

## **A G E N D A**

**SAN RAFAEL SANITATION DISTRICT  
BOARD OF DIRECTORS  
FRIDAY – JULY 28, 2017 - 9:30 A.M.  
SAN RAFAEL CITY HALL  
1400 FIFTH AVENUE – CONFERENCE ROOM 201  
SAN RAFAEL, CALIFORNIA 94901**

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

### **1. OPEN PERIOD**

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

### **2. MINUTES OF THE MEETING**

Request approval as submitted – June 22, 2017.

### **3. PAYMENTS**

Request approval as submitted.

### **4. OLD BUSINESS**

a. Discussion on waiving connection fees for low income housing projects.

### **5. NEW BUSINESS**

a. Adopt resolution to amend the District Budget for Fiscal Year 2016-17.

b. Adopt resolution authorizing the District Manager/District Engineer to sign an agreement with Nute Engineering for design and construction related services for the La Crescenta Way, Loma Linda Road, and Marina Blvd. Sewer Improvement Project.

### **6. INFORMATIONAL ITEMS**

### **7. DIRECTOR REPORTS/REQUESTS FOR FUTURE AGENDA ITEMS**

### **8. ADJOURNMENT**

The next scheduled meeting is August 25, 2017.

**SAN RAFAEL SANITATION DISTRICT**  
**Minutes of the Meeting**  
**June 22, 2017**

Special Meeting

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

The meeting was called to order at 11:09 A.M. by Chairman Phillips.

|                    |   |
|--------------------|---|
| Attendance Board:  | Gary O. Phillips, Chairman<br>Katie Rice, Acting Secretary/Director   |
| Attendance Staff:  | Doris Toy, District Manager/District Engineer<br>Karen Chew, Senior Civil Engineer<br>Cynthia Hernandez, District Secretary |
| Attendance Others: | John W. Maher, CPA, Maher Accountancy   |

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

**2. MINUTES**

*None were submitted because Director Bushey was not present to approve the minutes of April 28, 2017, or May 26, 2017.*

**3. PAYMENTS**

**MOTION** by Director Rice, seconded by Chairman Phillips, to approve the payments for May 2017 in the amount of \$2,355,147.35 for maintenance and operation of the District and for capital improvements.

|                |                                  |
|----------------|----------------------------------|
| <b>AYES:</b>   | Director Rice, Chairman Phillips |
| <b>NOES:</b>   | None                             |
| <b>ABSENT:</b> | Director Bushey                  |

*Motion Carried*

*The Board decided to skip to Items 5.a. (Budget) and 6.a. (Budget Status Report) since Mr. John Maher was in attendance to present these two items.*

## 5. NEW BUSINESS

### a. Adopt resolution approving the 2017-18 and 2018-19 Budget.

Mr. John Maher presented a revised schedule of the 2017-18 and 2018-19 Budget (some minor revisions had been made to the revenue figures) and reviewed some of the budget line items with the Board. He reported that the property taxes would remain at approximately 2%. He also reported that the District will now be in its fifth and final year of the previously adopted rate schedule. Mr. Maher then reported that the user fee rates for FY 2017-18 will be approximate 4% more than the 2016-17 rates. Next, he reported that the budget for most of the FY 2018-19 line items will remain approximately the same as they were in FY 2017-18 for now. He also reminded the Board that Manager Toy is authorized to transfer funds between line items without Board approval if they are within the same fund.

**MOTION** by Director Rice, seconded by Chairman Phillips, to adopt the resolution approving the revised schedule of the 2017-18 and 2018-19 Budget.

**AYES:** Director Rice, Chairman Phillips

**NOES:** None

**ABSENT:** Director Bushey

*Motion Carried*

## 6. INFORMATIONAL ITEMS.

### a. Review Budget Status Report for the period 7-1-16 through 3-31-17.

Mr. John Maher reported that the Budget Status reports have been coming out late because he has been receiving the reconciliations late from the County, which stems from their new accounting system. He then reported that this Budget Status Report reflects the figures at approximately three quarters into the fiscal year, which would be approximately 75% of the budget. Next, he reported that a little more than half of the revenue is received in December, and the rest comes in over the remainder of the fiscal year. Mr. Maher reported that connection fees are erratic and that the property taxes would probably come in above budget since a conservative growth rate had been used for budgeting purposes. He also reported that the County's investments have been doing better over the past year and a half. At the request of the Board, he then reported that he would look into interest rates and the types of investments being made by other local agencies. Next, the Board had some questions regarding the following line items: **2325-Consulting Services** – Manager Toy reported that this account was over budget (110%) due to an agreement with Cal-CAD to automate the billing for the sewer service charges which had not been budgeted; **2360-O&M-Collection Systems** – Manager Toy reported that this account was under budget (19%) because many of the repairs to the gravity sewer system were charged to various capital improvement projects as change orders; **4302-Rehab of Gravity Sewer** – Manager Toy reported that this account was over budget (353%) because the Pipe Bursting Sewer Rehabilitation Project had been added to the capital improvements after the budget was adopted; **2365-Safety Equipment and Supplies** – Manager Toy reported that this account was under budget (10%)

because some of the new safety gear had just recently been purchased and was not reflected in this report. Mr. Maher then reported that a formal budget amendment is not required when funds are moved between line items within the same fund. Next, Mr. Maher reported that the budget for some of the line items had been cut back a little in order to assist with determining the sewer service charges for FY 2018-19 and that the new budget for the contractual services from the City of San Rafael only included a 3% increase for inflation. He then reported that the District may need to review the budget figures for FY 2018-19 towards the end of FY 2017-18. The Board then had some inquiries regarding the collection and budgeting of sewer connection fees, and Manager Toy reported that the District would be still be receiving connection fees for the new development at the Loch Lomond Marina known as the Strand. Mr. Maher then received information from his office regarding interest rates and reported that interest is at approximately 40 basis points or 4/10 of 1%. The Board then reported that they might consider other options for investing. Finally, Mr. Maher reported that Fund 746010 for the Pump Station and Force Main Capital Improvement Fund was over budget (120%). He then reported that a budget amendment would be done to correct this at the next meeting.

**MOTION** by Director Rice, seconded by Chairman Phillips, to accept the Budget Status Report for the period 7-1-16 through 3-31-17.

**AYES:** Director Rice, Chairman Phillips

**NOES:** None

**ABSENT:** Director Bushey

*Motion Carried*

#### 4. OLD BUSINESS

**a. Discussion on LAFCO's Central Marin Wastewater Study, April 2017 Draft Report.**

The Board reported that they agreed with the draft response to LAFCO's report. They then discussed Recommendation #4 regarding the removal of the City of Larkspur from CMSA's governing board structure. The Board felt that the District's recommendation should indicate that this matter should be addressed through the review process of CMSA's Joint Powers Agreement, which is currently in process. It was then agreed that Manager Toy would revise the draft response to the LAFCO report, and Director Rice would sign it since Chairman Phillips would not be available.

**MOTION** by Chairman Phillips, seconded by Director Rice, to authorize the District Manager to revise the draft response to LAFCO's Central Marin Wastewater Study, April 2017 Draft Report and for Director Rice to execute the San Rafael Sanitation District's response to this report.

**AYES:** Director Rice, Chairman Phillips

**NOES:** None

**ABSENT:** Director Bushey

*Motion Carried*

- b. **Discussion and consideration of adopting resolution approving and authorizing the Chairman to execute the San Rafael Sanitation District's response to the 2016-17 Marin County Civil Grand Jury Report entitled "Overcoming Barriers to Housing Affordability."**

District Manager Toy reported that the Board had discussed this matter at the last meeting. She also reported that the Board now needed to decide on how the District should respond to the Grand Jury's recommendation regarding the waiver of connection fees for low income housing and accessory dwelling units. She then reported that the District does not currently charge a sewer connection fee for accessory dwelling units unless they require a separate connection to the main, which would only require payment of an administrative/inspection fee. Manager Toy then reported that the District does not currently have a connection fee waiver and/or discount for low income housing. After some discussion, the Board decided that they would like to look into this matter further. The Board was also interested in obtaining information on the impact of a waiver and/or discount for all of the units in a low income housing development as opposed to just some of the units. Manager Toy then reported that she would check into this matter with the District's legal counsel, Jack Govi, and Director Rice reported that she would talk to the County's Affordable Housing Coordinator in order to obtain more information. The Board then decided that the District's response to the Grand Jury should state that the District recognizes that the cost to develop housing is a barrier to housing affordability and would like to consider this matter further over the next six (6) months. District Manager Toy then reported that she would revise the draft response to the Marin County Civil Grand Jury for signature by Chairman Phillips.

**MOTION** by Director Rice, seconded by Chairman Phillips, to adopt the resolution approving and authorizing the Chairman to execute the San Rafael Sanitation District's response to the 2016-17 Marin County Civil Grand Jury Report entitled "Overcoming Barriers to Housing Affordability."

**AYES:** Director Rice, Chairman Phillips

**NOES:** None

**ABSENT:** Director Bushey

*Motion Carried*

## 5. NEW BUSINESS

- b. **Adopt resolution establishing the sewer connection fee for 2017-18.**

District Manager Toy reported that each year since 2006, the District has reviewed the sewer connection fees in order to determine whether they should be revised based upon the change in the base index shown in the May Engineering News Record Construction Cost Index (ENR Index) for San Francisco. She then reported that the May 2017 change results in an increase of 1.21% and referred to the revised fees shown in her staff report. Next, she recommended that the Board adopt this increase.

**MOTION** by Director Rice, seconded by Chairman Phillips, to adopt the resolution establishing the sewer connection fee for 2017-18, which will represent an increase of 1.21%.

**AYES:** Director Rice, Chairman Phillips

**NOES:** None

**ABSENT:** Director Bushey

*Motion Carried*

**c. Appropriations limit for 2017-18 on tax proceeds (Proposition 4).**

- **Adopt resolution establishing the 2017-18 Appropriations Limit.**

District Manager Toy reported that the California State appropriations limit was originally established by Proposition 4 in 1979. She reported that the appropriations limit is established each year and determines the upper limit on the amount of money the District can spend from State tax proceeds that year. She also reported that the annual appropriations limit is based on the change in population and per capita personal income. Manager Toy then reported that if the appropriations limit is below the amount of tax revenue received by the State, the District can still keep the difference as long as it is spent on capital projects. She also reported that the 2017-18 Appropriations Limit is \$1,170,265 and that the anticipated tax revenue for 2017-18 will be approximately \$1,618,767, which is okay since it will be spent on capital projects.

**MOTION** by Director Rice, seconded by Chairman Phillips, to adopt the resolution establishing the 2017-18 Appropriations Limit.

**AYES:** Director Rice, Chairman Phillips

**NOES:** None

**ABSENT:** Director Bushey

*Motion Carried*

**d. Report on adoption of Investment Policy.**

- **Adopt resolution approving the Marin County Investment Policy as the investment policy for the San Rafael Sanitation District.**

District Manager Toy reported that California Government Code Section 53600 requires all California special districts to adopt an investment policy annually. She also reported that because the District utilizes the services of the County of Marin to collect its revenue, disburse expenses, and to invest its cash, the County's investment policy would serve as the District's investment policy.

**MOTION** by Director Rice, seconded by Chairman Phillips, to adopt the resolution approving the Marin County Investment Policy as the investment policy for the San Rafael Sanitation District.

**AYES:** Director Rice, Chairman Phillips

**NOES:** None

**ABSENT:** Director Bushey

*Motion Carried*

**e. Report on bid opening for the La Crescenta Way, Loma Linda Road, and Marina Blvd. Sewer Improvement Project and adopt resolution to award contract.**

District Manager Toy reported that back in April, the District opened bids for the San Pedro Pump Station Improvements Project. She also reported that the accepted bid was 35% higher than the Engineer's Estimate. She then reported that because this project also included the replacement of approximately 900 feet of gravity sewer pipe, the District decided to make this into a separate project. Next, Manager Toy reported that the La Crescenta Way, Loma Linda Road, and Marina Blvd. Sewer Improvement Project is that project. She then reported that five bids were opened on June 6<sup>th</sup>. She also reported that the Engineer's Estimate was \$674,700, and the low bidder was Northern Pacific Corporation with a low bid of \$659,876. Next, Manager Toy reported that the bid packet required each of the bidders to provide a list of at least three projects that were similar in size and complexity and that Northern Pacific did not have experience working in the public sector and did not meet this criteria. She reported that for this reason, staff felt that this project should be awarded to the second lowest bidder, which was Cratus, Inc., and that their bid was approximately \$4,000 higher than that of Northern Pacific. She also reported that the District had recently worked with Cratus, Inc., on several projects that all had good outcomes.

**MOTION** by Director Rice, seconded by Chairman Phillips, to adopt the resolution awarding the contract to Cratus, Inc., for the La Crescenta Way, Loma Linda Road, and Marina Blvd. Sewer Improvement Project for the amount of \$663,734.

**AYES:** Director Rice, Chairman Phillips

**NOES:** None

**ABSENT:** Director Bushey

*Motion Carried*

**f. Report on bid opening for the 2017 Sewer Pipe Repair and Replacement Project and adopt resolution to award contract.**

District Manager Toy reported that this project would consist of replacing pipeline at various locations throughout the District. She also reported that that this project was developed to repair the District's pipes prior to the City of San Rafael's paving project, which will begin in September 2017. She then reported that four bids were opened on June 20<sup>th</sup>. Next, Manager Toy reported that the Engineer's Estimate was \$350,000 and that the low bidder was Westland Contractors, Inc., with a bid of \$444,998.00. She reported that this bid was approximately 25% higher than the Engineer's Estimate due to the current bidding climate, which is attributed to the large number of projects currently out to bid.

**MOTION** by Director Rice, seconded by Chairman Phillips, to adopt the resolution awarding the contract to Westland Contractors, Inc., for the 2017 Sewer Pipe Repair and Replacement Project for the amount of \$444,998.

**AYES:** Director Rice, Chairman Phillips  
**NOES:** None  
**ABSENT:** Director Bushey

*Motion Carried*

**7. ADJOURNMENT**

There being no further business to come before the Board, the meeting of June 22, 2017, was adjourned at 11:57 A.M. The next meeting of the San Rafael Sanitation District was scheduled for Friday, July 28, 2017, at 9:00 A.M. at San Rafael City Hall.

Respectfully submitted,

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Katie Rice, Acting Recording Secretary

**ATTEST THIS 28th DAY OF JULY 2017**

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Gary O. Phillips, Chairman





**SAN RAFAEL SANITATION DISTRICT**  
**PAYMENT SUMMARY**  
 June 1, 2017 - June 30, 2017

| Vendor/Payee                         | Memo   | Class | Acct # | Account Name                    | Amount               |
|--------------------------------------|--|-------|--------|---------------------------------|----------------------|
| AMERICAN MESSAGING SERVICE           | Telephone Service - pager replacement  | 100   | 2534   | Telephone service               | \$ 90.68             |
| ARAMARK UNIFORM SERVICES             | Uniforms - weekly service ending 5/24/17   | 200   | 2021   | Uniforms                        | \$ 134.83            |
| ARAMARK UNIFORM SERVICES             | Uniforms - weekly service ending 6/07/17   | 200   | 2021   | Uniforms                        | \$ 134.68            |
| ARAMARK UNIFORM SERVICES             | Uniforms - weekly service ending 5/31/17   | 200   | 2021   | Uniforms                        | \$ 134.68            |
| FASTENAL                             | Pump Stations - eyebolt for force main work  | 200   | 2359   | Maint- pump sta's & force mains | \$ 10.77             |
| JACKSON'S HARDWARE                   | Pump Stations - brush for ARV cleaning   | 200   | 2359   | Maint- pump sta's & force mains | \$ 9.79              |
| JACKSON'S HARDWARE                   | Collection System - handles for tools  | 200   | 2360   | O&M - collection systems        | \$ 23.87             |
| JACKSON'S HARDWARE                   | Collection System - ax and hoe tool  | 200   | 2360   | O&M - collection systems        | \$ 16.30             |
| JACKSON'S HARDWARE                   | Pump Stations - ARV lid puller repair  | 200   | 2359   | Maint- pump sta's & force mains | \$ 10.79             |
| JACKSON'S HARDWARE                   | Collection System - handles for tools  | 200   | 2360   | O&M - collection systems        | \$ 30.41             |
| NANCY M. WARE                        | Collection System - reimbursement for plumbing services on 5/17/17   | 200   | 2360   | O&M - collection systems        | \$ 250.00            |
| NANCY M. WARE                        | Collection System - reimbursement for plumbing services on 4/20/17   | 200   | 2360   | O&M - collection systems        | \$ 200.00            |
| NANCY M. WARE                        | Collection System - reimbursement for plumbing services on 1/05/17   | 200   | 2360   | O&M - collection systems        | \$ 200.00            |
| NUTE ENGINEERING                     | Sewer Pipe Repair & Replacement 2017 - services from 4/01/17-4/30/17   | 300   | 4329   | 2017 Sewer Pipe Repair and (80) | \$ 19,289.50         |
| NUTE ENGINEERING                     | San Pedro Pump Station- services from 4/01/17-4/30/17  | 300   | 4147   | San Pedro Pump Station (10)     | \$ 31,413.50         |
| PERIN - BATTERIES PLUS               | Pump Stations - verbatim dialer batteries for Simms St. Pump Station and Corp. Yard                                    | 200   | 2359   | Maint- pump sta's & force mains | \$ 30.41             |
| PERIN - BATTERIES PLUS               | Pump Stations - battery for raco dialer  | 200   | 2359   | Maint- pump sta's & force mains | \$ 15.21             |
| PERIN - BATTERIES PLUS               | Pump Stations - battery for raco dialer  | 200   | 2359   | Maint- pump sta's & force mains | \$ 15.21             |
| PUMP REPAIR SERVICE CO               | Pump Stations - repair submersible pump at Loch Lomond pump station  | 200   | 2359   | Maint- pump sta's & force mains | \$ 16,182.91         |
| RANGER PIPELINES, INC                | Sun Valley Sewer Replacement Project - phase 2, Progress Payment #6  | 300   | 4324   | SunValley-Ca,Solano, Alpine(80) | \$ 327,066.24        |
| SEQUOIA SAFETY SUPPLY COM            | Safety Equipment - goretex pants and jackets   | 200   | 2365   | Safety equipment and supplies   | \$ 4,115.30          |
| THURSTON SCREEN PRINTING INC         | Safety Equipment - safety vests  | 200   | 2365   | Safety equipment and supplies   | \$ 59.87             |
| US BANK CORPORATE PAYMENT            | Miscellaneous Expenses - JPA supervisors' meeting  | 100   | 2389   | Miscellaneous expenses          | \$ 60.71             |
| US BANK CORPORATE PAYMENT            | Sewer Improvement Project - publication of notice inviting bids for La Crescenta Way, Loma Linda Rd., and Marina Blvd. | 300   | 4330   | La Crescenta, Loma Linda (80)   | \$ 850.75            |
| US BANK CORPORATE PAYMENT            | Office Supplies - sheet protectors for map pages   | 100   | 2133   | Office & shop supplies          | \$ 132.30            |
| US BANK CORPORATE PAYMENT            | Collection System - paint for cleanout at 71 Twin Oaks Ave.  | 200   | 2360   | O&M - collection systems        | \$ 9.79              |
| US BANK CORPORATE PAYMENT            | Collection System - rod for hand rodding machine   | 200   | 2360   | O&M - collection systems        | \$ 809.60            |
| VERIZON WIRELESS                     | Telephone Service - wireless service for laptops 4/21/17-5/20/17   | 100   | 2534   | Telephone service               | \$ 266.09            |
| WATER COMPONENTS & BLDG SUPPLY       | Collection System - hose clamps for vactor truck   | 200   | 2360   | O&M - collection systems        | \$ 3.02              |
| WATER COMPONENTS & BLDG SUPPLY       | Collection System - test plug  | 200   | 2360   | O&M - collection systems        | \$ 2.66              |
| WATER COMPONENTS & BLDG SUPPLY       | Collection System - parts for sewer repair at 2 Montecito Rd.  | 200   | 2360   | O&M - collection systems        | \$ 303.60            |
| WESTERN INDUSTRIAL DISTRIBUTORS, LLC | Safety Equipment - safety glasses  | 200   | 2365   | Safety equipment and supplies   | \$ 103.23            |
| WOODLAND CTR AUTO SUPPLY             | Pump Stations - fan belt for North Francisco pump station  | 200   | 2359   | Maint- pump sta's & force mains | \$ 78.44             |
| WOODLAND CTR AUTO SUPPLY             | Pump Stations - oil for pumps  | 200   | 2359   | Maint- pump sta's & force mains | \$ 125.31            |
| <b>Total</b>                         |  |       |        |                                 | <b>\$ 402,180.45</b> |

3.

**SAN RAFAEL SANITATION DISTRICT  
PAYMENT SUMMARY  
July 1, 2017 - July 31, 2017**

| Vendor/Payee                               | Memo   | Class | Acct # | Account Name                    | Amount          |
|--|--|-------|--------|---------------------------------|-----------------|
| <b>3T EQUIPMENT COMPANY</b>                | Collection System - vactor hose  | 200   | 2360   | O&M - collection systems        | \$ 1,687.32     |
| <b>ARAMARK UNIFORM SERVICES</b>            | Uniforms - weekly service ending 6/21/17   | 200   | 2021   | Uniforms                        | \$ 137.59       |
| <b>ARAMARK UNIFORM SERVICES</b>            | Uniforms - weekly service ending 6/27/17   | 200   | 2021   | Uniforms                        | \$ 134.68       |
| <b>ARAMARK UNIFORM SERVICES</b>            | Uniforms - weekly service ending 6/14/17   | 200   | 2021   | Uniforms                        | \$ 134.68       |
| <b>ARAMARK UNIFORM SERVICES</b>            | Uniforms - weekly service ending 7/05/17   | 200   | 2021   | Uniforms                        | \$ 137.44       |
| <b>AT&amp;T *4667</b>                      | Telephone Service - pump station dialers to CMSA from 5/20/17-6/19/17                                    | 100   | 2534   | Telephone service               | \$ 239.54       |
| <b>AT&amp;T MOBILE</b>                     | Telephone Service - cell phones service from 5/04/17-6/03/17   | 100   | 2534   | Telephone service               | \$ 668.83       |
| <b>BPXPRESS</b>                            | La Crescenta, Loma Linda, Marina Project - project setup, plans and specs                                | 300   | 4330   | La Crescenta, Loma Linda (80)   | \$ 562.57       |
| <b>BPXPRESS</b>                            | Pipe Bursting Repair and Replacement - project setup, plans and specs                                    | 300   | 4329   | 2017 Sewer Pipe Repair and (80) | \$ 512.70       |
| <b>BWS DISTRIBUTORS</b>                    | Safety Equipment - air for gas detectors and blower fan  | 200   | 2365   | Safety equipment and supplies   | \$ 1,821.19     |
| <b>CALIFORNIA DIESEL &amp; POWER INC.</b>  | Pump Stations - annual load bank testing, Peacock  | 200   | 2359   | Maint- pump sta's & force mains | \$ 1,450.00     |
| <b>CALIFORNIA DIESEL &amp; POWER INC.</b>  | Pump Stations - annual load bank testing backup generator, Doosan 260 kw                                 | 200   | 2359   | Maint- pump sta's & force mains | \$ 2,250.00     |
| <b>CALIFORNIA DIESEL &amp; POWER INC.</b>  | Pump Stations - replace radiator, hoses, and coolant   | 200   | 2359   | Maint- pump sta's & force mains | \$ 3,701.80     |
| <b>CALIFORNIA DIESEL &amp; POWER INC.</b>  | Pump Stations - annual load bank testing, North Francisco  | 200   | 2359   | Maint- pump sta's & force mains | \$ 3,675.00     |
| <b>CALIFORNIA DIESEL &amp; POWER INC.</b>  | Pump Stations - annual load bank testing, Loch Lomond  | 200   | 2359   | Maint- pump sta's & force mains | \$ 2,250.00     |
| <b>CALIFORNIA DIESEL &amp; POWER INC.</b>  | Pump Stations - annual load bank testing, Simms Street   | 200   | 2359   | Maint- pump sta's & force mains | \$ 1,855.00     |
| <b>CALIFORNIA DIESEL &amp; POWER INC.</b>  | Pump Stations - annual load bank testing, West Railroad  | 200   | 2359   | Maint- pump sta's & force mains | \$ 2,450.00     |
| <b>CALIFORNIA DIESEL &amp; POWER INC.</b>  | Pump Stations - annual load bank testing, Glenwood   | 200   | 2359   | Maint- pump sta's & force mains | \$ 1,998.78     |
| <b>CALIFORNIA DIESEL &amp; POWER INC.</b>  | Pump Stations - annual load bank testing, Cayes Main Portable generator                                  | 200   | 2359   | Maint- pump sta's & force mains | \$ 1,450.00     |
| <b>CALIFORNIA DIESEL &amp; POWER INC.</b>  | Pump Stations - annual load bank testing, West Railroad  | 200   | 2359   | Maint- pump sta's & force mains | \$ 2,050.00     |
| <b>CALIFORNIA DIESEL &amp; POWER INC.</b>  | Pump Stations - annual load bank testing, San Pedro  | 200   | 2359   | Maint- pump sta's & force mains | \$ 1,450.00     |
| <b>CALIFORNIA DIESEL &amp; POWER INC.</b>  | Pump Stations - annual load bank testing, San Pedro  | 200   | 2359   | Maint- pump sta's & force mains | \$ 1,450.00     |
| <b>CALIFORNIA DIESEL &amp; POWER INC.</b>  | Pump Stations - annual load bank testing, Riviera  | 200   | 2359   | Maint- pump sta's & force mains | \$ 2,005.00     |
| <b>CALIFORNIA DIESEL &amp; POWER INC.</b>  | Pump Stations - repair to radiator for generator at Bret Harte   | 200   | 2359   | Maint- pump sta's & force mains | \$ 3,315.22     |
| <b>CALIFORNIA DIESEL &amp; POWER INC.</b>  | Pump Stations - annual load bank testing, Bret Harte   | 200   | 2359   | Maint- pump sta's & force mains | \$ 1,855.00     |
| <b>CALIFORNIA DIESEL &amp; POWER INC.</b>  | Pump Stations - replaced low fuel level & rupture basin sensors, and controller on generator at Glenwood | 200   | 2359   | Maint- pump sta's & force mains | \$ 2,077.53     |
| <b>CALIFORNIA SANITATION RISK MGMT ATH</b> | General Insurance - property insurance renewal for 7/01/17 to 6/30/18                                    | 100   | 2059   | General insurance               | \$ 4,719.65     |
| <b>CENTRAL MARIN SANITATION AGENCY</b>     | Connection Fees - 925 Fourth Street  | 200   | 2210   | Connection fees payable cmsa    | \$ 9,527.70     |
| <b>CENTRAL MARIN SANITATION AGENCY</b>     | Connection Fees - 347 Margarita Drive  | 200   | 2210   | Connection fees payable cmsa    | \$ 5,863.20     |
| <b>CENTRAL MARIN SANITATION AGENCY</b>     | Connection Fees - 3105 Kerner Blvd.  | 200   | 2210   | Connection fees payable cmsa    | \$ 6,596.10     |
| <b>CENTRAL MARIN SANITATION AGENCY</b>     | Service Charges - 1st quarter service charges for 7/01/17-9/30/17  | 400   | 4112   | Sewage treatment                | \$ 1,127,714.91 |
| <b>CENTRAL MARIN SANITATION AGENCY</b>     | Debt Service - semi-annual debt service payment for 9/01/17  | 400   | 4113   | Sewage treatment - debt service | \$ 1,468,860.41 |
| <b>COUNTY OF MARIN</b>                     | Director's Fees - Katie Rice on 5/26/17  | 100   | 2282   | Director's fees                 | \$ 100.00       |
| <b>COUNTY OF MARIN</b>                     | Director's Fees - Katie Rice on 6/22/17  | 100   | 2282   | Director's fees                 | \$ 100.00       |
| <b>CRATUS INC.</b>                         | Pipe Bursting - retention release for sewer improvement project, Progress Payment #4                     | 300   | 1210   | Construction contract retention | \$ 32,930.98    |
| <b>EVOQUA WATER TECHNOLOGIES, LLC</b>      | Odor Control - chemicals for pump stations 6/28/17   | 200   | 2106   | Odor control chemicals          | \$ 12,079.93    |
| <b>FORSTER &amp; KROEGER INC.</b>          | Pump Stations - annual backflow testing  | 200   | 2359   | Maint- pump sta's & force mains | \$ 1,120.00     |
| <b>HERNANDEZ, CYNTHIA</b>                  | Office Supplies - petty cash reimbursement   | 100   | 2133   | Office & shop supplies          | \$ 13.38        |
| <b>JACKSON'S HARDWARE</b>                  | Collection System - pipe locator batteries   | 200   | 2360   | O&M - collection systems        | \$ 13.07        |
| <b>JACKSON'S HARDWARE</b>                  | Collection System - replacement lock for 44 Meadow Ave.  | 200   | 2360   | O&M - collection systems        | \$ 16.83        |
| <b>JACKSON'S HARDWARE</b>                  | Collection System - batteries  | 200   | 2360   | O&M - collection systems        | \$ 18.52        |
| <b>JACKSON'S HARDWARE</b>                  | Pump Stations - eyebolt anchor   | 200   | 2359   | Maint- pump sta's & force mains | \$ 16.94        |
| <b>JACKSON'S HARDWARE</b>                  | Collection System - concrete saw   | 200   | 2360   | O&M - collection systems        | \$ 1,089.99     |
| <b>JMB CONSTRUCTION, INC.</b>              | Glenwood - improvement project, chemical feed tank   | 300   | 4146   | Glenwood Pump Station (10Yr)    | \$ 646.80       |
| <b>MAHER ACCOUNTANCY</b>                   | Accounting Services - July   | 100   | 2717   | Accounting services             | \$ 3,600.00     |
| <b>MAHER ACCOUNTANCY</b>                   | Accounting Services - June   | 100   | 2717   | Accounting services             | \$ 3,600.00     |
| <b>MARIBETH BUSHEY</b>                     | Director's Fees - Maribeth Bushey on 5/26/17   | 100   | 2282   | Director's fees                 | \$ 100.00       |
| <b>MARIN MUNICIPAL WATER DIS</b>           | Water - Pt. San Pedro Rd. from 4/14/17-6/14/17   | 200   | 2536   | Water utility costs             | \$ 42.65        |
| <b>MARIN MUNICIPAL WATER DIS</b>           | Water - Peacock Dr. from 4/15/17-6/14/17   | 200   | 2536   | Water utility costs             | \$ 42.65        |

|                                |  |     |      |                                 |    |           |
|--------------------------------|--|-----|------|---------------------------------|----|-----------|
| MARIN MUNICIPAL WATER DIS      | Water - E Francisco Blvd. from 4/14/17-6/14/17   | 200 | 2536 | Water utility costs             | \$ | 219.85    |
| MARIN MUNICIPAL WATER DIS      | Water - Monteale Rd. from 4/14/17-6/14/17  | 200 | 2536 | Water utility costs             | \$ | 53.45     |
| MARIN MUNICIPAL WATER DIS      | Water - 44 Lagood Rd. from 4/15/17-6/14/17   | 200 | 2536 | Water utility costs             | \$ | 42.65     |
| MARIN MUNICIPAL WATER DIS      | Water - N San Pedro Rd. from 4/15/17-6/14/17   | 200 | 2536 | Water utility costs             | \$ | 42.65     |
| MARIN MUNICIPAL WATER DIS      | Water - 3106 Kerner Blvd from 4/14/17-6/14/17  | 200 | 2536 | Water utility costs             | \$ | 42.65     |
| MARIN MUNICIPAL WATER DIS      | Water - Riviera Dr. from 4/15/17-6/14/17   | 200 | 2536 | Water utility costs             | \$ | 42.65     |
| MARIN MUNICIPAL WATER DIS      | Water - Castro Ave. from 4/13/17-6/13/17   | 200 | 2536 | Water utility costs             | \$ | 266.75    |
| MARIN MUNICIPAL WATER DIS      | Water - Simms St. from 4/11/17-6/09/17   | 200 | 2536 | Water utility costs             | \$ | 46.45     |
| MARIN MUNICIPAL WATER DIS      | Water - Catalina Blvd. from 4/13/17-6/13/17  | 200 | 2536 | Water utility costs             | \$ | 78.75     |
| MARIN MUNICIPAL WATER DIS      | Water - Andersen Dr. from 4/11/17-6/09/17  | 200 | 2536 | Water utility costs             | \$ | 42.65     |
| MARIN MUNICIPAL WATER DIS      | Water - Woodland Ave. from 4/11/17-6/09/17   | 200 | 2536 | Water utility costs             | \$ | 46.45     |
| MARIN MUNICIPAL WATER DIS      | Water - E Francisco Blvd. from 4/13/17-6/13/17   | 200 | 2536 | Water utility costs             | \$ | 42.65     |
| MARIN MUNICIPAL WATER DIS      | Water - 1271 Andersen Dr. from 4/11/17-6/09/17   | 200 | 2536 | Water utility costs             | \$ | 42.65     |
| MARIN MUNICIPAL WATER DIS      | Water - water for vacotr truck 220 Tamar Vista Bl. from 4/29/17-6/29/17                          | 200 | 2536 | Water utility costs             | \$ | 699.98    |
| MCDOWELL, JAMES                | Claims & Deductibles - reimbursement for plumbing services at 1447 Fourth Street                 | 100 | 2051 | Claims and deductibles          | \$ | 765.00    |
| MSI LITHO PRINTING             | Office Supplies - business cards for associate civil engineer and sewer lead maintenance workers | 100 | 2133 | Office & shop supplies          | \$ | 137.89    |
| NETWORK ADJUSTERS, INC         | Claims & Deductibles - reimbursement for services provided by Sierra West Adjusters              | 100 | 2051 | Claims and deductibles          | \$ | 757.52    |
| NUTE ENGINEERING               | La Crescenta - services from 5/01/17-5/31/17   | 300 | 4330 | La Crescenta, Loma Linda (80)   | \$ | 6,880.50  |
| NUTE ENGINEERING               | San Pedro Pump Station - services from 5/01/17-5/31/17   | 300 | 4147 | San Pedro Pump Station (10)     | \$ | 407.00    |
| NUTE ENGINEERING               | Sewer Pipe Repair & Replacement 2017 - services from 5/01/17-5/31/17                             | 300 | 4329 | 2017 Sewer Pipe Repair and (80) | \$ | 24,365.00 |
| PARK ENGINEERING, INC          | Sun Valley - inspection services for various SRSD projects - May 2017 SRSD projects              | 300 | 4324 | SunValley-Ca.Solan, Alpine(80)  | \$ | 6,041.88  |
| PG&E a/c 2480925202-5          | Power - service for pump stations 5/10/17-6/09/17  | 200 | 2535 | Electric utility costs          | \$ | 13,764.89 |
| PG&E CFM/PPC DEPARTMENT        | San Pedro Pump Station - service extension agreement   | 300 | 4147 | San Pedro Pump Station (10)     | \$ | 8,482.05  |
| PHILLIPS, GARY                 | Director's Fees - Gary O. Phillips on 6/22/17  | 100 | 2282 | Director's fees                 | \$ | 100.00    |
| POPPEL, MARK                   | Memberships - reimbursement for renewal of professional engineer license                         | 100 | 2388 | Training and education          | \$ | 115.00    |
| PUMP REPAIR SERVICE CO         | Pump Stations - pump repair at Andersen A  | 200 | 2359 | Maint- pump sta's & force mains | \$ | 5,155.65  |
| PUMP REPAIR SERVICE CO         | Pump Stations - pump repair at Simms Street  | 200 | 2359 | Maint- pump sta's & force mains | \$ | 17,816.26 |
| RACO                           | Pump Stations - dialer repair at Sea Way   | 200 | 2359 | Maint- pump sta's & force mains | \$ | 245.25    |
| RACO                           | Pump Stations - dialer repair and replacement keypad for shop stock                              | 200 | 2359 | Maint- pump sta's & force mains | \$ | 265.25    |
| ROTO-ROOTER SEWER SERVICE INC  | Standby - sewer clean up at 3 Leaf Wood Cir.   | 200 | 2363 | Standby services                | \$ | 460.00    |
| ROTO-ROOTER SEWER SERVICE INC  | Standby - sewer clean up at 4 Hubble Ct.   | 200 | 2363 | Standby services                | \$ | 460.00    |
| ROTO-ROOTER SEWER SERVICE INC  | Standby - investigate reported overflow at 609 2nd St.   | 200 | 2363 | Standby services                | \$ | 460.00    |
| SCHONSTEDT INSTRUMENT COMPANY  | Collection System - carrying case for metal detector   | 200 | 2360 | O&M - collection systems        | \$ | 128.43    |
| SEQUOIA SAFETY SUPPLY COM      | Safety Equipment - gloves  | 200 | 2365 | Safety equipment and supplies   | \$ | 112.16    |
| SEQUOIA SAFETY SUPPLY COM      | Safety Equipment - goretex pants   | 200 | 2365 | Safety equipment and supplies   | \$ | 93.42     |
| SHAMROCK                       | Collection System - mulch for 24 Meadows Ave. sewer repair job                                   | 200 | 2360 | O&M - collection systems        | \$ | 19.84     |
| STAPLES INC                    | Office supplies - miscellaneous office supplies  | 100 | 2133 | Office & shop supplies          | \$ | 44.73     |
| TELSTAR INSTRUMENTS INC        | Pump Stations - service calls for Peacock and West Railroad                                      | 200 | 2359 | Maint- pump sta's & force mains | \$ | 1,450.00  |
| TELSTAR INSTRUMENTS INC        | Pump Stations - replace VFD with spare VFD at West Railroad                                      | 200 | 2359 | Maint- pump sta's & force mains | \$ | 2,472.76  |
| THURSTON SCREEN PRINTING INC   | Safety Equipment - department name imprinted on rain jackets                                     | 200 | 2365 | Safety equipment and supplies   | \$ | 78.30     |
| TIFCO INDUSTRIES               | Pump Stations - miscellaneous supplies   | 200 | 2359 | Maint- pump sta's & force mains | \$ | 115.48    |
| US BANK CORPORATE PAYMENT      | Office Supplies - phone case and holster   | 100 | 2133 | Office & shop supplies          | \$ | 31.30     |
| US BANK CORPORATE PAYMENT      | Sewer Pipe Repair and Replacement Project 2017 - publication of notice inviting bids             | 300 | 4329 | 2017 Sewer Pipe Repair and (80) | \$ | 926.15    |
| US BANK CORPORATE PAYMENT      | Collection System - cleaning tools for easement cleaning machine                                 | 200 | 2360 | O&M - collection systems        | \$ | 141.24    |
| US BANK CORPORATE PAYMENT      | Pump Stations - oil pump   | 200 | 2359 | Maint- pump sta's & force mains | \$ | 70.84     |
| US BANK CORPORATE PAYMENT      | Office Supplies - phone case and holster   | 100 | 2133 | Office & shop supplies          | \$ | 29.85     |
| VERIZON WIRELESS               | Telephone Service - wireless service for laptops 5/21/17-6/20/17                                 | 100 | 2534 | Telephone service               | \$ | 266.07    |
| WATER COMPONENTS & BLDG SUPPLY | Collection System - USA marking flags  | 200 | 2360 | O&M - collection systems        | \$ | 10.30     |
| WATER COMPONENTS & BLDG SUPPLY | Collection System - supplies for sewer repair work at 2157 Fifth Ave.                            | 200 | 2360 | O&M - collection systems        | \$ | 282.71    |
| WATER COMPONENTS & BLDG SUPPLY | Collection System - concrete for sewer repair at 2157 Fifth Ave.                                 | 200 | 2360 | O&M - collection systems        | \$ | 70.81     |
| WATER COMPONENTS & BLDG SUPPLY | Collection System - discharge repair clamp for Kerner A  | 200 | 2359 | Maint- pump sta's & force mains | \$ | 245.25    |
| WATER COMPONENTS & BLDG SUPPLY | Collection System - supplies for sewer repair at 24 Meadows Ave.                                 | 200 | 2360 | O&M - collection systems        | \$ | 141.37    |

|   |   |     |      |                                 |    |              |
|---|---|-----|------|---------------------------------|----|--------------|
| <b>WATER COMPONENTS &amp; BLDG SUPPLY</b> | Pump Stations - submersible pump for shop stock                       | 200 | 2359 | Maint- pump sta's & force mains | \$ | 154.42       |
| <b>WATER COMPONENTS &amp; BLDG SUPPLY</b> | Collection System - sewer repair supplies for shop stock              | 200 | 2360 | O&M - collection systems        | \$ | 1,548.54     |
| <b>WATER COMPONENTS &amp; BLDG SUPPLY</b> | Collection System - crushed rock for 24 Meadows Ave. sewer repair job | 200 | 2360 | O&M - collection systems        | \$ | 31.24        |
| <b>WECO INDUSTRIES LLC</b>                | Collection System - cleaning tools for power rodder truck             | 200 | 2360 | O&M - collection systems        | \$ | 723.45       |
| <b>WECO INDUSTRIES LLC</b>                | Collection System - sewer plug  | 200 | 2360 | O&M - collection systems        | \$ | 1,192.39     |
| <b>WECO INDUSTRIES LLC</b>                | Collection System - continuous rod for power rodder truck             | 200 | 2360 | O&M - collection systems        | \$ | 2,413.60     |
| <b>WOODLAND CTR AUTO SUPPLY</b>           | Pump Stations - fuses for vehicle No. 8149                            | 200 | 2359 | Maint- pump sta's & force mains | \$ | 4.70         |
| <b>Total</b>                              |   |     |      |                                 | \$ | 2,821,034.26 |

4.a.

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

**DATE:** July 28, 2017  
**TO:** Board of Directors, San Rafael Sanitation District  
**FROM:** Doris Toy, District Manager/District Engineer *DT*  
**SUBJECT:** Discussion on Waiving Connection Fees for Low Income Housing Projects

---

**SUMMARY:**

During our last two Board meetings, we have had discussions on waiving or reducing connection fees for low income housing projects and accessory dwelling units. This was brought to our attention by the Marin County Civil Grand Jury when their report titled "Overcoming Barriers to Housing Affordability" was released on April 12, 2017. The Grand Jury requested the District to respond to Recommendation R5, which states "Each utility district should adopt waivers for hook-up fees for low income housing projects and accessory dwelling units."

On July 6, 2017, the District responded with the following statement:  
*For accessory dwelling units, a waiver has been implemented. The San Rafael Sanitation District (SRSD) recognizes that the cost to develop housing is a barrier. Currently, SRSD does not charge a connection fee for an accessory dwelling unit that is within the footprint of the house and/or connected to the house lateral. However, if the dwelling unit has a separate lateral connection to the sewer main, the District charges a discounted "connection fee." For Fiscal Year 2017-18, the discounted rate is the \$1,441.36 administrative fee compared to the \$3,469.22 connection fee for a single dwelling unit.*

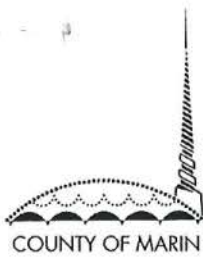
*For low income housing projects, the District will require further analysis. Within the next six months, the District will discuss this matter with its legal counsel and consider whether the District shall also offer some type of connection fee waiver for low income housing projects.*

Staff has requested the District's legal counsel, Jack Govi, to research this matter and provide his legal opinion. Please see his attached letter.

**ACTION REQUIRED:**

Board to discuss and provide direction to staff as appropriate.

Attachment: County Counsel Letter, "Waiver of Connection Fees for Affordable Housing," dated July 13, 2017



RECEIVED

JUL 17 2017

SAN RAFAEL  
SANITATION DIST.

OFFICE OF THE  
COUNTY COUNSEL

Brian E. Washington  
COUNTY COUNSEL

July 13, 2017

Jack F. Govi  
ASSISTANT COUNTY COUNSEL

Doris Toy  
District Manager/Engineer  
San Rafael Sanitation District (SRSD)  
111 Morpew Street  
San Rafael, CA 94901

Renee Giacomini Brewer  
CHIEF DEPUTY COUNTY COUNSEL

**Re: Waiver of Connection Fees for Affordable Housing**

Mari-Ann G. Rivers  
Michele Keno  
Patrick M. K. Richardson  
Stephen R. Raab  
Steven M. Perl  
Edward J. Kiernan  
Brian C. Case  
Jenna J. Brady  
Valorie R. Boughey  
Kerry L. Gerchow

Dear Doris,

DEPUTIES

You have requested an opinion as to whether SRSD may waive connection fees and/or user fees for affordable housing units pursuant to a recommendation by the Marin County Civil Grand Jury.

Jeanine Michaels  
ADMINISTRATIVE ASSISTANT

I have researched this issue, spoken to you, spoken to other attorneys for Sanitary/Sanitation Districts and carefully considered the policies of other public entities that have waived such fees.

Marin County Civic Center  
3501 Civic Center Drive Suite  
275  
San Rafael, CA 94903  
415 473 6117 T  
415 473 3796 F  
415 473 2226 TTY  
www.marincounty.org/cl

My research does not indicate that a public entity is prohibited from waiving connection fees for affordable housing units although it should be noted that SRSD is governed by the County Sanitation District law (California Health and Safety Code Sections 4700 et seq.), which has no provision for the waiver of fees. However, it is my opinion that waivers of connection fees are problematic for the reasons I have outlined below. Please note that the only sewage entity I know that has a waiver/reduction policy is Ross Valley Sanitary District and you have indicated that there is no legal opinion supporting that policy.

Should your Board want to establish a waiver/reduction policy, it may do so with the understanding that I believe the policy would be problematic and subject to a sound legal challenge.

Please note that I am not trying to be risk averse. Instead, it is my goal to provide you with an analysis of the law. It is my opinion that if it is challenged, the challengers would have a good chance of prevailing especially under Proposition 218. Proposition 218 essentially provides that any water or sewer district fee must not exceed the cost of providing that service. Thus, a sewage connection fee must not exceed the cost of providing sewage transport and treatment. If connection fees are used to subsidize affordable housing units (which did not pay a fee or pay a

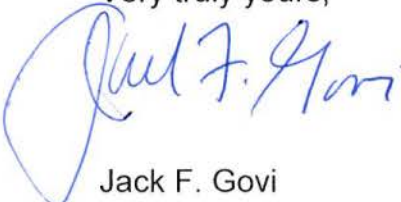
reduced fee), it seems clear that there may very well be a Proposition 218 violation because at least part of the fee is being used to subsidize affordable housing instead of being used for the parcel of the property owner paying the fee. Additionally, once this door is opened, other groups will want fee reductions based upon income and if granted, these waivers may also be violative of Proposition 218.

Accordingly, it is my opinion that the issue of reduction of fees and/or waiver of connection fees is very problematic for a JPA sewage agency, sanitary district or county sanitation district. The problematic issues include: (1) a possible violation of the California Constitution's prohibition of a gift of public funds [Article XVI, Section 6]; (2) as indicated above, there is a probable violation of Proposition 218, which requires that all revenues derived from the fee may not exceed the funds required to provide the property related service and the amount of the fee may not exceed the proportional cost of the service attributable to the parcel; and (3) whether opening the door to such reductions involves a violation of equal protection in the sense that other ratepayers might provide proof that they fall under the poverty level and should also be given reductions or waivers.

I recognize that other public agencies including, for example, the Marin County Community Development Agency, do provide fee waivers for affordable housing. However, the County's program often recovers the fee waivers through a Housing Fund Trust that is funded by developers' affordable housing fees. In my opinion, such a program is not available or feasible for SRSD since it would not be a viable recipient of a Housing Fund Trust. Thus, if waivers were granted, SRSD has no funding mechanism to recoup the loss of funds.

Should competent legal authority be presented for the waiver of connection fees by a sanitation district, I will be pleased to re-visit this issue. Please let me know if you have any further questions.


Very truly yours,



Jack F. Govi  
Assistant County Counsel

5.a.

**SAN RAFAEL SANITATION DISTRICT**  
*Agenda Item 5.a.*

**DATE:** July 28, 2017  
**TO:** Board of Directors, San Rafael Sanitation District  
**FROM:** Doris Toy, District Manager/District Engineer   
**SUBJECT:** Adopt resolution to amend the District Budget for Fiscal Year 2016-17.

---

**RECOMMENDATION**

Adopt resolution authorizing a retroactive budget increase for the Pump Station and Force Main Capital Improvement Fund for Fiscal Year 2016-17.

**SUMMARY**

At the last Board meeting, during our review of the Budget Status Report for the third quarter, it was noted that the Fiscal Year 2016-17 Budget for the Pump Station and Force Main Capital Improvement Fund had been exceeded, and the Board was advised that this portion of the budget would be amended at the July meeting.

The Pump Station and Force Main Capital Improvement Fund was over budget because the Glenwood Pump Station Improvements Project began later than anticipated. This project was budgeted for construction in Fiscal Year 2015-16; however, it was not completed until Fiscal Year 2016-17. Therefore, the Glenwood Pump Station Improvements Project was not budgeted for Fiscal Year 2016-17.

**FISCAL IMPACT**

The Pump Station and Force Main Capital Improvement Fund requires a budget increase of \$225,000 for a total of \$1,143,000. This increase is proposed to be funded from the District's Operating Fund Unassigned Fund Balance for Fiscal Year 2016-17.

**ACTION REQUIRED**

Staff recommends that the Board adopt the resolution authorizing a retroactive budget increase for the Pump Station and Force Main Capital Improvement Fund for Fiscal Year 2016-17.

Attachment: Resolution



**SAN RAFAEL SANITATION DISTRICT**

**RESOLUTION NO. 17-1160**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SAN RAFAEL SANITATION DISTRICT  
AUTHORIZING A RETROACTIVE BUDGET INCREASE  
FOR THE PUMP STATION AND FORCE MAIN  
CAPITAL IMPROVEMENT FUND  
FOR FISCAL YEAR 2016-2017**

**WHEREAS**, the District adopted the Budget for Fiscal Years 2015-2016 & 2016-2017 on June 11, 2015; and

**WHEREAS**, the 2016-2017 Budget for the Pump Station and Force Main Capital Improvement Fund requires an additional amendment due to an unanticipated expenditure; and

**WHEREAS**, the increased expenditure can be funded from the Operating Fund Unassigned Fund Balance.

**NOW, THEREFORE, IT IS HEREBY RESOLVED**, that the Board of Directors of the San Rafael Sanitation District hereby adopts the retroactive budget increase of \$225,000 for a total budget of \$1,143,000 for the Pump Station and Force Main Capital Improvement Fund for Fiscal Year 2016-2017.

**PASSED AND ADOPTED** at a regular meeting of the San Rafael Sanitation District Board of Directors held on the 28th day of July, 2017, by the following vote, to wit:

**AYES:**

**NOES:**

**ABSENT/ABSTAIN:**

**SAN RAFAEL SANITATION DISTRICT**

---

Gary O. Phillips, Chairman


**ATTEST:**

---

Katie Rice, Acting Secretary

5.b.

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

**DATE:** July 28, 2017  
**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 Professional Services Agreement with Nute Engineering for Design and Construction Related Services for the La Crescenta Way, Loma Linda Road, and Marina Blvd. Sewer Improvement Project

---

**RECOMMENDATION:**

Adopt the resolution authorizing the District Manager/District Engineer to execute a Professional Services Agreement with Nute Engineering for design and construction related services for the La Crescenta Way, Loma Linda Road, and Marina Blvd. Sewer Improvement Project.

**BACKGROUND:**

On April 25, 2017, the District opened bids for the San Pedro Pump Station Improvement Project, which consists of replacing the pump station and approximately 900 feet of gravity pipe that connects into the pump station. The lowest bid was 35% above the Engineer's Estimate. Per staff's recommendation, the Board rejected all bids.

Since the large difference between the Engineer's Estimate and the contractor's bid was due to the cost of the pump station portion of the work, the gravity pipeline portion was removed from the project and bid separately as the "La Crescenta Way, Loma Linda Road, and Marina Blvd. Sewer Improvement Project." This sewer line is flat and needs to be replaced with a deeper, more sloped line.

Since Nute Engineering designed the San Pedro Pump Station Improvement Project, which included the gravity pipeline, staff requested Nute to prepare the bid plans and specs and other design modifications to implement the "La Crescenta Way, Loma Linda Road, and Marina Blvd. Sewer Improvement Project.

At the June Board meeting, the Board awarded the construction of the La Crescenta Way, Loma Linda Road, and Marina Blvd. Sewer Improvement Project to Cratus, Inc.

**ANALYSIS:**

Since the La Crescenta Way, Loma Linda Road and Marina Blvd. Sewer Improvement Project has been separated from the San Pedro Pump Station Improvement Project, it now has a separate

budget. Therefore, staff has requested Nute Engineering to furnish a proposal to perform the design and construction related services for this project.

Nute Engineering proposes to perform the design and construction related services on a time-and-materials basis, for an amount not to exceed \$28,416.

**FISCAL IMPACT:**

The design and construction related services for the La Crescenta Way, Loma Linda Road, and Marina Blvd. Sewer Improvement Project will be funded from the 80-Year Life Cycle Sewer Replacement Program for Fiscal Years 2016-17 and 2017-18.

**ACTION REQUIRED:**

Staff recommends that the Board adopt the resolution authorizing the District Manager/District Engineer to execute a Professional Services Agreement with Nute Engineering for design and construction related services for the La Crescenta Way, Loma Linda Road, and Marina Blvd. Sewer Improvement Project.

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

**SAN RAFAEL SANITATION DISTRICT**

**RESOLUTION NO. 17-1159**

**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  
NUTE ENGINEERING FOR DESIGN AND CONSTRUCTION RELATED SERVICES  
FOR THE LA CRESCENTA WAY, LOMA LINDA ROAD,  
AND MARINA BLVD. PROJECT  
FOR AN AMOUNT NOT TO EXCEED \$28,416**

**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 Nute Engineering for design and construction related services to for the La Crescenta Way, Loma Linda Road, and Marina Blvd. Project, a copy of which is hereby attached and by this reference made a part hereof.

**PASSED AND ADOPTED** at a regular meeting of the San Rafael Sanitation District Board of Directors held on the 28th day of July, 2017, by the following vote, to wit:

**AYES:**

**NOES:**

**ABSENT/ABSTAIN:**

**SAN RAFAEL SANITATION DISTRICT**

\_\_\_\_\_  
Gary O. Phillips, Chairman

**ATTEST:**

\_\_\_\_\_  
Katie Rice, Acting Secretary

**PROFESSIONAL SERVICES AGREEMENT  
FOR DESIGN AND CONSTRUCTION RELATED SERVICES FOR THE  
LA CESCENTA WAY, LOMA LINDA ROAD, AND MARINA BLVD.  
SEWER IMPROVEMENT PROJECT**

This Agreement is made and entered into this 28th day of July, 2017, by and between the SAN RAFAEL SANITATION DISTRICT (hereinafter "DISTRICT"), and *NUTE ENGINEERING* (hereinafter "CONSULTANT").

**RECITALS**

WHEREAS, the DISTRICT has selected *NUTE ENGINEERING* to perform the required design and construction related services for the "La Crescenta Way, Loma Linda Road, and Marina Blvd. Sewer Improvement Project" (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. *MARK WILSON* 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 an Engineering Consultant to prepare work outlined in the Proposal from CONSULTANT dated July 25, 2017, marked Exhibit "A", attached hereto and incorporated herein by this reference. The CONSULTANT agrees to be available and perform the work specified in this Agreement in the time frame as specified and as shown in Exhibit "A".

4. DUTIES OF THE DISTRICT

DISTRICT shall perform the duties as described and incorporated herein.

5. COMPENSATION

For the full performance of the services described herein by 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 \$28,416.

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  
San Rafael Sanitation District  
111 Morphew Street  
P.O. Box 151560  
San Rafael, CA 94915-1560

TO CONSULTANT: Mr. Mark Wilson  
Nute Engineering  
907 Mission Avenue  
San Rafael, CA 94901

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 94-1510137, 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

NUTE ENGINEERING \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Mark Wilson

\_\_\_\_\_  
Jack F. Govi  
Assistant County Counsel

Title: \_\_\_\_\_



# EXHIBIT A

July 25, 2017

Ms. Doris Toy, District Manager/District Engineer  
San Rafael Sanitation District  
111 Morphew Street  
San Rafael, CA 94901

**Re: 2017 La Crescenta Way, Loma Linda Road and Marina Blvd. Sewer Improvement Project  
Proposal for Design Engineering Services**

Dear Doris:

In response to your request Nute Engineering is pleased to submit the following proposal for the preparation of plans and specifications for rehabilitation of the sewers on La Crescenta Way, Loma Linda Road and Marina Blvd. in San Rafael.

## **PROJECT DESCRIPTION**

This project is for the investigation, design and preparation of contract documents for the replacement of the existing collector sewers which feed the San Pedro Pump Station from the area north of the pump station, including Marina Blvd, Loma Linda Road connecting to La Crescenta Way. These subdivision areas had been built on fill over bay mud, but drain to the San Pedro Pump Station which is founded on firm upland ground. This has caused the settlement of the ground over time and created pipeline sags. In addition the goal will be to simplify the pipelines coming into the existing San Pedro Pump Station by routing the new sewer from Marina Blvd. to the relatively new 18 inch sewer trunk line within San Pedro Road and eliminating the northern pipeline coming into San Pedro Pump Station.

## **BACKGROUND**

During the course of design work for the San Pedro Pump Station, District staff determined that the existing collector sewer system should be rehabilitated to improve the pipeline defects. Nute Engineering was asked to provide additional topographical survey and design engineering to provide the contract documents for this project.

## **SCOPE OF WORK**

The scope of work to prepare for rehabilitation of the sewers listed above will consist of the following:

Schedule A Services – Preparation of Plans and Specifications

1. We will prepare base sheet drawings showing the existing sewer manholes and sewer line locations based on topographic survey. Randy Willis of Willis Land Surveying will provide the topographic survey at all locations within street improvements for the pipe replacement project.
2. We will prepare contract documents and technical specifications for the project.
3. We will confer with San Rafael Public Works Staff and the County of Marin regarding traffic control requirements necessary for this work, if any, and incorporate these requirements in the plans and specifications. We will also confer on the roadway restoration expected by the same agencies.
4. Based on the construction plans and specifications, we will prepare a final estimate of the project construction cost.
5. We will assist the District at one (1) public pre-bid meeting related to the bidding process, prepare addendums and review the bid documents for responsiveness.
6. We will attend one (1) design review meeting with staff to review the 65% project document deliverable.

Schedule B Services – Services During Construction

1. Review Contractor's submittals and shop drawings.
2. Randy Willis of Willis Land Surveying will provide construction layout.
3. Render advice on the conduct of the construction work.
4. Evaluate proposals from the Contractor for modifications to the contract work and prepare change orders to the contract for the District's approval.
5. Prepare a set of record drawings for the project.
6. Attend weekly meetings with staff to review the project.

**SERVICES NOT INCLUDED IN THIS PROPOSAL**

It is understood that the following services are outside the scope of this proposal and will need to be provided by others as necessary or advisable.

1. Geotechnical engineering and soil contamination investigation services.
2. Hazardous materials investigations, assessment or removal.
3. Determining the exact location of sewer laterals.

4. Locating or potholing of underground utilities or showing utilities on the plans.
5. Existing pavement evaluation. District will provide specific pavement restoration guidance from San Rafael Public Works. Nute Engineering will contact County of Marin for guidance as necessary. For the purpose of this proposal, pavement restoration will consist of trench excavation pavement plug within the City jurisdiction, and a 2 inch overlay in the County jurisdiction of the project.
6. Environmental review or preparation of an environmental impact report of the project.
7. Necessary City of San Rafael permit application and application fee. Nute Engineering will provide the initial County Encroachment permit application.
8. Legal services in connection with the project.
9. Acquisition of rights of ways, rights of entries or permits
10. Printing of plans and specifications for bidding purposes and for the Contractor's use.
11. Clerical time to send bid documents out to bidders.
12. Periodic site visits and on site construction observer will be provided on a time and materials basis. Project estimating sheet estimates site visits based on planned construction period.

**ENGINEERING FEE**

We propose to do all the work on a time and materials basis to be billed according to the Schedule of Hourly Rates attached hereto as Attachment A. The following are budgets for the engineering fees for the various schedules outlined above:

|  |          |
|--|----------|
| Schedule A - Preparation of Plans and Specifications | \$21,000 |
| Schedule B - Services During Construction            | \$ 7,400 |

Very truly yours,

NUTE ENGINEERING

By: 

Mark T. Wilson, P.E.

Attachment A – Schedule of Hourly Rates  
Attachment B – Project Estimating Sheet



## ATTACHMENT A

### HOURLY RATE SCHEDULE

| <b>OFFICE PERSONNEL</b>          | <b>HOURLY RATE</b> |
|----------------------------------|--------------------|
| Principal Engineer               | \$235.00           |
| Senior Engineer                  | 192.00             |
| Engineer III                     | 182.00             |
| Engineer II                      | 176.00             |
| Engineer I                       | 150.00             |
| Field Representative*            | 165.00             |
| Assistant Engineer II            | 118.00             |
| Assistant Engineer I             | 108.00             |
| Senior Designer                  | 173.00             |
| CAD Drafter II                   | 144.00             |
| CAD Drafter I                    | 124.00             |
| Technical Administrative Support | 106.00             |
| Clerical                         | 93.00              |

| <b>LITIGATION SERVICES</b>  |        |
|-----------------------------|--------|
| Court Appearance/Deposition | 340.00 |

\*Field Representative for construction is a Prevailing Wage category as required by the California Department of Industrial Relations.

### REIMBURSABLE EXPENSES

Sub-consultants will be charged at 1.10 times cost. Charges for reproductions, blueprinting, outside computer services, rental of special equipment, delivery, express mail, insurance certificates (where client requires to be listed as an additional insured) and meals and lodging will be charged at 1.10 times cost. Mileage will be charged at the IRS approved rate. Nute Engineering reserves the right to adjust its hourly rate structure for all ongoing contracts.

**EFFECTIVE DATE:** January 1, 2017

ATTACHMENT B  
 SAN RAFAEL SANITATION DISTRICT  
 2017 LA CRESCENTA WAY, LOMA LINDA ROAD, AND MARINA BLVD. PROJECT  
 PROPOSAL FOR ENGINEERING SERVICES  
 PROJECT ESTIMATING SHEET

|  | Senior Engineer | Senior Designer | CAD Drafter I | Tech Admin Support | Direct Cost | Direct Cost Markup | TOTAL    |          |
|--|-----------------|-----------------|---------------|--------------------|-------------|--------------------|----------|----------|
| Description  | Rate \$/Hr      | \$192           | \$173         | \$124              | \$106       |                    |          |          |
| <b>Schedule A Services – Design and Prepare Plans and Specifications</b>       |                 |                 |               |                    |             |                    |          |          |
| 1. Prepare base sheet drawings showing existing sewer manholes and sewer lines | 8               | 10              | 15            |                    | \$3,000     | \$300              |          |          |
| 2. Prepare contract documents and technical specifications                     | 4               | 20              | 36            | 8                  |             |                    |          |          |
| 3. Confer with San Rafael PW and Marin County PW Regarding Traffic Control     | 4               |                 |               |                    |             |                    |          |          |
| 4. Prepare a final estimate of the project construction cost                   | 6               |                 |               |                    |             |                    |          |          |
| 5. Assist District at one (1) public meeting related to bidding process        | 3               |                 |               |                    |             |                    |          |          |
| 6. Attend one (1) meeting with staff to review the project                     | 3               |                 |               |                    |             |                    |          |          |
|  | Hours           | 28              | 30            | 51                 | 8           |                    |          |          |
|  | Cost            | \$5,376         | \$5,190       | \$6,324            | \$848       | \$3,000            | \$300    |          |
|  |                 |                 |               |                    |             |                    | \$21,038 |          |
| <b>Schedule B Services – Construction Engineering Services</b>                 |                 |                 |               |                    |             |                    |          |          |
| 1. Review Contractor's submittals and shop drawings                            | 4               | 2               |               | 6                  |             |                    |          |          |
| 2. Construction Layout   |                 |                 |               |                    | \$1,000     | \$100              |          |          |
| 3. Render advice on the conduct of the construction work                       | 2               |                 |               |                    |             |                    |          |          |
| 4. Evaluate proposed Contractor modifications                                  | 1               |                 |               |                    |             |                    |          |          |
| 5. Prepare Record Drawings based on Contractor's markup                        |                 |                 | 4             |                    |             |                    |          |          |
| 6. Attend weekly meetings with staff to review the project                     | 18              |                 |               |                    |             |                    |          |          |
|  | Hours           | 25              | 2             | 4                  | 6           |                    |          |          |
|  | Cost            | \$4,800         | \$346         | \$496              | \$636       | \$1,000            | \$100    |          |
|  |                 |                 |               |                    |             |                    | \$7,378  |          |
| Grand Total  |                 |                 |               |                    |             |                    |          | \$28,416 |





**Doris Toy**

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**From:** Rachel Jones <rjones@marinlafco.org>  
**Sent:** Thursday, July 27, 2017 1:43 PM  
**Subject:** Final Report | Central Marin Wastewater Study  
**Attachments:** 5.CentralMarin-Wastewater-FINALREPORT.pdf

Good Afternoon -

Attached is the final report for the Central Marin Wastewater Study. The final report is also posted on the LAFCO website and will be presented for adoption at our next Commission meeting scheduled for **Thursday, August 10th**. The deadline for public review and comments will be **Thursday, August 17th**. Please contact either me or Keene for any additional information.

Thank you all for your help and participation.

With many thanks,  
Rachel

Rachel Jones  
Administrative Analyst

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**Marin Local Agency Formation Commission**  
**Planning Agency / Subdivision of the State of California**  
1401 Los Gatos, Suite 220  
San Rafael, California 94903  
Main | 415.448.5877  
[www.marinlafco.org](http://www.marinlafco.org)



**San Rafael  
Sanitation  
District**

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

Telephone 415 454-4001  
Facsimile 415 454-2270

**Board of Directors**  
Gary O. Phillips, Chairman  
Maribeth Bushey, Secretary/Director  
Katie Rice, Director

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

June 30, 2017

Mr. Keene Simonds, Executive Officer  
Marin Local Agency Formation Commission  
1401 Los Gamos Drive, Suite 220  
San Rafael, CA 94903

RE: Central Marin Wastewater Study, April 2017 Draft Report

Dear Mr. Simonds:

The San Rafael Sanitation District has reviewed the Central Marin Wastewater Study Draft Report and appreciates the opportunity to participate in the study through the Technical Advisory Committee and to provide its comments. The District has comments in regard to the following Recommendations stated in the Executive Summary portion of the report.

*Recommendation #2: CMSA should develop a plan to allocate treatment capacity among its member agencies to enhance regional growth management. This plan would appropriately inform each member agency as well as local land use authorities with more certainty with respect to their ability to forecast and accommodate new development within their jurisdictional boundaries going forward.*

4-1

SRSD disagrees. Wastewater agencies are not land use authorities and do not have any decision making authority on land use and growth. The local land use authorities are the County of Marin and City of San Rafael. SRSD works with the County, City, and developers to provide the capacity for the new developments.

*Recommendation #4: CMSA should reorganize its governing board structure to limit and or remove the City of Larkspur's presence within the joint powers authority to better align and weight governance with vested participation.*

4-2

CMSA and its JPA member agencies are currently reviewing the Joint Powers Agreement, which includes the CMSA governing board structure. The City of Larkspur's presence will be addressed through this review process.

*Recommendation #5: SRSD should designate the lone board seat statutorily dedicated to a member of the County of Marin to the incumbent holding Supervisor District 1 given it covers nearly all of the District's jurisdictional boundary. This designation would provide a more logical and direct match between SRSD voters and their appointed representatives.*

4-3

SRSD disagrees. The SRSD jurisdictional boundary includes Supervisor Districts 1, 2, and 4. Although District 1 has more coverage of SRSD, one can also say that the ratepayers in District 1 are double represented since the other two SRSD Board members are from the City Council. Also, by allowing the Supervisor from either District 1, 2, or 4 to sit on the SRSD Board, it offers the Board of Supervisors more flexibility in their appointment to the SRSD Board.

4-4

*Recommendation #6: Corrective action is needed to appropriately amend jurisdictional boundaries to better align service areas with existing property lines within the Ross Valley and San Rafael Creek Watersheds. Similarly boundary clean-ups are needed to correct instances where actual service provision in this subregion does not match up with assigned jurisdictional boundaries.*

SRSD agrees.

4-5

*Recommendation #8: The Commission should consider authorizing an addendum to fully evaluate options to reorganize and consolidate public wastewater services in Central Marin and most pertinently among agencies in the Ross Valley and San Rafael Creek Watersheds. This topic – which has been previously reviewed by the agencies specific to assessing cost-savings but not the Commission - responds to Marin LAFCO's directive to independently assess the notional sense affirmed in this study that a consolidation would appear primed to produce greater accountability and efficiency within the combined watershed.*

SRSD agrees and is in favor of performing a consolidation study. Several years ago, SRSD asked LAFCO to consider evaluating available alternative government structure options involving wastewater services within the region. SRSD is interested in the report findings and its determination of efficiency and best operations.

4-6

*Recommendation #9: Septic Systems are increasingly problematic in urban and or developing areas in Central Marin and pose a public safety threat to the health and environment of the agencies' service areas. The affected agencies should work to identify all septic systems within their respective areas in step with resiliency planning and determining future system risks.*

SRSD agrees and plans to work with the County's Environmental Health Services Department.

4-7

*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, raising water tables as well as future demands.*

SRSD agrees. SRSD is currently working with the County of Marin on its Marin Shoreline Sea Level Rise Vulnerability Assessment (also known as the BayWAVE study) and the City of San Rafael's Local Hazard Mitigation Plan.

The District also has the following general comments on the draft report.

4-8

Wastewater Flow as a unit of measurement. The report compares daily-average flows, dry-weather-day flows, and peak-day flows and breaks them down to the amount of flow per resident, per occupied housing unit, and per service connection. This can be misleading and misrepresented for the following reasons: 1) the flow data includes all flow from residents, commercial, industrial, and inflow/infiltration; 2) our District has more commercial facilities, i.e. restaurants, than other agencies in Central Marin; and 3) during wet weather, the amount of rain varies throughout the City and County as well as from year to year.

4-9

Pension Obligations. The report discusses the City of San Rafael's pension obligations. The District represents approximately 3.3% of the City of San Rafael's total unfunded liability. This liability is reported in the District's Financial Statements. The City's unfunded liability, as a percentage of its unrestricted fund balance, is not relevant to the District's financial position. The operating structure of the City and District are not the same; thus, the City, which has a much higher percentage of personnel costs to total expenditures than the District, will have a much higher pension contribution as a percentage of payroll than will the District.

Please see the attached Executive Summary, Regional Characteristics & Comparisons, and the District's Agency Profile (Chapters 2, 3, and 4) with additional comments.

The District would like to thank LAFCO for its time and effort in reviewing and considering our comments. We look forward to working with LAFCO and the other Central Marin and local agencies to pursue the recommendations and improve efficiencies and operations in wastewater services. If you have any questions, please contact Doris Toy, District Manager.

Sincerely,



Katie Rice  
Director, San Rafael Sanitation District Board

Attachments

## 4.0 Response to Comments | San Rafael Sanitation District

### Comment 4-1

SRSD disagrees with the draft report's recommendation in the Executive Summary section stating CMSA should develop a plan to allocate treatment capacity among its member agencies to enhance regional growth management. SRSD asserts an allocation system is not needed given the wastewater agencies are not land-use authorities and already effectively coordinate the delivery of new wastewater services as needed.

Staff believes it would be beneficial to land use authorities and the general public for CMSA to establish an allocation system. More specifically, staff believes an allocation system would help inform and formalize decision-making in accommodating additional growth – which will inevitably occur given the State's commitment to ensuring an appropriate job to housing balance – now and as opposed to when circumstances may change. This comment is importantly premised on the presumption that growth will continue in the region, albeit slowly, and eventually it is reasonable to assume more competition/need will emerge for the remaining treatment capacity at CMSA.

### Comment 4-2

SRSD comments the draft report's recommendation in the Executive Summary section stating CMSA should reorganize its board structure to remove or limit the City of Larkspur's involvement will be addressed as part of ongoing review of the agreement by the members.

| Comment noted.

### Comment 4-3

SRSD disagrees with the draft report's recommendation in the Executive Summary section starting the District should designate the lone board seat statutorily dedicated to a member of the County of Marin to the incumbent holding Supervisor District 1. SRSD states while District 1 has more coverage of SRSD, it can also be said ratepayers in District 1 are double represented since the other two SRSD Board members are from the City Council. SRSD adds the existing baseline provides the County with more flexibility in their appointment to the District Board.

| Commented noted. Staff adds that Marin LAFCO estimates close to 70% of the projected *unincorporated* population within SRSD lies within Supervisor District 1 (emphasis added).

### Comment 4-4

SRSD agrees with the draft report's recommendation in the Executive Summary section stating corrective action is needed to amend and rationalize jurisdictional boundaries within the Ross Valley and San Rafael Creek Watersheds.

| Comment noted.

**Comment 4-5**

SRSD agrees with the draft report's recommendation in the Executive Summary section stating there is additional merit for Marin LAFCO to further explore consolidation opportunities in the region. SRSD adds it is in favor of performing a consolidation study and has requested several years ago for Marin LAFCO to prepare a municipal service review within the region for this specific purpose.

Comment noted, and staff acknowledges SRSD's patience with Marin LAFCO in proceeding with a full consolidation review of the region as earlier requested by the District

**Comment 4-6**

SRSD agrees with the draft report's recommendation in the Executive Summary section for the affected agencies to proactively work to identify and remove septic systems within their jurisdictions. SRSD adds they plan to work the County's Environmental Health Services Department to implement this recommendation.

Comment noted. Staff also extends its interest and assistance in any related outreach or mapping should it prove helpful to SRSD.

**Comment 4-7**

SRSD agrees with the draft report's recommendation in the Executive Summary section stating the affected agencies should coordinate efforts in mitigating climate change effects. SRSD states it is currently working with the County of Marin on the Marin Shoreline Sea Level Rise Vulnerability Assessment as well with the City of San Rafael in its Local Hazard Mitigation Plan.

Comment noted.

**Comment 4-8**

SRSD makes a general comment on the draft report's calculation and use therein on per capita flows. SRSD notes the report incorporates non-residential flows into calculating per-capita demands and believes this to be misleading and particularly notable for the District given it has more commercial facilities than the other affected agencies in the region.

Staff notes the per capita measurement is one of several tools used in the report to quantify demand and uniformly applied to all of the affected agencies, and as such serves as a useful comparison given the underlying similarities in the land uses in the region. Incorporating non-residential wastewater flows into per-capita measurements also do not undermine its value in contextualizing demands, and is similarly performed in analyzing other municipal services, like public safety calls. This is because it is reasonable to assume there is a causal relationship that a certain number of residents will generate a corresponding demand for non-residential uses (commercial, retail, etc.) within their communities. It is also unclear whether any of the affected agencies could readily extract non-residential wastewater flows for purposes of more precisely isolating just residential uses.

**Comment 4-9**

SRSD makes a general comment on the draft report showing the City of San Rafael's pension obligation as it relates to the District. SRSD notes it represents approximately 3.3% of San Rafael's unfunded liability and believes this percentage is not relevant to the District's financial position.

Staff believes it is appropriate to include a review of San Rafael's pension obligations in step with analyzing SRSD given the District is integrally connected with the City through a long-standing staff support services agreement. Should staffing operations for SRSD be contracted to another separate legal entity it would be appropriate for Marin LAFCO to amend its analysis accordingly as part of future municipal service reviews.