



Central Marin Sanitation Agency

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

June 26, 2025, 12:00pm

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

Online:

<https://us06web.zoom.us/j/84897888002>

Phone in:

+1 253 215 8782

Meeting ID:

848 9788 8002

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 – May 8, 2025**
Recommendation: Approve meeting minutes as presented or with revisions.
7. **Revised SRSD Management and Operations Service Agreement**
Recommendation: Receive a presentation from General Counsel Halter on the draft SRSD Service Agreement legal review revisions, and provide comments to staff.
8. **SRSD Contract Development Expense Tracking Report**
Recommendation: Receive the SRSD Contract Development Expense Tracking Report.

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

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

10. **Committee Member Oral Reports**

11. **Items for Next Meeting Agenda**

12. **Confirm/Schedule next Meeting Date – TBD**

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 May 8, 2025

1. Call Meeting to Order

2. Pledge of Allegiance

3. Roll Call

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

Staff Present: Jason Dow, General Manager

Public Present: Paul Causey, Doris Toy, Felicia Newhouse, Michael Colantuono (RVSD counsel)

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 – April 17, 2025

Meeting minutes approved.

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 to review the SRSD Management and Operations Service Agreement – legal review comments received by JPA member attorneys.

Committee Member Gaffney stated RVSD was unable to submit their legal counsels' comments during the two-week legal review period and had recently submitted their comments to CMSA Counsel that morning.

Mr. Halter provided the committee members with copies of the draft agreement, the property use agreement, a memo from SD2 counsel, a memo from RVSD counsel and an email chain between SD2 and Agency counsel.

Mr. Halter reviewed the comments submitted by SD2, which recommended the Agency obtain appropriate benefits expertise to ensure CMSA was not obligated to cover unanticipated costs related to employee retirements.

The Board asked clarifying questions regarding the receipt of an SRSD actuarial analysis from RSG and requested the report be provided to committee members.

GM Dow stated an actuarial analysis was not a part of the RSG scope of work and that MCERA would develop an actual analysis, which the SRSD would provide to the committee once approved by the SRSD Board.

The Committee discussed the shared costs associated with hiring new personnel and how that would be allocated, the need for more clarity regarding the governance structure and strengthening the service agreement language regarding unforeseen costs.

Committee Member Gaffney suggesting SRSD remain fully liable for any issues.

The Committee considered the implications of liability for CMSA staff working on the SRSD system and not accepting liability. The Committee discussed the indemnity provision and discussed SRSD potentially acquiring their own E&O insurance policy as an alternative.

Public Comment:

Paul Causey requested copies of documents CMSA Legal Counsel passed out to committee members.

GM Dow agreed to provide Mr. Causey with copies.

RVSD Legal Counsel, Mr. Colantuono, stated the structure of the service agreement was not a normal service agreement and proposed a standard professional services agreement be used instead. He stated CMSA would provide a scope of services, include standards of performance, and how changes would be negotiated to ensure a customer client model was followed.

The Committee agreed that their intention was to provide a service agreement not a co-governance agreement and asked for clarity regarding the four-week timeline for final revisions based off the legal review comments.

GM Dow stated the attorneys would spend the next four weeks constructing revisions to the agreement and would present the final draft agreement at the next meeting, and counsel Brandon Halter would include any unresolved issues for the committee to discuss. GM Dow noted the schedule was flexible and could be adjusted if necessary.

Chair Beckman stated he hoped that the attorneys would work in good faith with the CMSA legal counsel to have all their concerns and questions addressed and looked forward to having a final draft agreement at the next meeting.

Committee Member Zahradnik expressed concerns regarding RVSD legal counsels' comment regarding developing a different contract model for the SRSD service agreement, as the committee had spent a lot of time developing the current contract and getting to the final draft.

The Committee discussed the timeline and agreed the goal was to develop a good contract.

Chair Beckman asked if the SRSD lawyer had provided comments.

Mr. Halter stated he had not received any comments from SRSD.

Chair Beckman requested Committee Member Zahradnik speak with the SRSD attorney to provide input and comments.

GM Dow stated the SRSD lawyer had actively been working with the SRSD working group, providing input and comments on the agreement since the start of the process.

Mr. Halter stated he would review the comments and reach out to JPA attorneys to work through their comments and concerns.

8. Draft SRSD Service Agreement Budget Template

GM Dow stated a budget template was prepared based on SRSD's current fiscal year budget and converted into the CMSA budget format. GM Dow discussed the different categories included in the draft budget template and stated the Agency would update the template in the future as SRSD was working on their new fiscal year budget. GM Dow stated if the service agreement was approved the Agency would work on inputting actual costs.

The Committee asked clarifying questions regarding the budget template categories, vehicle ownership, maintenance costs, and insurance liability for CMSA employees driving SRSD vehicles.

GM Dow stated the budget would need to be approved, and labor relations negotiations with the union to approve salary ranges and job descriptions would need to be completed before the effective date of the agreement. GM Dow stated the Agency would not negotiate these items until the service agreement was in effect. GM Dow stated SRSD would maintain ownership of its assets and have their own property and liability insurance, while CMSA would provide worker's compensation insurance. He stated CMSA employees driving SRSD vehicles will be covered under the general liability insurance.

Comments from the Public

There were no comments from members of the public.

9. Revised SRSD Management and Operations Service Agreement Schedule

GM Dow discussed the revised Service Agreement schedule, which was updated based on decisions made at the last meeting.

The committee requested the revised schedule be sent to all committee members after each meeting and that the track changes be removed.

Comments from the Public

There were no comments from members of the public.

10. Contract Development Expense Tracking*

GM Dow stated that CMSA expenses to date were about \$82,000, SRSD paid about \$66,000. The April invoice for \$16,000 was prepared and sent to SRSD.

Comments from the Public

There were no comments from members of the public.

11. Committee Member Oral Reports

None.

12. Items for Next Meeting Agenda

Committee Member Gaffney requested Brandon present the final draft agreement with the track changes.

13. Schedule next Meeting Date

The committee scheduled the next meeting for Thursday, June 5, 2025, 12:00 pm.

Respectfully submitted,

Jason Dow, General Manager

Tiffany Elam, Administrative Specialist



BOARD MEMORANDUM

June 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 Halter on the SRSD Service Agreement legal review revisions, and provide comments to staff.

Discussion: CMSA General Counsel Brandon Halter received comments on the draft SRSD service contract from the SD2 and RVSD attorneys the week of June 5th. SRSD's attorney did not have any comments. Brandon subsequently began revising the draft agreement to address the attorneys' comments and incorporate his thoughts and proposed changes. SD2's attorney suggested hiring a benefits attorney from Best Best & Krieger, to review and revise the pension unfunded liability section of the agreement, and SRSD authorized CMSA to hire the benefit attorney. CMSA hired the benefit attorney in late May and provided several documents for the attorney to use when updating the pension section in the draft agreement.

The benefit attorney is working on the draft pension UAL section revision, and when a draft is completed, Brandon will discuss the revisions with JPA member attorneys and revise the draft agreement accordingly.

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").

RECITALS

WHEREAS, CMSA is a Joint Exercise of Powers entity governed by agreement between CMSA member agencies SRSD, Sanitary District No. 2, and Ross Valley Sanitary District; 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 using City employees; and

WHEREAS, SRSD has had difficulties recruiting and retaining employees through the City; 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 to SRSD 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 provided by 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 reimbursed by SRSD; and further subject to the requirement that none of the costs associated with this Agreement may be borne by CMSA's member agencies;

NOW, THEREFORE, the parties hereby agree as follows.

1. Definitions:

- a. City: City of San Rafael.
- b. City - SRSD Employees: Current City employees responsible for performing operation services for SRSD Facilities who will become employees of CMSA following the Effective Date.
- c. CMSA: Central Marin Sanitation Agency.
- d. CMSA Board: CMSA's Board of Commissioners.
- e. CMSA GM: CMSA's General Manager.
- f. SRSD: San Rafael Sanitation District.
- g. SRSD Board: SRSD's Board of Directors

2. Scope of Services: Beginning on the Effective Date (as further defined below), CMSA agrees to perform the services specified in the Scope of Services attached hereto as Exhibit B ("Services"), which Exhibit B is incorporated by reference.

3. Agreement Term: This Agreement shall remain in full force and effect for five 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. Effective Date: The Effective Date shall be a date determined by the CMSA General Manager ("CMSA GM"), subject to the requirements of this section.

- a. The Effective Date shall occur after the CMSA GM determines, in their reasonable discretion, that the following activities have been completed, and provides written notice of such determination to SRSD's Board of Directors ("SRSD Board"):
 - i. SRSD and the City terminate the agreement pursuant to which City has provided operation services for SRSD.

- ii. SRSD and the City each confirm that 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") from City employment, and the hire of such employees 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-SRSD Employees for purposes of providing the Services in accordance with this Agreement, including but not limited to labor negotiation requirements.
 - iv. SRSD confirms that it has paid off all pending pension-related liabilities for the City-SRSD Employees, including unfunded pension liabilities, and completes all requirements necessary to allow all City-SRSD Employees to transfer their membership in their MCERA retirement program to the retirement program provided to employees of CMSA (i.e., CalPERS) upon their hiring by CMSA.
 - v. CMSA and SRSD have completed all other administrative tasks necessary to perform the Services.
 - vi. Sufficient office space capacity has been secured for CMSA to provide the Services.
 - vii. The City-SRSD Employees are released from employment by City, and hired by CMSA.
- b. The Effective Date shall not occur, and this Agreement shall be null and void, if the Effective Date does not occur on a date within one year of the date of this Agreement.

5. Authority to Incur Costs: SRSD acknowledges and agrees that the CMSA GM 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 reimbursement 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 authorization by SRSD, except that notwithstanding the foregoing CMSA may, in its discretion, enter such a contract as necessary to respond to an emergency.

6. 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:

- 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 CMSA is fully reimbursed for all its expenses for providing the contract services.
- f. Approve payment of fines and enforcement penalties for non-compliance with regulatory requirements.
- g. Identify the type of and reporting frequency for operational performance metrics.
- h. Annually approve an investment policy.
- i. Manage legal defense of SRSD in any litigation against SRSD.

7. Reimbursement of Costs:

- a. It is the intent of the parties that all costs related to parties' participation in this Agreement will be borne by SRSD. This Agreement shall be interpreted consistent with the foregoing intent to the maximum extent possible.
- b. SRSD is solely responsible for, and shall compensate CMSA for incurring, any and all costs of providing the Services ("Costs," and each, a "Cost"). Such Costs shall include, but are not limited to, the following:
 - i. Salaries and benefit expenses, including overtime and standby, for CMSA and third-party employees to perform the Services.
 - ii. Procurement of materials, supplies, and equipment.
 - iii. Professional service, construction, maintenance, repair, and other expenses.
 - iv. Insurance, public education and outreach, and all other direct expenses.
 - v. An initial 5% overhead factor on the annual total compensation budget estimate for CMSA employees responsible for providing the Services, to cover all indirect and non-tracked minor expenses, which 5% overhead factor can be changed after notice to SRSD, provided that such change is consistent with a cost allocation plan applicable across CMSA's funding sources and cost centers.
 - vi. All costs related to emergency response.
 - vii. Unforeseen operational and capital expenses.
- c. SRSD shall reimburse 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.

8. **Annual Expense Review:** CMSA GM shall prepare and submit to the CMSA Board a detailed summary of SRSD scope of work, unplanned, and extra ordinary expenses as compared to the approved service budget, which will include all direct expense categories, shared service areas, and the overhead charges. An evaluation of overhead charges will be performed, and adjustments proposed as necessary.

Commented [BH1]: This provision was previously recommended by the scommittee, but CMSA counsel and staff recommend pulling this out and just having the scope of the reporting obligation be addressed in the scope of services.

9. **City-SRSD Employees Hired by CMSA:**

- a. Subject to the terms and conditions of this Agreement, CMSA agrees to hire all City-SRSD 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. CMSA agrees to establish the employee hire date as the date the employee was hired with the City. Exhibit E provides the tentative CMSA salary ranges for each City-SRSD Employee classification. The final salary ranges will be approved by the CMSA Board before the Effective Date.
- c. CMSA agrees to establish leave balances for each of the City-SRSD 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.

10. **SRSD Unfunded Pension Liabilities and Retiree Medical Benefits:** {TO BE ADDRESSED BY BENEFITS COUNSEL}

- a. SRSD Board shall direct the payment and resolution of any MCERA unfunded actuarial pension liabilities (UAL) prior to the effective date of this Agreement and before the City employees transfer to CMSA. The UAL payment will be based on each employee’s compensation level after they transfer to CMSA. For each fiscal year of the agreement, the CMSA GM will hire an actuary to determine the current CalPERS and MCERA pension program UAL for each SRSD employee. The CMSA Board will review, comment, and approve the actuarial valuation assumptions. SRSD Board will compensate CMSA for the

actuary fee and the annual UAL contribution amount. CMSA GM will establish an IRS Section 115 pension trust fund for the SRSD Employees' UAL contributions.

- b. **Retiree Medical Benefits:** City-SRSD retirees and CMSA - SRSD employees shall maintain their retiree medical benefits after the Effective Date. Each CMSA - SRSD employee's offer of employment letter will show the retiree medical benefits that will be provided by CMSA. SRSD will annually reimburse CMSA for all City - SRSD retiree and CMSA-SRSD retiree medical costs.

11. Expansion of Office Capacity: Prior to the 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 of \$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.

12. Indemnification:

- a. SRSD will defend, indemnify, and hold harmless CMSA and its 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. It is the parties' intent that this section be interpreted to maximize the scope of indemnity owed by SRSD to CMSA.
- 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-SRSD Employee subsequently hired by CMSA, regardless of whether such Claim arises from an act or omission that predate or postdate this Agreement.
- 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.

13. 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 the presidents of the SRSD Board and 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 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.

14. Termination:

- a. Notice. This Agreement may be terminated by either Party by supermajority vote of the terminating Party's Board. Any such termination shall be effectuated by written notice one (1) calendar year 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.

15. 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

- 16. Modification:** No modification hereof shall be effective unless and until such modification is evidenced by a writing signed by all parties to this Agreement.
- 17. Independent Contractor:** The status of CMSA is that of independent contractor having control of its work and the manner in which it is performed. CMSA, its employees and agents are not considered to be officers, employees, or agents of SRSD.
- 18. 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.
- 19. Prior Agreements:** This Agreement shall neither affect that certain Joint Exercise of Powers Agreement by and between SRSD, Ross Valley Sanitary District, and Sanitary District No. 2, dated December 2019, nor any of the amendments to that Agreement.
- 20. 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.
- 21. 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.

22. 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.

23. 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.

24. 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.

25. Amendment; Complete Agreement: Any amendment or supplement to this Agreement must be in writing and executed by the Parties. 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.

26. 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").

27. No Third Party Beneficiaries: This Agreement is solely for the benefit of the Parties and each of their respective Successors and Assigns. No provision of this Agreement shall be deemed to confer on any third party any claim, remedy, liability, reimbursement, cause of action on other right under this Agreement, and, consistent

therewith, there are no third party beneficiaries, express or implied, of this Agreement.

28. Governing Law: This Project Agreement shall be governed by and interpreted in accordance with the laws of the State of California.

29. Exhibits:

- A. SRSD Sewer System Assets
- B. Scope of Services - Routine District Operations
- C. SRSD Sanitary Sewer Management Plan Table of Contents
- D. Employee Classification Changes
- E. SRSD Employee Compensation Ranges

**San Rafael Sanitation District
Agency**

Kate Colin, President

Attest: Maribeth Bushey, Secretary

Central Marin Sanitation

, Chair

Attest: , Vice-Chair

Exhibit A-1 – SRSD Sewer System Assets

SRSD owns and operates a municipal sanitary sewer system composed of the following assets as of the 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 valves, 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 directed by SRSD following execution of this Agreement.

CMSA have sole authority to determine the necessary staffing levels to perform the Services during the Agreement’s term.

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 employee labor rates. The budget may include performance measures and 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

Commented [BH2]: The committee previously recommended giving SRSD approval authority over the budget for the Services (and this is styled to include that provision). CMSA counsel does not recommend that.

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.

Commented [BH3]: The committee previously recommended including in the scope of services that CMSA would set up a bank account and manage investments for SRSD. CMSA counsel recommends against that, but is open to hearing alternative views.

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
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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
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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

June 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 May 31, 2025.

SRSD Contract Expense Tracking	Amount
Total expenses through 5/31/25	\$87,442*
SRSD reimbursed to date	\$82,240
CMSA May invoice	\$5,201

* includes GM costs: 128 hours at \$274/hr



BOARD MEMORANDUM

June 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: Due to the necessary time to address the JPA and benefit attorneys' comments and suggested changes, the agreement schedule is extended by approximately one month as shown in the attached revised schedule.

Attachment:

- Draft SRSD Management and Operations Service Agreement Schedule – 6/16/25

SRSD MANAGEMENT AND OPERATIONS SERVICE AGREEMENT SCHEDULE

Revised Draft (6/16/2025)

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, per SD2 and RVSD advice.
6/5	Brandon	4-week allowance to negotiate legal review comments and incorporate them into a final draft agreement. (in-process – need additional time)
6/26	Ad Hoc, Brandon	Review revised draft agreement.
July X	Ad Hoc, Brandon	Final review of revised draft agreement (if needed).
July Y	CMSA	Distribute revised final agreement to JPA agencies.
July Y – 8/20	n/a	JPA members' agreement review period. Two regular Board meetings for each agency. RVSD (7/23, 8/20); SRSD (7/18, 8/15); SD2 (7/15, 8/5, 8/19).
8/29	n/a	JPA member comments due to CMSA.
Week of 9/1	SRSD/CMSA Staff, Brandon	Discuss JPA comments. Prepare final agreement.
9/4	Ad Hoc, Brandon	Present final Agreement with JPA comments.
9/5		FINAL AGREEMENT Distributed.
Week of 9/6?	SRSD Board Mtg	Agreement on Agenda for approval.
9/9 or 10/14?	CMSA Board Mtg	Agreement on Agenda for approval.

