



Central Marin Sanitation Agency

**AD-HOC Committee of CMSA JPA Member Representatives to consider the JPA's
Organization Development Future**

October 28, 2025, 12:00 pm

1301 Anderson Drive, San Rafael CA 94901

NOTE: This is a Hybrid meeting and will be held in-person in the Board Room of the Central Marin Sanitation Agency located at 1301 Andersen Drive, San Rafael CA 94901 and via Zoom®.

If you would like to participate via Zoom, click the link below or copy and paste the address into your browser. You may also phone-in at the number below.

Join Zoom Meeting

<https://us06web.zoom.us/j/86140409728>

Online:

Phone in:

+1-253-205-0468

Meeting ID:

861 4040 9728

AGENDA

1. **Call Meeting to Order**
2. **Pledge of Allegiance**
3. **Roll Call**
4. **Approve/Revise Agenda**
5. **Open Period for Public Participation:** Members of the public may directly address the Committee on any item appearing on the Agenda. They may address the Committee when the item is called by the Committee Chair, and he indicates it is the time for the public to speak to the agenda item. Public comments can also be submitted via email to jdow@cmsa.us, and will be shared with the Committee at the meeting, summarized during the Open Period for Public Participation, and included in the meeting proceedings.
6. **Meeting Minutes – September 17, 2025**
Recommendation: Approve meeting minutes as presented or with revisions.
7. **Revised SRSD Management and Operations Service Agreement**
Recommendation: Review the revised draft agreement and provide comments to staff.

8. **Service Agreement Indemnification Section Options**

Recommendation: Review the Indemnification Section options, and select one for use in the final draft service agreement.

9. **SRSD Contract Development Expense Tracking Report**

Recommendation: Receive the SRSD Contract Development Expense Tracking Report.

10. **Revised SRSD Management and Operations Service Agreement Schedule**

Recommendation: Review and discuss the revised schedule, and provide comments to staff.

11. **Committee Member Oral Reports**

12. **Items for Next Meeting Agenda**

13. **Schedule next Meeting Date**

14. **Adjourn**

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. 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.



Central Marin Sanitation Agency

AD-HOC COMMITTEE OF CMSA JPA MEMBER REPRESENTATIVES TO CONSIDER THE JPA'S ORGANIZATION DEVELOPMENT FUTURE MEETING MINUTES September 17, 2025

1. **Call Meeting to Order**
2. **Pledge of Allegiance**
3. **Roll Call**

Committee Present: Eli Beckman (SD2), Tom Gaffney (RVSD), Dean DiGiovanni (SRSD)

Staff Present: Jason Dow, General Manager; Brandon Halter, CMSA Legal Counsel; Tiffany Elam, Administrative Specialist

Public Present: Doris Toy, Michael Boorstein

4. **Approve Agenda/Revise Agenda**

The committee approved the agenda.

Comments from the Public

There were no comments from members of the public.

5. **Open Period for Public Participation**

There were no comments from members of the public.

6. **Meeting Minutes – May 8, 2025**

Committee Member Gaffney requested the minutes be amended to include CMSA Legal Counsel's comment regarding RVSD's conflict-of-interest concerns.

GM Dow stated the Agency would review the video and include a summary of Legal Counsel's comments.

The Committee approved the amended meeting minutes.

Comments from the Public

There were no comments from members of the public

7. **SRSD Management and Operations Service Agreement - Legal Review Comments**

GM Dow introduced CMSA Legal Counsel Brandon Halter.

Mr. Halter stated he met with the Benefits counsel and JPA members legal representatives to review the SRSD Management and Operations Service Agreement. Mr. Halter stated that CMSA

legal counsel had not yet received redlined drafts from JPA legal representatives and that all comments/changes made were based on the oral comments made at the meeting.

Mr. Halter provided a high-level overview of the comments made at the meeting for committee review and discussion.

The following items were discussed:

- Implications of different term lengths and automatic renewal provisions. The Committee requested further clarification from the legal benefits counsel regarding the reasoning behind the 2-year term.
- Role of the labor organizations during the contract agreement process and wanted to ensure they supported their union workers.

GM Dow stated he met with the SEIU Field representative and CMSA Chief Steward and received positive feedback on the City of San Rafael employee transfer to CMSA. SEIU said they would be willing to prepare a letter of understanding to add the new job classifications to the MOU, and requested the opportunity to review job descriptions and salary ranges before CMSA Board approval.

GM Dow suggested the letter of understanding be reviewed and approved by the Agency Board prior to the effective date of service agreement.

- Contract approval authority, with SRSD preferring board-level approval for contracts exceeding the CMSA General Manager's current spending limits, and emphasized the need to keep CMSA and SRSD board responsibilities separate to maintain proper oversight boundaries.
- Adjusting the property use fee structure to be set by CMSA's General Manager with starting base amount and annual CPI increases.
- Implications of adding third party beneficiaries to a service contract and agreed to ask Mr. Halter to provide a more detailed legal explanation at the next meeting.
- Concerns by SD2's attorney regarding the indemnification provision and the RVSD suggested hiring a specialized attorney to help align the language with the JPA agreement.

Dean asked clarifying questions regarding reaching a final contract.

Mr. Halter stated the quickest path forward would be to prioritize the agreement language with the attorneys and decision makers and select a date to finalize.

The Committee discussed the supermajority requirement in the termination provision, and the Committee agreed to defer further discussion until the attorneys clarify any legal restrictions.

Comments from the Public

There were no comments from members of the public.

8. SRSD Contract Development Expense Tracking Report

GM Dow stated that CMSA expenses to date were paid through end of August.

Comments from the Public

There were no comments from members of the public.

9. Revised SRSD Management and Operations Service Agreement Schedule

Committee Member DiGiovanni asked if the agreement could potentially be completed by September 2025.

GM Dow stated it would be contingent on attorney feedback, their availability to meet, and agreements made. However, they would continue to push the date until an agreement was ready for presentation to the JPA agency Boards.

Committee Member DiGiovanni stated the draft language has been available for seven months and recommended committee members express the urgency with their legal counsel to bring the agreement to closure.

Comments from the Public

There were no comments from members of the public.

10. Committee Member Oral Reports

None.

11. Items for Next Meeting Agenda

None.

12. Schedule next Meeting Date

After the meeting, staff and the Committee scheduled the next meeting for October 22, 2025.

Respectfully submitted,

Jason Dow, General Manager

Tiffany Elam, Administrative Specialist



BOARD MEMORANDUM

October 24, 2025

To: Ad-Hoc Committee of CMSA JPA Member Representatives to consider the JPA's Organization Development Future

From: Jason Dow, General Manager

Subject: Revised SRSD Management and Operations Service Agreement

Recommendation: Receive a presentation from General Counsel Brandon Halter on the SRSD Service Agreement legal review revisions, and provide comments to staff.

Discussion: In early October, SRSD offered to reimburse SD2 and RVSD for their respective attorneys' efforts to prepare final comments on the SRSD service agreement by October 24. Both agencies accepted SRSD's offer, and I understand that CMSA General Counsel Halter has received each agency's final legal comments. Mr. Halter has revised the service agreement and will present it to the Committee at its October 28, 2025, meeting.

Attachment:

- Revised Draft SRSD Management and Operations Service Agreement

MANAGEMENT AND OPERATION SERVICES AGREEMENT

This Management and Operation Services Agreement ("Agreement") dated _____ is hereby entered into by and between the CENTRAL MARIN SANITATION AGENCY ("CMSA" or "Agency") and SAN RAFAEL SANITATION DISTRICT ("SRSD"). CMSA and SRSD are each referred to herein as a "party", and together as the "parties."

RECITALS

WHEREAS, CMSA is a Joint Exercise of Powers entity governed by agreement between CMSA member agencies SRSD, Marin County Sanitary District No. 2 ("SD2"), and Ross Valley Sanitary District ("RVSD"); and

WHEREAS, SRSD is a dependent special district formed in 1947 pursuant to Health and Safety Code Section 4700, et seq.; and

WHEREAS, SRSD owns, operates, and manages a sanitary sewer collection system including gravity and pressure piping, interceptors, pump stations, force mains, manholes, siphons, sewer related equipment, and appurtenances (the "SRSD Facilities", as more fully described in Exhibit "A-1" and Exhibit "A-2", attached hereto and incorporated herein); and

WHEREAS, SRSD has adopted a Sewer System Management Plan ("SSMP") which is an enforceable component of the State of California Statewide Order No. WQ 2022-0103-DWQ -Discharge Requirements General Order for Sanitary Sewer Systems that regulates the operations of the SRSD sanitary sewer system; and

WHEREAS, SRSD currently contracts with the City of San Rafael ("City") for the City to provide management and operation services for SRSD; and

WHEREAS, SRSD desires to terminate its existing management and operation services contract with City, and instead contract with CMSA for CMSA to provide management and operation services to SRSD, subject to the terms and conditions herein; and

WHEREAS, pursuant to Health and Safety Code section 4742, SRSD may join with CMSA in the operation of a wastewater collection system as provided for through this Agreement; and

WHEREAS, CMSA desires to provide the management and operation services contemplated by this Agreement to SRSD on the terms and conditions provided herein, subject to the requirement as further provided herein that all costs of providing the services pursuant to this Agreement shall be fully and exclusively borne by SRSD, and that any and all costs of performance under this Agreement incurred by CMSA, including all overhead costs for CMSA general services, shall be calculated by CMSA and paid by SRSD; and further subject to the requirement that none of the costs associated with services provided pursuant to this Agreement may be borne by CMSA, RVSD, or SD2;

WHEREAS, CMSA and SRSD intend that nothing in this Agreement shall affect the relationship of the parties established in ~~that certain~~ Joint Exercise of Powers Agreement, as last amended December 2019 and effective January 1, 2020 ("JPA"), ~~with the exception of requiring SRSD to indemnify CMSA, RVSD, and SD2 as established below;~~

NOW, THEREFORE, the parties hereby agree as follows.

1. Definitions:

- a. Agreement Effective Date: Effective date of this Agreement
- b. City: City of San Rafael.
- c. City Employees: Current City employees responsible for performing operation services for SRSD Facilities who ~~will~~ may become employees of CMSA following the Services Effective Date subject to the terms of this Agreement.
- d. CMSA: Central Marin Sanitation Agency.
- e. CMSA Board: CMSA's Board of Commissioners.
- ~~f. CMSA Employees: Current CMSA employees responsible for performing services [redacted] [I don't know how to describe what they do]~~
- ~~g-f.~~ CMSA GM: CMSA's General Manager.
- ~~h-g.~~ MCERA: Marin County Employees' Retirement Association.
- ~~i-h.~~ JPA: ~~the~~ The Joint Exercise of Powers Agreement between SRSD, RVSD, and SD2, as last amended December 2019 and effective January 31, 2020 Joint Exercise of Power Agreement of the Central Marin Sanitation Agency that forms CMSA.
- ~~j-i.~~ RVSD: Ross Valley Sanitary District.
- ~~k-j.~~ SD2: Marin County Sanitary District Number Two.
- ~~l-k.~~ Services Effective Date: Date on which CMSA shall begin providing services to SRSD as set forth in this Agreement.
- ~~m-l.~~ SRSD: San Rafael Sanitation District.
- ~~n-m.~~ SRSD Board: SRSD's Board of Directors

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2. **Scope of Services:** Beginning on the Services Effective Date (as further defined below), CMSA agrees to perform the services specified in the Scope of Services attached hereto as Exhibit B ("Services"), Exhibit B is incorporated by reference. CMSA shall provide SRSD with all labor, equipment, tools, services and materials necessary to perform the stated services in a professional and competent manner, and in accordance with accepted professional practices and standards as well as the requirements of federal, state, and local laws. SRSD authorizes CMSA employees to enter its property in order to carry out the services required in this Agreement.
3. **Agreement Term:** This Agreement shall remain in full force and effect for two years from the Effective Date, and shall continue thereafter from year to year unless the Agreement is terminated or amended by mutual agreement of all parties.
4. **Services Effective Date:** The Services Effective Date shall be a date determined by the CMSA Representative, as defined below, subject to approval by the CMSA ~~CommissionBoard~~, subject to the requirements of this section.
- a. The Services Effective Date shall occur after the CMSA Representative determines, in their reasonable discretion and subject to approval by the CMSA ~~CommissionBoard~~, that the following activities have been completed, and provides written notice of such determination to ~~the SRSD's Board of Directors ("SRSD Board")~~:
 - i. SRSD and the City terminate the agreement pursuant to which City has provided management and operation services for SRSD and execute any additional agreements necessary to formalize permanent separation.
 - ii. ~~The City confirms that a~~All labor negotiation requirements necessary to authorize the release of all ~~current City employees responsible for performing operation services for SRSD Facilities ("City SRSD Employees")~~City Employees from City employment, and the hire ~~by CMSA~~ of those ~~current e~~City Employees deemed qualified by CMSA to perform services for SRSD Facilities in accordance with this Agreement, have been met.
 - iii. CMSA completes all requirements necessary to authorize it to hire the City Employees for purposes of providing the Services in accordance with this Agreement, including but not limited to hiring requirements and labor negotiation requirements.
 - iv. ~~All interested labor organizations at City, and CMSA confirm that all applicable labor negotiation requirements related to the actions that must be completed before the Services Effective Date are complete.~~

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- ~~v-iv.~~ SRSD confirms that it has paid off all pending MCERA pension-related liabilities for the City Employees, including unfunded pension liabilities, for all periods prior to the Services Effective Date.
 - ~~vi-v.~~ CMSA and SRSD have completed all other administrative tasks necessary to perform the Services.
 - ~~vii-vi.~~ Sufficient office space capacity has been secured by CMSA to provide the Services.
 - ~~viii-vii.~~ The City Employees approved for hire at CMSA are released from employment by City, and hired by CMSA.
 - ~~ix-viii.~~ SRSD adopts an ordinance to follow the Uniform Public Construction Cost Accounting Act sufficient to allow CMSA the CMSA General Manager to approve contracts as allowed under the Act.
- b. The Services Effective Date shall not occur, and this Agreement shall be null and void, if the Services Effective Date does not occur on a date within one year of the date of this Agreement, except that this deadline may be extended by mutual written agreement of the parties.

5. **Independent Contractor and Control of Subordinates:** Services shall be performed by CMSA or under its supervision. CMSA will determine the means, methods and details of performing the Services, including any assessment or evaluations of those services, subject to the requirements of this Agreement. SRSD retains CMSA on an independent contractor basis. Any CMSA employees, whether they performing the Services on behalf of CMSA or otherwise, shall not be common law employees of SRSD and shall at all times be under CMSA's exclusive direction and control. Neither SRSD, or any of its officials, officers, directors, employees or agents shall have control over the conduct of CMSA or any of CMSA's officers, employees, personnel or agents.

CMSA shall pay all wages, salaries, and other amounts due in connection with the performance of Services by CMSA employees that CMSA is obligated to provide under this Agreement and as required by law.

6. **SRSD's Representative:** SRSD hereby designates the SRSD Board President or their designee, to act as its representative in all matters pertaining to the administration and performance of this Agreement ("SRSD Representative"). Any changes to the Scope of Services shall be made only by written agreement between approved by the governing boards of CMSA and SRSD.
7. **CMSA's Representative:** CMSA hereby designates the CMSA GM, or their designee, to act as its representative for the performance of this Agreement ("CMSA Representative"). CMSA's Representative shall have full authority to represent and

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act on behalf of CMSA for all purposes under this Agreement, except as to those matters that require CMSA Board approval. The CMSA Representative shall act as the Services ~~Administrator~~ administrator, supervising and directing all Services, using his or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services under this Agreement. ~~CMSA Representative shall not perform services for SRSD in their own capacity and will direct CMSA employees to perform any and all services under this Agreement.~~

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- 8. Authority to Incur Costs:** SRSD acknowledges and agrees that the CMSA Representative will have authority to execute any agreement with a third party that is reasonably necessary, in CMSA's discretion, for CMSA to perform the Services, up to a monetary value that equals the CMSA GM's signature authority for CMSA contracts as set by CMSA's Board ("Contracting Limit"), and that the cost of any such agreement will be subject to payment by SRSD as a Cost (as further defined below) in accordance with this Agreement. For any contract with a monetary value above the Contracting Limit, CMSA may enter such contract only upon agreement by both the SRSD Board and CMSA Board, except that notwithstanding the foregoing CMSA may, in its discretion, enter such a contract as necessary to respond to an emergency.
- 9. SRSD Board Responsibilities Unaffected:** Nothing in this Agreement is intended to relieve SRSD from its obligation to perform, or impose on CMSA any obligation to perform, any of SRSD's responsibilities or obligations under applicable law, including but not limited to the responsibilities and obligations listed below.
- a. Approve multi-year capital improvement program.
 - b. Approve annual financial audit.
 - c. Approve loans, bonds, and other forms of indebtedness.
 - d. Authorize funding the pension trust.
 - e. ~~Setting~~ sewer service charges to fully fund the annual operating and multi-year capital program; to ensure that **SRSD** is in a position to meet its financial obligations for the Services provided pursuant to this Agreement.
 - f. Approve payment of fines and enforcement penalties for non-compliance with regulatory requirements.
 - g. ~~Report Identify the type of and reporting frequency for operational performance metrics to the CMSA Representative appropriate authorities.~~
 - h. Annually approve an investment policy.
 - i. Manage litigation to which SRSD is a party.
 - j. Authorize contract awards for capital projects exceeding the CMSA GM "Contracting Limit" that are not of an emergency nature.

- k. Approve and authorize payment of monthly invoices for services.
- l. Approve, at least every six years, revisions to the SRSD Sanitary Sewer Management Plan.

SRSD agrees that it will take whatever actions are necessary to ensure compliance with such responsibilities and obligations, including but not limited to designation of a Legally Responsible Official. The parties acknowledge that nothing in this agreement shall infringe or interfere with SRSD's ability to exercise any of its powers under applicable law, including but not limited to the power to enter contracts.

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10. Compensation to CMSA for Services:

- a. It is the intent of the parties that all costs related to parties' participation in this Agreement will be borne exclusively by SRSD. This Agreement shall be interpreted consistent with the foregoing intent to the maximum extent possible. All services rendered under this Agreement shall be calculated monthly to include all costs and expenses incurred by CMSA for carrying out all ~~Services and operations~~ under this Agreement.
- b. Consistent with the foregoing, SRSD is solely responsible for, and shall compensate CMSA for incurring, any and all costs related to negotiating this Agreement and providing the Services (together, "Costs," and each, a "Cost"). The parties understand and acknowledge that such Costs shall include, but are not limited to, the following:
 - i. All costs related to the parties' negotiations related to this Agreement, and their actions to ensure the conditions precedent to the Services Effective Date included but not limited to negotiations with labor organizations, are completed.
 - ~~ii. Salaries and benefit expenses, including overtime and standby, for CMSA and third party contractors and employees to perform the services.~~
 - ~~iii. ii.~~ Procurement of materials, supplies, and equipment.
 - ~~iv. iii.~~ Insurance (including any additional insurance CMSA must carry as required in section 16 below, as well as any supplemental insurance required by the CMSA risk manager to address unfunded liabilities, catastrophic events, and any costs and risks identified by the SFSD 2025 Sewer System Management Plan, that CMSA determines in its sole discretion is necessary to provide the Services), public education and outreach, and all other direct expenses.
 - ~~v. iv.~~ An initial 5% overhead factor on the annual total compensation budget estimate for the Services, to cover all indirect and non-tracked minor

expenses, which 5% overhead factor can be changed after notice to SRSD.

~~vi-v.~~ All costs related to emergency response.

~~vi.~~ All expenses related to preventative, ongoing, and enforcement of operations, maintenance inspection and sewer pipe blockage and overflow control programs, development and implementation of spill emergency responses; system evaluation, capacity assurances, monitoring, measurement programs and program modifications; communication programs, and capital improvements, whether known or unforeseen.

~~vii.~~ All costs incurred as a result of acts, omissions, or misconduct of City Employees subsequently hired by CMSA.

~~vii.viii.~~ All penalties for costs incurred as a result of unlawful waste discharge, flooding, or other damage, attributable to SRSD Facilities.

~~viii.~~ All claims, demands, actions, losses, liabilities, damage, and costs, including reasonable attorneys' fees, arising out of or resulting from the negligent performance of the City employees or officials prior to the Services Effective date.

~~ix.~~ All claims, demands, actions, losses, liabilities, damage, and costs, including reasonable attorneys' fees costs, attorneys fees, and other damages resulting from waste discharge or flooding.

~~x.~~ All penalties assessed by any retirement system, including the California Public Employees' Retirement System.

~~xi-ix.~~ All costs relating to accounting for and an annual audit of the financial records and costs attributable to performance of the services under this Agreement.

c. SRSD shall pay CMSA for the Costs as follows:

i. CMSA will prepare and send SRSD a monthly invoice for the services provided the prior month, and SRSD Board will approve and authorize payment of the invoice at the next subsequent Board meeting or within 60 days, whichever is earlier.

d. Notwithstanding the foregoing, costs for capital improvements related to SRSD Facilities shall only be included in the definition of "Costs" under this Agreement to the extent they are approved by the SRSD Board.

11. Third Party Beneficiaries. RVSD and SD2 are expressly acknowledged and agreed to be third-party beneficiaries of this Agreement, with full rights to enforce the provisions hereof as if they were parties hereto. Except for RVSD and SD2, this Agreement is for the sole benefit of the parties hereto and their permitted

successors and assigns, and no other person or entity shall be deemed a third-party beneficiary of this Agreement. ~~In the event that RVSD or SD2 is required to enforce the provisions hereto, SRSD shall, at its sole expense, indemnify RVSD and SD2 for all costs, including reasonable attorneys' fees, arising out of or resulting from the enforcement action. In the event of any action by a person, or entity, including CalPERS, other than the parties or RVSD or SD2, arising out of this agreement, SRSD shall, at its sole expense, indemnify and hold harmless RVSD and SD2, their elected officials, officers, employees, agents, and volunteers against all claims, suits, actions, costs, expenses, (including, but not limited to, reasonable attorney's fees of District or retained Counsel, expert fees, litigation costs, and investigation costs), damages, judgments, or decrees arising from the work or the provision of services undertaken pursuant to this agreement by any subcontractors, any person employed under SRSD or CMSA under any subcontractor, or in any capacity. These indemnification provisions are independent of, and shall not in any way be limited by, SRSD or CMSA's insurance coverage or lack of coverage, or by the insurance requirements of this agreement. The provisions of this paragraph are intended to be interpreted as broadly as permitted by applicable law.~~ This provision shall survive the termination, expiration, or cancellation of this agreement.

12. City Employees Hired by CMSA:

- a. Subject to the terms and conditions of this Agreement, CMSA agrees to hire all qualified City Employees, upon their release from City employment, at the Classifications shown in Exhibit D, at the appropriate level in the compensation range as determined by CMSA.
- b. Prior to the transfer of any City Employee to CMSA, SRSD shall conduct an evaluation of such employee's fitness for employment and review the employee's employment history. ~~CMSA shall have sole discretion to deny employment to an employee deemed unqualified.~~ SRSD shall notify CMSA in writing of any material information arising from such evaluation or history that may affect the employee's suitability for employment with CMSA. Such notification shall be provided prior to CMSA's hiring or accepting the transfer of the employee. ~~CMSA shall have sole discretion to deny employment to any City Employee that CMSA deems unqualified.~~ CMSA shall have sole discretion to deny employment to any City Employee that CMSA deems unsuitable.
- c. CMSA agrees to establish the employee hire date of any City Employee it chooses to hire as the date the employee was hired with the City. Exhibit E provides the tentative CMSA salary ranges for each new CMSA classification created for purposes of fulfilling its obligations under this Agreement. The final salary ranges will be approved by the CMSA Board before the Services Effective Date.

- d. All **former** City Employees hired by CMSA shall be under -the sole and exclusive control of CMSA with respect to all employment and personnel matters, once hired by CMSA.
- e. CMSA agrees to establish leave balances for each of the City Employees hired based upon the leave balance remaining at the City as of the employee's resignation from the City. Leave balances will be adjusted using each City Employee's compensation rate when hired by CMSA. CMSA further agrees to utilize the original hire date for the employees at the City for purposes of computing both CMSA vacation and sick leave accrual rates.
- f. Notwithstanding the foregoing, CMSA will retain all applicable rights of an employer with respect to the City Employees it hires pursuant to this Agreement, including but not limited to the power to discipline and terminate such employees, consistent with applicable law.

13. SRSD Unfunded Pension Liabilities and Retiree Medical Benefits:

SRSD shall be solely responsible for all current and future pension liability attributed to benefits accrued by City Employees prior to the **Services** Effective Date. CMSA and RVSD and SD2 shall not be responsible for any such pension liabilities. Accordingly, the SRSD Board shall provide for the full payment of any existing unfunded actuarial liability ("UAL") attributed to pension benefits accrued by City Employees prior to the Services Effective Date under MCERA. For this purpose, the CMSA Representative will retain the services of an actuary to calculate the UAL attributed to pension benefits accrued by City Employees prior to the **Services** Effective Date under MCERA. The UAL payment will be based on each employee's compensation level immediately after they transfer to CMSA, pension formula, years of service related to their tenure as City Employees, elections, and all related factors.

For each fiscal year thereafter for the duration of the Agreement, the CMSA Representative will retain the services of an actuary to calculate any additional UAL attributed to pension benefits accrued by City Employees prior to the **Services** Effective Date under MCERA. SRSD shall make the additional UAL payment to MCERA with confirmation of such payment provided to CMSA. SRSD agrees to compensate CMSA for the initial and each subsequent actuarial fee.

- a. **Retiree Medical Benefits:** City Employees who have retired prior to the Services Effective Date shall maintain their retiree medical benefits after the Services Effective Date. Each CMSA employee's offer of employment letter will show the retiree medical benefits that will be provided by CMSA. SRSD shall reimburse CMSA annually for any post-retirement costs related to retiree

medical benefits, with respect to benefits accrued prior to the Services Effective Date.

14. Expansion of Office Capacity: Prior to the Services Effective Date, SRSD shall take all steps necessary, at its sole expense, to secure additional office space on CMSA property sufficient to support the Services, including but not limited to coordinating with CMSA to complete the installation and furnishing of two modular office buildings. SRSD shall pay CMSA a monthly property use fee set by the CMSA GM in their reasonable discretion, but at an amount that will not be less than \$6,120, which property use fee shall be separate and additional to SRSD's obligation to reimburse CMSA for the Costs as provided in this Agreement. Annually, on each July 1 following the date of execution of this Agreement, the property use fee will increase by the prior year's SF Bay Area Consumer Price Index. CMSA shall have full discretion to relocate such additional office space, at SRSD's expense, according to CMSA's business needs.

15. Indemnification:

- a. The parties acknowledge that Section 17, subsection B of the ~~CMSA Joint Exercise of Powers Agreement~~ JPA requires that Member agencies, which include SRSD, RVSD, and SD2, individually shall indemnify, defend, and hold CMSA and other Members harmless from any liability arising out of or relating to the individual Members actions and omissions. It is the intent of the parties that notwithstanding that provision in the JPA or any successor agreement SRSD will defend, indemnify, and hold harmless CMSA, SD2, RVSD, and their respective officials, commissioners, employees, contractors, agents, and assigns (together, the "CMSA Indemnified Parties") from any and all claims, demands, damages, liabilities, losses and costs of whatever nature, including but not limited to attorneys' fees (together, "Claims") for acts or omissions arising from, connected with, or in any way related to this Agreement, including the acts or omissions ~~from of~~ City ~~E~~employees or contractors; any costs or liabilities arising from legacy issues with the design and maintenance of SRSD's ~~facilities~~ Facilities; and costs or liabilities incurred to maintain regulatory compliance. It is the parties' intent that this section be interpreted to maximize the scope of indemnity owed by SRSD to CMSA, RVSD, and SD2. In the event of any conflict between this indemnification provision in this Agreement, and the indemnification provisions in the ~~CMSA JPA Agreement~~, as between the CMSA Indemnified Parties and SRSD, this provision shall govern. The parties agree that they shall be estopped in future litigation from asserting that SD2 and RVSD have any

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obligations to indemnify any cost attributable to this Agreement. No party shall challenge the validity of this provision of the Agreement.

- b. The obligations contained in this indemnification provision shall survive the termination of this Agreement.

16. Insurance: The parties acknowledge that Section 17B of the ~~CMSA Joint Exercise of Powers Agreement~~JPA requires Member agencies to procure and maintain at all times insurance against claims for injuries to persons or damages to property that may arise out of or relate to the individual Member's actions pursuant to the Joint Exercise of Powers Agreement. Minimum scope of insurance and coverage are contained in Exhibit B. CMSA agrees to procure and maintain the minimum scope of insurance and coverage of a member agency in the JPA Agreement. CMSA agrees to add RVSD and SD2, and their officers, officials, employees, and volunteers to be covered as additional insureds on the policies with respect to liability arising out of or relating to actions of City Employees pursuant to ~~the Joint Exercise of Powers Agreement and this Agreement. In addition, CMSA shall obtain any additional insurance recommended by its risk manager to manage risk related to the additional duties assumed under this Agreement.~~

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17. Accounting and Audit: CMSA will keep an accounting of all operating, capital, and contract services for the ~~S~~services performed under this Agreement that is separate from the accounting of costs incurred under the services performed under the JPA. ~~CMSA will provide the annual accounting and all finance reports to all member agencies, their District Managers and Boards of Commissioners.~~ Annually, at the anniversary of the ~~Effective Services date~~Services Effective Date, the financial accounting and records relating to the performance of the services under this Agreement shall be audited by an independent certified public accountant who will report the audit findings to the CMSA Board.

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18. Dispute Resolution:

- a. Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to resolve disputes ("Dispute), shall exclusively be determined as follows:
 - i. The parties shall first attempt in good faith to resolve any Dispute promptly by negotiation between two members of the SRSD Board and two members of the CMSA Board, subject to approval of any such resolution by the SRSD Board and CMSA Board. Any party may give the other party written notice of any Dispute not resolved in the normal course of business. Within 15 days after delivery of the notice, the

receiving party shall submit to the other a written response. The notice and response shall include with reasonable particularity a statement of each party's position and a summary of arguments supporting that position. Within 30 days after delivery of the notice, the representatives of both parties shall meet at a mutually acceptable time and place.

- ii. If the Dispute is not resolved by negotiation pursuant to subparagraph (i) above, SRSD and CMSA shall submit to mediation before an agreed-upon mediator, each Party to pay an equal share of the mediation fees, and each Party to pay its own attorneys' fees and legal costs. Should the Parties be unable to agree upon a mediator, they will jointly submit to mediation through ADR Services, which shall select a mediator.
 - iii. If the Dispute is not resolved by mediation pursuant to subparagraph (ii) above, then the Dispute shall be determined by final binding arbitration in San Francisco, California before one arbitrator. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures and in accordance with the Expedited Procedures in those Rules, each Party to pay an equal share of the mediation fees, and each Party to pay its own attorneys' fees and legal costs. Judgment on the award resulting from such arbitration may be entered in any court having jurisdiction. This clause shall not preclude parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction.
- b. The Parties each hereby expressly waives any and all rights to have disputes under this Agreement decided by court action, court trial, jury trial or any other legal action of any kind or type, other than the dispute resolution process specified above. However, in emergency or extraordinary circumstances, either or both Parties may seek equitable or injunctive relief to preserve the status quo pending occurrence of the dispute resolution process specified above. It is the express intent of both the Parties to have any and all disputes under this Agreement resolved by the dispute resolution process described above in as timely and economical a manner as possible.

19. Termination:

- a. Notice. This Agreement may be terminated by either Party by majority vote of the terminating Party's Board. Any such termination shall be effectuated by written notice eighteen months in advance.
- b. Transition Period. Upon notice of termination by either Party, the Parties shall cooperate in good faith to facilitate the orderly conclusion of the Parties' rights and obligations under this Agreement. The Parties acknowledge that CMSA's

participation in this Agreement will require it to initiate and maintain investments sufficient to allow it to meet its obligations under this Agreement, including but not limited to, investments in the form of hiring employees, and that orderly conclusion the Parties' rights and obligations under this Agreement includes ensuring that SRSD bears any costs associated with the need to divest CMSA of such investments.

20. Notices: All written notices permitted or required under the terms of this Agreement shall be addressed as follows:

If to the CMSA:

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

With a copy to:

General Counsel
Central Marin Sanitation Agency
Marin County Counsel's Office
3501 Civic Center Drive, Suite 275
San Rafael, CA 94903

If to the SRSD:

Board President
San Rafael Sanitation District
1400 Fifth Avenue
San Rafael, CA 94901

With a copy to:

General Counsel
San Rafael Sanitation District
Marin County Counsel's Office
3501 Civic Center Drive, Suite 275
San Rafael, CA 94903

If to SD2:

District Manager
Sanitary District No. Two

300 Tamalpais Drive
Corte Madera, CA 94925

If to RVSD: District Manager
Ross Valley Sanitary District
1111 Anderson Dr.
San Rafael, CA 94901

- 21. Modification:** No modification hereof shall be effective unless and until such modification is evidenced by a writing signed by all parties ~~and third party beneficiaries~~ to this Agreement.
- 22. Reports, Plans and Documents:** CMSA shall keep and maintain records related to its performance of the Services in the same manner it keeps and maintains similar classes of records for its own operations. All reports, drawings, calculations, plans, specifications, and other documents prepared or obtained by CMSA for purposes of providing the Services pursuant to the terms of this Agreement shall be the property of the SRSD, subject to SRSD granting of an irrevocable worldwide license to use such material to CMSA, except as may otherwise be required by law or any contract between CMSA or SRSD and a design professional.
- 23. Prior Agreements:** This Agreement shall neither affect ~~that certain Joint Exercise of Powers Agreement the JPA by and between SRSD, Ross Valley Sanitary District, and Sanitary District No. 2, dated December 2019,~~ nor any of the amendments to that Agreement, ~~except as otherwise provided in this Agreement.~~
- 24. Severability:** If any provisions of this Agreement are held invalid by a court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby if such remainder would continue to serve the purposes and objectives originally contemplated by the parties.
- 25. Force Majeure:** Any provision, delay, or stoppage which is due to strikes, labor disputes, inability to obtain labor, materials, equipment or reasonable substitutes therefor, acts of God, governmental restrictions or requisitions or controls, judicial orders, enemy or hostile government actions, civil commotion, fire or other casualty, epidemics or pandemics, gubernatorial orders, orders of the County of Marin Health Officer, or other causes beyond reasonable control of the party obligated to perform hereunder, shall excuse performance by such party for a period equal to the duration

of such prevention, delay, or stoppage, provided that the performance is not a duty to pay money.

- 26. Binding Authority of Signatories:** Each of the signatories below represents and warrants that he/she possesses full legal authority to contract for and legally bind his/her respective public entity to this Agreement and all its terms and provisions.
- 27. Counterparts:** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of Electronic Transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.
- 28. Waiver:** No waiver by either Party of any of the terms or conditions of this Agreement or any of their respective rights under this Agreement shall be effective unless such waiver is in writing and signed by the Party charged with the waiver.
- 29. Amendment; Complete Agreement:** Any amendment or supplement to this Agreement must be in writing and executed by the parties ~~and approved by the third party beneficiaries~~. This Agreement contains the entire agreement and understanding between the parties concerning the subject matter of this Agreement and supersedes all prior agreements, terms, understandings, conditions, representations and warranties, whether written or oral concerning the matters which are the subject of this Agreement. This Agreement has been drafted through a joint effort of the parties and their counsel and, therefore, shall not be construed in favor of or against either of the parties.
- 30. Successors and Assigns:** The provisions of this Agreement shall be binding upon, and inure to the benefit of, the parties hereto, as well as their respective successors, assigns, employees, officials, personal and legal representatives, executors, administrators, heirs, distributees, and devisees (together, "Successors and Assigns").
- 31. Governing Law:** This Agreement shall be governed by and interpreted in accordance with the laws of the State of California.
- 32. Exhibits:**
- A. SRSD Sewer System Assets
 - B. Scope of Services - District Operations
 - C. SRSD Sanitary Sewer Management Plan Table of Contents
 - D. Employee Classification Changes

E. SRSD Employee Compensation Ranges

San Rafael Sanitation District

Central Marin Sanitation Agency

Kate Colin, President

[NAME], Chair

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Attest:

Maribeth Bushey, SRSD Secretary

[NAME], CMSA Vice-Chair

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Exhibit A-1 – SRSD Sewer System Assets

SRSD owns and operates a municipal sanitary sewer system composed of the following assets as of the Agreement Effective Date ~~of the agreement or as amended after the effective date of this agreement. CMSA agrees to operate, maintain, and rehabilitate the SRSD sanitary sewer assets generally described below, including any future asset additions authorized by SRSD subsequent to the effective date of this Agreement.~~

1. Gravity Pipelines – 132 miles gravity sewer mains ranging in size from 4 inches to 36 inches, of multiple material types, such as PVC (polyvinyl chloride), vitrified clay, ductile iron, and HDPE (high-density polyethylene).
2. Pressure Pipelines – 13 miles ranging in size from 4 inches to 45 inches and of multiple material types, such as HDPE (high-density polyethylene), reinforced concrete, and ductile iron.
3. Manholes, Rod Holes and Access Points - 3,903 of them.
4. Wastewater Pump stations – 33 as stated in Exhibit A-2 below, including all pumps, motors, mechanical and electrical equipment, generators, flow measurement equipment, valves, appurtenances, station alarms, force mains, spare parts, and all pump station site facilities including buildings, landscaping, fencing and gates.
5. 45" San Rafael Interceptor (FM 1A-1 and 2) to the CMSA treatment plant including all valves, fittings, and pipeline appurtenances, and the fitting that accepts the chemical dosing station pipeline.
6. 10" South San Francisco Force Main (FM IG) – including the interceptor and all its fittings, valves, and other pipeline appurtenances for the entire length from the connection to the 45" San Rafael Interceptor to the South San Francisco Pump Station.
7. Collection System Appurtenances - Air relief values, inline pipe valving, pipeline flow monitoring equipment, and siphons.
8. Equipment and Facilities – Pipeline cleaning vehicles (i.e. rodder, vactor, and water trucks), utility trucks, district vehicles, CCTV (Closed-Circuit Television) van and camera(s), portable generators, trailers, computer equipment, field monitoring equipment, miscellaneous pipe and manhole materials, sewer plugs, emergency response equipment, tools, radios, etc.

Exhibit A-2 – Pump Stations

PS #	PUMP STATION	Address
1	ANDERSEN A	1001 Andersen
2	ANDERSEN B	1271 Andersen
3	KERNER A	3098 Kerner Blvd
4	KERNER B	2599 Kerner Blvd
5	MOORING RD.	2 Pt San Pedro Road
6	WEST FRANCISCO	699 Andersen Drive
7	THIRD ST.	119 Third Street
8	NORTH FRANCISCO	201 Francisco Blvd
9	MC PHAILS	460 DuBois Street
10	BRET HARTE	86 Woodland Avenue
11	SIMMS ST.	40 Simmas Street
12	SOUTH FRANCISCO	1601 Francisco Blvd East
13	WEST RAILROAD	47 Castro Avenue
14	CAYES MAIN (CATALINA)	19 Gloucester Cove
15	NEWPORT WAY	11 New Port Way
16	SAN PEDRO	48 Marina @ Pt San Pedro
17	LOCH LOMOND	575 Pt San Pedro Road
18	GLENWOOD	905 Pt San Pedro Road
19	SEAWAY	50 Sea Way
20	BEACH DR FIBERGLASS	11 Beach Drive
21	BEACH DR BY BAY	35 Brach Drive
22	PEACOCK#1 (RIVIERA)	301 Rivera Drive
23	PEACOCK#2	140 Peacock Drive
24	PEACOCK #3 (LAGOON)	44 Lagoon Road
25	MAIN DR	850 Pt San Pedro Road
26	MCNEARS	201 Canterra Way
27	MARIN BAY PARK	1 Canterra Way
28	BAYPOINT	30 Baypoint Drive
29	BEDFORD	47 Bedford Cove
30	BAYPOINT LAGOON	147 Baypoint Drive
31	KERNER C	2450 Kerner Blvd
32	BISCAYNE	403 Biscayne drive
33	Loch Lomond Marina	Loch Lomond Drive

Exhibit B – Scope of Services - District Operations

CMSA will provide all staffing, regulatory compliance, Board support coordination and services necessary for the proper management, and administration and operation of SRSD Facilities, as further described below (together, the “Services”). Those activities provided through this Agreement are generally outlined and described below or as coordinated by the SRSD Representative and CMSA Representative following execution of this Agreement.

CMSA has sole authority to determine the necessary staffing levels and any employment-related matters in the performance of the Services during the Agreement’s term. Any communication related to Services under this Agreement between the SRSD Board or SRSD Representative and CMSA shall be effectuated through the CMSA Representative.

1. SRSD Board Administration

- a. Prepare Board meeting agenda packets
- b. Attend Board meetings, prepare meeting minutes, and process meeting stipends
- c. Place Board meeting materials and compensation reports on the SRSD website
- d. Obtain and file Board member conflict of interest statements
- e. Respond to Board member questions and requests for information regarding the Services
- f. Provide new Board member orientation training

2. Financial Management and Administration

- a. **Financial Tracking**: Establish and maintain a separate SRSD fund in the CMSA financial management system for the proper tracking of all payroll expenses associated with this Agreement.
- b. **Annual Operating Budget**: Prepare and submit separate draft and final budgets for the Services to the SRSD Board for approval. The draft budget will include adjustments to the cost of Services under this Agreement, and may include operational metrics. The draft budget will be submitted to the SRSD Board in March, and the final draft budget submitted in May.
- c. **Annual Capital Budget**: Annually prepare a capital budget, and update the multi-year capital improvement program (CIP), for the SRSD Facilities. The CIP updates will be based on regular asset evaluations and condition assessments, collection system master planning, staff input, and regulatory

requirements. Submit such capital budget and CIP for the SRSD Facilities to the SRSD Board for approval.

- d. Accounts Payable: Provide all SRSD accounts payables and financial reporting services using a financial management consultant, with the option to transition such services to be performed by CMSA staff at CMSA's discretion.
- e. Annual Service Charge Billing and Administration: Coordinate with the County of Marin regarding all sewer service charge billing requirements related to SRSD Facilities. Set up bank account and manage investments.

3. Human Resources and Staffing

- a. Provide all human resources support services related to providing the Services.

4. Emergency Response Services

- a. Use commercially reasonable efforts to provide emergency response including spill event responsibilities for all SRSD Facilities in compliance with applicable State of California Waste Discharge Requirements for Sanitary Sewer Systems.
- b. Follow reporting procedures in the SRSD Spill Emergency Response Plan (SERP) and SRSD standard operating procedures, and report all emergency response services to the SRSD Board.
- c. Retain outside consultants and contractors, as needed in CMSA's discretion, to respond to and address such emergencies.

5. Staff Training and Development

- a. Provide training to CMSA employees as necessary to perform the Services, including training for designated officials and all CMSA staff required for complete compliance with all spill event reporting and documentation.

6. Customer Relations and Outreach

- a. Provide SRSD customer relations and outreach services, including responding to customer inquiries, updating the SRSD website, and public outreach related to SRSD activities and programs. Respond to and track all SRSD customer complaints from initial calls to final resolution.

7. Operation and Maintenance of SRSD Assets

- a. Operate and maintain the SRSD assets according to the performance goals in the SRSD-adopted Sewer System Management Plan ("SSMP"), SRSD standard operating procedures, and in compliance with the State Waste

Discharge Requirements Order No. WQ 2022-0103-DWQ ("WDR"). The WDR requires SRSD to implement the following agency specific requirements based upon the size and complexity of the SRSD sanitary sewer system:

- i. Regulatory information and goals for managing the sewer system to reduce numbers and volumes of spills.
- ii. A management structure and organization chart that manages SRSD including identification of designated officials (LROs and DSs) and their contact information responsible for each Element of the SSMP and the Change log.
- iii. The legal authorities for the proper management and operation of the sewer program.
- iv. A description of the major elements of the operations and maintenance program performance including proper training for all employees managing and operating the sewer program.
- v. Standards for the design and construction of sewer program assets.
- vi. Policies and procedures for responding to and reporting all system spills to protect the public and Waters of the State.
- vii. A defined program for materials and/or discharges that could cause blockages in the sewer system including the proper disposal of any materials removed.
- viii. Definition of the agency program for the evaluation, system capacity assurance and capital improvements including repairs, renewal and replacement.
- ix. Provision for monitoring performance results, program management effectiveness and program modifications including how the agency will adapt the SSMP and the program from agency experience and industry technological improvements across the industry.
- x. Regular internal audits of the SSMP and the WDR every three (3) years for compliance with the State and agency's SSMP requirements.
- xi. A program of regular communications on spills and discharges, on the development, implementation and update of the SSMP with elected officials, the public and satellite systems or other utility systems within the service area.
- xii. The SSMP must also contain an SSMP Change Log that contains all changes to the SSMP between governing board adoptions of the SSMP.

- b. The operations and maintenance activities outlined in the SSMP shall include the following activities either now or in the future:
 - i. Operations and maintenance of the SRSD Facilities including any additions authorized by SRSD, the State of California, or the San Francisco RWQCB on sanitary sewer systems subsequent to the effective date of this Agreement.
 - ii. Regular condition assessment of all SRSD Facilities.
 - iii. Mapping management associated with sanitary sewers in the service area.
 - iv. Lateral inspection program.
 - v. O&M requirements for SRSD in the CMSA NPDES permit.
 - vi. Contracting and coordination of contractors working on SRSD sewer assets.
 - vii. Response to and documentation of customer interactions and requests for service in the SRSD service area.
 - viii. Regular renewal and replacement of assets based on condition assessment evaluations.
 - ix. Other mutually agreeable operations and maintenance.

8. Reporting to SRSD

- a. Provide SRSD with the following information related to CMSA's performance of the Services under this Agreement:
 - i. Annual draft and final operating budgets for the Services
 - ii. Annual draft and final capital budgets
 - iii. Annual financial audit information, as applicable.
 - iv. Recommendations related to sewer rate studies and sewer rate increases
 - v. Recommendations regarding the multi-year capital improvement program and its funding plan
 - vi. Recommendations regarding the appropriate sewer service charges necessary to fully fund the annual operating and multi-year capital program
 - vii. Information regarding the cost(s) of third-party contracts CMSA enters to facilitate its performance of the Services, including professional service contracts; construction and maintenance contracts; and contracts for the procurement of materials, supplies, and equipment
 - viii. Information regarding CMSA's negotiation and payment of fines and enforcement penalties for any non-compliance by SRSD Facilities with regulatory requirements

9. Regulatory Reporting:

- a. Use commercially reasonable efforts to:
 - i. Ensure SRSD Facilities meet applicable State Water Resources Control Board (SWRCB) and San Francisco Bay Regional Water Quality Control Board's (RWQCB) Waste Discharge Requirements for Sanitary Sewer Systems including designation of appropriate legally responsible officials and data submitters, and sanitary sewer spill notification.
 - ii. Report spills to the Office of Emergency Services, and other required regulatory agencies based on applicable requirements.
 - iii. Annually report the status of the NPDES and WDR permit compliance to the SWRCB, RWQCB, and the SRSD Board.

Exhibit C – 2023 Sewer System Management Plan Table of Contents
(to be Revised and Updated by July 2025)

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Appendices

Appendix A	Emergency Vendor Contact Information
Appendix B	Insurance Claims and Cleaning Services
Appendix C	FOG Ordinances
Appendix D	SSMP Audit Form
Appendix E	Capital Improvements Program Schedule
Appendix F	Summary of SSOs from 2017 to 2022
Appendix G	Mutual Aid and Assistance Agreement between Marin County Wastewater Agencies

Exhibit E: Employee Classification Changes

District Manager/Engineer (SRSD)	1	District Manager	Unrepresented/Unrepresented
Principal Civil Engineer	1	Principal Civil Engineer	Mid Management/Unrepresented
Associate Civil Engineer	1	Associate Engineer	WCE/Unrepresented
Assistant Engineer	1	Assistant Engineer	WCE/SEIU
Inspector (Construction)	1	Collection System Inspector	WCE/SEIU
Operations & Maintenance Manager	1	Collection System Manager	Mid Management/Unrepresented
Sewer Maintenance Supervisor	1	Collection System Operations Supervisor	SEIU/Unrepresented
Sewer Lead Maintenance	2	Lead Collection System Worker	SEIU/SEIU
Sewer Maintenance II	6	Collection System Worker I/II	SEIU/SEIU
Sewer Maintenance I		Collection System Worker I/II	SEIU/SEIU
Administrative Assistant	1	Administrative Assistant	SEIU/SEIU
Administrative Analyst	1	Administrative Analyst	SEIU/SEIU
	17		

Exhibit F: Salary Schedule

The following bi-weekly salary ranges for the classifications of employees hired by CMSA shall be established on the effective date of the agreement, and thereafter the salary ranges will be adjusted according to CMSA personnel policies for unrepresented and union represented employees.

Classification	Step A	Step B	Step C	Step D	Step E
SRSD District Manager					
Principal Engineer					
Associate Engineer					
Assistant Engineer					
Collection System Inspector					
Collection System Manager					
Collection System Supervisor					
Lead Collection System Worker					

Collection System Worker II					
Collection System Worker I					
Administrative Assistant					

DRAFT



BOARD MEMORANDUM

October 24, 2025

To: Ad-Hoc Committee of CMSA JPA Member Representatives to consider the JPA's Organization Development Future

From: Jason Dow, General Manager

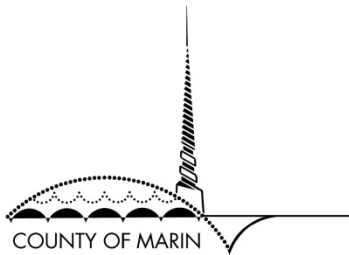
Subject: SRSD Service Agreement Indemnification Section Options

Recommendation: Review the Indemnification Section options, and select one for use in the final draft service agreement

Discussion: Chair DiGiovanni and staff recently discussed the Indemnification Section in the draft SRSD Service Agreement (Agreement), and the JPA agency attorneys and General Counsel Halter were considering a few different versions of that section. Chair DiGiovanni asked for a separate agenda item on this topic, for Counsel Halter to present the options, and for the Committee and Counsel Halter to either select an option or revise an option for inclusion in the final draft Agreement. At the meeting, Counsel Halter will present the options for Committee review, discussion, and consideration.

Attachment:

- Letter to Counsel re Indemnification Clause



OFFICE OF THE
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COUNTY COUNSEL

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October 17, 2025

VIA EMAIL ONLY

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Re: Indemnification Clause in Draft Agreement

Dear Counsel,

At today's regular meeting for San Rafael Sanitation District, the Board directed that I reach out to all counsel regarding the indemnification clause in the draft Management and Operations Service Agreement between SRSD and Central Marin Sanitation Agency (CMSA).

To date, SRSD has proposed two indemnification clauses:

Proposed Language No. 1

Indemnification:

a. CMSA agrees to hold the SRSD free and harmless and to indemnify SRSD, and their officers, officials, employees, and agents from all claims, demands, damages, liabilities, losses and costs of whatever nature for negligent acts or negligent omissions arising from or connected with or related to CMSA's performance of services and/or work under this Agreement, with the exception of services and/or work performed by CMSA contractors or consultants as provided below and sole or active negligence or intentional acts of SRSD. As used in this paragraph, "negligent acts or omissions" shall include but not be limited to any work performed under this Agreement that is: 1) a substantial factor of damage caused to public or private property which is the subject of an inverse condemnation claim made against SRSD; 2) in violation of any applicable federal, state or local laws; and 3) set forth by Section 8.e.

b. Nothing in section 8.a. above shall require CMSA to indemnify, hold harmless or defend SRSD if a gravity main, force main, interceptor, or pump station fails, overflows, or otherwise causes damages or costs, provided that the failure, overflow, or other cause of the damage was not connected with, related to, or the

result of work performed under this Agreement. The intention of this subsection is to allow CMSA to be free of liability to SRSD where the failure, overflow, or other problem is due to a cause that is outside CMSA's normal scope of services under this Agreement. Notwithstanding the above, in the event that concurring causes described by section 8.a. and this section 8.b. result in damage, CMSA shall be responsible for that portion of the damage attributable to its negligent acts or omissions as that term is used in section 8.a.

c. SRSD agrees to hold CMSA free and harmless and to indemnify CMSA and its officers, officials, employees and agents from all claims, demands, damages, liabilities, losses and costs of whatever nature arising from, connected with, or related to SRSD's responsibilities in this agreement.

d. In the event CMSA utilizes outside contractors or consultants in connection with the work provided for through this Agreement, CMSA shall require the outside contractor or consultant to execute a written contract which shall include a provision indemnifying and holding harmless, to the fullest extent permitted by law, SRSD, its officers, officials, agents and employees from all claims arising from the acts or omissions of the outside contractor or consultant. In addition, CMSA shall require the outside contractor or consultant to obtain and maintain general liability insurance in an amount of not less than \$2 million or an amount that is approved by SRSD. CMSA shall further require that SRSD, its officers, agents and employees be added as an additional insured under this general liability insurance policy. CMSA shall also require that every outside contractor or consultant possess workers compensation insurance, if applicable, and, if relevant, errors and omissions insurance. All indemnification, hold harmless and insurance provisions and forms required by this section shall be subject to prior approval of the SRSD Board. If CMSA fails to comply with the terms and conditions of this paragraph, CMSA shall be responsible for all claims, damages, injuries and costs incurred by the SRSD in connection with the services performed by the outside contractor or consultant. Compliance by CMSA with the requirements of this paragraph shall relieve CMSA from any liability or hold-harmless obligations to SRSD arising out of the acts or omissions of the work by the outside contractor or consultant except that CMSA shall hold SRSD free and harmless, and shall indemnify SRSD, for all claims arising from CMSA's own intentional acts, negligence or errors and omissions in connection with the work performed by such outside contractors or consultants.

e. CMSA need not require the indemnification, hold harmless, and insurance provisions detailed in Section 8.d. when hiring material and equipment vendors, or seepage haulers or similar service providers. In this event, CMSA will provide the service provider's standard insurance certificate to SRSD for review and consideration of approval. If SRSD does not approve of the insurance certificate, CMSA will require the service provider to comply with all of the requirements set forth by Section 8.d. before it may hire the service provider.

f. The obligations contained in this indemnification provision shall survive the termination of this Agreement.

Proposed Language No. 2

Indemnification:

- a. Notwithstanding the indemnification provisions of that certain Central Marin Sanitation Agency Joint Exercise of Powers Agreement, as amended 2019, and/or any successor agreement (together, "CMSA JPA Agreement"), SRSD will defend, indemnify, and hold harmless CMSA, SD2, RVSD, and their respective officials, commissioners, employees, contractors, agents, and assigns (together, the "CMSA Indemnified Parties") from any and all claims, demands, damages, liabilities, losses and costs of whatever nature, including but not limited to attorneys' fees (together, "Claims") for acts or omissions arising from, connected with, or in any way related to CMSA Indemnified Parties' actions in connection with this Agreement, excluding any and all claims, demands, damages, liabilities, losses and costs of whatever nature, including but not limited to attorneys' fees for acts or omissions arising from, connected with, or in any way related to execution of this Agreement. It is the parties' intent that this section be interpreted to maximize the scope of indemnity owed by SRSD to CMSA. In the event of any conflict between this indemnification provision in this Agreement, and the indemnification provisions in the CMSA JPA Agreement, as between the CMSA Indemnified Parties and SRSD, this provision shall govern.
- b. Consistent with the foregoing, SRSD's obligation to defend, indemnify, and hold harmless the CMSA Indemnified Parties from Claims includes, but is not limited to, any and all Claims by, against, or concerning the act or omission of, any City Employee subsequently hired by CMSA.
- c. Further consistent with the foregoing, SRSD's obligation to defend, indemnify, and hold harmless the CMSA Indemnified Parties from Claims includes, but is not limited to, any and all Claims caused by or otherwise concerning SRSD Facilities.
- d. The obligations contained in this indemnification provision shall survive the termination of this Agreement.

In order to continue to move this draft Agreement to its final iteration, SRSD also proposes the following language directly from CMSA's 2024 Pump Station and Forcemain O&M Agreement with SD2:

Proposed Language No. 3

Insurance and Indemnification:

- A. Each party shall defend, indemnify, and hold the other party, its officials, officers, employees, agents, and volunteers, harmless from and against any and all liability, loss, expenses (including reasonable attorney's fees), or claims for injury or damage arising out of the performance of this Agreement, but only in proportion to and to the extent such liability, loss, expenses (including reasonable attorney's fees),

or claims for injury or damage are caused by or result from the negligent or intentional acts or omissions of the indemnifying party, its officials, officers, employees, agents, subcontractors, or volunteers.

B In the event SRSD utilizes outside construction contractors or consultants in connection with the work provided for through this Agreement, SRSD shall require the outside construction contractor or consultant to execute a written contract which shall include a provision indemnifying and holding harmless to the fullest extent permitted by law CMSA, its officers, officials, agents and employees from all claims arising from the acts or omissions of the outside contractor or consultant. In addition, SRSD shall require the outside construction contractor or consultant to carry and maintain general liability insurance in an amount of not less than \$2 million or another amount as approved by CMSA. SRSD shall further require that CMSA, its officers, agents, and employees be added as an additional insured under this general liability insurance policy. SRSD shall also require that every outside construction contractor or consultant possess workers compensation insurance, and, if relevant, errors and omissions insurance. All indemnification, hold harmless and insurance provisions and forms required by this section shall be subject to prior approval of CMSA. If SRSD fails to comply with the terms and conditions of this paragraph, SRSD shall be responsible for all claims, damages, injuries, and costs incurred by CMSA in connection with the services performed by the outside construction contractor or consultant.

C. SRSD need not require the indemnification, hold harmless, and insurance provisions detailed in this section when hiring material and equipment vendors, or septage haulers or similar service providers. In this event, SRSD will provide the service provider's standard insurance certificate to CMSA for review and consideration of approval. If CMSA does not approve of the insurance certificate, SRSD will require the service provider to comply with all of the requirements set forth in this section before it may hire the service provider.

D. The obligations contained in this section shall survive the termination of this Agreement for 5 years after termination.

The Ad Hoc Committee regarding this matter is set to reconvene on October 28, 2025. Please provide all final proposed edits to this clause to counsel for CMSA no later than October 24, 2025 so that the Ad Hoc Committee can consider them at its next meeting.

Respectfully,



Kerry Gerchow
Deputy County Counsel



BOARD MEMORANDUM

October 24, 2025

To: Ad-Hoc Committee of CMSA JPA Member Representatives to consider the JPA's Organization Development Future

From: Jason Dow, General Manager

Subject: SRSD Contract Development Expense Tracking Report

Recommendation: Accept the SRSD Contract Development Expense Tracking Report.

Discussion: At its December 3, 2024, meeting the Committee asked staff to prepare a written report at each meeting to show the SRSD contract development expense information. The table below shows the expense information through September 30, 2025.

SRSD Contract Expense Tracking	Amount
Total expenses through 9/30/25	\$111,056*
SRSD reimbursed to date	\$111,056

* includes GM costs: 141.5 hours at \$298/hr



BOARD MEMORANDUM

October 24, 2025

To: Ad-Hoc Committee of CMSA JPA Member Representatives to consider the JPA's Organization Development Future

From: Jason Dow, General Manager

Subject: Revised SRSD Management and Operations Service Agreement Schedule

Recommendation: Review and discuss the revised schedule, and provide direction to staff.

Discussion: Staff have updated the SRSD service agreement schedule, assuming the final draft agreement content is accepted by the Committee at its October 28, 2025, meeting, and the agreement is sent to the JPA agencies by the end of October.

Attachment:

- Draft SRSD Management and Operations Service Agreement Schedule – 10/24/25

SRSD MANAGEMENT AND OPERATIONS SERVICE AGREEMENT SCHEDULE
Revised Draft (10/24/2025)

DATE	TYPE OF MEETING	DESCRIPTION
2/20	Ad Hoc	RSG attends meeting to review scope & work status; Jason presents schedule & scope changes. (done)
Week of 2/24	SRSD/CMSA Staff	Discuss RSG questions and preliminary findings/recommendations. (done)
3/20	Ad Hoc	RSG presented draft report and received comments; committee to considered and selected some agreement revisions; Jason presented revised schedule, SRSD employee hiring process, and SRSD retirement info. (done)
Week of 3/24	SRSD/CMSA Staff	Prepared agreement revisions based on Ad Hoc direction. (done)
4/17	Ad Hoc	RSG presented final report; Reviewed revised agreement, draft property use agreement. Committee direction to send revised agreement to JPA agencies (done)
4/17	CMSA Staff	Prepare agreement revisions and sent to JPA agencies. (done)
5/5	Brandon Halter	Brandon to present legal comments. (done)
5/8	Ad Hoc, Brandon	Brandon to present legal comments for discussion, review draft property use agreement, revised schedule, and draft SRSD budget. (done)
5/29	CMSA, BBK	CMSA hires benefit attorney to review pension UAL section of agreement (done)
6/5 – 10/24	Brandon	Allowance to negotiate legal review comments and incorporate them into a final draft agreement. (in-progress)
6/26, 9/17	Ad Hoc, Brandon	Review revised draft agreement. (done)
10/28	Ad Hoc, Brandon	Final review of revised draft agreement
November - December	n/a	JPA members' agreement review period. Two regular Board meetings for each agency. RVSD (11/19, 12/17); SRSD (11/21, 12/19); SD2 (11/18, 12/2).
12/22	n/a	JPA member comments due to CMSA.
1/15/26	Ad Hoc, Brandon	If-needed - Discuss JPA comments. Prepare final agreement.
1/20/26	CMSA	FINAL AGREEMENT Distributed.
2/6/26	SRSD Board Mtg	Agreement on Agenda for approval.
2/10/26	CMSA Board Mtg	Agreement on Agenda for approval.

