



COMMISSION MEETING AGENDA

Tuesday, April 10, 2012

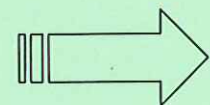
at the Agency Office

7:00 p.m.

Members of the public may directly address the Board on any item appearing on the Agenda. They may address the Board when the item is called by the Board Chair and he/she indicates that it is the time for the public to speak to the agenda item.

1. Call Meeting to Order/Pledge of Allegiance
2. Roll Call
3. Open Period for Public Participation
Open time for public expression, up to two minutes per speaker, on items within CMSA's jurisdiction and not on the Board of Commissioners' agenda. The Board will not discuss or take action during open time.
4. Consent Calendar: Matters listed under this item are considered routine and will be enacted by one motion. The consent calendar may include resolutions; therefore, the motion, second, and vote will also be applicable to the resolution and recorded accordingly. There will be no separate discussion of these items unless requested by a member of the board or the public prior to the time the board votes on the motion to adopt.
 - a. Minutes of March 13, 2012
 - b. Treasurer's Report—Operating Account—March 2012
 - c. Treasurer's Report—Revenue Bond—March 2012
 - d. Schedule of Investments—March 2012
 - e. Performance Metric Report—March 2012
 - f. NPDES and Process Report—March 2012
 - g. Third Quarter Budget Status Report for Fiscal Year 2011-12
 - h. Revised Revenue Management Financial Policy
5. Finance Committee Appointment
Recommendation: Consider nominating and appointing a third member to the Board's Finance Committee.

OVER



6. Regional Charge Volume/Quality Allocation Procedure
Recommendation: Approve the volume/quality Regional Charge allocation procedure as presented or with Board approved edits, and direct staff to incorporate the procedure into the Agency's Revenue Management Financial Policy.
7. FY12/13 Regional Charge Allocation Method
Recommendation: Consider selecting the three-year average flow Regional Charge allocation method for Fiscal Year 2012/2013.
8. Selection of Independent Auditor for FY2011-12 through FY 2013-14
Recommendation: Approve the selection of Chavan & Associates, LLP, Certified Public Accounts, as the Agency's Independent Auditor for Fiscal Years 2011-12 through FY 2013-14
9. Fiscal Year 2011/2012 Debt Service Coverage Ratio
Recommendation: Informational; provide direction to staff or take action, as appropriate.
10. Interim Wastewater Service Agreement with California Department of Corrections and Rehabilitation
Recommendation: Review the final draft Interim Wastewater Services Agreement between CMSA and the California Department of Corrections and Rehabilitation, and provide comments to the General Manger.
11. Ross Valley Sanitary District Resolution Establishing a CMSA Policy Payment
Recommendation: Informational; provide direction to staff or take action, as appropriate.
12. Revised 10-Year Capital Improvement Program (CIP) for the FY13 Budget
Recommendation: Review the revised 10-year Capital Improvement Program, provide comments to the General Manager
13. North Bay Watershed Association (NBWA) Report*
14. Verbal Report by Commissioners/General Manager*
15. Next Scheduled Meeting – May 8, 2012

*Information not furnished with agenda

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Central Marin Sanitation Agency at 415-459-1455. For auxiliary aids or services or other reasonable accommodations to be provided by the Agency at or before the meeting, please notify the Agency at least 3 business days in advance of the meeting date (meeting is the second Tuesday of each month). If the Agency does not receive timely notification of your reasonable request, the Agency may not be able to make the necessary arrangements by the time of the meeting.

**THE COMMISSIONERS OF THE
CENTRAL MARIN SANITATION AGENCY
HELD A REGULAR MEETING AT THE AGENCY OFFICE**

**Minutes of Tuesday, March 13, 2012
7:00 P.M.**

CALL MEETING TO ORDER Chair Dupar called the meeting to order at 7:01 p.m. A quorum was present.

Members Present: Dupar, Guasco, Hartzell, Heller, Phillips (for Boro)

Members Absent: Boro, Johnson

Staff Present: Jason R. Dow, General Manager; Mary J. Brown, Recording Secretary; Rob Cole, Environmental Services Manager; Chris Finton, Treatment Plant Manager; Ken Katen, Engineering Manager

Public Present: Jack F. Govi, County Counsel's Office, and Mary Sylla

OPEN PERIOD There were no comments made in public open time.

CONSENT CALENDAR

Action

M/s Hartzell/Heller to approve the consent calendar:

- a. Minutes of February 14, 2012
- b. Treasurer's Report—Operating Account—February 2012
- c. Treasurer's Report—Revenue Bond— February 2012
- d. Schedule of Investments— February 2012
- e. Performance Metric Report—February 2012
- f. NPDES and Process Report—February 2012
- g. 2012 CASA Spring Conference
- h. Procurement of Two Primary Clarifier and Two Aeration Tank Sluice Gates
- i. Procurement of Primary Clarifier Replacement Equipment
- j. Bond Counsel Legal Services Agreement with Hawkins Delafield Wood

Alternate Commissioner Phillips stated that he would abstain from voting on Item 4.a. Minutes of February 14, 2012, as he was not in attendance at that meeting.

The motion carried with the following vote:
 AYES: Dupar, Guasco, Hartzell, Heller, Phillips
 NAYS: None
 ABSTAIN: None (see note above re: Item 4.a.)

**RAGGHIANI & FREITAS
OPINION ON CMSA
PROVIDING CONTRACT
SERVICES TO LOCAL
AGENCIES OUTSIDE THE
JPA SERVICE AREA**

Counsel Govi referred to the staff report and explained the general history of this item, noting that the Board had previously sought his and additional outside counsel regarding whether or not it was proper for CMSA to provide contract services to agencies outside of the JPA service area. He stated that the Board asked him to again

seek outside counsel at their February board meeting, and he said the Agency sought the opinion of the Ragghianti & Freitas law firm. He stated he received their opinion and that they found that it is indeed proper for CMSA to engage in contracts outside the JPA service area. Counsel Govi noted that Commissioner Johnson expressed her concern at the February meeting that the law firm(s) opining on this topic in the past did not have all the relevant documents necessary to deliver an opinion, and he said that he invited her to name any documents she would like included, but he did not hear back from her.

The Board briefly discussed Ragghianti & Freitas' opinion. This item was informational and no formal action was taken. Chair Dupar suggested that GM Dow provide a copy of the firm's opinion to the RVSD Board members and to the JPA managers. The Board concurred. GM Dow stated that he would email the opinion to the RVSD directors and member agency managers.

**DIGESTER
IMPROVEMENTS/FOG FACILITY
PROJECT—TASK ORDER FOR
SUPPLEMENTAL ENGINEERING
SERVICES DURING
CONSTRUCTION**

GM Dow referred to the staff report and explained that a task order for supplemental engineering services to augment the budget during construction has been developed for specific tasks that are being performed and because of additional engineering support needed from Kennedy Jenks during the start-up of the retrofitted digesters and the FOG/Food-to-Energy facility. GM Dow stated that the task order fee allowance is \$92,300 and will be funded from the approved project budget in the capital improvement program.

Action

M/s Hartzell/Heller to approve Task Order 2E for the Digester Improvement/FOG Facility Project's Professional services Agreement with Kennedy/Jenks Consultants, and authorizes the General Manager to sign the Agreement's amendment for the Task Order. The motion carried unanimously.

**REGIONAL CHARGE FLOW
BASED ALLOCATION
PROCEDURES**

GM Dow referred to the staff report and explained that the Board asked staff to collaborate with the Finance Committee to prepare procedures for the annual flow and three year flow allocation methods, and to begin sampling the wastewater from each satellite collection agency to determine its quality. He explained that staff has prepared the final draft procedures that include comments from the February 17, 2012 Finance Committee meeting discussion on the item. GM Dow referred to the section of the JPA that allows Board discretion to consider the wastewater quality when establishing the Regional Charge.

After brief discussion, GM Dow clarified that staff is currently gathering the collection agencies' strength data. He also clarified that this discussion and these proceedings pertain only to the Agency's operating expenses and not to the debt service payments.

Action

M/s Heller/Hartzell approve the annual flow and three year flow average Regional Charge allocation procedures as presented, and directs staff to incorporate the procedures into the Agency's Revenue Management Financial Policy. The motion carried with the following vote:

AYES: Dupar, Hartzell, Heller, Phillips

NAYS: Guasco

ABSTAIN: None

**FEBRUARY 18, 2012
VIOLATION OF CMSA BOARD
DECORUM POLICY**

Chair Dupar stated that he is bringing this item to the Board. Commissioner Guasco stated that he wished to recuse himself from this item and left the room (7:47p.m.).

Chair Dupar reviewed his memorandum to the Board and explained that Commissioner Johnson had disagreed with the Finance Committee members at their last meeting on February 17, 2012 regarding the allocation of the Regional Charge in relationship to the revenue shortfall. He said that during the discussion at the meeting, Commissioner Johnson became agitated and made disparaging comments toward staff and committee members, saying that they were dishonest and deceitful, and implied that staff and Board members were in collusion against her. Chair Dupar said that she clearly violated the Board's Decorum Policy, specifically the section stating, "Do not criticize or denigrate staff in public or at meetings." Chair Dupar stated that he believes she should be removed from the Finance Committee in order for the Committee to continue working productively together.

Commissioner Hartzell stated that Commissioner Johnson's remarks at the meeting were indeed inappropriate and that it was unfortunate that the remarks were made about staff, in front of staff.

Alternate Commissioner Phillips asked Commissioner Hartzell if she agreed with Chair Dupar's account of the meeting in his memo, and she indicated that she did. Alternate Commissioner Phillips stated that a letter to the RVSD Board should be drafted as recommended in the staff report.

After some discussion, the Board agreed that the current Decorum Policy be added as a future Agenda Item to ensure it contains wording specific to the removal of members from standing committees.

Counsel Govi said that the Board does have the right to remove Commissioner Johnson from a standing committee based on what occurred and suggested sending RVSD a letter explaining the removal of Commissioner Johnson and asking them to recommend a replacement.

Comments from the Public:

Mary Sylla asked for clarification about whether the Board was discussing removing Commissioner Johnson from the Finance Committee or from the Board of Commissioners. Chair Dupar responded that this would be removal from the Finance Committee.

Action

M/s Hartzell/Dupar to remove Commissioner Johnson from the Board's Finance Committee, and to write a letter to RVSD and to their Board of Directors requesting representatives to replace Commissioner Johnson on the Finance Committee. The motion carried with the following vote:

AYES: Dupar, Hartzell, Heller, Phillips

NAYS: None

ABSTAIN: None

RECUSALS: Guasco

(Note Commissioner Guasco rejoined the Commission at 8:12pm).

**FY12 RVSD DEBT SERVICE
PAYMENT**

GM Dow reviewed the staff report and gave a brief overview of the history of this item and the actions of the Board at the February meeting.

He noted that SRSD and SD2 paid the supplemental FY12 debt service invoices and the final draft default documents have been prepaid. He recounted that RVSD staff delivered their FY12 underpayment check with conditions on February 17, 2012, and that bond counsel and Counsel Govi both advised that staff should not deposit the check and accept the conditions, and that RVSD would remain in default. GM Dow presented three options for the Board to consider for handling the RVSD debt service underpayment check. The options were to accept the underpayment check, accept the underpayment check and prepare an advance refund, or to not accept the underpayment check. GM Dow explained that options one and two cure RVSD's default.

Commissioner Guasco noted that the FY12 EDU count information from RVSD was delivered to CMSA that day, and Commissioner Phillips asked if the second option is satisfied. GM Dow stated that if the EDU counts are verified, then option two could occur.

Commissioner Phillips recommended verifying the count, and if it is accurate, to deposit the check and issue the refund.

Action

M/s Hartzell/Phillips to direct staff to conduct an expeditious analysis of the EDU substantiation documents received on March 13, 2012, and following the conclusion that they do indeed verify the accrual count, accept and deposit RVSD's check, and prepare a refund within five days of the deposit. The motion carried unanimously.

**RVSD NOTICE OF DEFAULT
DOCUMENTS**

This item was stricken due to action taken during the previous agenda item.

**NORTH BAY WATERSHED
ASSOCIATION (NBWA) REPORT**

Commissioner Hartzell gave a brief report and referred to a handout she had crafted detailing the agenda of the March NBWA meeting.

**VERBAL REPORT BY
COMMISSIONERS**

GM Dow reviewed his handout highlighting Agency business, including:

- The RVSD Board approved a \$125k contract with StepWise Utility Advisors for their consolidation study. The firm sent PRAR requests to the member agencies and CMSA has responded.
- Wastewater strength sampling for each collection agency started in early March.
- CSRMA has reimbursed CMSA \$73,269 for a portion of our legal expenses defending SD2 in the lawsuit brought by RVSD.
- THE NPDES tentative order has been prepared by the Regional Water Board, and the RWB accepted most of the Agency's comments on the administrative draft.

- Proposals received from nine auditing firms to provide auditing services for the Agency's FY13-15 financial statements.
- RVSD's Environmental Compliance/Safety Coordinator terminated the CMSA/RVSD FOG Service Agreement, effective May 31.

BREAK

Chair Dupar called a break at 8:47pm. The Board reconvened in Closed Session at 8:53pm.

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION
 California Government Code Section 54956.9(a).
 Name of Case: *CMSA v. Sanitary District No. 1 of Marin County*,
 Matter Pending before potential Arbitrator or Arbitration Panel

RECONVENE IN OPEN SESSION

Chair Dupar reconvened the Board in Open Session at 9:27 pm. He reported that the Board directed staff to proceed with arbitration.

DATE OF NEXT MEETING

The next commission meeting is scheduled for April 10, 2012 at 7:00 pm.

ADJOURN

The meeting was adjourned at 9:28 p.m.

 Recording Secretary

 Secretary

Note: The minutes are an official record of the Board meeting. There is also an official audio record, available on the Agency's website at www.cmsa.org, and an official video record. Please contact CMSA at 415-459-1455 for information about receiving a copy of these records.

Central Marin Sanitation Agency
Treasurer's Report - Operating Account
For the Month of March 2012

I. Accounts Summary: Bank & Investment Accounts

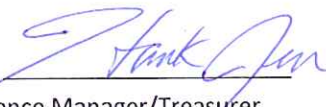
Summary of Bank & Money Market Accounts

Westamerica Bank - Account Activity shown below	\$ 170,608.22
Local Agency Investment Fund (LAIF) - Refer to Schedule of Investments	9,715,899.22
California Asset Management Program (CAMP) - Refer to Schedule of Investments	4,667,482.77
Total Bank & Investment Accounts: Ending Balance on March 31, 2012	\$ 14,553,990.21

II. Account Activity for Westamerica Bank

Beginning Balance on March 1, 2012	\$ 171,100.34
<u>Cash Receipts (Deposits into Westamerica):</u>	
Transfers from LAIF	400,000.00
Debt Service Charges (SD#1, SD#2, SRSD)	501,831.90
Permit and Inspection fees	588.62
Revenue from Haulers	7,420.73
County-wide Public Education Program Reimbursement (NSD Q2)	4,623.90
SD 2 Operations & Maintenance Contract (Jan)	29,972.68
Misc Revenue: CSRMA Reimbursed for CMSA Legal Expense RE: SD1 vs SD2	73,268.76
COBRA Health Benefit Payments from separated employees/retirees	278.22
Expense Reimbursements for CIP (from Revenue Bond)	27,778.98
Miscellaneous Reimbursements (NSD Safety Training)	209.20
Void check #44030 & #44167	1,775.00
Total cash receipts	\$ 1,047,747.99
<u>Cash Disbursements (Withdrawals from WestAmerica):</u>	
March 2012 Operating account disbursements register (see attached)	752,749.20
Regular Payroll paid 03/09/12	116,692.80
Regular Payroll paid 03/23/12	113,512.68
Transfers to EFTPS Federal Payroll Taxes (03/14, 03/28)	57,237.28
Merit Pay (1), Final Separation Pay (1)	8,048.15
Total cash disbursements	\$ 1,048,240.11
Ending Balance on March 31, 2012	\$ 170,608.22

Prepared by:


Hank Jen, Finance Manager/Treasurer

Reviewed by:


Jason Dow, General Manager

Central Marin Sanitation Agency
Operating Account Disbursements Register
For the Month of March 2012

Check Number	Check Date	Vendor/Payee	Amount	Description
44075				Last check # from prior month's register
44076				to
44096	03/01/12	Payments to 21 Retirees	8,103.24	Agency Reimb for Retiree Health Benefits (CalPERS PEMCHA)
44097	03/06/12	California Public Employee	1,825.20	Employer Share Annual Survivor Benefit Premium
44098	03/06/12	Cal Public Employee Retirement	46,055.53	Medical Insurance, March 2012
44099	03/06/12	Delta Dental Plan of Calif.	7,504.63	Dental Insurance, March 2012
44100	03/06/12	Standard Insurance Co. RB	3,850.58	Life Insurance, March 2012
44101	03/06/12	Vision Service Plan -(CA)	535.78	Vision Insurance, March 2012
44102	03/06/12	Allied Packing & Supply	1,008.39	Bioassay Pump
44103	03/06/12	Amazing Solutions, Inc.	1,562.40	Annual License for Financial System
44104	03/06/12	Borges & Mahoney	1,270.37	Cell Titrator Replacement
44105	03/06/12	Empire Elevator Co Inc	108.16	Elevator Maintenance
44106	03/06/12	Fastenal Company	69.67	Utility Supplies
44107	03/06/12	Golden Gate Petroleum	1,027.31	Oil for Diesel Engines
44108	03/06/12	Liebert Cassidy Whitmore	2,227.00	Employment Relations Training Consortium Membership for 2012
44109	03/06/12	Marin Office Supply	551.40	Office Supplies, February 2012
44110	03/06/12	Olin Corp - Chlor Alkali	9,163.93	Sodium Hypochlorite (2 deliveries)
44111	03/06/12	P.G.& E.	14,568.11	Electricity Service, February 2012 (2 invoices)
44112	03/06/12	Sprint	232.18	Phone Service, 1/24-2/23/12
44113	03/06/12	U.S. Peroxide, LLC	13,503.37	Hydrogen Peroxide (1 delivery)
44114	03/06/12	WESCO Distribution, Inc.	804.32	Electrical Supplies (3 invoices)
44115	03/09/12	CalPERS	47,161.37	Retirement contributions PPE 03/03/12
44116	03/09/12	California Public Employee	20,000.00	March 2012 Contribution to Retiree Health Benefits Trust Fund
44117	03/09/12	EDD	9,940.93	State & SDI Taxes, PPE 03/03/12
44118	03/09/12	Franchise Tax Board	50.00	Employee Garnishment, PPE 03/03/12 (Note A)
44119	03/09/12	ICMA Retirement Trust-457	5,360.37	Deferred Compensation Contributions, PPE 03/03/12 (Note A)
44120	03/09/12	Nationwide Retirement	2,906.80	Deferred Compensation Contributions, PPE 03/03/12 (Note A)
44121	03/09/12	Operating Engineers Local 3	276.83	Contribution to MARA Benefit, PPE 03/03/12
44122	03/09/12	SEIU Local 1021	960.80	Union Dues, PPE 03/03/12 (Note A)
44123	03/09/12	Amazing Solutions, Inc.	37.50	Prof Svcs: Financial System Support, February 2011
44124	03/09/12	California Health & Rescue Tra	732.20	Safety Prog: Confined Space Rescue Class (Note B)
44125	03/09/12	EADOC LLC	5,500.00	Annual Subscription for Construction Management Software
44126	03/09/12	IEDA, Inc.	669.00	Labor Relation March 2012
44127	03/09/12	Marin County Tax Collector	10,762.50	General Legal Counsel Services October - December 2011
44128	03/09/12	Miller Pacific	2,740.30	Concrete Strength Testing; Digester/FOG Project
44129	03/09/12	Olin Corp - Chlor Alkali	4,350.10	Sodium Hypochlorite (1 delivery)
44130	03/09/12	P.G.& E.	105.92	Natural Gas Service, 1/31-2/29/12
44131	03/09/12	Redwood Shore Diving, Inc.	8,308.75	Annual Outfall Inspection & Diffuser Repairs
44132	03/09/12	SPURR	10,055.84	Natural Gas Usage January 2012
44133	03/09/12	Synagro West, Inc.	10,951.20	Biosolids Land Application Fees May 2011
44134	03/15/12	AireSpring	654.82	Phone Service, February 2012
44135	03/15/12	Analysts, Inc.	18.00	Oil Sample
44136	03/15/12	Aramark	1,409.04	Uniform Service, February 2012
44137	03/15/12	Golden Gate Petroleum	1,554.31	Hydraulic Oil
44138	03/15/12	Hagel Supply Co.	461.93	Utility Supplies February 2012
44139	03/15/12	Harrington Industrial Plastics	3,024.09	PVC Parts (2 invoices)
44140	03/15/12	Home Depot Credit Services	471.14	Electrical & Utility Supplies February 2012
44141	03/15/12	Jackson's Hardware	527.84	Maintenance Parts & Supplies (5 invoices)
44142	03/15/12	Hank Jen	25.00	Flexible Spending Account (IRS125) Plan Reimbursement (Note A)
44143	03/15/12	Kaman Industrial Technologies	1,258.60	Clarifier Parts
44144	03/15/12	Konecranes, Inc.	926.00	OSHA Annual Inspection of Cranes and Hoists
44145	03/15/12	Marin Color Service	352.46	Paint Supplies (3 invoices)

Central Marin Sanitation Agency
Operating Account Disbursements Register
For the Month of March 2012

Check Number	Check Date	Vendor/Payee	Amount	Description
44146	03/15/12	Marin Sanitary Service	2,982.68	Garbage (14 pickups), Yard Waste (3 pickups) (3 invoices)
44147	03/15/12	Marin Municipal Water District	637.68	Water Service, 12/08-03/07/12 (5 invoices)
44148	03/15/12	R2 Engineering, Inc	1,392.53	Sludge Feed Pump (2 invoices)
44149	03/15/12	Thomas & Associates	482.25	Pump Parts
44150	03/15/12	Dale Thrasher	383.84	Flexible Spending Account (IRS125) Plan Reimbursement (Note A)
44151	03/15/12	Univar USA Inc	10,010.76	Sodium Bisulfite (2 deliveries)
44152	03/15/12	Van Bebbler Bros., Inc.	35.64	Parts for Clarifier Deck
44153	03/15/12	WESCO Distribution, Inc.	60.89	Electrical Supplies
44154	03/15/12	Western Exterminator Co.,Inc.	137.00	Pest Control February 2012
44155	03/16/12	Sanitary District #1	230,477.26	FY11-12 Debt Service Supplemental Payment
44156	03/21/12	ANDRITZ Separation, Inc.	4,022.50	Measurement Interface Amplifier Module for Centrifuge
44157	03/21/12	AT&T	730.17	Phone Service, 3/7-4/6/12 (2 invoices)
44158	03/21/12	Caltest Analytical Laboratory	1,032.53	Lab Analyses (2 invoices)
44159	03/21/12	Dahl-Beck Electric	2,348.37	Voltage Regulator for Waukesha (2 invoices)
44160	03/21/12	Fastenal Company	89.15	Maintenance Parts & Supplies
44161	03/21/12	G3 Engineering, Inc.	3,021.50	SD2 Pump Station Maint: Pump Impeller (Note B)
44162	03/21/12	Grainger	956.38	Maintenance Parts & Supplies (9 invoices) (Note B)
44163	03/21/12	Ikon Office Solutions	691.18	Copier Rental 2/29-3/28/12
44164	03/21/12	Kaman Industrial Technologies	6,979.99	Primary Helical Skimmer Parts & Digester Recirc Pump Motor (2 invoices)
44165	03/21/12	Ken Katen	496.62	Flexible Spending Account (IRS125) Plan Reimbursement (Note A)
44166	03/21/12	Ken Grady Co., Inc.	506.00	Electrical Supplies
44167	03/21/12	Void check	-	Void check Printing Error
44168	03/21/12	Marin Link Inc	2,500.00	Public Ed: Wastewater Treatment Agencies of Marin Sponsorship for Earth Day (Note B)
44169	03/21/12	Marin Resource Recovery Center	45.00	Yard Waste
44170	03/21/12	McMaster-Carr Supply Co.	143.19	Electrical supplies
44171	03/21/12	Orchard Supply Hardware	31.06	Maintenance Parts & Supplies (Note B)
44172	03/21/12	Rafael Lumber	147.27	Maintenance Parts & Supplies (3 invoices)
44173	03/21/12	Standard Equipment Co.	8,380.83	Waukesha Parts & Supplies
44174	03/21/12	Telephony Depot	1,150.49	6 VOIP Phones
44175	03/21/12	Dale Thrasher	97.12	Flexible Spending Account (IRS125) Plan Reimbursement (Note A)
44176	03/21/12	Total Waste Systems, Inc.	4,782.11	Biosolids Hauling, February 2012
44177	03/21/12	Waste Management	19,767.56	Biosolids Disposal February 2012
44178	03/21/12	Water Components & Bldg. Supp.	739.99	Maintenance Parts & Supplies (3 invoices)
44179	03/23/12	CAL-CARD	15,505.89	State of California Purchase Card, January & February 2012
44180	03/23/12	John Dupar	100.00	Commissioner Fee 03/13/2012
44181	03/23/12	Patrick Guasco	100.00	Commissioner Fee 03/13/2012
44182	03/23/12	Kathleen Ohlson Hartzell	200.00	Commissioner Fee for 03/13/12 Meeting & March NBWA Meeting
44183	03/23/12	Barbara Heller	100.00	Commissioner Fee 03/13/2012
44184	03/23/12	CalPERS	47,488.85	Retirement contributions PPE 03/17/12
44185	03/23/12	EDD	10,649.06	State & SDI Taxes, PPE 03/17/12
44186	03/23/12	Franchise Tax Board	50.00	Employee Garnishment, PPE 03/17/12 (Note A)
44187	03/23/12	ICMA Retirement Trust-457	5,380.37	Deferred Compensation Contributions, PPE 03/17/12 (Note A)
44188	03/23/12	Nationwide Retirement	2,906.80	Deferred Compensation Contributions, PPE 03/17/12 (Note A)
44189	03/23/12	Operating Engineers Local 3	278.85	Contribution to MARA Benefit, PPE 03/17/12
44190	03/23/12	SEIU Local 1021	962.31	Union Dues, PPE 03/17/12 (Note A)
44191	03/27/12	CASH-PETTY CASH Replenishment	323.30	Petty Cash Fund Replenishment, December to March 2012
44192	03/27/12	AT&T	189.26	Data Plans Service for Computer Tablets, February 2012
44193	03/27/12	Sandra L. Batis	259.50	Per Diem Advance for CWEA Annual Conference
44194	03/27/12	Brandon Tire	113.32	Tire Repair

Central Marin Sanitation Agency
Operating Account Disbursements Register
For the Month of March 2012

Check Number	Check Date	Vendor/Payee	Amount	Description
44195	03/27/12	Caltest Analytical Laboratory	1,097.77	Lab Analyses (4 invoices)
44196	03/27/12	Carquest Auto Parts	20.57	Auto Parts
44197	03/27/12	Cereske Electrical Cable Co	128.67	Electrical supplies
44198	03/27/12	CWEA TCP	580.00	CWEA Meeting Registration Fee, March 2012 (17 employees)
44199	03/27/12	East Bay Muni Utility District	750.00	NPDES Permit Compliance Testing
44200	03/27/12	Fastenal Company	2,266.68	Shelving Units for Headworks Room
44201	03/27/12	Federal Express	139.27	Delivery Expense, February 2012
44202	03/27/12	Chris Finton	135.00	Flexible Spending Account (IRS125) Plan Reimbursement (Note A)
44203	03/27/12	Fisher Scientific	506.51	Lab Supplies (4 invoices)
44204	03/27/12	G3 Engineering, Inc.	9,297.50	Water Champ Induction Mixer
44205	03/27/12	Grainger	849.77	Electrical & Maintenance Supplies (3 invoices)
44206	03/27/12	IKON Office Solutions	85.92	Office Supplies
44207	03/27/12	Inner Workings	226.08	Office Supplies
44208	03/27/12	Kaman Industrial Technologies	416.97	Sludge Pump Parts
44209	03/27/12	Microcom Tech	2,632.61	Wi-Fi Access Point Antenna (16) Access Points Around Plant
44210	03/27/12	Marin Municipal Water District	1,000.00	Public Ed: Wastewater Treatment Agencies of Marin Sponsorship for 2012 NBWA Conference
44211	03/27/12	Olin Corp - Chlor Alkali	9,232.53	Sodium Hypochlorite (2 deliveries)
44212	03/27/12	Onyx Valve Co.	830.22	Clog Pressure Gauge and Switch
44213	03/27/12	Perfect Timing Personnel Svc	560.00	Prof Svcs: Temporary Agency, Admin Assist, Wk. end of 03/25/12
44214	03/27/12	Gary O Phillips	100.00	Commissioner Fee 03/13/2012
44215	03/27/12	Praxair Distribution, Inc.	258.24	Lab Supplies (2 invoices)
44216	03/27/12	Ryan Herco Fluid Flow Sol	233.48	Lab Supplies (2 invoices)
44217	03/27/12	Rock Steady Juggling	1,500.00	Public Ed Program: Outreach at Three Elementary Schools (Note B)
44218	03/27/12	Shamrock Materials, Inc.	21.74	Propane
44219	03/27/12	SPURR	10,912.71	Natural Gas Usage February 2012
44220	03/27/12	Teledyne ISCO	491.15	Lab Supplies
44221	03/27/12	United Parcel Service	9.48	Delivery Expense February 2012
44222	03/27/12	Verizon Wireless	76.31	Phone Service, 2/11-03/10/12
44223	03/27/12	VWR International	114.06	Lab Supplies (2 invoices)
44224	03/27/12	Water Components & Bldg. Supp.	158.88	Maintenance Parts & Supplies (3 invoices)
44225	03/27/12	Water Environment Federation	220.00	Annual Membership Renewal
44226	03/29/12	Allied Packing & Supply	634.73	Submersible Pump for Meter Vault
44227	03/29/12	Babbitt Bearing Co Inc	3,634.00	Refurbish Shaft for Moyno Sludge Pump.
44228	03/29/12	Cal Steam	74.46	Maintenance Parts & Supplies
44229	03/29/12	Electrical Equipment Co.,Inc.	2,386.89	Electrical Supplies (2 invoices)
44230	03/29/12	Federal Express	196.09	Office Supplies
44231	03/29/12	JAMS, INC	5,800.00	Retainer for CMSA & RVSD Arbitration
44232	03/29/12	Metal Service Center	380.00	Pump Parts & Supplies (2 invoices)
44233	03/29/12	Olin Corp - Chlor Alkali	4,468.10	Sodium Hypochlorite (1 delivery)
44234	03/29/12	P.G.& E.	19,270.33	Electricity Service, 02/15-03/15/12
44235	03/29/12	R2 Engineering, Inc	389.84	Moyno Pump Parts
44236	03/29/12	TNT Enterprises	3,000.00	Safety Prog: Cranes, Hoist & Rigging Training (Note B)
44237	03/29/12	U.S. Peroxide, LLC	12,258.99	Hydrogen Peroxide (1 delivery)
44238	03/29/12	Woodland Center Auto Supply	11.39	Auto Supplies
		Grand Total	752,749.20	

Notes:

- A: Not an Agency Expense. Expense funded through Payroll deduction.
- B: Not an Agency Expense. CMSA will be reimbursed for this expense.

Central Marin Sanitation Agency
Treasurer's Report - Revenue Bond Series 2006
For the Month of March 2012

I. Summary of Bond Accounts and Cumulative Activities Since Inception of Bond Program

Accounts Summary	Starting Balance Oct. 19, 2006	Total Activities Since Inception	Ending Balance March 31, 2012
1. Bond Project Fund (CAMP 120-00)	\$ 65,123,107.94	\$ (57,425,935.22)	\$ 7,697,172.72
2. Bond Reserve Fund (CAMP 120-02)	4,754,281.26	\$ 2,839.07	\$ 4,757,120.33
Total	\$ 69,877,389.20	\$ (57,423,096.15)	\$ 12,454,293.05

II. Account Details for the Month of March 2012

1. Bond Project Fund - Monthly Account Activity

Beginning Balance on March 1, 2012 \$ 8,108,646.21

Cash Receipts:

Income Dividends (CAMP approximately @ 0.27%) 1,781.24

Total cash receipts \$ 1,781.24

Cash Disbursements:

Payment to Hawkins Delafield & Wood, Bond Counsel 8,330.00

Payment to Harris Associates: CM Digester Improvements & FOG Facility, February 2012 5,010.00

Payment to Kennedy/Jenks: ESDC Digester Improvements & FOG Facility, January 2012 27,807.75

Payment to GSE: Progress Payment #8 Digester Improvement & FOG Facility Project, February 2012 309,895.20

Payment to GSE c/o Escrow Account: 10% Retention for Progress #8 Digester Improvement & FOG Facility 34,432.80

Reimbursement to CMSA: Salary & Benefit Expenses, 02/05-03/03/12 27,778.98

Total cash disbursements \$ 413,254.73

Ending Project Fund Balance on March 31, 2012 \$ 7,697,172.72

2. Bond Reserve Fund - Monthly Account Activity

Beginning Balance on March 1, 2012 \$ 4,756,065.97

Cash Receipts:

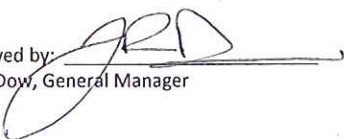
Income Dividends (CAMP approximately @ 0.27%) 1,054.36

Total cash receipts \$ 1,054.36

There are no disbursements from this fund at this time. This fund represents the final debt service payment to the bond holders when the bonds reach maturity in 2031.

Ending Reserve Fund Balance on March 31, 2012 \$ 4,757,120.33

Prepared by: 
Hank Jen, Finance Manager/Treasurer

Reviewed by: 
Jason Dow, General Manager

Central Marin Sanitation Agency
 Schedule of Investments
 As of Month Ending March 31, 2012

Date Purch (1)	Face Value (2)	Maturity Date (4)	Description (3)	Original Cost (5)	Disc (Prem) (6)	Book Value (7)	Unrealized Appreciation (Depreciation) (8)	Market Value (9)	Agency Reserve Target for June 30, 2012
I. Investments managed by California Asset Management Program (CAMP)									
Money Market Funds (< 1 year in maturity)									
			CAMP Cash Reserve Pool, 0.3% (est)	\$ 4,667,482.77	\$ -	\$ 4,667,482.77	\$ -	\$ 4,667,482.77	
			<u>U.S. Government Securities (> 1 year in maturity) (A)</u>	\$ -	\$ -	\$ -	\$ -	\$ -	
			Subtotal- U.S. Government Securities	\$ -	\$ -	\$ -	\$ -	\$ -	
			Total with CAMP	\$ 4,667,482.77	\$ -	\$ 4,667,482.77	\$ -	\$ 4,667,482.77	
Consists of funds designated for the Restricted and Unrestricted Capital Reserves to fund the Capital Improvement Program									
II. Investments managed by Local Agency Investment Fund (LAIF)									
Money Market Funds (< 1 year in maturity)									
			Local Agency Investment Fund (LAIF), 0.4% (est)						
			a. Current Year Operating	\$ 1,189,401.03		\$ 1,189,401.03		\$ 1,189,401.03	\$ 2,356,606
			b1. Agency Unrestricted Reserve: Operating	\$ 2,356,606.00		\$ 2,356,606.00		\$ 2,356,606.00	\$ 250,000
			b2. Agency Unrestricted Reserve: Emergency	\$ 250,000.00		\$ 250,000.00		\$ 250,000.00	\$ 100,000
			b3. Agency Unrestricted Reserve: Insurance	\$ 100,000.00		\$ 100,000.00		\$ 100,000.00	\$ -
			c. Unrestricted Capital Reserves	\$ 5,819,892.19		\$ 5,819,892.19		\$ 5,819,892.19	\$ -
			Total with LAIF	\$ 9,715,899.22	\$ -	\$ 9,715,899.22	\$ -	\$ 9,715,899.22	\$ 2,706,606
			TOTAL INVESTMENTS	\$ 14,383,381.99	\$ -	\$ 14,383,381.99	\$ -	\$ 14,383,381.99	
			Short-term Investments (< 1 year in maturity)	\$ 14,383,381.99	\$ -	\$ 14,383,381.99	\$ -	\$ 14,383,381.99	
			Long-term Investments (> 1 year in maturity)	\$ -	\$ -	\$ -	\$ -	\$ -	
			Amount designated for Capital Reserves						
			1. CAMP	\$ 4,667,482.77		\$ 4,667,482.77		\$ 4,667,482.77	\$ 3,605,968
			2. LAIF	\$ 5,819,892.19		\$ 5,819,892.19		\$ 5,819,892.19	\$ 7,618,859
			Total	\$ 10,487,374.96		\$ 10,487,374.96		\$ 10,487,374.96	\$ 11,224,827
The Agency has shifted a portion of the CAMP balance into LAIF to maximize interest earnings.									

COLUMN DEFINITIONS:

- (1) Date Purchased - the date funds and securities were exchanged
- (2) Face Value - the stated maturity value of a security
- (3) Description - the issuer, type of security and interest rate
- (4) Maturity Date - the date the issuer has promised to pay the face value of the security
- (5) Original Cost - the amount paid for the face value of the security
- (6) Accumulated Amortization Discount (Premium) - the accumulated amount of any discount received or premium paid, from the purchase date until the date of the report
- (7) Book Value - The sum of Original Cost and Accumulated Amortization
- (8) Unrealized Appreciation (Depreciation) - the difference between the Market Value and the Book Value
- (9) Market Value - An estimate of the value at which the principal would be sold from a willing buyer as-of the close of the last business day of the month.

NOTES:

- (A) Interest is paid semi-annually for bonds with a maturity period of greater than one year
- (B) Consists of funds designated for the Agency Restricted and Unrestricted Capital Reserves.

Statement of Compliance

The above portfolio of investments is in compliance with the Agency's investment policy, adopted at the September 13, 2005 Commission meeting, and California Government Code Section 53600. In addition, the Agency does have the financial ability to meet its cash flow requirements for the next six months.

BOARD MEMORANDUM

April 5, 2012

To: CMSA Commissioners & Alternates
From: Jason Dow, General Manager JD
Subject: March 2012 Performance Metric Report

Recommendation: Accept the March 2012 Performance Metric Report.

Summary: The Agency's performance in facility operations and maintenance, regulatory and environmental compliance, and public education and outreach in March met nearly all of our metric goals/targets and NPDES permit and other regulatory requirements. Noteworthy metrics or variances are described below.

Table 1 - Operational Metrics

There were no process disruptions or treatment performance issues over the past month. Biosolids production was greater than our target range, likely due to the number of rain events this month that flush settled material from the gravity collection system pipelines.

The amount of energy produced by the cogeneration system was lower than normal due the system being off-line several days this month for scheduled and unscheduled maintenance, as described in the NPDES/Process Report. For the second consecutive month the price of natural gas was relatively low at \$0.346 per therm, which reduces the biogas value below our target of \$12,000.

Table 2 - Environmental Compliance and Regulatory Metrics

There were not any NPDES permit exceedances in March.

Table 3 - Public Outreach

Six odor alerts were posted on the Agency website for filling draining and cleaning the chlorine contact tanks before the monthly bioassay test, and taking several primary clarifiers out of service on different days as influent flows subsided after rain events.

The "Go With The Flow" public education juggler show was presented to over 1,500 elementary school students this month. The presentations were at the Good Shepherd Lutheran School in Novato (210 students), Rancho Elementary in Novato (450), Marin Christian Academy in Novato (250), Lelycee Francais International School in Corte Madera (40), St. Rita's Elementary in Fairfax (50), Anthony G. Bacich School in Kentfield (250), and North Bay Christian Academy in Novato (250).

CMSA PERFORMANCE METRICS – March 2012

TABLE I. OPERATIONAL METRICS

Metric	Definition	Measurement	Target/Goal
1) Wastewater Treated	Volume of wastewater influent treated and disposed, in million gallons	647.5	174 - 687
2) Biosolids Production	Biosolids reused as ADC at the Redwood Landfill, in wet tons Biosolids reused at Land Application site, in wet tons	607.6	360 - 585
3) Conventional Pollutant Removal	Removal of the conventional NPDES pollutants - Total Suspended Solids (TSS) and Biological Oxygen Demand (BOD) a. tons of TSS removed b. % removal of solids c. tons of organics removed (BOD) d. % removal of organics	620.4 97% 387.1 94%	> 85% > 85%
4) Priority Pollutants Removal	Diversion of priority NPDES metals from discharge to the S.F. Bay: a. % Mercury b. % Copper	96.3% 92.4%	variable
5) Biogas Production	Biogas generated in our anaerobic digesters - in cubic feet Natural gas (methane) equivalent of the biogas - in cubic feet	5,418,808 3,251,285	3.5 to 5.5 million ft ³ 2.1 to 3.3 million ft ³
6) Energy Produced	Energy produced from cogeneration of generated biogas and purchased natural gas - in kilowatt hours Biogas value (natural gas cost equivalent)	286,022 kWh \$11,564	380 to 460,000 kWh \$12,000 to \$24,000
7) Efficiency	The cost to operate and maintain the treatment plant per million gallons of wastewater treated - in dollars per million gallons Energy used, kilowatt hours, per million gallons treated	\$556/MG 740 kWh/MG	\$451-\$1,830/MG (wet - dry) 670 - 2,400 kWh/MG
8) Preventative Work Orders	# of preventative work orders completed by O&M	57	50 - 80
9) Corrective Work Orders	# of corrective work orders completed by O&M	18	done as-needed
10) Overtime Worked	Monthly hours of OT worked; Year to date hours of OT (YTD) % of normal hours worked; % Year to date (YTD)	126.5; (493.5) 1.9%; (2.2%)	< 5%
11) Employee Training	Hours of internal and external employee training	Internal = 44 External = 130	variable

CMSA PERFORMANCE METRICS – March 2012

Table II - ENVIRONMENTAL COMPLIANCE AND REGULATORY METRICS

Metric	Definition	Measurement	Target/Goal
1) Permit Exceedances	# of NPDES permit exceedances	0	0
2) NPDES Analyses	# samples analyzed by the CMSA laboratory for NPDES compliance monitoring	432	411 - 445
3) Process Analyses	# samples analyzed by the CMSA laboratory for process control reporting and monitoring	1083	687 - 1099
4) Quality Control Testing	# of CMSA performed laboratory analyses for QA/QC purposes. Accuracy of QA/QC tests	431 99.8%	347 - 453 > 95%
5) Water Quality Sample Analyses	# of ammonia, coliform (total and fecal), and/or sulfide analyses performed for the CMSA member agencies (SSOs, etc)	21	as-needed
6) Pollution Prevention Inspections	Inspections of industrial and commercial businesses in the Agency's pretreatment and pollution prevention programs	4	variable
7) FOG Program Inspections	Inspections of food service establishments in the TCSD, SD2, RVSD, SRSD, and LGVSD service areas	79	variable
8) Permits Issued/Renewed	Permits issued for the pretreatment, pollution prevention, and FOG source control programs, and for groundwater discharge	17	variable

Table III - Public Outreach

Metric	Definition	Measurement	Target/Goal
1) Public Education Events	Attendance at public education outreach events; (YTD)	0; (159)	3,500 yr
2) School Events	Participation or sponsorship in school outreach events; attendees; (YTD)	1500; (2419)	variable
3) Odor Alerts	# of odor alerts posted to the Agency website due to process or operational changes.	6	1-10
4) Odor Complaints	# of odor complaints filed by the public.	0	0



BOARD MEMORANDUM

April 5, 2012

To: CMSA Commissioners and Alternates

From: Chris Finton, Treatment Plant Manager *CF*
Robert Cole, Environmental Services Manager

Approved: Jason Dow, General Manager *JD*

Subject: March 2012 NPDES and Process Report

Recommendation: Accept the March 2012 NPDES and Process Report.

I. NPDES Compliance

Our NPDES permit testing for March showed that the CMSA plant effluent was in compliance with all permit limits. The Monthly Compliance Summary Table shows the results by permitted parameter, the sample's frequency, the sample results, and the permit limit. We successfully passed the March 96-hour flow through bioassay test.

II. Flow

In March, eleven rain events produced 9.9" of rain as recorded at the Headwork's rain gauge. The March 16 storm event produced 2.6" of rain over a 24-hour period. CMSA's maximum daily influent flow for the month was 63.6 MGD on March 14th and the plant's average daily influent flow was 20.9 MGD. The plant exceeded the maximum secondary capacity of 30 MGD and recorded 9 blend events for the month. The CMSA treatment plant and each satellite collection agency's daily average and total monthly influent flows are shown in the table below:

March Monthly Flows	San Rafael (SRSD)	Ross Valley (SD#1)	San Quentin	Corte Madera (SD#2)	CMSA Plant Total
Average Daily Million Gallons/ Day	7.7 MGD	10.9 MGD	0.55 MGD	1.8 MGD	20.9 MGD
Total for Month Million Gallons	236.6 MG	337.4 MG	17.1 MG	56.4 MG	647.5 MG
Percent of Flow	36.5 %	52.1 %	2.7 %	8.7 %	100 %

The following table shows the CMSA treatment plant and each satellite collection agency's peak wet weather flows:

Wet Weather Peak Flows(1)	San Rafael (SRSD)	Ross Valley (SD#1)	San Quentin	Corte Madera (SD#2)	CMSA
03/14 Total Day's Flow	24.8 MG	32.8 MG	.90 MG	5.1 MG	63.6 MG
Peak Flow Rate	33.9 MGD	42.9 MGD	1.7 MG	8.8 MGD	87.3 MGD

(1) The time for Peak flows and Maximum Day's flow varies depending on an area's rainfall during the storm.

III. Process

In March, the plant processes were aligned for wet weather flows. Graph #3 shows Total Suspended Solids (TSS). A significant blend event in mid-March contributed to three samples above our key performance indicator (KPI) of 15 mg/l, but well below our weekly permit limit of 45 mg/l. The TSS monthly average was 6.7 mg/l, which is 44.6% of our KPI, and is 22% of our permit's monthly average limit of 30 mg/l.

Graph #4 shows the coliform Most Probable Number (MPN), which represents the effectiveness of the disinfection process. Eighteen samples were collected this month, with all samples well under our KPI of 80 MPN. This month's maximum five-day moving median was 30 MPN, which met our median KPI of 30 MPN, and is well below our five sample median permit limit of 240 MPN.

The Waukesha cogenerator produced 60% of the Agency's power this month as depicted on Graph #8. On March 6, staff electricians replaced a failed voltage regulator in the generator and on March 27 through March 31 a bad bearing necessitated minor off site machine work to be performed prior to the engine generator returning to service.

CMSA TREATMENT PLANT PROCESS REPORT
MARCH 2012



DIGESTER IMPROVEMENT PROJECT
NEW MIXING PUMPS

Monthly Compliance Summary Table

Central Marin Sanitation Agency

March 2012

Final Effluent Monitoring

Parameter	Frequency	Units	Results	Limit
Carbonaceous BOD Highest Weekly Average	Weekly	mg/L	18	Maximum 40
Carbonaceous BOD Monthly Average	Monthly	mg/L	9	Maximum 25
Carbonaceous BOD Monthly Removal Rate	Monthly	%	94	Minimum 85
Total Suspended Solids Highest Weekly Average	Weekly	mg/L	12.6	Maximum 45
Total Suspended Solids Monthly Average	Monthly	mg/L	6.6	Maximum 30
Total Suspended Solids Monthly Removal Rate	Monthly	%	97	Minimum 85
Chlorine Residual Instant Limit	Instant	mg/L	<0.1	Maximum 0.0
pH Lower Limit	Continuous		7.1	Minimum 6
pH Upper Limit	Continuous		7.8	Maximum 9
Bacteriological Analysis				
Total Coliform 5 Sample Median	3 X Week	MPN/100mL	30	Maximum 240
Total Coliform Daily Maximum	3 X Week	MPN/100mL	17	Maximum 10,000
Flow Through Bioassay				
Acute Toxicity 11 Sample 90th Percentile	Monthly	% survival	100	Minimum 70
Acute Toxicity 11 Sample Median	Monthly	% survival	100	Minimum 90
Metals Analysis				
Copper Daily Limit	Monthly	ug/L	3.4	Maximum 21.8
Copper Monthly Average	Monthly	ug/L	3.4	Maximum 13.1
Cyanide Daily Limit	Monthly	ug/L	4.0	Maximum 41
Cyanide Monthly Average	Monthly	ug/L	4.0	Maximum 21
Mercury Weekly Average	Weekly	ug/L	0.0032	Maximum 0.072
Mercury Monthly Average	Monthly	ug/L	0.0032	Maximum 0.066
Mercury Monthly Loading	Monthly	kg/mo	0.0024	
Mercury Annual Loading (watershed permit)	Jan-Dec	kg/yr	0.0026	Maximum 0.18
Semi-Annual Analysis				
Dioxin - Total Equivalents (TEQ) Daily Maximum	every 6 mos	ug/L	ND	Maximum 2.8E-08
Dioxin - Total Equivalents (TEQ) Monthly Average	every 6 mos	ug/L	ND	Maximum 1.4E-08
Chronic Bioassay Toxicity	every 6 mos	toxicity units	ND	Maximum 20
Chronic Bioassay Toxicity (3 sample median)	every 6 mos	toxicity units	ND	Maximum 10
Polychlorinated Biphenyls (PCBs) Daily Limit	every 6 mos	ug/L	ND	Maximum 0.017
Polychlorinated Biphenyls (PCBs) Monthly Limit	every 6 mos	ug/L	ND	Maximum 0.012
Quarterly Analysis				
Oil and Grease Daily Limit	Quarterly	mg/L	ND	Maximum 20
Oil and Grease Monthly Average	Quarterly	mg/L	ND	Maximum 10
Flow Analysis				
Effluent Flow	Daily Max	Hourly Max	5 minute Max	Monthly Average
	61.9	81.8	86.2	18.2
Influent Flow	63.6	82.9	87.3	20.9
# Days Blended	9			

* Monitoring not required this month

ND = None Detected

Glossary of Terms

Monthly Compliance Summary Table

- **Biochemical Oxygen Demand (BOD):** Measurement of the effluent's capacity to consume dissolved oxygen to stabilize all remaining organic matter. The permit limits for our effluent for discharge into San Francisco Bay require that we remove 85% influent BOD and meet a weekly average of less than 40 mg/L and a monthly average of less than 25 mg/L BOD.
- **Total Suspended Solids (TSS):** Measurement of suspended solids in the effluent. Our permit requires that we remove at least 85% of the influent TSS and that the effluent limit is less than 45 mg/L as a weekly average and less than 30 mg/L as a monthly average.
- **Chlorine Residual:** The plant effluent is disinfected with hypochlorite (chlorine "bleach") and then the residual chlorine is neutralized with sodium bisulfite to protect the Bay. The effluent chlorine residual limit is 0.0 mg/l, which we monitor continuously.
- **pH:** pH is a measurement of acidity, with pH 7.0 being neutral and higher pH values being basic and lower pH values being acidic. Our permit effluent pH must stay within the range of 6.0 to 9.0, which we monitor continuously.
- **Coliform:** Coliform bacteria is the indicator organism for determination of the effectiveness of the disinfection process. The lab cultures samples of our effluent and the presence of coliform is an indication that pathogenic organisms may be present. This is reported as MPN/100ml (number of coliform bacteria in 100 milliliters of sample).
- **Flow Through Bioassay:** A 96-hour test in which we test the toxicity of our effluent to young rainbow trout (15-30 days old) in a flow through tank to determine the survivability under continuously exposure to our effluent. Our permit requires that we maintain a 90th percentile survival of at least 70% and an 11 sample median survival of at least 90%. In layman's terms, this means that out of the last 11 samples only one bioassay may fall below 70% survival and the middle value when all 11 samples are placed in numerical order must be at least 90%.
- **Metals Analysis:** Our permit requires that we analyze our effluent for many different metals on a monthly basis. We have permit limits for three of the metals. The limits are stated as a maximum daily limit and a monthly average limit. The maximum daily limit is the number we cannot exceed on any sample and the monthly average applies to all samples collected in any month (although usually we only are required to take one).
- **Dioxin - Total Equivalentents** - These are 17 dioxin like compounds that have a permit limit that will take effect in 2017. The current permit requirement is to analyze and report these compounds twice a year.
- **Oil and Grease** - Quarterly we are required to monitor our effluent for Fats, Oils, and Grease.

Executive Summary Performance Data

March 2012

The removal efficiencies shown are based on the monthly average of the following treatment processes that were in service.

Primary Clarifier Performance

The average Total Suspended Solids (TSS) in	<u>235</u>	mg/l	Expected removal efficiencies as outlined in Metcalf & Eddy Wastewater Engineering Manual
Average TSS out	<u>139</u>	mg/l	
Average Percent Removal Achieved	<u>40.9</u>	%	Design 50-70% Removal
Average Total Biochemical Oxygen Demand (BOD) in	<u>151</u>	mg/l	Design 25-40% Removal
Average BOD out	<u>73</u>	mg/l	
Average Percent Removal Achieved	<u>51.4</u>	%	
Average Plant Influent Flows	<u>20.9</u>	MGD	

Biotower Performance

Average TSS out	<u>170</u>	mg/l	Design 25-30% Removal
Average BOD out	<u>64</u>	mg/l	
Average Percent BOD Removal Achieved	<u>12.0</u>	%	

Aeration Tanks/Activated sludge

Dissolved Oxygen set point	<u>1.8</u>	mg/l
Average MLSS	<u>1668</u>	mg/l
Average MCRT	<u>4.7</u>	Days
Average SVI	<u>161</u>	

Secondary Clarifiers

Average WAS concentration	<u>9751</u>	mg/l
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Final Effluent

The average Effluent TSS for the month was	<u>6.6</u>	mg/l	(Maximum Limit: 30mg/l)
Week #1 weekly average	<u>3.5</u>		(Maximum Limit: 45mg/l)
Week #2 weekly average	<u>12.6</u>		"
Week #3 weekly average	<u>4.9</u>		"
Week #4 weekly average	<u>6.3</u>		"
The monthly average TSS removal efficiency through the plant was	<u>97</u>	%	(Minimum Limit: 85%)
The average Effluent BOD was	<u>9</u>	mg/l	(Maximum Limit: 25mg/l)
Week #1 weekly average	<u>4</u>		(Maximum Limit: 40mg/l)
Week #2 weekly average	<u>18</u>		"
Week #3 weekly average	<u>3</u>		"
Week #4 weekly average	<u>12</u>		"
The monthly average BOD removal efficiency through the plant was	<u>94</u>	%	(Minimum Limit: 85%)
Total Coliform 5 Sample Median	<u>30</u>	MPN	(Maximum 240)
The Daily Maximum Total Coliform Count for the month was	<u>17</u>		(Maximum 10,000)
Effluent pH for the month was:	Min	<u>7.1</u>	(Min 6.0)
	Max	<u>7.8</u>	(Max 9.0)

Digester Treatment

The average Thickened Waste Concentration from the DAF was	<u>4.30</u>	%	
The average percent of Volatile Solids destroyed was	<u>54.50</u>	%	
The cubic feet of biogas produced was	<u>5,418,808</u>	(Total)	<u>180,792</u> (Daily Average)
The average temperature of the digester was	<u>100.00</u>	degrees Fahrenheit	

Executive Summary Process Performance Data

March 2012

The removal efficiencies shown are based on the monthly average of the following treatment processes that were in service.

Dewatering

The average Centrifuge Feed concentration was	<u>2.68</u>	%
The average Biosolids concentration was	<u>27.36</u>	%
The average TSS of the Centrate was	<u>0.015</u>	%
The solids capture of the Centrifuge was	<u>99.43</u>	%
Polymer use per Dry ton of biosolids was	<u>15.79</u>	#/dry ton
The average polymer feed rate per run was	<u>4.18</u>	gpm
The average concentration of the polymer batches was	<u>0.33</u>	%
The average sludge feed rate per run was	<u>67.1</u>	gpm

Comments:

The treatment plant during the month of March performed well, with plant effluent being of very good quality taking into consideration the amount of rainfall.

Graph #1:

Depicts the total influent flow (from all collection agencies) entering the treatment plant.
The Y-axis is in the Wet Weather flow range of 0-80 MGD.

Graph #2:

Depicts individual collection member agency flows.
The Y-axis is in the Wet Weather flow range of 0-40 MGD.

Graph #3:

Depicts the total suspended solids in the effluent.
A significant mid-March storm event contributed to the three samples above our KPI, but well below our weekly permit limit of 45 mg/l. Our monthly average was 6.6 mg/l vs our KPI of 15 mg/l and permit monthly average limit of 30 mg/l.

Graph #4:

Depicts the coliform most probable number (MPN) results which are an indication of the performance of the disinfection system.
The monthly 5 day median sample was 30 MPN, which is within our KPI and well below our 5 day permit limit of 240 MPN.

Graph #5:

Depicts the effluent BOD which is measuring the oxygen demand of the wastewater.
Our March effluent BOD average was 9 mg/l, well below our NPDES weekly limit of 40mg/l and monthly limit of 25 mg/l.

Graph #6:

Depicts the degree to which the biosolids have been dewatered. Our biosolids met or exceeded our KPI of 25% for 27 of 31 days this month. Staff replaced a faulty pressure switch in Centrifuge #2, which may have contributed to the lower than normal solids concentrations from this machine.

Graph #7:

Depicts the amount of biogas that was produced in the digesters, and then used to produce electricity.
The average volume of digester gas produced in March was 180,792 cubic feet per day.

Graph #8:

This graph depicts the amount of energy produced through cogeneration vs. the energy purchased from PG&E.
As depicted on Graph 8, the engine generator was secured on March 3rd to replace a failed voltage regulator and returned to service on the evening of March 6th after a new voltage regulator and minor wiring modifications were performed. On March 27, during routine maintenance of the generator, a bad bearing was identified in the generator housing. The cogenerator returned to service on April 2nd after replacing the bearing and performing minor machine work on the shaft that supports this bearing.

Glossary of Terms

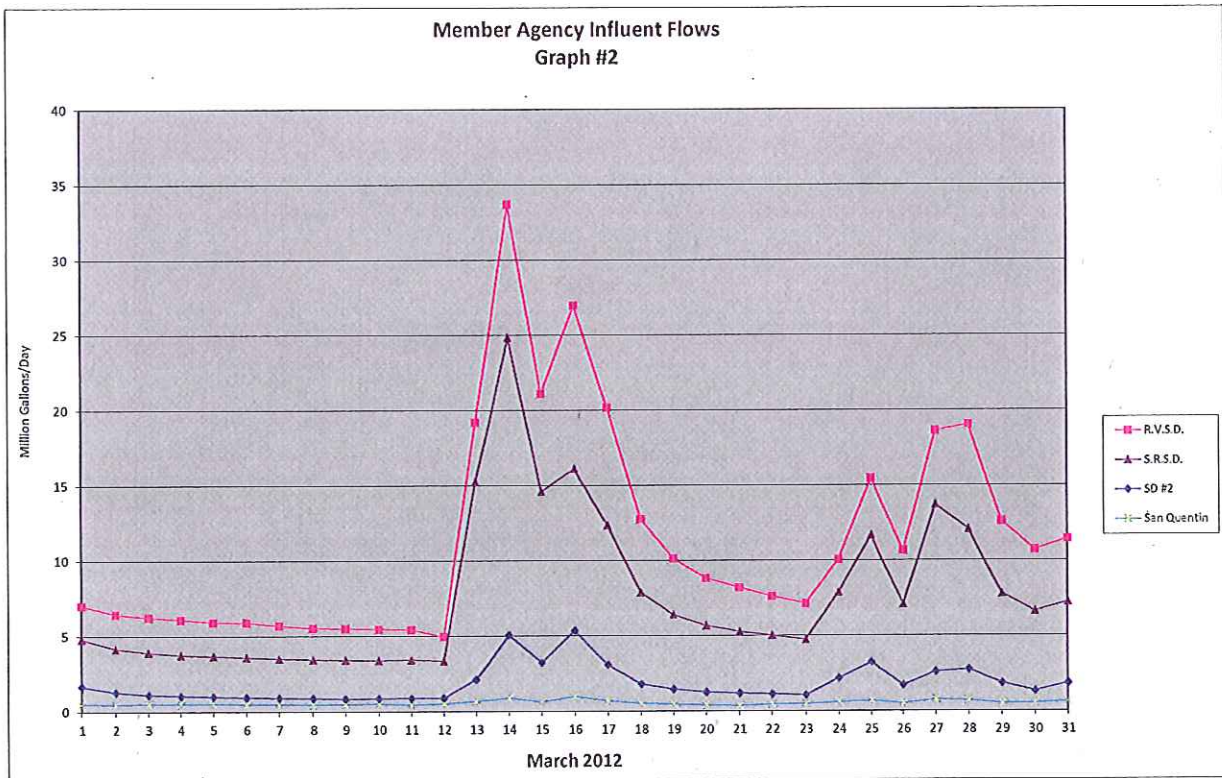
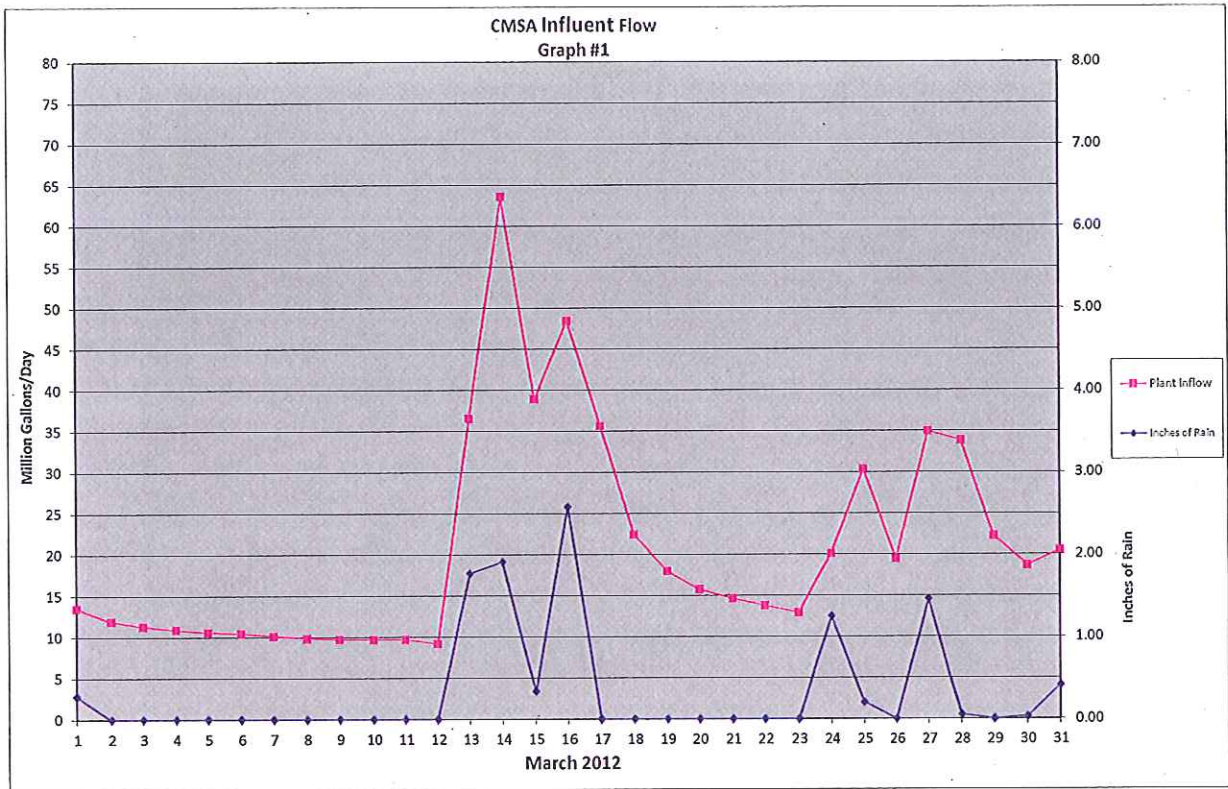
Executive Summary

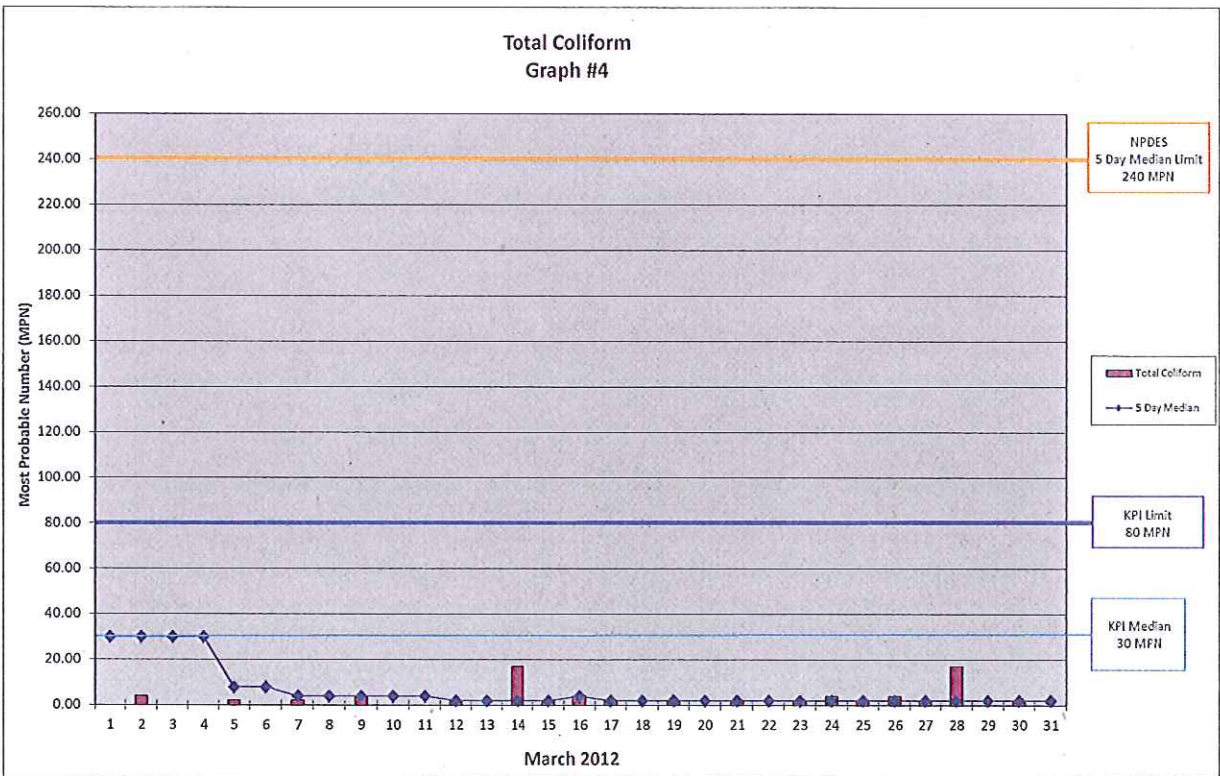
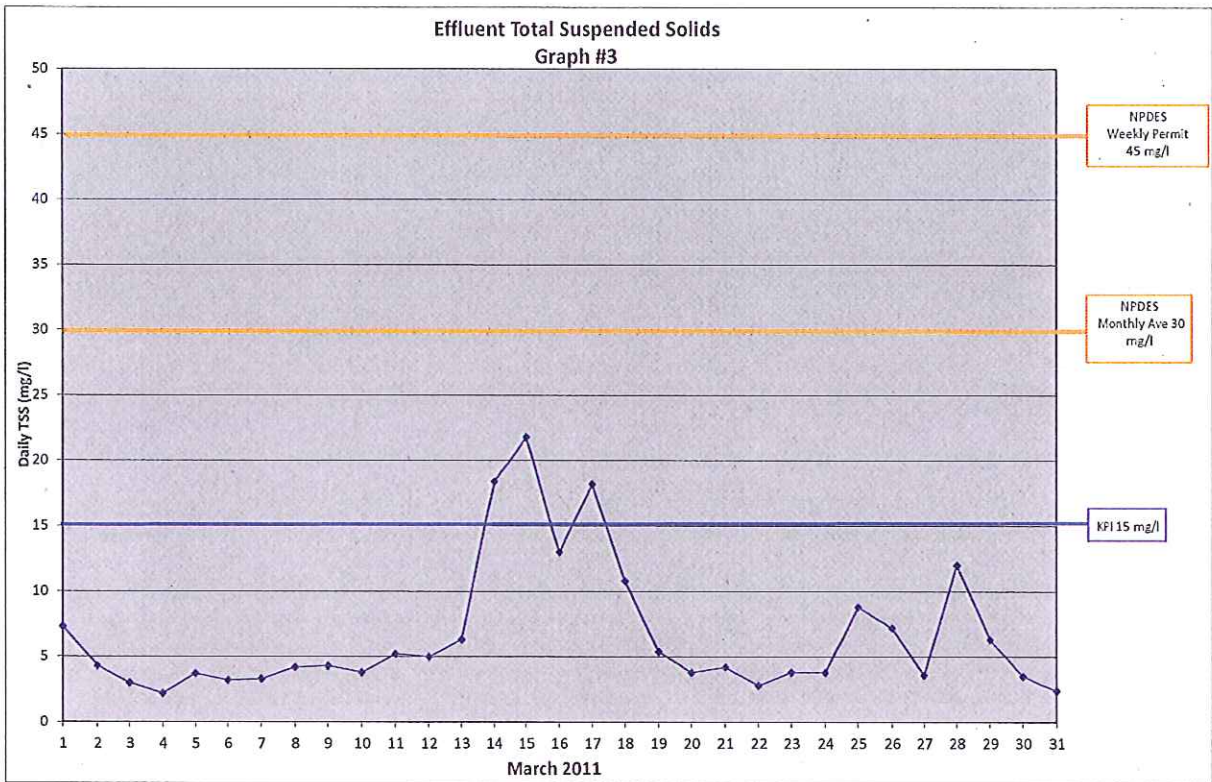
- **Primary Clarifier:** A physical (as opposed to biological) treatment process where solids that settle or float are removed and sent to the digesters for further processing.
- **Biotower:** The next treatment process, that is biological, in which the wastewater trickles over a biomass covered media. The biomass feeds on the dissolved and suspended solids in the wastewater.
- **Aeration Tanks:** Next are the aeration tanks, a biological process like the biotowers but the biomass is pumped back from the secondary clarifiers to mix with the wastewater and feed on any remaining solids. Air and mixing are provided by the aeration blowers to allow the biomass to feed on the rest of the dissolved and suspended solids in the wastewater.
- **Secondary Clarifiers:** Provides settling for the biomass after aeration, most of the settled mass is returned to the aeration tank as return activated sludge (RAS) and some is sent to the DAF unit as waste activated sludge (WAS).
- **Chlorine Contact Tanks (CCTs):** The final treatment process. These basins allow contact time for chlorine solution to disinfect the wastewater. Sodium bisulfite is introduced at the end of the CCTs to neutralize any residual chlorine to protect the Bay.
- **Final Effluent:** After all treatment processes are completed, we discharge the final effluent to San Francisco Bay through our deep water outfall.
- **Dissolved Air Flotation (DAF):** The dissolved air flotation process uses air bubbles to thicken the WAS, solids removed from the secondary process, by floating solids to the tank surface, where they are removed and sent to the digesters for final processing.
- **Anaerobic Digesters:** In the anaerobic digestion process, all the organic material removed in the primary sedimentation tanks and DAFs are digested by anaerobic bacteria. The end products are methane, carbon dioxide, water and neutralized organic matter.
- **Centrifuge (Dewatering):** Processed solids are removed from the digester and centrifuged to remove most of the water. The dewatered biosolids are then disposed at the Redwood Landfill in winter, as alternate daily cover (ADC), or to a land application site in summer as soil amendment.
- **Waukesha Engine Cogenerator:** A dual fuel engine generator provides most of the plant's electricity. The methane "biogas" produced by anaerobic digesters powers the engine 42% of the time and when biogas is not available, natural gas is used. As well as generating electricity the engine supplies heat for plant processes and building heating.
- **Mixed Liquor Suspended Solids (MLSS):** Suspended solids in the mixed liquor of an aeration tank measured in milligrams per liter (mg/l).

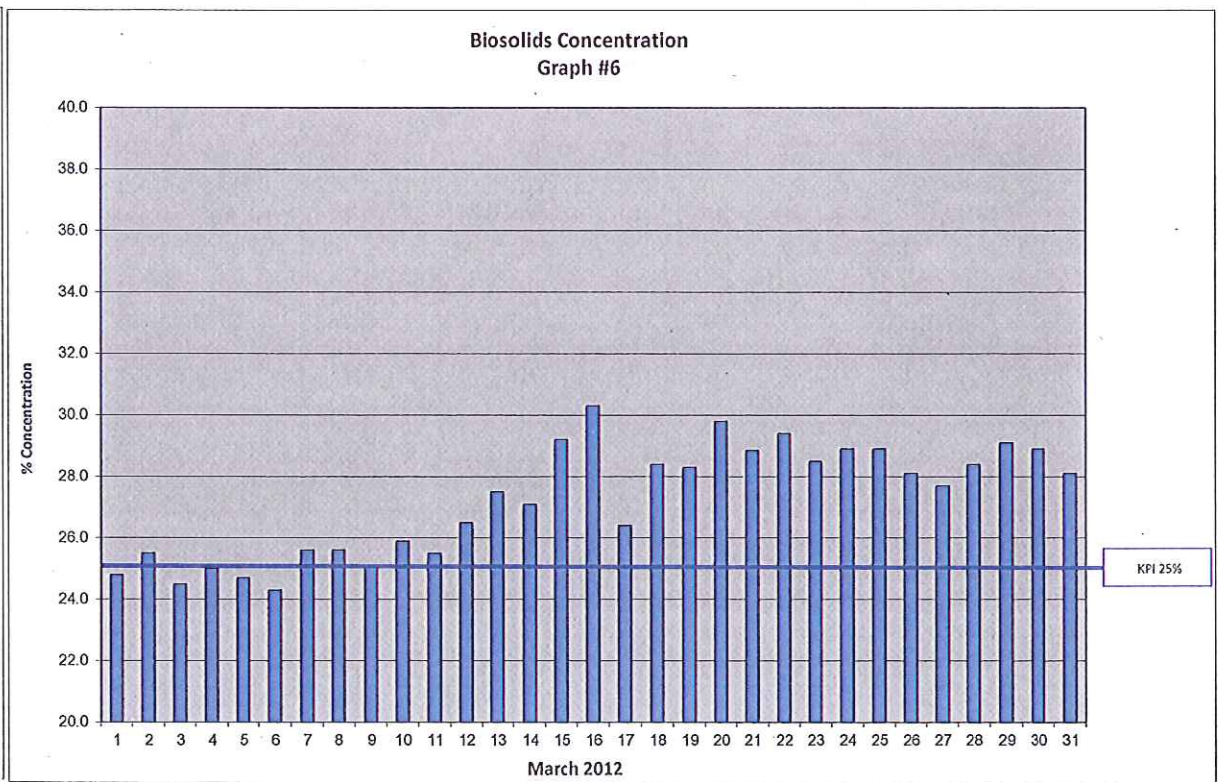
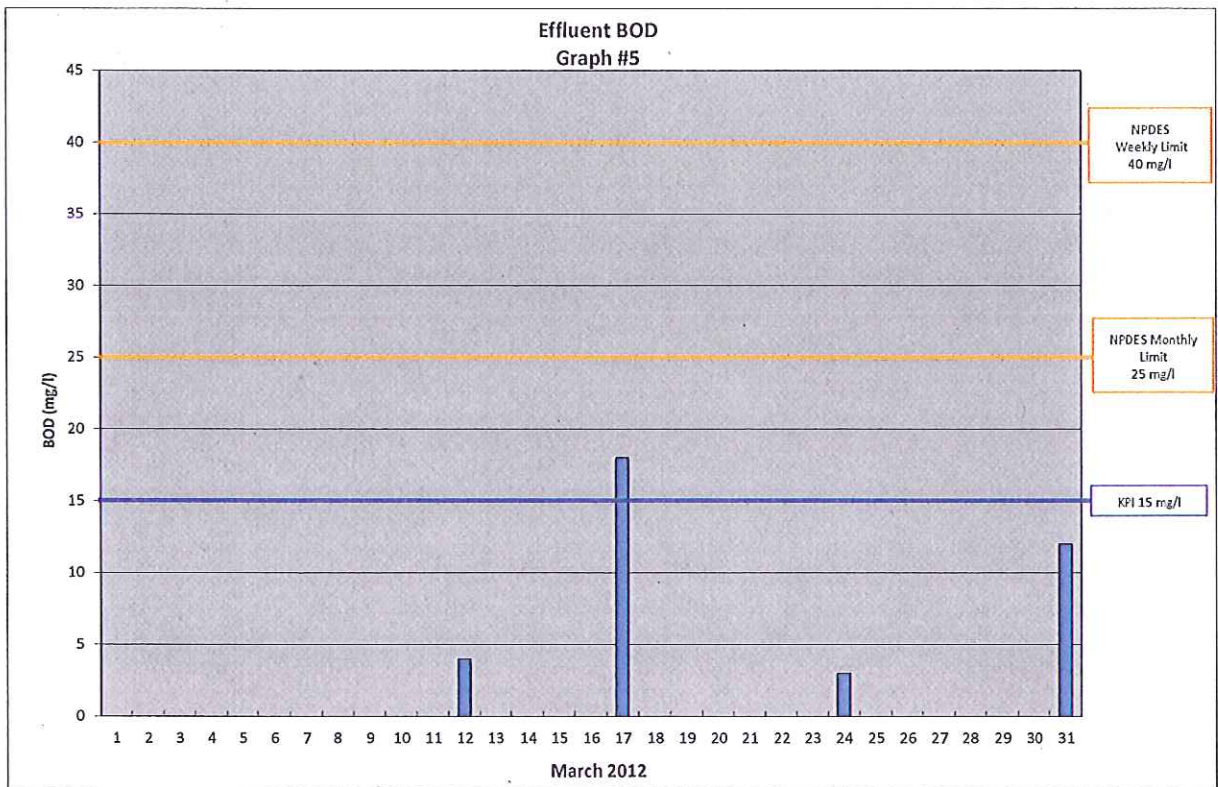
- **Mean Cell Residence Time (MCRT):** An expression of the average time that a microorganism will spend in the activated sludge process.
- **Sludge Volume Index (SVI):** This is a calculation used to indicate the settling ability of activated sludge in the secondary clarifier.
- **Return Activated Sludge (RAS):** The purpose of returning activated sludge, is to maintain a sufficient concentration of activated sludge in the aeration tanks.
- **Waste Activated Sludge (WAS):** To maintain a stable process, the amount of solids added each day to the activated sludge process are removed as WAS. We track this by our MCRT 3.8 days (for June).
- **Thickened Waste Activated Sludge (TWAS):** the WAS is thickened in the DAF and the thickened sludge is sent to the digester.
- **Most Probable Number (MPN):** Concentrations of total coliform bacteria are reported as the "most probable number". The MPN is not the absolute count of the bacteria but a statistical estimate of their concentration.
- **Volatile Solids:** Organic content of the suspended solids
- **Biosolids Cake:** Anaerobically digested biosolids are pumped to a centrifuge where excess water is removed to reduce the volume (and weight).
- **Polymer:** Organic polymers are added to settled effluent to bring about the formation of larger particles by bridging to improve processing.

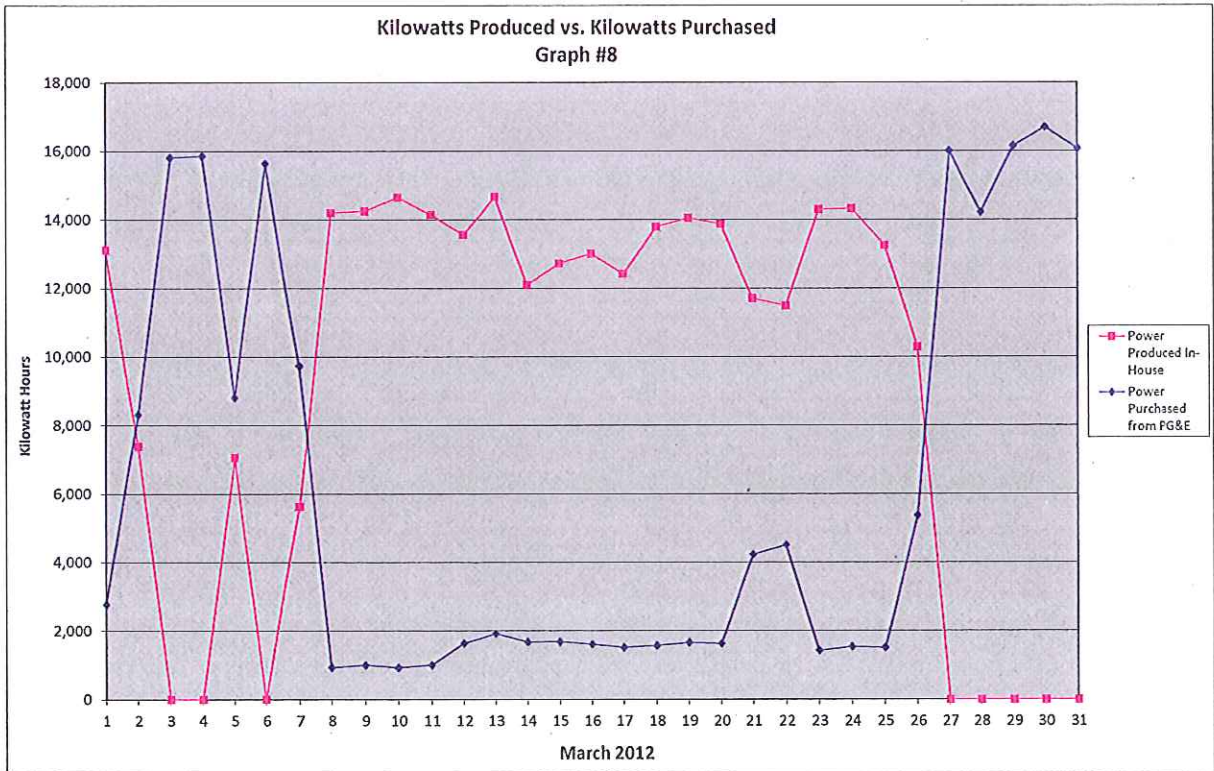
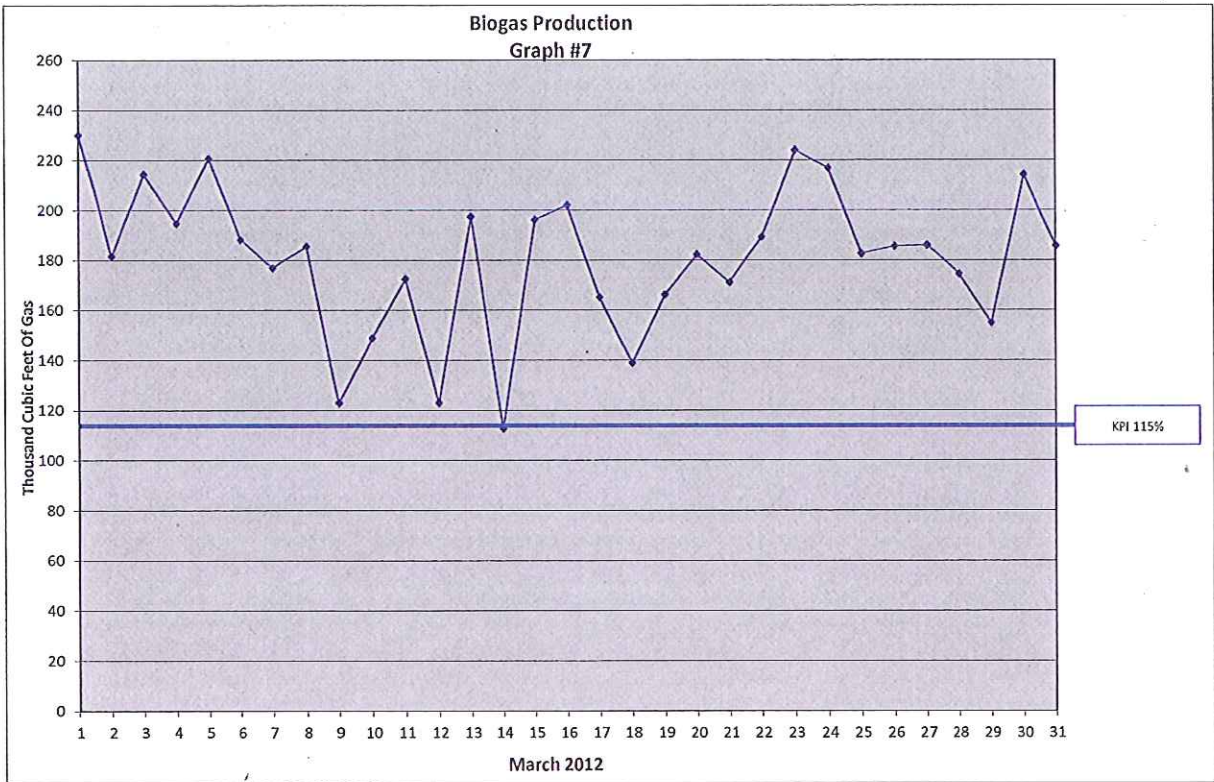
Units of Measurement

- **mg/L Milligrams per Liter:** A measure of the concentration by weight of a substance per unit volume. For practical purposes, one mg/L is equal to one part per million (ppm).
- **Percent by Volume (% by vol):** A measure of the volume of a solution.
- **Percent by Mass (% by mass):** A measure of the combined mass of a solute + solvent.
- **MPN/100mL Most Probable Number per 100 milliliters:** Statistical estimate of the number of bacteria per 100 milliliters of a given solution.
- **ug/L Micrograms per Liter of Solution:** Mass per unit volume.
- **kg/month Kilograms per Month:** 1 kilogram = 2.205 lbs.
- **Kwh Kilowatt hours:** A unit of electric power equal to using 1 Kw for 1 hour.
- **KPI Key Performance Indicators:** are our performance goals.











BOARD MEMORANDUM

April 5, 2012

To: CMSA Commissioners and Alternates

From: Hank Jen, Finance Manager

Approved: Jason Dow, General Manager *JD*

Subject: **Third Quarter Budget Status Report for Fiscal Year 2011-12**

Recommendation: Review and accept the Agency's Third Quarter Budget Status Report for Fiscal Year 2011-12 (FY12).

Summary: We are pleased to present the Agency's Third Quarter Budget Status Report for FY12. As of March 31, 2012, the Agency received 69.5% of the budgeted operating revenues (Table I) and incurred 70.7% of budgeted operating expenses (Tables III & IV). Monitoring revenues involves comparing cash received as a percent of the budget to total revenues billed. Expenditures are measured by actual expenses and encumbrances for goods and services in the process of being procured. Revenues and expenditures are within reasonable operating parameters with respect to 75% straight line year to date performance. See Performance Highlights and Tables I-VI for additional details and explanation.

Performance Highlights

- All JPA members have reported their FY12 Actual EDU count and provided the supporting documentation requested by CMSA. The changes between budgeted and actual EDU counts are reflected on each member's fourth quarter invoice for sewer service charges which was mailed out on March 29.

	Budgeted	Actual			
	EDU	Reported	Difference	EDU Rate	Change in Revenue
	EDU	EDU			
SRSD	19,401	19,409	8	\$ 169.74	\$ 1,357.92
SD1	29,488	25,161	(4,327)	\$ 169.74	(734,464.98)
SD2	5,975	5,955	(20)	\$ 169.74	(3,394.80)
Total	54,864	50,525	(4,339)		\$ (736,501.86)

- Actual revenues received for Sewer Service Charges are less than budgeted and the amounts invoiced due to the underpayments by Sanitary District #1. The amount outstanding on March 31st was \$595,533.
- The Agency made an interest payment of \$1.41 million and retired \$1.88 million in outstanding debt from the 2006 Revenue Bonds on September 1, 2011. The second \$1.368 million interest only payment was paid February 29, 2012.
- Total capital program expenditures were at \$3.5 million. This included \$225.2K for salary and benefits, \$49.4K for Administration Building Improvements, \$2.75M for the Digester Improvements/FOG Facility Project, \$21K for Aeration Blower Replacement, and \$453.2K for all other capital improvement activities.

Table I – Agency Revenues

Description	Budget	YTD Actual Received	Outstanding Receivables (Invoices)	Budget Balance	Total Revenue Received as % of Budget	Total Actual & Outstanding as % Budget
Sewer Service Charges	9,312,615	6,388,929	595,533	2,328,153	68.61%	75.00%
Contract Services	403,632	212,056	21,369	170,207	52.54%	57.83%
Program Revenues	179,191	119,080	-	60,111	66.45%	66.45%
Interest Income	55,000	20,831	-	34,169	37.88%	37.88%
Haulers, Permits & Inspection Fees	49,623	86,773	7,629	(44,780)	174.87%	190.24%
Other Non-Operating Revenues	20,000	116,087	-	(96,087)	580.43%	580.43%
Connection Fees	-	20,610	-	(20,610)	No Budget	-
Total Agency Revenues	10,020,061	6,964,367	624,531	2,431,164	69.50%	75.74%
Contributions for Debt Service	5,819,892	5,840,331	(0)	(20,439)	100.35%	100.35%

The Agency has received 69.5% of budgeted revenues and the budget performance is at 75.7% of budget when outstanding receivables are included. Table 1 - Agency Revenues identifies the source of revenue received. Agency Revenues (\$6.96M) and Contributions for Debt Service (\$5.84M) received year to date total \$12.8 million. Of this amount \$6.39 million represents three quarters of service charge payments and \$5.84 million in debt service payments received from all JPA members with a total of \$624.5K outstanding for FY12. Sanitary District No. 1 had underpaid three quarters of sewer service charges based on their expectation the final EDU count would be reduced from prior year actuals (see Performance Highlights).

The remaining \$575.4K in receipts and \$29K in revenues outstanding represents the following:

Contract Services: Receipts total \$212K and outstanding receivables total \$21.4K for services provided by the Agency under contract to local agencies for pump station maintenance and the FOG & Pollution Prevention Programs. The March invoices for the FOG Programs and contracted pump station services will be issued by mid-April.

Program Revenues: \$119K in receipts and no outstanding receivables. CMSA is the lead Agency for the Safety Director, Countywide Public Education, and Outside Safety Training programs. Costs incurred by CMSA are allocated to the districts participating in the programs. The Agency invoices the districts quarterly for Safety Director and Countywide Education expenditures in accordance with agreements with the program participants.

Safety Director: The Agency invoices program participants at the beginning of each quarter for safety director salary and benefit costs and bills incidental program expenses at the end of each quarter. Revenues received to-date total \$89.9K with no outstanding receivables for salary and benefit costs through March 31, 2012.

Countywide Education: Program participants are invoiced the month following the end of each quarter for program expenses incurred during that quarter. The frequency and amount of expenditures are a function of outreach events and activities that are scheduled throughout the year. Revenues received for activities through December 2012 totaled \$29.2K and there are no receivables.

Interest Income: Year to date interest income totals \$20.8K. The Agency budgeted interest earnings assuming a rate of 0.5%. Interest received does not include third quarter interest from LAIF because the

State Treasurer posts LAIF interest earnings on a quarterly basis 15 days after the end of each quarter. Interest rates earned on the Agency's short term investments with CAMP was 0.27% in March.

Haulers, Permits & Inspection Fees: \$86.8K in receipts and \$7.6K in outstanding invoiced revenues through February 2012. These revenues are for septage disposal at the CMSA facility from private waste haulers, permit fees to industrial waste dischargers, reimbursement of Agency labor and administrative costs for performing pollution prevention program inspections and other services.

Other Non-Operating Revenue: \$116K in combined revenues for CSRMA reimbursement of legal fees for the SD1 vs SD2 lawsuit (\$73.3K), CSRMA dividends for the Agency's Workers' Compensation (\$25.3K) and Liability policies (\$15.1K), CalCARD prompt payment incentive rebates, the occasional sale of assets, and other miscellaneous refunds.

Connection Fees: CMSA received \$20.6K from SD2 for three residential connections.

Debt Service: CMSA has met its debt service obligations for FY12. All JPA members have met their payment obligation to CMSA for FY12: SRSD and SD2 paid their supplemental debt service invoices to CMSA and SD1 paid its outstanding debt service obligation to CMSA. In return, CMSA issued a reimbursement to SD1 based on the District's actual EDU count reported for FY12. The July 2012 Debt Service invoices to SRSD and SD2 will be adjusted to reflect their actual EDU count reported for FY12 (see Performance Highlights).

Table II – Revenues & Expenditures for Contracted Agency Services

At the Board's direction, the quarterly budget report includes revenue and expenditure status for services that CMSA provides under contract to other local agencies. The presentation of the information is similar to the revenue information in Table 1. The actual expense incurred by CMSA excludes the contract administration overhead fee that ranges from 10-22% depending on the contract.

Service Contract	Budgeted Revenue	Actual Revenue Received	Invoiced Outstanding	Total Revenues	Actual Expenses	Comments
2 Pump Station Operations and Maintenance	341,532	182,030	21,369	203,398	170,663	Through 02/29/12
Safety Director Program (excludes CMSA's share)	138,031	89,867	-	89,867	79,362	Through 03/31/12
Countywide Public Education (excludes CMSA's share)	41,160	29,213	-	29,213	25,403	Through 12/31/12
Las Gallinas Valley SD FOG & Pollution Prevention Program	20,000	9,312	-	9,312	7,648	Through 12/31/11
RVSD FOG	10,000	9,514	-	9,514	8,662	Through 12/31/11
SRSD FOG	17,000	11,201	-	11,201	10,194	Through 12/31/11
TCSD FOG*	2,600	-	-	-	-	
SD2 FOG*	12,500	-	-	-	-	
TOTAL:	582,823	331,137	21,369	352,505	301,931	

* The Agency completed FOG program activities for TCSD and SD2 during the third quarter. Invoices will be prepared and issued to the two Districts in mid-April.

Table III – Operating Expenditures by Category

Description	Budget	3rd Quarter		PO Encumbrances/		Budget Balance	% Spent
		Budget (75%)	Year to Date (YTD) Actual	Pending Payments			
Salaries & Wages	3,882,119	2,911,589	2,886,457	-	995,662	74.35%	
Benefits	2,485,366	1,864,025	1,792,709	1,865	690,792	72.21%	
Chemicals & Fuel	1,289,063	966,797	689,296	24,256	575,510	55.35%	
Biosolids Disposal	240,936	180,702	174,953	20,500	45,483	81.12%	
Permit Testing & Monitoring	133,161	99,871	56,607	12,312	64,242	51.76%	
Repairs & Maintenance	176,000	132,000	72,346	9,609	94,046	46.56%	
Insurance	179,153	134,365	156,971	-	22,182	87.62%	
Utilities	378,886	284,165	257,213	25,841	95,832	74.71%	
General & Administrative	661,743	496,307	435,841	51,846	174,056	73.70%	
TOTAL OPERATING EXPENSES	9,426,427	7,069,820	6,522,393	146,229	2,757,805	70.74%	

* Actual and Encumbered.

Table IV – Operating Expenses by Department

Description	Budget	3rd Quarter		PO Encumbrances/		Budget Balance	% Spent*
		Budget (75%)	Year to Date (YTD) Actual	Pending Payments			
Administration**	3,877,573	2,908,180	2,813,678	52,844	1,011,050	73.93%	
Environmental Services	1,033,408	775,056	660,662	35,171	337,575	67.33%	
Maintenance	1,338,372	1,003,779	927,805	11,893	398,674	70.21%	
Operations	2,978,020	2,233,515	1,972,938	45,740	959,342	67.79%	
Engineering	199,054	149,291	147,309	580	51,165	74.30%	
TOTAL OPERATING EXPENSES	9,426,427	7,069,820	6,522,393	146,229	2,757,805	70.74%	

* Actual and Encumbered.

** Fringe benefits for CMSA staff and the Agency's insurance expense are reflected in this department

Total operating expenditures are 70.7% of budget at the end of March 2012. This includes \$6.5M for actual expenses and \$146K for outstanding purchase orders, contracts and other obligations. Year to date expenditures for all categories of expense, with the exception of Biosolids Disposal and Insurance, are less than the straight-line projected budget performance target of 75% at the end of March 2012. Budget performance by department is less than the 75% performance target.

Salary & Benefits: Total salary and benefits expenses are at 74.4% and 72.2% of budget respectively. Salary and benefit expenses represent payroll expenditures through the pay period ending March 17, 2012 (19 of 26 payrolls or 73%).

Chemicals & Fuel: Expenditures are 55.4% of budget with \$689.3K of actual and \$24.3K in pending payments for chemicals delivered through March 2012 and one delivery the first work day in April.

<u>Chemicals</u>	<u>Expenditures as % of Budget</u>	<u>Comments</u>
Ferric Chloride	60%	6 deliveries through March 2012
Polymer-Cationic	28%	1 delivery through January 2012
Odor Control	42%	3 deliveries through February 2012
Nitrate	78%	22 deliveries through January 2012
Hydrogen Peroxide	62%	12 deliveries through March 2012
Sodium Hypochlorite	45%	30 deliveries through April 2, 2012
Sodium Bisulfite	51%	16 deliveries through March 2012

Biosolids Disposal: Expenditures are 81.1% of budget with \$175K in actual expenditures and \$20.5K in estimated encumbrances for landfill fees and sludge hauling services through March 2012. Year to date is higher than expected due to a very late invoice that was received for landfill fees from May 2011. Disposal expenses vary and are primarily dependent upon weather-related circumstances: 1) land application during the months of May to November result in lower disposal costs when compared to disposal as alternate daily cover at the landfill and 2) the volume for disposal is lower during the warmer weather spring and summer months.

Permit Testing & Monitoring: Expenditures are at 51.8% of budget and include \$56.6K in actual expenditures and \$12.3K for PO's issued for NPDES permit sampling, underground tank tests and other laboratory costs. The expenditures for this category vary because sampling costs range from \$150 to \$3,000 for the type and frequency of analyses performed. Billing delays often occur during the wet weather season when it takes longer to receive test analyses due to back-log at the labs; however this has not been the case thus far due to the lack of wet weather. When the outside laboratory does not provide test analysis in the timeframe specified in the contract, it results in a fee reduction for the test performed.

Repairs & Maintenance: Expenditures are 46.6% of budget and include \$72.4K in actual expenditures and \$9.6K in outstanding PO encumbrances. Expenditures alone are not necessarily a good indicator of the repair and maintenance activities that are taking place. For example, periods of high expenditures reflect the purchasing of materials and supplies to prepare for upcoming planned maintenance while periods of low expenditures can relate to staff performing planned maintenance utilizing available parts inventory. PO encumbrances are for dead oak tree removal and weed abatement.

Insurance: This category is at 87.6% of budget. The schedule shown below provides the payment status for insurance coverage. Insurance premiums are paid when policies are renewed and, when applicable, the expenses are prorated between fiscal years based on the duration of the policy coverage.

<u>Description</u>	<u>Budget</u>	<u>Status</u>
Property Insurance	\$ 26,597	FY12 paid in full
General Liability & Auto	\$ 70,507	FY12 paid through June 2012 (Prepaid FY13 through 12/2012)
Pollution Liability	\$ 725	FY12 paid through April 2012
Employee/Commissioners Bond	\$ 1,167	FY12 paid through April 2012
Workers Compensation	\$ 79,407	FY12 paid in full

Utilities: Expenditures are 74.7% of budget with \$257.2K in actual payments and \$25.8K in estimated encumbrances for natural gas delivery from SPURR (a non-profit purchasing consortium) and PG&E electricity through March 2012.

General & Administrative (G&A): Expenditures are 73.7% of budget and include \$435.8K in actual expenses and \$51.8K in PO's. The G&A expense category includes professional services (legal, financial, regulatory, special studies, etc.), operating permits, memberships in local, state and federal wastewater organizations, employee certifications, training, telephone, and office expenses.

Table V - Five-Year Revenue Bond Program (FY 2006-07 to FY 2011-12)

Description	Project Budget	CY Actual*	PY Actual*	Encumbrances	Balance	% Spent**
WWIP (Completed)	48,624,422	0	48,624,422	0	0	100.00%
Outfall Improvement (Completed)	1,309,419	0	1,309,419	0	0	100.00%
Rev Bond Project: Salaries & Benefits	610,751	225,226	276,246	0	109,279	82.11%
Admin Building Modification	1,133,359	49,402	1,148,564	20,949	(85,556)	107.55%
Agency Capital Master Plan	183,060	0	179,558	0	3,502	98.09%
Digester Improvement/FOG	7,539,898	2,751,834	713,593	3,741,782	332,688	95.59%
Aeration Blower Replacement	1,169,000	20,993	69,798	557,878	520,332	55.49%
Other Capital Projects	3,633,384	453,216	842,109	326,217	2,011,843	44.63%
Other Completed Projects	6,438,962	0	6,438,960	0	2	100.00%
TOTAL	70,642,256	3,500,671	59,602,668	4,646,826	2,892,090	95.91%

* Current Year (CY) and Prior Years (FY06 to FY11).

** Total for CY Actual and Encumbered and PY Actual.

The Five Year Revenue Bond Program is at 96% of budget and includes expenditures shown in Table VI – Capital Improvement Program. There are also \$4.6 million in contractual obligations associated with the Digester Improvement/FOG Facility Project, Aeration Blower Replacement Project and other minor capital projects. The remaining budget balance of \$2.9 million represents Revenue Bond funded activities for FY13.

Table VI – Capital Improvement Program

Description	Budget	Actual	Encumbrances*	Balance	% Spent**
Facility Improvements	742,510	96,113	130,518	515,880	30.52%
General Equipment	259,300	106,762	11,519	141,019	45.62%
Liquids Treatment Equipment & Systems	1,795,202	225,848	158,185	1,411,169	21.39%
Solids Treatment & Energy Generation Equipment & Systems	4,412,162	2,836,993	46,546	1,528,624	65.35%
TOTAL	7,209,174	3,265,715	346,768	3,596,691	50.11%

* Does not include outstanding contractual obligations for Digester Improvement and Aeration Blower projects

** Actual and Encumbered.

All expenditures incurred in the FY12 Capital Improvement Program are being charged to the Revenue Bond program. The distinction between the displays in Tables V and VI is that the budget figures in Table V represent the entire revenue bond project budget which spans multiple fiscal years since FY 2006-07. Table VI represents the budgeted expenditures for FY12 only. Capital Improvement Program expenditures are at 50.1% of budget. There are \$3.3M in actual expenditures and purchase orders total \$346.8K issued for Primary Clarifier Improvement, Gates Rehabilitation, Cogen Major and Process Tank maintenance, and various other capital improvement projects.



BOARD MEMORANDUM

April 5, 2012

To: CMTA Commissioners & Alternates
From: Jason Dow, General Manager *JD*
Subject: Revised Revenue Management Financial Policy

Recommendation: Approve the revised Revenue Management Financial Policy.

Summary: In January 1998, the Board adopted a comprehensive set of financial policies that provided guidance to staff on matters related to financial planning and reporting, accounting, budgeting, and contracting. The Agency's first strategic business plan, adopted in December 2004, had a strategic goal to revise existing and develop new financial policies. In 2005, staff began reviewing and significantly revising the 1998 policies and created new policies to align with industry and Government Finance Officer Association financial best practices. A new financial policy manual was adopted by the Board in October 2006, and many of those policies have since been revised to support new or changed financial practices and address recommendations from the Agency's independent financial auditors. One policy that has been in place since 1998, and revised several times over the years, is the Revenue Management Policy (Policy). The Policy explains the Agency's revenue sources and, among other things, it provides the procedural details of how the Agency allocates the Regional and Debt Service Charges to the JPA member agencies using equivalent dwelling units.

The Board recently approved the Regional Charge flow based allocation procedures and directed staff to integrate them into the Policy. During that process, staff took the opportunity to revise and reorganize the Policy to increase its readability and clarify some of its provisions. The additions and changes in Policy, besides the addition of the new procedures, are not significant or substantive and are shown in red text in the attached document.

Attachment

Revised Financial Policy #520 – Revenue Management

CMSA

POLICY #: 520
SECTION: Financial - Revenue Management
SUBJECT: General
DATE: July 1, 2011, Revised April 10, 2012

PURPOSE

The purpose of the Revenue Management Policy is to provide staff direction on how the Agency's revenues should be managed with respect to its organizational budgets, goals, and objectives.

BACKGROUND

JPA Member Agencies and **San Quentin (satellite collection agencies)** collect and transport wastewater to CMSA for treatment and disposal. The Member Agencies' fee, called a sewer service charge (SSC), is assessed to property owners and businesses within each Member's respective district. CMSA's service charge is an operations and maintenance expense of the Member Agency. The Member's SSC is based on its District's financial considerations, including but not necessarily related to the CMSA's service charge. Their SSC is billed to customers on the property tax statement except for public agencies **and San Quentin**, which are billed directly. If billed on the property tax statement, amounts are collected semi-annually on a secured roll. The County of Marin administers the billing and remits the collections to the member agencies.

REVENUE SOURCES

CMSA's service charge is established by the Board of Commissioners based on the Agency's total funding requirements. These requirements take into account the Agency's necessary operational and capital expenses, other revenue sources, the use and level of reserve cash, debt service requirements, **and long-term financial forecasts** among other considerations when determining and approving the **service charges**.

Service Charges (Regional Charge)

Over 90% of the Agency revenues are from service charges collected from its JPA Member Agencies **and San Quentin**, and can be based upon their reported number of equivalent dwelling units (EDUs), **measured annual flow volume, measured three-year annual flow volume, or measured flow volume and wastewater quality (strength)**.

EDUs are calculated by each Member Agency for each property in its service area. An EDU is an estimation of an average wastewater flow discharged from one single-family household. Businesses may contain multiple EDUs depending upon the volume of wastewater discharge, while industrial dischargers' EDU is based on flow and strength. Each Member Agency provides the total EDU count for its service area to CMSA.

Collection agency flows are continuously measured by flow meters and recorded by the CMSA process control system, and can be totaled for any period of time. Flow measurements from existing flow meters on influent forcemains are used to quantify each collection agency's influent volumes. Flows are continuously measured for San Rafael Sanitation District, Ross Valley Interceptor, Sanitary District No. 2 of Marin County, and San Quentin State Prison, and calculated for Sanitary District No. 1 (Ross Valley Sanitary District).

All Other Revenues

Other Agency revenues consist of capacity charges, contract service revenues (such as pump station maintenance, pollution prevention program support, and FOG program administration), investment and interest income, environmental compliance permit and inspection fees, septic hauler disposal fees, program expense reimbursements to CMSA (Public Education Program, Safety Director Program) and miscellaneous charges for services.

PROCEDURES

Service Charges

Service charges shall be billed and collected quarterly from the Member Agencies at the beginning of each quarter, set at one fourth of the annual budgeted amount. A service charge adjustment will be made with the fourth quarter invoice to reflect any changes between the service charge allocation amounts used to develop the budget and the actual amounts for each member agency, as described in each allocation procedure below.

The annual budgeted service charge amount will be set to equal the Net Revenue needed to fund the Agency's annual operations and the current and future capital improvement program activities. Net Revenue is defined to be total Agency budgeted revenues less estimated revenues for contract services, program services, interest income, fees from haulers, permits and inspections, and other operating revenues. Budgeted revenues do not include revenues for debt service and connection fees.

A. Service Charge Allocation using Equivalent Dwelling Units (EDU)

Member Agency service charge payments to CMSA may be based on their previous year's actual EDU count that is reported to CMSA. The Board shall set the exact EDU rate for the Agency's service charge during the annual budget process for the upcoming fiscal year.

During the development of the annual budget, CMSA will use the prior year's reported actual EDU count to develop the revenue budget. By March 15th, the Member Agencies report their actual count of EDUs to CMSA for that fiscal year. Member Agencies will provide supporting documentation to substantiate their reported counts. These documents must include:

1. Reports from the Marin County Auditor-Controller that summarizes the number of EDU (sanitary units) that each District has placed on the property tax roll.
2. Listing of EDUs for governmental or other entities that each district bills directly for sewer services charges. Typically, these are entities that are not on the County's property tax rolls.
3. Any variances between the reported actual EDU and the sum of EDU count from items

1 and 2. These could be EDU adjustments that the District granted to its ratepayers after the sanitary units were placed on the property tax rolls.

Staff will analyze the EDU count and supporting information received from each Member Agency and consult with each Member Agency as appropriate. The EDU data reported by the Member Agencies will be used to prepare the revenue presentation for the Third Quarter Budget Report that is provided to the Board in April. In the event complete EDU information is not available, staff will seek Board direction on how to calculate the fourth quarter invoices.

Once Agency staff has verified the reported actual EDU counts in the supporting documents, Finance **staff** will reconcile the EDU counts used in the budget with the actual reported EDU counts and invoice each Member Agency accordingly.

B. Service Charge Allocation using Annual Flow Volumes

Calculation of annual volume of the wastewater generated from each satellite collection entity. Each April, the Operations department will provide the Finance **staff** with the annual volume of wastewater generated from each satellite collection entity for the previous April 1 to March 31 period.

Allocation of Regional Charges by flow volume.

Once the upcoming revenue budget has been developed, the Finance **staff** prepares an allocation of the **Service** Charges based on the prior April 1 to March 31 flow volumes. Each satellite collection agency's allocation for the upcoming fiscal year will be included in the draft and adopted Agency Budgets.

Percentage allocations are based only on volumetric flow measurements as recorded by CMSA flow meter data. The allocations are determined using the equations below.

$$Volume_{Total} = Volume_{SRSD} + Volume_{SD1} + Volume_{SD2} + Volume_{SQP}$$

$$\% Allocation_{Agency} = \frac{Volume_{Agency}}{Volume_{Total}}$$

$$Regional Charge Allocation_{Agency} = \% Allocation_{Agency} \times CMSA Net Revenues^* Total$$

Collection of Regional Charge.

Once the Agency's Budget has been adopted, the Agency will invoice each satellite collection agency for its respective portion of the regional charge on a quarterly basis starting on July 1 of each fiscal year. Each quarterly invoice will represent one-fourth of the allocated annual regional charge.

Prior to the issuance of the fourth quarterly invoice, the Finance Manager will recalculate the current fiscal year's regional charge allocation based on the flow volumes for the most current April 1 to March 31 twelve month period. The adjustment between the budgeted and current regional charge allocation will be reflected on the invoice for the fourth quarter.

C. Service Charge Allocation using Three-Year Average Flow Volume

Calculation of three year (36 months) volume of the wastewater generated from each satellite collection entity. Each April, the Operations department will provide the Finance Manager with the annual volume of wastewater generated from each satellite collection entity for the previous April 1 to March 31 period for the prior 36 months.

Allocation of Regional Charges by flow volume. Once the upcoming revenue budget has been developed, the Finance Manager prepares an allocation of the Regional Charges based on the prior April 1 to March 31 flow volumes for the prior 36 months. Each satellite collection agency's allocation for the upcoming fiscal year will be included in the draft and adopted Agency Budgets.

Percentage allocations are based only on volumetric flow measurements as recorded by CMSA flow meter data. The allocations are determined using the equations below.

$$Volume_{Total} = Volume_{SRSD} + Volume_{SD1} + Volume_{SD2} + Volume_{SQP}$$

$$\% Allocation_{Agency} = \frac{Volume_{Agency}}{Volume_{Total}}$$

$$Regional\ Charge\ Allocation_{Agency} = \% Allocation_{Agency} \times CMSA\ Net\ Revenues^*_{Total}$$

Collection of Regional Charge. Once the Agency's Budget has been adopted, the Agency will invoice each satellite collection agency for its respective portion of the regional charge on a quarterly basis starting on July 1 of each fiscal year. Each quarterly invoice will represent one-fourth of the allocated annual regional charge.

Prior to the issuance of the fourth quarterly invoice, the Finance Manager will recalculate the current fiscal year's regional charge allocation based on the flow volumes for the most current April 1 to March 31st 36-month period. The adjustment between the budgeted and current regional charge allocation will be reflected on the invoice for the fourth quarter.

Debt Service Charge

Per the 2006 Payment Agreement for Treatment Services (debt service agreement) between CMSA and the Member Agencies, each Member Agency's proportional EDU share of the bond debt service shall be billed and collected semi-annually during each fiscal year. The payment shall be based on the budgeted EDU count. Each Member Agency's semi-annual payment share shall be calculated to include the actual debt service amount and bond coverage requirements. An adjustment will be made in the subsequent fiscal year's debt service payment for the recalculation of the prior year's debt service payment based on the actual EDU count information.

Capacity Charge

A one-time capacity charge shall be collected by the appropriate Member Agency for an initial connection to the wastewater collection system in the CMSA service area. This charge shall be set by the Board by ordinance. (See CMSA Ordinance 2006-1) Member Agencies shall collect both the CMSA capacity charge and the Member Agency's connection fee. After collection, the Member Agency shall remit the capacity charge portion to CMSA. The number of connections is unpredictable because they vary with new or improved construction. Thus, the Board shall consider various economic factors when budgeting capacity charge revenue for the fiscal year. The Board shall approve through the annual budget process and Agency staff shall account for capacity charge fees funds for capital projects per California Government Code Section 66006.

Permit and Inspection Fees

The Board shall set by ordinance specific fees that Agency staff will collect for services related to environmental, public health, and regulatory responsibilities under the Agency's jurisdiction (see Ordinances: 2009-1, Sewer Use Ordinance, and 2006-1, Fee Ordinance). When setting a fee, the timeframe in which the fee is valid shall be set and the fee should be calculated to recover the full cost of the permit and/or inspection services as described below under "Fees for Service."

Fees for Service


Fees charged to outside agencies for contracted **and programmatic** services shall be based on mutually agreed-to terms and also allow the Agency to recover the full cost of providing such services. The principles of cost accounting shall apply for recovery of direct materials, direct labor, and administrative overhead. Labor charges shall be recovered using the weighted labor rate that includes the cost of salaries and benefits and other considerations. Contract revenues shall be billed monthly, **while program revenues are billed quarterly**. Receivables for environmental compliance, on-site waste disposal, and similar items shall be recorded as they occur.

Account Receivables

According to Generally Accepted Accounting Principles (GAAP), Agency staff shall record a receivable for sewer service charges, capacity charges, permit and inspection fees, and other fees for service when the revenue is due to the Agency. The Finance department will conduct a monthly reconciliation of accounts receivable and identify outstanding payment due to CMSA. Account receivables shall be accrued to the proper accounting period based upon the date the services were performed.

**BOARD MEMORANDUM**

April 5, 2012

To: CMSA Commissioners & Alternates**From:** Jason Dow, General Manager **Subject:** Finance Committee Appointment

Recommendation: Consider nominating and appointing a third member to the Board's Finance Committee.

Summary: The Board removed Commissioner Marcia Johnson from its standing Finance Committee at the March Board meeting, and directed staff to include an item on the April meeting agenda to appoint a Board member or alternate to fill the vacancy. The Board also asked Commissioners Dupar and Hartzell to prepare a letter to the Ross Valley Sanitary District's Board of Directors notifying them of the removal decision and requesting they propose another RVSD representative to serve on the Committee. The notification letter was mailed to each RVSD director on Friday, March 16th, and emailed on Monday, March 19th. The Ross Valley Sanitary District has not yet proposed anyone for the Board's consideration during the nomination and appointment discussion.

The Finance Committee membership is normally selected at the July Board meeting during the nomination and selection of Board Officers and appointments to the North Bay Watershed Association. The Board has the following three options for filling the Committee vacancy.


- 1) Nominate and select an RVSD representative or alternate for fill the vacancy.
- 2) Nominate and select an SRSD representative or alternate to fill the vacancy.
- 3) Maintain the current membership through the end of FY12, June 30th, and consider appointing a new representative at the July Board meeting.

Over the next month, staff will work with the Finance Committee on developing the proposed FY13 revenue and expense budgets, reviewing the Agency's 10-year financial forecast, and evaluating scenarios to meet future revenue needs. The FY13 Board officer and committee appointments are currently scheduled for the July 10th meeting.

**BOARD MEMORANDUM**

April 5, 2012

To: CMSA Commissioners & Alternates

From: Jason Dow, General Manager 

Subject: Regional Charge Volume/Quality Allocation Procedure

Recommendation: Approve the volume/quality Regional Charge allocation procedure as presented or with Board approved edits, and direct staff to incorporate the procedure into the Agency's Revenue Management Financial Policy.

Summary: The final Regional Charge Alternatives Study was presented to the Board at the January 2012 meeting, and detailed how the Agency's annual revenue (Regional Charge) could be allocated to the JPA member agencies using various methods pursuant to the CMSA Joint Powers Agreement. The allocation methods included equivalent dwelling units (EDU), annual influent flow, three-year average influent flow, wastewater volume and quality (strength), and wet weather flow variability. The Board discussed each alternative, and directed staff to prepare the flow based allocation procedures, and to begin to collect the wastewater strength data for each satellite collection agency.

Staff and the Board's Finance Committee prepared the annual and three-year average flow based allocation procedures, and they were approved by the Board at last month's meeting. Wastewater strength sampling commenced in early March.

Since the flow based allocation procedures had been drafted, and the Revenue Management Financial Policy was being revised, staff decided it was an opportune and appropriate time to prepare the volume/quality allocation procedure. The draft procedure was developed using the equations and allocation approach described in the Study and was reviewed by the Finance Committee at their April 4th meeting. Staff and the Finance Committee recommend approval of the Volume/Quality allocation procedure.

Attachment

Wastewater Volume/Quality Regional Charge Allocation Procedure

VOLUME and QUALITY

PROCEDURES

1. Calculation of annual volume of the wastewater generated from each satellite collection entity. Each April, the Operations department will provide Finance staff with the annual volume of wastewater generated from each satellite collection entity for the previous April 1 to March 31 period or prior 36-month period.
2. Calculation of annual wastewater quality (strength) from each satellite collection entity. Quality is defined as the amount (lbs) of Total Suspended Solids (TSS) and Biological Oxygen Demand (BOD) in a collection agency's wastewater transported to CMSA. Quality samples will be periodically collected by Environmental Services staff and analyzed in the CMSA laboratory. Each April, the Environmental Services department will provide Finance staff with the wastewater quality information for each satellite collection entity.
3. Allocation of Regional Charges by flow volume and quality. Once the upcoming revenue budget has been developed, the Finance staff will prepare an allocation of the Regional Charges based on the selected April 1 to March 31 time period – prior 12 or 36 months. Each satellite collection agency's allocation for the upcoming fiscal year will be included in the draft and adopted Agency Budgets.

The Agency's Annual Net Revenues* will be assigned to flow, BOD and TSS based on the allocations in Table 2 of Exhibit A of the JPA Agreement:

- Flow – 57.1%
- BOD – 18.0%
- TSS – 24.9%

Using the percentage allocations listed above and influent flow and quality data, unit costs (i.e., \$/1,000 gallons of flow, \$/lb of BOD and \$/lb of TSS) are then used to allocate CMSA's Regional Charge to each collection agency based on its respective flow, BOD and TSS costs, using the following equations:

$$Net\ Revenue_{Total} = Revenue_{Flow} + Revenue_{BOD} + Revenue_{TSS}$$

$$Unit\ Cost_{Flow} = \frac{Revenue_{Flow}}{Total\ Gallons}$$

$$Unit\ Cost_{BOD} = \frac{Revenue_{BOD}}{Total\ Pounds\ BOD}$$

$$\text{Unit Cost}_{TSS} = \frac{\text{Revenue}_{TSS}}{\text{Total Pounds TSS}}$$

$$\begin{aligned} \text{Regional Charge Allocation}_{Agency} \\ = \text{Unit Cost}_{Flow} * \text{Flow}_{Agency} + \text{Unit Cost}_{BOD} * \text{BOD}_{Agency} + \text{Unit Cost} * \text{TSS}_{Agency} \end{aligned}$$

4. Collection of Regional Charge. Once the Agency's Budget has been adopted, the Agency will invoice each satellite collection agency for its respective portion of the regional charge on a quarterly basis starting on July 1 of each fiscal year. Each quarterly invoice will represent one-fourth of the allocated annual regional charge.

Prior to the issuance of the fourth quarterly invoice, Finance staff will recalculate the current fiscal year's regional charge allocation based on the flow volumes and quality for the most current April 1 to March 31 period. The adjustment between the budgeted and current regional charge allocation will be reflected on the invoice for the fourth quarter.

- * *Net Revenue is defined to be total Agency budgeted revenues less estimated revenues for contract services, program services, interest income, fees from haulers, permits and inspections, and other operating revenues. Budgeted revenues do not include revenues for debt service and connection fees.*



BOARD MEMORANDUM

April 5, 2012

To: CMSA Commissioners & Alternates
From: CMSA Finance Committee *JD*
Subject: **FY12/13 Regional Charge Allocation Method**

Recommendation: Consider selecting the three-year average flow Regional Charge allocation method for Fiscal Year 2012/2013.

Summary: The Board's Finance Committee met with staff on Wednesday, April 4th, to review and discuss the Regional Charge allocation options for FY12/13, and prepare a recommendation for the Board's consideration at the April Board meeting. The Committee believes the Agency should allocate the Regional Charge to the JPA member agencies using either the three-year flow or flow/quality (strength) method. The Agency has been gathering strength information for each satellite collection agency since early March and has used the data to calculate allocation percentages for FY12/13. The Committee recommends basing the FY12/13 Regional Charge on the three-year average flow allocation method, and for the Board to consider the flow/strength allocation method in April 2013, for the FY13/14 budget, after the Agency collects 12 months of strength data.

Details: The CMSA Joint Powers Agreement (JPA) states that the periodic Regional Charge to the JPA Member Agencies will be determined by CMSA and can be based on dwelling units (EDU), wastewater volume and quality, or wastewater volume if the Board decides not to consider quality. CMSA has used the EDU method to determine and allocate the Regional Charge since the Agency's treatment plant began operation in 1985. In January 2012, the Regional Charge Alternative Study was completed and provided the approach, general procedures, and equations to allocate the Regional Charge using several other methods that align with the operating fund (Section 14) provisions of the JPA.

Staff, pursuant to Board direction, has prepared the necessary detailed financial procedures, based on the Study, to allocate the Regional Charge using each collection agency's annual flow, three-year average flow, or flow/strength. The FY 12/13 budget is currently in development and the draft budget documents will be ready for Board review, discussion, and comment at the May Board meeting. The selection of the FY13 allocation method will allow staff to fully prepare the revenue section of the FY13 draft budget.

The table below shows the FY12 budgeted EDU count (FY11 actuals) Regional Charge allocation for each satellite collection agency, and the allocation percentages using the FY13 EDU count and four alternate allocation methods. The FY13 EDU method uses the FY12 actual figures provided by the JPA Member Agencies in March 2012 that have been verified by staff.

Allocation Method	SRSD	RVSD	SD2	SQP
FY12 budgeted EDU	35.4%	40.6%	10.9%	13.1%
FY13 EDU	38.4%	43.4%	11.8%	6.4%
1- Year Flow	37.4%	48.3%	9.6%	4.7%
3-Year Flow Ave	37.0%	48.2%	9.7%	5.1%
Annual Flow/Strength	37.5%	49.4%	9.0%	4.1%
3-Yr Flow/Strength	37.3%	49.4%	9.1%	4.3%

The two flow allocations were developed using the Board adopted procedures and the flow/strength allocation utilizes the draft procedure that was reviewed by the Board's Finance Committee on April 4th. The strength information is based on sampling data between early March and the beginning of April, and assumes the strength characteristics throughout the year is approximately the same as during the sampling period.

Attachment

CMSA Joint Powers Agreement, Section 14 – Operating Fund

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.

BOARD MEMORANDUM

April 5, 2012

To: CMSA Commissioners & Alternates

From: Jason Dow, General Manager *JD*
Hank Jen, Finance Manager

Subject: Selection of Independent Auditor for FY 2011-12 through FY 2013-14

Recommendation: Approve the selection of Chavan & Associates, LLP, Certified Public Accountants, as the Agency’s Independent Auditor for Fiscal Years 2011-12 through FY 2013-14.

Summary: The Agency’s Financial Policy for Internal Controls (Policy #502) states that the “Board shall periodically review and approve the selection of the [independent financial] auditor”. Staff proposed to the Finance Committee in May 2011 that staff solicit and evaluate proposals from interested certified public accounting firms to audit of the Agency’s FY 2011-12 Financial Statements. The Finance Committee concurred with the recommendation, and staff reported the auditor selection plan to the Board in May 2011. In February 2012, the Agency notified nineteen auditing firms that a Request for Proposal (RFP) for Auditing Services was posted on the Agency’s website. Nine auditors submitted proposals and after a thorough evaluation process, staff selected Chavan & Associates. On April 4th, staff reviewed the auditor evaluation process with the Finance Committee, and the Committee concurred with the staff selection of Chavan & Associates. The proposed cost for a three fiscal year engagement is \$48,000 (\$16,000 per year).

Details: In addition to the guidance in Policy #502, the Government Finance Officers Association Recommended Practices for State and Local Governments states that governmental entities should periodically undertake a full-scale competitive process for the selection of an independent auditor.

The Agency prepared a Request for Proposal (RFP) for Auditing Services and notified nineteen auditing firms , recommended by the Finance Managers from various Bay Area wastewater agencies (aka Finance Group members), that the RFP was available on the CMSA website. The Agency most recent auditor, Vavrinek, Trine, Day & Co., LLP was also invited to submit a proposal for the audit services.

The Agency received proposals from nine firms and the fees ranged from \$45,240 to \$111,275 for fiscal years 2012, 2013 and 2014 audit engagements. Chavan & Associates submitted the second lowest fee in their proposal. They received favorable recommendations from their current wastewater agency clients: East Bay Dischargers Authority, South Bayside System Authority, and West Bay Sanitary District. The firm currently has eight employees and serves 33

governmental, nonprofit, and grant audit clients. The partners have 30 years of combined experience in local government audits.

Selection Process Background

The Agency's Financial Analyst conducted the initial evaluation of the submitted proposals using guidelines outlined in the Request for Proposal document. Each proposal was evaluated and ranked on a scale of 1 to 5 (low to high) on Mandatory Elements, Expertise & Experience, and Audit Approach. All nine proposals were relatively comparable in terms of audit experience, scope, and approach, therefore the Agency eliminated the three proposals with the highest fees from consideration. The Financial Analyst and the Finance Manager also evaluated the firm that submitted the lowest fee proposal and eliminated them from consideration due to their low estimate of how many hours it would take to audit CMSA and their lack of wastewater agency clients. The top three firms were considered by a staff evaluation committee that reviewed the proposals and discussed the strengths and weaknesses of each, and based on the evaluation, decided to recommend selection of Chavan & Associates as the Agency's independent auditor to the CMSA Finance Committee and the Board.

Auditor Evaluation Criteria

- **Mandatory Elements**: All firms met the mandatory elements in the RFP. All are independent and licensed in California, continue professional education requirements, and maintain their Certified Public Accountant license; all firms stated there is no conflict of interest if selected to be engaged by the Agency; all firms undergo and successfully pass an external quality peer review; and all firms generally adhered to the RFP instructions.
- **Technical Qualifications - Expertise & Experience**: All firms submitted quality professional resumes and backgrounds for key staff who will be assigned to the engagement. All firms had government audit experience although there was a varying degree in wastewater audit experience ranging from three to over of 25 (Los Angeles county sanitation agencies).
- **Technical Qualifications - Audit Approach**: All firms submitted Audit Approach proposals that were similar in nature and scope and satisfied the scope of past audit experience at the Agency. Eliminating the 3 highest cost proposals resulted in staffing plan hours varying from 140 hours to 238 hours. Firms that submitted very comprehensive proposals received the highest ranking because the proposal exceeded expectations in providing additional descriptive details regarding their audit approach.



BOARD MEMORANDUM

April 5, 2012

To: CMSA Commissioners & Alternates
From: Jason Dow, General Manager JD
Subject: Fiscal Year 2011/2012 Debt Service Coverage Ratio

Recommendation: Informational; provide direction to staff or take action, as appropriate.

Summary: The Ross Valley Sanitary District lowered the San Quentin wastewater strength factor from 2.34 to 1.0 during the 2011/2012 fiscal year, resulting in a 3,962 EDU count reduction for the San Quentin property, from 7,209 to 3,247 EDUs. The total EDU reduction at RVSD, based on their FY12 actual EDU count, is 4,327, which has caused a CMSA FY11/12 operating revenue shortfall of approximately \$731,000. As reported to the Board at the February 2012 meeting, the projected revenue shortfall has reduced the Agency's FY12 debt service coverage ratio below the minimum required level of 1.25 as stipulated in the 2006 Revenue Bond Master Indenture's rate covenant.

If the Agency is unable to meet the minimum coverage requirements for FY12, a Notice of Material Event must be filed to disclose the coverage default to the Bond Trustee, Rating Agencies, and Insurer. Future investors and rating agencies would not look favorably on a coverage default, and according to our bond counsel, the negative disclosure could impact a future Agency debt issuance – higher borrowing costs and bond insurance.

Staff recently met with Hawkins Delafield and Wood (bond counsel) and Public Financial Management (financial advisor), to discuss a strategy to avoid the coverage default situation and prepared the five below actions. The first three actions will be implemented by staff, and we will confer with bond counsel regarding the possibility of implementing action four. The Finance Committee reviewed the five actions at their April 4th meeting, and agrees with the planned initial approach to address the coverage situation.

1) Verify/Revise the Coverage Ratio Calculations: staff will work with a financial consultant to identify potential operating expenses that can be capitalized, to reduce the FY12 expenses in the coverage calculation. We will subsequently review and discuss the recharacterization of the annual expenses with our independent financial auditors to obtain their concurrence.

2) Determine Projected FY12 Coverage Ratio: with the annual expenses determined, staff will calculate the projected FY12 coverage ratio to determine if coverage is met, and if it is not, the amount of the projected revenue needed to meet coverage.

3) Establish a Rate Stabilization Fund for FY12: the bond's rate covenant allows establishment of a rate stabilization fund where a prior year's operating surplus, the amount above the 1.25 coverage ratio, can be allocated to a fund for use in the subsequent year's coverage calculation. In FY11, the Agency had a projected \$350K that could be assigned to a rate stabilization fund.

Bond counsel will prepare the necessary documents to inform the Bond Trustee that a rate stabilization fund for FY12 has been established.

4) Use Bond Proceeds to Pay the March FY12 Interest Payment: bond counsel has discussed this option with their firm's tax attorney, and has indicated that the interest payment funded in this fashion should be considered capitalized and thus excluded from the "Annual Debt Service". Since "Annual Debt Service" is what net revenue coverage is calculated against, this could be another tool to address this year's coverage issue. Staff will have further discussions with bond counsel about the viability of this option, if needed.

5) Invoice the JPA Member Agencies for the FY12 Coverage Shortfall: the 2006 Payment for Treatment Services Agreement (debt service agreement) states that the JPA member agencies will provide CMSA with the necessary funds to pay the bond's debt service plus amounts to satisfy the Rate Covenant.

If the minimum coverage ratio requirement is not met after estimating final FY12 annual revenues and expenses, recharacterization of some operating expenses, and establishment of the rate stabilization fund, the Board will need to consider either implementing action 4 or 5 by the June Board meeting. Under action 5, the potential additional revenue needed to meet the 1.25 coverage ratio could range from \$75K - \$380K, allocated to each member agency based on their FY12 actual EDU counts.

**BOARD MEMORANDUM**

April 5, 2012

To: CMSA Commissioners & Alternates

From: Jason Dow, General Manager *JD*

Subject: Interim Wastewater Service Agreement with the California Department of Corrections and Rehabilitation

Recommendation: Review the final draft Interim Wastewater Services Agreement between CMSA and the California Department of Corrections and Rehabilitation, and provide comments to the General Manager.

Summary: CMSA and the California Department of Corrections and Rehabilitation (CDCR) have prepared an Interim Wastewater Service Agreement (Agreement) for CMSA to provide various wastewater services to the San Quentin State Prison. The services include operating and maintaining the main San Quentin pump station, the equipment and assets in the wet well and equipment room, and treating and disposing of the wastewater and biosolids that are generated at San Quentin and transported to the CMSA treatment plant. The Agreement provisions, scope of work, and fee structure have been approved by both CMSA and CDCR management, the CDCR legal team, and by CMSA Legal Counsel Jack Govi. The Agreement is currently under final review by the California Department of General Services (DGS), and CDCR expects that review process to be completed in the near future.

On March 22, 2012, CDCR sent Ross Valley Sanitary District a letter terminating their 1981 wastewater service agreement, effective June 30, 2012. If the Agreement is approved after the DGS review, CMSA will begin providing the wastewater services on July 1, 2012, for the monthly fee of \$100,000. In FY12/13, CMSA will receive up to \$1.35 million in service revenue.

Details: The California Department of Corrections (CDCR) has had a wastewater service agreement with the Ross Valley Sanitary District (RVSD) since 1981 for services at the San Quentin facility. Under the agreement, RVSD operated and maintained the equipment side of the main San Quentin pump station and its forcemain, and CMSA provided the wastewater and biosolids treatment and disposal. The CDCR requested a comprehensive wastewater service proposal from CMSA in September 2011, to use in an evaluation and comparison of San Quentin's wastewater service costs to other prison properties across California.

For service in 2010, CDCR paid RVSD approximately \$3.8 million, with \$2.0 million for CMSA's treatment services and about \$1.8 million for RVSD to operate the pump station. In 2011, RVSD

lowered the San Quentin strength factor from 2.34 to 1.0, resulting in their EDU count decreasing from 7,209 to 3,247; CDCR was invoiced approximately \$2.1 million in 2011, a reduction of \$1.7 million, with CMSA receiving about \$850,000 for wastewater treatment and RVSD receiving \$1.25 million to operate the pump station.

Since September, staff has met with the key CDCR and San Quentin staff members, prepared and delivered to CDCR a conceptual level service proposal, and met with CDCR staff to visit the San Quentin pump station and discuss elements of a service agreement. In February 2012, CDCR requested, and the Board approved, staff working with CDCR representatives to prepare a one year interim service agreement. Over the initial term, CDCR and CMSA will develop a comprehensive multi-year service agreement, and CMSA will 1) perform a comprehensive pump station asset condition assessment; 2) prepare a long-term capital improvement program for the San Quentin assets; 3) establish a sampling protocol to determine the property's wastewater strength factor; and 4) develop optional methods of determining the wastewater service fee.

Attachments

- March 22, 2012 letter from CDCR to RVSD terminating the 1981 service agreement
- CMSA and CDCR Wastewater Service Agreement on the State of California's standard form
- Exhibit A: Service Scope of Work
- Exhibit B: Budget Detail and Payment Provisions
- Exhibit E: Pump Station Maintenance Tasks

FACILITY PLANNING, CONSTRUCTION AND MANAGEMENT

P.O. Box 942883
Sacramento, CA 94283-0001



March 22, 2012

Brett Richards, General Manager
Ross Valley Sanitary District
2960 Kerner Boulevard
San Rafael, CA 94901

Dear Mr. Richards:

**ROSS VALLEY SANITARY DISTRICT NO. 1 OF MARIN COUNTY AGREEMENT
DATED JULY 1, 1981**

Pursuant to our letter of December 20, 2011, the California Department of Corrections and Rehabilitation (CDCR) is hereby providing you notice of termination of the Ross Valley Sanitary District (RVSD) No. 1 of Marin County Agreement Dated July 1, 1981. Termination will be effective on June 30, 2012.

In the weeks that proceed the effective termination date, our staff will be in contact with Ross Valley personnel to make arrangements for removal of any of your personal property from the premises and such other arrangements as may be necessary to close out this agreement.

Although CDCR has not foreclosed the possibility of renewing a contractual relationship in the future, any further relationship, from CDCR's perspective, must arise from a new contract that better reflects the current legal, fiscal, and operational landscape.

CDCR has currently paid RVSD for services through June 30, 2012. It is understood that CDCR shall receive the agreed upon services without interruption through this date. Thank you for your anticipated cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "Deborah Hyesen".

DEBORAH HYSEN
Deputy Director
Facility Planning, Construction and Management

cc: Chris Meyer, Director, Facility Planning, Construction and Management, CDCR
Kevin R Chappell, Warden, San Quentin State Prison
Jeff Lawson, Associate Warden, San Quentin State Prison
Fred Cordano, Associate Director, Facility Operations Branch (FOB), CDCR
Mike Davis, Senior Staff Counsel, CDCR
Todd Poston, Departmental Construction Maintenance Supervisor, FOB, CDCR
Jolie Houston, Esq., Berliner Cohen

STATE OF CALIFORNIA
STANDARD AGREEMENT
 STD 213 (Rev 06/03)

AGREEMENT NUMBER

REGISTRATION NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

Department of Corrections and Rehabilitation (CDCR)

CONTRACTOR'S NAME

Central Marin Sanitation Agency (CMSA)

2. The term of this Agreement is: July 1, 2012 through June 30, 2013

3. The maximum amount of this Agreement is: \$ \$1,350,000

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A – Scope of Work 11 page(s)

Exhibit B – Budget Detail and Payment Provisions 1 page(s)

Exhibit C* – General Terms and Conditions NA

Check mark one item below as Exhibit D:

Exhibit - D Special Terms and Conditions (Attached hereto as part of this agreement) NA page(s)

Exhibit - D* Special Terms and Conditions

Exhibit E – Additional Provisions 1 page(s)

Operations and Maintenance (O&M) Specifications.

Items shown with an Asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at www.ols.dgs.ca.gov/Standard+Language

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

BY (Authorized Signature)

DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS

STATE OF CALIFORNIA

AGENCY NAME

BY (Authorized Signature)

DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS

California Department of General Services Use Only

Exempt per:

**AGREEMENT BETWEEN
CENTRAL MARIN SANITATION AGENCY
AND
CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION**

This Agreement dated, _____ 2012, is entered into by and between the Central Marin Sanitation Agency (hereinafter referred to as CMSA), and the State of California Department of Corrections and Rehabilitation (hereinafter referred to as CDCR).

WHEREAS, CDCR owns and operates the San Quentin State Prison located at 100 Main Street, San Quentin, California 94964 (SQSP), which includes wastewater conveyance systems (SQWCS) that are connected to wastewater treatment facilities and systems owned and operated by CMSA;

WHEREAS, CMSA owns and operates a regional wastewater treatment facility (WWTP) in San Rafael, adjacent to San Quentin State Prison, that treats and processes the wastewater and bio-solids from the residents, businesses, and institutions in Central Marin County;

WHEREAS, CMSA currently provides wastewater treatment of wastewater discharged by SQSP and conveyed to the CMWTF by the SQWCS, and the costs of treatment by CMSA is billed to Ross Valley Sanitation District (RVSD), which, in turn, bills CDCR;

WHEREAS, CDCR currently contracts with RVSD to maintain the SQWCS;

WHEREAS, CDCR and CMSA now desire to enter into an interim Wastewater Services Agreement (WCSMA) under which CMSA will maintain and operate the SQWCS' transport facilities (pump station) on behalf of CDCR to ensure the uninterrupted conveyance of SQ wastewater to the CMSA WWTP for treatment and disposal; and

1. San Quentin Wastewater Conveyance System (SQWCS).

- A. The SQWCS, which is located on the grounds of the SQSP, consists of building laterals, gravity sewer lines, lift stations, force mains, and a main pump station, which includes a wet well and bar screens.
- B. The SQWCS connects to the Central Marin Sanitation Agency (CMSA) regional treatment facilities and the marine outfall, via a 54" interceptor upstream of the 16" San Quentin force main.

2. Scope of Service.

- A. *Monthly Services.* CMSA agrees to provide all labor, materials, equipment, services, expertise and licenses necessary to maintain and operate the main pump station and wet well, transport the wastewater to CMSA, and treat and dispose of the wastewater.
 1. *Scope of Pump Station Operations and Maintenance (O&M).* The O&M shall include the furnishing of all labor, materials, equipment, services, expertise and licenses necessary to maintain and operate the main pump station, and transport the wastewater to CMSA, for treatment and disposal of the wastewater. This includes all system components starting at the San Quentin main pump station wet-well through the pump station and the 16" force main that connects into the CMSA maintained

-
- 54” interceptor. CMSA shall regularly perform comprehensive preventive and corrective maintenance on the pump station equipment and components as recommended by manufacturers or industry standards. CDCR shall pay electrical costs for the operation of the systems and equipment on San Quentin property.
2. *Treatment* – CMSA shall safely transport the San Quentin wastewater to their treatment facility. CMSA shall receive, process, and dispose of the wastewater and biosolids generated by the San Quentin property in accordance with the requirements in the National Pollutant Discharge Elimination System (NPDES) permit issued by the San Francisco Bay Regional Water Quality Control Board. CMSA will be responsible for complying with all federal, state, regional and local wastewater and biosolids treatment and disposal monitoring, reporting, and other related regulatory requirements.
 3. *Operations and Maintenance (O&M) Specifications.* The specific monitoring and maintenance activities contemplated under A.1. above, are shown in Exhibit E, which from time to time will be modified by government regulation or mutual agreement of CDCR and CMSA.
 4. *Emergency Services.* CMSA shall respond to pump station alarms and other system emergencies 24 hours a day, seven days a week. CMSA shall take all necessary actions to stabilize the emergency situation. CDCR authorizes the CMSA to retain outside consultants and contractors, as needed, to respond to and address the emergency situation. CDCR shall be immediately notified as to any critical or emergency events during normal business hours. CMSA will notify CDCR within 24 hours, if after hours, on weekends or holidays. The emergency notification contact is the institutional Watch Commander, at (415) 455-5051.
 5. *Replacement of Parts & Equipment.* CMSA shall maintain all equipment, including regular replacement of lubricants and parts required for normal maintenance of the equipment. This obligation shall not include replacement of equipment or parts due to sudden breakage or equipment failure, which shall be considered extra work.
- B. *Extra Services.* CMSA agrees to perform extra services that can be reasonably done within staff expertise and resource availability.
1. CMSA agrees to provide time and material cost estimates to CDCR for these extra services. CDCR shall review the cost estimate and if approved, CDCR will issue a notice to proceed.
 2. Except in an emergency involving life safety, violations of the NDPEs permit, or response to a sanitary sewer overflow, CMSA shall only perform extra services upon written request and written confirmation of acceptance by CDCR of CMSA’s written estimate of the charge for the extra service.
 3. CMSA agrees to provide an invoice to CDCR within 10 days of performance and completion of any approved or emergency extra work. Such invoice shall be supported by copies of all invoices for materials and time records for labor performed and charged. Where any requested extra service is expected to last longer than one month, CMSA shall submit a progress billing with its monthly O&M maintenance charge for that portion of the extra work performed during the month.

C. *Reporting Sewer Overflows.*

1. CDCR shall be responsible for meeting the State Water Resources Control Board and San Francisco Bay Regional Water Quality Control Board's (RWQCB) sanitary sewer overflow (SSO) reporting requirements. CMSA shall report any observed discharge incidents to CDCR as soon as practicably possible, but in no event later than 24 hours after the incident has been observed and/or addressed. CMSA will verbally report overflows, if CDCR staff are unavailable, to the County of Marin Environmental Health Services, the Office of Emergency Services, and other required regulatory agencies to meet the two-hour notification requirement. CMSA personnel shall follow reporting procedures in the CMSA Emergency Response Plan (ERP). Follow-up reporting shall be done by CDCR.
2. At the CDCR's request and based on CMSA's staff availability, CMSA will assist with investigating the causes of the SSO, calculating the volume of sewage released from the collection system, and preparing written reports to the RWQCB and appropriate regulatory agencies as needed. Investigation efforts by CMSA will be considered extra work for the purposes of compensation provisions under this Agreement.

D. *Reports and Documents of Services.*

1. CMSA shall maintain and provide access or copies, upon request, to all regulatory documents, annual operations and capital budgets, 10-year capital improvement plans and financial forecasts, and other operational, regulatory, and financial documents concerning the O&M services provided under this agreement. CMSA, upon request, will provide copies of its audited financial statements and comprehensive annual financial reports.
2. Over the course of this 12-month agreement CMSA shall conduct a full condition assessment of the pump station mechanical and electrical systems, including the emergency generator, and use the assessment findings to prepare a draft multi-year Capital Improvement Plan (CIP) for CDCR review.
3. CMSA shall, whenever possible, provide CDCR notice and estimates of cost to repair or replace equipment as soon as CMSA observes conditions of equipment indicating likely near term failure or breakdown of equipment.
4. CMSA shall arrange for and supervise such inspections as required from time to time by governmental agencies.
5. CMSA will prepare a monthly report for CDCR that includes the main pump station flow information and a brief summary of the completed corrective and preventative maintenance activities.

E. *Compliance with Law.* CMSA shall perform all services of this Agreement in strict accordance with all applicable Codes, Standards, Regulations, and Authorities having jurisdiction. The latest edition of the document shall apply.

F. *Pump Station Screen cleaning.* San Quentin staff will retain the responsibility of the routine cleaning of the pump station influent channel screens upstream of the channel grinders.

3. Fees and Payments for Monthly and Extra O&M Services

A. *Fee for Base Monthly Services.*

1. CDCR agrees to pay, and CMSA agrees to accept, in compensation for the Monthly Services the sum of ONE HUNDRED THOUSAND AND NO/100 DOLLARS (\$100,000.00) per month, for the duration of this agreement. The Monthly Fee shall be prorated for the number of days of the first month following execution by CDCR.
2. Charges shall bear interest, and payments shall be made by CDCR for Monthly Services and Extra Services in accordance with Government Code Sections 927, et. Seq.

B. *Fee for Extra Services.*

1. CDCR requested *Extra Services* shall not exceed the sum of ONE HUNDRED AND FIFTY THOUSAND AND NO/100 DOLLARS (\$150,000.00) in total over the 12-month duration of this agreement.

C. *Adjustment of Fees upon Renewal.*

1. The Term may be renewed for one additional year.
2. The Monthly Fee and Rates for Extra Services shall be subject to negotiation for future renewals, provided that no rate increase shall go into effect for 90 days following notice by CMSA.

4. Term of Agreement.

- A. *Original Term.* The term of this Agreement shall commence upon execution by CDCR and shall expire on the last day of the 12th full calendar month following execution by CDCR.
- B. *Renewal Term.* This agreement may be renewed one additional year by notice by CDCR delivered to CMSA no later than 30 days prior to expiration of the original or current renewal term.
- C. *Suspension.* Pursuant to a Governor's Executive Order or equivalent directive, such as a court order or an order from a federal or state regulatory agency, mandating the suspension of state contracts, the State may issue a Suspension of Work Notice. The Notice shall identify the specific Executive Order or directive and the Agreement number(s) subject to suspension. Unless specifically stated otherwise, all performance under the Agreement(s) must stop immediately upon receipt of the Notice. During the period of contract suspension, CMSA is not entitled to any payment for the suspended work. Once the order suspending state contracts has been lifted, a formal letter from the Department will be issued to the CMSA to resume work.
- D. *Termination Prior to Expiration.* CDCR or CMSA may terminate this Agreement by 30 Day written notice to either party.
- E. *Continued Wastewater Treatment.* In the event that CDCR terminates this contract, CMSA as the regional WWTP, a sole source provider, will continue to receive and treat

the San Quentin property's wastewater and biosolids and CDCR will compensate CMSA for those services at a fair and equitable negotiated service fee.

5. Access to Site to Perform Services.

- A. CDCR shall provide CMSA access to the SQWCS through the west main facility gate unless otherwise approved by CDCR. CMSA agrees to comply with all SQSP security regulations pertaining to visitor and outside contractor access, including security clearance for each individual seeking access to the service area. CMSA agrees to screen employees for security purposes and to cooperate with the plant operations staff at SQSP to ensure the safety and security of all inmates, staff, and visitors.
- B. CMSA or its authorized agents will comply with all CDCR rules and regulations. No article or material considered as contraband shall be brought on said real property. Contraband includes, but is not limited to, beer, alcoholic beverages, narcotics, the possession and use of firearms, explosives or edged weapons and restricted controlled substances. Any willful violation of said rules and regulations are grounds for immediate termination of this agreement, and could result in arrest and criminal prosecution.
- C. All of CMSA Officers, employees, agents and contractors allowed by the Agreement within SQSP shall be prohibited from wearing denim jeans, blue chambray work shirts, orange vests, and any other articles of clothing disallowed by the authorities in charge.
- D. CMSA agrees to confine its operations and maintenance activities within the limits of designated service areas unless otherwise approved in advance.
- E. CMSA agrees to confine all material storage and employee parking within designated areas unless otherwise directed by the CDCR, and to submit to all reasonable security measures including inspections and searches as deemed necessary for the security of the facility, inmates, and staff.
- F. CMSA is solely responsible for any loss due to theft of tools, equipment, or materials left or stored in the service area. CMSA agrees to remove all tools, materials, and equipment from the service area when not in use, and to maintain the service area broom clean.
- G. CMSA is solely responsible for the health and safety of its employees while working in the service area and on the grounds of SQSP.
- H. CMSA shall provide and maintain adequate protection measures to prevent damage to institution/prison property in the course of its performance of this Agreement.
- I. CMSA shall provide and maintain adequate fire extinguishers and safety kits to be used in the event of an emergency, and will provide and maintain personal protective equipment at the main pump station.
- J. CMSA is authorized to utilize laptops during performance of the contract O&M activities as the work area is confined to locations outside the main prison secure perimeter. California Penal Code Section 4576 prohibits the possession and/or use of cellular phones and/or wireless communication devices on the premises of the institution without express written authorization by the SQ Warden. CMSA shall submit a request for the use of these devices to the Correctional Plant Supervisor as part of their

O&M work activities. The request shall include the make and model number of each device being brought on to San Quentin property.

6. Continuation of Operations.

- A. SQSP operates around the clock every day of the year. Except in an emergency which threatens the health and safety of persons or violation of the NDPES permit, CMSA shall not cause any reduction or interruption of sanitary sewer transportation and treatment without the prior written consent of CDCR.
- B. In the event CMSA determines that an interruption or reduction of sanitary sewer services is required for the maintenance or repair of the SQWCS, it shall consult with CDCR to schedule the work at a time consistent with the needs of the operations of the facility.

7. Integrated Agreement.

This Agreement represents the entire integrated agreement of the parties as to the subject matter of this writing. This Agreement may be changed only by a written amendment signed by authorized representatives of both parties.

8. CMSA Staff.

- A. CMSA has been selected to perform the services of this Agreement because of the integration of the SQWCS with the CMSA wastewater treatment system and the special knowledge, skills, experience and expertise of key employees of CMSA in the operations of its system. CMSA shall prepare and submit to CDCR an organizational chart identifying key employees assigned to perform this Agreement, including their titles.
- B. CMSA shall designate a qualified, experienced senior employee satisfactory to CDCR as the Project Manager who shall, so long as performance continues to be acceptable to CDCR, remain in charge of the services provided under this Agreement over its duration.
- C. Prior to making any changes in the lead/key personnel associated with this Agreement, CMSA shall submit a written notification for such change to CDCR. The notification shall be made at least ten (10) calendar days prior to the proposed change and shall outline the reason for the personnel change and provide statements of qualifications of persons, which CMSA proposes for assignment to that position.

9. Independent Contractor Status.

- A. CMSA is an independent contractor. As such, and not as an agent of CDCR, CMSA shall, without additional expense to CDCR, be responsible for obtaining any business and professional licenses and permits and for complying with any applicable Federal or State laws, codes and regulations, and municipal ordinances, as necessary for the prosecution of the services of this Agreement.
- B. CMSA shall be similarly responsible for all damages to persons or property that occurs as a result of CMSA or their authorized Agent's negligence to the extent caused by CMSA or their authorized Agent.

-
- C. CMSA agrees, at no additional cost to CDCR, to join with and assist CDCR in defending any claim or action related to or arising out of CMSA's errors, omissions or negligence in the performance of this Agreement.

10. No Assignment.

Neither the performance of this Agreement, nor any part thereof, may be assigned by CMSA without the prior written consent and approval of CDCR. Because of the integration of the systems operated by the parties, such approval may be withheld without cause and at the sole discretion of CDCR.

11. Burdens and Benefits of Agreement.

This Agreement shall be binding upon and inure to the benefit of all successors in interest to the parties of this Agreement.

12. Indemnification.

CMSA and CDCR shall indemnify, defend, and hold the other harmless from any claims or liability arising out of or related to the functioning of either party pursuant to this agreement

13. Insurance.

- A. At all times during the term of this Agreement, CMSA shall keep and maintain policies of insurance providing coverage for general liability, workers compensation benefits, and automobile liability on CMSA employees or their authorized agents. Each insurance policy shall be endorsed to state that coverage shall not be canceled or modified except after thirty (30) days prior written notice to CDCR by the insurer. Notwithstanding such endorsement, CMSA shall provide similar notification directly to CDCR. Notice shall be by certified mail. CMSA shall provide proof of said insurance and original endorsement to CDCR prior to the beginning of any work under this Agreement and shall further furnish an updated certificate of insurance to CDCR prior to expiration of the existing certificate.
- B. The certificates shall be issued by an admitted insurer as defined in the Insurance Code. Insurance shall be placed with insurers with a Bests' rating of no less than A: VII. This requirement may be waived in individual cases by CDCR provided however, in no event will a carrier with a Bests' rating below B: IX be acceptable. Failure to adhere strictly to these requirements shall result in the withholding of payment of CMSA's invoice(s) until such time as the aforementioned requirements are met. If CMSA fails to comply with the insurance provisions specified herein, CDCR reserves the right to terminate this Agreement. The cost of said insurance is an overhead cost included with the Monthly O&M Fee and shall not be separately billed to CDCR.
- C. General liability, automobile liability and workers compensation insurance coverage shall be provided with a limit of not less than One Million Dollars (\$1,000,000) per occurrence. CDCR, its officials, employees and volunteers shall be covered as additional insured as respects: liability arising out of activities and/or services performed by or on behalf of CMSA at SQSP or in the operation of vehicles or equipment at or traveling to or from SQSP. Such coverage shall contain no special limitations on scope of the protection afforded CDCR, its officials, employees or volunteers.

D. Where CMSA is liable to CDCR, CMSA's insurance coverage shall be primary insurance in respects to CDCR, its officials, employees and volunteers. Any insurance or self-insurance maintained by CDCR its officials, employees and volunteers shall be excess of CMSA's insurance and shall not contribute with it.

14. No Waiver.

No waiver of any condition, requirement or right expressed in this Agreement shall be implied by any forbearance of CDCR to declare a default, failure to perform, or to take any other action on account of the violation of such condition if such violation be continued or repeated.

15. Compliance with Labor Laws.

CMSA agrees to comply with all labor laws relating to wages, hours, and working conditions of its employees, agents, and subcontractors who may perform services or provide labor in connection with this Agreement, including, but not limited to the requirement to pay its employees' wages not less than current California minimum wage, in accordance with Section 1182.11 of the California Labor Code. CMSA agrees to defend, indemnify and hold CDCR harmless on all claims by government agencies or private parties for violations of such labor laws.

16. Hazardous Waste.

CMSA agrees to comply with all laws regarding the handling, storage, and disposal of hazardous wastes in the performance of the services subject of this Agreement and to defend, indemnify and hold CDCR harmless on all claims by government agencies or private parties for violations of laws governing the use, storage, and disposal of hazardous wastes.

17. Warranties.

CMSA represents and warrants that all parts, pieces, and components of every kind installed, placed, positioned or connected to the SQWCS will be new and handled in conformance with all manufacturers' warranties. CMSA agrees to repair or replace at its own expense, any part, piece, or component installed, either by CMSA or under its direction, which fails for any reason within the greater of one year or the term of the manufacturer's warranty for such item(s). This obligation shall survive the termination or expiration of this agreement.

18. Conflicts of Interest.

CMSA, its directors, officers, and employees, shall abide by the provisions of Government Code (GC) Sections 1090, 81000 et seq., 82000 et seq., 87100 et seq., and 87300 et seq., Public Contract Code (PCC) Sections 10335 et seq. and 10410 et seq., California Code of Regulations (CCR), Title 2, Section 18700 et seq. and Title 15, Section 3409, and the Department Operations Manual (DOM) Section 31100 et seq. regarding conflict of interest.

19. Confidentiality and Security.

- A. CMSA agrees to keep and maintain confidential all information that comes into its possession relating to the security measures employed by the SQSP for the security of its facility and protection of the safety of staff, visitors, and inmates.
- B. All financial, statistical, personal, technical and other data and information relating to State's operation, which are designated confidential by the State and made available to carry out this Agreement, or which become available to the CMSA in order to carry out this Agreement, shall be protected by CMSA from unauthorized use and disclosure.
- C. If the methods and procedures employed by CMSA for the protection of its data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used with the written consent of the State. CMSA shall not be required under the provisions of this paragraph to keep confidential any data already rightfully in CMSA's possession that is independently developed by CMSA outside the scope of the contract or is rightfully obtained from third parties.
- D. No reports, information, inventions, improvements, discoveries, or data obtained, repaired, assembled, or developed by CMSA pursuant to this contract shall be released, published, or made available to any person (except to the State) without prior written approval by CDCR.
- E. CMSA agrees, by acceptance of this contract, that it is subject to all of the requirements of California Government Code Section 11019.9 and California Civil Code Sections 1798 et seq. regarding the collections, maintenance, and disclosure of personal and confidential information about individuals.

20. Employee Misconduct.

- A. At all times during the performance of this contract, it shall be the responsibility of the CMSA whenever there is an incident of use of force or allegation(s) of employee misconduct associated with and directly impacting inmate and/or parolee rights, to immediately notify the CDCR of the incident(s), to cause an investigation to be conducted, and to provide CDCR with all relevant information pertaining to the incident(s).
- B. To the extent that the information provided by CMSA fails to so assure CDCR, CDCR may require that any implicated CMSA staff be denied access to and the supervision of CDCR inmates and/or parolees at SQSP and access to inmate and/or parolee records.
- C. Notwithstanding the foregoing, and without waiving any obligation of CMSA, CDCR retains the power to conduct an independent investigation of any incident(s). Furthermore, it is the responsibility of CMSA to include the foregoing terms within any and all subcontracts, requiring that subcontractor(s) agree to the jurisdiction of CDCR to conduct an investigation of their facility and staff, including review of subcontractor employee personnel records, as a condition of the contract.

21. Financial Records.

CMSA agrees to maintain records of all labor, equipment, and materials supplied to and charged CDCR for the performance of this agreement in accordance with generally accepted accounting practices. Such records shall be available at the CMSA office identified in

paragraph 28, below, to CDCR or its authorized representative during normal business hours. CDCR, or any duly authorized representative, shall have access and the right to examine, copy, audit, excerpt and transcribe any books, documents, papers or records of CMSA, which, in the opinion of CDCR, may be related or pertinent to the Agreement. Such material must be retained for a period of three years after final payment in accordance with California Government Code Section 8546.7.

22. Governing Law and Venue.

This agreement shall be governed by California law and venue for any action for its enforcement shall be Sacramento County, California.

23. Enforcement by Arbitration.

All disputes arising under this agreement shall be resolved by binding arbitration by the Office of Administrative Hearings, pursuant to Public Contract Code Sections 10240, et. Seq.

24. Nondiscrimination.

- A. During the performance of this Agreement, CMSA, its directors, officers, and employees, shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave.
- B. CMSA shall insure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment. CMSA shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et. seq.).
- C. The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full. CMSA shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

25. Amendment and Renewal.

This Agreement may be amended or renewed only by written agreement executed by authorized representatives of both parties.

26. **Agreement Contacts:**

A. *Official notices:* All official notices under the terms of this Agreement shall be addressed as follows:

CMSA Jason Dow, General Manager
Central Marin Sanitation Agency
1301 Andersen Drive
San Rafael, CA 94901

CDCR Deborah Hysen, Deputy Director
Facility Planning, Construction and Management
9838 Old Placerville Road, Suite B
Sacramento, CA 95827

B. *Payment:* Invoices shall be mailed to the following location for payment:

CDCR Attn: Melissa Kirby, AGPA- Plant Operations
San Quentin State Prison
100 Main Street, San Quentin, CA 94964
Phone: 415-454-1460 ext 5221

C. *Site Access:* All entrance and or work notices related to “on-site operational activities” shall be provided to:

CDCR Andy Crump, Correctional Plant Supervisor
San Quentin State Prison
100 Main Street, San Quentin, CA 94964
Phone: 415-454-1460 ext 5219

**BOARD MEMORANDUM**

April 5, 2012

To: CMSA Commissioners & Alternates

From: Jason Dow, General Manager *JD*

Subject: Ross Valley Sanitary District Resolution Establishing a CMSA Payment Policy

Recommendation: Informational; provide direction to staff or take action, as appropriate.

Summary: The Ross Valley Sanitary District Board adopted Resolution 12-1428 at its March 21, 2012, meeting that establishes a payment policy for CMSA Regional Charge and Debt Service invoices. The Resolution sets the RVSD annual payment of CMSA's invoices at "estimated" Equivalent Dwelling Unit counts (EDUs). It also limits RVSD's payment to CMSA to an amount not to exceed what was included in their multi-year Proposition 218 rate increase. These provisions in the Resolution conflict with the Operating Fund Section in the CMSA Joint Powers Agreement (JPA) and provisions in the 2006 Payment for Treatment Services Agreement (Debt Service Agreement). Specifically, the JPA states the Agency will establish the Regional Charge and the JPA members agree to pay it. Additionally, the JPA allows the Regional Charge to be determined using member agency EDUs, influent wastewater volume/quality, or influent volume if the Board determines quality should not be considered. The RVSD Resolution does not consider or allow for Regional Charge payments to CMSA based on volume or volume/quality.

When staff saw this item on the RVSD agenda, we contacted the available CMSA Board Officers, Chair Dupar and Vice-Chair Hartzell, to discuss it and seek guidance on an appropriate action. The Board Officers asked staff to review the Resolution and its board report and prepare an analysis of the various inaccurate statements in both documents. They also asked Legal Counsel Jack Govi to prepare a letter to the RVSD Board Members requesting they do not take action on the Resolution due it conflicting with the JPA. The intent of the letter and its analysis was to inform the RVSD Board of the inaccurate statements that formed the basis for the Resolution actions and to avoid continued legal difficulties between the two agencies. Commissioner Hartzell emailed the document to the RVSD Board on March 20th, the day before their meeting. The RVSD Board passed the Resolution on a 3-2 vote, with Directors Meigs and Egger casting the dissenting votes.

Attachments

- 1) March 8, 2012, RVSD Staff Report for Resolution 12-1428
- 2) Draft RVSD Resolution 12-1428
- 3) March 20, 2012, letter from Jack Govi to the RVSD Board of Directors
- 4) CMSA analysis of the RVSD Resolution and staff report



ROSS VALLEY SANITARY DISTRICT

2960 Kerner Blvd
 San Rafael, CA 94901
 (415) 259-2949 ~ rvsd.org

STAFF REPORT

For the Meeting of March 21st, 2012

March 8, 2012

To: Board of Directors
 From: Staff
 Ross Valley Sanitary District

Approved By: 

SUBJECT: CONSIDERATION OF ADOPTING RESOLUTION NO. 12-1428 ESTABLISHING A PAYMENT POLICY FOR CENTRAL MARIN SANITATION AGENCY WASTEWATER TREATMENT INVOICES AND COMPLIANCE WITH PROPOSITION 218

SUMMARY:

This staff report is being presented to your Board for the consideration of adopting Resolution 12-1428, a resolution establishing the payment policy for Central Marin Sanitation Agency (CMSA) wastewater treatment invoices and compliance with Section 6 of Article XIID of the California State Constitution, also known as Proposition 218.

DISCUSSION:

The Ross Valley Sanitary District (RVSD) is a 112 year old independent special district serving the sewer collection needs of the 56,000 customers in: Ross, San Anselmo, Sleepy Hollow, Fairfax, Oak Manor, Greenbrae, Kentfield, Kent Woodlands, Larkspur and San Quentin State Prison. The District maintains and operates over 200 miles of public sewer pipeline and pump stations. In 1979 RVSD entered into a Joint Powers Authority (JPA) agreement with the San Rafael Sanitation District, Sanitary District No. 2 and the City of Larkspur to form CMSA, a single treatment plant to serve the greater central Marin area.

The District and other JPA members have historically paid CMSA proportionately, based on estimated EDUs, for treatment and bond debt services. The District must set wastewater service rates and charges at levels so as to maintain the wastewater collection system and to fund payments to CMSA for treatment services. As an independent special district, RVSD may increase rates for the Sewer Service Charge only after conducting a properly noticed Public Protest Hearing pursuant to Section 6 of Article XIID of the California State Constitution. Due to the nature of the JPA model, CMSA is not subject to the same rate setting requirements as the District when raising rates for wastewater treatment services.

To plan for future revenue requirements the District relies on CMSA's published annual budget which states planned rates per EDU for treatment and debt service costs. On numerous occasions CMSA has increased rates to its member agencies without providing them with the time required to increase Sewer Service Charges to their ratepayers so that they may generate

RESOLUTION NO. 12-1428

**A RESOLUTION OF THE BOARD OF DIRECTORS OF SANITARY DISTRICT NO.1
OF MARIN COUNTY ESTABLISHING A STRUCTURE FOR PAYMENTS TO
CENTRAL MARIN SANITATION AGENCY FOR WASTEWATER TREATMENT
SERVICES**

WHEREAS, The Ross Valley Sanitary District (District) is a 112 year old independent special district serving the sewer collection needs of the 56,000 customers in: Ross, San Anselmo, Sleepy Hollow, Fairfax, Oak Manor, Greenbrae, Kentfield, Kent-Woodlands, Larkspur, as well as San Quentin State Prison; and

WHEREAS, the District maintains and operates over 200 miles of public sewer pipeline and pump stations; and

WHEREAS, the District has estimated that approximately 75% of its existing pipeline is at or exceeding estimated useful life and is at or approaching the point of catastrophic failure and that District budgeting process requires exacting care and foresight to protect the District's finances and the health and safety of the District's environment; and

WHEREAS, Central Marin Sanitation Agency (CMSA) is a joint exercise of power agency formed pursuant to Chapter 5 of Division 7 of Title 1 of the California Government Code and the Joint Powers Agreement, dated October 15, 1979 (as amended from time to time, the "JPA Agreement"), by and among the City of Larkspur, San Rafael Sanitation District, Sanitary District No. 1 of Marin County (District) and Sanitary District No. 2 of Marin County (collectively, the "Members"); and

WHEREAS, the Central Marin Sanitation Agency provides wastewater treatment and discharge services for the District; and

WHEREAS, the Payment Agreement for Treatment Services, dated October 1, 2006, constitutes a valid and binding amendment to the JPA Agreement; and

WHEREAS, the Payment Agreement for Treatment Services, dated October 1, 2006, stipulates that CMSA shall calculate payments due for treatment services based on Equivalent Dwelling Units (EDUs); and

WHEREAS, the District and other JPA members have historically paid CMSA proportionately, based on estimated EDUs, for treatment service and previously existing bond debt on a quarterly schedule; and

WHEREAS, the District has agreed that payments for treatment services shall be considered and treated as an operating expense of the overall District Budget. In the event that the payments are not permitted to be treated as an operating expense, the

adjustments for both treatment and debt service amounts will be made by CMSA in their invoices to Members for the fourth quarter treatment services.

3. The District will not pay CMSA more per EDU for treatment and debt service than what is specifically built into the District's rate structure at any point in time for such payments, unless and until a rate increase pursuant to the requirements of Section 6 of Article XIID of the Constitution of the State of California is lawfully adopted by the District Board.
4. The District will report the EDU count for San Quentin State Prison separately from the rest of the District's service area.
5. Should the term of the District's contract with the San Quentin State Prison end, concurrently with that expiration, the EDUs associated with the Prison will no longer be assigned to the District's proportionate share of CMSA's treatment and debt service costs for the purpose of making payments to CMSA.

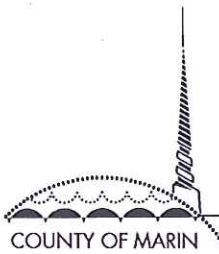
PASSED, APPROVED AND ADOPTED by the Board of directors of Sanitary District No. 1 of Marin County at a special meeting held this 21st day of March, 2012, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

MARCIA JOHNSON,
President of the Board

ATTEST:

PETER Wm. SULLIVAN, M.D.
Secretary of the Board



OFFICE OF THE
COUNTY COUNSEL

March 20, 2012



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ADMINISTRATIVE ASSISTANT

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Attention: Board Members
Ross Valley Sanitary District (RVSD)
2960 Kerner Boulevard
San Rafael, CA 94901

**Re: Proposed RVSD Resolution Establishing
a CMSA Payment Policy**

Dear Ross Valley Board Members,

On behalf of the Board Officers of the Central Marin Sanitation Agency, I am writing this letter to urge your Board to take no action on the proposed Resolution at this time.

In simple terms, the proposed Resolution, if passed, will clearly lead RVSD and CMSA into further legal difficulties. I have attached a CMSA staff analysis of the Board report and the proposed Resolution, which sets forth the inaccuracies in both documents. Passage of the Resolution will ensure discord on every financial level and is at complete odds with the CMSA Joint Powers Agreement.

I am proposing an alternative to your Board in order to resolve the issues between RVSD and CMSA that may be precipitating the proposed Ordinance. This alternative involves RVSD's nomination of one of your alternates to serve on the Finance Committee of CMSA. RVSD needs to have a credible advocate on the Finance Committee to ensure that the CMSA financial business and policies are vetted and hopeful unanimity is achieved in passing them before both the Finance Committee and the CMSA Board.

Moreover, I sincerely believe that a change in RVSD representation on the CMSA Board is imperative. These agencies need to work together on the challenging issues that face them. Clear communication, a sense of trust and credibility are absolutely necessary. Unfortunately, at the present time, there has been a breakdown in these essential components that prevent teamwork and collaboration among the agencies that result in a disservice to the ratepayers of the entire Central Marin region.

I look forward to discussing this issue with you and moving forward in a positive direction. Should you have any questions, please do not hesitate to contact me.

Very truly yours,

Jack F. Govi
Assistant County Counsel

Analysis of RVSD Resolution (12-1428) to Establish a CMSA Payment Policy

Staff Report Inaccuracies

1) **RVSD claim** - 3rd paragraph, second sentence - "On numerous times CMSA has increased rates to member agencies without providing them time to increase sewer service charges..."

Fact – RVSD has never informed CMSA that a planned rate increase was provided too late for their district to raise its rates. The claim isn't supported by any examples.

CMSA rate increases are reviewed by the Finance Committee in April, the full Board in May with the draft budget, and adopted in June with the final budget. The JPA agencies receive copies of the CMSA agenda packets with the draft and final budgets that include a 10-year Financial Forecast with multi-year projected rate adjustments. CMSA has historically provided the JPA agencies a letter informing them of future rate increases – such as the July 2010 letter projecting rate increases through FY14/15. In 2006, when CMSA raised its rates for the debt service payment, the increase was integrated into the JPA agencies' Prop 218 rate adjustments. Since 2006, CMSA treatment rate increases have been minor.

2) **RVSD claim** – 3rd Paragraph, last sentence - "...there have been years that RVSD has paid up to 75% of its annual revenue to CMSA unexpectedly"

Fact – RVSD has never informed CMSA that 75% of its annual revenue was being provided to CMSA. The claim is not supported by any specific examples. A brief review of RVSD's annual service charge and property tax revenue will show that this claim is inaccurate.

3) **RVSD statement** - 4th paragraphs – "...requires that CMSA be subject to the same rate increase process as its member agencies....."

Fact – CMSA, as a joint powers agency, is exempt from the Proposition 218 protest hearing process, and RVSD cannot require CMSA to comply with Prop 218. The CMSA JPA does not authorize the member agencies to determine how much they pay CMSA or the allocation method used to determine their payment amount. Implementation of the resolution's provisions will conflict with Section 14 of the JPA, which clearly states the CMSA Board establishes the CMSA Regional Charge.

5) **Resolution Statement** - Item 2 - "...adjustments for both treatment and debt service amounts will be made by CMSA in their invoices to Members for the fourth quarter treatment services."

Concern: CMSA's Board adopted Revenue Management Financial Policy (Policy) contains provisions for reconciling each member agency's annual Regional Charge (treatment) and debt service payments based on the actual Fiscal Year EDU counts reported in the 4th quarter. The Policy states the treatment reconciliation occurs in the fourth quarter and the debt service occurs in July. The JPA does not require CMSA to reconcile the annual payments.

The RVSD Resolution does not align with the CMSA Policy provisions or past practices, and the JPA does not provide RVSD the authority to require the payment reconciliation.

6) **Resolution Statement** – Item 3 – "The District will not pay CMSA more per EDU for treatment and debt service than what is specifically built into the District's rate structure..."

Concern: This item in the Resolution clearly conflicts with Section 14.A and 14.B of the JPA.

Section 14.A states: "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".

Section 14.B states: "Each Member, in turn, shall be responsible for deriving the revenue necessary to pay its Regional Charges to the Agency".



BOARD MEMORANDUM

April 5, 2012

To: CMSA Commissioners & Alternates

From: Jason Dow, General Manager *JVD*

Subject: Revised 10-Year Capital Improvement Program (CIP) for the FY13 Budget

Recommendation: Review the revised 10-year Capital Improvement Program, and provide comments to the General Manager.

Summary: The Agency's Capital Improvement Program (CIP) team has completed reviewing, updating, and revising the CMSA 10-Year CIP for FY13 through FY22. The revision process included 1) identifying the project delivery method for each project, initiative, and equipment/asset purchase; 2) projecting the actual expenses for FY12; 3) determining the priority initiatives for implementation in FY13; 4) revising the project descriptions to improve their readability; 5) updating asset rehabilitation and replacement schedules based on condition assessments, and 6) refining cost estimates with new or updated information.

The team has done a fine job with the updating process to enhance the accuracy and completeness of the CIP, and staff recommends the Board review the enclosed CIP documents and provide comments for incorporation into the final draft CIP documents that will be integrated into the draft FY13 Agency budget.

Enclosed in the Board's agenda packet is the revised 10-year CIP scheduled and projects descriptions. The CIP documents can also be viewed on or downloaded from the Agency's website.

FY13 CIP Activities: The CIP initiatives are organized into four categories – Facility Improvement, General Equipment, Liquid Treatment Equipment and Systems, and Solids Treatment and Energy Generation Equipment and Systems. The amount budgeted for FY13 in each category is shown in the table below.

CIP Category	FY13 Budgeted Amount
Facility Improvements	\$1,040,000
General Equipment	\$280,300
Liquids Treatment Equipment and Systems	\$1,683,252
Solids Treatment and Energy Generation	\$3,624,216
Budget Total	\$ 6,627,768

The 2006 Revenue Bond issuance proceeds have funded the majority of the large Agency projects since they were received in October 2006, and they have funded all CIP related expenditures over the last few years including staff compensation and benefits while working on selected large capital projects (e.g. the Wet Weather Improvement Project and the Digester Improvements/FOG Facility project). At this point in time during the budget development process, staff anticipates the Agency will have enough bond proceeds remaining at the end of FY12 to fund the FY13 capital activities.

The larger capital and maintenance projects planned for initiation or continued implementation in FY13 are summarized below. Descriptions of each project and activity in the 10-year CIP can be reviewed in the revised CIP documents on the Agency's website.

Effluent Storage Pond Improvements: \$150K is budgeted to survey the pond bottom, design drainage improvements based on the survey results, and complete the regrading work.

Concrete Corrosion Repairs: a concrete and corrosion study was completed in 2011, has been peer reviewed, and rehabilitation work is scheduled for the next few years. \$396K has been allocated to coat a chlorine contact tank and repair various concrete surfaces in the headwork's building in FY13.

Aeration Blower Replacement: the two new turbo blowers will be ordered soon and should be delivered in the early summer 2012, after which the general contractor will begin on-site construction work. The project should be completed and the new systems operational this summer. The project budget was reduced from \$1.16 Million to \$693K due to favorable construction bid results.

Reclaimed Water System Improvements: a condition assessment of the water system's hydropneumatic tank showed significant corrosion on its interior surfaces. The project has been moved up in the CIP a few years and entails replacing the hydropneumatic tank, valves, piping, and the reclaimed water pumps and strainers, and has \$370K budgeted to complete work in FY13.

Cogeneration System Maintenance: after approximately every seven years of continuous operation, the engine-generator requires a major overhaul at an off-site repair facility. FY13 will be the first major overhaul for the engine, and during the off-site work a general contractor will relocate the exhaust gas heat exchanger and coolant expansion tank. The FY13 budget of \$450,000 also includes funds to consolidate and replace control systems to improve reliability.

Sludge Thickening Improvements: design work for this project to replace the aging dissolved air flotation tanks is scheduled to commence in late FY12. The \$400K budget in FY13 is to complete the design phase of the project, and construction is scheduled to begin in FY14.

Digester Improvements/FOG Facility: the construction phase of this project began in May 2011 and is scheduled for completion in early 2013. The rehabilitation work for the first digester is nearly completed and after its new membrane cover is installed in the late spring 2012, it will be filled with reclaimed water and fed with sludge. Concurrent to that work being performed, the new digester mixing pumps and biogas purification systems are being installed and operational testing will be completed this summer. Once the new equipment is commissioned and the first digester achieves stable operation, the second digester will be drained, cleaned and rehabilitated.

The FOG/Food Waste facility has been constructed and its equipment will be installed and tested this summer; we anticipate the facility will be ready for operation in the fall 2012. The change order allowance for FY13 has been increased from 5% to 10%, resulting in the total project cost increasing to \$ 8.23 million. The FY13 budget is \$2.7 million.



Central Marin Sanitation Agency
Ten Year Capital Improvement Program (CIP)

FY 13 Revision

April 5, 2011

Central Marin Sanitation Agency
Capital Improvement Program
FY 13 Budget and 10-Year Forecast

GL Account Number	Proposed Delivery Method	Prior FY's Costs	Budgeted For FY 12	Current FY 12 Actuals	10-year CIP										Project Totals
					1 FY 13	2 FY 14	3 FY 15	4 FY 16	5 FY 17	6 FY 18	7 FY 19	8 FY 20	9 FY 21	10 FY 22	
Facility Improvements															
7300-103-10	Effluent Storage Pond Rehabilitation ⁽¹⁾	0	40,000	7,606	20,468	10,473	5,359	5,485	5,744	5,879	6,016	6,157	1,216,475	1,216,475	
7300-674-00	CMMIS and AM Systems	0	15,000	262	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	
7300-690-00	Elevator Repairs	0	80,000	15,000	102,340	104,735	133,982	137,117	140,326	143,609	90,245	123,143	1,281,860	1,281,860	
7300-956-00	General Industrial Coating/Sealing	0	381,000	30,961	246,639	193,759	-	-	-	-	-	-	836,399	836,399	
7300-979-10	Concrete Corrosion Inspection/Repairs ⁽²⁾	0	27,000	20,457	27,632	342,483	28,940	29,617	30,310	31,020	31,745	32,488	33,249	614,484	
7300-987-00	Outfall Inspection & Repairs	0	2,000	3,377	4,189	12,326	-	2,194	6,062	1,264	3,938	2,463	51,711	51,711	
7300-988-00	Cathodic Protection	0	47,800	20,000	307,020	-	-	38,393	39,291	40,211	41,152	42,114	43,100	432,020	
7400-103-10	Maintenance Facility Modifications	0	35,000	90,562	20,947	750,299	-	-	-	-	-	-	389,252	389,252	
7400-956-00	Facility Paving/Site work	0	100,000	198,447	838,925	968,421	212,806	1,288,077	221,848	184,702	208,111	6,088,131	6,088,131		
7400-965-00	Facility Roofs Rehabilitation ⁽³⁾	0	731,510	198,447	838,925	968,421	212,806	1,288,077	221,848	184,702	208,111	6,088,131	6,088,131		
7400-965-00	Primary Clarifier Improvement ⁽³⁾	0	100,000	90,562	20,947	750,299	-	-	-	-	-	-	389,252	389,252	
Subtotal - Facility Improvements													731,510	1,984,477	
General Equipment															
7300-672-00	Process Control & Security Systems	M	39,000	23,500	35,819	36,657	48,233	38,393	39,291	40,211	41,152	42,114	43,100	454,003	
7300-683-00	Above Ground Fuel Storage Tanks	IB	25,000	2,865	2,000	2,095	2,144	2,194	2,245	2,298	2,352	2,407	2,463	104,735	
7410-603-00	Telephone System	M	10,000	2,406	13,800	14,123	14,453	15,138	15,492	15,854	16,225	16,594	16,964	164,852	
7410-851-00	IT Hardware and Communication Equip	M	75,000	30,165	47,000	41,894	42,874	51,556	39,678	22,977	43,503	36,098	36,943	404,624	
7420-701-00	Vehicle, Equipment Replace, Hybrid Batteries	FB	25,500	3,665	14,500	8,379	5,967	4,388	6,736	10,914	4,703	7,220	91,438	91,438	
7430-958-00	Laboratory Equipment	PO	53,000	36,810	100,000	109,971	112,545	54,847	56,130	57,444	29,394	30,082	30,786	688,656	
7450-002-00	Electrical Equipment	M/IB	17,000	22,030	19,445	20,947	21,437	21,939	22,452	22,977	23,515	24,065	24,629	227,406	
7450-102-00	Process Instrumentation	M	17,000	22,030	19,445	20,947	21,437	21,939	22,452	22,977	23,515	24,065	24,629	227,406	
7450-105-00	Electrical System Testing	PSA/IB	-	-	-	-	26,796	60,332	61,743	63,188	64,667	66,180	67,728	410,634	
Subtotal - General Equipment													259,300	2,568,590	
Liquids Treatment Equipment and Systems															
7300-641-00	Effluent Pump Station Maintenance	M	5,000	10,709	7,164	7,331	7,503	7,679	7,858	8,042	8,230	8,423	8,620	77,850	
7300-680-00	Grit Dewatering System	M/IB	30,000	32,325	40,936	41,894	42,874	60,332	61,743	63,188	47,030	48,131	49,257	495,385	
7300-685-00	Bio-Tower Rotary Distributor Replacement	IB	0	56,391	70,000	71,638	73,314	75,030	76,786	78,582	80,421	82,303	84,229	115,208	
7300-700-00	Plant Pumps	M	50,000	56,391	70,000	71,638	73,314	75,030	76,786	78,582	80,421	82,303	84,229	778,503	
7300-709-00	Order Control Equipment Maintenance	M	9,000	5,056	-	-	-	-	-	-	-	-	-	-	
7300-719-00	Chemical Pumps	M	69,000	42,973	51,170	52,367	53,593	54,847	56,130	57,444	58,788	60,164	61,571	586,074	
7300-720-00	Gates Rehabilitation	M/IB	100,000	65,066	100,000	102,340	104,735	107,186	109,694	112,261	114,887	117,576	120,327	1,112,147	
7300-727-00	Headworks Equipment	M	15,000	11,874	50,000	10,234	10,473	10,719	10,969	11,226	11,489	11,758	12,033	151,215	
7300-981-00	Order Control System Improvements ^{(1) (2)}	FB	0	98,246	837,878	-	-	-	-	-	-	-	-	936,124	
7300-982-10	Aeration Blower Replacement ⁽³⁾	FB	581,988	63,667	571,252	-	-	-	-	-	-	-	-	571,252	
7300-983-00	Process Tank Maintenance	M/IB	92,000	86,069	92,106	94,261	96,467	98,724	101,034	103,399	105,818	108,294	110,828	1,000,933	
7300-990-00	Secondary Clarifiers Turntable Drives	IB	-	25,000	-	-	94,261	96,467	98,724	-	-	-	-	289,453	
7400-964-00	3-Water System Improvements	FB	0	25,000	-	-	-	-	-	-	-	-	-	370,000	
7400-966-00	Critical Buried Pipe Inspection/Repairs	IB	0	20,000	-	-	-	-	-	-	-	-	-	225,000	
7400-855-00	Chemical Tanks	M/IB	0	20,783	35,819	36,657	37,515	43,877	78,582	63,188	64,667	66,180	67,728	510,743	
7450-857-00	Piping, Valves & Operators	M	0	79,290	76,755	78,551	80,389	82,270	84,195	86,166	88,182	90,245	92,357	834,111	
7450-104-10	Influent Flow Meter Improvement	PSA	0	75,000	-	20,947	-	-	-	-	-	-	-	20,947	
Subtotal - Liquids Treatment Equipment and Systems													1,795,202	8,044,945	

Central Marin Sanitation Agency
 Capital Improvement Program
 FY 13 Budget and 10-Year Forecast

GL Account Number	Proposed Delivery Method	Prior FY's Costs	Budgeted For FY 12	Current FY 12 Actuals	10-year CIP										Project Totals	
					1 FY 13	2 FY 14	3 FY 15	4 FY 16	5 FY 17	6 FY 18	7 FY 19	8 FY 20	9 FY 21	10 FY 22		Total FY 13 - FY 22
Solids Treatment and Energy Generation Equipment and Systems																
7300-678-00	Emergency Generator Assessment & Improvement ⁽¹⁾	PSA	0	-	51,170	-	267,964	-	1,683,908	-	-	-	-	-	2,003,042	2,003,042
7300-691-00	Director Inspection & Cleaning	FB	-	-	-	-	-	-	-	229,775	235,152	-	-	-	464,926	-
7300-715-00	Centrifuge Maintenance	M	35,000	46,415	37,354	38,228	39,123	40,038	40,975	28,772	29,394	43,919	44,947	382,701	-	-
7300-721-00	Cogeneration Heat Exchangers	M	40,000	3,277	1,023	1,047	1,072	1,097	1,123	1,149	1,176	1,203	1,231	11,121	-	-
7300-722-00	Cogeneration Maintenance	M/FB	100,000	72,141	307,020	188,523	44,482	197,449	51,359	321,685	431,883	1,714,325	1,624,624	5,331,349	-	-
7300-724-00	Hot Water Systems	M/FB	12,000	9,383	20,000	104,735	12,862	13,471	13,786	14,109	14,439	14,777	264,326	-	-	-
7300-725-00	Boilers Rehabilitation or Replacement	FB	-	-	-	62,841	-	237,992	-	-	-	-	-	300,833	-	-
7300-726-00	Sludge Heat Exchanger	M	-	-	-	15,710	-	-	-	-	337,443	-	-	353,153	-	-
7300-957-00	Waste Gas Burners	M	-	490	20,468	-	-	-	-	-	-	-	-	20,468	-	-
7300-978-00	Sludge Recirculating Pump Grinders	M/SP	30,000	-	10,000	15,710	16,078	16,454	16,839	17,233	17,636	18,049	-	143,351	-	-
7300-979-00	Biosolids Hoppers Maintenance	M/SP	-	-	-	6,284	-	7,569	-	8,961	-	-	-	22,814	-	-
7300-964-10	Sludge Thickening Improvements ⁽¹⁾	FB	0	-	400,000	3,274,880	-	-	-	-	-	-	-	3,674,880	-	-
7430-957-10	Digester Improvements - FOG Facility ⁽¹⁾	FB	631,628	4,895,540	2,703,216	433,078	381,581	275,770	2,045,667	621,311	1,066,792	1,791,935	1,685,580	15,676,180	-	-
Subtotal - Solids Treatment and Energy Generation Equipment and Systems				5,027,244	3,750,249	433,078	381,581	275,770	2,045,667	621,311	1,066,792	1,791,935	1,685,580	15,676,180	-	-
Annual Totals				5,846,335	6,627,768	3,179,014	2,238,892	1,381,263	4,163,125	1,667,246	2,135,791	2,817,483	2,709,881	32,377,846	-	-
CIP TOTAL				7,948,174	5,846,335	3,179,014	2,238,892	1,381,263	4,163,125	1,667,246	2,135,791	2,817,483	2,709,881	32,377,846	-	-

(1) BOLD items are individual Capital Improvement Projects, nonrecurring projects estimated to exceed \$500,000 total cost.

(2) BOLD ITALIC items added or modified per Kennedy/Jenks Engineers' 2010 CIP Planning Assistance and 2011 CIP Planning Phase 2 Recommendations

Projected Annual Escalation Rate:	2.34%	(Based on rolling 5-year average of ENR San Francisco CCI Cost Index annual changes.)
Escalation Factors	1.023	1.047
	1.072	1.097
	1.123	1.149
	1.176	1.203
	1.231	1.231

M	Maintenance project, self performed
PSA	Professional Services Agreement
PO	Purchase Order
IB	Informally Bid
FB	Formally Bid

CENTRAL MARIN SANITATION AGENCY
 CAPITAL IMPROVEMENT PROGRAM - ACCOUNT / PROJECT DESCRIPTIONS
 PROPOSED FY 13 BUDGET AND 10-YEAR PROJECTION

Facility Improvements		ACCOUNT / PROJECT DESCRIPTION
ACCOUNT NUMBER	ACCOUNT / PROJECT TITLE	ACCOUNT / PROJECT DESCRIPTION
7300-103-10	Effluent Storage Pond Rehabilitation	See Full Page Description
7300-674-00	CMMS and AM Systems	Over the past several years the Agency implemented a Strategic Asset Management Plan using a subscription based software package (Nexgen™) to incorporate key Plan elements: critical asset condition assessment, inventory control, procurement management, and time and budget tracking by asset, process, or project. This has been a multiphase project, and there is one more phase to be implemented in FY 13, which contains an allowance for professional services, if needed. Full implementation will realize overall cost savings for the Agency by facilitating the identification and application of needed preventive maintenance, reducing the number of failure - driven repair tasks, and improving time and inventory tracking. <u>FY 13</u> Nexgen™ Fees and complete Asset Management Phase III implementation. <u>FY 14 - FY 22</u> Nexgen™ License Fees.
7300-690-00	Elevator Repairs	The elevator in solids handling building is regularly inspected. This line is for the regular inspections and a rolling allowance should repairs be needed to meet OSHA requirements
7300-956-00	General Industrial Coating/Sealing	Scheduled industrial coating repair program for process structures and metal equipment, and treatment plant deck traffic coatings. Projects aligned with other equipment upgrades (see Primary Clarifier Improvement and Secondary Clarifier Turntable Drive projects), with actual schedule subject to annual coating condition assessments. <u>FY 13</u> Complete coating on Primary Clarifier #1 (underway June 2012) and coat Primary Clarifier #3 <u>FY 14</u> Primary Clarifier #2 <u>FY 15</u> Primary Clarifier #4 <u>FY 16</u> Secondary Clarifier #4 <u>FY 17</u> Secondary Clarifier #1 <u>FY 18</u> Secondary Clarifier #3 <u>FY 19</u> Secondary Clarifier #2 <u>FY 20</u> Headworks equipment <u>FY 21</u> Repair wear coats on Headworks and Secondary Clarifier decks <u>FY 22</u> Primary Clarifier #5
7300-979-10	Concrete Corrosion Inspection/Repairs	See Full Page Description

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Facility Improvements	
ACCOUNT / PROJECT TITLE	ACCOUNT / PROJECT DESCRIPTION
7300-987-00	<p>Ongoing underwater inspection and maintenance of the marine outfall diffuser section. Activities include diver inspections of diffusers and risers, survey of diffuser risers' levels above shifting bay floor sediments, extending or replacing risers and diffusers as needed, and monitoring - and periodically removing - solids deposition inside diffuser section.</p> <p><u>FY 13</u> - <u>FY 14</u> Routine inspection and riser extension or replacement, as needed.</p> <p><u>FY 15</u> Plan for outfall diffuser section cleaning based on apparent rate of solids buildup since duckbill check valve retrofit in 2002, based on escalating the \$300,000 costs in FY 09. If the annual interior solids monitoring indicates the solids accumulation is minor, it will be deferred until a future year based on the solids accumulation rate between FY 09 and FY 15.</p> <p><u>FY 16</u> - <u>FY 22</u> Routine inspection and riser extension or replacement, as needed.</p>
7300-988-00	<p>Periodic cathodic protection monitoring of the land portion of the Marine Outfall, sections of the Ross Valley Interceptor (including the tunnel section), the San Rafael interceptor, the South Francisco casing, various buried pipelines at the treatment plant (which have increased due to additional cathodic protection for the buried cast iron piping installed during the WWIP at the Effluent Pump Station and new or relocated fire hydrants and fire protection water lines). CMSA also performs offsite monitoring of San Rafael's Simms Force Main; San Rafael reimburses CMSA the \$1,500 per year cost for this, and that amount is not shown in the CIP.</p> <p>This line also includes routine adjustment of, and minor repairs to, impressed-current cathodic protection systems. Costs vary from year to year due to varying monitoring and testing frequencies for different facilities, and costs are higher in FY 16 and FY 21 to perform the close-interval survey over the land section of the Outfall pipeline.</p>
7400-103-10	See Full Page Description
7400-956-00	This line is an allowance for minor paving repairs and associated site work on internal plant roads, walkways, parking lots, other pavement, and regrading, cleaning, and replacing gravel in drainage ditches
7400-960-00	See Full Page Description
7400-965-00	See Full Page Description

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General Equipment		ACCOUNT / PROJECT DESCRIPTION
ACCOUNT NUMBER	ACCOUNT / PROJECT TITLE	
7300-672-00	Process Control & Security Systems	<p>This line contains allowances for replacement, upgrades, and improvements to the plant's process control system, including new instruments and computers, upgrading and replacing PLC and HMI hardware and software and replacement of SCADA servers. This line also includes regular maintenance and upgrades of security systems at the treatment plant, including access cards, readers and controllers, alarms, security cameras, and data storage hardware and software.</p> <p><u>FY 13</u> Replace HMI software. <u>FY 14 – FY15</u> Routine PLC and HMI hardware replacement. <u>FY 16</u> Routine PLC and HMI hardware replacement and replace SCADA servers. <u>FY 17 – 21</u> Routine PLC and HMI hardware replacement. <u>FY 22</u> Routine PLC and HMI hardware replacement and replace SCADA servers.</p>
7300-683-00	Above Ground Fuel Storage Tanks	<p>This line contains a rolling allowance to replace one of the existing underground fuel storage tanks with an above ground storage tank. This replacement would be mandated either by one of the relatively new underground tanks failing or by a change in regulatory requirements. Should regulatory requirements change to require replacement, this line will be augmented to accommodate both tanks' replacement.</p>
7410-603-00	Telephone System	<p>This line contains an allowance for ongoing hardware and software maintenance for its new digital telephone switch and system. (In FY 11, the Agency replaced its outdated analog telephone system with a new, digital switch and telephone system.)</p>
7410-851-00	IT Hardware and Communication Equip	<p>Routine maintenance repairs, and regular replacement of Information Technology hardware and software (office computers, printers, scanners, and servers) and voice radio equipment used by staff to communicate within the Treatment Plant.</p> <p><u>FY 16 and FY 21</u> Scheduled replacement of servers.</p>

CENTRAL MARIN SANITATION AGENCY
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General Equipment	
ACCOUNT / PROJECT TITLE	ACCOUNT / PROJECT DESCRIPTION
<p>7420-701-00 Vehicle, Equipment Replace, Hybrid Batteries</p>	<p>Purchase of new equipment or vehicles as required (passenger vehicles, trucks, forklift, and electric carts as they reach or exceed 20 years' age), and the scheduled minor and major maintenance of as they reach or exceed 20 years age (begun in FY 11), hybrid batteries, utility vehicles, portable electric generator, etc. This line also covers the cost of repairs, maintenance and replacement batteries (for carts and hybrids).</p> <p><u>FY 13</u> Replace the Crown Victoria and one cart. Replace batteries in one carpool Honda. <u>FY 14</u> Replace natural gas F150 pickup and one cart. Replace batteries in other carpool Honda. <u>FY 15</u> Replace one carpool Honda and one electric cart. <u>FY 16</u> Replace Honda other carpool Honda and one electric cart. <u>FY 17</u> Replace Toyota Highlander. <u>FY 18</u> Replace Pump Station Ford Ranger. <u>FY 19</u> Replace Environmental Services Ford Explorer. <u>FY 20</u> Replace Maintenance Department Ford Ranger and replace one cart. <u>FY 21</u> Replace the Electrical and Instrumentation Ford E450 and replace one cart. <u>FY 22</u> Replace Environmental Services Ford F150 pickup.</p>
<p>7430-958-00 Laboratory Equipment</p>	<p>This line contains allowances for scheduled routine replacement of laboratory equipment (autoclaves, pumps, collection/sampler systems, washers, incubators, bioassay system, etc.) together with specific equipment items planned in the years indicated below:</p> <p><u>FY 13</u> Replace ammonia distillation apparatus. <u>FY 14</u> Replace influent samplers and portable sampler.</p>

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General Equipment		ACCOUNT / PROJECT DESCRIPTION
ACCOUNT NUMBER	ACCOUNT / PROJECT TITLE	
7450-002-00	Electrical Equipment	<p>This line contains allowances for planned annual maintenance and replacement of Treatment Plant switches, relays, control panels, and lighting equipment (5 – 10% per year), with more energy-efficient equipment, continue upgrading variable frequency drives for process equipment, and an allowance to provide electrical equipment to support the centrifuges.</p> <p><u>FY 13</u> Rebuild/replace two plant sump pump panels, one carrier water pump motor and MCC equipment, phased lighting replacement, and install hydrogen sulfide filter.</p> <p><u>FY 14 – FY 17</u> Rebuild/replace two plant sump pump panels, phased replacement of outdoor lighting, one carrier water pump motor and MCC equipment.</p> <p><u>FY 18</u> Rebuild / replace two plant sump pump panels, phased replacement of outdoor lighting.</p> <p><u>FY 19</u> Rebuild / replace two plant sump pump panels, phased replacement of outdoor lighting.</p> <p><u>FY 20</u> Phased replacement of outdoor lighting.</p> <p><u>FY 21</u> Phased replacement of outdoor lighting.</p> <p><u>FY 22</u> Replace Control Room UPS, phased replacement of one 3-water or carrier water pump motor and MCC equipment.</p>
7450-102-00	Process Instrumentation	<p>This line contains an allowance for ongoing replacement or upgrade of obsolete meters and sensors for local monitoring and transmitting of data and other status information on critical equipment and processes to the Plant's Process Control System. These processes and equipment include: centrifuges; cogeneration, emergency, and Effluent Pump Station engines; primary and secondary clarifiers; Waste Activated Sludge (WAS) at Dissolved Air Flotation (DAF) Thickeners; and digested sludge feed lines.</p> <p><u>FY 13</u> Above allowances, plus replace Ecom™ gas analyzer for cogeneration engine</p>
7450-105-00	Electrical Distribution System Rehabilitation	<p>This line contains an allowance to perform condition assessment and testing in FY 16 of the original Treatment Plant wiring, breakers, and motor control centers (MCCs) that have not been inspected and/or upgraded as part of other recent projects, followed by allowances to perform upgrades/replacements of MCCs, large breakers, or wiring.</p>

CENTRAL MARIN SANITATION AGENCY
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Liquid Treatment Processes and Equipment		
ACCOUNT NUMBER	ACCOUNT / PROJECT TITLE	ACCOUNT / PROJECT DESCRIPTION
7300-641-00	Effluent Pump Station Maintenance	This line contains allowances for routine equipment maintenance and repair costs at the Effluent Pump Station and its associated fuel system.
7300-680-00	Grit Dewatering System	<p>This line is for routine replacement of smaller elements of the grit dewatering system that collects, transports, dewaterers, and stores grit for disposal after its removal at the grit tanks. This equipment is subject to a very corrosive and erosive environment. The regular annual allowances include replacing smaller valves, piping, and operators, together with scheduled refurbishment of individual larger items (hopper gates, classifier troughs, augers, and grit pumps). The larger amounts in future years are for work described in particular years below.</p> <p><u>FY 17</u> Refurbish Grit Classifier GC 04.05, grit pump P 04.03 and Replace Grit Classifier Auger GC 04.01 <u>FY 18</u> Replace Grit Classifier Augers GC 04.02 and GC 04.03 <u>FY 19</u> Replace Grit Classifier Augers GC 04.04 and GC 04.05 <u>FY 22</u> Refurbish Grit Classifier GC 04.02 and grit pump P 04.02; assess piping, gates, hoppers; replace valve tree if warranted by condition assessment.</p>
7300-685-00	Bio-Tower Rotary Distributor Replacement	See Full Page Description

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Liquid Treatment Processes and Equipment		
ACCOUNT NUMBER	ACCOUNT / PROJECT TITLE	ACCOUNT / PROJECT DESCRIPTION
7300-700-00	Plant Pumps	<p>Scheduled replacement of plant pumps including Moyno™ sludge pumps (used for primary sludge, waste activated sludge and contact tank scum), polymer pumps, and sump pumps (especially large site sump pumps). These lines have increased since FY 12 due to unanticipated increases in the cost of Moyno™ sludge pumps and the addition of the new Digester mixing pumps and the pumps at the FOG/F2E station.</p> <p><u>FY 13</u> Refurbish one Biotower pump and one RAS pump; replace five sludge pumps and two sump pumps.</p> <p><u>FY 14</u> Refurbish one Biotower pump, one scum pump, one carrier water pump, one plant water pump and one RAS pump; replace five sludge pumps, two site sump pumps, and three plant sump pumps.</p> <p><u>FY 15</u> Refurbish one tank drain pump, one plant water pump, one scum pump, one plant water pump, one carrier water pump, and one RAS pump; replace three sludge pumps, one Headworks sample pump, and three sump pumps.</p> <p><u>FY 16</u> Refurbish one RAS pump; replace three sludge pumps, one plant water pump, one carrier water pump, one Headworks sample pump, and three sump pumps.</p> <p><u>FY 17</u> Refurbish one RAS pump and one plant water pump; replace three sludge pumps and two sump pumps.</p> <p><u>FY 18</u> Refurbish one Vaughn™ chopper pump; replace two sample pumps and three sludge pumps.</p> <p><u>FY 19</u> Refurbish one Vaughn™ chopper pump; replace three sludge pumps.</p> <p><u>FY 20</u> Refurbish one Biotower pump and one RAS pump; replace three sludge pumps and two hot water pumps.</p> <p><u>FY 21</u> Refurbish one Biotower pump and one RAS pump; replace three sludge pumps, three hot water pump and two sump pumps.</p> <p><u>FY 22</u> Refurbish one tank drain pump, one plant water pump, one scum pump, one plant water pump, one carrier water pump, and one RAS pump; replace three sludge pumps, one Headworks sample pump and two sump pumps.</p>
7300-709-00	Odor Control Equipment Maintenance	<p>This line item has been combined with Process Tank Maintenance (GL 7300-983-00). It was originally used for increased preventive maintenance work (pumps, piping, blower motors and fans) for the four odor existing control scrubber units until they are replaced as part of the Odor Control System Improvements Project (GL 7300-981-00 – see full page description).</p>

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Liquid Treatment Processes and Equipment		
ACCOUNT NUMBER	ACCOUNT / PROJECT TITLE	ACCOUNT / PROJECT DESCRIPTION
7300-719-00	Chemical Pumps	<p>Regular repair or replacement, based on condition assessments, of chemical mixing and pumping equipment controlling the injection of specific chemicals (e.g. ferric chloride, hydrogen peroxide, calcium nitrate, sodium hypochlorite, emulsion polymer, and sodium bisulfite) at various treatment unit processes.</p> <p><u>FY 13</u> Refurbish two sodium hypochlorite, two sodium bisulfite pumps (P10.215 – P10.218 and P10.311-P10.312 or 313), and one SBS chemical induction mixer.</p> <p><u>FY 14</u> Refurbish five sodium bisulfite pumps (P10.313-P10.317) and two CL2 chemical induction mixers.</p> <p><u>FY15</u> Refurbish four hydrogen peroxide pumps (P52.01-P52.04 and P51.01-P51.03), one Cl2, and two SBS Chemical Induction Mixers.</p> <p><u>FY 16</u> Refurbish three mixed polymer feed pumps (P12.11-P12.13) and three hydrogen peroxide pumps.</p> <p><u>FY 17</u> Refurbish two polymer activation units PAU 12.31 and PAU 12.32.</p> <p><u>FY 18</u> Refurbish polymer activation unit PAU 06.10, refurbish four sodium hypochlorite pumps (P10.211 – P10.214), and replace two ferric chloride pumps.</p> <p><u>FY 19</u> Refurbish four sodium hypochlorite and two sodium bisulfite pumps (P10.215 – P10.218 and P10.311-P10.312)</p> <p><u>FY 20</u> Refurbish five sodium bisulfite pumps (P10.313-P10.317)</p> <p><u>FY 21</u> Refurbish seven hydrogen peroxide pumps (P52.01-P52.04 and P51.01-P51.03)</p> <p><u>FY 22</u> Refurbish three mixed polymer feed pumps (P12.11-P12.13)</p>

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Liquid Treatment Processes and Equipment		
ACCOUNT NUMBER	ACCOUNT / PROJECT TITLE	ACCOUNT / PROJECT DESCRIPTION
7300-720-00	Gates Rehabilitation	<p>Maintenance and / or replacement of large gates and operators (including procurement and outside specialized labor to install them). These gates control flow into, through and between processes, and isolate processes for repair or maintenance (schedule and level of work based on condition assessment and ongoing inspection results). Note: many of the original cast-iron gates will be replaced with stainless steel gates, which may have a longer service life due to being more corrosion resistant and having sealing surfaces that can be refurbished.</p> <p><u>FY 13</u> Assess all Aeration Basin effluent gates, replace up to two Aeration gates, replace one Primary Clarifier influent gate, and refurbish two Plant Influent gate operators.</p> <p><u>FY 14 – FY 16</u> Replace up to two Aeration Basin gates (influent or effluent), replace one primary clarifier influent gate, refurbish up to two Primary Clarifier influent gate operators per year.</p> <p><u>FY 17 – FY 21</u> Replace up to two Aeration Basin gates (influent or effluent), replace one Primary Clarifier influent gate, refurbish up to two Primary Clarifier influent gate operators per year.</p> <p><u>FY 22</u> Replace or refurbish up to two Aeration gates, replace one Primary Clarifier influent gate, refurbish two Plant Influent gate operators</p>
7300-727-00	Headworks Equipment	<p>Repair and replacement of headworks equipment, including the hydraulic power unit that controls the Plant Influent gates for the Headworks, Primary Clarifiers 1 through 5, and the Headworks screens and their associated washer/compactors.</p> <p><u>FY 13</u> Refurbish hydraulic system; refurbish Grit Tank gate operator SGH 04.03; refurbish Influent gate and operator SGH 04.02; replace drive sprockets and chains for both punch-plate filter screens.</p> <p><u>FY 14</u> Refurbish Grit Tank gate operator SGH 04.04 & SGH 04.05.</p> <p><u>FY 15</u> Refurbish Grit Tank gate operator SGH 04.06 & SGH 04.07.</p> <p><u>FY 16</u> Complete five year preventive maintenance on Barscreens and Washer Compactor.</p> <p><u>FY 17 – FY 22</u> Ongoing preventive maintenance and repair.</p>
7300-981-00	Odor Control System Improvements	See Full Page Description
7300-982-10	Aeration Blower Replacement	See Full Page Description

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Liquid Treatment Processes and Equipment		
ACCOUNT NUMBER	ACCOUNT / PROJECT TITLE	ACCOUNT / PROJECT DESCRIPTION
7300-983-00	Process Tank Maintenance	<p>Maintenance and parts for all process tanks and systems throughout the Treatment Plant, including: replacement of the primary scum collectors, secondary clarifier launders improvements for algae reduction (weir brushes), maintenance of collector mechanisms, and bio-tower rotating arms.</p> <p><u>FY 13</u> Refurbish Channel Air Blower B04.03 & B04.04, install brushes on two Secondary Clarifiers, replace Hydrostatic Drive HD 08.08 and HD 08.09, tank related periodic and preventive maintenance repair parts and supplies</p> <p><u>FY 14</u> Refurbish Grit Air Blowers B04.05, B04.06 & B04.07, replace Hydrostatic Drive HD 08.10 and HD 13.01, tank related periodic and preventive maintenance repair parts and supplies, replace five check valves in Gallery A</p> <p><u>FY 15</u> Replace guide rails in site sump. Replace Hydrostatic Drive HD 13.02 and HD 13.03, tank related periodic and preventive maintenance repair parts and supplies, replace five check valves in Gallery A</p> <p><u>FY 16</u> Tank related periodic and preventive maintenance repair parts and supplies, replace five check valves in Gallery A</p> <p><u>FY 17</u> Refurbish Channel Air Blower B04.01 & B04.02, tank related periodic and preventive maintenance repair parts and supplies, replace five check valves in Gallery A</p> <p><u>FY 18</u> Refurbish Channel Air Blower B04.03 & B04.04, tank related periodic and preventive maintenance repair parts and supplies, replace five check valves in RAS basement</p> <p><u>FY 19</u> Refurbish Grit Air Blowers B04.05, B04.06 & B04.07, tank related periodic and preventive maintenance repair parts and supplies, replace five check valves in RAS basement</p> <p><u>FY 20</u> Refurbish or repair tank washdown equipment; tank related Maintenance repair parts and preventive maintenance supplies, replace three check valves in Digester basement</p> <p><u>FY 21</u> Tank related Maintenance repair parts and preventive maintenance supplies, replace five Plant water check valves, and have secondary clarifier rake arms' condition assessed by outside specialists.</p> <p><u>FY 22</u> Replace guide rails in site sump. Replace Hydrostatic Drive HD 13.02 and HD 13.03, tank related periodic and preventive maintenance repair parts and supplies, replace five check valves in Gallery A</p>

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Liquid Treatment Processes and Equipment	
ACCOUNT NUMBER	ACCOUNT / PROJECT DESCRIPTION
7300-990-00	<p style="text-align: center;">Secondary Clarifiers Turntable Drives</p> <p>Replacement of the large turntable drives for the secondary clarifiers that are nearing the end of their expected life, one unit was purchased in FY 10 and installed in FY 11, and the costs shown are based on the FY 10 costs, plus escalation. Condition assessments indicate the other three can be expected to last until the scheduled metal coating projects for their clarifiers.</p> <p><u>FY 15</u> Replace main drive assembly TA08.04 <u>FY 16</u> Replace main drive assembly TA08.01 <u>FY 17</u> Replace main drive assembly TA08.03</p>
7400-964-00	See Full Page Description
7400-966-00	See Full Page Description
7430-855-00	<p style="text-align: center;">3-Water System Improvements</p> <p style="text-align: center;">Critical Buried Pipe Inspection / Repairs</p> <p style="text-align: center;">Chemical Tanks</p> <p>Replacement of chemical storage tanks used throughout the plant and in the collection system as they exceed their service life. Tanks are of various, materials, and complexity of their appurtenances). Tanks include five sodium hypochlorite, two sodium bisulfite, two hydrogen peroxide, two polymer, four calcium nitrate and three ferric chloride tanks, with the replacement schedule subject to change based on during annual inspection results.</p> <p><u>FY 13</u> Replace Sodium Bisulfite Tank TA 10.06, assess Nitrate Tanks TA 24.01, TA 26.01, TA 27.01 and TA 28.01. <u>FY 14</u> Replace Sodium Bisulfite Tank TA 10.07, assess hydrogen peroxide Tank TA 42.01 <u>FY 15</u> Replace Hypochlorite Tank TA 10.04 <u>FY 16</u> Replace Hypochlorite Tank TA 10.06 <u>FY 17</u> Replace Peroxide Tank TA 51.01 and assess condition of Headworks Ferric tanks <u>FY 18</u> Replace Nitrate Tank TA 24.01 and hydrogen peroxide tank TA 52.01 <u>FY 19</u> Assess Polymer Bulk Tank, replace Nitrate Tank TA 26.01 <u>FY 20</u> Replace Hypochlorite Tank TA 10.02, replace Nitrate Tank TA 27.01 <u>FY 21</u> Replace Hypochlorite Tank TA 10.03, replace Nitrate Tank TA 28.01 <u>FY 22</u> Replace Hypochlorite Tank TA10.01 and assess condition of the steel ferric tanks (TA 04.06 and TA 04.07) at the Headworks</p>

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Liquid Treatment Processes and Equipment		
ACCOUNT NUMBER	ACCOUNT / PROJECT TITLE	ACCOUNT / PROJECT DESCRIPTION
7430-857-00	Piping, Valves & Operators	There are over 700 valves in the Treatment Plant's process systems , ranging from less than 1" up to 12" in diameter. This line item provides annual allowance for routine maintenance and periodic replacement of these valves, their operators, and associated piping . The most current condition assessment indicates at least 50 valves are not functioning properly, and this allowance may change as ongoing condition assessments are completed.
7450-104-10	Influent Flow Meter Improvement	Both the 45" San Rafael Interceptor and the 54" Ross Valley Interceptor were fitted with insertion- magnetic-type meters in FY 11. Having both the original ultrasonic meters plus the magnetic meters is expected to improve their accuracy in measuring large flow variations. The allowance in FY 15 is for a study to survey available technologies for possible improved meter accuracy in light of the Treatment Plant's large seasonal flow variations.

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Solids Treatment And Energy Generation Processes and Equipment		
ACCOUNT NUMBER	ACCOUNT / PROJECT TITLE	ACCOUNT / PROJECT DESCRIPTION
7300-678-00	Emergency Generator Assessment & Improvement	<p>Incremental improvements (e.g., particulate filter with monitoring) for the diesel-powered emergency generator to better comply with current emissions control technologies and evolving air quality standards.</p> <p><u>FY 14</u> Allowance for modifications needed if regulatory requirements change, such as minor emission system upgrades, such as particulate filters, and / or enhanced engine emissions monitoring</p> <p><u>FY 16</u> Survey current air quality regulatory environment and available technologies to identify either needed major emissions equipment upgrades or need for a major engine replacement. If replacement is needed, balance of this funding would be used for design of the replacement.</p> <p><u>FY 18</u> (if needed) This line item would fund installation of a replacement emergency generator if the current diesel engine cannot be made to comply with then-current air quality regulations.</p>
7300-691-00	Digester Inspection & Cleaning	<p>Allowance for periodic cleaning and inspection of the Anaerobic Digesters every 7 – 10 years Agency staff would take each digester out of service (about 6 weeks each), drain each digester as far as possible, and, after inspection and service, refill the digester with water, purge the oxygen atmosphere above the sludge with nitrogen, and then introduce sludge and reestablish stable operation. The Contractor would: remove residual sludge and accumulated inorganic solids once the Agency is unable to dewater it further, purging the biogas and replacing it with nitrogen, inspecting and, if needed, repairing or replacing the interior surfaces, piping, coatings, and membrane cover..</p> <p><u>FY 19</u> Clean and inspect Digester No. 1, if needed.</p> <p><u>FY 20</u> Clean and inspect Digester No. 2, if needed.</p>

CENTRAL MARIN SANITATION AGENCY
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Solids Treatment And Energy Generation Processes and Equipment	
ACCOUNT / PROJECT TITLE	ACCOUNT / PROJECT DESCRIPTION
7300-715-00	<p>Centrifuge Maintenance</p> <p>Maintenance and repairs of the high speed centrifuges and supporting equipment (polymer and ferric chloride injection systems). This highly utilized equipment operates in an especially harsh and corrosive environment. Previous years' conversion of back drive controls and installation of weld-on tiles on scrolls has eliminated the need to periodic dismantle the centrifuges entirely for offsite rebuilding, but there is still a need for regular preventive and routine maintenance tasks.</p> <p><u>FY 13</u> 5-year preventive maintenance (repair / balance bowl and scroll assembly) CF 12.1, rebuild Roto-DIF™ CF 12.1.</p> <p><u>FY 14</u> 5-year preventive maintenance CF 12.2, rebuild Roto-DIF™ CF12.2.</p> <p><u>FY 15</u> Refurbish Hydraulic system CF 12.1, rebuild Roto-DIF™ CF12.3.</p> <p><u>FY 16</u> Refurbish Hydraulic system CF 12.2.</p> <p><u>FY 17</u> Refurbish Hydraulic system CF 12.3, 5-year preventive maintenance CF 12.3.</p> <p><u>FY 18</u> 5-year preventive maintenance CF 12.2 and rebuild Roto-DIF™ CF 12.1.</p> <p><u>FY 19</u> 5-year preventive maintenance CF 12.1, rebuild Roto-DIF™ CF 12.2.</p> <p><u>FY 20</u> Rebuild Roto-DIF™ CF 12.3.</p> <p><u>FY 21</u> Rebuild Roto-dif CF 12.2.</p> <p><u>FY 22</u> 5-year preventive maintenance (repair / balance bowl and scroll assembly) CF 12.1.</p>
7300-721-00	<p>Cogeneration Heat Exchangers</p> <p>The cogeneration system has several heat exchangers: the main plate-and-frame heat exchanger that uses heat from the engine coolant to heat the Treatment Plant's hot water system, and two tube-and-fin type waste heat exchangers to cool the engine's oil and to dispose of excess heat left in the coolant after the main plate-and-frame heat exchanger. This line contains allowances to inspect and repair the tube-and-fin heat exchangers in alternating years (oil cooling loop in odd numbered years, waste heat in even numbered years). Amounts have shifted since FY 12 CIP due to favorable results from condition assessments.</p> <p><u>FY 19</u> Inspect and repair main plate and frame cooling loop heat exchanger and oil cooling loop waste heat exchanger.</p>

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Solids Treatment And Energy Generation Processes and Equipment	
ACCOUNT / PROJECT TITLE	ACCOUNT / PROJECT DESCRIPTION
<p>7300-722-00 Cogeneration Maintenance</p>	<p>The cogeneration engine runs constantly, utilizing plant biogas and natural gas to generate most of the Treatment Plant's electrical power, and to supply the facility's hot water needs. This line item contains allowances to purchase of critical spare parts, perform scheduled routine maintenance (oil and spark plug changes, minor valve adjustments), and have larger maintenance activities (top end rebuilds on site, offsite total rebuilds every seven years) for the engine, together with maintenance on the biogas treatment (to remove hydrogen sulfide and siloxane) and supply (compressors, refrigerator/drier) equipment.</p> <p>Although with proper periodic major overhauls, the engine could theoretically run indefinitely, cogeneration technologies are continuing to improve. Accordingly, the line item for FY 19 includes an allowance for a technology survey, with allowances for design (FY 20) and procurement and installation (FY 21 – 22) of a replacement, while maintaining the replacement engine as long as possible. This timing allows the technology survey to be completed and the decision about keeping the current engine to be made before the next major offsite overhaul would be due.</p> <p><u>FY 13</u> Relocate engine exhaust waste heat exchanger and coolant expansion tank, major offsite overhaul for cogeneration engine, five year generator preventive maintenance, potential engine control upgrade, and replace turbo chargers.</p> <p><u>FY 14</u> Allowance to replace proprietary engine controls with industry standard components if upgrade not feasible, replace thermocouples, air starter, turbo chargers.</p> <p><u>FY 15</u> Onsite rebuild of cogeneration engine upper end, replace turbo chargers.</p> <p><u>FY 16</u> Replace thermocouples and turbo chargers.</p> <p><u>FY 17</u> Onsite rebuild of engine upper end, replace turbo chargers.</p> <p><u>FY 18</u> Replace thermocouples and turbo chargers.</p> <p><u>FY 19</u> Onsite rebuild of engine upper end, replace turbo chargers, allowance for technology survey.</p> <p><u>FY 20</u> If current engine is to be kept, major offsite overhaul for engine, five year generator preventive maintenance, replace turbo chargers; otherwise, replace thermocouples and turbo chargers and design engine replacement.</p> <p><u>FY 21</u> If current engine is being replaced, begin fabrication, shipment, and installation of replacement, replace thermocouples and turbochargers on current engine.</p> <p><u>FY 22</u> If current engine is being replaced, commission replacement, remove existing engine (recover salvage value if possible), and allowance</p>

CENTRAL MARIN SANITATION AGENCY
 CAPITAL IMPROVEMENT PROGRAM - ACCOUNT / PROJECT DESCRIPTIONS
 PROPOSED FY 13 BUDGET AND 10-YEAR PROJECTION

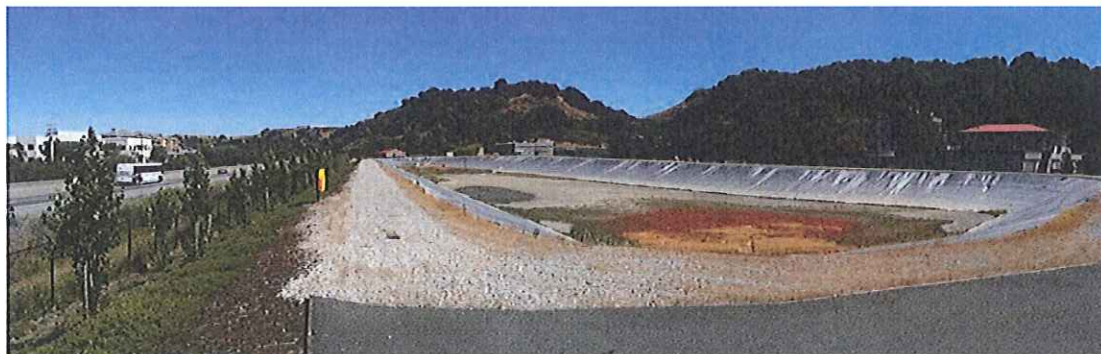
Solids Treatment And Energy Generation Processes and Equipment	
ACCOUNT / PROJECT TITLE	ACCOUNT / PROJECT DESCRIPTION
7300-724-00	<p>Hot Water Systems</p> <p>Routine inspections, repairs to and replacement of hot water system pumps, valves, flex fittings and piping as needed to maintain the hot water system that supplies hot water (from the cogeneration unit and/or the boilers) to the digesters and Administration Building, including:</p> <p><u>FY 13</u> Replace four expansion joints and four check valves, and minor amounts of piping. <u>FY 14</u> Replace four expansion joints and four check valves, and have extensive condition assessment performed. <u>FY 15</u> Allowance for large scale replacement of hot water piping system if indicated by extensive condition assessment. <u>FY 16 - FY 22</u> Ongoing preventive maintenance and repair on system.</p>
7300-725-00	<p>Boilers Rehabilitation or Replacement</p> <p>Scheduled inspection, repair and / or replacement of boiler tubes that produce heat for the Plant hot water systems when the cogeneration engine is offline (last completely overhauled in FY 09)</p> <p><u>FY 16</u> Inspect boilers and perform maintenance or minor upgrades as needed (deferred from FY 15 based on condition assessment in FY 12. <u>FY 18</u> Allowance for major maintenance (inspection, repair and replacement of boiler tubes as needed), and contingency planning for upgrade or replacement to meet anticipated new, more stringent emissions regulations.</p>
7300-726-00	<p>Sludge Heat Exchanger</p> <p>Condition assessment, repairs as needed, and possible future replacement of sludge heat exchangers used to keep Anaerobic Digesters at the proper operating temperature</p> <p><u>FY 15</u> Conduct condition assessment and perform complete repairs as necessary <u>FY 20</u> Anticipated replacement of heat exchanger system</p>
7300-957-00	<p>Waste Gas Burners</p> <p>Condition assessment and repair or replacement of underground biogas piping serving the waste gas burners from the Solids Handling Building – deferred one year based on preliminary condition assessment.</p>
7300-977-00	<p>Sludge Recirculating Pump Grinders</p> <p>This line contains allowances for service agreements for annual factory inspection and repair to the sludge grinders' high-wear cutter cassettes (one for centrifuges, two for digester recirculation systems) and periodic refurbishment of cutter cartridges as indicated by condition assessments.</p>
7300-978-00	<p>Biosolids Hoppers - Maintenance</p> <p>This line contains an allowance for monitoring and smaller touchup repairs to biosolids hoppers, gates, and hydraulic actuators (following extensive repairs in 2010 - hopper gates and hydraulic actuators replaced, corrosion repaired and coating touched up)</p>
7300-964-10	<p>Sludge Thickening Improvements</p> <p>See Full Page Description</p>

CENTRAL MARIN SANITATION AGENCY
 CAPITAL IMPROVEMENT PROGRAM - ACCOUNT / PROJECT DESCRIPTIONS
 PROPOSED FY 13 BUDGET AND 10-YEAR PROJECTION

Solids Treatment And Energy Generation Processes and Equipment		
ACCOUNT NUMBER	ACCOUNT / PROJECT TITLE	ACCOUNT / PROJECT DESCRIPTION
7430-957-10	Digester Improvements / FOG Facility	See Full Page Description

Effluent Storage Pond Improvements			
Type of Project	Capital Construction	Lead Department	Engineering
Project Delivery	Combination of formally and informally bid, as described below.		
Description	The effluent storage pond was constructed over a deep layer of Young Bay Mud, which results in ongoing uneven settlement of the Pond bottom and berm. The berm was reconstructed and raised by six feet in 2007, with a new impermeable geotextile liner installed around the inside and new sections of intake and outlet piping. No work on the pond bottom was included in that project, and the differential settlement has caused poor drainage. This ongoing settlement may require the berm itself to be raised, which was provided for in the 2007 liner installation.		
Justification	<p>Due to differential settlement, the Pond bottom drains poorly, with shallow areas of standing water after its use. The bottom will need to be built up, regraded, and recompacted, and the staff gage (level indicator) will need to be recalibrated or relocated. The surveying and drainage improvement design is underway as this Plan is being prepared.</p> <p>The 2007 berm reconstruction project considered that within 10 years after it was raised it might need be raised again to maintain the new storage volume. The new liner included additional liner material that was rolled up and buried around the top perimeter of the pond so it could be raised by up to three feet. This project's elements include:</p> <ul style="list-style-type: none"> · FY 13 (informally bid): Build up, and regrade the pond bottom to restore proper drainage and recalibrate/relocate pond staff gage; · FY 18 (formally bid): <ul style="list-style-type: none"> · Survey the pond berm and resurvey the bottom for excessive or uneven settlement; · Based on the survey results, raise/regrade the pond bottom and / or raise the berm, extend, and reanchor the buried extra liner material. 		
GL 7300-103-10			
		FY 13	150,000
		FY 18	\$1,066,475
		Total	\$1,216,475
Implementation			
Schedule	Activity Description	Cost	
FY 13	Allowance to build up and regrade the clay-lined pond bottom.	\$150,000	
FY 18	Engage designer to survey and develop topographical map of the berm and fill quantities to raise and relevel it.	\$30,000	
	Allowance to raise pond berm and extend and re-anchor cover, if indicated by survey results.	\$1,036,475	
Project Total		\$1,216,475	

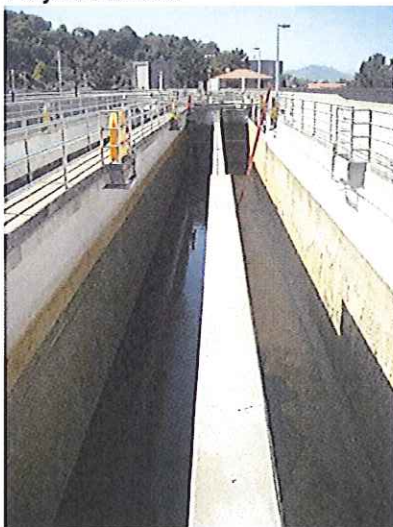
Project Photo



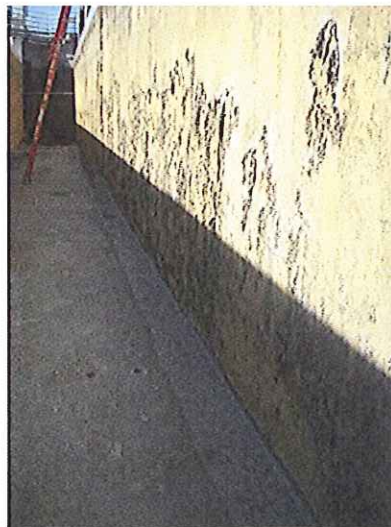
Effluent Storage Pond, showing ponding in bottom.

Concrete Corrosion Inspection and Repairs <i>(formerly Concrete Tank Improvements)</i>			
Type of Project	Capital Construction	Lead Department	Engineering
Project Delivery	Formally bid.		
Description	Concrete repair and recoating is necessary where the concrete slabs are exposed to penetrating, corrosive vapors (hydrogen sulfide) or liquids (hypochlorite). Based on the recommendations in the peer-reviewed December, 2011 Concrete Corrosion Study, repair damaged concrete and remove and replace worn coatings in the areas detailed below.		
Justification	Repair the damaged concrete and associated coatings in the areas listed by year below: <ul style="list-style-type: none"> · FY 13: Remove and replace damaged concrete and failed protective coatings in the headworks, Headworks scrubber room floor, and the northern wall of CCT No. 4. · FY 14: Removal and replacement of failed coating and damaged concrete in in the hypochlorite storage room; · FY 15: Repair concrete floors and apply new corrosion-resistant protective coatings as required when the odor control scrubbers are upgraded or replaced (GL 7300-981-00). 		
GL 7300-979-10			
		FY 12	\$30,962
		FY 13	396,000
		FY 14	246,639
		FY 15	193,759
		Total	\$867,360
Implementation			
Schedule	Activity Description	Cost	
FY 12	Concrete Corrosion Study and peer review (Completed)	\$30,962	
FY 13	Allowance to strip and replace coating and repair damaged concrete in the Headworks, repair the Headworks scrubber room floor; and strip and replace coating on northern wall of CCT No. 4, and reseal one construction cold joint across all four CCTs.	\$396,000	
FY 14	Strip and repair concrete, and recoat floor, equipment pedestals, and other damaged areas in hypochlorite storage room.	246,639	
FY 15	Repair damaged concrete at remaining air scrubber rooms (includes allowance to apply protective coatings if chlorine-based odor scrubber technology is retained)	193,759	
	Project Total	\$867,360	

Project Photos:



CCT No. 4 (looking from outfall)



Close-up of worn coating.

Maintenance Facility Modifications (Formerly Maintenance Building Modifications)			
Type of Project	Capital Construction	Lead Department	Engineering
Project Delivery	Combination of informally bid and formally bid, as described below.		
Description	Expansion and partial remodeling of the 1985 Maintenance Building and 1995 Maintenance Annex buildings to better meet current Agency needs, together with replacement of failing asphalt floors in two equipment bays with engineered concrete slabs, and seismic retrofit of the portico's cantilevered columns.		
Justification	<p>Since the Maintenance Building and Maintenance Annex were constructed (1985 and 1995, respectively), inventory and work space needs have changed due to new mechanical, electrical, and information system technologies. Also, soil has subsided under the asphalt floors in two bays of the covered portico, which are now failing and need to be replaced with structural concrete slabs. Project elements include:</p> <ul style="list-style-type: none"> · FY 12: Structural assessment and design of the grade beams surrounding the slabs. · FY 13 (Informally bid): Design and construct concrete slabs tied into the existing grade beams to replace failed asphalt slabs (designed in late FY 12), conduct an internal needs assessment to identify the scope of needed modifications, issue a Request for Proposals and select a designer for the needed modifications, complete design phase; · FY 14 (formally bid): Allowance for construction of needed improvements – details of planned improvements will be included in the FY 14 CIP after design has been completed. 		
GL 7400-103-10			
		FY 12	\$20,000
		FY 13	\$125,000
		FY 14	307,020
		Total	\$452,020
Implementation			
Schedule	Activity Description	Cost	
FY 12	Allowance to design replacement slabs following structural assessment (underway April 2012)	\$20,000	
FY 13	Allowance for construction of replacement concrete slabs	\$60,000	
	Focus groups to identify needs, develop scope of design work	0	
	Allowance to complete design services	65,000	
FY 13	Allowance for construction contract and change orders	307,020	
	Project Total	\$452,020	

Project Photos



Maintenance Building and Covered Portico



Failed one-year old repair to asphalt slab.

Facility Roof Rehabilitation			
Type of Project	Capital Construction	Lead Department	Engineering
Project Delivery	Formally bid.		
Description	Replace the standing seam metal roofs on the Administration, Maintenance, Aeration and Secondary Clarifier control buildings and the Maintenance Annex and perform minor repairs on their supporting structure.		
Justification	<p>In FY 2007 the Agency had a roofing expert survey all its building roofs. The built-up composite roofs needed immediate replacement, and that was done then. The assessment also indicated that, while still serviceable, the standing seam metal roofs' expected service life was 30 years, and they might need replacement then. Also, the roof systems were designed and built under the seismic codes in force in 1980, and needed repairs could trigger a requirement for seismic upgrading. Project elements include:</p> <ul style="list-style-type: none"> · FY 15: Have specialty inspector and / or structural engineer inspect the standing seam metal roofs, gutters, and their supporting wooden structures. · FY 16: Based on inspection findings, develop and (formally or informally) bid a contract for roof system replacement and / or structural repairs and / or seismic upgrades. 		
GL 7400-960-00			
		FY 15	20,947
		FY 16	750,299
		Total	\$771,246
Implementation			
Schedule	Activity Description	Cost	
FY 14	Develop RFP for roof system inspection, including structural / seismic assessment and select inspector(s)	0	
FY 15	Perform roof system inspection(s)	\$20,947	
	Develop and bid roof system upgrade/replacement contract	0	
FY 16	Construction for roof replacement and structural / seismic upgrades or repairs	\$750,299	
	Project Total	\$771,246	

Project Photos



Maintenance Building with Standing seam metal roofs.

Primary Clarifier Equipment Improvements			
Type of Project	Maintenance	Lead Departments	Maintenance/Engineering
Project Delivery	Combination of self-performed, prepurchased equipment and informally bid installation		
Description	<p>The primary clarifiers separate floating and settleable solids from the influent wastewater. Their submerged metal equipment requires periodic repair or replacement of their corrosion-resistant epoxy coatings. Improvements in materials in recent years allow substitution of noncorroding materials for much of the metal equipment originally used when the Treatment Plant was built. During FY 12, it was determined to be more efficient to have the reinstallation of the new equipment performed by a mechanical contractor after the remaining metal parts have been recoated (under Industrial Coatings and Repairs) and the individual years' budgets have been augmented to include this cost. FY 13's budget was further augmented to include the installation of PC No. 1's equipment, which will take place when its metal coating project is completed in early FY 13.</p>		
Justification	<p>Equipment using these newer materials was installed in Primary No. 1 as a pilot retrofit, and has proven successful. Retrofitting the remaining primaries will provide cost savings in future years by reducing the amount of coating that needs to be done, and the work will be synchronized with the industrial coating work for them. This project includes:</p> <ul style="list-style-type: none"> · refurbishing the scum and sludge drive units; · replacing existing flights, tracks, and chains with products similar to those supplied for the new primaries 6 & 7; and · replacing the chain guide sprockets. 		
GL 7400-965-00			
		FY 12	Under way
		FY 13	\$ 140,000
		FY 14	\$ 122,808
		FY 15	\$ 125,682
		Total	\$368,490
Implementation			
Schedule	Activity Description	Cost	
FY 13 through FY 15	Perform activities listed above for one Primary Clarifier per year until Primaries No. 2 – 5 have been upgraded.	\$120,000/year, plus escalation	
	Remaining Project Total	\$368,490	

Project Photos:



Aerial View of Primary Clarifiers



Primary Clarifier No. 1 being retrofitted.

Bio-Tower Rotary Distributor Replacement			
Type of Project	Maintenance	Lead Department	Maintenance/Engineering
Project Delivery	Informally bid.		
Description	The biotowers are the first of two secondary treatment processes, and remove biochemical oxygen demand (BOD) before treatment in the aeration tanks. The rotary distributor is the critical moving part, spreading wastewater evenly on the filter media.		
Justification	<p>These critical components operate in a harsh environment and they have about a 25-year life expectancy. The first rotary distributor was replaced in 2010, and the second was originally scheduled for replacement in 2012 but condition assessment in 2012 indicated at least two more years of useful life; costs have risen slightly due to additional escalation. Project includes:</p> <ul style="list-style-type: none"> · Replacing galvanized-steel distributor mechanism and plastic spreader nozzles; · Replacement of the distributor bearing; · Replacing or recoating the cast iron turntable on which the mechanism turns; and · Replacing the top tier of media, which is subject to weather damage. 		
GL 7300-685-00			
			FY 15
			\$115,208
			Total
			\$115,208
Implementation			
Schedule	Activity Description	Cost	
FY15	Develop and execute contract for rotary distributor and bearing replacement and replacement of Agency-supplied media	\$94,208	
	Replacement media (subject to change if lower media is unexpectedly degraded)	21,000	
Project Total			\$115,208

Project Photos:



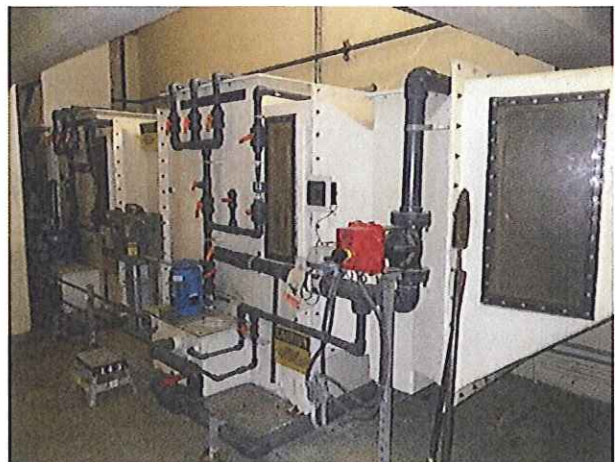
Original base & turntable, Biotower No. 2



New rotary distributor, Biotower No. 2

Odor Control System Improvements			
Type of Project	Capital Construction	Lead Department	Engineering
Project Delivery	Formally bid		
Description	Some wastewater treatment processes give off odorous, corrosive gasses, and odor control both protects plant processes and serves as one component of the Agency's overall environmental stewardship and green business program. This project includes an equipment assessment of the four aging original scrubbers, identification of options to rehabilitate/rebuild them, and implementation of the chosen alternative.		
Justification	The existing odor control scrubbers are at the end of their useful service life. The Kennedy/Jenks Engineers' 2011 Capital Master Planning –Phase II Report, indicated that replacing the existing scrubbers with a new technology would be cost prohibitive because of the likelihood of needing to fabricate new equipment onsite due to access constraints to the existing scrubber rooms. The alternative to installing replacement scrubbers is to perform a condition/technology assessment of the existing scrubbers and determine whether replacement of the mechanisms or their upgrade with a new technology inside the existing enclosures is more advantageous. The FY 14 budget is for having an outside consultant conduct the condition assessment and provide recommendations, and the FY 15 allowance is for rehabilitation of the existing scrubbers. These activities were originally planned for FY12 and 13, but condition assessment indicated they could be deferred to FY 14 and 15; costs have risen slightly from the FY 12 CIP due to additional escalation. This will also align with the concrete floor repairs in the scrubber rooms (GL 7300-979-10).		
GL 7300-981-00			
FY 14 design, (12% of project cost)			\$98,246
FY 15 (allowance of \$200,000 per scrubber, plus escalation from 2010)			837,878
Total			\$936,124
Implementation			
Schedule	Activity Description	Cost	
FY 14	Consultant performs high-level odor control and equipment analysis and prepares report with recommendations.	\$98,246	
FY 15	Design, develop, bid, and award, and complete construction contracts odor control equipment replacement and Complete installation of odor control equipment.	837,878	
Project Total			\$936,124

Project Photos:



Odor control scrubbers, with air handlers, two views.

Aeration Blower Replacement			
Type of Project	Capital Construction	Lead Department	Engineering
Project Delivery	Formally bid		
Description	The Activated Sludge secondary treatment process uses compressed air, supplied by blowers, as the oxygen source for the activated sludge. The original aeration blowers are constant-speed multistage blowers, and their flow must often be restricted (throttled) to maintain proper oxygen levels in the activated sludge at subpeak demand, which wastes energy. This project will replace two of the four original fixed-output, multistage aeration blowers with two new variable speed, high-efficiency blowers and other related work.		
Justification	<p>Two of the original blowers are at or near the end of their useful service life, and advances in technology allow blower output management by varying speed, which is more efficient than throttling. This project replaces the project originally budgeted \$1,313,000 for FY15 and 16, and includes:</p> <ul style="list-style-type: none"> · consultant predesign, design, construction support and startup services; · replacing two blowers, including associated piping, electrical, and control modifications · replacing the neoprene fine-bubble diffusers and bands in the tanks (early FY 13). <p>The Project was originally scheduled for completion during FY 12, but it is now scheduled for completion in early FY 13, and the actual construction contract costs are less than the projected amount shown in the FY 12 CIP.</p>		
GL 7300-982-10			
FY 11 (Actual)			\$58,198
FY 12 (Projected Actual)			63,667
FY 13			571,252
Total			\$693,117
Implementation			
Schedule	Activity Description	Cost	
FY 11 (Actual)	Design services	58,198	
FY 12, (Projected Actuals)	Develop, bid, and award contract	0	
	Engineering Services During Construction (estimated thru 6/12)	58,667	
	Other supporting materials and equipment (allowance)	5,000	
FY 13	Construction costs (including 10% change order allowance)	514,071	
	Programming Services (by Carollo Systems)	37,341	
	Engineering Services During Construction	14,839	
	Other supporting materials and equipment (allowance)	10,000	
Project Total			\$693,117

Project Photos:



Aeration Basins



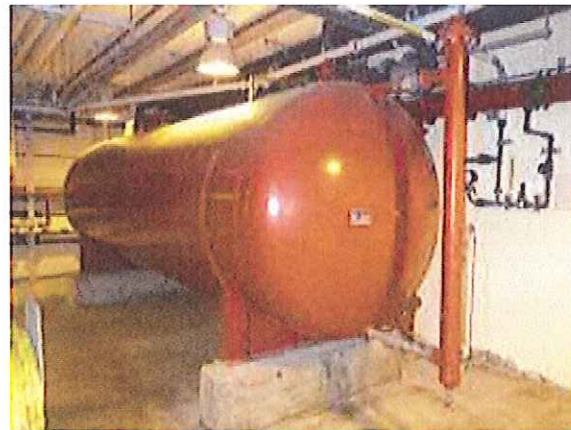
Existing Original Centrifugal Blowers

3-Water System Improvements			
Type of Project	Capital Construction	Lead Department	Engineering
Project Delivery	Formally bid		
Description	This system provides reclaimed treated effluent for certain process-related uses around the facility, reducing potable water usage. The water passes through a small barscreen followed by strainers, is then pressurized by pumps, passes through a pressure equalization tank that acts as a shock absorber, and is sent throughout the Treatment Plant. The tank prevents pressure surges (water hammer) that can damage pipes and equipment. The main elements of this project were originally scheduled for FY 15, but recent condition assessments indicated that replacing the hydropneumatic tank and strainers is needed in FY 13.		
Justification	<p>The 3Water pumps, strainers, and pressure tank are at or nearing the end of their service lives and need to be refurbished or replaced. Also, new treatment technologies (such as the new Headworks filter screens and the pump and washdown monitors for CCTs 5 and 6) have changed the need for 3-water at various locations in the Treatment Plant, which may require some other minor piping or equipment modifications. Project elements include:</p> <ul style="list-style-type: none"> • Conduct overall system condition assessment and evaluate options based on condition assessment recommendations; • Select preferred alternative and design replacement, if needed, and • Develop, bid, and execute contract(s) to implement recommended improvements. • Replace plant and injection water strainers. • Replace hydropneumatic tank. • Replace three plant 3-water pumps and three injector pumps. 		
GL 7400-964-00			
			FY 12
			\$25,000
			FY 13
			370,000
			Total
			\$395,000
Implementation			
Schedule	Activity Description	Cost	
FY 12	Allowance for design services to replace equipment and appurtenances.	\$25,000	
FY 13	Construction contract to implement system improvements.	370,000	
Project Total			\$395,000

Project Photos:



3 – Water Pumps



3 – Water Hydropneumatic Tank

Critical Buried Pipe Inspection and Repairs			
Type of Project	Capital Construction	Lead Department	Engineering
Project Delivery	Inspection – informally bid; repairs formally bid.		
Description	There are several large diameter buried pipelines that are the only connection to transfer water between major Plant treatment processes (Primary effluent line between the Primaries and the Biotowers, the Secondary Clarifier influent line from the Aeration Basins, and the Return Activated Sludge lines back to the Aeration Basins). These lines include elastomeric joints that are at or near the end of their expected service life. This, and the corrosive soil conditions at the CMSA plant site, prompted Kennedy/Jenks Engineers to recommend in their 2010 Capital Master Planning Assistance Report that they be inspected and, if necessary, repaired. There are also several large sumps in the Treatment Plant that would be difficult to keep dewatered, and inspecting them will be included in the inspection contract.		
Justification	<p>The project elements are:</p> <ul style="list-style-type: none"> · FY 12 (informally bid): Interior inspection of the pipelines, elastomeric joints, and selected sumps, with possible uncovering of the exterior of some buried joints · FY 13 (formally bid): Allowance for possible internal sealing of some or all of the elastomeric joints and external pipe repairs, based on inspection results. 		
GL 7400-966-00			
		FY 12	\$100,000
		FY 13	\$225,000
		Total	\$325,000
Implementation			
Schedule	Activity Description	Cost	
FY 12	Allowance to perform diver inspections of critical pipelines and expansion joints and selected site sumps.	\$100,000	
FY 13	Allowance to have repairs performed based on results of inspection and scope of needed repairs	\$225,000	
		Project Total	\$325,000

Project Photos:



Primary Effluent Pipe emerging into gallery



RAS pipe manifold

Sludge Thickening Improvements			
Type of Project	Capital Construction	Lead Department	Engineering
Project Delivery	Formally bid		
Description	Replace the two aging dissolved air flotation thickeners.		
Justification	<p>Waste Activated Sludge (WAS) must be thickened before it is fed into the Agency's anaerobic digesters. WAS is currently thickened in two Dissolved Air Flotation thickeners (DAFs) prior to feeding into the anaerobic digesters.</p> <ul style="list-style-type: none"> The dissolved air flotation thickeners are 27 years old, and are at the end of their useful lives; Since these units are energy intensive and produce odors, they will be replaced with a newer technology that is more energy efficient with a lower potential to release odors; and The 2010 Capital Master Planning Report identified Rotary Drum Thickeners (RTDs) as the preferred replacement. 		
GL 7300-964-10			
			FY 13
			\$400,000
			FY 14
			3,274,880
			Total
			\$3,674,880
Implementation			
Schedule	Activity Description	Cost	
FY 13	Develop RFP, select consultant, design and bid project	\$400,000	
FY 14	Construction (including 10% change order allowance)	2,847,722	
	10% Change Order Construction Allowance	284,772	
	Engineering Services During Construction (estimated at 5%)	142,386	
		\$3,674,880.	

Project Photos:



Existing DAF's (end view)



Existing DAF's (top view)

Digester Improvements/FOG-F2E Facility			
Type of Project	Capital Construction	Lead Department	Engineering
Project Delivery	Formally bid		
Description	This project includes: digester mixing improvements, cover replacement, and a Fats, Oils and Grease (FOG) / and commercial food waste receiving station.		
Justification	<p>The anaerobic digesters' mixing system and floating steel covers are at the end of their useful lives and are being replaced with better technology. A FOG and food waste to energy receiving facility at CMSA provides a local disposal option, enhances biogas production at CMSA's anaerobic digesters and reduces fossil fuel reliance. Project elements are:</p> <ul style="list-style-type: none"> · Installing a more effective and energy-efficient pumped mixing system (commonly used where FOG digestion is utilized); · Replacing the digesters' 25-yr old floating steel covers with membrane covers; · Constructing FOG and preprocessed commercial food waste receiving and mixing station, to feed into the digesters to enhance biogas production; · Replacing the biogas hydrogen sulfide removal system with newer, safer technology and relocating it out of the pump equipment room; and · Other mechanical, electrical, and process improvements to support the system. 		
GL 7430-957-10			
FY 09 – FY 11			\$631,628
FY 12 (estimated actuals)			4,895,540
FY 13			2,703,216
Total			\$8,230,384
Implementation			
Schedule	Activity Description	Cost	
FY 09 - 11	Studies, Predesign, Design, CEQA, Contract Development	\$631,628	
FY 12 (Projected Actuals) (ESTIMATED)	Construction Costs	3,621,738	
	Contract Change Orders (10% allowance)	362,174	
	Engineering Services During Construction	210,000	
	Third Party CM Support	60,000	
	Added chemical and gas procurement and biosolids hauling	0	
	Concrete and other specialty tests	10,000	
FY 13	Construction Costs	2,165,262	
	Contract Change Orders (10% allowance)	216,526	
	Engineering Services During Construction (allowance)	111,428	
	Third Party CM Support (allowance)	100,000	
	Added chemical and gas procurement and biosolids hauling	100,000	
	Concrete and other specialty tests (allowance for 20 events)	10,000	
Project Total (Estimated - will be trued up for draft at end of March)			\$8,230,384

Project Photos:



Digesters, showing existing floating steel covers



Artist's Conception, digester with fabric cover.