Transparency.”](#) The Little Hoover Commission.

³ [“Central Marin Regionalization Scenarios Evaluation.”](#) Red Oak Consulting.

exposing them to rising sea levels. Large capital expenditures will be required as Federal and State funds diminish. Consolidated districts will be better able to prepare for these scenarios.

This report discusses the consolidation process itself. The path to move from separate districts to one consolidated district is complex and requires months or years of increased cooperation. It begins with shared service agreements, proceeding to formal contracts and finally consolidation.

BACKGROUND

Marin's Early History Led to a Large Number of Special Districts

The North Pacific Coast Railway was completed in 1875 and some of the large tracts of land in central Marin were subdivided to meet the new demand for homeownership. At that time the county was sparsely populated with small towns along the railway line. Soon the increase in population, combined with failing septic tank systems and poor water quality issues, made improvements necessary.

Consequently, an election was held in 1899 and what would later become the first special district in Marin, Sanitary District Number 1, was formed. Today it is also known as the Ross Valley Sanitary District (RVSD). RVSD brought together the communities of Ross, Kentfield, San Anselmo and Fairfax to solve mutual sanitation problems.⁴

Before the Golden Gate Bridge was completed in 1937, Marin was accessible to the growing San Francisco population only by ferries, resulting in modest growth. The access created by the bridge spurred growth in both primary and vacation homes. World War II brought an increasing number of defense industry workers, many of whom remained in Marin. Small special districts proliferated to serve isolated rural communities. Rapid growth of new residents in the 1950s resulted in further proliferation of special districts. (See Appendix C for a map of current sanitation districts.)

In 2018 our communities are no longer isolated but most of the special districts remain. A few districts have already formally merged while others contract with neighboring districts to provide mandated services, such as sanitation or water, a crucial step in the consolidation process.

⁴ [Ross Valley Sanitary District.](#)

APPROACH

The Grand Jury reviewed the complete list of Marin County special districts compiled by the 2013-14 Marin County Civil Grand Jury report, “What Are Special Districts and Why Do They Matter?”⁵ Previously there was no centralized database of all separate political entities within Marin. For the purpose of this study, we will focus on 63 special districts and Joint Powers Authorities (JPAs), which contain studied districts. (Please see the glossary for a definition of JPA and Appendix A for the list of districts.)

- The majority of studied districts are police, fire and sanitation districts.
- Transportation and open space districts were excluded because they are countywide.
- School districts are special districts but were excluded because they were considered to be beyond the scope of this investigation.
- Cities and towns were excluded, however, dependent districts and some departments within cities and towns are considered.

The Jury examined documents including the districts’ audited financial statements, public reports and records, including:

- “Special Districts: Improving Oversight & Transparency.”⁶
- “Central Marin Wastewater Services Study.”⁷
- “Central Marin Regionalization Scenarios Evaluation.”⁸
- “It’s Time to Draw the Line, A Citizen’s Guide to LAFCOs California’s Local Agency Formation Commissions.”⁹
- “What’s So Special About Special Districts? A Citizen’s Guide to Special Districts in California.”¹⁰
- “Special Districts: The Threat of Consolidation and How to Stop It.”¹¹
- “Understanding Proposition 218.”¹²
- “What Are Special Districts and Why Do They Matter?”¹³

The jury interviewed representatives from:

- Marin municipalities and towns.
- County administrator’s office.
- Legal expert for special districts.
- Marin LAFCO.
- Marin JPAs.
- Marin special districts.

The jury toured the Central Marin Sanitation Agency waste treatment facility.

⁵ “What Are Special Districts and Why Do They Matter?” 2013/2014 Marin County Civil Grand Jury.

⁶ “Special Districts: Improving Oversight & Transparency.” The Little Hoover Commission.

⁷ “Central Marin Wastewater Services Study.” Marin LAFCO.

⁸ “Central Marin Regionalization Scenarios Evaluation.” Red Oak Consulting for CMSA.

⁹ Tami Bui and Bill Ihrke “It’s Time to Draw the Line A Citizen’s Guide to LAFCOs California’s Local Agency Formation Commissions.” Senate Committee on Local Government.

¹⁰ “What’s so special about Special Districts? A Citizen’s Guide to Special Districts in California” (4th edition) Senate Local Government Committee.

¹¹ Adam Probolsky “Special Districts: The Threat of Consolidation and How to Stop It” PUBLICCEO, June 8, 2015.

¹² “Understanding Proposition 218” Legislative Analyst’s Office, December 1996.

¹³ *Ibid*

DISCUSSION

As stated in the introduction, the high number of special districts in Marin is not by design but rather an accident of our history. Several groups have examined the issue and recommended consolidation as the remedy. This report discusses in detail three studies, two published within the past year. The third study and the discussion that follows are focused on sanitation districts and their repeated failures to consolidate. Some consolidations have succeeded in Marin and they are commonplace elsewhere. Finally, the Grand Jury will explain the complicated consolidation process and what actions are in the best interest of Marin.

In 2017, a study conducted by the Little Hoover Commission¹⁴ recommended legislation to remove barriers to special district consolidations, and an unrelated study by Marin LAFCO¹⁵ recommended specific consolidations meriting immediate initiation.

Both of these studies identified the following issues:

- Districts need to prepare for the effects of climate change, including floods, sea level rise, drought, and an increased risk of wildfire.
- Districts should cooperate and combine resources in order to prepare adequately for these events. Fire and police leaders are cooperating in this manner but sanitation districts are not, yet wastewater services are affected by sea level rise and drought more than any other municipal service.
- Decreased redundancy of operations can reduce costs. For example, one administration department supporting one board of directors should cost less than several administration offices each with a board of directors. The increased standardization of policies and practices across similar spheres of influence and the use of best practices will improve service and operations.

In 2005, the Central Marin Sanitation Agency, JPA, and its member districts (Sanitary District #1, Sanitary District #2, San Rafael Sanitary District, and City of Larkspur) commissioned a report titled “Central Marin Regionalization Scenarios Evaluation.”¹⁶ The examiners rejected scenarios in which no consolidations were considered. Instead, they strongly recommended total consolidation of the JPA and its component districts into a single district. Three districts and the JPA agreed to consolidate but the board of RVSD declined and the agreement failed.

Special Districts: Improving Oversight and Transparency **The Little Hoover Commission**

In 2016 and 2017, the Little Hoover Commission analyzed 2,071 of California’s independent special districts and reviewed the state’s role and responsibility in overseeing them. The August

¹⁴ “[Special Districts: Improving Oversight & Transparency](#).” *The Little Hoover Commission*.

¹⁵ “[Central Marin Wastewater Services Study](#).” *Marin LAFCO*.

¹⁶ “[Central Marin Regionalization Scenarios Evaluation](#).” *Red Oak Consulting*.

2017 “Special Districts: Improving Oversight and Transparency”¹⁷ report delved into four primary areas of concern for special districts.

Recommendations included:

- The State of California should simplify and create consistency in the special district consolidation process.
- Oversight of special districts should be improved, specifically, opportunities to bolster the effectiveness of LAFCO.
- The continued need for districts to improve transparency and public engagement.
- The urgency of climate change adaptation in California and the front-line roles that special districts, particularly water, wastewater treatment and flood control districts, play in preparing their communities and defending them from harm.

Central Marin Wastewater Services Study **Marin LAFCO**

In July 2017, Marin LAFCO published the results of the wastewater services review that included recommending consolidations of sanitation districts

One of the three stated objectives of the study is to “... serve as the source document to initiate one or more government reorganizations, such as special district formations, consolidations, and/or dissolutions.” The Grand Jury agrees with several conclusions and recommendations.

Conclusions of the Central Marin Wastewater Services Study included:

- Reorganize Murray Park Sewer Maintenance District (MPSMD) and San Quentin Village Sewer Maintenance District (SQVSMD), two county dependent districts with areas of 0.1 and 0.01 sq. miles respectively, so that both districts are absorbed by Ross Valley Sanitary District (RSVD) with an area of over 26 sq. miles.
 - Conclusion No. 5 of Study: These reorganizations would eliminate two dependent special districts governed by the County of Marin and operating under antiquated statutes in favor of recognizing RVSD as the preferred and more capable service provider going forward.¹⁸
- Explore regional reorganization and consolidation of agencies to align with the Ross Valley watershed and San Rafael Creek watershed.
 - Conclusion No. 6 of Study: Additional Merit to Explore Regional Consolidation. Information collected and analyzed in this study provides sufficient merit for the Commission to further evaluate options to reorganize and consolidate public wastewater services in Central Marin and most pertinently among agencies in the Ross Valley watershed (RVSD, Corte Madera - Sanitary District #2,¹⁹ MPSMD) and San Rafael

¹⁷ [“Special Districts: Improving Oversight and Transparency”](#) California LAFCO

¹⁸ [“Central Marin Wastewater Services Study”](#) Marin LAFCO, pg.29

¹⁹ [Corte Madera - Sanitary District #2](#). Town of Corte Madera.

Creek watershed (San Rafael Sanitary District,²⁰ Central Marin Sanitation Agency,²¹ SQVSMD).²²

- The commission should consider initiating the dissolution of MPSMD and SQVSMD and place their service areas in RVSD.
 - Recommendation 7. The Commission should consider proceeding with reorganizations to dissolve MPSMD and SQVSMD and concurrently place their respective service areas in RVSD.²³
- The sewer agencies in central Marin should coordinate efforts to establish policies and protocols in addressing the increasing effects of climate change relative to wastewater services.
 - Recommendation 11. The affected agencies in Central Marin should coordinate efforts to establish policies and protocols in addressing the increasing effects of climate change relative to wastewater services. This includes resiliency planning with respect to droughts, storm events, and rising water tables.²⁴

Central Marin Regionalization Scenarios Evaluation **Red Oak Consulting**

In 2005, Central Marin Sanitation Agency (CMSA) commissioned Red Oak Consulting to study regionalization options. It is a comprehensive study addressing topics such as long-term planning, evaluations of existing organizational structures, operations and procedures, and scenarios for regionalization.

The purpose of the report was to analyze issues facing CMSA, leading to the evaluation of its then-current structure against other regionalization solutions.

The report offered the commissioners four possible scenarios for consideration:

- Scenario 1A Joint Powers Agreement (no change).
- Scenario 1B Modified Joint Powers Agreement.
- Scenario 2 Partial combination of one or several of the agencies.
- Scenario 3 Total combination of CMSA and all member agencies.

The examiners rejected scenarios 1A and 2. The remaining options presented by Red Oak Consulting recommended Scenario 1B—implementing modifications to the JPA, while researching and proceeding toward Scenario 3—Total Combination.

The following remarks were prescient since none of the recommendations of the report were adopted:

“The modifications to the JPA could be viewed as ‘stepping stones’ toward total combination... It allows the CMSA and member agencies to focus on their immediate priorities. Additionally, ironing out issues during the execution of such modifications would also facilitate the

²⁰ [San Rafael Sanitary District](#). *City of San Rafael*.

²¹ [Central Marin Sanitation Agency](#)

²² “[Central Marin Wastewater Services Study](#).” *Marin LAFCO*, pg.29

²³ [Ibid.](#) pg.33

²⁴ [Ibid.](#) pg.34

establishment of any new structure. This option allows for the establishment of trust among the participants for continued momentum toward the ultimate goal.

“The total combination (Scenario 3) could easily be pushed aside and, in five years, the Commissioners could find themselves in the same place they are today.”²⁵

Sanitation Districts Should Consolidate

The four districts that cooperate to form the CMSA JPA have considered full consolidation since its inception. This is logical because forming a JPA can be a step in the process of full consolidation. However, all proposals over the years have been rejected, including after the publication of the regionalization report discussed above, which was eventually terminated in 2007 by a vote of the RVSD board of directors.

The 2010-11 Grand Jury focused on the consolidation failure in its report, “Ross Valley Sanitary District: Not Again!”²⁶ The jury noted that it was the third report in five years about this particular district. The report detailed a series of lawsuits that accumulated extensive legal fees in the years between the 2007 failure and the 2010 report.

However, the legal battles did not stop in 2010 and have not been confined to central Marin. The Sausalito–Marin City Sanitary District (SMCSD) is suing the Tamalpais Community Services District (TCSD) for \$500,000 plus interest and legal costs.²⁷ SMCSD claims it was incorrectly charged in a mutual contract.

The RVSD recently sued SQVSD and CMSA over a contract dispute.²⁸ At issue was a contract for services for SQVSD that was awarded to CMSA over RVSD. It is worth pointing out that RVSD is a member district of CMSA.

The Las Gallinas Sanitary District board of directors accepted—under pressure—the resignations of top employees in 2017.²⁹ The resulting investigation of the alleged wrongdoing of the general manager cost the district \$19,500 but did not find any misuse of funds. The district has an annual budget of over \$14 million.

The lawsuits are wasteful, because even when successful, the award simply moves money from one district to another after accumulating large legal bills. If the districts had already been consolidated then decisions regarding best use of funds could be made by regional management rather than being decided in court.

It is important to point out that these are examples of independent districts overseen only by the voters. Dependent districts are also at risk for wasteful spending, though it is more difficult to see

²⁵ [Ibid](#) pg.3-9

²⁶ “[Ross Valley Sanitary District: Not Again!](#)” Marin County Civil Grand Jury.

²⁷ “[Tam Valley Sued by Sewage District in Billing Dispute](#)” *Marin Independent Journal*. 18 August 2017

²⁸ “[Marin Sanitation Agencies End Legal Battle](#)” *Marin Independent Journal*. 28 May 2015

²⁹ “[San Rafael Sewage Chief Soiled by Backflow of Staff Ire](#)” *Marin Independent Journal*. 6 November 2017

because wasteful expenditures can be absorbed by its parent entity. Sanitation District #2 functions as if it were a department of the Town of Corte Madera, leaving open the possibility of staff, supplies, and resources being commingled between the town and district. The district's budget of over \$5.5 million is difficult to correctly assess because of this possibility. The San Rafael Sanitation District is another dependent district that functions as if it were a department of its parent jurisdiction, in this case the City of San Rafael.

Enterprise District Funding Reduces Pressure on Sanitation Districts to Consolidate

Districts that collect and dispose of sewage charge a fee for this service rather than depend entirely on property taxes. When the revenue is lower than needed or desired, the district will raise fees using Proposition 218 rules. Non-enterprise agencies, such as police and fire, cannot increase their funding as easily from municipal annual budgets, creating pressure to do more with less money, which is a strong incentive to consolidate. When savings are realized through shared services, often the desire is to make the savings permanent through consolidation. Sanitation districts have avoided the pressures to consolidate by raising fees.

The Lack of Public Attention Reduces Pressure on Sanitation Districts to Consolidate

The discussion is about the use of public money yet sanitation districts do not attract the attention that is needed for proper oversight. The Grand Jury in 2011 reported, "No one wants to think about sewers or pipes or overflows. They want to flush and forget."³⁰

This year's Little Hoover Commission report also discusses the lack of public interest. "Special districts in general are geographically close to their constituents and provide a limited number of services. This often leads to low public visibility and a lack of engagement. Special districts are often referred to as 'ghost governments, invisible governments and under-the-radar governments.' The public has limited practical ability to understand the workings of the special district and make informed decisions in voting."³¹

This is especially true with sanitation districts. The CMSA JPA-led effort to regionalize was a multi-year process that did not include much input from the community. Although meetings were open, the public was not encouraged to participate.

The "flush and forget" attitude should not be used as an excuse to avoid engagement. Instead, people should be made aware that the discussion is not about the flush, it's about the bill. The public has the strongest oversight power over these districts and transparency is crucial to inform and involve them.

The State of California strongly supports more participation in local elections, and in 2015 passed SB 415, the [California Voter Participation Rights Act](#). This law requires that special districts hold their elections only in March or November in even numbered years, no later than November 2022. The aim is to increase visibility of special districts and the elections of their independent boards.

³⁰ ["What Are Special Districts and Why Do They Matter?"](#) 2013/2014 Marin County Civil Grand Jury

³¹ ["Special Districts: Improving Oversight & Transparency."](#) The Little Hoover Commission

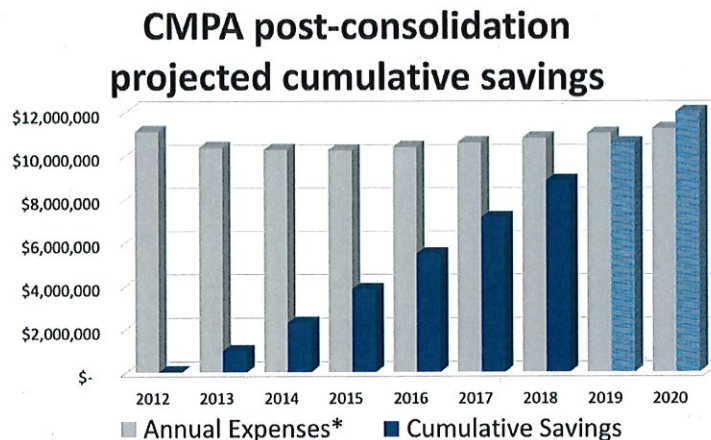
Fear of losing local control is often a reason for withdrawing from the consolidation. This fear is not supported by the facts. The consolidation of police and fire districts in Marin demonstrates that local control was not reduced. During the consolidation process, local control is repeatedly studied and negotiated. Districts are independent and cannot be forced to cooperate or share.

Only if each district agrees can consolidation move forward.

Consolidation has Succeeded in Marin and Elsewhere

Central Marin Police Authority (CMPA) is a recent example of a consolidation process. The police departments of Larkspur, Corte Madera and San Anselmo began sharing services in 2012, guided by a Memorandum of Understanding (MOU) that helped pilot increasing involvement and build trust. A completed JPA consolidation occurred in 2014.³²

This combined entity has a substantially lower need for revenue than the three independent departments combined. The consolidation will save the equivalent of these agencies' combined annual budgets in just seven years. The main motivation for the consolidation project was to reduce costs. The new department serves the same population with 42 officers compared to a pre-consolidation headcount of 55. (See Appendix B)



*The merger was initiated in 2012 and completed in 2013.
 2012-2014 data is from audited financials
 2015-2018 data is from district budgets
 2019-2020 data has been projected by the Grand Jury

Another area of consolidation is the Southern Marin Fire Protection District, which serves Tamalpais Valley, Almonte, Homestead Valley, Alto, Strawberry, Tiburon, Sausalito, Fort Baker, and Marin Headlands. As a result of sharing services, the new district is projected to save \$315,000 per year while streamlining services and management. "Demonstrated cost savings is

³² [Central Marin Police Authority history](#)

what kept everyone at the table,” said an officer involved with the consolidation project.³³ Currently, some of the shared services include battalion chiefs, equipment and training.

Successful Mergers Outside of Marin

Here are three examples of large districts that demonstrate the advantages of consolidation:

- **Truckee Sanitary District (TSD)** is one of the oldest sanitary districts in the state with boundaries that extend across county lines. It provides wastewater collection and conveyance within Nevada and Placer counties. In the 1960s, TSD annexed the adjacent Donner Lake drainage area in adjoining Placer County in order to help protect the lake water quality. One district in control of one watershed as a sphere of influence is the most efficient model for environmental protection.³⁴
- **East Bay Municipal Utility District**—often referred to as East Bay MUD³⁵—performs both water and sewerage treatment services within Alameda and Contra Costa counties and has a very large sphere of influence. It was first formed in 1923 out of a necessity for stored water and soon started purchasing water rights and reservoir infrastructure. The water system today serves approximately 1.4 million people in a 332-square-mile area. Its smaller wastewater system, added in 1944, was created by election to protect the bay and today serves approximately 685,000 people in an 88-square-mile area. This entity has an annual budget of over 1 billion dollars. It warrants public involvement as it prepares for drought and climate change challenges, improves aging infrastructure in congested urban areas, and attends to hundreds of miles of pipe, yet maintains fresh water quality and release of safely-treated wastewater.
- **Sonoma County Water Agency (SCWA)** is a countywide dependent district whose board members are the county district supervisors. Though SCWA functions like a county government department, it is a separate entity of local government having its defined set purpose: water. This overarching agency oversees public water systems, from collection and distribution of fresh water to the conveyance and treatment of wastewater. It also attends to important water stewardship concerns for the public (flooding, recycling), wildlife (river fish) and environment (groundwater protection). SCWA works with water companies, municipalities, sanitary districts and zones operating eight sanitation systems, while giving resources to drought and climate change projects.³⁶

Marin LAFCO is Underfunded and Understaffed

Special district consolidations require the participation and approval of Marin LAFCO. Currently, the staff consists of one executive officer and one commission clerk. An additional full-time employee is on disability leave.

This level of staffing may be adequate in general but not to handle the additional workload that would be created by initiating the recommendations in this report. The agency is staffed

³³ [Southern Marin Fire Department](#)

³⁴ [Truckee Sanitary District](#)

³⁵ [East Bay MUD](#)

³⁶ [Sonoma County Water Agency](#)

adequately to produce the reports required by law, but handling an influx of requests for consolidations, annexations and other boundary changes will most likely require additional resources.

Marin LAFCO is funded by 42 separate entities divided into three categories. Each category is responsible for one third each:

- Marin County
- Cities and towns
- 30 special districts

These contributions are calculated by the State Controller's office based on revenues and not based on need. The agency itself cannot adjust its revenue so the county should consider voluntarily increasing its contribution beyond its one-third obligation. It is in the best interest of the residents of Marin County to ensure Marin LAFCO is adequately staffed. The county's 2016-2017 contribution was just over \$150,000.³⁷ An increase would allow the agency to hire an additional analyst to handle consolidations. The proven cost savings of consolidations justify this voluntary expense.

Understanding the Consolidation Process

The process does not begin with an agreement to consolidate. First, two or more districts need to identify services that can be shared. Tailored Memorandums of Understanding (MOUs) and formal contracts are used when agreements are made. A fire department, for example, might agree to serve a particular neighborhood not in its own district because its station is closer to that neighborhood. This improves service to the residents in the area by decreasing response times while also reducing costs.

Districts should cooperate on the purchase and use of expensive line items. For example, CMSA and nearby districts maintain their own heavy equipment and software. In some cases these items are not fully utilized by either district and could be easily shared using a simple MOU. This can be repeated in numerous scenarios, such as personnel, capital equipment and contracted services.

³⁷ [Annual Operating Budget](#), *Marin LAFCO*

CONCLUSION

The Grand Jury has determined that Marin has an excessive number of sanitary districts. Small districts are inherently inefficient due to duplication of expenditures and redundancy in operations. Special districts often lack sufficient oversight and accountability. Many have experienced cost and administrative challenges but have operated with very little public oversight. Operational benefits of consolidation are widely recognized and recommended. Marin has already experienced several successful consolidations. The Grand Jury is in support of this trend.³⁸

The Grand Jury recommends several consolidations that can be accomplished within one year. In addition to those actions, the remaining districts should pursue logical consolidations:

- Las Gallinas Sanitation District should consolidate with the to-be-formed central Marin sanitation district.
- Sausalito-Marín City Sanitary District and Tiburon Sanitary District #5 should consolidate with the to-be-formed Southern Marin Sanitation District. (Recommendation No.3)
- Novato Sanitary District should consider a plan to consolidate with the to-be-formed Central Marin Sanitation district. (Recommendation No. 2)
- The ultimate goal should be a countywide water and sanitation agency—Marin Municipal Utilities District (Marin MUD).

³⁸ [“Merging and Dissolving Special Districts”](#) Yale Law School, p.494, 2014

FINDINGS

- F1. Marin County has a large number of sanitary districts.
- F2. Independent sanitary districts are accountable only to district voters.
- F3. The public is not greatly involved in local sanitary district governance.
- F4. The public is not well informed about funding schemes or governance of sanitary districts.
- F5. Marin County's current system of sanitary districts is not cost-efficient.
- F6. Consolidation of sanitary districts in Marin has been recommended multiple times by governmental and non-governmental agencies.
- F7. Well-executed consolidations of sanitary districts will reduce administrative and operating costs.
- F8. Well-executed consolidations of sanitary districts will improve service.
- F9. Sanitation districts need to prepare for sea level rise.
- F10. Marin LAFCO is underfunded and understaffed.

RECOMMENDATIONS

- R1. Marin LAFCO should complete the planned reorganization of Murray Park Sewer Maintenance District and San Quentin Village Sewer Maintenance District with Ross Valley Sanitary District.
- R2. Central Marin Sanitation Agency (JPA), Sanitary District #1 (Ross Valley), Sanitary District #2 (Corte Madera), and the San Rafael Sanitary District should reorganize into a single sanitary/sanitation district. Each entity should complete a reorganization application with Marin LAFCO by 9/30/2018 and announce this action on the agenda of the next board meeting for public involvement.
- R3. Sewerage Agency of Southern Marin (JPA), Almonte Sanitary District, Alto Sanitary District, Richardson Bay Sanitary District, Homestead Valley Sanitary District, Public Works Department of the City of Mill Valley, and Tamalpais Community Services District should reorganize into a single sanitary/sanitation district. Each entity should initiate a reorganization application with Marin LAFCO and announce this action on the agenda of the next board meeting for public involvement.
- R4. The County of Marin should allocate additional funds to Marin LAFCO.

REQUEST FOR RESPONSES

Pursuant to Penal code section 933.05, the grand jury requests responses as follows:

From the following elected governing bodies:

- Marin County Board of Supervisors (R4)
- City of Mill Valley, Department of Public Works (R3)
- Almonte Sanitary District (R3)
- Alto Sanitary District (R3)
- Homestead Valley Sanitary District (R3)
- Murray Park Sewer Maintenance District (R1)
- Richardson Bay Sanitary District (R3)
- San Quentin Village Sewer Maintenance District (R1)
- San Rafael Sanitary District (R2)
- Sanitary District #1 (Ross Valley) (R1,R2)
- Sanitary District #2 (Corte Madera) (R2)
- Tamalpais Community Services District (R3)

From the following governing bodies:

- Marin LAFCO (R1)
- Joint Powers Authorities:
 - Central Marin Sanitation Agency (R2)
 - Sewerage Agency of Southern Marin (R3)

The governing bodies indicated above should be aware that the comment or response of the governing body must be conducted in accordance with Penal Code section 933 (c) and subject to the notice, agenda and open meeting requirements of the Brown Act.

Note: At the time this report was prepared information was available at the websites listed.

Reports issued by the Civil Grand Jury do not identify individuals interviewed. Penal Code Section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Civil Grand Jury. The California State Legislature has stated that it intends the provisions of Penal Code Section 929 prohibiting disclosure of witness identities to encourage full candor in testimony in Grand Jury investigations by protecting the privacy and confidentiality of those who participate in any Civil Grand Jury investigation.

GLOSSARY

Annexation: When a district attaches additional territory to its boundary.

Consolidation: When two or more districts become one.

Contract: A legally binding agreement.

Dissolution: Refers to a district ceasing to exist.

Joint Powers Authority (JPA): An additional government entity created so that two or more special districts or local government entities can share a function.

LAFCO: Local Agency Formation Commission:³⁹ Mandated by the state to regulate and plan local government. Every county, including Marin, has a local office. Its responsibilities include:

- Initiation of special district consolidations
- Special district boundary changes
- Sphere of influence studies
- Service reviews
- Out-of-district service agreements
- Adoption of local policies

The Little Hoover Commission: An independent state oversight agency with a mission to investigate state government operations, such as special districts.

Memorandum of Understanding (MOU): A non-binding, written agreement often setting guidelines, timelines and goals.

Merger: Occurs when one district consumes another.

Special district: A local government entity created to address specific local community needs to tax themselves through public petition, and possible election. Special districts are further defined by their purpose, funding, and governing structure.

- *Single purpose:* A special district can have one purpose, such as a sewer maintenance district, which exists solely to maintain the sewer pipe.
- *Multi-purpose:* A district can provide a combination of services, such as maintaining both a water treatment plant and a community park.
- *Enterprise funding districts* collect service charges as the primary source of revenue, such as a water district that charges based on use.
- *Non-enterprise districts*, such as most fire protection and police districts, receive tax funds and do not charge based on a fee-for-service model.
- *Dependent districts* are governed by a separate entity, such as the county Board of Supervisors or city council.
- *Independent districts* have their own board of directors and do not report to the county Board of Supervisors or any other government agency. Oversight of independent districts is provided directly by the voters.

Reorganization: Combining two or more changes in one proposal.

³⁹ [Marin LAFCO](#)

Sphere of Influence: An established boundary line adopted by LAFCO to designate the boundary and service area for a city or special district.⁴⁰

Sanitary: A category of health and safety codes with powers and functions that involve the maintenance and operation of facilities such as garbage dump sites, garbage collection and disposal systems, sewers, storm water drains, and stormwater recycling and distribution systems.

Sanitation: A category of health and safety codes with powers and function that involve maintaining and operating sewage systems, sewage treatment plants and sewage disposal systems.

⁴⁰ [Sphere of Influence](#)

APPENDIX A

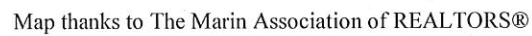
Special districts considered in this investigation:

1. Almonte Sanitary District
2. Alto Sanitary District
3. Bel Marin Keys CSD
4. Bolinas Community Public Utility District
5. Bolinas Fire Protection District
6. Bolinas Highlands Permanent Road Division
7. Corte Madera Sanitary District No. 2
8. CSA #1 (Loma Verde)
9. CSA #6 (Gallinas Creek)
10. CSA #9 (Northbridge)
11. CSA #13 (Lucas Valley)
12. CSA #14 (Homestead Valley)
13. CSA #16 (Greenbrae)
14. CSA #17 (Kentfield)
15. CSA #18 (Las Gallinas)
16. CSA #19 (San Rafael)
17. CSA #20 (Indian Valley, Dominga Canyon)
18. CSA #23 (Terra Linda)
19. CSA #25 (Unincorporated Novato)
20. CSA #27 (Ross Valley Paramedic)
21. CSA #28 (West Marin Paramedic)
22. CSA #29 (Paradise Cay)
23. CSA #31 (County Fire)
24. CSA #33 (Stinson Beach)
25. Homestead Valley Sanitary District
26. Inverness Public Utility District
27. Inverness Subdivision No. 2 Permanent Road Division
28. Kentfield Fire Protection District
29. Las Gallinas Sanitary District
30. Marin City CSD
31. Marin County Flood Control and Water Conservation District
32. Marin County Law Library
33. Marin County Lighting District
34. Marin County Open Space District
35. Marin County Transit District
36. Marin Healthcare District
37. Marin Municipal Water District
38. Marin Resource Conservation District
39. Marin/Sonoma Mosquito & Vector Control District
40. Marinwood Community Service District
41. Monte Cristo Permanent Road Division
42. Mt. View Ave - Lagunitas Permanent Road Division
43. Muir Beach Community Services District
44. Murray Park Sewer Maintenance District
45. North Marin Water District
46. Novato Fire Protection District
47. Novato Sanitary District
48. Paradise Estate Permanent Road Division
49. Richardson Bay Sanitary District
50. Ross Valley Sanitary District

51. Rush Creek Lighting and Landscape
52. San Quentin Village Sewer Maintenance District
53. San Rafael Sanitation District
54. Sausalito - Marin City Sanitary District
55. Sleepy Hollow Fire Protection District
56. Southern Marin Fire Protection District
57. Stinson Beach County Water District
58. Stinson Beach Fire Protection District
59. Strawberry Recreation District
60. Tamalpais Community Services District
61. Tiburon Fire Protection District
62. Tiburon Sanitary District #5
63. Tomales Village Community Services District

APPENDIX B: CENTRAL MARIN POLICE AUTHORITY POST-CONSOLIDATION ANALYSIS

Source	2012 Budget \$	2013 Budget \$	2014 Budget \$	2015 Budget \$	2016 Budget \$	2017 Budget \$	2018 Budget \$	2019 Projected	2020 Projected
Expenses	11,095,129	10,348,615	10,251,452	10,226,658	10,371,547	10,578,978	10,790,557	11,006,369	11,226,496
Expenses w/out merge	11,095,129	11,317,032	11,543,372	11,774,240	12,009,724	12,249,919	12,494,917	12,744,816	12,999,712
Annual Savings	-	968,417	1,291,920	1,547,582	1,638,177	1,670,941	1,704,360	1,738,447	1,773,216
Cumul. Savings	-	968,417	2,260,337	3,807,918	5,446,096	7,117,037	8,821,397	10,559,844	12,333,060



Consolidation Action Listing
Central Marin Wastewater Agency Consolidation
June 2007



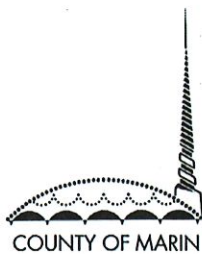
	B	C	D
	Action Category and Description	Assigned to	Scoping Meeting Comments
1			
2	ASSETS		
3	Prepare recommendations for consolidated agency mapping and GIS data base management	Consultant	Consultant to assess SRSD and RVSD systems and make rec'd on which to use. RVSD uses Munsys
4	Evaluation of telemetry and data transmission needs to CMSA	Consultant	CMSA is converting SD#2 to radio telemetry; some SRSD
5	Evaluate computer and MIS requirements for consolidation	Consultant	CMSA has Novel network that is expandable
6	Evaluate and recommend new facility computer monitoring system	Consultant	Utilize CMSA PCS and HMI interface
7	Conduct asset evaluations of all above ground facilities and pump stations	Consultant	
8	Perform condition assessment of underground facilities	Consultant	Sampling determination by HDR - to Board in July
9	Conduct asset valuation recommendations and evaluations	Consultant	RVSD is starting 5-yr CCTV inspection; SRSD/RVSD joint program for FY08 to obtain sample information??
10	Assess existing CMMS systems; rec'd common system	Consultant	
11	Determine how to handle SRSD share of San Rafael PW bldg	Staff/SRSD	
12	RVSD to decide if Larkspur property will be sold or not.	Staff/RVSD	
13	SRSD to determine which shared assets stay with PW	SRSD staff	
14			
15	BOARD		
16	Prepare technical memo on options for new agency naming process	Staff	Naming contest? Name must be part of LAFCO app
17	Prepare a technical memo on elections	Staff	
18	Prepare technical memorandums on Sanitary District authorities	Staff	
19	Coordinate efforts to develop new agency logo	Staff	Logo contest?
20	Prepare evaluation of customer benefits resulting from consolidation	Consultant	
21	Decide on sanitary district zoning methodology (EDU, Population, other)	Consultant	
22	Decide on condition assessment methodology (sampling size)	Consultant	conditional on task #61
23			
24			
25	FINANCE		
26	Develop an implementation budget for consolidation	Staff	pay with CMSA operating dollars/reserves?
27	Coordinate efforts to coordinate audit programs	Staff	
28	Prepare training program for sewer service charge collections for the future	Staff	
29	Prepare financial model technical memorandum - budget combinations	Consultant	
30	Evaluation of Gann Limitations for new agency	Consultant	Each Agency calculates appropriation limits. May be exempt?
31	Prepare combining financial statements from consolidation with identification of potential long term savings	Consultant	
32	Prepare sewer service charge process procedure	Consultant	
33	Evaluate and contrast agency Investment Policies and recommend future Investment Policy	Consultant	PFM prepared detailed investment policy for CMSA
34	Preparation of Technical Memorandum on Accounting and Financial Management including audit requirements.	Consultant	
35	Prepare technical memo on current rate and fee structure for each agency with recommendations for the future	Staff	
36	Prepare 10 year rate evaluation and funding model - recommendations on rates and charges	Consultant	
37	Prepare 10 year financial evaluation with and without consolidation	Consultant	
38	Develop joint capital planning process and 10 year plan	Consultant	
39	Evaluation of GASB 45 Requirements for new agency	Consultant	
40	Evaluate debt administration needs and affects	Consultant/Legal	
41	Prepare financial consolidation requirements for combining agencies	Consultant	
42	Prepare outline of budget for new agency and three year financial model for budget	Staff	Can modify CMSA's budget and 5-yr forecast; add collection system operating budget; expand engr and administration budgets; add members CIP; modify 5-yr forecast
43	Prepare technical memo on rates and charges for combined agency	Staff	
44	Identify existing financial policies and procedures; TM on which should be used for new agency, GAP analysis	Staff	Consultant support
45	Billing change notices to commercial and industrial customers	Consultant/staff	
46			
47			
48			

Consolidation Action Listing
Central Marin Wastewater Agency Consolidation
June 2007

	B	C	D
49	LAFCO		
50	Manage the LAFCO process w/ agency managers and LAFCO Executive Officer	Staff	
51	Prepare drafts of all LAFCO resolutions and documents for consolidation	Staff	
52	Prepare LAFCO timeline and schedule for all consolidation decisions	Staff	
53	Coordinate all required agency filings for LAFCO	Staff	
54	Prepare terms and conditions for all LAFCO resolutions	Staff	
55	Prepare Standard "Disclosure" Checklist for each agency identifying critical financial, administrative and operational information	Staff	
56	Preparation of maps and drawings needed for LAFCO submittal	Consultant	Revised Service area map need o be submitted to State Controller. Survey of boundaries to be exact - high lvl of effort
57			
58	LEGAL		
59	Identification of legal requirements for land and facilities transfer to consolidated agency	Legal	
60	Prepare necessary notifications to bond/debt holders of consolidation	Bond Counsel	CMSA bond Indenture says bond holders must approve consolidation
61	Review of all agency agreements and contracts for the future	Legal	Staff to perform initial review
62	Review of bond/debt covenants for consolidated agency	Bond Counsel	
63	Determine if sanitary district can have representatives from zones/wards	Legal	County assessor can help establish zones?
64	Select legal Counsel for consolidation/LAFCO process	Staff	Govi doesn;t have time - other in County Counsel office?
65	Prepare legal descriptions of easements upon transfer from members to new agency	Legal/Staff	
66			
67	Miscellaneous		
68	Prepare RFP for building expansion program	Staff	
69	Manage the Murray Park & San Quentin Village annexations	Staff	
70			
71	OPERATIONS		
72	Define listing of collection system procedures - new and old	Staff	
73	Preparation of Technical Memorandum comparing management polices and procedures and identifying changes necessary from these evaluations	Staff	
74	Prepare technical memo on regulatory requirements from consolidation	Staff	
75	Prepare listing of all agency operating equipment for consolidated district	Staff	
76	Prepare photo album of all operating equipment	Staff	
77	Prepare system inventory of all operating facilities of the combined agency	Staff	
78	Prepare technical memorandum on records management of consolidated agency	Staff	
79	Define list of new ordinance requirements for collection system operations	Staff	Special Legal Counsel assistance
80	Preparation of New agency SSMP timeline	Staff	
81	Prepare new agency SSMP pursuant to state regulations combining collection agency SSMP's	Staff	
82	Prepare draft Corte Madera services agreement	Consultant	
83	Draft revised treatment/services agreement for Corte Madera	Staff	
84	Prepare draft facility expansion evaluation for new employees	Consultant	
85	Prepare alternative organizational charts and make recommendations for future organization	Staff	Management Committee to Review
86	Prepare a photo handbook of all employees including backgrounds	Staff	
87	Identify and address sewer easement and right of way issues	Staff	
88	Determine HR staffing and resource needs for new organization	Staff	
89			
90	Union/Labor		
91	Prepare comparison table of MOU's, salaries, benefits	Staff	Management Committee to Review
92	Prepare technical memo on early retirement program	Staff	Management Committee to Review
93	Prepare new salary schedule for a new organization	Staff	Management Committee to Review
94	Prepare technical memo on methods for dealing with salaries	Staff	Management Committee to Review
95	Prepare demographic information on all potential new employees	Staff	Management Committee to Review
96	Union negotiations preparation and support - management team	Staff	Management Committee to Review

Consolidation Action Listing
Central Marin Wastewater Agency Consolidation
June 2007

	B	C	D
97	Prepare new job classifications for combined agency in CMSA format	Staff	
98	Preparation of Staffing Plan from consolidation	Consultant	Management Committee to Review
99	Prepare Bargaining Unit Negotiations Strategy	Consultant	Management Committee to Review
100	Prepare existing, new, and future agency org charts	Staff/Consultant	Management Committee to Review
101			
102			
103	IMPLEMENTATION PROCESS		
104	Prepare Implementation Schedule for Consolidation	Staff/Consultant	Working draft Schedule prepared by July CMSA Mtg
	Prepare monthly consolidation communications and outreach documents	Staff/PR?	
105			Management Committee to Review
	Identify needs for and prepare RFPs for professional assistance	Staff	Legal, Labor relations, surveying, actuary, auditor, finance advisor, others
106			
	Identify necessary notifications resulting from consolidation decision	Staff	Management Committee to Review
107			
	Prepare presentations to all agencies elected councils or boards on consolidation process	Staff	
108			
	Make presentations to all elected officials on consolidation	Staff	
109			
	Report to CMSA Board on consolidation efforts	Staff	
110			
	Coordinate joint employee meetings for all agency employees affected by consolidation	Staff	Management Committee to Review
111			
	Collect employee needs from all employees affected by consolidation	Staff	Management Committee to Review
112			
	Assist consultant in defining advantages and disadvantages of consolidated agency	Staff	
113			
	Prepare listing of all agency agreements that will need to be evaluated for termination	Staff	
114			
	Identify staffing changes required to support consolidation	Staff	Management Committee to Review
115			
	Coordinate the Agency Managers Meetings - agendas, TM's, facilitation, presentations	Staff	
116			
	Identification of termination issues for each agency	Staff	Management Committee to Review
117			
	Develop consolidation website for communications	Staff	
118			
	Manage To DO Consolidation Issues List	Staff	
119			
	Manage data collection needs for consultants from all combining agencies	Staff	
120			
	Identify transition issues by agency across consolidation date	Staff	
121			
	Preparation of Five Year Consolidated Agency Business Plan	Consultant	
122			
	Prepare new Employee Orientation Program	Consultant	
123			
	Coordinate public input process to evaluate customer benefits	Consultant	
124			
	Assist with implementation schedule and plan	Consultant	
125			
	Prepare Consolidation Evaluation Report	Consultant	advantages/disadvantages; cost savings; draft ASAP-Jan 08?
126			
	Preparation of Press Releases regarding Consolidation	Consultant	
127			
	Identification of Transition Notification Issues for Consolidation	Consultant	e.g. moving notices
128			
	Evaluate environmental concepts and concerns from consolidation - CEQA needs and requirements from consolidation	Consultant	
129			



8.a.

OFFICE OF THE
COUNTY COUNSEL

May 29, 2018

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COUNTY COUNSEL

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Board of Directors
San Rafael Sanitation District
P.O. Box 151560
San Rafael, CA 94915-1560

Re: Closed Session – Anticipated Litigation

Dear Directors,

I request that you conduct a closed session during your special meeting on **June 1, 2018**, to discuss the following matter: (1) significant exposure to litigation pursuant to California Government Code §54956.9(d)(2). In my opinion, public discussion of this matter would prejudice your position.

The specific reasons and the legal authority for the closed session are:

Government Code Section 54956.9(d)(2). A legislative body of a local agency may hold closed sessions with the local agency's designated representatives when a point has been reached where, in the opinion of the legislative body of the local agency on the advice of its legal counsel, based on existing facts and circumstances, there is a significant exposure to litigation against the local agency.

It should be noted that Government Code Section 54954.5 requires the Board to post a Closed Session item on the Board Agenda. With respect to the above referenced matter, you should include the number of potential cases and the fact that the Board will be meeting with counsel regarding the anticipated litigation. Please note that disclosure of the facts of this matter may, in my opinion, prejudice the District.

I suggest that the Agenda read:

CONFERENCE WITH LEGAL COUNSEL
California Government Code
Section 54956.9(d)(2)
Number of Potential Cases: One (1)

PG. 2 OF 2

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

Very truly yours,



Jack F. Govi
Assistant County Counsel