



The Mission of the Las Gallinas Valley Sanitary District is to protect public health and the environment by providing effective wastewater collection, treatment, and recycling services.

**DISTRICT BOARD**  
Megan Clark  
Rabi Elias  
Craig K. Murray  
Judy Schriebman  
Crystal J. Yezman

**DISTRICT ADMINISTRATION**  
Mike Prinz,  
General Manager  
Michael Cortez,  
District Engineer  
Mel Liebmann,  
Plant Manager  
Greg Pease,  
Collection System/Safety Manager  
Robert Ruiz,  
Administrative Services Manager

## BOARD MEETING AGENDA

June 20, 2019

**MATERIALS RELATED TO ITEMS ON THIS AGENDA ARE AVAILABLE FOR PUBLIC INSPECTION DURING NORMAL BUSINESS HOURS AT THE DISTRICT OFFICE, 300 SMITH RANCH ROAD, SAN RAFAEL, OR ON THE DISTRICT WEBSITE [WWW.LGVSD.ORG](http://WWW.LGVSD.ORG)**

Estimated  
Time

3:30 PM

**1. PUBLIC COMMENT**

This portion of the meeting is reserved for persons desiring to address the Board on matters not on the agenda and within the jurisdiction of the Las Gallinas Valley Sanitary District. Presentations are generally limited to three minutes. All matters requiring a response will be referred to staff for reply in writing and/or placed on a future meeting agenda. Please contact the General Manager before the meeting.

**CLOSED SESSION:**

3:35 PM

**1. PUBLIC EMPLOYEE PERFORMANCE EVALUATION – GENERAL MANAGER:** pursuant to subdivision (b)(1) of Government Code Section 54957.

**2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS – Pursuant to Government Code § 54956.5; Two (2) items:**

A) Regarding real property located at 79 Vendola Drive, San Rafael. Real Property Negotiator Is Mike Prinz, General Manager. Seeking instruction/authority concerning price and/or terms of payment.  
B) Regarding discussions between public agency and District re: potential of unidentified District parcel(s). Real Property Negotiator is Mike Prinz, General Manager. To provide information to the Board regarding initial general instructions/authority concerning price and/or terms of payment.

**OPEN SESSION:**

4:30 PM

**1. PUBLIC COMMENT**

This portion of the meeting is reserved for persons desiring to address the Board on matters not on the agenda and within the jurisdiction of the Las Gallinas Valley Sanitary District. Presentations are generally limited to three minutes. All matters requiring a response will be referred to staff for reply in writing and/or placed on a future meeting agenda. Please contact the General Manager before the meeting.

4:35 PM

**2. PUBLIC HEARING FOR ORDINANCE NO. 177 AMENDING TITLE 2, CHAPTER 1 – SANITARY CODE OF THE LAS GALLINAS VALLEY SANITARY DISTRICT PUBLIC HEARING – TO MAINTAIN PARITY OF THE CAPITAL FACILITIES CHARGE****A. OPEN PUBLIC HEARING**

District staff presentation on the proposed Ordinance No 177 Amending Title 2, Chapter 1 Sanitary Code of the Las Gallinas Valley Sanitary District.

**B. REVIEW DISTRICT STAFF RECOMMENDATIONS**

Board to consider staff recommendation to amend Title 2, Chapter 1 Sanitary Code of the Las Gallinas Valley Sanitary District.

**C. PUBLIC COMMENT**

This portion of the meeting is reserved for persons desiring to address the Board regarding the proposed rate increase. Presentations are generally limited to three minutes.

**D. CLOSE THE PUBLIC HEARING**

Board to close the public hearing.

**E. BOARD DETERMINATION AND ACTION**

Board to consider comments from public, review administrative record and make determination regarding action to increase Capital Facilities Charge. The Board shall make a finding that its action is consistent with the requirements of the Government Code that implemented Proposition 218.

4:45 PM

**3. PUBLIC HEARING FOR ORDINANCE NO. 178 AN ORDINANCE MODIFYING CHAPTER 7 OF TITLE 1 TO THE SANITARY CODE OF THE LAS GALLINAS VALLEY SANITARY DISTRICT – TO PROVIDE INFORMAL BIDDING PROCEDURES UNDER THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT FOR CONSTRUCTION PROJECTS****A. OPEN PUBLIC HEARING**

District staff presentation on the proposed Ordinance No 178 Modifying Chapter 7 of Title 1 to the Sanitary Code of the Las Gallinas Valley Sanitary District.

**B. REVIEW DISTRICT STAFF RECOMMENDATIONS**

Board to consider staff recommendation to modifying Chapter 7 of Title 1 to the Sanitary Code of the Las Gallinas Valley Sanitary District.

**C. PUBLIC COMMENT**

This portion of the meeting is reserved for persons desiring to address the Board regarding the proposed ordinance. Presentations are generally limited to three minutes.

**D. CLOSE THE PUBLIC HEARING**

Board to close the public hearing.

**E. BOARD DETERMINATION AND ACTION**

Board to consider comments from public and make determination regarding action adopting Ordinance 178 Modifying Chapter 7 of Title 1 to the Sanitary Code of the Las Gallinas Valley Sanitary District.

**4:55 PM 4. CONSENT CALENDAR:**

These items are considered routine and will be enacted, approved or adopted by one motion unless a request for removal for discussion or explanation is received from the staff or the Board.

- A. Approve the Board Minutes for June 6, 2019
- B. Approve the Warrant List for June 20, 2019

**5:05 PM 5. INFORMATION ITEMS:****A. STAFF/CONSULTANT REPORTS:**

- 1. General Manager Report – Verbal
- 2. Du-All Safety Contract Proposal for July 1, 2019 – June 30, 2020

**5:30 PM 6. BOARD REPORTS:**

- 1. LAFCO - Verbal
- 2. Gallinas Watershed Council / Miller Creek Watershed Council– Verbal
- 3. JPA Local Task Force on Solid and Hazardous Waste – Verbal
- 4. Flood Zone 7 - Verbal
- 5. NBWA – Verbal
- 6. NBWRA/North Bay Water – Verbal
- 7. Engineering Subcommittee – Verbal
- 8. Other Reports – Verbal

**5:50 PM 7. BOARD REQUESTS:**

- A. Board Meeting Attendance Requests – Verbal
- B. Board Agenda Item Requests – Verbal

**5:55 PM 8. VARIOUS ARTICLES AND MISCELLANEOUS DISTRICT CORRESPONDENCE****6:00 PM 9. ADJOURNMENT**

**FUTURE BOARD MEETING DATES – JUNE 27, 2019 1:00 – 3:00 PM , JULY 17, 2019 3:00 PM  
AND AUGUST 1, 2019 4:30 PM**

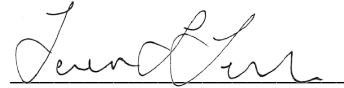
AGENDA APPROVED:

Rabi Elias, Board Vice-President

David Byers, Legal Counsel

**CERTIFICATION:** I, Teresa Lerch, District Secretary of the Las Gallinas Valley Sanitary District, hereby declare under penalty of perjury that on or before June 17, 2019 at 3:30 p.m., I posted the Agenda for the Board Meeting of said Board to be held June 20, 2019 at the District Office, located at 300 Smith Ranch Road, San Rafael, CA.

DATED: June 17, 2019



Teresa L. Lerch  
District Secretary

The Board of the Las Gallinas Valley Sanitary District meets regularly on the first and third Thursday of each month. The District may also schedule additional special meetings for the purpose of completing unfinished business and/or study session. Regular meetings are held at the District Office, 300 Smith Ranch Road, San Rafael.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District at (415) 472-1734 at least 24 hours prior to the meeting. Notification prior to the meeting will enable the District to make reasonable accommodation to help ensure accessibility to this meeting.





# Agenda Summary Report

**To:** Mike Prinz, General Manager *MP*  
**From:** Michael P. Cortez, PE, District Engineer  
**Mtg. Date:** June 20, 2019  
**Re:** Proposed Ordinance 177 – Amendment to Title 2, Chapter 1, Sanitary Code of the Las Gallinas Valley Sanitary District  
**Item Type:** Consent \_\_\_\_\_ Discussion X Information \_\_\_\_\_ Other \_\_\_\_\_  
**Standard Contract:** Yes \_\_\_\_\_ No \_\_\_\_\_ (See attached) Not Applicable X

## BACKGROUND:

The existing Ordinance 173, Title 2, Chapter 1 adopted on June 28, 2018 requires a periodic update to maintain parity of the Capital Facilities Charge (CFC) in current dollar value. The Ordinance utilizes a base Engineering News Record (ENR) San Francisco City Index of 11,726 (July 2017). The July 2018 ENR Index for San Francisco is 12,051. The CFC and the connection fee per additional plumbing fixture unit (PFU) will be adjusted in the same proportion as the change in the ENR Index.

- CFC will be adjusted from \$6,056 to \$6,224.
- Connection Fee per additional PFU when the addition or alteration causes the existing structure to exceed twenty (20) PFUs will be adjusted from \$303 to \$311.

## PREVIOUS BOARD ACTION:

On April 25, 2019, Board set a Public Hearing for Ordinance No 177, An Ordinance to Amending Title 2, Chapter 1, Sanitary Code of the Las Gallinas Valley Sanitary District on June 20, 2019.

## ENVIRONMENTAL REVIEW:

N/A

## FISCAL IMPACT:

Capacity Fee Revenue Increase: \$168 for CFCs and \$8 for PFUs.

## STAFF RECOMMENDATION:

Board to adopt Ordinance No 177, An Ordinance to Amending Title 2, Chapter 1, Sanitary Code of the Las Gallinas Valley Sanitary District.

**BOARD OF DIRECTORS OF THE  
LAS GALLINAS VALLEY SANITARY DISTRICT**

**ORDINANCE 177**

**AN ORDINANCE AMENDING TITLE 2, CHAPTER 1,  
SANITARY CODE OF THE  
LAS GALLINAS VALLEY SANITARY DISTRICT**

The Board of Directors of the Las Gallinas Valley Sanitary District, Marin County, California, does ordain as follows:

Section 1. Title 2, Chapter 1, Section 907, of the Ordinance Code of the Las Gallinas Valley Sanitary District, is amended to read as follows:

**ARTICLE IX. PERMITS AND FEES**

Section 907. Capital Facilities Charge.

A) Applicants desiring connection to the wastewater facilities of the District shall pay a capital facilities charge of \$6,224 per Equivalent Sewer Unit (“E.S.U.”) to the District prior to connection.

\*\*\*\*\*

5) Additions or alterations of existing structures (other than high-flow or high-strength) shall be charged a sewer connection fee (sometimes referred to as Capital Facilities Charge) and be subject to additional conditions of connection in accordance with the following:

(a) No Connection fee shall be charged where the addition or alteration will not cause the existing structure to exceed twenty (20) Plumbing Fixture Units (PFUs). In the event the addition or alteration causes the existing structure to exceed twenty (20) Plumbing Fixture Units (PFUs), a Connection fee charge of Three Hundred Eleven Dollars

(\$311) per Plumbing Fixture Unit (PFU) added shall be charged.

\*\*\*\*\*

D) Adjustment. To maintain parity of the Capital Facilities Charge in current-dollar values, the charge will be reviewed periodically. Any adjustments, if necessary, shall be passed by ordinance as follows:

- 2) The base ENR Index, as of the adoption of this Ordinance, is 12,051 (July 2018).

Section 2. Upon adoption of this Ordinance, it shall be entered in full in the minutes of the Board of Directors, shall be posted on the District’s front gate bulletin board, the District’s website, shall be published once in the Marin Independent Journal, and shall take effect immediately upon the expiration of one (1) week of said publication and posting.

Section 3. All other ordinances and parts of ordinances inconsistent herewith are hereby repealed.

\*\*\*\*\*

I hereby certify that the foregoing is a full, true and correct copy of the Ordinance duly and regularly passed and adopted by the Board of Directors of the Las Gallinas Valley Sanitary District of Marin County, California, at a meeting hereof held on June 20, 2019, by the following vote of members thereof:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Teresa Lerch, District Secretary  
Las Gallinas Valley Sanitary District

APPROVED:

\_\_\_\_\_  
Craig K. Murray, Board President

(seal)



# Agenda Summary Report

**To:** Mike Prinz, General Manager *MP*  
**From:** Michael P. Cortez, PE, District Engineer  
**Mtg. Date:** June 20, 2019  
**Re:** Proposed Ordinance 178 – Amendment to Title 1, Chapter 7, Sanitary Code of the Las Gallinas Valley Sanitary District  
**Item Type:** Consent \_\_\_\_\_ Discussion X Information \_\_\_\_\_ Other \_\_\_\_\_  
**Standard Contract:** Yes \_\_\_\_\_ No \_\_\_\_\_ (See attached) Not Applicable X

### BACKGROUND:

The existing Ordinance 174, Title 1, Chapter 7 adopted on June 28, 2018 allows for periodic update based on California Uniform Construction Cost Accounting Commission (CUCCAC) approved adjustments. The CUCCAC recommended the following changes effective as of January 1, 2019:

- a) The change would allow projects costing \$60,000 or less to be performed by employees of a public agency by force account, by negotiated contract, or by purchase order;
- b) The change would allow projects costing up to \$200,000 to be contracted by informal bidding procedures; and projects costing over \$200,000 are subject to the formal bidding process.

The noted increases are pursuant to the provisions and benefits found in the Uniform Public Construction Cost Accounting Act (Act), which provides public agencies economic benefits and greater freedom to expedite public works projects. A new resolution adopting the change in legislation is not required because the District is currently subject to the Act.

### PREVIOUS BOARD ACTION:

On April 25, 2019, Board set a Public Hearing for Ordinance No 178, An Ordinance to Amending Title 1, Chapter 7, Sanitary Code of the Las Gallinas Valley Sanitary District on June 20, 2019.

**ENVIRONMENTAL REVIEW:** N/A

**FISCAL IMPACT:** N/A

### STAFF RECOMMENDATION:

Board to adopt Ordinance No 178, An Ordinance to Amending Title 1, Chapter 7, Sanitary Code of the Las Gallinas Valley Sanitary District.



**BOARD OF DIRECTORS OF THE  
LAS GALLINAS VALLEY SANITARY DISTRICT**

**ORDINANCE 178**

**AN ORDINANCE AMENDING TITLE 1, CHAPTER 7,  
SANITARY CODE OF THE  
LAS GALLINAS VALLEY SANITARY DISTRICT**

The Board of Directors of the Las Gallinas Valley Sanitary District, Marin County, California, does ordain as follows:

Section 1. Title 1, Chapter 7, Section 205, of the Ordinance Code of the Las Gallinas Valley Sanitary District, is amended to read as follows:

**ARTICLE 2. PURPOSE AND SCOPE**

Section 205. If all bids are in excess of two hundred thousand dollars (\$200,000), the District may, by a resolution of a four-fifths vote, award the contract at two hundred twelve thousand five hundred dollars (\$212,500) or less, to the lowest responsible bidder, if it determines the cost estimate of the District was reasonable.

Section 2. Attachment 1 of Title 1, Chapter 7 of the Ordinance Code of the Las Gallinas Valley Sanitary District, is amended to read as follows:

**ATTACHMENT 1**

The table below shows the CUCCAC amounts for the three Tiers referenced in Ordinance 2019-178, as of June 2019. The General Manager will update the Tier amounts after the CUCCAC approves adjustments.

**Table 1**

	<b>CUCCAC</b>
Tier 1	Less than \$60,000
Tier 2	Between \$60,000 to \$200,000
Tier 3	Greater than \$200,000

Section 3. Upon adoption of this Ordinance, it shall be entered in full in the minutes of the Board of Directors, shall be posted on the District's front gate bulletin board, the District's website, shall be published once in the Marin Independent Journal, and shall take effect immediately upon the expiration of one (1) week of said publication and posting.

Section 4. All other ordinances and parts of ordinances inconsistent herewith are hereby repealed.

\*\*\*\*\*

I hereby certify that the foregoing is a full, true and correct copy of the Ordinance duly and regularly passed and adopted by the Board of Directors of the Las Gallinas Valley Sanitary District of Marin County, California, at a meeting hereof held on June 20, 2019, by the following vote of members thereof:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Teresa Lerch, District Secretary  
Las Gallinas Valley Sanitary District

APPROVED:

\_\_\_\_\_  
Craig K. Murray, Board President

(seal)

**MEETING MINUTES JUNE 6, 2019**

THE BOARD OF DIRECTORS OF THE LAS GALLINAS VALLEY SANITARY DISTRICT MET IN OPEN SESSION ON JUNE 6, 2019, AT 4:00 P.M., AT THE DISTRICT OFFICE, 300 SMITH RANCH ROAD, SAN RAFAEL, CALIFORNIA. THE BOARD PRESIDENT MENTIONED THAT TODAY IS D- DAY AND WE WANT TO THANK ALL THE SERVICE PEOPLE WHO HAVE SERVED AND WHO ARE SERVING OUR COUNTRY.

**BOARD MEMBERS PRESENT:**

M. Clark, R. Elias, C. Murray, J. Schriebman  
and C. Yezman

**BOARD MEMBERS ABSENT:**

None

**STAFF PRESENT:**

Mike Prinz, General Manager, (Also present for Closed Sessions) Robert Ruiz, District Treasurer (Also present for Closed Sessions), Teresa Lerch, District Secretary;

**OTHERS PRESENT:**

Patrick Richardson, District Counsel;

**ANNOUNCEMENT:**

President Murray announced that the agenda had been posted as evidenced by the certification on file in accordance with the law.

**PUBLIC COMMENT:**

None

Pursuant to Government Code section 54954.5 District Counsel Richardson requested adding item CONFERENCE WITH REAL PROPERTY NEGOTIATORS, regarding a real property located at 79 Vendola Drive, in San Rafael to the Closed Session. Real Property Negotiator is Mike Prinz, General Manager.

**ACTION:**

Board approved (M/S Schriebman/Yezman 5-0-0-0) adding Conference with Real Property Negotiators to the Agenda.

AYES: Clark, Elias, Murray, Schriebman and Yezman  
NOES: None.  
ABSENT: None.  
ABSTAIN: None.

**ADJOURNMENT:**

**ACTION:**

THE BOARD OF DIRECTORS OF THE LAS GALLINAS VALLEY SANITARY DISTRICT ADJOURNED TO CLOSED SESSION ON JUNE 6, 2019, AT 4:03 P.M., AT THE DISTRICT OFFICE, 300 SMITH RANCH ROAD, SAN RAFAEL, CALIFORNIA.

Lerch left the meeting at 4:03 pm.

**CLOSED SESSION:**

**CONFERENCE WITH REAL PROPERTY NEGOTIATORS** – Pursuant to Government Code § 54956.5; Regarding real property located at 79 Vendola Drive, San Rafael. Real Property Negotiator Is Mike Prinz, General Manager.

**PUBLIC EMPLOYEE PERFORMANCE EVALUATION** – General Manager: pursuant to subdivision (b)(1) of Government Code Section 54957.

**ADJOURNMENT:**

**ACTION:**

The Board of Directors of the Las Gallinas Valley Sanitary District reconvened the Regular Session on June 6<sup>th</sup>, 2019 at 5:10 pm.

**STAFF PRESENT:**

Mike Cortez, District Engineer; Teresa Lerch, District Secretary;

**OTHERS PRESENT:**

None.

**PUBLIC COMMENT:**

None.

**REPORT ON CLOSED SESSION:** President Murray reported that there were no reportable actions in Closed Session.

**RESOLUTION NO. 2019-2165 – A RESOLUTION CERTIFYING THAT LEGAL NOTICE HAS BEEN GIVEN FOR THE HEARING ON THE BUDGET FOR THE FISCAL YEAR 2019-20**

**ACTION:**

Board approved (M/S Schriebman/Clark 5-0-0-0) Resolution No. 2019-2165– A Resolution Certifying that Legal Notice Has Been Given for the Hearing on the Budget for the Fiscal Year 2019-20.

AYES: Clark, Elias, Murray, Schriebman and Yezman.

NOES: None.

ABSENT: None.

ABSTAIN: None.

**RESOLUTION NO. 2019-2166– A RESOLUTION CERTIFYING THAT LEGAL NOTICE HAS BEEN GIVEN FOR THE HEARING ON THE SEWER SERVICE CHARGE RATE INCREASE FOR THE FISCAL YEAR 2018-19**

**ACTION:**

Board approved (M/S Schriebman/Clark 5-0-0-0) Resolution No. 2019-2166 – A Resolution Certifying that Legal Notice Has Been Given for the Hearing on the Sewer Service Charge Rate Increase for the Fiscal Year 2019-20.

AYES: Clark, Elias, Murray, Schriebman and Yezman.

NOES: None.

ABSENT: None.

ABSTAIN: None.

**PUBLIC HEARING - SEWER SERVICE CHARGE RATE INCREASE: A HEARING TO CONSIDER RAISING THE ANNUAL SEWER SERVICE CHARGE FOR THE NEXT YEAR CONSISTENT WITH REQUIREMENTS OF THE GOVERNMENT CODE**

- A. **OPEN PUBLIC HEARING** – President Murray opened the public hearing at 5:12 P.M.
- B. **RATE INCREASE PRESENTATION** - District staff presented staff report on the proposed sewer service charge rate increases for Fiscal Year 2019-20, which was in keeping with the five-year plan previously adopted by the District on June 11, 2015 and supported by studies to determine the operating expenses and capital outlay requirements for the fiscal years 2015-2016 through 2019-2020. The proposed increases are: Fiscal year 2019-20, not to exceed \$927.00



- C. **REVIEW DISTRICT STAFF RECOMMENDATIONS** – Board considered staff recommendations to increase sewer service charges.
- D. **BOARD COMMENT** – The Board discussed the 11 public protest letters on the proposed rates and structure and thanked the staff for their input. District Counsel Richardson noted that staff has prepared a report to support the rate increase with the evidence presented and that an insufficient number of protest letters (11) were received to oppose the rate increase. This meets the requirements of Article 13D of the California Constitution and also Government Code 53750 et seq. requiring the findings to substantiate the proposed rate increase.
- E. **PUBLIC COMMENT** – No members of the public addressed the Board with comments.
- F. **CLOSE THE PUBLIC HEARING** – President Murray closed the Public Hearing at 5:22 P.M.

**ACTION:**

Board approved (M/S Schriebman/Elias 5-0-0-0) the Sewer Service Charge Rate Increase to \$927 for the FY 2019/20 and noted that staff had prepared a report to support the rate increase with the evidence presented and that an insufficient number of protest letters (11) were received to oppose the rate increase. This meets the requirements of Article 13D of the California Constitution and also Government Code 53750 et seq. requiring the findings to substantiate the proposed rate increase.

AYES: Clark, Elias, Murray, Schriebman and Yezman.  
 NOES: None.  
 ABSENT: None.  
 ABSTAIN: None.

**PUBLIC HEARING – BUDGET FOR THE 2019-20 FISCAL YEAR**

- A. **OPEN PUBLIC HEARING** – President Murray opened the public hearing at 5:24 P.M.
- B. **BUDGET 2019-20 PRESENTATION** - District staff presented the following proposed budgets for the fiscal year July 1, 2019 to June 30, 2020:
  - a. Revenue
  - b. Operating and Maintenance
  - c. Reserves
  - d. Debt Service
  - e. Capital Outlay
- C. **REVIEW DISTRICT STAFF RECOMMENDATIONS** – Board considered staff recommendations.
- D. **PUBLIC COMMENT** – No members of the public addressed the Board.
- E. **BOARD COMMENT** – The Board discussed the proposed Budgets and thanked the staff and for their input.
- F. **CLOSE THE PUBLIC HEARING** – President Murray closed the Public Hearing at 5:42 P.M.

**ACTION:**

Board approved (M/S Clark/Elias 5-0-0-0) the Budgets for the 2019-20 Fiscal Year.

AYES: Clark, Elias, Murray, Schriebman and Yezman.  
 NOES: None.  
 ABSENT: None.  
 ABSTAIN: None.

**ACTION:**

Board approved (M/S Yezman/Elias 5-0-0-0) Resolution No. 2019-2167– A Resolution Confirming the Annual Sewer Service Charge and Supplemental Service Charges for the Las Gallinas Valley Sanitary District for the Fiscal Year 2019-20.

AYES: Clark, Elias, Murray, Schriebman and Yezman.  
 NOES: None.  
 ABSENT: None.  
 ABSTAIN: None.

**ACTION:**

Board approved (M/S Schriebman/Elias 5-0-0-0) Resolution No. 2018-2168 – A Resolution Fixing and Approving the Budget for the Fiscal Year 2019-20.

AYES: Clark, Elias, Murray, Schriebman and Yezman.  
NOES: None.  
ABSENT: None.  
ABSTAIN: None.

**ACTION:**

Board approved (M/S Elias/Schreibman 5-0-0-0) Resolution No. 2019-2169 – A Resolution Providing for the Collection of Sewer Service Charges on the Tax Roll.

AYES: Clark, Elias, Murray, Schriebman and Yezman.  
NOES: None.  
ABSENT: None.  
ABSTAIN: None.

**ACTION:**

Board approved (M/S Schriebman/Elias 5-0-0-0) Resolution No. 2018-2170 – A Resolution Determining the 2019-20 Appropriation of Tax Proceeds.

AYES: Clark, Elias, Murray, Schriebman and Yezman.  
NOES: None.  
ABSENT: None.  
ABSTAIN: None.

**ACTION:**

Board approved (M/S Yezman/Clark 5-0-0-0) Resolution No. 2019-2171 – A Resolution Requesting Allocation of Taxes for the Fiscal Year 2019-20

AYES: Clark, Elias, Murray, Schriebman and Yezman.  
NOES: None.  
ABSENT: None.  
ABSTAIN: None.

**CONSENT CALENDAR:**

These items are considered routine and will be enacted, approved or adopted by one motion unless a request for removal for discussion or explanation is received from the staff or the Board.

- A. Approve the Board Minutes for May 16th and May 21st , 2019
- B. Approve the Modified Warrant List for May 16th and the Warrant List for June 6, 2019
- C. Approve Board Compensation for May 2019
- D. Approve Conference requests for Elias, Clark and Yezman to attend the Special District Leadership Conference in Napa July 7-10 and Clark and Yezman to attend the CASA Conference in San Diego August 21-23 and Clark and Elias to attend the WaterReuse Conference in San Diego September 7-11.
- E. Approve Resolution 2019-2172 Adopting the Pay Scales Effective July 1, 2019
- F. Approve Award of Contract for On-Call Contract for Construction Projects to Piazza Construction

Items D,E and F were discussed

**ACTION:**

Board approved Elias/Schriebman 5-0-0-0) the Consent Calendar items A through F.

AYES: Clark, Elias, Murray, Schriebman and Yezman.

NOES: None.

ABSENT: None.

ABSTAIN: None.

**APPROVE RENEWAL OF EMPLOYMENT AGREEMENTS BETWEEN LAS GALLINAS VALLEY SANITARY DISTRICT AND MICHAEL CORTEZ, DISTRICT ENGINEER; ROBERT LIEBMANN, PLANT MANAGER; ROBERT RUIZ, ADMINISTRATIVE SERVICES MANAGER; GREG PEASE, COLLECTION SYSTEM AND SAFETY MANAGER AND MIKE PRINZ, GENERAL MANAGER**

Board and staff discussed the Employment Agreements.

**ACTION:**

Board approved (M/S Schriebman/Yezman 5-0-0-0) the Employment Agreements between Las Gallinas Valley Sanitary District and Michael Cortez, District Engineer; Robert Liebmann, Plant Manager; Robert Ruiz, Administrative Service Manager; Greg Pease, Collection System and Safety Manager and Mike Prinz, General Manager.

AYES: Clark, Elias, Murray, Schriebman and Yezman.

NOES: None.

ABSENT: None.

ABSTAIN: None.

**PURCHASE OF DISTRICT VEHICLE FOR GENERAL MANAGER**

Board and staff discussed the purchase of a District Vehicle for the General Manager.

**ACTION:**

Board approved (M/S Yezman/Clark 5-0-0-0) the purchase of a District Vehicle for the General Manager.

AYES: Clark, Elias, Murray, Schriebman and Yezman.

NOES: None.

ABSENT: None.

ABSTAIN: None.

**INFORMATION ITEMS:**

**STAFF / CONSULTANT REPORTS:**

1. Interim General Manager Report – Verbal – Prinz reported. Prinz mentioned that the the Strategic Plan Workshop #2 will be held at a Special Board Meeting on June 27 1 pm to 3 pm. Due to a scheduling conflict Prinz asked the Board to move the July 18<sup>th</sup> Regular Board meeting to July 17<sup>th</sup> 1-3 pm. Discussion ensued.

**ACTION:**

Board approved (M/S Schriebman/Elias 5-0-0-0) moving the Regular Board meeting scheduled for July 18 to July 17<sup>th</sup>. District Counsel Richardson confirmed that the July 17<sup>th</sup> Board meeting is considered a Regular Board Meeting.

AYES: Clark, Elias, Murray, Schriebman and Yezman.

NOES: None.

ABSENT: None.

ABSTAIN: None.

2. Contract for On-Call Contract Engineering Services with Hazen and Sawyer. Cortez and Prinz reported.

Cortez and Richardson left at 6:55 pm.

**BOARD REPORTS:**

- 1. LAFCO – Verbal – Murray reported
- 2. Gallinas Watershed Council / Miller Creek Watershed Council – Verbal – Schriebman reported.
- 3. JPA Local Task Force on Solid and Hazardous Waste – Verbal – no report.
- 4. Flood Zone 7– Verbal – Elias reported.
- 5. NBWA  
Board Committee – Verbal – no report.  
Executive Committee – Verbal – no report.  
JTC – Written – Schriebman reported.

Yezman left the meeting at 7:10 pm

- 6. NBWRA /North Bay Water – Verbal – Elias reported.
- 7. Engineering Subcommittee – Verbal – no report.
- 8. Other Reports – Written – Schriebman reported on Mosquito control.

**BOARD REQUESTS:**

- A. Board Meeting Attendance Requests – none.
- B. Board Agenda Item Requests – none.

**VARIOUS ARTICLES AND MISCELLANEOUS DISTRICT CORRESPONDENCE:**

Discussion ensued.

**ADJOURNMENT:**

**ACTION:**

Board approved (M/S Murray/Clark 4-0-1-0) the adjournment of the meeting at 7:17 p.m.

- AYES: Clark, Elias, Murray and Schriebman.
- NOES: None.
- ABSENT: Yezman.
- ABSTAIN: None.

The next Board Meeting is scheduled for June 20, 2019 at the District Office.

ATTEST:

\_\_\_\_\_  
Teresa Lerch, District Secretary

APPROVED:

\_\_\_\_\_  
Craig K. Murray, Board President

SEAL



Las Gallinas Valley Sanitary District  
Warrant List  
06-20-19

Agenda Item 4B  
Date June 20, 2019

	Date	Num	Vendor	Amount	Description for items > \$1000
1	6/20/2019	EFT1	ADP, Inc.	101,922.57	Payroll and processing fees for paydate 06/7/19
2	6/20/2019	ACH	A and P Moving Inc	84.70	
3	6/20/2019	TBD	Allmax Software Support	1,275.30	Antero CMMS Annual Support
4	6/20/2019	TBD	Aquadyne Associates	11,990.45	Spare parts for Abel Pump Technology; scump pumps #2,#3
5	6/20/2019	TBD	ArcSine Engineering	31,728.66	Annual SCADA support services
6	6/20/2019	TBD	Aries Industries, Inc.	919.40	
7	6/20/2019	EFT2	Bank of Marin	19,612.19	COP Loan
8	6/20/2019	EFT2	Bank of Marin	27,723.45	COP Loan
9	6/20/2019	TBD	Banner Bank	22,882.72	STPURWE retention #2
10	6/20/2019	ACH	Bellecci & Associates, Inc.	21,673.00	CM & Inspection Services for: Sewer Main Rehab, Quail Hill CIPP, Marinwood TS Hwy 101 undercrossing
11	6/20/2019	TBD	Brenntag Pacific, Inc.	4,180.72	sodium bicarbonate; citric acid
12	6/20/2019	ACH	Brown and Caldwell	664.78	
13	6/20/2019	ACH	Buck's Saw Service, Inc	650.79	
14	6/20/2019	ACH	Byers Law Office	5,025.00	Legal services May 2019
15	6/20/2019	ACH	CalPERS Fiscal Services Division	11,630.00	OPEB
16	6/20/2019	EFT	Calif. Public Employees Retirement System	15,166.73	Pension contribution employee and employer for 6/7/19 paydate
17	6/20/2019	EFT	CalPERS Supplemental Income 457 Plan	4,081.42	Employee salary deferrals for 6/07/19 paydate
18	6/20/2019	TBD	Comet Building Maintenance, Inc.	1,677.93	Janitorial services
19	6/20/2019	ACH	Contractor Compliance and Monitoring, Inc	2,022.23	Labor compliance
20	6/20/2019	ACH	Core Utilities, Inc.	2,250.00	IT services May 2019
21	6/20/2019	ACH	Custom Tractor Service	2,657.50	Mowing reclamation
22	6/20/2019	ACH	Data Instincts	1,760.00	Prop 218 and Spring Newsletter
23	6/20/2019	EFT	Direct Dental Administrators, LLC	1,142.80	Dental claims May
24	6/20/2019	EFT	Discovery Benefits	50.00	
25	6/20/2019	ACH	Downing Heating & Air Conditioning, Inc.	1,046.28	Repairs to Admin bldg A/C
26	6/20/2019	ACH	Du-All Safety, LLC	2,408.00	Monthly safety agreement
27	6/20/2019	TBD	Durkin Signs & Graphics	1,384.20	Signs requested by Engineering dept
28	6/20/2019	ACH	Edelstein, Daniel	6,654.00	Environmental services
29	6/20/2019	ACH	EOA, Inc.	10,591.91	Regulatory permit consulting services
30	6/20/2019	TBD	Frank A. Olsen Co.	21.92	
31	6/20/2019	ACH	Gardeners' Guild	1,090.00	Landscape maintenance
32	6/20/2019	ACH	Golshani, Sahar	530.98	
33	6/20/2019	ACH	Grainger	153.59	
34	6/20/2019	TBD	Graphicsmith LLC	79.20	
35	6/20/2019	ACH	Hanford ARC	6,283.38	Lower Miller Creek year 1 revegetation maintenance (May 2019)
36	6/20/2019	TBD	Herb's Pool Service, Inc.	87.15	
37	6/20/2019	TBD	Jackson's Hardware, Inc.	8.65	
38	6/20/2019	TBD	Marin Ace	508.64	

Las Gallinas Valley Sanitary District  
Warrant List  
06-20-19

	Date	Num	Vendor	Amount	Description for items > \$1000
39	6/20/2019	TBD	Marin County Parks	11,000.00	Reimbursement for Marin Fence and Golf Cart Rental
40	6/20/2019	TBD	Marin Independent Journal	292.24	
41	6/20/2019	TBD	Medical Center of Marin	226.00	
42	6/20/2019	TBD	MWH Constructors, Inc.	84,060.32	STPURWE construction mgmt
43	6/20/2019	TBD	Myers & Sons Contruction, LP	434,771.76	STPURWE progress #2
44	6/20/2019	TBD	North Bay Petroleum	2,338.38	Fuel
45	6/20/2019	ACH	Nute Engineering	5,920.25	Plant Improvements project
46	6/20/2019	TBD	Operating Engineers Local No. 3	797.58	
47	6/20/2019	TBD	Pacific Gas & Electric - 0580531718-6	3,506.39	Power for the Plant
48	6/20/2019	TBD	Pacific Gas & Electric - 1991349158-5	6,639.90	Pump Stations power
49	6/20/2019	TBD	ParcelQuest	2,750.00	Annual subscription
50	6/20/2019	ACH	Regional Government Services Authority	1,425.00	Organization Analysis consulting agreement
51	6/20/2019	TBD	Roy's Sewer Service	3,750.00	Descanso Force Main Tie-In Bypass Pump Station - Transfer sewage
52	6/20/2019	TBD	Southern Counties Lubricants	178.54	
53	6/20/2019	TBD	Synectic Technologies	15,559.80	New phone system installation
54	6/20/2019	ACH	Thatcher Company of California, Inc.	5,538.55	Ferric Chloride 4,000 gallons
55	6/20/2019	TBD	TPx Communications	642.87	
56	6/20/2019	TBD	Traffic Management Products, Inc.	3,747.98	Signs along public road
56	6/20/2019	ACH	Unison Solutions, Inc.	1,477.65	BERS BioCNG Compressor Maintenance Kit
57	6/20/2019	ACH	Univar USA Inc.	3,516.02	Sodium hypochlorite
58	6/20/2019	ACH	US Bank (bond fees)	1,600.00	Bond admin fees
59	6/20/2019	TBD	Verizon Wireless	674.23	
60	6/20/2019	TBD	Water Components & Building Supply	102.01	
61	6/20/2019	ACH	WECO Industries	599.59	
			<b>TOTAL</b>	<b>\$ 914,735.30</b>	

**6/20/2019**

**General Manager Report**

- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation



Item Number 5A2

# Agenda Summary Report

To: Mike Prinz, General Manager *MP*  
 From: Greg Pease, Collection System/Safety Manager *GP*  
 Mtg. Date: June 20, 2019  
 Re: Du-All Safety Contract Porposal for July 1, 2019 to June 30, 2020  
 Item Type: Consent \_\_\_\_\_ Discussion \_\_\_\_\_ Information X Other \_\_\_\_\_  
 Standard Contract: Yes X No \_\_\_\_\_ (See attached) Not Applicable \_\_\_\_\_

### BACKGROUND:

District Consultant, Du-All Safety, provides regulatory safety information and safety training for the District. Du-All members have proven beneficial in meeting existing and new regulatory requirements. In addition to their advisory skills, Du-All attends all District Safety Committee meetings and performs safety training on topics ranging from confined space to bloodborne pathogens. Du-All Safety was present in 2016 when the Certified Unified Program Agencies (CUPA) conducted an inspection of District facilities for proper hazardous material handling and disposal. With the help of Du-All, the District met or exceeded all necessary requirements for notifications, handling and disposal of hazardous waste.

For fiscal year 2019/2020, Du-All Safety's proposed rate for consulting and on-line MSDS hosting has not changed from fiscal year 2018/2019. Du-All will continue to perform their contract hours on site, (2) days a month in order to assist District staff with any/all safety related questions and/or concerns. Their on-site presence will also be valuable during the construction of the plant upgrades.

### PREVIOUS BOARD ACTION:

Du-all Safety Contract for 2018/2019 approved on June 14, 2018

### ENVIRONMENTAL REVIEW:

N/A

### FISCAL IMPACT:

\$28,896.00 which is within the General Manager signature authority

### STAFF RECOMMENDATION:

Information only



**MEMORANDUM of AGREEMENT**

for

***Safety Maintenance at Las Gallinas Valley Sanitary District (LGVSD)***

Las Gallinas Valley Sanitary District (hereafter referred to as "Client") hereby agrees to the development and implementation of safety programs, employee safety training and safety maintenance for the 2019-2020 fiscal year beginning July 1, 2019 (not to exceed 16 hours per month plus the cost of the online SDS (formerly MSDS) Program) by Du-All Safety, as described in the Services Summary below:

**I. Services Summary:**

Du-All Safety will assign an Account Manager to coordinate safety programs and schedule with LGVSD management. Du-All will provide safety support, primarily during the two days on-site per month. It is estimated that Du-All staff will have approximately 5.5 hours per day for each of the two days of in-house service (assumes 4-hours for travel and 1-hour for training development). There may be some variation on the hours if safety classes, inspections or other services are longer than 5.5 hours.

Du-All will maintain safety programs, policies, and permits include;

Required Program	Regulatory Citation
<ul style="list-style-type: none"><li>• Injury &amp; Illness Prevention 8, CCR 3203</li><li>• Hazardous Materials Management Plan 22 CCR 66264.16</li><li>• Hazard Communication (HazCom) 8 CCR 5194</li><li>• Emergency Action Plan 8 CCR 3220</li><li>• Lock &amp; Tag 8 CCR 3314</li><li>• Respiratory Protection 8 CCR 5144</li><li>• Hearing Conservation 8 CCR 5099</li><li>• Fall Protection 8 CCR 1669</li><li>• Confined Space 8 CCR 5157</li><li>• Hazardous Waste 8 CCR 5192</li><li>• Bloodborne Pathogen 8 CCR 5193</li><li>• Hotwork program 8 CCR 4848</li><li>• Heat Illness 8 CCR 3395</li><li>• Personal Protective Equipment 8 CCR 3380</li></ul>	
<ul style="list-style-type: none"><li>• Chemical Inventory and MSDS binder, maintenance of an Online SDS Program with current SDS and add any new SDS for new chemicals.</li></ul>	
<ul style="list-style-type: none"><li>• Conducting OSHA required safety inspections of facilities annually. Documented inspections of the entire site, hazardous materials and waste, equipment, etc. The inspections are to be provided in a correction checklist format with recommended</li></ul>	

corrections including a risk assessment of each finding. Inspection reports will be sent to the client's safety coordinator within two weeks of the inspection.

- Provide all required signs, labels, tags, placards, and postings at Du-All's cost during the course of this agreement.
- Provide monthly training at the direction of the safety coordinator. Monthly safety classes may be combined but will not normally exceed eight (8) hours in duration per month.

Training topics to include but not limited to the following topics:

- |                                 |                                    |
|---------------------------------|------------------------------------|
| -Injury & Illness Prev. 1 hr 1  | -Silica Exposure Prevention 2 hr * |
| -Ergonomics 1 hr                | -Fire & Evacuation 1 hr 1 *        |
| -Respiratory Protection 1 hr 1* | -Electrical Safety 8 hr 1          |
| -Lockout /Tagout 1 hr 1*        | -1st Aid/CPR 6 hr 1                |
| -Earthquake 1 hr                | -Hazcom - Right to Know 2 hr 1     |
| -Machine Tools 1 hr 1           | -DOT Requirements 4 hr 1           |
| -Hazardous Materials 2 hr 1 *   | -Personal Protective Equip. 1 hr 1 |
| -Forklift Certification 6 hr 1  | -Lead Handling 1 hr 1              |
| -Fall Protection 6 hr 1*        | -Ladder Safety 2 hr 1              |
| -Scaffolding Safety 2 hr 1*     | -Trenching & Shoring 8 hrs 1       |
| -Traffic Control/Flagger 6 hr 1 | -Confined Space Entry 8 hrs 1*     |
| -Heat Illness 1 hr 1            | -Asbestos 1 hr 1*                  |
| -Workplace Violence 1 hr        | -Hazardous Waste 4 hrs 1*          |
| -Hearing Conservation 1 hr 1*   | -Mold 1 hr                         |
| -Poison Oak .5 hr               | -Bug bites & Animal Handling 1 hr  |
| -Driver Safety 3 hr             | -Hot work 1 HR 1                   |

1 Indicates required training. \* Indicates *annual* training requirement.

- Any Client employee may attend any of Du-All Safety's open-enrollment classes, based on availability (first come first served), and held at the Du-All Safety office in Fremont, CA at no additional charge.
- Client may borrow any two safety video tapes/DVD (500+) for up to two weeks at no additional charge.
- Provide up to ten (10) online safety classes each month. Client-specific password will enable Client to track all online classes take, by who and when.
- Prepare all employee training outlines, materials and quarterly training schedule for approval by the safety coordinator.
- Du-All Safety will help handle any regulatory agency inspection (i.e. toxic enforcement, EPA, County Health Dept., Fire Dept., Cal/OSHA, etc.).

- Develop and maintain an annual EH&S plan of action for all the above that identifies the regulatory compliance tasks for each quarter, that at a minimum including; scheduled classes, inspections, and program review/updates.
- Du-All Safety consultants will be available, via phone, M-F, from 8:00 AM to 5:00 PM to assist client with any questions associated with the safety program as well as be available for special meetings with safety coordinators and managers and supervisors to help support and review the safety programs and compliance progress.

## II. Billing Procedure:

- A. Client agrees to pay a total monthly cost of \$ 2,320.00. per month for the 16 hours of monthly services outlined in the services summary. In addition, the client agrees to pay \$88.00 per month for the maintenance of the Online SDS Program for the current inventory of 160 SDSs. **The total invoice for each month will be \$2,408.00.**
- B. All safety equipment, and other compliance items are the Client's responsibility to purchase. These items, however, can be purchased through Du-All Safety.
- C. Payment for all services and equipment will be remitted by Client to *Du-All Safety* upon receipt of any services or merchandise.
- D. Any *additions* to this memorandum of agreement will be attached to the back of the agreement.
  1. Initial here if additions are so attached: \_\_\_\_\_  
(Client initials)

## III. Duration

- A. Both parties are bound to this agreement for no less than one (1) year.
- B. Additional service hours as requested will be charged at a rate of: \$145.00 per hour
- C. Additional MSDS in the Online SDS program will be included at the rate of \$.55/SDS.
- D. If, after the expiration of one year, neither party acts to extend, modify, or terminate this agreement, the agreement will continue in full force and effect until action is taken, in accordance with the provisions above, to otherwise alter the status of the agreement.



**IV. Integrated Contract**

This written agreement is the complete and entire understanding between the parties and supersedes any oral agreements made prior to the signing of this agreement. Any changes to this agreement can only be made with the consent of both parties.

**V. Bankruptcy**

In the event that either party shall cease conducting business in the normal course, become insolvent, make a general assignment for the benefit of creditors, suffer or permit the appointment of a receiver for its business or assets or shall avail itself of, or become subject to, any proceeding under the Federal Bankruptcy Act or any other statute of any state relating to insolvency or the protection of rights or creditors, then at the option of the other party, this Agreement shall terminate and be of no further force and effect, and any property or rights of such other party, tangible or intangible, shall forthwith be returned to it.

**VI. Inducing Employees to Leave Du-All Safety or Attempt to Hire Employees of Du-All Safety**

Any attempt on the part of Client or former Client to induce employees to leave Du-All Safety's employ, or any effort by Client or former Client to interfere with Du-All Safety's relationship with its employees would be harmful and damaging to Du-All Safety. Client agrees that during the term of employment and for a period of three (3) years thereafter, Client or former Client will not in any way, directly or indirectly (i) induce or attempt to induce any employee of Du-All Safety to quit employment with Du-all Safety; (ii) otherwise interfere with or disrupt Du-All Safety's relationship with its employees; (iii) solicit , entice, or hire away an Employee of Du-All Safety; or (iv) hire or engage any employee of Du-all Safety or any former employee of Du-all Safety whose employment with Du-All Safety ceased less than one year before the date of such hiring or engagement.

**VII. Acceptance**

I accept the terms of this agreement. I hereby authorize *Du-All Safety* to perform the work stated and I further agree to remit the amounts stated for any services performed by, or equipment provided by *Du-All Safety*, in a timely manner. This proposal is valid for 30 days.

	5/14/19	
(Signature)	(Date)	
(Print Name and Title)	(P.O. Number)	
Las Gallinas Valley Sanitary District		
(Municipality Name)		

## 6/20/2019 BOARD REPORTS

### Agenda Item 6.1

#### LAFCO

- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

### Agenda Item 6.2

#### Gallinas Watershed Council/Miller Creek Watershed Council

- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

### Agenda Item 6.3

#### JPA Local Task Force on Solid and Hazardous Waste

- Separate item to be distributed at Board meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

### Agenda Item 6.4

#### Flood Zone 7

- Separate item to be distributed at Board meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

### Agenda Item 6.5

#### NBWA

- a) Board Committee
- b) Executive Committee
- c) JTC

- Separate item to be distributed at Board meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

### Agenda Item 6.6

#### NBWRA/North Bay Water

- Separate item to be distributed at Board meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

### Agenda Item 6.7

#### Engineering Subcommittee

- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

## 6/20/2019 BOARD REPORTS

### Agenda Item 6.8 Other Reports – Verbal

- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation



**BOARD MEMBER  
MEETING ATTENDANCE REQUEST**

Date: \_\_\_\_\_ Name: \_\_\_\_\_

I would like to attend the \_\_\_\_\_ Meeting  
of \_\_\_\_\_

To be held on the \_\_\_\_\_ day of \_\_\_\_\_ from \_\_\_\_\_ a.m. / p.m. and  
returning on \_\_\_\_\_ day of \_\_\_\_\_ from \_\_\_\_\_ a.m. / p.m.

Actual meeting date(s): \_\_\_\_\_

Purpose of Meeting: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Frequency of Meeting: \_\_\_\_\_

Estimated Costs of Travel (if applicable): \_\_\_\_\_  
\_\_\_\_\_

Please submit to the District Administrative Assistant, no later than 2:00 p.m. on the  
Friday prior to the Board Meeting.

-----  
**For Office Use Only**

Request was  Approved  Not Approved at the Board Meeting held on \_\_\_\_\_.

**6-20-2019**

**BOARD AGENDA ITEM REQUESTS**

**Agenda Item 7B**

- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation



California State Senate

Agenda Item 8  
Date Jun 20, 2019

SENATOR MIKE MCGUIRE

NORTHERN CALIFORNIA'S SECOND SENATE DISTRICT



RECEIVED  
MAY 23 2019  
L.G.V.S.D.

April 29, 2019

Mr. Craig K. Murray, President  
Las Gallinas Valley Sanitary District  
300 Smith Ranch Road  
San Rafael, CA 94903

Dear Mr. Murray *Hey Craig!*

Congratulations to you and the Las Gallinas Valley Sanitary District on receiving up to \$12,000,000 from the IBank.

This money will provide help in upgrading and expanding your Recycled Water Facility at the District's Wastewater Treatment Plant. That will then make alternative water sources available and eventually decrease the district's dependency on ground and imported water.

Congratulations again. If our office can be of assistance, please do not hesitate to call anytime at 479-6612.

Warmest Regards,

MIKE MCGUIRE  
Senator

*Craig - This is a lous fine coming - Thanks for your hard work! Big Congrats!*

*Water district needs 'strong dose of transparency'*

**Marin Voice**

**By Richard L. Harris, Jr.**

In the early 1990s I served as a Marin Municipal Water District director. At the time, MMWD had the second-highest water rates in the United States. Under the board's direction, the district renegotiated outstanding debt, implemented a new capital plan and rate structure and brought operating expenses into balance with revenues.

The result was a \$12.5 million annual profit.

Since then, water consumption has declined roughly 9% due to conservation, while operating expenses have nearly tripled. Declining consumption automatically reduces revenues unless water rates are increased. Indeed, MMWD increased water rates seven times but has operated at a loss since 2014.

How is that possible?

To begin with, water rates need to be set to generate revenues sufficient to adequately cover anticipated operating expenses plus recurring capital investments plus 125% of that year's bond payments. This hasn't happened.

From 2000 to 2007, the MMWD board sought to avoid controversy by raising rates only once — instead using accumulated reserves to subsidize operating expenses. This strategy is part of a pattern of avoiding rate increases prior to board elections — a practice that continues today.

Second, the board has failed to accurately assess and anticipate the trend in operating costs and/or capital investment requirements, leading to incorrect water rate calculations.

In 2017, the board approved a 7% rate increase with a second 7% increase due in 2019. But, instead of raising rates by another 7% as planned, the board is seeking substantially more money: a 4%-per-year, four-year cycle rate increase plus a new capital maintenance fee. In actuality, when the capital maintenance fee is combined with the 4% rate increase, what MMWD calls the average residential customer (which is actually the ones with the smallest meters) will end up paying 28.2% more in 2020 than in 2019. Over the full four years, the increase is closer to 45%. Some homeowners who use little water or have larger meters could see rates double.

The board justifies the capital maintenance fee by listing five areas where the proceeds would be used. All five of the areas are what any municipal utility district would consider normal operating expenses, payable out of operating revenues.

The board fails to differentiate between expenses that reoccur each year — e.g., pipe replacement, which should be funded out of the operating budget — and large, non-reoccurring, intergenerational investments (e.g., replacing a water treatment plant). Best practices suggest that investments benefiting multiple generations of customers should be financed through long-term tax-exempt bonds, which better match costs and benefits.

The board's sleight of hand is unlikely to garner much public support.

MMWD needs a strong dose of transparency, including enhanced financial statements reflecting what's actually going on in the district. The rate setting process should involve an oversight committee comprised of financial professionals — not politicians or special-interest group representatives. A capital expenditure schedule, similar to that included in the 2017 subordinate revenue bond official statement, should be included in the district's financial statements. Board meetings should be available in real time on the internet and held only in the evenings (now many are held at 9:30 a.m. weekdays). Directors' compensation (which averages about \$30,000 a year, including benefits) should be eliminated. After all, each of the directors derives significant exposure and benefits from their board positions and should not require additional compensation.

Not all the news at MMWD is bad. The addition of a competent general manager and treasurer are a step in the right direction. Convincing the board to appoint and work closely with an expert financial committee recognized for its prudence by the community is the next necessary step. *Richard L. Harris, Jr., of Mill Valley, served on the MMWD board in 1993 and was board president in 1994. He is retired after a 40-year career in public finance and investment management.*

**The board's sleight of hand is unlikely to garner much public support.**



## **Water pricing plan fuels legal threat**

**Water**

**MMWD**

Tax watchdog battles rate hike and fees

**By Will Houston**

*[whouston@marinij.com](mailto:whouston@marinij.com) @Will\_S\_Houston on Twitter*

A taxpayer group put the Marin Municipal Water District on notice Thursday, saying it faces “legal peril” if it approves a proposed water rate and fee hike next week.

“It effectively notifies the water district of multiple potential violations of the law if they approve the new fee and rate hike as proposed at the rate hearing on May 28,” Mimi Willard, founder and president of the Coalition of Sensible Taxpayers, or COST, wrote in an email. “I can’t comment on what will be our next step if MMWD proceeds. What I can say is that MMWD can neutralize many of the legal issues if they don’t approve the rate/fee as proposed.”

The water district board of directors is set to vote Tuesday to approve a four-year water rate and fee hike, which includes a new “capital maintenance fee” on customers’ yearly property tax bills.

The meeting is at 7:30 p.m. at the district headquarters at 220 Nellen Ave. in Corte Madera.

The fee, which is based on customers’ water meter size, would cost most customers \$163 or \$409 annually and can be increased by up to 4 percent each year. District officials say the fee and rate increases are needed to pay for replacement and repair of aging pipes, pumps, treatment plants and tanks; to keep up with rising employee pension and health care costs; and to prepare for the effects of climate change, including fire readiness.

The district board has also advanced some changes to its original proposal, such as reevaluating the fee after four years and reducing the fee amount for customers who only have larger water meter sizes for fire sprinklers or water pressure issues.

COST alleges the district’s proposal violates Proposition 218 and other constraints on fees; that the new fee is excessive,

**WATER >> PAGE 4**

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**Water pricing plan fuels legal threat**

**Water**

**FROM PAGE 1**

used for improper purposes and is “permeated by Brown Act violations;” that the district’s proposal to use \$1 million in capital maintenance fee revenue for fire suppression violates Proposition 218; and that the district’s Proposition 218 notice to customers is misleading and invalid. Proposition 218, approved by voters in 1996, requires all taxes and most charges on property owners be subject to voter approval, according to the California Legislative Analyst’s Office.

Ben Horenstein, the district general manager, said COST’s letter didn’t come as a surprise to him. He said the district’s legal team found several errors in the letter, such as the assertion that the district does not have a 10-year plan for its infrastructure repairs.

“It also seems to be off in terms of the protests and other things,” Horenstein said. “We have high confidence in what we’re doing and the legalities of it. We’ve been through this many, many times over the years, but folks can obviously threaten or follow through if they feel. It’s a free country.”

An attorney representing COST also sent a second letter to the county administrator’s office and Department of Finance on Thursday saying the county too faces legal exposure. COST’s attorney, Walter McNeill, wrote that the new capital maintenance fee is a tax that should be approved by the electorate. Therefore, if the county collects the water district’s fee, McNeill argues it will be collecting an illegal tax and “inevitably be drawn into a conflict not of its own making.”

COST has also sent the district cease and desist letters for alleged Brown Act violations. COST argues the district was not properly noticing district committee meetings to show that the Proposition 218 notice and the rate/fee proposal were being discussed.

The Marin County District Attorney’s Office investigated an anonymous complaint that referenced COST board member Paul Premo’s letter to the editor in the Marin Independent Journal. The letter stated the district may have violated the Brown Act at its Feb. 20 communications committee meeting because the agenda did not include the rate and fee discussion that the committee held.

District Attorney Lori Frugoli said the investigation did not result in a criminal filing.

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“While these investigations are confidential by law, for purposes of clarity, only a singular incident as referenced in the letter to the editor (dated February 27, 2019) was reported to, and investigated by the Marin County District Attorney’s Office,” Frugoli wrote in an email.

COST meanwhile has cited multiple meetings where it alleges Brown Act violations occurred, including new allegations in a May 15 letter.

Horenstein said he believes COST has other motives behind the Brown Act claims.

“It does feel like COST is throwing out unsupported allegations to seemingly try to undermine public confidence in the water district, in this public institution, to further their position in context of the proposed rate increase,” Horenstein said. “Fortunately, there was a thorough D.A. investigation that found that there were no Brown Act violations and the D.A. considers this a closed matter.”

In response to customer concerns, however, the district has made some changes, Horenstein said. These include changing committee meetings to special board meetings. COST argues this abuses the use of special meetings, which only require a 24-hour notice to the public rather than a 72-hour notice for regular meetings.

Horenstein said the agendas are posted “well in advance” unless there is a late change.

“We are striving to post all of our materials, our staff reports and associated documents a minimum of 72 hours prior to board meetings or special board meetings,” he said.

The district is also set to review within the next month or two whether to implement other changes such as upgrading its website and potentially videotaping meetings, which has been a repeated point of criticism against the district.

More information on the proposals can be found online at [bit.ly/2EFsJ8H](https://bit.ly/2EFsJ8H).



## **Critical services brace for outages**

**PG&E**

**THE COUNTY**

PG& E wildfire strategy poses test for safety net

**By Will Houston**

*[whouston@marinij.com](mailto:whouston@marinij.com) @Will\_S\_Houston on Twitter*

The impact of Pacific Gas and Electric Co.'s planned power outages during high fire danger won't be limited to disabled refrigerators and dead laptop batteries.

Fire departments, hospitals, health clinics, telecommunications towers and other utilities such as water districts will also lose power, possibly for several days at a time. While many of these essential services will have backup power sources such as generators or batteries, it will be costly, and concern remains about whether residents will be prepared.

For Marin County fire Chief Jason Weber, one worry is being able to get out emergency notifications such as evacuation orders, especially if fire is approaching. Email, text, video and call alerts can only go so far as the phones, computers, televisions and telecommunications equipment have power.

"One of our primary focuses is making sure our community is ready as well as ourselves," Weber said. "This is real. ... From my perspective, it's absolutely critical that we are all ready for this."

PG& E began using the planned outages last year with the authorization of the California Public Utilities Commission after findings that PG& E equipment sparked recent, devastating wildfires. Earlier this month, state fire investigators concluded PG& E power lines sparked California's deadliest wildfire, the Camp Fire, which destroyed most of the city of Paradise and killed 85

**PG& E >> PAGE 4**

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## **Critical services brace for outages**

**PG&E**

**FROM PAGE 1**

people. The San Franciscobased utility company filed for bankruptcy earlier this year as it attempts to ward off wildfire-related liabilities estimated at \$30 billion and an array of other debts.

Facing increased government and public scrutiny over the fires, the utility announced last year that it would be proactively shutting off power to its lines during forecasts of high fire risk. PG& E is expanding the outage practices for this summer to include not only distribution power lines, but also the transmission lines that power the utility's substations. This could mean larger, more widespread

outages, but PG& E spokeswoman Deanna Contreras said the utility will be working with the California Independent System Operator to work to minimize the impact as much as possible.

“The devastating fires in 2017 and 2018 have made it clear that more must be done and with greater urgency to adapt and address the issue,” Contreras said.

These outages will be most common in areas with elevated or extreme fire danger as determined by the California Public Utilities Commission. The vast majority of Marin County falls into these areas.

### **Medical risks**

Another concern is how the outages will impact health care, whether it be for those residents who use electric medical equipment or diabetes patients who need to refrigerate their insulin. County Deputy Public Health Officer Lisa Santora said the county has emergency plans in place for patients and health care facilities such as nursing homes and hospitals, but said outage plans have caused the county to refocus its efforts.

The county plans to launch a pilot program in July that will create emergency plans for in-home support services patients. Skilled nursing facility officials are set to meet with PG& E in late June to discuss preparations. At the same time, the county will work with local agencies and partners to spread awareness of the outages to patients and residents.

“But we saw from the North Bay fires that the best way to protect ourselves and increase our resilience is from overall individual and neighborhood readiness,” Santora said.

Marin General Hospital spokeswoman Jamie Maites said the hospital has been working with PG& E to prepare for the outages. The hospital has generators that will assure services are not disrupted, she said.

“Our backup generators are regularly tested and turn on instantaneously when there is a power outage. In addition, we have adequate fuel supplies onsite,” Maites wrote in an email.

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Novato police Capt. Jim Correa said the department has been coordinating with other local agencies and telecommunications entities to ensure that communications systems will function and that staff will know what to do when the power goes off.

“We’ll do a lot of work behind the scenes for the first responders to be ready and have some plans in place, but it’s critical that the community realizes that it may be without power for three to four days or longer,” Correa said.

### **‘Pretty massive’**

Other utilities also will be affected by the outages. Local water agencies such as Marin Municipal Water District won’t be able to treat and pump water out to residents without power. Earlier this year, the district approved spending more than \$1.2 million to rent about 25 portable generators as well as purchase a permanent backup generator at one of its treatment plants so that it can ensure residents — and firefighters — have access to water.

“We’ll have crews out there moving them from one pump station to another to another,” said Ben Horenstein, district general manager. “It’s going to be a pretty massive effort in mobilization, but we’re doing a tremendous amount of preparation and planning so we can respond accordingly.”



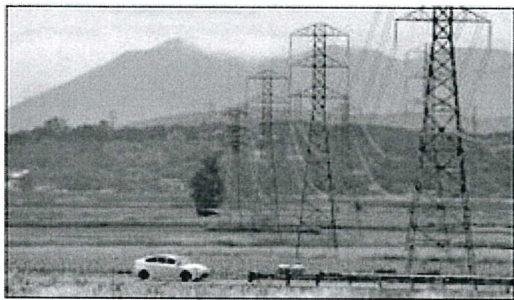
Even with these efforts, Horenstein said it is possible that some areas of the county may need to rely on themselves to have a stock of potable water until the power is turned back on. The water district is expected to discuss plans for other water saving measures during these outages, such as curtailing irrigation.

“It is kind of a perfect storm that during the period where you have the highest demand and highest need for water is the time that PG& E may turn off power to our facilities,” Horenstein said.

PG& E aims to provide residents a 48-hour notice of the planned shutoff with another update 24 hours later. But Horenstein said that in recent conversations with PG& E, there is no guarantee that this lead time will be consistent and that there could be times where no warning is provided.

Typically, the county has urged residents and agencies to prepared for about 72 hours without power, whether because of storms or earthquakes or other natural disasters, according county public information officer Laine Hendricks. But under PG& E’s program, the outages can last longer even if the fire weather has passed as PG& E crews inspect equipment to ensure it’s safe to turn back on.

“When that notice comes in, it’s probably a little late to be thinking about what you’re going to do to prepare yourself,” Hendricks said.



Power lines from Sonoma County run across part of Novato. PG& E is planning outages in areas with elevated or extreme fire danger as determined by the California Public Utilities Commission. The vast majority of Marin County falls into these areas.

ALAN DEP — MARIN INDEPENDENT JOURNAL

## Recycling hauler pitches plan for two-bin sorting

### Recycling

#### SOUTHERN MARIN

By Matthew Pera

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After pitching the idea of a two-bin recycling system to half of the Southern Marin jurisdictions that contract their waste hauling with Mill Valley Refuse, managing partner Jim Iavarone is feeling confident he'll get the green light to make the switch.

"I'm not hearing, at the moment, any pushback at all," he said.

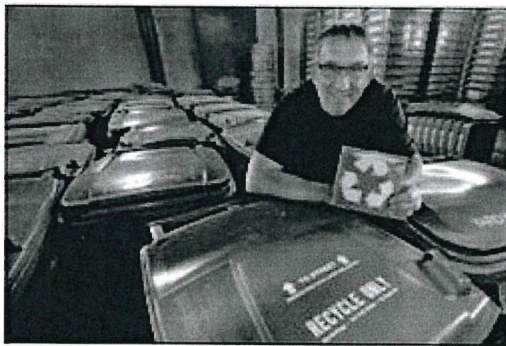
Officials from Mill Valley, Tiburon, Corte Madera and the Almonte Sanitary District have all signaled they're willing to have residents sort recyclables into separate bins. Iavarone, who presented the idea to them this month, said sorting would result in more refuse getting recycled, rather than thrown into landfills.

For the program to run smoothly, all of Mill Valley Refuse's customers would have to agree to adopt it. Iavarone hasn't pitched the idea yet to Belvedere, Alto Sanitary District, Strawberry Recreation District or the county Board of Supervisors, which represents unincorporated communities that the waste hauler serves.

If everybody agrees, customers would be given second recycling bins. One bin would hold paper and cardboard, and the other would hold all other recyclables. The bins would be picked up curbside in alternating weeks, so some recyclables would need to be stored for up to two weeks.

"I hate having to sort it all, I'm not going to lie," said Jessica Jackson, a Mill Valley councilwoman who was one of thousands of customers

#### RECYCLING » PAGE 4



Jim Iavarone, managing partner of Mill Valley Refuse Service, is promoting a plan to separate paper and cardboard from all other recyclables.

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## Recycling hauler pitches plan for two-bin sorting

### Recycling

#### FROM PAGE 3

who participated in a fourmonth trial run of the double- bin system last year.

Jackson said it was tough to keep track of which bin she was supposed to wheel out to the curb each week. But despite the inconveniences, “I also see the value in it,” she said.

“While it’s a pain, I’m in support of it,” she told Iavarone and her council colleagues at their meeting Monday.

The Mill Valley City Council voted unanimously to move forward, tentatively, with a double-bin system. In June, they’ll vote on a proposed rate hike for the waste hauling service. That vote will include formal approval of the new system, if the council votes in favor of the hike.

Officials from other jurisdictions similarly showed their support, but won’t officially vote on the proposal until June. The new system, if approved, would be rolled out in July.

The refuse service will ask for a rate hike even if its member jurisdictions opt to stay with the current recycling system, according to Iavarone. But sticking with one bin will come with a steeper hike.

The waste hauler is proposing a 4.21% rate increase if its customers opt for single- bin collection and a 3.7% increase to switch to the new system. A typical monthly bill currently runs somewhere around \$45 a month for customers, so the two-bin system would save customers about 22 cents per month.

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“I’m all in favor of it,” said Mill Valley Councilwoman Stephanie Moulton-Peters. “It saves us money, it provides better recycling stock and it answers a problem, because the current system isn’t working.”

Refuse services around the county have been forced to come up with creative solutions in the face of changes that have left the industry reeling.

China, where many U.S. recyclables have been shipped, has become increasingly reluctant to accept low-quality, contaminated recyclables in recent years. Collectors, as a result, are struggling to find new markets. More refuse is ending up in landfills.

Mill Valley Refuse, which doesn’t have its own processing facility, dumps its loads at the Redwood Landfill in Novato, which ships them to San Jose. According to Iavarone, roughly 16.7% of material collected as recycling at that processing facility ends up in landfills.

The double-bin collection system would allow Mill Valley Refuse trucks to dump the cleaner material at the Marin Resource Recovery Center, part of Marin Sanitary Service in San Rafael. Roughly 7% of recycled material collected at the center ends up in landfills, Iavarone said.

Bob Ravasio, Corte Madera's mayor, said the higher recycling rate that comes along with the twobin system was a big selling point for him. The City Council didn't take a vote on the proposal at its meeting Tuesday, but heard feedback from community members.

"I think the general response from the public was really positive," Ravasio said. "People want more stuff to get recycled. I think we all agree that's a positive."



## **Changes sought in water pay plan**

**MMWD**

**MARIN MUNICIPAL**

Public makes plea before vote on rate and fee hike

**By Will Houston**

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The public turned out in force to the Marin Municipal Water District Board of Directors meeting Tuesday, many of whom attended to protest a controversial water rate and fee hike meant to pay for replacing aging tanks, pipes, pumps and treatment plants.

The board did not vote on the proposal by the Marin Independent Journal's press deadline, but district staff were recommending approval.

District General Manager Ben Horenstein said the proposal would ensure the agency meets its duty to provide safe water, invest in its infrastructure and "maintain the health and vitality of our watershed including to do our part to address the growing threat of wildfires."

The water rates and fees would increase by about 4 percent annually for the next four fiscal years to keep pace with rising costs of goods and services as well as the district's pension and employee health care costs.

A new capital maintenance fee, which is a fixed fee and is based on customers' water meter size, would be collected for the next five years, generating about \$16.5 million or more annually to pay for the \$241 million in planned equipment repairs, fire prevention efforts and potentially some of the district's \$10 million in yearly bond debt payments. The new fee would be collected on customers' bimonthly water bills for the first

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## **Changes sought in water pay plan**

**MMWD**

**FROM PAGE 1**

two years and then transition to customers' property tax bills thereafter. The fee would cost most customers either \$163 or \$409 annually depending on their meter size.

John Sergeant of Fairfax said he had problems with the fee.

“I have a real problem with you basing the charges on meter sizes,” Sergeant said. “The only justification seems to be, ‘It’s an industry standard and everybody else does it.’ That doesn’t make it right.”

Customers who opposed the rate and fee hike held a protest outside before the meeting and urged the board to start over with a process they claimed was flawed and lacked transparency.

Other residents applauded the board’s effort to think ahead toward the future needs of the district and building resiliency against climate change and fires.

“I feel like we’ve been coasting on the shoulders of previous generations who made these infrastructure investments and now it’s our turn to implement this capital improvement plan that I believe is urgently needed,” said Fairfax resident Linda Novy.

“This will be costly, but to not do this will lead to a catastrophe,” said Fairfax resident Paul Anderson who spoke about the 2018 Camp Fire in Butte County.

District staff recommended the capital maintenance fee as a way to transition the district away from incurring more bond debt, which is set to rise to about \$285 million after interest, to a cash-based system. This way, the district would not have to pass on hundreds of millions of dollars in interest to customers if it continued borrowing money.

“It’s like any other mechanical system that over time needs to be fixed, replaced and improved,” board president Larry Bragman told the audience gathered in a district warehouse. “... We’re trying to get to a sustainable financial structure, and it is not easy as you know.”

The trade-off is customers would be paying more up front. In the long run, customers would save about \$90 per year that would have gone to pay off the district’s bond debt, according to district staff. Some residents called on the board to continue borrowing money to offset the immediate impact to their wallets.

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Over the past few months, the district board and staff have honed the proposal in response to ratepayers’ concerns and adopted them as part of the ordinance on Tuesday. These include reducing the capital maintenance fee charge by one tier for qualifying customers who have larger meter sizes for things like fire sprinklers or to maintain adequate water pressure.

A repeated critique from the public was that the district was charging more for water while simultaneously asking residents to conserve water. This in part prompted the board to consider a “super water saver” program that would provide an \$8 credit on the bimonthly water bills for the 3,000 households that use the least amount of water. As for affordability concerns, the board also seeks to lower the threshold for residents to qualify for its Low Income Waiver program. Customers who have an income of 80 percent or below the low income level established by the U.S. Housing and Urban Development Department could apply where before it was 60 percent.

These proposals have not quelled all concerns, especially those from the Coalition of Sensible Taxpayers nonprofit, known as COST, which has threatened litigation against the district.

More information on the rate and fee hike can be found online at [marinwater.org/223/Water-Rates](http://marinwater.org/223/Water-Rates).





# Regretful water board hikes rates

Members say revenue needed, but admit faulty public outreach

By Will Houston  
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@Will\_S\_Houston on Twitter

Just before approving a multi-year water rate and fee hike on Tuesday, some Marin Municipal Water District board members acknowledged a need to improve its outreach to the public.

While the district staff has said there have been multiple

meetings on the rate increase proposal stretching back two years, director Armando Quintero described the rollout of the rate hike bid as "clunky."

"It's been a stinging experience for me and so I empathize with everyone in the room about that," Quintero said to the audience after three hours of public testimony.

After board president Larry

Bragman outlined his intention to support the rate increase, one man in the audience interjected to ask if there was any purpose for the public to have shown up to the meeting. Bragman acknowledged there are improvements that need to be made such as videotaping board meetings — a topic he said the board will discuss in the near future — and

WATER » PAGE 2



A large crowd gathered for a Marin Municipal Water District meeting Tuesday on a proposed water rate and fee hike.

WILL HOUSTON — MARIN INDEPENDENT JOURNAL

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## Water

FROM PAGE 1

ensuring that there is accountability and confidence in how the district is spending the revenues.

"These are all improvements I hope we can provide to the community," Bragman said. "I think the more the community knows and understands about the water district, it's going to benefit the community, it's going to benefit the water district."

The board ultimately voted 5-0 to approve the rate and fee hike.

Rates and fees are set to raise by about 4% annually for the next four years starting July 1. A new capital maintenance fee based on customer meter sizes will also be added to water bills for the next two years before being placed on property tax bills thereafter.

Most residential cus-

tomers will pay \$163 or \$409 per year, depending on the size of their meters, with the board able to increase the fee amount by up to 4% annually.

The revenue will be used to pay for \$241 million in proposed projects to replace and repair aging pipes, pumps, treatment plants and water tanks, as well as for fire prevention efforts.

The fee revenue is meant to switch the district away from incurring more bond debt, thus reducing interest payments and freeing up debt capacity for emergencies, according to staff.

Customers with a 5/8-inch meter will see an average monthly increase of \$16.34 to their water bills. For 1-inch meter customers, the impact is \$39.42 more per month, according to district staff.

The board agreed to check in on the capital maintenance fee after two years and also to separately account for how

**"I think the more the community knows and understands about the water district, it's going to benefit the community, it's going to benefit the water district."**

— Larry Bragman, Marin Municipal Water District board president

the fee revenues are spent.

For many residents who attended Tuesday's hearing, a repeated concern was the district approving the new fee without bringing it to a vote by the people.

District counsel Mary Casey said the voter-approved Proposition 218 explicitly exempts water district fees from having to be approved by voters.

While only about 2 percent of district customers submitted formal protests against the rate hike — well below the simple majority needed to block the proposal going forward — many residents questioned whether the district tried

hard enough to explain the protest process.

Some called for the district to send out protest forms and letters along with the notice to customers.

Director Jack Gibson said that while he dismissed some of the arguments against the fee and rate hike as "nonsense," he said there were others he took quite seriously and were compelling. While he said the process is imperfect, it's something the district will improve over time.

"Bottom line is, yeah, we heard you," Gibson told the audience. "You didn't waste your time com-

ing here. What will come out of it, we'll have to see. We're learning as we go."

Director Larry Russell was resolute in the board's handling of the rate and fee increase.

He said it's imperative for the district to look ahead at its future needs. The district, he argued, has already tried using bond funds to pay for its buildings and equipment repairs, but said that option is unsustainable in the long run, which is why the district is moving to a cash-based system.

"But now it's time to pay the man and move this thing forward and that's what we're trying to do," Russell said.

Director Cynthia Koehler thanked the public and district staff who worked on this proposal.

"We're not going to make everybody happy, but I think there's been an unusual, extraordinary effort to accommodate all of the issues that have been raised," she said.

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## Water customers in North Marin face hike in rates

Water

### 3.5% JUMP

District board OK'd increase with minimal public response

By Will Houston

*[whouston@marinij.com](mailto:whouston@marinij.com) @Will\_S\_Houston on Twitter*

Water rates for North Marin Municipal Water District customers will go up by 3.5% starting Friday after being approved with minimal public response.

The district board of directors voted 4-0 on May 21, with James Grossi absent, to approve the rate increase. No members of the public attended the hearing, according to Drew McIntyre, district general manager. The district had sent a notice of the rate proposal and hearing to all its customers on March 31.

The average customer

should see a \$4.20 bump on the bimonthly water bill as a result of the rate hike, according to the district.

Marin's other water district, the Marin Municipal Water District, also approved a rate and fee increase, which will take effect July 1. The

**WATER»PAGE 2**

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## Water customers in North Marin face hike in rates

Water

### FROM PAGE 1

MMWD increase is about 4 percent.

Seventeen letters of protest were submitted to the district, far short of the 10,000 or so needed to block the proposal, according to McIntyre.

"I think the board-approved rate increase still results in what our customers perceive to be a good value for the services that are being provided," McIntyre said as to why the public comment was so minimal.

Those who did oppose the rate increase cited the lower rates of other neighboring cities and the impacts on affordability in Novato, which they said was diminishing.

“My Social Security certainly hasn’t risen 3.5%,” Novato resident Frank Devita wrote in an April letter to the district. “The district should do a better job of managing the resources already in place.”

Jim Shroyer, also a Novato resident, wrote in late April that if the rate increases continue, he will need to consider selling his rental unit.

“If the NMWD Board votes for the proposed increase, they will be voting to hurt tenants and housing providers (landlords) and eventually decreasing the rental housing market,” Shroyer wrote.

The rate increase is the smallest the district has imposed in at least the last decade and will be used to make up for rising costs of goods and services. These include a 4.6% increase in wholesale water rates from the district’s main supplier, the Sonoma County Water Agency, also known as Sonoma Water. North Marin Water District receives about 75% of its supply from Sonoma Water with the remainder coming from Stafford Lake.

Other factors for the North Marin rate hike are a 10% increase in electricity costs and an average yearly increase of 4.5% for chemical costs, according to Mc-Intyre. The rate increase is also meant to fund increases in employee pay, pensions and health care. Some residents who wrote letters of opposition called for the district to cut salaries and benefits or positions so as not to pass on costs to customers.

The district has 54 budgeted positions, 51 of which were filled as of last month. Employee wages are increased based on changes in the Bay Area’s consumer price index, with the next increase set to take place in October.

As to why the rate increase is taking effect on June 1 rather than the start of the fiscal year on July 1, McIntyre said it is because the district is on a bimonthly billing cycle.

“Our mission is to provide reliable high quality, environmentally responsible and reasonably priced services,” McIntyre said, “and we think that even with this rate increases, comparing against our other similar agencies, we’re continuing to meet the objectives of our mission.”

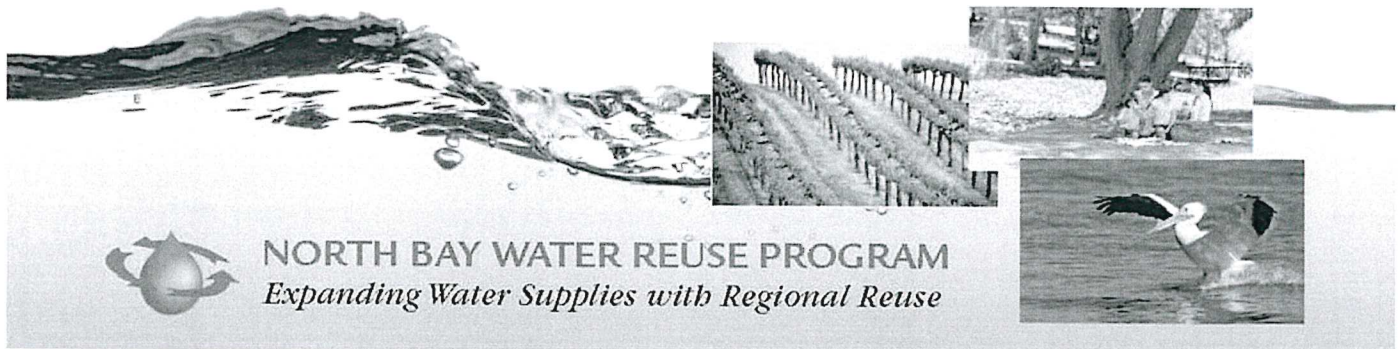
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District customers can calculate the predicted increase to their water bill at [nmwd.com/account\\_balance.php](http://nmwd.com/account_balance.php).

## Teresa Lerch

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**From:** Mark Millan <millan@datainstincts.com>  
**Sent:** Monday, June 10, 2019 4:32 PM  
**To:** Undisclosed Recipients  
**Cc:** 'Ginger Bryant'  
**Subject:** Anticipated Introduction of the Drought Resiliency and Water Supply Infrastructure Act - NBWRA



Hello NBWRA Member Agencies,

Many of you have heard about the anticipated introduction of this bill by Senator's Feinstein and Gardner. As part of the news surrounding the introduction, WaterReuse is asking their members to write a letter of support as the proposed bill contains expanded funding for water recycling projects under the WIIN Act Title XVI program.

Although we are strongly supportive of increased funding for Title XVI projects, and work closely with WaterReuse, there are provisions in this current version of the bill that are not in the best interest of NBWRA members, and as such, are asking you to withhold a support letter at this time.

There will be opportunities for the NBWRA to comment and work on language in the coming months and we will be an active participant in these discussions. I would also remind you that as when the WIIN Act was passed, the bill has several sections that must be considered as part of supporting the entire bill.

Lastly, the House is also generating water resources legislation that will include funding for Title XVI projects. As Congressman Huffman chairs the Water, Oceans and Wildlife subcommittee working on this bill, we will be following their lead, working closely with them, and others in the coming months.

Please let me know if you have any questions, and more information regarding the NBWRA's position will be coming to you soon.

Ginger Bryant  
Program Development and Advocacy Team  
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Phone: (916) 442-5677



## **Greenbrae pump sites upgraded**

### **Upgrade**

#### **ROSS VALLEY SANITARY DISTRICT**

**By Adrian Rodriguez**

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The Ross Valley Sanitary District has completed an \$8.6 million upgrade of its two Greenbrae pump stations.

Tom Gaffney, president of the district board of directors, said pump stations 12 and 13 at Bon Air Center were built in the 1980s and hadn't been upgraded.

"We have a cease-and-desist order from the (San Francisco Bay Regional Water Quality Control Board) to make our systems better, and this is part of that," Gaffney said. "We've been working to get that done and are pretty much wrapping up our major capital projects program this year and next."

The district is holding a ribbon cutting at 11:30 a.m. Tuesday at 380 Bon Air Center.

State regulators have been keeping the heat on the sanitary district to reduce the amount of sewage it spills by moving more quickly to fix its system of aging pipes. In response, the district implemented an accelerated capital improvements program over the past three years, spending \$40 million to upgrade its network of 200 miles of pipe and 19 pump stations.

In order to move forward, district officials have come up with a two-pronged financial plan that includes issuing up to \$37 million in revenue bonds to be paid back over 25 years, and a five-year rate increase scheme set to take effect in July if approved.

The bonds would be used to pay for the \$8.8 million excavation and soil cleanup of district's 10-acre lot at Larkspur Landing and other sewer system improvements. It would also pay for 50% of the \$12.8 million purchase of the new district headquarters building at 1111 Andersen Drive in San Rafael.

Of the revenue bonds, Steve Moore, district general manager said, "In some ways, it's a final push to catch up on the deferred capital work in our district. We expect to decelerate, reduce, to slow down back to a pay-as-yougo program."

That program would be supported by revenue from the proposed rate increases, which will also pay for rising operating costs, Moore said.

District officials have met with a rating agency to determine the district's credit rating, hoping to improve from AA- to AA+ and issue bonds in July.

In order to front the cash for the 1111 Andersen Drive property, the district board decided in February to suspend its operations and maintenance fund.





The Ross Valley Sanitary District wants to issue bonds to help pay for system repairs and its new headquarters at 1111 Andersen Drive in San Rafael.

ALAN DEP — MARIN INDEPENDENT JOURNAL

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## **Greenbrae pump sites upgraded**

### **Upgrade**

#### **FROM PAGE 3**

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The district bought the two-story, 29,000-squarefoot building on 3.3 acres in April with plans to consolidate its staff into one building.

The district is negotiating with Comcast Corp., which occupies half of the building and has four years remaining on its lease with the option to remain on site up to 14 years. Moore said building renovations are needed to accommodate the district. He suspects it will be ready some time next year.

Meanwhile, district officials also approved the site cleanup at 2000 Larkspur Landing Circle that is expected to get underway this summer. The site is contaminated with polychlorinated biphenyls, commonly referred to as PCBs. Engineering/ Remediation Resources Group of San Francisco has been hired for the job. The district rate increase proposal will be considered at a public hearing at 6 p.m. June 19 at the Central Marin Police Authority at 250 Doherty Drive in Larkspur.

Under the proposal, service charges will increase by 6.6% on July 1, then another 6.6% the following year. For years three through five of the rate increase plan, rates will go up by 5.8%.

Single-family home ratepayers pay \$909 now. If approved, the rate would go up to \$961 in July and \$1,212 by 2023.

The district, which was founded in 1899, operates on a \$52 million annual budget with 32 staffers working from four temporary locations.

More information is at [rvsd.org](http://rvsd.org).