

Central Marin Sanitation Agency

JOINT POWERS AGREEMENT
(AS AMENDED)

CENTRAL MARIN SANITATION AGENCY

**JOINT EXERCISE OF POWERS AGREEMENT
(as amended)**

This Agreement, dated October 15, 1979, is by and between SANITARY DISTRICT NO. 1 of MARIN COUNTY, SAN RAFAEL SANITATION DISTRICT, SANITARY DISTRICT NO. 2 of MARIN COUNTY, and the CITY OF LARKSPUR.

RECITALS

WHEREAS, the wastewater treatment facilities of agencies discharging sewage wastes into the San Pablo/San Francisco Bays are in need of substantial modification and improvement requiring an expenditure of public funds; and

WHEREAS, an extensive study has been made of the Central Marin area sewage treatment needs; said study has recommended the construction of a new regional plant at the site known as CM-5; and

WHEREAS, the signators to this Agreement are the public agencies having the responsibility for sewage treatment in the Central Marin area; and

WHEREAS, each of the parties hereto has power to acquire, construct and operate sewage collection, interceptor and outfall lines and plants and facilities for the treatment and disposal of sewage, and the agencies propose by this Agreement to exercise said power jointly for the purpose of providing for the more efficient treatment and disposal of the sewage produced in each agency, all to the economic and financial advantage of each agency and otherwise for the benefit of each agency and each of the agencies is willing to plan with the other agencies for future sewage treatment and disposal facilities which will protect all of the agencies; and

WHEREAS, the Agency is to be formed for the purpose of planning, administering, and coordinating sewage treatment and disposal services throughout the Agency area; and

WHEREAS, SANITARY DISTRICT NO. 1 of MARIN COUNTY by Resolution No. 676 of the SANITARY DISTRICT NO. 1 governing board has voluntarily joined the Agency; and

WHEREAS, SAN RAFAEL SANITATION DISTRICT by Resolution No. 487 of the SAN RAFAEL SANITATION DISTRICT governing board has voluntarily joined the Agency; and

WHEREAS, SANITARY DISTRICT NO. 2 of MARIN COUNTY by Resolution No. 6-79 of the SANITARY DISTRICT NO. 2 governing board has voluntarily joined the Agency; and

WHEREAS, CITY OF LARKSPUR by Resolution No. 57/79 of the CITY OF LARKSPUR governing board has voluntarily joined the Agency; and

WHEREAS, SANITARY DISTRICT NO. 1 of MARIN COUNTY, SAN RAFAEL SANITATION DISTRICT, SANITARY DISTRICT NO. 2 of MARIN COUNTY and CITY OF LARKSPUR own and operate certain sewerage works, part of which may be used in an integrated system works throughout the Agency; and

WHEREAS, the Agency will be responsible for compliance with established standards of the State and/or Federal government for wastewater discharge requirements; and

WHEREAS, the discharge of this responsibility requires the centralization of authority to fix standards and to plan, administer and coordinate operation of an integrated sewerage system, either directly or through contractual relationships with other government entities; and

WHEREAS, it is in the interest of the Members to enter into this Agreement relating to the construction, ownership, maintenance and operation of sewerage facilities and other matters relating thereto:

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

Section 1. Definition of Terms

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

1. "ACT" means the provisions of Chapter 5 of Division 7 of Title 1 of the Government Code (commencing with Section 6500) pertaining to joint powers agreements.
2. "AGENCY" means the Central Marin Sanitation Agency.
3. "DISTRICT NO. 1" means SANITARY DISTRICT NO. 1 of MARIN COUNTY, a municipal or public corporation, a party to this Agreement.
4. "SAN RAFAEL" means SAN RAFAEL SANITATION DISTRICT, a municipal or public corporation, a party to this Agreement.
5. "DISTRICT NO. 2" means SANITARY DISTRICT NO. 2 of MARIN COUNTY, a municipal or public corporation, a party to this Agreement.
6. "LARKSPUR" means CITY OF LARKSPUR, a municipal or public corporation, a party to this Agreement.

7. "CM-5" means ALTERNATIVE CM-5 for CENTRAL MARIN SANITATION AGENCIES as described in the EASTERN MARIN/SOUTHERN SONOMA WASTEWATER FACILITIES PLAN ADDENDUM, July 1979.
8. "STEP 2" means, as described in Federal and State guidelines, the design phase of the regional facilities.
9. "STEP 3" means, as described in Federal and State guidelines, the construction phase of the regional facilities.
10. "COMMISSION" means the governing board of Central Marin Sanitation Agency.
11. "JOINT FACILITIES" means those sewerage facilities used or capable of being used by two or more Members.
12. "LAW" means the Joint Exercise of Powers Law, Section 6500 et seq. of the Government Code of the State of California.
13. "MEMBER" means any party to this Agreement.
14. "OPERATION AND MAINTENANCE" means the regular performance of work required to assure continuous functioning of the sewerage system and corrective measures taken to repair facilities to keep them in operating condition.
15. "ORDER" means the duly adopted Resolutions and Orders of the Agency.
16. "REGIONAL CHARGE" means a charge by the Agency to the Members based on sewage flow and strength. The revenue from such charges to be used by the Agency to pay for the cost associated with the treatment and disposal of sewage, including but not limited to acquisition of facilities, construction expenses and operational and administrative costs.
17. "SEWER SERVICE CHARGE" means a charge to property owner or occupant of designated premises for the use of the sanitary sewerage system.
18. "CONNECTION CHARGE" means a one-time charge to a property owner for connection to the sanitary sewerage system for the first time or for construction of additional improvements which will add to the quantity or strength of sewage flow.
19. "DWELLING UNIT" means one unit as measured or estimated by the amount of sewage generated by a single-family residence or equivalent, relating to the flow and strength as determined by the Agency.

20. "SOLE USE FACILITIES" means those wastewater facilities owned, used, operated and/or maintained by a single Member.
21. "STANDARDS" means the terms and conditions of use of the Agency facilities as specified by the Agency.

Section 2. Creation of Agency

There is hereby created a public agency to be known as the "Central Marin Sanitation Agency", herein called Agency. The Agency is formed by this Agreement pursuant to the provisions of Article 1, Chapter 5, Division 7, Title 1 of the Government Code of the State of California relating to the joint exercise of powers common to public agencies. For the purposes of this Agreement, the Agency is a public agency separate from the parties hereto.

Section 3. Purpose

The purpose of this Agreement is to create an agency which will plan, acquire, construct, maintain and operate facilities, for either joint or sole use, for the collection, treatment, reclamation and disposal of sewage and other wastewater for the benefit of lands and inhabitants within the collective boundaries of the Members.

Member by signature to this Agreement authorizes the Agency to design, construct, operate and maintain the project known as CM-5 as described in Eastern Marin/Southern Sonoma Wastewater Facilities Plan Addendum, July 1979.

Section 4. Term and Effect

***** This Agreement shall become effective when all of the eligible Members shall have executed this Agreement and shall continue in force and effect until terminated by an Agreement pursuant to Section 22 or until January 1, 2036, whichever is earlier. However this Agreement may be renewed, modified or terminated by mutual agreement. The existing 1960 Agreement between Sanitary District No. 1 and Sanitary District No. 2 and the existing Agreement between Sanitary District No. 1 and the City of Larkspur are hereby rescinded, such rescission to take effect at the time that the Regional Treatment Plant is fully operative, provided, however, that paragraph 3(c) of the Agreement between Sanitary District No. 1 and the City of Larkspur shall remain in effect.

Section 5. Powers

- A. The Agency shall have the power and authorization to plan, acquire, construct, maintain and operate facilities for either joint or sole use, for collection, treatment, reclamation and disposal of sanitary sewage and similar wastewaters for the benefit of lands and inhabitants within its boundaries. The Members will relinquish to, and the Agency will assume for the benefit of the

Members, responsibility for all functions pertaining to the treatment, reclamation and disposal of sewage and similar wastewater. The Agency may enter into contracts to perform any or all of these functions.

B. The Agency is hereby authorized, in its own name, to do all acts necessary for the exercise of said power for said purposes, including but not limited to any or all of the following: to make and enter contracts; apply for and accept grants, advances and contributions; to employ agents and employees; to acquire, construct, manage, maintain and operate any buildings, works or improvements; to acquire, hold or dispose of property; to sue and be sued in its own name, to incur debts, liabilities, or obligations; to issue bonds, notes, warrants, and other evidences of indebtedness to finance costs and expenses incidental to the projects of the Agency; and to exercise jointly the common powers of the parties hereto set forth above. No such debts, liability, or obligation of the Agency shall constitute a debt, liability or obligation of any Member. The Agency has no power to levy or cause to be levied ad valorem property taxes. The Agency has the power of eminent domain.

C. The Agency is hereby authorized in its own name, to accept Federal and State grants on behalf of the Members for improvements necessary to the sole use facilities of Members, excluding Marin Bay Plant, as described in the Eastern Marin/Southern Sonoma Wastewater Facilities Plan Addendum, July 1979. The Agency may plan, acquire and construct said sole use facilities but it will be each and every Member's responsibility to maintain and operate said sole use facilities belonging to that Member.

**** D. The powers are subject to the restrictions upon the manner of exercising the powers of the Sanitary District Act of 1923, Division 6, of the Health and Safety Code of the State of California, as amended. The Agency specifically excepts Health and Safety Code Section 6487 from its restrictions so that CMSA may make its own provisions regarding payment of warrants. Specifically, these provisions are contained in Section 5.F. of this Joint Powers Agreement.

* E. The Agency shall have the power to carry out a pretreatment program in accordance with Parts 307(b) and (c) and 402(b)(8) of the Federal Government's Clean Water Act (October 18, 1972) and Part 403 of the Federal Government's General Pretreatment Regulations for Existing and New Sources of Pollution.

**** F. Pursuant to Government Code Sections 6505.5 and 6505.6, the CMSA is authorized to appoint an employee of the Agency (CMSA) to act as treasurer and auditor for CMSA and such employee is authorized to sign checks and warrants from the CMSA account for any sums due from CMSA. This authority includes the signing of payroll checks, signing checks for other bills of CMSA and all sums payable on outstanding bonds and coupons of CMSA. All checks

and warrants signed by the treasurer and auditor shall be approved by the CMSA Board.

All CMSA checks (except checks from the petty cash fund) shall be signed by two individuals. CMSA may appoint an employee to sign checks with the treasurer. All individuals who sign checks shall be bonded.

The employee appointed by CMSA as treasurer and auditor is subject to the powers and restrictions contained in Government Code Sections 6500 et seq. CMSA reserves the right to withdraw the appointment of such employee as treasurer and auditor.

Section 6. Governing Body of the Agency

The Agency shall be governed by the Central Marin Sanitation Agency Commission. The Commission shall, on behalf of the Agency, adopt a budget annually, both for capital outlay and maintenance and operation; make all contracts for the Agency; establish rates and charges; grant easements, licenses or permits for the use of the property of the Agency; approve demands for payment by the Agency; designate an administrator; contract for services as necessary; and take such other actions as are necessary or convenient to carry out the purpose and intent of this Agreement.

Section 7. Commission Membership and Officers

- A. The Commission shall consist of six commissioners, two appointed by the governing board of District No. 1, two appointed by the governing board of San Rafael, one appointed by the governing board of District No. 2, and one appointed by the City Council of Larkspur.
- B. Each commissioner may be an elected official of the governing body of the City or District he represents or may be such other resident of the City or District as selected by the Member. A commissioner shall serve in such a manner and for such term as each Member may determine, and may be removed at the pleasure of the Member appointing such person. The Commission shall annually choose commissioners to serve as Chairman and Vice-Chairman. The commissioners shall annually choose a Secretary who shall be a commissioner. Each Member shall determine its method of selection of the person representing the City or District. An elected official or resident of the City or District may be designated by the Member to serve as an alternate to any commissioner.
- C. The Commission may appoint and employ an Administrator who shall perform such duties as may be imposed by the Commission and who shall report to the Commission in accordance with such rules and regulations as the Commission may adopt.

D. The Chairman shall sign all contracts on behalf of the Agency and perform such other duties as may be imposed by the Commission. The Commission may delegate to the Administrator the power to sign contracts on behalf of the Agency after approval by the Commission. The Vice-Chairman shall act in the absence of the Chairman. The Secretary shall countersign all contracts on behalf of the Agency; perform such other duties as may be imposed by the Commission; and keep minutes of all meetings and cause a copy of the minutes to be forwarded to each of the commissioners and each of the Members.

E. The Commission shall appoint a Treasurer. Said power of appointment may be vested with the Administrator by action of the Commission. The Treasurer shall have the duties and obligations set forth in Section 6505.5 of the Government Code of the State of California.

* F. Pursuant to Government Code Section 53952, the CMSA Board may, by resolution, establish a revolving fund in an amount not to exceed \$1,000 to be used to make change and pay small bills directly. Such resolution shall (1) state the purposes for which the fund may be expended; (2) designate the officer of CMSA who shall have authority to make disbursements and account for receipts and disbursements; (3) state the necessity for the fund; and (4) designate the maximum amount of the fund.

1. The Board shall require the filing of a bond by the officer for whose use the fund is created for an amount not less than the amount of itself. Such bond shall be executed by the officer as principal and by an admitted surety insurer.

2. The above designated officer shall keep receipts for all expenditures over \$1.00.

*** G. The CMSA Board may, by resolution, establish a payroll revolving fund. Such resolution shall (1) state the purpose for which the fund may be expended; (2) designate the officer of CMSA who will serve as auditor and treasurer; (3) designate the auditor/treasurer as the officer who shall have the authority to sign payroll disbursement; (4) state the necessity for the fund; and (5) designate the maximum amount of the fund.

Section 8. Commission Voting

Each commissioner shall be empowered to cast one vote on each measure. Four commissioners shall constitute a quorum. Four affirmative votes are required for passage of any measure, except that any of the following measures shall require the affirmative vote of five commissioners for passage:

- (a) approving the withdrawal of any Member.
- (b) approving the dissolution of the Agency.

Section 9. Duties of the Commission

- A. The duties of the Commission shall be:
 - (a) to make all policy decisions and exercise all the powers of the Agency.
 - (b) to submit full and regular reports to the Members,
 - (c) to adopt from time to time such rules and regulations for the conduct of its affairs as may be required.
- B. Agency shall have the power to compensate commissioners in accordance with the provisions of the Sanitary District Act of 1923, as amended.

Section 10. Meetings of the Commission

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

Section 11. Accountability of Funds, Reports and Audits

There shall be strict accountability of all funds and a report of all receipts and disbursements of the Agency. The Commission shall cause annual audits of the accounts and records of the Agency to be prepared. The fiscal year of the Agency shall end at midnight on June 30, of each year. The Agency shall establish and maintain all necessary funds and accounts which shall be open to inspection at all reasonable times by each of the Members and the general public.

Section 12. Bonding Persons Having Access to Property

- A. Officer(s) or person(s) who have charge of, handle or have access to any property of the Agency, may be required to file an official bond with the Agency in such a manner as may be established by the Commission. Should an existing bond of any said officer(s) or person(s) be extended to cover the obligation provided herein, said bond shall be the official bond of said officer(s) or person(s) required to be posted herein. The premium on any such bond or bonds shall be an appropriate expense of the Agency. Any payment to the Treasurer required in the operation of the Agency shall be an appropriate charge against the Agency.

- B. The Administrator shall have the responsibility of any and all property of the Agency and shall review and recommend approval or denial of all claims and demands for the disbursement of Agency funds prior to submittal of said claims and demands to the Commission for approval.

Section 13. Bonds

- A. The Agency shall have power and authority to issue and sell revenue bonds in accordance with the following:
 - (a) Article 2, Chapter 5, Division 7, Title 1 of the Government Code, commencing with Section 6540.
 - (b) Chapter 6, Division 2, Title 5 of the Government Code, commencing with Section 54300; and
 - (c) Chapter 5, Part 3, Division 5 of the Health and Safety Code, commencing with Section 4950.
 - (d) Such other relevant provisions of law as may now or hereafter be applicable.
- B. For purposes of referendum and vote on an Agency-wide basis, the boundaries of the Agency shall be the consolidated boundaries of its Members. Under applicable law, the Agency may form improvement districts in which event the boundaries thereof shall be determinative with respect to referendum and voting. Bond elections shall be conducted pursuant to the Uniform District Election Law and applicable provisions of the Elections Code.
- C. The Agency shall have and exercise all powers conferred on "local agencies" by the provisions of the law with respect to such revenue bonds.
- D. Revenues required to provide moneys for bond interest and redemption of other bond funds in connection with revenue bonds issued by the Agency shall be derived from sewer connection and service charges levied throughout the benefiting service area and shall be based on dwelling unit or equivalent as hereinabove defined and determined. The amount of such charges shall be determined by the Agency.

Section 14. Operating Fund

- * A. An operating fund shall be established and maintained which shall be used to pay all administrative and incidental expenses incurred by the Agency, together with all costs of maintenance and operation arising from the operation of Joint Facilities. By resolution, the operating fund may be utilized prior to completion

of joint sewerage facilities to allow the necessary administrative, financial and management information systems to be in place and functioning upon the operation of said facilities. Revenues for the operating fund shall be derived from Regional Charges periodically charged to each Member by the Agency, which Regional Charges the Members hereby agree to pay. The periodic Regional Charge for each Member will be determined by the Agency and shall be based upon the relative volume and quality of wastewater generated by each Member. Volume will be determined based upon continuous measuring to measure total volume generated during the period. Quality will be determined by periodic monitoring and considered in determining Member Charges if deemed appropriate by the Commission. At the option of the Commission, contributions from Members may be based on dwelling units.

- B. Each Member, in turn, shall be responsible for deriving the revenue necessary to pay its Regional Charges to the Agency.
- C. Each single-family dwelling shall be assigned one dwelling unit. All other structures, or portions thereof used for purposes other than as single-family dwellings, shall be assigned a number of such units, as determined by the Agency based upon:
 - (1) water meter readings and/or use of water from nonmetered sources;
 - (2) visual inspection to determine the relative extent to which water may be used for purposes which do not produce discharge into wastewater facilities;
 - (3) the chemical and/or other composition of the wastewater produced;
 - (4) the peaking and ebbing cycle of the wastewater flows; and
 - (5) any requirements imposed by the Federal and State governments or agencies thereof.

The Commission shall establish the formula for computation for determination of what constitutes a dwelling unit.

* (deletion)

* D. Sewer connection and service charges may be collected either by a Member or the Agency by contract with the Member.

* E. The Commission may periodically direct the Members to reassess the number of dwelling units.

Section 15. Construction and Land Acquisition Fund

- * A. A construction fund shall be established and maintained which shall be used to pay costs associated with design and construction and administrative expenses resulting from the construction of sewerage works by the Agency for the Members. Revenues for the construction fund shall be derived from payments by the members in accordance with the Members' shares of the total capital costs associated with project Alternative CM-5. The estimated cost share assignments to the Members are as shown in Exhibit "A", Tables 1 through 8. By signature to this contract Members are committed to pay their local shares of the cost of the project CM-5.
- B. At the time of submittal of a Final Revenue Program to the State Water Resources Control Board (80% construction completion) of a revised cost of construction, final contributions from Members shall reflect these actual capital cost allocations.
- C. Agency shall reimburse District No. 1 for any and all expenses incurred by District No. 1 beyond its proportionate share pertaining to the acquisition of the North Point Site. These expenses shall include all direct costs of this acquisition and development of CM-5 for the regional plant and shall include, but not be limited to, legal fees, engineering fees and appraisal fees.

Section 16. Ownership of Properties

With respect to the ownership of sewerage facilities and compensation therefore, the Members and Agency agree that:

1. Sewerage Works Other Than Treatment Facilities

Upon the effective date of this Agreement the Members will grant to the Agency the use of all sewerage works, if any, as described in Exhibit "B" insofar as necessary for the operation of Joint Facilities. Each member will retain ownership and responsibility for operation and maintenance of all its sewerage works so listed. The Agency will operate and maintain the 54" Ross Valley force main upstream from the treatment plant to the junction with the San Quentin force main. Exhibit "B", as amended by Amendment No. 1 of the Joint Powers Agreement, dated July 21, 1982, and as amended by this Agreement, is attached hereto and incorporated herein by reference.

2. Sewerage Facilities Financed by Agency Funds

The Agency shall own entirely all facilities financed by Agency funds. This shall not include Sole Use Facilities funded by State or Federal grants paid by the Agency.

3. Sole Use Facilities

Members shall retain ownership of and operate and maintain their respective Sole Use Facilities including wastewater collector systems, provided, however, that the Agency and any Member may, by agreement, provide for operation and maintenance of that Member's Sole Use Facilities, all or in part, by the Agency. Any such agreement must provide that all costs associated with the operation and maintenance of such Sole Use Facilities by the Agency shall be charged to and paid by the Member.

4. Capital Reserve Funds

Excess capital funds, if any, from annual capital replacement (as per Federal Regulations) requirements, or from other sources are the property of the Agency and, after approval by the Commission, may be used for capital improvements of facilities operated by the Agency. Capital reserve funds shall be invested and interest earnings therefrom may be placed in the operating fund to reduce annual charges.

5. Operations, Administration and Maintenance Surplus Funds

Excess administration, operation and maintenance funds of Agency, if any, from whatever source, are the property of the Agency. After provisions, if any, for a reasonable working reserve, the Commission may allocate all or a share of such funds to reduce the amounts required for the following year's budget.

6. Employees

It shall be the policy of the Agency to attempt to employ, as employees of the Agency, such of those employees of the Member entities whose primary responsibility is the operation and maintenance of treatment facilities.

Section 17. Functional Responsibilities

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

1. The Member will be responsible for review of permit applications, collection and accounting for permit fees, inspection of connections and all record-keeping attendant thereto, and retain all fees associated therewith. The Agency may perform these functions directly by contract with Members.
2. The Agency will assume full responsibility for the operation and maintenance of CM-5 and other sewerage facilities specified in this Agreement.
3. The Member will have total responsibility for its collector sewer system.

4. The Member will be responsible for all billing and collection of sewer connection and service charges and associated record-keeping, accounting, and delinquency follow-up.
5. It is the responsibility of Members to assure that sewage generated from their Sole Use Facilities will not exceed one part per million sulfides. In the event that this standard is exceeded, the responsible Member shall pay the additional cost which results from the correction of this condition to the Agency.

Section 18.

A. Agency Indemnification

Agency shall indemnify, defend and hold Members harmless from any claims or liability arising out of or relating to the functioning of Agency pursuant to this Agreement. Agency shall maintain liability insurance in sufficient amounts as determined by the Commission for personal injuries, and property damage naming Members as additional insureds.

B. Member Indemnification

Members individually shall indemnify, defend and hold Agency and other Members harmless from any liability arising out of or relating to the individual Member's actions pursuant to this Agreement. Members shall maintain liability insurance in sufficient amounts as determined by the Commission for personal injuries, and property damage naming Agency as additional insured.

Section 19. Records and Accounts

The Agency shall cause to be kept accurate and correct books of account, showing in detail the costs and expenses of any new construction, extra construction or reconstruction and the maintenance and operation of the Joint Facilities and Sole Use Facilities, if any, and all financial transactions of the Members relating to the Joint and Sole Use Facilities, which books of account shall correctly show any receipts and also any costs, expenses or charges to be paid by all or any of the Members hereunder. Said books of account shall be open to inspection at all times by any representative of any of the Members, or by any accountant or other person authorized by any Member to inspect said books of account. The Commission shall, in accordance with Section 6505 of the Law, cause the books of account and other financial records of the Agency to be audited annually by an independent certified public accountant. All records shall be kept in accordance with accepted good accounting practice.

Section 20. Amendments

This Agreement may be amended only by Agreement approved and executed by all of the parties thereto.

Section 21. Settlement of Disputes

If a dispute arises as to the construction, interpretation or implementation of any provision of this Agreement, the issues in dispute or matter requiring action shall be submitted to binding arbitration. For such purpose, an agreed arbitrator shall be selected by all Commissioners, or in the absence of agreement, the Commission by majority vote shall select an arbitrator and the commissioner or commissioners in dissent shall select an arbitrator. The two arbitrators so selected shall select a third arbitrator. The arbitrator or three arbitrators acting as a panel shall proceed to arbitrate the matter in accordance with the provisions of Title 9 of Part 3 of the Code of Civil Procedure.

Section 22. Withdrawal or Dissolution

Upon vote of the Commission a Member may withdraw from the Agency. With a Member's withdrawal or upon dissolution of the Agency, there shall be partial or complete distribution of assets and discharge of liabilities as follows:

- (a) Withdrawal: Upon withdrawal of any Member from the Agency, the withdrawing Member shall receive its proportionate share of the assets of the Agency and shall contribute its proportionate share as it comes due toward discharge of any liabilities incurred by the Agency as the same appear on the books of the Agency.
- (b) Dissolution: Upon dissolution of the Agency, each Member shall receive its proportionate share of the assets of the Agency and shall contribute its proportionate share as it comes due toward discharge of any liabilities incurred by the Agency as the same appear on the books of the Agency.

The distribution of assets may be made in kind or assets may be sold and the proceeds thereof distributed to a Member at the time of withdrawal or to all Members at the time of dissolution provided that all facilities and rights in facilities assigned or transferred by any Member to the Agency shall be reconveyed to said Member free and clear of all encumbrances and liens of any kind.

Upon withdrawal of a Member from the Agency or upon dissolution of the Agency, the responsibility of the Member or Members to contribute to the discharge of enforceable liabilities incurred by the Agency shall be limited to the proportion that the contributions made by each Member bears to the total contributions made by all to the Agency from the effective date of this Agreement to the date of withdrawal or dissolution.

Section 23. Miscellaneous

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

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

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

Section 24. Partial Invalidity

If any one or more of the terms, provisions, promises, covenants, or conditions of this Agreement shall to any extent be adjudged invalid, unenforceable, void, or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants, and conditions of this Agreement shall not be valid and enforceable to the fullest extent permitted by law.

Section 25. Successors

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

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

** Section 26. Personnel

A. Authority to Hire and Dismiss Employees:

1. The Board of Commissioners shall be the appointing authority for the General Manager. The General Manager shall serve at the pleasure of the Board. The Board of Commissioners shall be the appointing authority for management personnel designated by the Board and those persons shall serve at the Board's pleasure.
2. The General Manager is hereby empowered to hire all non-management personnel subject to the requirements of the Personnel Rules and Regulations.

3. The General Manager shall have the power to reprimand, suspend, reduce in compensation or dismiss any non-management personnel subject to such employee's right of appeal to the Board. All management personnel serve at the pleasure of the Board of Commissioners and, thus, are at will employees.

B. Review of Employee Performance

1. The Board of Commissioner shall annually review the performance of the General Manager and all upper management personnel directly responsible to the Board.
2. The General Manager shall review the performance of all other management employees annually and make a written evaluation for the employee's personnel file.
3. Employees will be annually evaluated in writing by their respective supervisor(s) with approval of such review by the General Manager. Such evaluation will be placed in the employee's personnel file.

C. Personnel Rules and Regulations

The Board of Commissioners shall have the authority to adopt personnel rules and regulations and make amendments thereto by a majority vote of the Board.

D. Administration of Employer-Employee Relations

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

E. Grievance Procedure

The Board of Commissioners shall have the authority to adopt a grievance procedure for its employees and may make amendments thereto by a majority vote.

F. Procedure for Disciplinary Action

The Board of Commissioners shall have the authority to adopt a procedure for disciplinary action which shall serve to review the action of the General Manager. The Board shall have the right to make amendments thereto by a majority vote of the Board.

Original Signed By:

SANITARY DISTRICT NO. 1: President
 Secretary (attest)
 Attorney (approved as to form)

SAN RAFAEL SANITATION DISTRICT: President
 Secretary (attest)
 Attorney (approved as to form)

SANITARY DISTRICT NO. 2: President
 Secretary (attest)
 Attorney (approved as to form)

CITY OF LARKSPUR: Mayor
 City Clerk (attest)
 Attorney (approved as to form)

REPRINTED WITH AMENDMENTS

Key: * = Amendment No. One 7/21/82
 ** = Amendment No. Two 6/16/84
 *** = Amendment No. Three 9/11/84
 **** = Amendment No. Four 11/17/87
 ***** = Amendment No. Five 3/06/90
 ***** = Amendment No. Six 9/12/06

Exhibit "A"

TABLE 1
CENTRAL MARIN WASTEWATER MANAGEMENT PROGRAM
ESTIMATED PROJECT COST

Facility	Total Estimated Project Cost (1)	Estimated Grant Participation	Estimated Local Funding Needs
Central Marin treatment plant	\$ 58,710.00.	\$ 46,570,000	\$ 12,140,000 (2)
Plant Outfall	15,800,000	13,430,000	2,370,000
San Rafael Force Main	3,400,000	2,890,000	510,000
Force Main to Tunnel	2,400,000	2,040,000	360,000
Catalina Pump Station	315,000	265,000	50,000
No. Francisco Pump Station	60,000	50,000	10,000
So. Francisco Pump Station	500,000	425,000	75,000
San Quentin Force Main	600,000	510,000	90,000
Tunnel to Plant	3,700,000	2,975,000	725,000
Land Acquisition for Bay Outfall & Transport	300,000	- 0 -	300,000
Greenbrae Pump Station	3,000,000	2,550,000	450,000
Kentfield Pump Station	300,000	255,000	45,000
San Quentin Pump Station	1,500,000	1,275,000	225,000
	\$ 90,585,000	\$ 73,235,000	\$ 17,350,000

(1) For information only, estimated local cost from CMSA's
Approved 1982-83 Budget

(2) Includes Land Acquisition Cost, Site Improvements
and Contingency

Exhibit "A"

TABLE 2
CENTRAL MARIN WASTEWATER MANAGEMENT PROGRAM
ESTIMATED LOCAL AGENCY SHARE OF TREATMENT PLANT COST

Facility	Treatment Plant Parameter Allocations				Total Local Cost	100%		
	Flow ² % of Cost	BOD ² % of Cost	SS ² % of Cost	Cost				
Central Marin Treatment Plant (Incl. land)	57.1%	18.0%	24.9%	\$6,930,000 \$2,185,000 \$3,025,000	\$12,140,000	100%		
	Flow	BOD	SS					
Local Agency Share of Param.	% of Cost	Flow Cost	% of BOD	BOD Cost	% of SS	SS Cost	Total Agency Plant Cost (1)	Weighted % of STP
San Rafael SD	38.6%	\$2,675,000	40.7%	\$ 890,000	45.1%	\$1,365,000	\$ 4,930,000	40.5%
SD #1	37.4	2,590,000	34.1	745,000	34.3	1,035,000	4,370,000	36.0
SD #2	9.9	685,000	9.0	195,000	9.1	275,000	1,155,000	9.6
Larkspur (incl. Murray Park)	6.4	445,000	6.0	130,000	5.9	180,000	755,000	6.3
San Quentin Prison	7.7	535,000	10.2	225,000	5.6	170,000	930,000	7.6
Totals	100.0%	\$6,930,000	100.0%	\$2,185,000	100.0%	\$3,025,000	\$12,140,000(3)	100.0%

Exhibit "A" 2 of 8

(1) For information only, estimated local cost from CMSA's Approved 1982-83 Budget

(2) Based upon data from Eastern Marin Southern Sonoma Wastewater Facilities Plan Addendum of July 1979.

(3) Includes Land Acquisition Costs, Site Improvements & Contingency

Exhibit "A"

TABLE 3
CENTRAL MARIN WASTEWATER MANAGEMENT PROGRAM
SUMMARY OF ESTIMATED LOCAL COST SHARES

Facility	Total Local Cost (1)	Cost Allocation Basis	Local Agency Cost Shares					Total
			San Rafael SD	SD No. 1	SD No. 2	Larkspur	San Quentin Prison	
Central Marin Treatment Plant	\$ 12,140,000	Flow, BOD, SS	40.5 %	36.0 %	9.6 %	6.3 %	7.6 %	100.0 %
Plant Outfall	2,370,000	Flow	38.6	37.4	9.9	6.4	7.7	100.0
San Rafael Force Main	510,000	Use	100.0	-	-	-	-	100.0
Force Main to Tunnel	360,000	Flow & Use	-	69.7	18.4	11.9	-	100.0
Catalina Pump Station	50,000	Use	100.0	-	-	-	-	100.0
No. San Francisco Pump Station	10,000	Use	100.0	-	-	-	-	100.0
So. San Francisco Pump Stations	75,000	Use	100.0	-	-	-	-	100.0
San Quentin Force Main	90,000	Flow & Use	-	-	-	-	-	100.0
Tunnel to Plant	725,000	Flow & Use	-	60.9	16.1	10.4	12.6	100.0
San Quentin Pump Station	225,000	Use	-	-	-	-	-	100.0
Greenbrae Pump Station	450,000	Use	-	100.0	-	-	-	100.0
Kentfield Pump Station	45,000	Use	-	100.0	-	-	-	100.0
	<u>\$ 17,050,000</u>							
Land Acquisition Costs for outfall, tunnel and transport	300,000							
	<u>\$ 17,350,000</u>							

(1) For information only, estimated local cost from CMSA's Approved 1982-83 Budget

(2) Includes Land Acquisition Cost, site improvements and contingency

Exhibit "A"

TABLE 4
CENTRAL MARIN WASTEWATER MANAGEMENT PROGRAM
SAN RAFAEL SANITATION DISTRICT LOCAL COST SHARE

Facility	Total Project Cost	SRSD Cost Share Percent*	SRSD Cost (1)
Central Marin Treatment Plant	\$12,140,000	40.5 %	\$4,865,000
Plant outfall	2,370,000	38.6	915,000
SRSD force main	510,000	100.0	510,000
Catalina pump station	50,000	100.0	50,000
No. Francisco pump station	10,000	100.0	10,000
So. Francisco pump station	75,000	100.0	75,000
Land Acquisition for outfall & transport	300,000		75,000
	<u>\$15,455,000</u>		<u>\$6,500,000</u>

*Refer to Table 2 for summary

(1) For information only, estimated local cost from CMSA's
Approved 1982-83 Budget.

Exhibit "A" 4 of 8

Exhibit "A"

TABLE 5
CENTRAL MARIN WASTEWATER MANAGEMENT
SANITARY DISTRICT NO. 1 - ROSS VALLEY
ESTIMATED LOCAL COST SHARE

Facility	Total Local Cost (1)	SD No. 1 Cost Share Percent*	SD No. 1 Cost (1)
Central Marin Treatment Plant	\$12,140,000	36.0%	\$4,400,000
Plant outfall	2,370,000	37.4	885,000
Force main to tunnel	360,000	69.7	250,000
Tunnel to plant	725,000	60.9	440,000
Kentfield pump station	45,000	100.0	45,000
Greenbrae pump station	450,000	100.0	450,000
Land Acquisition Costs for outfall & transport	300,000		135,000
	<u>\$16,390,000</u>		<u>\$6,605,000</u>

*Refer to Table 2 for summary

Exhibit "A" 5 of 8
(1) For information only, estimated local cost from CMSA's
Approved 1982-83 Budget

Exhibit "A"

TABLE 6
 CENTRAL MARIN WASTEWATER MANAGEMENT PROGRAM
 SANITARY DISTRICT NO. 2 - CORTE MADERA
 ESTIMATED LOCAL COST SHARE

Facility	Total Local Cost (1)	SD No. 2 Cost Share Percent*	SD No. 2 Cost (1)
Central Marin Treatment Plant	\$12,140,000	9.6%	\$ 1,160,000
Plant outfall	2,370,000	9.9	235,000
Force main to tunnel	360,000	18.4	65,000
Tunnel to plant	725,000	16.1	115,000
Land Acquisition Costs for outfall, tunnel & transport	300,000		35,000
	\$15,895,000		\$ 1,610,000

*Refer to Table 2 for summary

Exhibit "A" 6 of 8

(1) For information only, estimated local cost from CMSA's
 Approved 1982-83 Budget

Exhibit "A"

TABLE 7
CENTRAL MARIN WASTEWATER MANAGEMENT PROGRAM
CITY OF LARKSPUR
ESTIMATED LOCAL COST SHARE

Facility	Total Local Cost (1)	Larkspur Cost Share Percent*	Larkspur Cost(1)
Central Marin Treatment Plant	\$12,140,000	6.3%	\$ 765,000
Plant outfall	2,370,000	6.4	150,000
Force main to tunnel	360,000	11.9	45,000
Tunnel to plant	725,000	10.4	75,000
Land Acquisition Costs for outfall, tunnel & transport	300,000		25,000
	\$15,895,000		\$1,060,000

*Refer to Table 2 for summary

Exhibit "A" 7 of 8

(1) For information only, estimated local cost from CMSA's Approved 1982-83 Budget

Exhibit "A"

TABLE 8
CENTRAL MARIN WASTEWATER MANAGEMENT PROGRAM
SAN QUENTIN STATE PRISON
ESTIMATED LOCAL COST SHARE

Facility	Total Local Cost (1)	San Quentin Prison Cost Share Percent*	San Quentin Prison Cost (1)
Central Marin Treatment Plant	\$12,140,000	7.6 %	\$ 955,000
Plant outfall	2,370,000	7.7	185,000
Tunnel to plant	725,000	12.6	90,000
San Quentin force main	90,000	100.0	90,000
San Quentin pump station	225,000	100.0	225,000
Land Acquisition Costs for outfall, tunnel and transport system	300,000		30,000
	<u>\$15,850,000</u>		<u>\$1,575,000</u>

*Refer to Table 2 for summary

Exhibit "A" 8 of 8

(1) For information only, estimated local cost from CMSA's
Approved 1982-83 Budget

Exhibit "B"

Description of Sole Use Facilities

To be Owned and Maintained by the Member Agencies
 Except San Rafael Sanitation District IA-1 and
 Ross Valley Force Main IIA-1

Sole Use Facilities

No.	Description	Member Owner (Maint. Responsibility)
<u>SAN RAFAEL FORCE MAINS</u>		
IA-1	45" Force Main serving San Rafael from the Central Marin Treatment Plant upstream to the junction with the 10" Force Main to the South Francisco Pump Station (IG)	San Rafael S.D. (CMSA)
IA-2	45" Force Main serving San Rafael from the junction with the 10" Force Main to the South Francisco Pumping Station (IG) upstream to the junction with the 36" Force Main (IB)	San Rafael S.D. (SRSD)
IB	36" Force main serving San Rafael from the junction with the 42" Force Main (IA-2) upstream to the junction with the 27" Force Main from the North Francisco Pumping Station (IE)	San Rafael S.D. (SRSD)
IC	12" Force Main from Force Main IB to the Simms Street Pumping Station (No. 10)	San Rafael S.D. (SRSD)
ID	12" Force Main from Force Main IB to the West Railroad Pumping Station (No. 12)	San Rafael S.D. (SRSD)
IE	27" Force Main from Force Main IB to the North Francisco Pumping Station (No. 7)	San Rafael S.D. (SRSD)
IF	10" Force Main from Force Main IB to the Catalina (Cayes) Pumping Station (No. 13)	San Rafael S.D. (SRSD)
IG	10" Force Main from Force Main IA-1 to the South Francisco Pumping Station (No. 11)	San Rafael S.D. (SRSD)

Exhibit B to JPA
 (as amended)

ROSS VALLEY FORCE MAINS

IIA-1	54" Force Main serving the Ross Valley from the Central Marin Treatment Plant upstream to the junction with the Force Main serving San Quentin Force Main (Force Main IIF)	Ross Valley (SD #1) Corte Madera (SD #2) Larkspur (CMSA)
IIA-2	54" Force Main from Force Main 11A-1 upstream to the junction with the Force Main to Corte Madera (Force Main IIC-1) to Greenbrae Force Main IID-1.	Ross Valley (SD #1) Corte Madera (SD #2) Larkspur (SD #1)
IIB	10" Force Main from Force Main IIA-2 to Pumping Station No. B	Ross Valley (SD #1) (SD #1)
IIC-1	20" Force Main from Force Main IIA-1 upstream to the Paradise Pumping Station	Corte Madera (SD #2) (SD #2)
IIC-2	6" Force Main from Force Main IIC-1 upstream to the Fifer Pumping Station	Corte Madera (SD #2) (SD #2)
IIC-3	4" Force Main from Force Main IIC-1 upstream to the Trailer Court Pumping Station	Corte Madera (SD #2) (SD #2)
IID-1a	30" Force Main from the junction of Force Main IIA-2 and Force Main IIC-1 upstream to the Greenbrae Pumping Station	Ross Valley (SD #1) (SD #1)
IID-1b	42" Force Main from the junction of Force Main IIA-2 and Force Main IIC-1 upstream to the junction with the 30" Force Main IID-2 and the 18" Force Main II-D	Ross Valley (SD #1) Larkspur (SD #1)
IID-2	36" Force Main from the junction with Force Main IID-1 to the Kentfield Pumping Station (No. 12)	Ross Valley (SD #1) (SD #1)
IIE	18" Force Main from the connection with Force Main IID-1 upstream to the Larkspur Pumping Station	Larkspur (Larkspur)
IIF	16" Force Main from the connection with Force Main IIA-1 upstream to the San Quentin Prison Pumping Station	Ross Valley (SD #1) (SD #1)

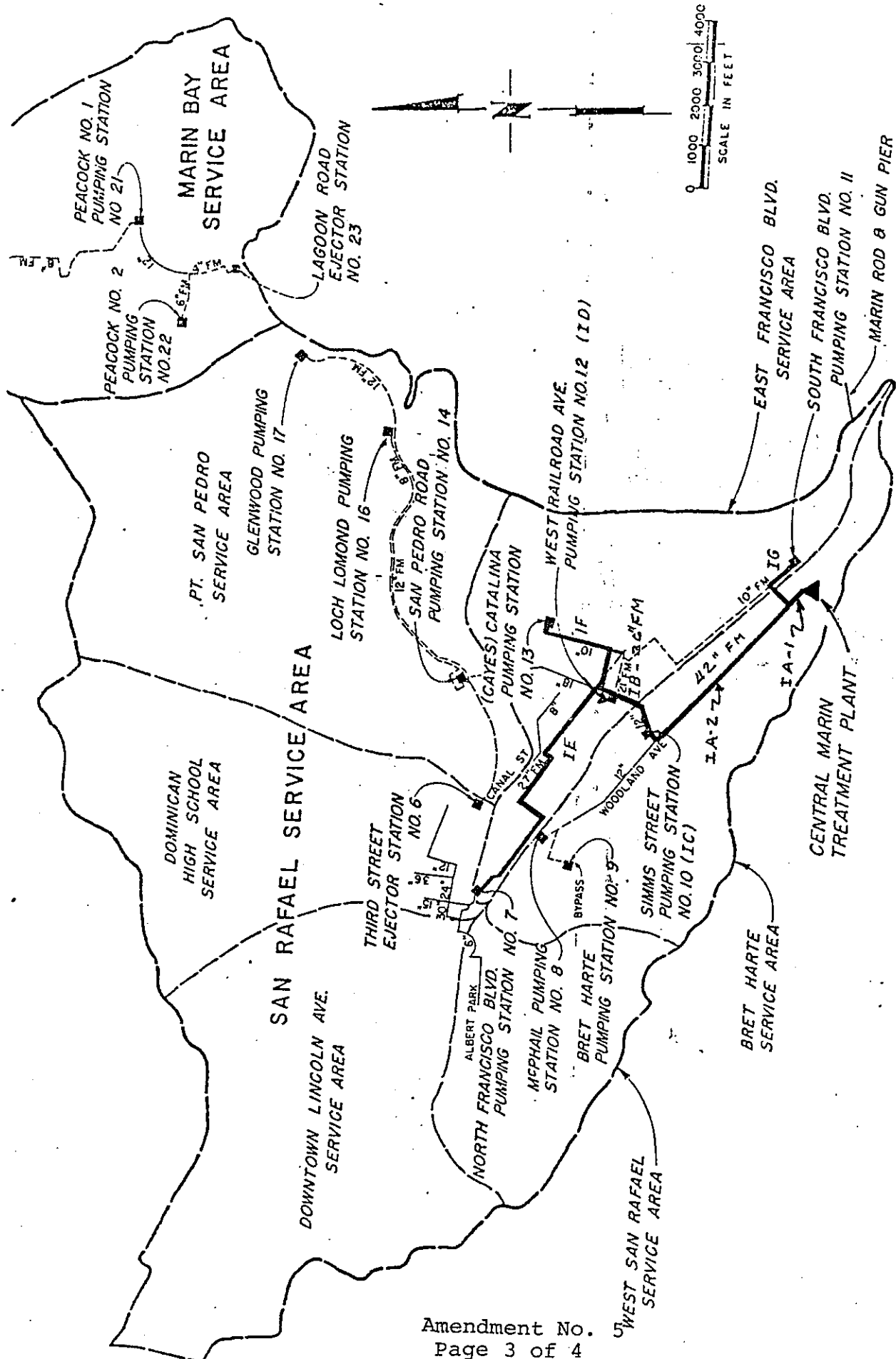


FIGURE I

SAN RAFAEL SANITATION DISTRICT

ROSS VALLEY SANITARY DISTRICT

FIGURE 2

