



TAMALPAIS COMMUNITY SERVICES DISTRICT

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TCSD BOARD OF DIRECTORS MEETING AGENDA

WEDNESDAY, FEBRUARY 26, 2025

REGULAR WORK SESSION MEETING at 8:30am -10:00am (time approx.)

TAM VALLEY COMMUNITY CENTER, 203 MARIN AVENUE, MILL VALLEY 94941

AGENDA

1. CALL TO ORDER

2. ROLL CALL - President Steffen Bartschat

Directors: Vice President Matt McMahon, Jeff Brown, Jim Jacobs, Steve Levine

3. APPROVE AGENDA

4. PUBLIC EXPRESSION

Members of the public are invited to address the Board on matters NOT listed on this agenda. The Board reserves the right to limit the time devoted to this portion of the Agenda and to limit the duration of speakers' presentations.

5. REGULAR BUSINESS

Conduct work session to discuss/consider: a) proposed wastewater CIP projects over the next 10-15 years and b) private sewer lateral inspection and repair programs

6. FUTURE AGENDA ITEMS

7. ADJOURNMENT

NEXT REGULAR BOARD MEETING

March 12, 2025

7:00pm

Tam Valley Community Center

NEXT REGULAR BOARD WORK SESSION

March 26, 2025

8:30am

Tam Valley Community Center



TAMALPAIS COMMUNITY SERVICES DISTRICT

Staff Report
Work Session Meeting
February 26, 2025

TO: BOARD OF DIRECTORS

FROM: GARRETT TOY, GENERAL MANAGER

SUBJECT: CONDUCT WORK SESSION TO DISCUSS/CONSIDER: A) PROPOSED WASTEWATER CIP PROJECTS OVER THE NEXT 10-15 YEARS AND B) PRIVATE SEWER LATERAL INSPECTION AND REPAIR PROGRAMS

RECOMMENDATION

Conduct work session to discuss/consider: a) proposed wastewater CIP projects over the next 10-15 years and b) private sewer lateral inspection and repair programs

DISCUSSION

This staff report provides some background information for the work session. *Pippin Cavagnaro, TCSD engineer from Nute Engineering, will have more information/materials at the work session regarding the proposed projects for the next 10 years, which includes the current 5 Yr. CIP.* Staff will also provide more information on the TCSD lateral inspection and loan program at the meeting. *The purpose of the meeting is to discuss preliminary projects to be included in the update to the 10 Year Sewer System Financial Plan.* The draft 10 Year Sewer System Financial Plan will be a topic of discussion for a future work session.

10 Year Wastewater CIP (FY25-26 thru FY34-35)

The next Prop 218 rate study for Wastewater will be in Spring 2026. The current Wastewater adopted five year rate plan is valid through FY25-26. In preparation for the next Prop 218 rate study, we retained Hildebrand Consulting (consultant) to update the current 10 Year Sewer System Financial Plan (10 yr Plan). The 10 yr Plan is an integral component of future rate studies because capital projects affect rates. The consultant needs the updated 10 yr plan to incorporate into the study to determine future rates needed to finance the CIP projects.

Upon review of the 10 yr Plan, the Board may determine that the required rate increases needed to fund future CIP project is not reasonable and/or practical. As a result, the Board may decide to move projects further out in the future, reduce the scope or eliminate projects, and/or reduce funding available over a five year CIP period.

Pippin Cavagnaro, TCSD engineer from Nute Engineering, will have more information/materials at the work session regarding the proposed projects for the next 10 years, which includes the current 5 Yr. CIP. Mr. Cavagnaro will also discuss the long range plan for the replacement of the Bell Lane pump station and replacement of the Bell Lane Force Main from Tennessee Valley Road to Shoreline to connect to SMCSO.

As background for the discussion, the current 5 year CIP (FY24-25 to CIP FY28-29) forecasts expenditures of approximately \$13.3 million for wastewater projects over the five year CIP (5 Yr. CIP). Attached is the 5 Yr. CIP Summary for Wastewater projects. Over the five year period, approximately \$7,425,000 is budgeted for the auxiliary Bell Lane pump station and Bell Lane force main projects and \$5,860,000 for sewer main line replacement and emergency repairs. The current 5 Yr. CIP reflects a 4% increase in sewer rates per year to fund the proposed projects.

COPs and Wastewater capital reserves will fund approximately 45% and 55% of the current 5 Yr. CIP project costs, respectively. It should be noted that capital reserves are a “pay as you go” strategy for funding projects. In essence, TCSD saves each year for future projects which is reflected in sewer rates.

Private Sewer Lateral Program

The current TCSD ordinance requires an inspection of private laterals for the following reasons: 1) health and safety issues, 2) building additions and improvements with a cumulative value over the prior three years of \$40,000 or more, 3) transfer of property title, and 4) whenever the District is a) replacing a sewer line, b) conducting repairs of a sewer main, or c) the County is doing road resurfacing. CIP projects replacing sewer lines require the contractor to inspect private lateral as part of the scope of work.

The Board previously indicated it wanted to discuss the possibility of increasing the number of private sewer laterals inspected annually and repaired, if required. To help facilitate the discussion, staff compiled inspection data from 2018-2024. Data prior to 2018 would require much more extensive research as the data was maintained in a different format. The table below indicates an average of 107 inspections per year. Of the 107, an average of 45 inspections were part of a CIP sewer main

lateral inspections 2018 - 2024

| year | repaired & certified | CIP | total inspections |
|--------------|-------------------------|-----|----------------------|
| 2018 | 30 | - | 108 |
| 2019 | 28 | 4 | 74 |
| 2020 | 45 | 13 | 111 |
| 2021 | 22 | 127 | 153 |
| 2022 | 94 | 80 | 141 |
| 2023 | 34 | 26 | 88 |
| 2024 | 41 | 20 | 72 |
| Total | 294 | 270 | 747 |
| Avg/yr | 42 | 45 | 107 |
| No. of Years | 7 | 6 | 7 |

Notes:

Repaired & Certified- owner repaired lateral after failed inspection

CIP - laterals inspected as part of CIP project

total inspections- inspections for resale, building permits, CIP, & other; does not include multiple inspections for one unit

replacement project. The majority of the other inspections required were triggered by home resales. In 2019, TCSD sewer main pipe replacement projects included inspections of laterals.

The Table above shows the number of laterals inspected can vary greatly with the CIP project due to the number of homes along a given sewer main line. However, we believe an average of 45-50 laterals inspections per year as part of a sewer main CIP replacement project is a reasonable assumption.

We believe approximately 40-50% of the private laterals have been inspected in the District. Staff and the TCSD engineer believe a goal of 100-110 inspections per year is reasonable given current staffing levels. The 100-110 inspections/year does not include multiple inspections that may be required for the same unit.

In the past, TCSD offered free lateral inspections. However, this service is no longer offered because of the risk of damage to our camera equipment and staff time needed to provide this service. We can discuss this more at the work session.

TCSD Lateral Loan Program

From 2006 to 2010, TCSD offered a financing program for sewer laterals. We believe the program was created because of the first major sewer line replacement program in the streets listed from 2006-2008. The Table below shows 164 loans totaling \$302,000. Three loans are currently outstanding for a total of approximately \$5,000 with the last payment due in FY26/27. The loan terms were up to 10 years at 5% interest. The source of the loan funds was the 2005 and 2008 financing received from the Municipal Finance Corporation. SASM currently offers a loan program for lateral replacements based on household income. Staff can provide more loan program administration details at the work session.

TCSD PRIVATE LATERAL LOAN PROGRAM

| Year Issued | Area by Streets | Number of Loans | Total Principal Loan | Average Loan Amount |
|--------------------|------------------------|------------------------|-----------------------------|----------------------------|
| 2006 | Robin, Starling | 43 | \$ 96,000 | \$ 2,233 |
| 2008 | Cardinal, Flamingo | 46 | \$ 68,000 | \$ 1,478 |
| 2008 | Jean, Linda & Ross | 60 | \$ 44,000 | \$ 733 |
| 2010-2016 | Various | 15 | \$ 94,000 | \$ 6,267 |
| Total | | 164 | \$ 302,000 | |

FISCAL IMPACT

n/a

ATTACHMENT

CIP Wastewater summary

CAPITAL IMPROVEMENT PROGRAM 5-YEAR SUMMARY-WASTE WATER

| | Yr End | Adopted | Fiscal Year | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| FUNDING SOURCES | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | Total |
| Measure A funds | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Certificates of Participation (bond funding) | \$ 1,587,695 | \$ 1,450,000 | \$ 2,664,584 | \$ 1,940,000 | \$ - | \$ - | \$ 7,642,279 |
| County Grant | \$ - | \$ 30,000 | \$ - | \$ - | \$ - | \$ - | \$ 30,000 |
| TCSD Facility Fund | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Park Facility Fund | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Waste Water Capital Reserves | \$ - | \$ 380,000 | \$ 115,000 | \$ 1,675,000 | \$ 3,270,000 | \$ 1,425,000 | \$ 6,865,000 |
| Solid Waste Facility Fund | \$ - | \$ - | \$ - | \$ - | \$ 200,000 | \$ 200,000 | \$ 400,000 |
| Other: Prop 68 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Revenue | \$ 1,587,695 | \$ 1,860,000 | \$ 2,779,584 | \$ 3,615,000 | \$ 3,470,000 | \$ 1,625,000 | \$ 14,937,279 |

| USES | FISCAL YEAR | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Project | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | Total |
| Bell Lane Force Main | \$ 122,784 | \$ 50,000 | \$ 50,000 | \$ 660,000 | \$ 1,950,000 | \$ 610,000 | \$ 3,442,784 |
| Auxiliary Bell Lane Pump Station | \$ 259,091 | \$ 100,000 | \$ 1,560,000 | \$ 1,940,000 | \$ 505,000 | \$ - | \$ 4,364,091 |
| Sewer Pipeline Replacement Projects | \$ 1,168,292 | \$ 1,300,000 | \$ 1,054,584 | \$ 900,000 | \$ 900,000 | \$ 900,000 | \$ 6,222,876 |
| Sewer Pipeline Emergency Repair Projects | \$ 37,528 | \$ 345,000 | \$ 115,000 | \$ 115,000 | \$ 115,000 | \$ 115,000 | \$ 842,528 |
| Repair Pipe Culvert- (Erica to Midvale Trail) | \$ - | \$ 65,000 | \$ - | \$ - | \$ - | \$ - | \$ 65,000 |
| Total | \$ 1,587,695 | \$ 1,860,000 | \$ 2,779,584 | \$ 3,615,000 | \$ 3,470,000 | \$ 1,625,000 | \$ 14,937,279 |
| Project Surplus (Deficit) | \$ - | \$ - | \$ 0 | \$ - | \$ - | \$ - | \$ 0 |