



## Central Marin Sanitation Agency

### COMMISSION REGULAR MEETING AGENDA

**May 13, 2025**

**Hybrid Meeting**

**6:00 p.m.**

**NOTE:** This is a Hybrid Board 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/86035561002>

##### **Phone in:**

+1 253 215 8782

##### **Meeting ID:**

860 3556 1002

**Public Comment:** Members of the public may directly address the Board on any item appearing on the Agenda. They may address the Board when the item is called by the Board Chair and he/she indicates it is the time for the public to speak to the agenda item. Public comments can also be submitted via email to the Recording Secretary at [telam@cmsa.us](mailto:telam@cmsa.us).

The public comment period opens when the agenda is posted online and will close two hours prior to the start of the meeting. Include your name and the item you'd like to provide written comment on. Written comments submitted will be shared with the Board before the meeting, summarized during the Open Period for Public Participation, and included in the meeting proceedings.

To provide comments virtually during the meeting:

- If in the Zoom teleconference, use the “raise hand” feature. The Host will notify and unmute you when it is your turn to speak.
- If on a phone, press \*9 (“star + 9”), and the Host will notify and unmute you when it is your turn to speak.

If you experience an issue providing comments in the meeting, please email those comments to the Recording Secretary at [telam@cmsa.us](mailto:telam@cmsa.us).

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## **AGENDA**

1. **6:00 p.m.: Call Meeting to Order**

2. **Pledge of Allegiance**

3. **Roll Call**

4. **Agenda Review & Approval**

5. **Open Period for Public Participation**

*Open time for public expression, up to two minutes per speaker, on items within CMSA's jurisdiction and not on the Board of Commissioners' agenda. The Board will not discuss or take action during open time, but Board members may briefly respond to statements made or questions proposed by the public, ask for clarification from staff, refer the matter to staff, or request staff to report back to the body at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.*

6. **Consent Calendar**

a)	Minutes – Regular Board Meeting, April 17, 2025
b)	Treasurer's Report – April 2025
c)	April 2024 NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report
d)	Performance Metric Report – April 2024
e)	FY25 Third Quarter Budget Status Report
f)	CMSA Investments Policy – Financial Policy #531 Update
g)	2024-2025 Wet Weather Flow Report
h)	Revised Administrative Policy #58: Employee Award Recognition
i)	FY26 Chemical Supply Contracts
j)	Sale of Surplus Digester Pilot Trailer Base
k)	Extra Work Order for Biosolids Hoppers Coating
l)	Sole Source Specification for DeZurik Plug Valves, Victaulic Grooved Fittings and Couplings, and Allen-Bradley CompactLogix PLC

7. **CMSA Fee Ordinance Public Hearing**

*Recommendation: Conduct the public hearing for the proposed Fee Ordinance 2025-1, pass the Ordinance, and authorize publication of a summary of the passed Ordinance in the Marin Independent Journal newspaper.*

8. **CMSA Monthly Treasurer's Report Format Update**  
*Recommendation: Approve the Agency's updated Monthly Treasurer's Report format, and provide comments and/or direction to staff, as appropriate.*
9. **Accept Completion of the FY25 Parking Lot Rehabilitation Project**  
*Recommendation: Accept the FY25 Parking Lot Rehabilitation Project as complete, and authorize the General Manager to file the Notice of Completion with Marin County..*
10. **Proposed Draft Budget for FY26 and FY27**  
*Recommendation: Review the Proposed Draft Budget for FY26 and FY27, and provide comments and/or direction to the General Manager, as appropriate.*
11. **San Quentin State Prison Wastewater Service Agreement**  
*Recommendation: Approve the San Quentin State Prison Wastewater Service Agreement, and authorize the General Manager to sign it.*
12. **April Informational Items**  
*Recommendation: Informational, provide comments or direction to the General Manager, as appropriate.*
13. **Oral Reports by Commissioners\***
14. **Oral Reports by General Manager\***
15. **Items for Next/Future Agendas**
16. **Next Scheduled Regular Meeting**  
*Tuesday, June 10, 2024 at 6:00 p.m.*

\*Information not furnished with Agenda





## Central Marin Sanitation Agency

### COMMISSION REGULAR MEETING MINUTES

April 8, 2025

Via Hybrid Meeting

NOTE: The minutes are an official record of the Board meeting. There are also official audio and video recordings available on the Agency's website at [www.cmsa.us](http://www.cmsa.us). The time stamps on these minutes refer to the items' start times on the video recording of the meeting. Please contact CMSA at 415-459-1455 for information about receiving a copy of these records.

#### 1. Call Meeting to Order

#### 2. Pledge of Allegiance

Chair Beckman called the meeting to order at 6:00 p.m. a quorum was present.

#### 3. Roll Call

00:00:30

Present: Commissioners Eli Beckman, Doug Kelly, Dean DiGiovanni, and Mary Sylla.

Remote: Alan Zahradnik

Absent: Maribeth Bushey

Staff Present: Jason Dow, General Manager; Peter Kistenmacher, Technical Services Manager/Assistant General Manager; Corey Spray, Administrative Services Manager; Nick Talbot, Treatment Plant Manager; Stephen Raab, CMSA Legal Counsel, and Tiffany Elam, Recording Secretary

Public Present: Felicia Newhouse, Michael Boorstein

CMSA Counsel, Stephen Raab provided the Board with the procedure for accepting commissioner Alan Zahradnik's participation remotely. Commissioner Alan provided the Board with the circumstances for his remote participation.

The Board voted to admit Commissioner Alan Zahradnik to the meeting remotely.

ACTION:	Commissioner Kelly moved to accept the remote participation of Commissioner Zahradnik; second, Commissioner Sylla.	
DIRECTION:	None	
VOTE:	The item was passed unanimously.	
	AYES:	Beckman, DiGiovanni, Kelly, Sylla
	NAYS:	None
	ABSTAIN:	None

**4. Review and Approve Agenda** **00:02:31**

The Board unanimously approved the agenda.

There were no comments from members of the public.

**5. Open Period for Public Participation** **00:02:48**

There were no comments from members of the public.

**6. Consent Calendar** **00:03:10**

a)	Minutes – Regular Board Meeting, March 11, 2025
b)	Treasurer’s Report – March 2025
c)	March 2025 NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report
d)	Performance Metric Report – March 2025
e)	Revised Administrative Policies on Employee Computer Purchase Assistance (#54), Carpool/Alternate Commute Incentive (#55), and the Commuter Cash Reimbursement (#56) Programs
f)	FY25 Asset Management Program – 3rd Quarter Report

Comments from the Public

There were no comments from members of the public.

ACTION:	Commissioner DiGiovanni moved to approve 6a through 6f; second, Commissioner Sylla.	
DIRECTION:	None	
VOTE:	The item was passed unanimously.	
	AYES:	Beckman, DiGiovanni, Kelly, Sylla, Zahradnik
	NAYS:	None
	ABSTAIN:	None

**7. CMSA Fee Ordinance Revisions** **00:04:30**

GM Dow stated as part of the Agency’s annual policy and periodic ordinance review, the current Fee Ordinance was reviewed by Agency staff. Staff recommend RV rates be rounded to the nearest dollar to simplify the payment process, capacity charge figures and the industrial discharge permit fees be updated, and the capacity charge supporting documentation submissions process be formalized to reflect past and current practices. GM Dow stated the Agency would update the capacity charge and permit fee amounts once the April CPI and Engineering News Record Index were posted.

The Board discussed the 45-day capacity charge submission timeline and noted the ordinance updates were good.

Comments from the Public

There were no comments from members of the public.

ACTION:	Commissioner DiGiovanni moved to schedule the public hearing for the Fee Ordinance at the May 8, 2025, Board meeting; second, Commissioner Sylla.	
DIRECTION:	None	
VOTE:	The item was passed unanimously.	
	AYES:	Beckman, DiGiovanni, Kelly, Sylla, Zahradnik
	NAYS:	None
	ABSTAIN:	None

**8. Nutrient Removal Alternatives Evaluation and Facilities Plan Project – Amendment No. 1 with Carollo Engineers** **00:11:40**

GM Dow discussed the tasks completed to date for the Nutrient Removal Alternatives Evaluation and Facilities Plan Project. GM Dow stated the consultant identified potential capacity issues with the Agency's existing aeration system and secondary clarifiers. GM Dow stated the consultant recommended stress testing and process modeling the existing secondary clarifiers and evaluating the blower system and diffuser array system, which would assist the Agency in determining the necessary size of the new Nutrient Removal facilities.

The Board discussed the amendment and agreed the work was necessary and could save the Agency millions of dollars in construction costs.

Comments from the Public

There were no comments from members of the public.

ACTION:	Commissioner DiGiovanni moved to approve Amendment No. 1 with Carollo Engineers for \$197,828 to provide additional consulting services for the Nutrient Removal Alternatives Evaluation and Facilities Plan Project, and authorize the General Manager to sign it; second, Commissioner Sylla.	
DIRECTION:	None	
VOTE:	The item was passed unanimously.	
	AYES:	Beckman, DiGiovanni, Kelly, Sylla, Zahradnik
	NAYS:	None
	ABSTAIN:	None

**9. Reschedule July Board Meeting** **00:17:01**

GM Dow stated he spoke with the Board and provided the commissioners with potential dates to consider for rescheduling the July meeting.

The Board discussed the potential dates and agreed to reschedule the July Board meeting July 22, 2025.

Comments from the Public

There were no comments from members of the public.

ACTION:	Commissioner Kelly moved to approve rescheduling the July 8, 2025, Board meeting; second, Commissioner Sylla.	
DIRECTION:	None	
VOTE:	The item was passed unanimously.	
	AYES:	Beckman, DiGiovanni, Kelly, Sylla, Zahradnik
	NAYS:	None
	ABSTAIN:	None

**10. Draft San Quentin State Prison Wastewater Service Agreement**

**00:18:42**

GM Dow stated the Agency has provided San Quentin State Prison (SQSP) with wastewater services since 2012 and the current contract is due to expire on June 30, 2025. GM Dow stated that CDCR contacted the Agency to renew the contract in August 2024 and requested proposed agreement revisions for continued services. Agency staff worked with SQSP staff to revise the scope of work which included, operation and maintenance of a small lift station at the rear of the east gate. The fee schedule was also revised to show the maximum fee for all services during the 5-year contract period referenced on page 133, Exhibit B. GM Dow stated the package was submitted to the state on October 31, 2024, and to the Board on November 1, 2024. GM Dow stated on March 26, 2025, the State sent the Agency a draft agreement for service renewal that approved the revisions to the scope of work and the maximum 5-year fee increases with contingencies, for Board review.

Commissioner Sylla discussed an RVSD staff misunderstanding of the current and past fee schedule, which GM Dow provided clarity. Commissioner Sylla asked if RVSD's pursuit of the SQSP contract would have an impact on the Agency General Manager or other member agencies. Stating that the SQSP contract was part of RVSD's LAFCO documents and that RVSD planned on Annexing SQ Village. Commissioner Sylla stated the SQSP contract was held by RVSD for many years, and during a time of RVSD turmoil, where their GM was incarcerated, the SQSP contract changed vendors. Noting that RVSD was capable and interested in taking on the SQSP contract and wanted to know why a JPA member, CMSA, was competing with RVSD.

GM Dow stated most of the SQSP wastewater collection system work was handled by the State, noting that RVSD did not operate, maintain, or repair the collection system when RVSD held the contract. GM Dow noted that SQSP and CDCR staff recently applauded CMSA for being an exceptional partner, stating that Agency staff were easy to work with, completed jobs quickly with no issues, and they were happy working with the Agency.

Chair Beckman asked clarifying questions regarding the annual fee escalator.

GM Dow stated the annual fee escalator percentage was in accordance with the Board adopted Agency Revenue Plan.

Commissioner DiGiovanni asked clarifying questions regarding the SQSP, Agency hired staff.

GM Dow stated there were 3 Industrial Utility Worker positions approved by the Board as a part of the current SQSP contract. GM stated these were temporary CMSA employees paid directly from SQSP contract, which includes all overhead, pension, and benefits.

Commissioner Zahradnik stated if RVSD and the State had an understanding and a contract, he was sure the Agency would respectfully step away if the state decided to contract with another agency.

Commissioner Kelly stated GM Dow does a great job, however, he would rather the Agency continue to provide plant services on plant grounds. Commissioner Kelly noted the SQSP/CMSA contract was inconsistent with JPA members working together and would vote against the contract as he believes it is the reverse of consolidation.

Commissioner Sylla stated that RVSD was a good entity to work with the state directly and viewed the SQSP/CMSA contract as the JPA competing with one of its members for business. Noting RVSD is a highly functioning collection system and is currently trying to move the ball down the court on the SQSP contract. Commissioner Sylla believes the SQSP/CMSA contract feeds into the narrative that CMSA is trying to grab more control and be in charge of more. Commissioner Sylla also recommended that the RVSD and CMSA general managers work together to collaborate and work out the issues and was frustrated with the continued conflict.

Commissioner Kelly stated that GM Dow ran a phenomenal plant, noting RVSD was previously dysfunctional, but is now twice removed from the general manager that was incarcerated and had a new Board. Stating RVSD recently won the Redwood Empire award collection agency three of the last four years, won the State Collection Agency of the Year, and came in second this current year.

Commissioner DiGiovanni stated he did not believe the Agency Board was actively pursuing contracts but was only providing services and treatment to those who requested services. Commissioner DiGiovanni referenced the draft service agreement which stated that CMSA was selected as a result of their internal selection process. Commissioner DiGiovanni referenced a recent email from the State staff requesting for the contract to continue moving forward and he believed it was a solid contract.

Commissioner Kelly stated RVSD was annexing San Quinton village and understands CMSA does great work.

GM Dow stated the Agency had been planning for the annexation of the SQ Village by RVSD for several years and would be happy to provide RVSD with support and hand over any spare parts and maintenance procedures they have when the time comes.

Commissioner Beckman stated he did not doubt that RVSD could do a great job with the SQSP contract, and that CDCR had chosen CMSA as the vendor to award the contract to. He also stated that JPA members did not have control over the decisions made by CDCR.

Commissioner Kelly and Sylla stated RVSD was currently in conversation with SQSP, and it was not clear if CMSA had been selected, to the exclusion of RVSD.

Chair Beckman referenced the CDCR draft contract received by the Agency and the email requesting the SQSP/CMSA contract move forward as proof of the CDCR's selection.

Commissioner Sylla stated JPA members should not allow outside entities to make decisions and believes CMSA should refer the SQSP contract to RVSD as they would be second choice.

Chair Beckman thanked the Board members for acknowledging the conflict between RVSD and CMSA and the importance of the Board members doing what they can to remove sand from the gears. Chair Beckman thanked the JPA members for never losing sight of the importance of partnership to achieve their common goals.

Comments from the Public

There were no comments from members of the public.

DIRECTION: GM Dow to inform the State that the final service agreement will be placed on the next Agency Board agenda.

**11. March 2025 Informational Items**

**00:48:21**

ACTION: This item was informational no action was taken.

**12. North Bay Watershed Association (NBWA) Report**

**00:49:07**

GM Dow confirmed with Michael Boorstein the NBWA presentation was emailed to the Board prior to the meeting.

Michael Boorstein reported on the detection of golden muscles found in the delta, noting that the golden muscles were rapidly multiplying as they operated at a wider PH window and were already causing algae blooms

**13. Oral Reports by Commissioners**

**00:54:24**

No oral reports from commissioners.

**14. Oral Reports by General Manager**

**00:54:34**

GM Dow referred to his handout and reported:

- Update on the SRSD contract work and the submission of the final RSG evaluation report which will be presented at the April 17, 2025, ad hoc meeting.
- Beyond the Dome has placed its pilot facility on-site.
- Parking lot construction was delayed due to the discovery of a wet clay layer which required stabilization.

Commissioner Kelly stated two changes were made to the Brown Act and asked the Agency attorney to clarify those changes.

GM Dow stated he would provide an update in his next GM Oral Report.

**15. Items for Next/Future Agendas**

None.

**16. Next Scheduled Meeting**

The Board has scheduled a Regular meeting for May 13, 2025 at 6:00 p.m.

Chair Beckman adjourned the meeting at 7:07 p.m.

Respectfully submitted,

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Tiffany Elam, Recording Secretary

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Mary Sylla, Secretary

DRAFT



**TREASURER'S REPORT**  
**As of the Month Ended April 30, 2025**

Description	Account Type	Book Value	Market Value (1)	% Portfolio	Budget / Proj Year End
<b>Cash and Investments:</b>					
WestAmerica Bank ( <i>See Schedule 1 for Account Activity</i> )	Operating Acct	\$ 731,738.72	\$ 731,738.72		
US Bank 2015 & 2020 Revenue Bonds (Restricted)	Debt Serv Acct	10,879.71	10,879.71		
US Bank 2022 Pension Oblig Bonds (Restricted)	Debt Serv Acct	1,396.45	1,396.45		
Keenan Benefit Trust (Restricted)	Pension Stab Trust	951,251.13	951,251.13		
CAMP Cash Reserve Pool: 4.45%	Investment Acct	437,237.17	437,237.17		
Local Agency Investment Fund (LAIF): 4.27%	Investment Acct	20,414,270.00	20,414,270.00		
<b>Total cash and investments</b>		<b>\$ 22,546,773.18</b>	<b>\$ 22,546,773.18</b>	<b>100.0%</b>	
<b>Designations of Cash and Investments:</b>					
Current Operating Fund (2)		1,530,681.42	1,530,681.42	6.8%	
Debt Service Accounts (Restricted)		12,276.16	12,276.16	0.1%	
Employee Benefit Trust (Restricted)		951,251.13	951,251.13	4.2%	
Capital Reserves (Restricted) (3) - <i>See Schedule 2</i>		1,125,100.00	1,125,100.00	5.0%	1,125,100
Operating Reserve (Unrestricted) (4)		4,302,500.00	4,302,500.00	19.1%	4,302,500
Capital Reserves (Unrestricted) (5) - <i>See Schedule 2</i>		14,124,964.47	14,124,964.47	62.6%	7,477,169
Contingency and Emergency Reserve (Unrestricted)		500,000.00	500,000.00	2.2%	500,000
<b>Total designations of cash and investments</b>		<b>\$ 22,546,773.18</b>	<b>\$ 22,546,773.18</b>	<b>100.0%</b>	

**NOTES:**

- (1) Market values are per the fiscal agent's respective monthly statements  
 (2) Current operating fund is the residual of the other designations  
 (3) Includes capacity charges and debt service coverage

- (4) Operating reserves calculated at 25% operating budget  
 (5) Includes capital fee

**Statement of Compliance**

The above portfolio of investments is in compliance with the Agency's investments policy, adopted annually, and California Code Section 53601, authorized investments, and 53646, investments policy. In addition, the Agency does have the financial ability to meet its cash flow requirements for the next six months.

  
 Corey Spray, CPA  
 Administrative Services Manager

**CENTRAL MARIN SANITATION AGENCY**  
**SCHEDULE 1 - OPERATING ACCOUNT ACTIVITY SCHEDULE**  
**For the Month Ended April 30, 2025**

Beginning Balance of current month	\$ 660,265.04
<u>Cash Receipts (Deposits into Westamerica):</u>	
Permit and Inspection Fees	\$ 7,261.85
Laboratory Services (Verily FY25 March)	1,350.00
Revenue from Septage Haulers & RV	6,750.24
Revenue from Organic Waste Programs	8,441.25
County-wide Public Education Program (SD5 FY25 Q2)	773.39
SQSP Wastewater Services Contract (FY25 January & February; Extra Work Order)	438,113.83
SQ Village Operations & Maintenance Contract (FY25 February)	774.81
Marin Clean Energy electricity generation (FY25 February)	6,785.58
Reimbursement from CERBT following OPEB Funding Plan	193,621.34
Capacity Charges from RVSD: 204 FU	99,826.00
Capacity Charges from SRSD: 68 FU	33,411.12
Interest Income: Westamerica Bank Sweep Account	634.52
Transfers from LAIF	1,000,000.00
Voided check	215.00
Total Cash Receipts	<u>\$ 1,797,958.93</u>
<u>Cash Disbursements (Withdrawals from Westamerica):</u>	
April 2025 Operating account disbursements register (see Schedule 1a)	\$ 1,307,140.11
Regular Payroll paid 4/4/2025	169,307.66
Regular Payroll paid 4/18/2025	169,520.45
Board compensation reported as full stipend on Disbursement Register (paid current month)	(1,800.00)
Transfers to EFTPS Federal Payroll Taxes (4/4/2025 & 4/18/2025)	81,829.01
Bank and Credit Card Fees	488.02
Total Cash Disbursements	<u>\$ 1,726,485.25</u>
Ending Balance of current month	<u><u>\$ 731,738.72</u></u>

**Central Marin Sanitation Agency**  
**Schedule 1a - Operating Account Disbursements Register**  
**For the Month of April 2025**

Number	Date	Vendor/Payee	Amount	Description
2026757				Last check from prior month's register
2026758	04/01/2025	Byron Jones	185.08	Reimbursement for monthly retiree health benefits
2026759	04/01/2025	Phillip Frye	185.08	Reimbursement for monthly retiree health benefits
2026760	04/04/2025	California State Disbursement	348.92	Garnishment for pay period ending 03/29/2025
2026761	04/04/2025	California State Disbursement	685.50	Garnishment for pay period ending 03/29/2025
2026762	04/09/2025	APGN Inc.	2,485.50	Air filters
2026763	04/09/2025	Automation Direct Co., Inc.	81.39	Relay and selector switch
2026764	04/09/2025	Black & Veatch	70,984.50	Prof Svcs: Design - Centrifuge Dewatering Improvements Project, 02/08/25-03/07/2025 (Payment #19)
2026765	04/09/2025	CASA Education Foundation	2,000.00	Educational foundation support for 2025
2026766	04/09/2025	CDW Government, Inc.	32,101.12	Microsoft 365 annual licenses
2026767	04/09/2025	City Electric Supply	15,399.01	Electrical conduit and fittings
2026768	04/09/2025	Constellation Energy Corporation	2,000.38	Natural gas supply, February 2025
2026769	04/09/2025	Garrett Dosset	163.00	Employee reimbursement: Wastewater Grade 1 exam and application fees
2026770	04/09/2025	Downey Brand LLP	6,382.00	Legal Services: Real Estate Law, February 2025
2026771	04/09/2025	East Bay Muni Utility District	1,309.95	BACC Participation fee; three bids
2026772	04/09/2025	Environmental.com	100.94	Sample containers
2026773	04/09/2025	Flottweg Separation Technology, Inc.	124,657.09	Centrifuge Dewatering System Procurement (Payment #1 )
2026774	04/09/2025	Flyers Energy LLC	2,426.04	Diesel exhaust fluid
2026775	04/09/2025	Grainger	954.98	Portable generator plug, oil pump rebuild kit, safety ear protection (3 invoices)
2026776	04/09/2025	Hagel Supply Co.	769.61	Janitorial supplies
2026777	04/09/2025	Home Depot Credit Services	505.36	Sink and sink parts, electrical cover, light fixtures and wall achors (4 invoices)
2026778	04/09/2025	Jackson's Hardware	430.22	Circular saw blade, kneepads, paint roller frame, sink replacement and parts, wall anchors and fasteners (5 invoices)
2026779	04/09/2025	Pablo Loayza	250.00	Employee reimbursement: Safety boots
2026780	04/09/2025	Angelo Sacerdote	250.00	Employee reimbursement: Safety boots
2026781	04/10/2025	Alliant Insurance Services	1,939.78	Annual fee for UST Pollution Liability insurance
2026782	04/10/2025	Bay Area Air Quality	32,265.00	Annual permit #653 renewal fees
2026783	04/10/2025	Environmental.com	838.40	Sample containers (3 invoices)
2026784	04/10/2025	Fastenal Company	589.01	Vending machine replenishment, March 2025
2026785	04/10/2025	Grainger	77.67	Cam and groove adapter and high strength steel for OWRF nozzles (2 invoices)
2026786	04/10/2025	Hach Company	675.37	Analyzer airblast relay board
2026787	04/10/2025	Kennedy/Jenks Consultants Inc	5,896.80	Facility structures seismic study, February 2025 (invoice #5)
2026788	04/10/2025	Kone Inc	202.71	Elevator monthly maintenance, April 2025
2026789	04/10/2025	Lystek International LTD	13,967.07	Biosolids beneficial reuse fee, March 2025
2026790	04/10/2025	Marin Color Service	1,160.11	Paint and painting supplies, February-March 2025
2026791	04/10/2025	Marin Resource Recovery Center	170.00	Trash disposal (1 invoice)
2026792	04/10/2025	Marin Sanitary Service - 0004321	1,278.41	Recycling disposal, March 2025
2026793	04/10/2025	Marin Sanitary Service - 0027511	6,286.12	Grit box disposal, March 2025
2026794	04/10/2025	Marin Sanitary Service - 0033224	750.00	Rag bins disposal, March 2025
2026795	04/10/2025	McMaster-Carr Supply Co.	215.43	Air duct fan, latch for lab sampler, and duct tape (3 invoices)
2026796	04/10/2025	Medical Center of Marin	215.00	New employee physical (Gilmore)
2026797	04/10/2025	Motion Industries, Inc.	11,394.28	Odor scrubber, seismic hose replacement, oil seal, and hose ends (5 invoices)
2026798	04/10/2025	Muniquip, Inc.	34,289.21	Three primary sludge pumps
2026799	04/10/2025	Northeast-Western	10,146.80	LTSA Jenbacher preventive maintenance, February-March 2025, o-ring and gaskets, hardware nuts (4 invoices)
2026800	04/10/2025	Pace Supply Corp.	236.34	Toilet repair parts
2026801	04/10/2025	PG&E	12,832.50	Electricity service, 2/12/2025-03/13/2025 (3 invoices)
2026802	04/10/2025	Progent Corporation	99.95	IT support, April 2025
2026803	04/10/2025	Pure Air Filtration	25,276.47	Odor scrubber media
2026804	04/10/2025	Rexel	1,379.32	Generator electrical cord
2026805	04/10/2025	Rock Steady Juggling	3,000.00	Public Ed Program: Presentation at two schools for four shows (Note B)
2026806	04/10/2025	Rockwell Solutions	50,801.54	Two OWRF chopper pump cassette

**Central Marin Sanitation Agency**  
**Schedule 1a - Operating Account Disbursements Register**  
**For the Month of April 2025**

Number	Date	Vendor/Payee	Amount	Description
2026807	04/10/2025	Sentry	1,280.00	Sentry subscription for aeration basin #2 (invoice #5)
2026808	04/10/2025	Sta-Clean Services Inc	3,800.00	Janitorial Service, March 2025
2026809	04/10/2025	Robert Stiles	220.79	Employee reimbursement: Safety boots
2026810	04/10/2025	Systems Distributors, LLC	2,603.91	Test equipments for Safety Fire Protection System
2026811	04/10/2025	Thomas & Associates	912.45	Chlorinated effluent sample pump
2026812	04/10/2025	Unison Solutions	25,039.95	H2S scrubber media
2026813	04/10/2025	Univar USA Inc	33,577.70	Sodium Hypochlorite (2 deliveries)
2026814	04/10/2025	USP Technologies	14,911.76	Hydrogen Peroxide (1 invoice)
2026815	04/10/2025	Waste Management	15,511.91	Biosolids disposal, March 2025
2026816	04/10/2025	Whipps, INC	32,775.00	Rotork valves for Chlorine contact tank influent gates (payment #1)
2026817	04/18/2025	California State Disbursement	685.50	Garnishment for pay period ending 04/12/2025
2026818	04/18/2025	California State Disbursement	348.92	Garnishment for pay period ending 04/12/2025
2026819	04/16/2025	EDIS	10,405.93	Dental replenishment and monthly fee, April 2024
2026820	04/23/2025	Alameda Electrical Dist Inc	351.15	500 feet of electrical wire
2026821	04/23/2025	Aleshire & Wynder LLP	1,125.00	Legal Services: Employment Law, March 2025
2026822	04/23/2025	APGN Inc.	623.70	Aeration blower filters
2026823	04/23/2025	AT&T Corp	175.00	Monthly internet fee, March 2025
2026824	04/23/2025	Atmospheric Analysis	765.00	Biogas monitoring
2026825	04/23/2025	Comcast	224.11	Internet service back-up, 04/04-05/03/2025
2026826	04/23/2025	E.E. Gilbert Construction, Inc.	125,181.21	Parking Lot Rehabilitation Project (payment #1)
2026827	04/23/2025	Evoqua Water Tech LLC	1,309.17	DI water tank rental (2 invoices)
2026828	04/23/2025	Fisher Scientific	149.67	Soy based microbiological media
2026829	04/23/2025	Grainger	783.65	Batteries, pipe plange, de-greaser, drill bits, v-belts (5 invoices). SQPS supplies: trash bags (note B) (1 invoice)
2026830	04/23/2025	Hardware Tech Inc	630.00	Door modification work
2026831	04/23/2025	Harrington Industrial Plastics	2,020.47	O-rings, polymer pump rebuild kits
2026832	04/23/2025	Manco	4,009.33	SD2: VFD replacement and VFD display remote (note B) (2 invoices)
2026833	04/23/2025	Marin Sanitary Service - 0004321	4,382.56	Recycled AB for parking lot paving project
2026834	04/23/2025	Marin Water	4,005.89	Water service, 02/11-04/09/2025 (4 invoices)
2026835	04/23/2025	McInerney & Dillon, P.C.	624.00	Legal Services: Contract Law, March 2025
2026836	04/23/2025	McMaster-Carr Supply Co.	437.14	OWRF stainless steel bar, glass tube fuses, in-line fuse, and pipe fittings (4 invoices)
2026837	04/23/2025	Motion Industries, Inc.	62.92	Hose fittings
2026838	04/23/2025	NorthBay Elevator	7,240.00	Elevator selector cable replacement
2026839	04/23/2025	Northeast-Western	1,349.96	Compensator, gaskets, hex head screws and nuts
2026840	04/23/2025	Pace Supply Corp.	4,604.89	SQPS: Air release valve (note B)
2026841	04/23/2025	PG&E Non-Energy Collection Unit	160.15	Renewable energy expansion, April 2025
2026842	04/23/2025	R&C Valve Repair Inc	162.61	Centrifuge speed sensor
2026843	04/23/2025	Reinholdt Engineering Construction	250.00	Monthly underground storage tank inspection, April 2025
2026844	04/23/2025	RSG Inc.	13,103.75	Prov Svcs: Examine JPA organization (invoice #4)
2026845	04/23/2025	Shamrock Building Materials	142.11	Propane
2026846	04/23/2025	Teledyne Instruments Inc	11,826.31	Refrigerated sampler, 4-bottle configuration kit, and suction line with strainer
2026847	04/23/2025	UBEO Business Services	50.64	Usage payment for three printer/copiers, 01/01-03/31/2025
2026848	04/23/2025	VWR International	881.15	Detergent, Sulfuric Acid, and pipet tips (4 invoices)
2026849	04/25/2025	Carbon Activated Corporation	30,000.00	Hydrogen Sulfide scrubber media installation
2026850	04/25/2025	Clipper Controls	1,472.69	Sampler tubing
2026851	04/25/2025	Constellation Energy Corporation	1,375.20	Natural gas supply, March 2025
2026852	04/25/2025	Devil Mountain Wholesale Nursery, LLC	3,344.75	Pond perimeter plants
2026853	04/25/2025	Grainger	923.19	Security gate phone keypad, process waste selector switch, switch for waste pump (3 invoices)
2026854	04/25/2025	Home Depot Credit Services	279.45	Herbicide
2026855	04/25/2025	McMaster-Carr Supply Co.	233.53	Bearing and seals, hole plugs and cover for electric box (3 invoices)
2026856	04/25/2025	Muniquip, Inc	18,154.00	Two Moyno scum pumps
2026857	04/25/2025	Shamrock Building Materials	132.39	Propane

**Central Marin Sanitation Agency**  
**Schedule 1a - Operating Account Disbursements Register**  
**For the Month of April 2025**

Number	Date	Vendor/Payee	Amount	Description
2026858	04/25/2025	USP Technologies	29,937.57	Hydrogen Peroxide (2 invoices)
<b>TOTAL - CHECKS</b>			<b>895,197.09</b>	

**Payments by ACH:**

Date	Vendor/Payee	Amount	Description
04/11/2025	Amazon	509.55	Access control components, conference webcam, ethernet cables, keyboards (5 invoices)
04/02/2025	Cal Public Medical	99,712.67	Medical insurance for April 2025
04/21/2025	Cal-Card	16,683.86	State of California purchase card for April 2024
04/04/2025	CalPERS	48,287.82	Retirement pension contribution: Agency and employees, PPE 03/29/2025 (Note C)
04/18/2025	CalPERS	48,291.10	Retirement pension contribution: Agency and employees, PPE 04/12/2025 (Note C)
04/10/2025	California Department of Tax and Fee Administration	14,480.00	2024 Chemical use tax
04/11/2025	Carollo Engineers, Inc.	13,043.00	Prof Svcs: Hydrogen Peroxide Facility Relocation Study (payment #2)
04/14/2025	Carollo Engineers, Inc.	30,116.16	Prof Svcs: Nutrient Removal Alternatives Evaluation Project, March 2025 (payment #6)
04/04/2025	Employment Development Department	15,603.54	State and SDI Taxes, PPE 03/29/2025
04/18/2025	Employment Development Department	15,592.10	State and SDI Taxes, PPE 04/12/2025
04/11/2025	IEDA, Inc.	994.52	Labor relations consulting, April 2025
04/11/2025	Kemira	16,738.21	Ferric Chloride (1 delivery)
04/03/2025	Lincoln Financial Group	3,117.93	Life insurance, March 2025
04/04/2025	MissionSquare Retirement Trust-457	1,550.00	Deferred compensation contributions, PPE 03/29/2025 (Note A)
04/18/2025	MissionSquare Retirement Trust-457	1,550.00	Deferred compensation contributions, PPE 04/12/2025 (Note A)
04/04/2025	Nationwide Retirement	30,189.37	Deferred compensation contributions, PPE 03/29/2025 (Note A)
04/18/2025	Nationwide Retirement	30,465.59	Deferred compensation contributions, PPE 04/12/2025 (Note A)
04/18/2025	Navia Benefit Solutions	200.00	Monthly minimum fee, March 2025
04/04/2025	Navia Benefit Solutions	782.76	Flexible spending account, PPE 03/29/2025
04/18/2025	Navia Benefit Solutions	782.76	Flexible spending account, PPE 04/12/2025
04/04/2025	Public Agency Retirement Svcs	531.74	Retirement pension contribution: Part-time employees, PPE 03/29/2025
04/18/2025	Public Agency Retirement Svcs	579.62	Retirement pension contribution: Part-time employees, PPE 04/12/2025
04/02/2025	Retiree Medical Benefits	13,171.97	Reimbursement for retiree health benefits, April 2024
04/04/2025	SEIU Local 1021	1,215.83	Union dues, PPE 03/29/2025
04/18/2025	SEIU Local 1021	1,217.79	Union dues, PPE 04/12/2025
04/18/2025	Spex Certiprep Group LLC	1,134.66	Nutrient Standard chemical
04/14/2025	Tyler Technologies	15.00	In-site transaction fee, 01/01/2025-03/31/2025
04/15/2025	Vision Service Plan (CA)	1,785.54	Vision insurance, April 2025
04/18/2025	Western Truck Fab	1,799.93	Crane truck hoist parts
<b>TOTAL - ACH</b>			<b>410,143.02</b>

**Board Member Compensation:**

Date	Vendor/Payee	Amount	Description
04/04/25, 04/18/25	Eli Beckman	450.00	Stipend for 03/20/25 Ad-Hoc SRSD Service Contract Development Committee Meeting, and 04/08/2025 CMSA Commission Meeting
04/18/25	Michael Boorstein	225.00	Stipend for 04/04/25 NBWA Board Meetings
04/04/25	Thomas Gaffney	225.00	Stipend for 03/20/25 Ad-Hoc SRSD Service Contract Development Committee Meeting
04/04/25, 04/18/25	Dean DiGiovanni	450.00	Stipend for 03/20/25 Ad-Hoc SRSD Service Contract Development Committee Meeting, and 04/08/2025 CMSA Commission Meeting
04/18/25	Doug Kelly	225.00	Stipend for 04/08/2025 CMSA Commission Meeting
04/18/25	Mary Sylla	225.00	Stipend for 04/08/2025 CMSA Commission Meeting
<b>TOTAL - BOARD MEMBER COMPENSATION</b>		<b>1,800.00</b>	

<b>GRAND TOTAL</b>	<b>1,307,140.11</b>
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**Notes:**

- A: Not an Agency Expense. Expense funded through Payroll deduction.  
B: Not an Agency Expense. CMSA will be reimbursed for this expense.  
C: CMSA is partially reimbursed for this expense per Employee Labor Agreements.

**CENTRAL MARIN SANITATION AGENCY  
SCHEDULE 2 - CAPITAL RESERVES ACTIVITY SCHEDULE**

**Year-to-Date as of the Month Ended April 30, 2025**

	Monthly Amounts Received (Used)	YTD Amounts Received (Used)
<b>Restricted Capital Reserves Sources and Uses</b>		
Capacity charges revenue	\$ 133,237	\$ 612,080
Debt coverage collection revenue	12,733	1,112,337
Total restricted capital reserve funding sources	<u>145,970</u>	<u>1,724,417</u>
Capacity charges usage for capital (1st)	(133,237)	(612,080)
Debt coverage usage for capital (2nd)	(12,733)	(1,112,489)
Total restricted capital reserve uses	<u>(145,970)</u>	<u>(1,724,569)</u>
Net change		(152)
Balance - beg of year		1,125,252
Balance - end of month/year		<u><u>\$ 1,125,100</u></u>
<b>Unrestricted Capital Reserves Sources and Uses</b>		
Capital fee revenue	\$ -	\$ 988,035
Cal Recycle grant proceeds received	-	761,195
Unrestricted operating-reserve-transfer-in	-	-
Total unrestricted capital reserve funding sources	<u>-</u>	<u>1,749,230</u>
Capital fee usage to fund CIP (3rd)	-	(988,035)
Unrestricted capital reserve draw (4th)	(110,840)	(737,708)
Unrestricted operating-reserve-transfer-out	-	(1,000,000)
Total unrestricted capital reserve uses	<u>(110,840)</u>	<u>(2,725,744)</u>
Net change		(976,514)
Balance - beg of year		15,101,478
Balance - end of year		<u><u>\$ 14,124,964</u></u>
<b>Total capital reserve balances</b>		<u><u>\$ 15,250,064</u></u>
<b>Total approved CIP budget</b>		\$ 10,434,562
<b>Total CIP funded from capital reserve sources</b>		(3,450,313)
<b>Total approved capital budget remaining</b>		<u><u>\$ 6,984,248</u></u>

**BOARD MEMORANDUM**

May 8, 2025

To: CMSA Commissioners and Alternates

From: Nicholas Talbot, Treatment Plant Manager

Approved: Jason Dow, General Manager

Subject: **April 2025 NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report**

**Recommendation:** Accept the April 2025 NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report.

**I. NPDES Permit Compliance**

NPDES permit testing for April demonstrated the treatment plant effluent was in compliance with all permit limits. The Monthly Compliance Summary Table shows the results by permitted parameter, the sample's frequency, the sample results, and the permit limit. CMSA's NPDES permit specifies monitoring the six-week rolling geometric mean of enterococcus bacteria which shall be calculated weekly. The rolling enterococcus geometric mean was 12.8 MPN, which is significantly lower than the permit limit of 255 MPN. The average ammonia concentration for the month was 30.2 mg/L, which is less than the monthly limit of 60 mg/L.

**II. Influent and Effluent Flows**

In April, sunny skies prevailed, with only 0.31 inches of rainfall measured by the Agency's on-site rain gauge. There were zero blend events. Table 1 summarizes CMSA's daily influent and effluent flows. Table 2 provides the daily average and total monthly influent flows for the CMSA treatment plant and its satellite collection agencies.

**Table 1: CMSA Influent and Effluent Flow Summary (MGD)**

Flow Location	Daily Maximum	Hourly Maximum	5 Minute Maximum	Daily Average
Influent	14.91 MGD	16.81 MGD	24.39 MGD	10.77 MGD
Effluent	12.17 MGD	15.05 MGD	17.37 MGD	8.18 MGD

**Table 2: Satellite Collection Agency and Total Flow Summary**

Flow Type	SRSD	RVSD	SD2	San Quentin	CMSA Totals
Average Daily (MGD)	3.87 MGD	5.34 MGD	1.00 MGD	0.56 MGD	10.77 MGD
Total for Month (MG)	116.07 MG	160.27 MG	30.10 MG	16.66 MG	323.1 MG
Percent of Flow	35.9%	49.6%	9.3%	5.2%	100%

### **III. Treatment Process**

In April, Operations performed preventative maintenance on the Organic Waste Receiving Facility (OWRF), biogas scrubbing systems, and supported the Jenbacher cogeneration engine's 20,000-hour service. The semiannual OWRF cleaning removed 6.5 yards of debris, down from 7.5 and 10.5 yards during the October and April 2024 semiannual cleanings. The reduction is attributed to the liquid waste screening system installed on the OWRF FOG station and the screening and separating unit at Marin Sanitary Service, both of which remove inorganics like plastics, grit, and trash from the incoming waste streams. While the OWRF was offline, Operations assisted Maintenance with installing two new chopper mixing pumps, one stainless steel and one standard steel. Staff will monitor both pumps over time to compare durability against the acidic material. The OWRF odor scrubber and media were also replaced as part of a scheduled upgrade.

Additionally in April, Operations worked with a contractor to remove and replace media in the hydrogen sulfide and siloxane biogas scrubbers, isolating and purging both systems, and returning them to service. This preventative maintenance provides clean biogas to the cogeneration engines to continually support clean air emissions. For the Jenbacher cogeneration engine service, Operations isolated hot water loops and operated the Waukesha cogeneration engine to maintain facility power. Additional plant work included grit system maintenance which included sump flushing, valve exercising, and hopper cleaning. Draining of Aeration Tanks No. 2 and No. 3, and placing Tanks No. 1 and No. 4 in service were also completed for preventative maintenance.

The Mixed Liquor Suspended Solids inventory averaged 778 mg/l, which aligned with the target Mean Cell Residence Time of 3.0 days. The sludge volume index (SVI), which measures the secondary sludge settleability, averaged 104 mL/g, below the Agency's KPI of 175 mL/g. Graph #4 shows the TSS, a good indicator of effluent quality. The TSS monthly average was 5.5 mg/l, which is 36.6% of the Agency's KPI of 15 mg/l and 18.3% of the permit's monthly average limit of 30 mg/l.

### **IV. Maintenance Activities**

In April, the cogeneration system supplied 98.8% of the Agency's power, with the remainder provided by MCE (Graph #8). Maintenance activities focused on both corrective and preventative work. Staff assisted Northeast Western Energy Systems with the Jenbacher cogeneration engine's 20,000-hour, three-day service. Major components replaced included the turbocharger, starter, generator bearings, and various gaskets and seals. Oil filters were also changed, oil was added, and the engine was returned to service. Additional plant preventive maintenance included servicing, changing oil, and greasing bearings for the primary clarifier collector drives, grit classifiers, chemical mixers, and the headworks odor scrubber. The support rods and turnbuckles on Biotower No. 2's distributor arms were replaced due to wear. Electrical & Instrumentation staff replaced a failed speed sensor on Centrifuge No. 1, installed a new battery charger at the hilltop communication repeater for backup power, and replaced a failed air supply fan in the final effluent vault. Maintenance also began work on removing the primary clarifier flights, chains, and sprockets in clarifiers No. 2 and No. 3 for upcoming coating project work.

### **Attachment:**

- April 2025 NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report.

# NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report

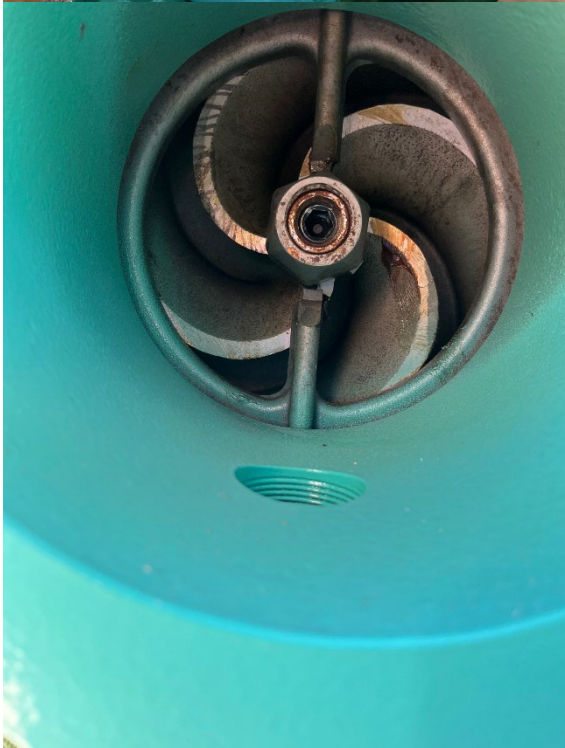
April 2025

## Organic Waste Receiving Facility Mixing Pumps Stainless Steel vs. Steel Wear Test

Steel Volute, Impeller, and Cutter Bar



Stainless Steel Volute, Impeller, and Cutter Bar





**Monthly Compliance Summary Table**  
**Central Marin Sanitation Agency**  
**April, 2025**  
**Final Effluent Monitoring**

Parameter	Limit Type	NPDES Monitoring Frequency	CMSA Monitoring Frequency	Results	Units	Limit
Carbonaceous Biochemical Oxygen Demand (cBOD)	Weekly Maximum Average	1/Week	3/Week	9.0	mg/L	Maximum 40
	Monthly Average	1/Week	3/Week	6.6	mg/L	Maximum 25
cBOD Removal	Monthly Average	1/Week	3/Week	96	%	Minimum 85
Total Suspended Solids (TSS)	Weekly Maximum Average	2/Week	3/Week	6.5	mg/L	Maximum 45
	Monthly Average	2/Week	3/Week	5.5	mg/L	Maximum 30
TSS Removal	Monthly Average	2/Week	3/Week	97	%	Minimum 85
Chlorine Residual	Hourly Maximum	Continuous	Continuous	ND	mg/L	Maximum 0.56
Ammonia	Monthly Average	2/Month	1/Week	30.2	mg/L	Maximum 60
	Daily Maximum	2/Month	1/Week	37.6	mg/L	Maximum 120
pH	Instantaneous	Continuous	Continuous	6.9	SU	Minimum 6
	Instantaneous	Continuous	Continuous	7.2	SU	Maximum 9
<b>Bacteriological Analysis</b>						
Enterococcus	6-Week Geomean	2/Week	3/Week	12.8	MPN/100mL	Maximum 255
	10% Maximum	2/Week	3/Week	12.1	MPN/100mL	Maximum 1,055
<b>Metals Analysis</b>						
Copper	Daily Maximum	Monthly	Monthly	6.2	ug/L	Maximum 84
	Monthly Average	Monthly	Monthly	6.2	ug/L	Maximum 48
Cyanide	Daily Maximum	Monthly	Monthly	J1.1	ug/L	Maximum 37
	Monthly Average	Monthly	Monthly	J1.1	ug/L	Maximum 21
<b>Semiannual and Quarterly Analysis</b>						
Mercury	Weekly Average	Quarterly	Quarterly	0.035	ug/L	Maximum 0.072
	Monthly Average	Quarterly	Quarterly	0.035	ug/L	Maximum 0.066
	Annual Load	Quarterly	Quarterly	0.035	kg/yr	Maximum 0.11
Chronic Toxicity (EFF-002)	Pass/Fail	Semiannual	Semiannual	*	Pass/Fail	Pass Minimum
	Effect	Semiannual	Semiannual	*	%	50% Maximum
Chronic Toxicity (SUR-001)	Pass/Fail	Semiannual	Semiannual	*	Pass/Fail	Pass Minimum
	Effect	Semiannual	Semiannual	*	%	50% Maximum
<b>Permit Analysis</b>						
Dioxin - TEQ Sum	Daily Maximum	1/Permit	1/Permit	*	ug/L	Maximum 2.8E-08
	Monthly Average	1/Permit	1/Permit	*	ug/L	Maximum 1.4E-08
PCB Aroclor Sum	Sum	1/Permit	1/Permit	*	ug/L	Maximum 0.012

\* Monitoring Not Required This Month ND = None Detected X = Data not available at report time J = Detected but not Quantified



## Glossary of Terms

### NPDES Permit Compliance Summary Table

- **Ammonia:** We analyze the final effluent for ammonia due to its toxicity to aquatic organisms and potential for providing nutrients to algae in the San Francisco Bay. The permit has a maximum daily limit of 110 mg/L and a monthly average limit of 60 mg/L.
- **Carbonaceous Biochemical Oxygen Demand (cBOD):** The amount of dissolved oxygen needed by microorganisms (biomass) to reduce organic material in the effluent. Effluent permit limits require removal of 85% influent cBOD, a monthly average of concentration of less than 25 mg/L cBOD and a weekly average concentration of less than 40 mg/L.
- **Chlorine Residual:** The secondary effluent is disinfected with hypochlorite (chlorine), and then the residual chlorine is neutralized with sodium bisulfite to protect the Bay environment. The final effluent chlorine residual hourly average limit is 0.56 mg/L, which is monitored continuously.
- **Chronic Bioassay:** A 7-day test of *Mysida* shrimp's exposure to final effluent in a static renewed tank to determine their survivability. The permit requires that we maintain a less than a 50 percent survival effect.
- **Copper:** Our permit requires monitoring of the final effluent for a variety of different metals and has limits for Copper and Mercury. The Copper monthly average limit is 48 ug/L, and the daily maximum limit is 84 ug/L. The remaining metals are monitored only.
- **Cyanide:** A byproduct of potential source control activities and is also a by-product of the disinfection process, and our permit requires monthly sampling and analysis. The Cyanide monthly average limit is 21 ug/L, and the daily maximum limit is 37 ug/L.
- **Dioxin:** Our permit requires monitoring of 17 dioxin-like compounds once per permit cycle. It has a limit for the weighted sum of these 17 dioxin compounds, referred to as the Dioxin Toxic Equivalency (TEQ). The Dioxin TEQ monthly average limit is 0.014 pg/L and daily maximum limit is 0.028 pg/L.
- **Enterococcus:** Enterococcus bacteria are the indicator organisms for the determination of the effectiveness of the disinfection process. The Enterococcus six-week rolling geometric mean limit is 255 MPN/100mL and the Enterococcus 10 percent monthly maximum limit is 1,055 MPN/100mL.
- **pH:** pH is a measurement of acidity, with pH 7.0 being neutral and higher pH values being basic and lower pH values being acidic. Our effluent pH must stay within the range of 6.0 to 9.0, which we monitor continuously.
- **Mercury:** Our permit requires monitoring of the final effluent for a variety of different metals, and has limits for Copper and Mercury. The Mercury monthly average limit is 0.066 ug/L, the weekly average limit is 0.072 ug/L, and the annual average loading limit is 0.11 kg/yr. The remaining metals are monitored only.
- **Total Suspended Solids (TSS):** Measurement of suspended solids in the effluent. Our permit requires removal at least 85% of the influent TSS, and that the effluent limit is less than 45 mg/L as a weekly average and less than 30 mg/L as a monthly average.



## EXECUTIVE SUMMARY PROCESS PERFORMANCE DATA

April 2025

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

### PRIMARY CLARIFIER PERFORMANCE

Total Suspended Solids (TSS) in:	263.7	mg/l	Expected removal efficiencies as outlined in Metcalf & Eddy Wastewater Engineering Manual.
TSS out:	65.8	mg/l	
Percent Removal Achieved:	75.1	%	<b>Design 50-70% Removal</b>
Total Biochemical Oxygen Demand (BOD) in:	249.8	mg/l	
BOD out:	165.9	mg/l	
Percent Removal Achieved:	33.6	%	<b>Design 25-40% Removal</b>
Plant Influent Flows:	10.77	MGD	

### SECONDARY SYSTEM PERFORMANCE

#### AERATION TANKS/ACTIVATED SLUDGE

Dissolved Oxygen set point:	2.3	mg/l
MLSS:	778	mg/l
MCRT:	3.0	Days
SVI:	104	

#### SECONDARY CLARIFIERS

WAS concentration:	6,337	mg/l
TSS out:	6.5	mg/l
Secondary System TSS Removal	90.2	%

#### FINAL EFFLUENT

Effluent TSS for the month:	5.5	mg/l	(Maximum Limit: 30mg/l)
Week #1 weekly average	6.5	mg/l	(Maximum Limit: 45mg/l)
Week #2 weekly average	5.0	mg/l	"
Week #3 weekly average	4.5	mg/l	"
Week #4 weekly average	6.0	mg/l	"
Monthly average TSS removal efficiency through the plant:	97.0	%	(Minimum Limit: 85%)

Effluent CBOD:	6.6	mg/l	(Maximum Limit: 25mg/l)
Week #1 weekly average	5.5	mg/l	(Maximum Limit: 40mg/l)
Week #2 weekly average	6.0	mg/l	"
Week #3 weekly average	6.0	mg/l	"
Week #4 weekly average	9.0	mg/l	"
Monthly average CBOD removal efficiency through the plant:	96.4	%	(Minimum Limit: 85%)

Disinfection Dosing Rate:	2.5	mg/l	monthly average
Ammonia Monthly Average:	30.2	mg/l	(Maximum 120)
Enterococcus six-week Geometric Mean:	12.8	MPN	(Maximum 255)
Enterococcus 10% Maximum:	12.1	MPN	(Maximum 1,055 MPN)
Effluent pH for the month:	Min	6.9	(Min 6.0)
	Max	7.2	(Max 9.0)

#### DIGESTER TREATMENT

Thickened Waste Concentration from the RDT:	6.21	%
Volatile Solids destroyed:	86.2	%
Cubic feet of biogas produced:	8,836,060 (Total)	294,535 (Daily Average)
Temperature of the digesters:	101.8	degrees Fahrenheit

## EXECUTIVE SUMMARY PROCESS PERFORMANCE DATA

### April 2025

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

#### DEWATERING

Centrifuge feed concentration:	2.4	%
Biosolids concentration:	26.0	%
TSS of the centrate:	139	mg/l
Centrifuge solids capture:	99.44	%
Polymer use per dry ton of biosolids:	18.69	#/dry ton
Polymer feed rate per run:	3.40	gpm
Concentration of the polymer batches:	0.328	%
Sludge feed rate per run:	51.0	gpm

#### Comments:

The treatment plant performed well, and all online equipment operated without incident.

#### **Graph #1:**

*Depicts the total influent flow (from all collection agencies) entering the treatment plant.*

The red graph line represents total influent flows; and the blue bars depict the CMSA rain gauge recordings for the month.

#### **Graph #2:**

*Depicts individual collection agency flows.*

The Y-axis is in the flow range of 0-20 MGD.

#### **Graph #3:**

*Depicts the enterococcus most probable number (MPN) results which are an indication of the performance of the disinfection system.*

The 6-week geometric mean of 12.8 MPN for the month remained well below the Agency KPI of 35 MPN and permit limit of 255 MPN.

#### **Graph #4:**

*Depicts the total suspended solids in the effluent.*

Our monthly average was 5.5 mg/l versus our KPI of 15 mg/l and NPDES permit monthly average limit of 30 mg/l.

#### **Graph #5:**

*Depicts the effluent CBOD which is measuring the oxygen demand of the wastewater.*

Our monthly CBOD average was 6.6 mg/l, below our NPDES limits of 40 mg/l weekly and 25 mg/l for the month. The effluent CBOD remained below the Agency KPI of 15 mg/l for the entire month.

#### **Graph #6:**

*Depicts the degree to which the biosolids have been dewatered.*

Our biosolids % concentration met or exceeded our KPI of 25% for most of the month. On one day, 4/2, biosolids % was below KPI at 24.9%. No dewatering operations were conducted on 4/8 and 4/14.

#### **Graph #7:**

*Depicts the amount of biogas that is produced in the digesters, measured by a flow meter, and then used to produce electricity.*

Biogas production averaged 294,535 cubic feet per day, above our monthly KPI of 200,000 cubic feet per day.

#### **Graph #8:**

*This graph depicts the amount of energy produced through cogeneration versus the energy purchased from MCE for Agency operations, and the green line represents power exported to the grid. The Agency exported 86,974 kWh in April.*

## Glossary of Terms

### Process Performance Data Sheet

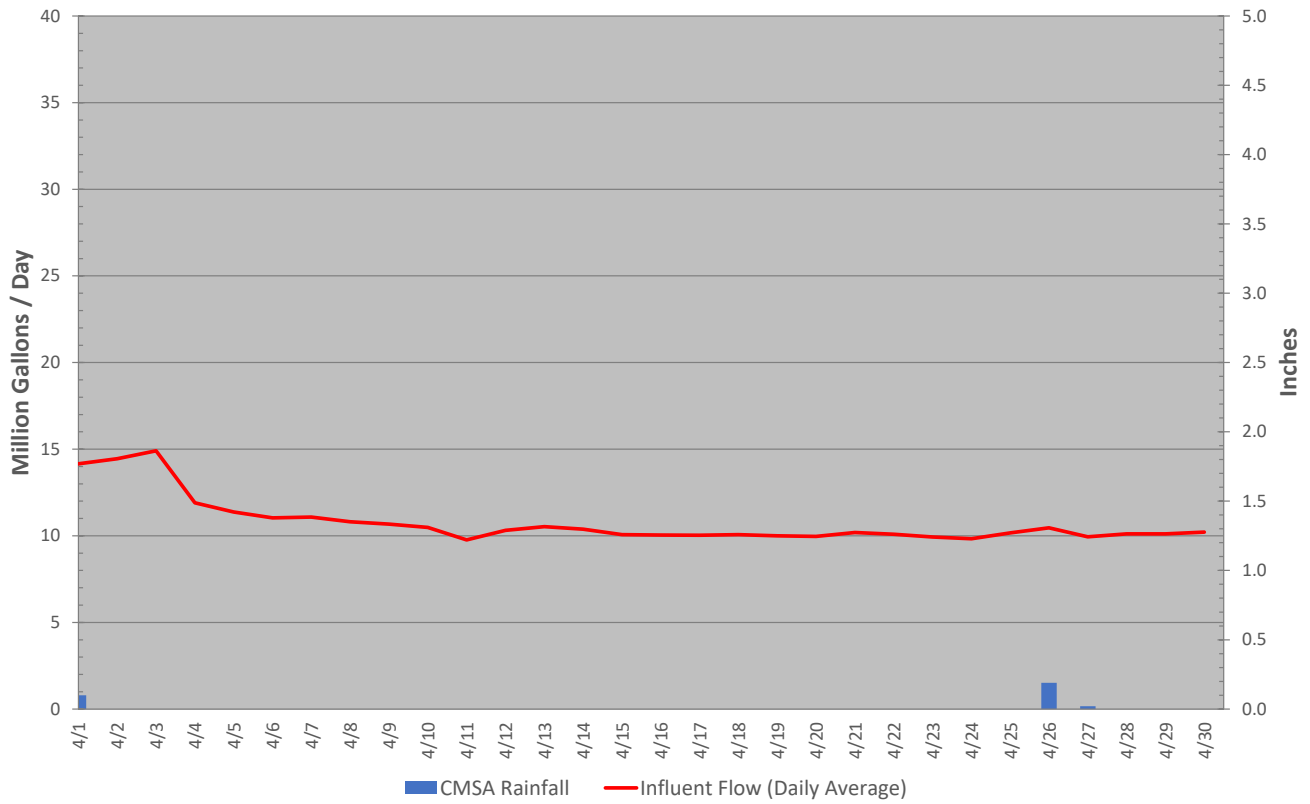
- **Aeration Tanks:** A biological process that takes place after the biotowers, where biomass (microorganisms) is mixed with the wastewater to feed on dissolved and suspended organic material. High speed blowers are used to provide compressed air to mix the tank contents.
- **Anaerobic Digesters:** In the anaerobic digestion process, organic material removed in the primary and secondary clarifiers is digested by anaerobic bacteria. The end products are methane, carbon dioxide, water, stabilized organic matter, and some inorganic material.
- **Biosolids:** Anaerobically digested solids that are removed from the two digesters, dewatered, and then beneficially reused. Beneficial reuse may include landfill alternate daily cover (ADC ), land application in the summer as a soil amendment and fertilizer, or converted into a liquid fertilizer for agricultural applications.
- **Biotower:** A biological treatment process, occurring after the primary clarifiers and before the aeration tanks, in which the wastewater trickles over a biomass-covered media. The biomass feeds on the dissolved and suspended solids in the wastewater.
- **Centrifuge:** Process equipment used to dewater biosolids prior to beneficial reuse.
- **Cogeneration System:** A system comprised of a dual-fuel engine coupled to an electric generator that is used to produce energy to power the Agency facilities. Fuels the system uses are methane biogas produced in the anaerobic digesters and, when biogas is not available, purchased natural gas. As well as generating electricity, the system supplies heat for plant processes and building heating.
- **Chlorine Contact Tanks (CCTs):** The final treatment process is disinfection and de-chlorination. The CCTs allow contact time for injected chlorine solution to disinfect the wastewater. Sodium bisulfite, the de-chlorination chemical, is introduced at the end of the CCTs to neutralize any residual chlorine to protect the San Francisco Bay environment.
- **Rotary Drum Thickener (RDT):** Waste activated sludge removed from the secondary clarifiers is thickened in rotary drum thickeners before being transported to the anaerobic digesters. Thickening removes some of the sludge's water content, to decrease hydraulic loading to the digesters.
- **Final Effluent:** After all the treatment processes are completed, the final effluent is discharged into to central San Francisco Bay through a 10,000-foot-long deep-water outfall.
- **Mean Cell Residence Time (MCRT):** An expression of the average time that a microorganism will spend in the secondary treatment system.
- **Mixed Liquor Suspended Solids (MLSS):** The liquid in the aeration tanks is called MLSS and is a combination of water, solids, and microbes. Suspended solids in the MLSS measured in milligrams per liter (mg/l).

- **Most Probable Number (MPN):** Concentrations, or number of colonies, of total coliform bacteria are reported as the “most probable number.” The MPN is not the absolute count of the bacteria but a statistical estimate of their concentration.
- **Polymer:** Polymer is added to digested sludge prior to dewatering to improve solids coagulation and water separation.
- **Primary Clarifier:** A physical (as opposed to biological) treatment process where solids that settle or float are removed and sent to the digesters for further processing.
- **Return Activated Sludge (RAS):** The purpose of returning activated sludge (biomass) to the aeration tanks is to maintain a sufficient concentration of microbes to consume the wastewater’s dissolved solids.
- **Secondary Clarifiers:** Provides settling for the biomass after aeration. Most of the settled biomass is returned to the aeration tank as return activated sludge (RAS) and some is sent to the RDT unit as waste activated sludge.
- **Sludge Volume Index (SVI):** This is a calculation used to indicate the settling ability of the biomass in the secondary clarifiers.
- **Thickened Waste Activated Sludge (TWAS):** Waste activated sludge is thickened in the RDTs, and then the TWAS product is pumped to the digester for processing.
- **Volatile Solids:** Organic content of the wastewater suspended solids.
- **Waste Activated Sludge (WAS):** Biomass that is removed from the secondary clarifiers pumped to the RDTs for thickening.

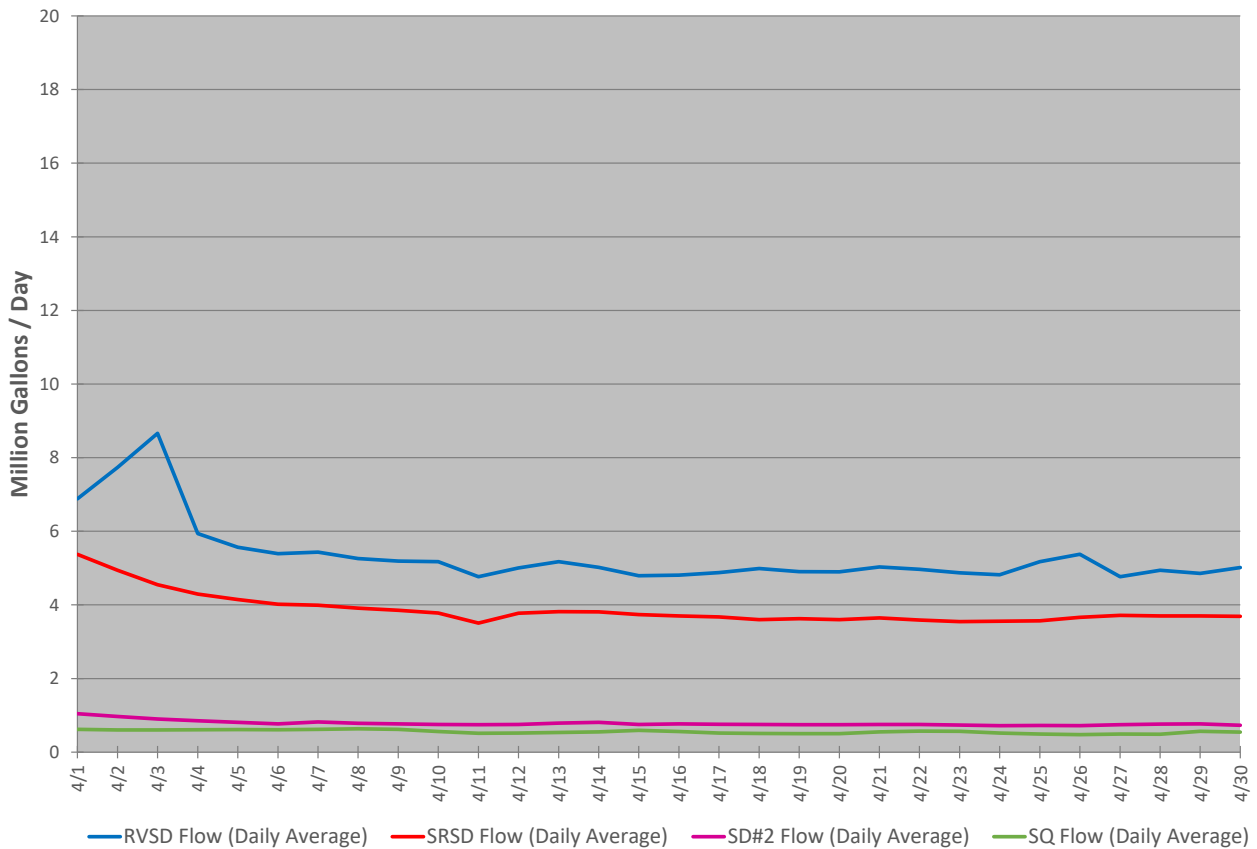
### Units of Measurement

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

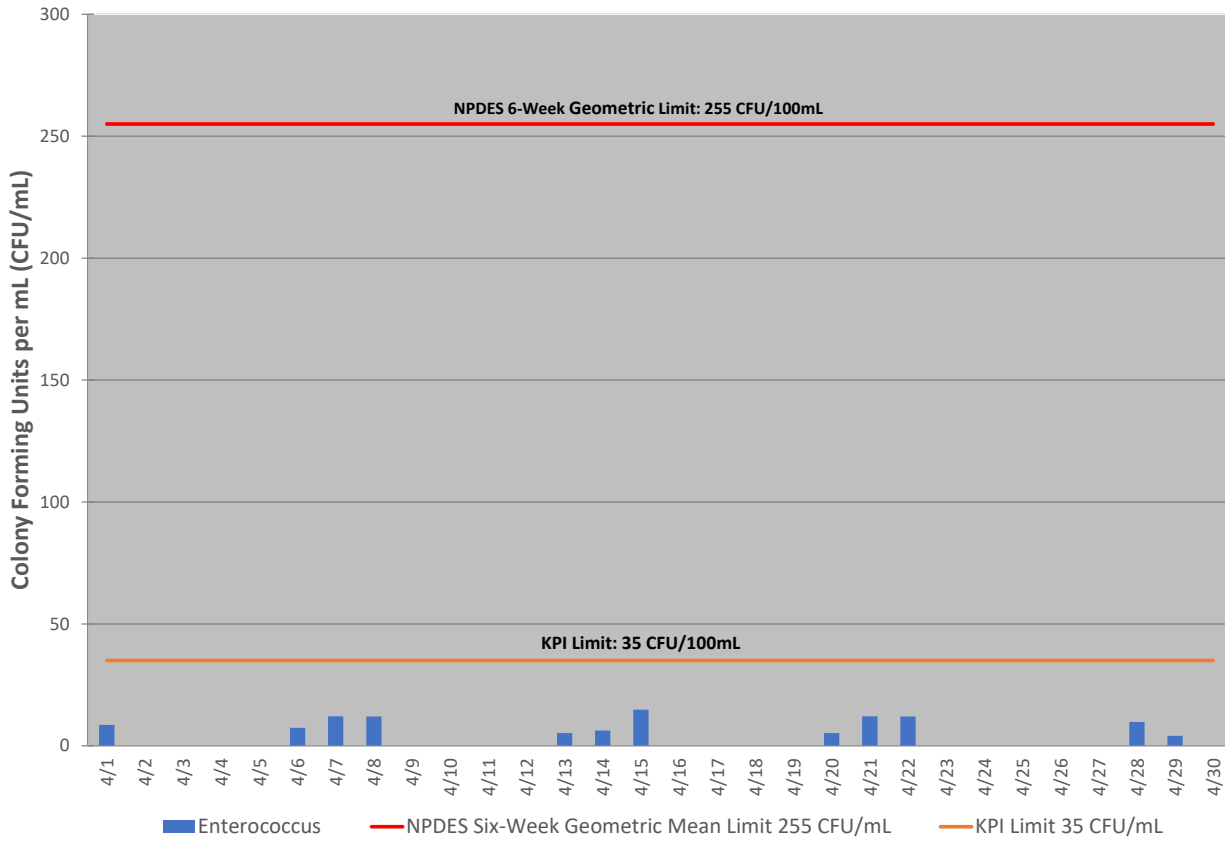
**Graph #1: CMSA Influent Flow and Rainfall**



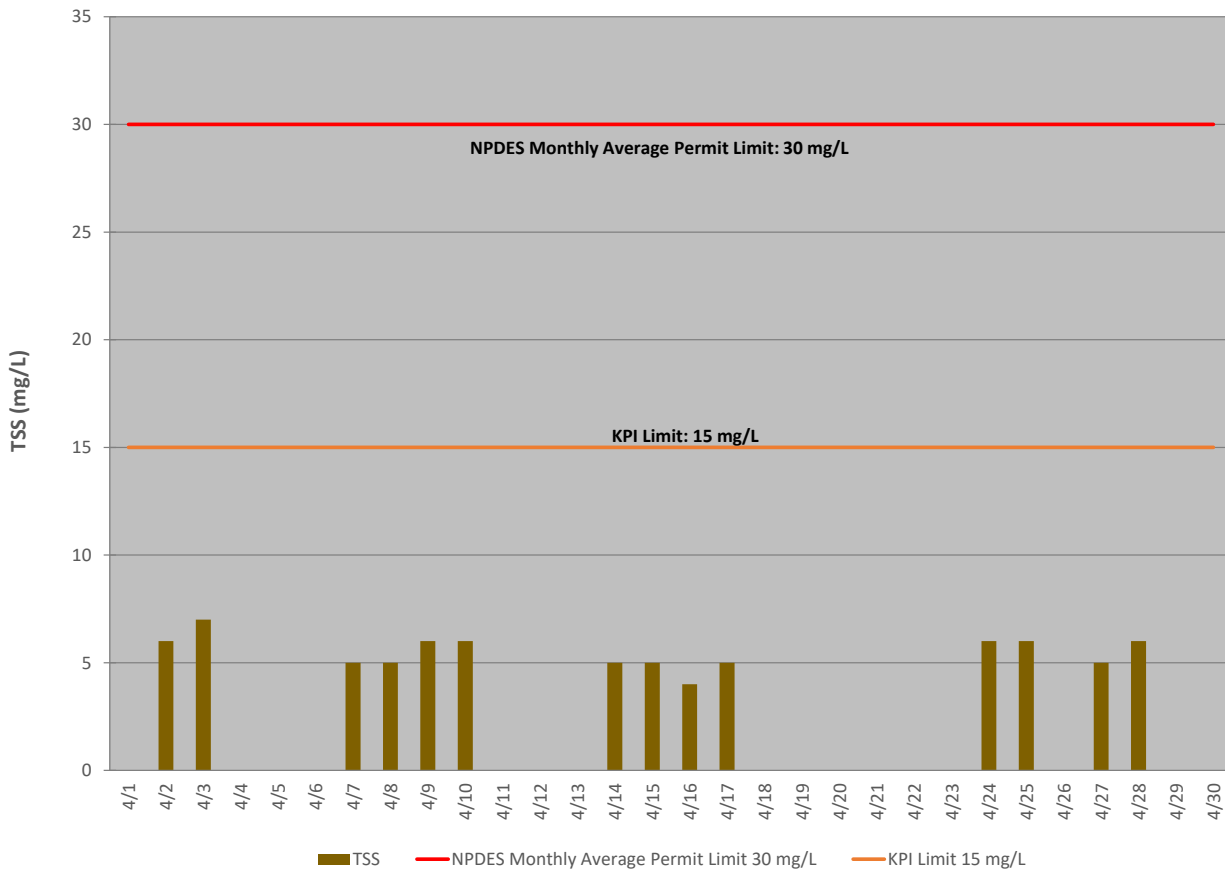
**Graph #2: Collection System Influent Flows**



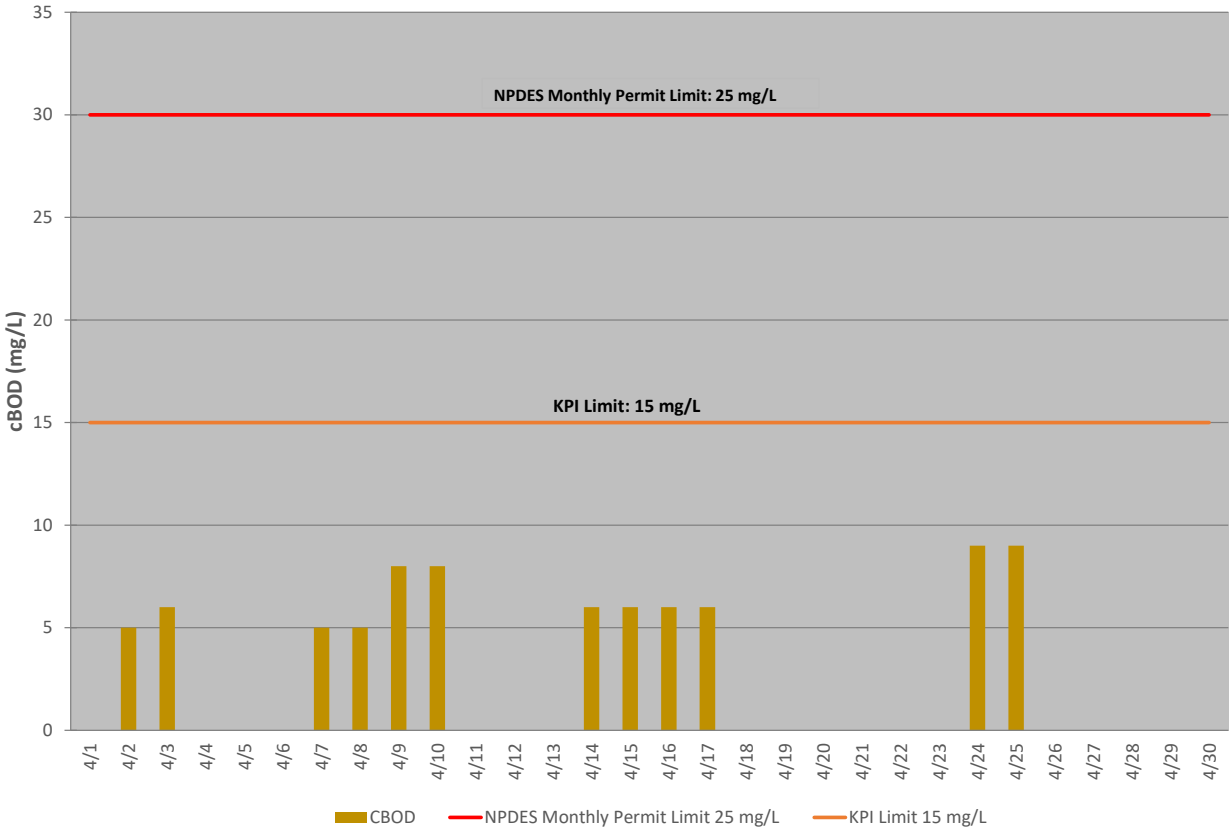
Graph #3: Enterococcus



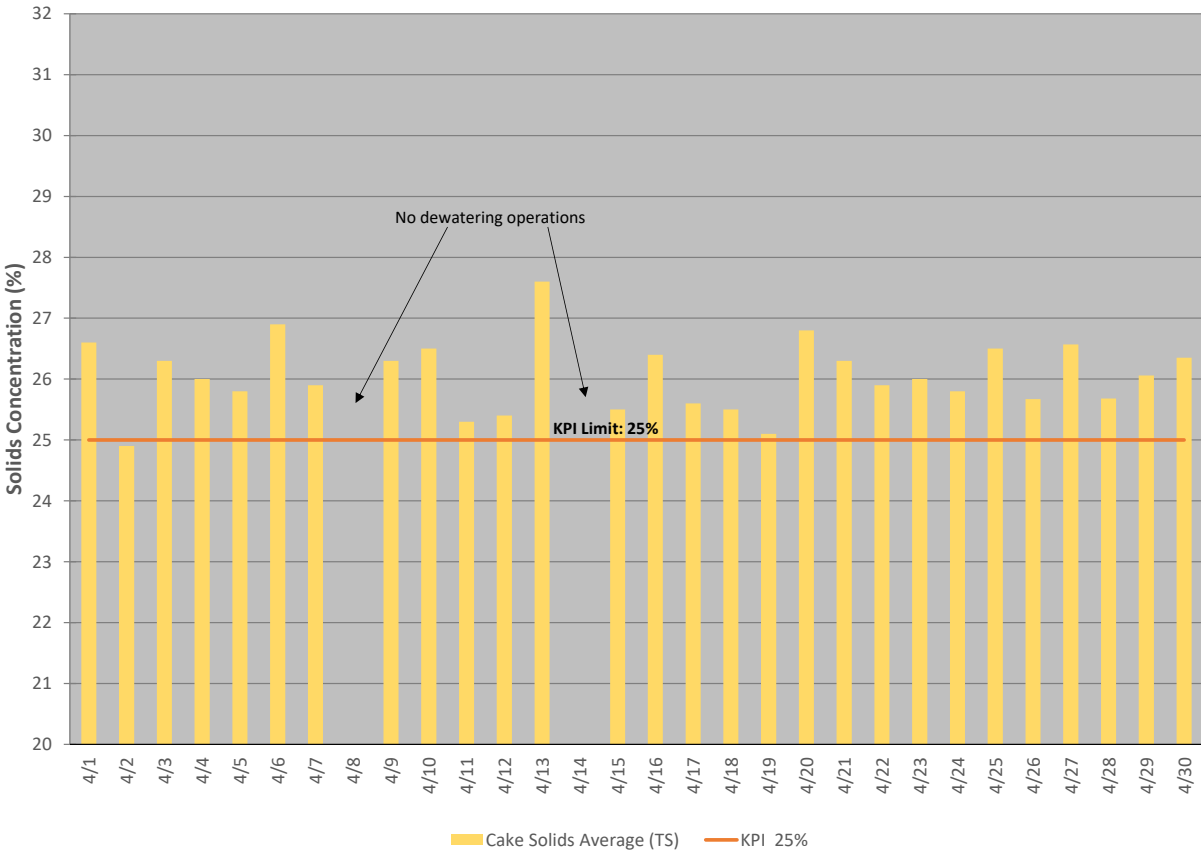
Graph #4: Final Effluent Total Suspended Solids



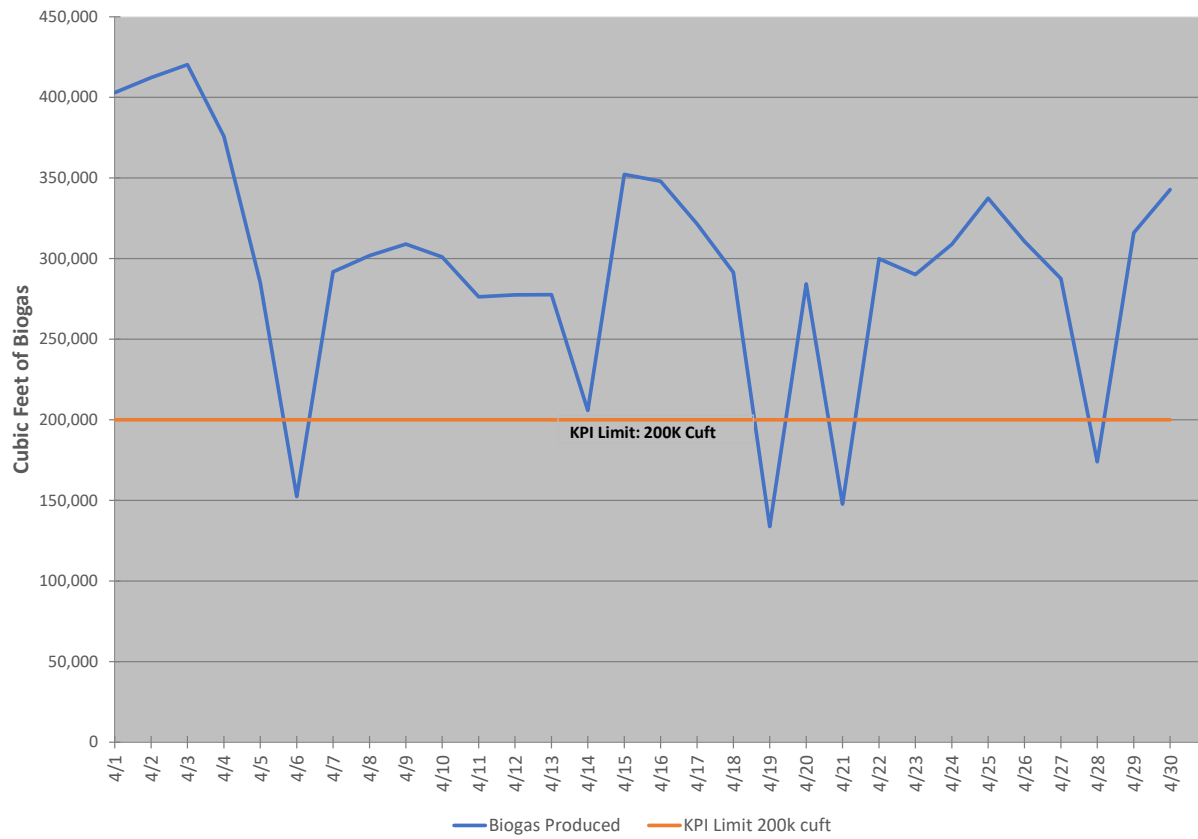
Graph #5: Carbonaceous Biochemical Oxygen Demand (cBOD)



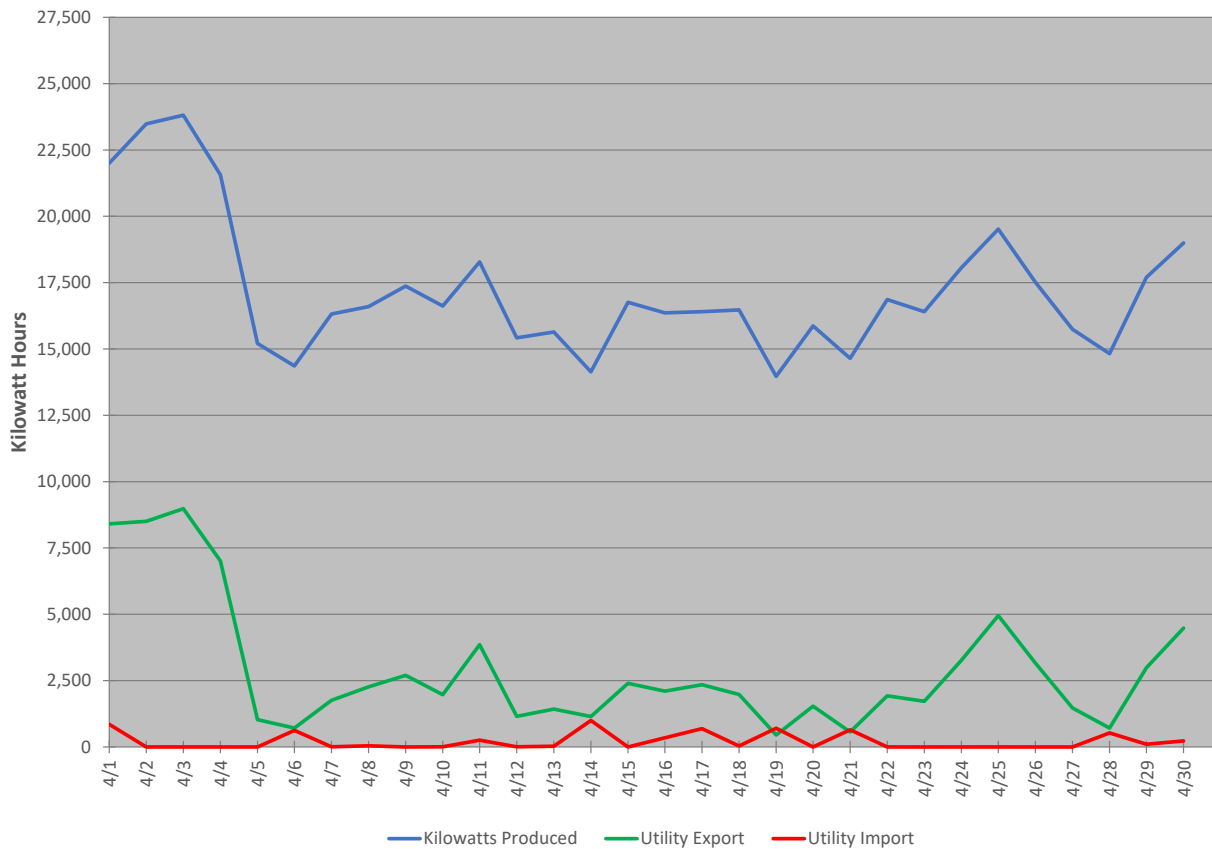
Graph #6: Biosolids Solids Concentration



Graph #7: Biogas Production



Graph #8: Power Distribution





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**BOARD MEMORANDUM**

May 8, 2025

To: CMSA Commissioners and Alternates

From: Jason Dow, General Manager

**Subject: Performance Metric Reports – April 2025**

**Recommendation:** Accept the April 2025 Performance Metric Reports.

**Performance Summary:** The Agency's performance in operations and maintenance activities, regulatory and environmental compliance, public education, and outreach met or exceeded, with a couple exceptions, all our metric goals/targets. Noteworthy metrics or variances are described below.

Table I – Treatment/Process Metrics

Final effluent quality continues to be very good, and with no rain events over the month, the treatment facilities are now in their dry weather operational mode.

Since December, due to increased organic waste deliveries and the resulting increase in biogas production, several of the Power Produced metrics (Item 8) have regularly exceeded their ranges, such as power produced from biogas and natural gas, power produced from biogas and delivered to MCE, and cogeneration system uptime. These metrics will be adjusted for the July 2025 report.

Table II – Employee Metrics

Training over the month included professional development training for several staff; most staff attended on-site Chemical Hazard Communication training, and Operations and Maintenance staff attended on-site Fall Protection Safety Training.

Four employees attended the California Water Environment Association's (CWEA) annual conference in Palm Springs, where they received the CWEA state level award for Safety Program of the Year.

Since October 2024, Lead Mechanical Technician Jake Dellinger, participated in the Marin-Sonoma County Leadership Academy with 38 other colleagues from Cities, Towns, and Special Districts in both counties. Jake graduated in April and appreciated the opportunity to attend the Academy.

### Table III – Public Outreach

One odor notification was posted to the Agency website for the draining of two aeration basins, and there were no public odor complaints.

Monthly public education events may include staff attendance at public outreach events, school classroom and/or juggler show presentations, and Agency tours, as presented below.

### Public Outreach Events

There were no public outreach events in April.

### School Events – Juggler Show Presentations and Classroom Events

Rock Steady Juggling provides elementary school outreach presentations and gave two presentations in April.

Date	School	Attendees
4/16	Saint Hillary School in Tiburon	150
4/22	Wade Thomas Elementary School in San Anselmo	360

### CMSA Tours

There were no tours in April.

### Table IV – Environmental and Regulatory Compliance Metrics

There were no final effluent or air permit exceedances during the month.

Environmental Service Analysts staff have supported laboratory work over the past few months resulting in the delay of some source control program inspections. In April, staff focused on completing the delayed inspections, and as result, completed 49 Class III industrial user inspections and 66 FOG program inspections. This completion rate exceeds each program's typical ranges. Staff expect to continue this trend through the remainder of this fiscal year.

### **Attachment:**

- April 2025 Performance Metric Report

TABLE I - TREATMENT/PROCESS METRICS

Metric	Definition	Measurement	Range/Target/Goal
<b>1) Wastewater Treated</b>	Volume of wastewater influent treated in million gallons (Mg); <i>Year to date in billion gallons (Bg)</i>	323.1 Mg; 1,758 Bg	165 – 820 Mg/month
<b>2) Recycled Water Use</b>	Volume of recycled water produced and used on-site, in million gallons (Mg) Volume delivered at the truck fill station, in thousand gallons (Kg)	24.1 Mg 37.0 Kg	25 - 40 Mg variable
<b>3) Biosolids Reuse</b>	Reuse at the Redwood Landfill, in wet tons (wt) Fertilizer and soil amendment at land application sites, in wet tons (wt) Bio-Fertilizer production at the Lystek facility, in wet tons (wt)	280.0 wt 35.0 wt 140.0 wt	360 – 665 wt
<b>4) Conventional Pollutant Removal</b>	Removal of the conventional NPDES pollutants - Total Suspended Solids (TSS) and Biological Oxygen Demand (BOD) a. tons of TSS removed; % TSS removal b. tons of BOD removed; % BOD removal <i>(a) BOD data for January 27-29, 2025, were not available at time of report generation.</i>	214 tons; 96% 244 tons; 96%	> 85% > 85%
<b>5) Priority Pollutants Removal</b>	Diversion of priority NPDES metals from discharge to the San Francisco Bay: a. % Mercury, for current quarter b. % Copper	82 % 81 %	88 – 99% 75 – 90%
<b>6) Total Inorganic Nitrogen</b>	Total Inorganic Nitrogen in final effluent (Permitted May – September) a. % of Monthly Total Limit b. May – September rolling monthly average	N/A N/A	<100% <1300 kg
<b>7) Biogas Production</b>	Biogas generated in our anaerobic digesters, in million cubic feet (Mft <sup>3</sup> ) Natural gas equivalent of the biogas, in million cubic feet (Mft <sup>3</sup> )	8.83 Mft <sup>3</sup> 5.65 Mft <sup>3</sup>	7.0 - 10.5 Mft <sup>3</sup> 4.5 - 6.7 Mft <sup>3</sup>
<b>8) Power Produced</b>	Power produced from cogeneration of biogas and purchased natural gas - in kilowatt hours. (kWh) Power produced from cogeneration of biogas and delivered to the MCE Cogeneration system runtime on biogas, <i>in hours (hrs.); % time during month</i> Agency power demand supplied by renewable power, % Cogeneration system uptime, <i>in hours; % time during month</i> Biogas value (natural gas cost equivalent).	517,016 kWh  86,973.7 kWh 648.5 hrs; 90.0% 92.0% 717.06 hrs; 99.6% \$43,194	380 - 480,000 kWh  40,000 - 70,000 kWh 600 hrs; 80% 80 - 100% 650 hrs; 87% \$30,000 - \$60,000
<b>9) Efficiency</b>	The cost to operate and maintain the treatment facilities per million gallons of wastewater treated, in dollars per million gallons. (\$/Mg) Energy used, kilowatt hours, per million gallons treated. (kWh/Mg)	\$3,420/Mg  1,619 kWh/Mg	\$2,500 - \$5,400/Mg (wet - dry) 670 - 2,400 kWh/Mg

## CMSA CY24 PERFORMANCE METRICS – April 2025

**Table II – EMPLOYEE METRICS**

Metric	Definition	Measurement	Target/Goal
<b>1) Employee Training</b>	Hours of internal training – safety, virtual, project, vendor, etc. Hours of external training – employment law, technical, regulatory, etc.	Internal = 98.5 hrs External = 255 hrs	variable
<b>2) Work Orders</b>	Preventative maintenance (PM) labor hours Planned corrective maintenance (CM) labor hours; % of CM+UCM hrs. Unplanned corrective maintenance (UCM) labor hours; % of CM+PM hrs. Ratio of PM to total corrective maintenance (CM + UCM);	996.5 hrs 626.25 hrs (98.8%) 7.75 hrs (0.4%) 1.07	800 - 1,100 hrs ≥ 70% total CM hrs ≤ 30% total hours ≥ 0.45
<b>3) Overtime Worked</b>	Monthly hours of overtime worked; <i>Year to date hours of overtime</i> % of regular hours worked; % <i>Year to date</i>	41.5 hrs; (390.1 hrs) 0.5%; (1.2%)	< 5%
<b>4) Internship Program</b>	Number of high school and college student interns work hours; <i>Year to date hours</i>	343 hrs; (795.5 hrs)	Variable

**Table III- PUBLIC OUTREACH**

Metric	Definition	Measurement	Target/Goal
<b>1) Public Education Events</b>	Attendance at public education outreach events; # of booth visitors; <i>(YTD)</i>	0; (800)	3,000/year
<b>2) School Events</b>	Participation or sponsorship in school outreach events; attendees; <i>(YTD)</i>	510; (1,408)	variable
<b>3) Agency Tours</b>	Tours given to students and the public; # of people, <i>(YTD)</i>	0; (97)	variable
<b>4) Odor Notifications</b>	Number of odor alerts posted to the Agency website	1	1-10
<b>5) Odor Complaints</b>	Number of odor complaints received from the public	0	0

## CMSA CY24 PERFORMANCE METRICS – April 2025

**Table IV - ENVIRONMENTAL AND REGULATORY COMPLIANCE METRICS**

<b>Metric</b>	<b>Definition</b>	<b>Measurement</b>	<b>Range/Target/Goal</b>
<b>1) Permit Exceedances</b>	# of NPDES permit exceedances # of BAAQMD permit exceedances	0 0	0 0
<b>2) Regulatory Analyses</b>	# of analyses by the CMSA laboratory for NPDES, stormwater, and biosolids regulatory compliance monitoring and reporting.	443	200-500
<b>3) Process Control Analyses</b>	# of analyses by the CMSA laboratory for process control monitoring	917	400-900
<b>4) Contract Laboratory Analyses</b>	# of analyses by contract laboratories for regulatory compliance reporting, and source control program monitoring.	50	25-150
<b>5) Quality Control Testing</b>	# of CMSA performed laboratory analyses for QA/QC purposes.	1,025	500-1,500
<b>6) Water Quality Sample Analyses</b>	# of ammonia, total and fecal coliform, enterococcus, and/or sulfide analyses performed for the CMSA member agencies, and occasionally source control monitoring analyses.	130	50-500
<b>7) Source Control Inspections</b>	Inspections of industrial and commercial businesses in the Agency's and LGVSD's source control programs and Novato Sanitary District's Mercury Reduction Program – 188 businesses and 97 dental offices.	49	10-30
<b>8) FOG Program Inspections</b>	Inspections of food service establishments (FSEs) in the Almonte, TCSD, SD2, RVSD, SRSD, and LGVSD service areas – approx. 343 FSEs are regulated.	66	30 – 50
<b>9) Permits Issued/Renewed</b>	Permits issued for the source control programs – pretreatment, pollution prevention, food service establishments, and ground water discharge.	5	variable



**BOARD MEMORANDUM**

May 8, 2025

To: CMSA Commissioners and Alternates

From: Corey Spray, Administrative Services Manager

Approved: Jason Dow, General Manager

**Subject: FY25 Third Quarter Budget Status Report**

**Recommendation:** Review and accept the Third Quarter Budget Status Report for FY25.

**Discussion:** We are pleased to present the budget status report for the third quarter ended March 31, 2025. Tables for revenues by source, expenses by function, and Capital Improvement Program (CIP) by major classes of capital projects are reflected below with analytical information for each.

**Highlights for the third quarter ended March 31, 2025, are as follows:**

- Third quarter total revenues are at 88.8% of the budget.
- Sewer service charges are at 75% as billed.
- Debt service contributions collected for the third quarter for debt service billed-as-due for JPA members and billed monthly for San Quentin State Prison are at approximately 98.9%.
- Debt service contributions include 25% coverage required by revenue bond indenture provisions, used as a financing source for the capital program.
- Capacity charges are collected at approximately 1,212.3% of budget for the third quarter through March 31, 2025.
- Total operating expenses incurred are at approximately 74.7% of the budget.
- Tables for expenses by function and department are shown on page 4 of this report.
- The CIP consists of 34 different projects classified within four categories with a total FY25 budget of approximately \$10.4M and actual expenditure or encumbrance of \$7.7M.

Description	FY25 Budget	YTD Act+Encum <sup>(1)</sup>	Amount (Over) Under	% Coll Spent
Total Collected Revenues	\$ 23,518,100	\$ 20,888,675	\$ 2,629,425	88.8%
Total Operating Expenses	17,257,651	12,896,011	4,361,640	74.7
Total Debt Service Payments	4,500,300	4,500,281	19	100.0
Total Capital Expenditures	\$ 10,364,562	\$ 7,727,882	\$ 2,636,680	74.6

<sup>(1)</sup> Encumbrances apply to operating expenses and capital expenditures only.

### **Collected Revenues by Source**

Description	FY25 Budget	YTD Actual	Amount (Over) Under	% Coll
Sewer Service Charges	\$ 14,823,000	\$ 11,117,250	\$ 3,705,750	75.0%
Contributions for Debt Service	5,625,400	5,561,685	63,715	98.9
Contract Services	1,945,600	1,582,133	363,467	81.3
Program Revenues	133,900	154,942	(21,042)	115.7
Haulers, Permits, & Inspection Fees	355,500	400,733	(45,233)	112.7
Other Non-Operating Revenues	270,000	1,037,612	(767,612)	384.3
Interest Income	325,200	555,478	(230,278)	170.8
Capacity Charges	39,500	478,843	(439,343)	1212.3
Total Revenues & Financing Sources	\$ 23,518,100	\$ 20,888,675	\$ 2,629,425	88.8%

**Sewer Service Charges:** Sewer service charges are billed at the beginning of each quarter to the JPA member agencies for operating and capital funding and are due upon receipt. Sewer service charges are the largest revenue source.

**Contributions for Debt Service:** Debt service contributions, including coverage, are billed to the JPA member agencies in August and February, prior to each debt service payment. San Quentin's contributions are billed monthly and have been received through March.

**Contract Services and Program Revenues:** These revenues have separate tables and analytical information for each as shown on the following page.

**Haulers, Permits, and Inspection Fees:** Revenue from haulers is approximately 112.7%. This revenue type represents septic receiving-facility-use-charges, organic waste disposal tipping fees, industrial waste discharge permit fees, reimbursement of costs for source control program discharger permits, and other related services.

**Other Non-Operating Revenues:** Other non-operating revenues consists of small dollar items, infrequent cost reimbursements, grant proceeds, and insurance dividends. The Agency is applying for reimbursement of project costs under the CalRecycle program, of which the total collection from FY23 through FY25 thus far is \$2.3M. The Agency received \$761,195 from this program in the current year. Payment of retention is expected to be paid in the current fiscal year in the amount of approximately \$250,000. Lastly, it received its CERBT reimbursement of \$173,430 following its OPEB Funding Plan.

**Interest Income:** The California Asset Management Program (CAMP) posts interest monthly and is currently at 4.47%. The Local Agency Investment Fund (LAIF) posts interest quarterly and is currently at 4.313% of applicable account balances. Investments in LAIF have become subject to market value adjustment that is reflected as an increase or decrease to interest income.

**Capacity Charges:** Budgeted capacity charges are a placeholder for five residential new connections from the JPA members. Actual capacity charges received represent new

connections and increased fixture units for existing connections. The Agency received proceeds for 561 new fixtures (117 SRSD, 342 RVSD, 102 SD2) and 6 new connections (4 SRSD, 2 RVSD). Of the collections, there were 4 high strength users.

### **Contract Service Revenues**

Description	FY25 Budget	YTD Actual Collections	YTD Actual Expenses	Invoice Frequency
Marin Airporter Property Use	\$ 75,400	\$ 55,127	NA	Monthly
Marin Clean Energy	43,200	56,139	NA	NA
SQSP Wastewater Services	815,000	679,167	679,167	Monthly
SQSP Pump Station Maintenance	458,900	375,138	307,239	Monthly
SQ Village Wastewater Services	20,000	17,889	14,651	Monthly
SD2 Pump Stations	450,000	343,247	281,119	Monthly
LGVSD – FOG & Pollution Prevention	15,100	11,390	9,336	Quarterly
RVSD – FOG	23,400	24,656	22,415	Quarterly
SRSD – FOG	29,700	9,411	8,556	Quarterly
TCSD – FOG	1,500	1,443	1,183	Quarterly
SD2 – FOG	7,700	2,615	2,377	Quarterly
Almonte SD – FOG	1,200	1,751	1,436	Quarterly
NSD – Dental Amalgam	4,500	4,159	3,409	Annual
<b>Total Contract Service Revenues</b>	<b>\$ 1,945,600</b>	<b>\$ 1,582,133</b>	<b>\$ 1,330,886</b>	

**Contract Services:** The Agency provides services to sanitary districts and other government entities for wastewater treatment, collection system operations and maintenance, pump station maintenance, and source control program services. Contract service revenues in total are at approximately 81.3% of the budget for the third quarter. The Agency contracts with San Quentin State Prison (SQSP) for wastewater treatment services and pump station operation and maintenance, San Quentin Village (SQV) for collection system operation and maintenance, and SD2 for pump station and force main operation and maintenance. FOG and pollution prevention program activities completed through the third quarter have been billed to the respective contract agencies, and we anticipate payments in April and May.

Contract service revenues are billed to participating entities for the direct costs of materials, use of Agency equipment and supplies, along with total compensation for employee staff time at weighted labor rates. Overhead rates are in accordance with contract provisions and range from 10%-22.1% depending upon the contract. Wastewater treatment services for SQSP are based on flow and strength of the prison's wastewater as a proportion of the total cost of CMSA operation plus capital.

### **Program Revenues**

Description	FY25 Budget	Total Revenue	Actual Expenses	Invoice Frequency
Revenue for Health & Safety Program	\$ 98,900	\$ 80,572	\$ 76,735	Quarterly
Countywide Education Program	35,000	28,590	24,861	Quarterly
Other program revenues	-	42,010	42,010	Monthly
NBWA treasurer services	-	3,770	9,693	Annual
Total Program Revenues	\$ 133,900	\$ 154,942	\$ 153,299	

**Program Revenues:** The Agency administers joint venture programs for Health and Safety (H&S) with the Novato Sanitary District (NSD) and a Countywide Education Program (CWP) with five participating wastewater agencies in Marin County. Costs of the H&S program are allocated between the Agency and NSD for salary and benefits, incidental program expenses, and outside safety training costs. The Agency manages the H&S program and charges an administrative fee to NSD, accordingly. Revenue for the H&S program is at approximately 81.5%.

CWP participants plan their programs as a group and budget respective annual shares of program costs based upon percentages established in the CWP agreement at the beginning of each fiscal year. The Agency purchases program materials on behalf of CWP participants and recognizes revenue for reimbursed expenditures plus an administrative fee.

The Agency has been engaged for two additional contracting services. One is for the development of a contract with San Rafael Sanitation District (SRSD) which is reimbursed for applicable costs incurred working on the contract and has received \$42,010 through current quarter. The second, the Agency began services with the North Bay Watershed Association (NBWA) to serve as its Treasurer. Applicable costs incurred for staff time, supplies, and bank fees are reimbursed by NBWA. Costs are to be reimbursed annually with the recently recorded receipt being related to reimbursable contract, financial system, and new bank account setup costs.

### **Expenses by Function**

Description	FY25 Budget	YTD Act+Encum	Amount (Over) Under	% Spent + Encum
Salaries and Benefits	\$ 11,314,650	\$ 8,336,589	\$ 2,978,061	73.7%
Biosolids Management	632,000	399,339	232,661	63.2
Chemicals and Fuel	2,063,000	1,503,115	559,885	72.9
Permit Testing and Monitoring	252,765	243,857	8,908	96.5
Repairs and Maintenance	827,072	774,396	52,676	93.6
Insurance	634,050	549,953	84,097	86.7
Utilities	444,200	283,184	161,016	63.8
General and Administrative	1,089,914	805,577	284,337	73.9
Total Expenses by Function	\$ 17,257,651	\$ 12,896,011	\$ 4,361,640	74.7%



### **Expenses by Department**

Description	FY25 Budget	YTD Act+Encum	Amount (Over) Under	% Spent + Encum
Administration	\$ 4,053,164	\$ 2,882,949	\$ 1,170,216	71.1%
Health and Safety	303,900	202,507	101,393	66.6
Technical Services	3,578,665	2,780,722	797,943	77.7
Operations	5,230,400	3,885,239	1,345,161	74.3
Maintenance	4,091,522	3,144,594	946,927	76.9
Total Expenses by Department	\$ 17,257,651	\$ 12,896,011	\$ 4,361,640	74.7%

**Salary and Benefits:** Salary and benefit expenses include 20 of 26 payrolls (or 77%) that, in total, are at about 73.7% for the third quarter. Benefit costs include pension obligation bond debt service plus a provision to the employee benefits trust to assist the Agency with managing its pension related obligations with CalPERS. The YTD expenses include the cash-out of accrued leave balances for three retiring employees.

**General Purchasing Information:** Expenses and capital disbursements follow purchasing procedures established by policies to ensure protection of public assets, fairness in the purchasing process, and transparency to the public. Purchases are recognized as expenses or additions to capital projects when the goods are received or the services performed.

**General and Administrative (G&A):** Expenditures are tracking at 73.9% of budget reflecting strong purchasing across all account classifications within general and administrative. The G&A expense category includes professional services (legal, financial, regulatory, etc.), operating permits, memberships in local, state, and national wastewater organizations, employee certifications, conferences, safety supplies, training, software renewals, and office expenses.

**Insurance:** Insurance is at 86.7% spent for the YTD reflecting annual premiums that are paid in the first half of the fiscal year. The schedule below provides the payment status for insurance coverage. Insurance premiums are paid following when policies are renewed. Workers' Compensation insurance experienced a 28% decrease due to lower claims over the past fiscal year. Property insurance increased only 9% going into FY25, which is lower than the Agency's anticipated 25% increase given CSRMA's expectations on the property market activity. General liability insurance increased 8% going into FY25 primarily due to both actual losses experienced within the insurance pool and current investment market activity. Though in aggregate, the Agency is still experiencing savings in its insurance budget.

Description	FY25 Premium	Status
General Liability and Auto	107,989	FY25 paid in full
Pollution Liability	-	FY25 to be paid in April 2025
Officers Fidelity Bonds	-	FY25 (3-yr staggered terms – none billed Q3)
Commercial Crime Insurance	3,938	FY25 paid in full
Workers Compensation	172,800	FY25 paid in full
Property Insurance	265,226	FY25 paid in full

**Repairs and Maintenance:** Repair and maintenance expenditures currently represent approximately 93.6% of the annual budget. These expenditures encompass planned maintenance on pumps, gates, process equipment, and procurement of air purification media. Additionally, this percentage also includes \$158,539.51 in fully reimbursable asset management projects that were approved and completed at the San Quentin Pump Station in the third quarter, contributing to the elevated expenditure level. Expenditure levels alone do not directly indicate the quality or volume of repair and maintenance activities. For instance, higher expenditures may reflect the purchase of materials and supplies in preparation for upcoming maintenance, while lower expenditures may indicate staff performing planned maintenance utilizing existing parts inventory. As of the end of the third quarter, the parts inventory is valued at approximately \$2.4 million, ensuring readiness for essential maintenance needs.

**Chemicals and Fuel:** The current fiscal year budget utilization is at 72.9%, aligning with projected expenditures. Diesel prices have remained stable. Chemical usage fluctuates throughout the year based on weather conditions. For example, in the first quarter and early second quarter, during warmer weather, there tends to be higher usage of calcium nitrate and hydrogen peroxide for odor control. Higher usage of sodium hypochlorite and bisulfite is expected in the second and third quarters during the wet weather season when plant influent flows increase. Fuel consumption for vehicles remains steady year-round.

**Table of Chemical Purchases:**

Description	% Budget	Number of Deliveries
Ferric Chloride	85.4%	9 delivery(s) through March 2025
Polymer	32.6%	1 delivery(s) through March 2025
Calcium Nitrate (odor control)	66.0%	18 delivery(s) through March 2025
Hydrogen Peroxide (odor control)	83.5%	21 delivery(s) through March 2025
Sodium Hypochlorite (disinfection)	88.1%	38 delivery(s) through March 2025
Sodium Bisulfite (dechlorination)	57.7%	17 delivery(s) through March 2025

**Biosolids Management:** Expenditures were at 63.2% of budget for the third quarter. Management expenses vary and are primarily dependent upon seasonal weather-related circumstances: (1) land application and alternate daily cover at the Redwood Landfill results in lower hauling and reuse tipping fee costs when compared to biofertilizer production at the Lystek facility, and (2) the volume for beneficial reuse is lower during the warmer weather spring and summer months. Costs for this area are still on track for the third quarter of this budget.

**Permit Testing and Monitoring:** Permit testing and monitoring actual expenditures are at approximately 96.5% for costs associated with purchases of lab supplies and equipment rentals, NPDES and source control monitoring, and other types of monitoring/testing that were approximated at the beginning of the fiscal year to cover the entire fiscal year. Contract purchase orders for NPDES permit compliance analyses and source control monitoring have been encumbered for the entire fiscal year, resulting in the year-to-date balance. Costs for this area are on track for the third quarter of this budget.

**Utilities:** Utility costs are approximately 63.8% of budget for the third quarter. The FY25 budget usage is currently at 63.0% for electricity, 32.5% for natural gas, 65.3% for water, and 89.4% for solid waste, all of which align closely with projected consumption.

### **Debt Service Payments**

Description	FY25 Budget	YTD Actual	Amount Remaining	% Spent	Debt Invoice
Principal	\$3,325,000	\$3,325,000	\$ -	100.0%	JPA-Annual SQSP-Monthly
Interest	1,175,300	1,175,281	19	100.0%	Same
<b>Total Debt Service Payments</b>	<b>\$4,500,300</b>	<b>\$4,600,281</b>	<b>\$ 19</b>	<b>100.0%</b>	

The debt service amounts shown above consist of full annual principal and interest for the 2015 and 2020 revenue bonds. The first installment paid on September 1<sup>st</sup> for each issue, contains full principal and partial interest, and the second installment paid on March 1<sup>st</sup> is interest only. Both debt service payments have been made and annual debt service for FY25 is approximately 100.0% paid. The 2022 Pension Obligation Bond's debt service is paid in lieu of the required annual UAL cost paid to CalPERS following the Agency's pension funding plan.

Debt service amounts are invoiced to the JPA members approximately one month in advance of when the debt service payments are due. San Quentin Prison is invoiced monthly for its share.

### **Capital Improvement Program**

Description	FY25 Budget	YTD Actual	Encum	Amount (Over) Under	% Spent + Encum
Facility Improvements	1,877,356	645,405	437,363	794,587	57.7
General Equipment	761,409	529,707	88,883	142,819	81.2
Liquids Treatment Equipment and Systems	4,918,553	1,201,478	2,139,020	1,578,055	67.9
Solids Treatment and Energy Generation Equip and Systems	2,807,244	804,532	1,881,494	121,218	95.7
<b>Total Cap Improv Program</b>	<b>\$ 10,364,562</b>	<b>\$ 3,181,122</b>	<b>\$ 4,546,761</b>	<b>\$ 2,636,680</b>	<b>74.6%</b>

Total capital program expenditures amount to approximately \$7.7M through the third quarter, with encumbrances for outstanding contracts in the amount of approximately \$4.5M. There are payments made for numerous projects with each of the capital improvement program categories (1) Facility Improvements, (2) General Equipment, (3) Liquids, Treatment Equipment, and Systems, and (4) Solids Treatment and Energy Generation Equipment and Systems. Salaries and benefits for in-house staff are charged through time-entry to projects, where applicable, for cost reimbursement purposes such as those financed through grants or other programs.

### **Attachment:**

- Third Quarter Capital Program Budget Report



Capital Program Budget Report  
FY25 Q3 (As of March 31, 2025)

Status

Attachment

		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Used	
Facility Improvements									
<a href="#">100-0230-550-8203</a>	Industrial Coatings/Concrete Rehabilitation	401,700.00	401,700.00	-	-	17,223.00	384,477.00	4.29	GHD was retained for \$17.2k to design the concrete repairs in the headworks odor scrubber room.
<a href="#">100-0230-550-8204</a>	Outfall Inspection & Repairs	640,700.00	640,700.00	-	548,840.00	-	91,860.00	85.66	No account activity during this period. Tidal Marine was retained to remove solids from the outfall pipeline. The work was completed in Q2.
<a href="#">100-0230-550-8205</a>	Facility Improvements	197,500.00	201,819.38	14,188.97	50,194.80	59,683.59	91,940.99	54.44	Potable water and hot water replacement hoses and associated parts were purchased for Gallery A. The encumbrance is for the purchase of bulk hoses for various facility locations and replacement of two rag bins.
<a href="#">100-0230-550-8206</a>	Facility Paving/Site Work	193,600.00	316,600.00	-	3,509.00	310,155.00	2,936.00	99.07	No account activity during this period. The encumbrance is for the parking lot rehabilitation project in Q4, and \$123k was transferred from the Facility Structures Seismic account to fund the parking lot construction project.
<a href="#">100-0230-550-8209</a>	SHB Elevator Control Replacement	233,000.00	233,000.00	-	5,880.00	27,405.00	199,715.00	14.29	The encumbrance includes \$25.9k for consultant JE Sellen to perform an elevator system assessment and design, and \$7.2k for North Bay Elevator to replace the worn-out selector cable. JE Sellen completed the assessment in Q3.
<a href="#">100-0230-550-8210</a>	Facility Structures Seismic	247,200.00	83,536.25	5,896.80	36,981.10	22,896.90	23,658.25	71.68	A contract with Kennedy/Jenks Engineers for \$56.9k was executed in Q2 to perform a seismic study of the settlement observed under the primary clarifiers, biotowers and aeration tanks. Consultant provided the final report and recommendations in March. A budget transfer of \$123k was moved to the Facility Paving/Site Work account, and \$40.6k was transferred to the Influent Flow Meter Improvement account.
Facility Improvements Total:		1,913,700.00	1,877,355.63	20,085.77	645,404.90	437,363.49	794,587.24	57.7%	
General Equipment									
<a href="#">100-0110-550-8301</a>	Process control	88,400.00	82,400.00	367.90	7,902.11	2,398.90	72,098.99	12.50	Public address system amplifiers were purchased and installed. Retired annuitant labor for process control work was funded from this account. A SCADA phone notification module was purchased.
<a href="#">100-0110-550-8302</a>	Security/Fire Systems	23,300.00	29,300.00	969.00	8,047.65	20,422.74	829.61	97.17	Emergency fence repairs were completed after a MMWD water main broke adjacent to the plant facility,which will be reimbursed by MMWD, and a quarterly inspection was performed on the fire sprinkler system. The encumbrance is for fire protection modifications to the Administration and Effluent Pump Station buildings, and test equipment for the fire protection system.
<a href="#">100-0110-550-8304</a>	IT Hardware/Communication Equipment	70,300.00	70,300.00	305.88	42,710.56	-	27,589.44	60.75	Staff workstations (55) were purchased and are being deployed. Wireless access points were purchased and installed. Six facility phones were replaced. Two iPads for operations and two voice radios were purchased. Miscellaneous IT supplies (keyboard, monitors, cabling) were purchased.
<a href="#">100-0230-550-8306</a>	Laboratory Equipment	35,500.00	65,302.19	-	46,732.17	47,581.19	(29,011.17)	144.43	No account activity during this period. The encumbrance is for a critical spare composite sampler, laboratory oven, dishwater and associated parts. A refund for the prior non-functional dishwasher (\$14K) will be issued and will decrease the encumbrance in Q4. Expenditures exceeded budget due to increase in TKN equipment (\$3K) and unforeseen sample repair costs (\$9K), and a budget transfer will be made in Q4 to reconcile the negative variance.
<a href="#">100-0350-550-8303</a>	Fuel Storage Tanks	13,000.00	13,000.00	-	896.94	-	12,103.06	6.90	No account activity during this period.
<a href="#">100-0350-550-8305</a>	Agency Vehicle Replacement	327,000.00	343,000.00	43,796.87	342,352.40	-	647.60	99.81	A new trailer-mounted emergency generator was purchased.
<a href="#">100-0350-550-8307</a>	Electrical Equipment	109,000.00	90,000.00	16,778.33	35,415.39	18,201.55	36,383.06	59.57	Electrical conduits and fittings were procured and delivered for automating the chlorine contact tank gate. The encumbrance is for a new actuator that was ordered for the effluent pump station sluice gate and is awaiting delivery.
<a href="#">100-0350-550-8309</a>	Process Instrumentation	53,600.00	53,600.00	1,619.22	42,319.21	278.61	11,002.18	79.47	A new biogas flowmeter for Digester No . 1 was ordered and installed. A new Sentry hub and associated equipment were also ordered and installed. The encumbrance is for replacement calibration gas which has been ordered.
<a href="#">100-0350-550-8310</a>	Electrical Distribution System Rehabilitation	-	14,506.64	-	3,330.25	-	11,176.39	22.96	No account activity during this period.
General Equipment Total:		720,100.00	761,408.83	63,837.20	529,706.68	88,882.99	142,819.16	81.2%	



Capital Program Budget Report  
FY25 Q3 (As of March 31, 2025)

Status

		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Used	
Liquids Treatment Equipment and Systems									
<a href="#">100-0230-550-8412</a>	Process piping inspection/repairs/rehabilitation	95,000.00	41,100.00	-	17,677.97	-	23,422.03	43.01	No account activity during this period.
<a href="#">100-0230-550-8416</a>	Influent Flow Meter Improvement	-	147,534.45	-	-	147,534.45	-	100.00	The encumbrance is for the removal of an unused Ross Valley interceptor flowmeter and the new flowmeter installation. A budget transfer of \$40.6k was moved from the Facilities Structures Seismic account, and \$37k was moved from the Emergency Generator Improvement account to fund the new flowmeter installation.
<a href="#">100-0230-550-8417</a>	Nutrient Removal	1,000,000.00	1,000,000.00	59,505.82	324,346.86	305,400.18	370,252.96	62.97	Carollo Engineers and Hazen & Sawyer developed the project design criteria and are continuing to refine the process model to evaluate nutrient removal alternatives. Laboratory equipment supplies were purchased, and the encumbrance is for ongoing nutrient removal evaluation efforts, laboratory supplies, and outsourced sampling for the nutrient study.
<a href="#">100-0230-550-8418</a>	Recycled Water	100,000.00	100,000.00	-	-	-	100,000.00	0.00	No account activity during this period.
<a href="#">100-0350-550-8402</a>	Plant Pumps	109,300.00	109,300.00	250.07	48,754.70	58,763.95	1,781.35	98.37	Primary clarifier sludge pump base replacement materials were ordered and delivered. The encumbrance is for five progressive cavity pumps critical spares.
<a href="#">100-0350-550-8403</a>	Chemical Pumps	73,200.00	73,200.00	-	31,800.50	9,031.15	32,368.35	55.78	No account activity during this period. The encumbrance is for a critical spare pump diaphragm head for the hypochlorite pumps.
<a href="#">100-0350-550-8404</a>	Gates Rehabilitation	253,000.00	272,000.00	32,775.00	34,351.56	237,336.88	311.56	99.89	Gate actuators for the chlorine contact tanks were ordered and delivered. Aeration basin effluent gates and chlorine contact tank inlet gates were ordered and are awaiting delivery.
<a href="#">100-0350-550-8405</a>	Headworks Equipment	1,847,000.00	1,963,737.31	-	258,517.65	1,233,870.05	471,349.61	76.00	Carollo Engineers developed the VFD pre-purchase documents and reviewed the VFD submittals for the Grit Classifiers Replacement Project. The encumbrance is for the pre-purchased grit washers, grit pumps and VFDs which are awaiting delivery.
<a href="#">100-0350-550-8408</a>	Primary Clarifier Rehabilitation	1,110,500.00	1,127,981.20	-	460,006.26	108,292.61	559,682.33	50.38	A \$7.8k payment was made in Q3 for two controllers for suspended solids probes. The encumbrance is for the procurement of flights, chains, sprockets, and associated parts to rehabilitate Primary Clarifiers No. 2 & 3 beginning in Q4.
<a href="#">100-0350-550-8413</a>	Chemical Tanks	53,700.00	53,700.00	-	1,302.98	35,804.87	16,592.15	69.10	No account activity during this period. The encumbrance is for the replacement of sodium bisulfite in Chemical Tank No. 1 which has been ordered and is awaiting delivery.
<a href="#">100-0350-550-8414</a>	Piping-Valves-Operators	30,000.00	30,000.00	-	24,719.30	2,986.33	2,294.37	92.35	No account activity during this period. The encumbrance is for the procurement of a new 6-inch pipe spool for the potable water line.
Liquids Treatment Equipment and Systems Total:		4,671,700.00	4,918,552.96	92,530.89	1,201,477.78	2,139,020.47	1,578,054.71	67.9%	
Solids Treatment and Energy Generation Equipment and Systems									
<a href="#">100-0230-550-8501</a>	Emergency Generator Improvement	65,000.00	28,129.30	-	-	-	28,129.30	0.00	No account activity during this period. A budget transfer was made to the Influent Flow Meter Improvement account for the new flowmeter installation.
<a href="#">100-0230-550-8505</a>	New Cogeneration System	421,800.00	438,800.00	-	210,248.25	268,813.00	(40,261.25)	109.18	A \$48k payment was made in Q3 for Michael Brown's investment tax credit advisory services and a \$37.6k payment was made to Western Energy Systems for a new pre-cooler exhaust heat exchanger unit. The \$268.8k retention for Western Energy Systems is being withheld until all engine controls testing is completed in Q4. A budget transfer of \$40k in Q4 will reconcile the resulting negative variance.
<a href="#">100-0230-550-8514</a>	Liquid Org Waste Storage & Biogas Trmt Upg	-	6,415.00	-	6,415.00	-	-	100.00	No account activity during this period.
<a href="#">100-0350-550-8503</a>	Centrifuge Replacement	2,025,000.00	2,025,000.00	195,641.59	487,076.65	1,534,062.38	3,860.97	99.81	Black & Veatch reviewed the centrifuge submittals and developed the 90 percent design. Final design is expected to be completed in Q4. The encumbrance includes the pre-purchased centrifuges in the amount of \$1,456k and remaining consultant fees.
<a href="#">100-0350-550-8506</a>	Hot Water Systems	36,300.00	20,300.00	-	-	-	20,300.00	0.00	No account activity during this period.
<a href="#">100-0350-550-8510</a>	Biosolids Hoppers-Maintenance	80,000.00	80,000.00	-	1.52	-	79,998.48	0.00	No account activity during this period.
<a href="#">100-0350-550-8511</a>	Organic Waste Receiving Facility	103,100.00	103,100.00	25,276.47	25,757.54	50,801.54	26,540.92	74.26	A new odor scrubber tank was ordered and installed at the organic waste receiving station. The encumbrance is for two critical spare mixing pumps.
<a href="#">100-0350-550-8513</a>	Jenbacher Cogeneration Maintenance	72,000.00	105,500.00	5,676.72	75,033.28	27,816.72	2,650.00	97.49	Routine long term service agreement operating hour payments were processed. The encumbrance is for the remaining long term service agreement work in Q4.
Solids Treatment and Energy Generation Equipment and Systems Total:		2,803,200.00	2,807,244.30	226,594.78	804,532.24	1,881,493.64	121,218.42	95.7%	
Report Total:		10,108,700.00	10,364,561.72	403,048.64	3,181,121.60	4,546,760.59	2,636,679.53	74.6%	



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## BOARD MEMORANDUM

May 8, 2025

To: CMSA Board of Commissioners

From: Corey Spray, Administrative Services Manager and Treasurer  
Jason Dow, General Manager

Approved: Board Finance Committee – Commissioners Beckman, DiGiovanni, and Gaffney

**Subject: CMSA Investments Policy – Financial Policy #531 Update**

**Recommendation:** Approve the Agency's updated Investments Policy.

**Summary:** The Board approved of the Agency's Investments Policy (Policy) at the March 6, 2025, meeting. The Policy provides annual approval and delegation of managing the Agency's investments to the Treasurer. The California Government Code (CGC), Sections 53607 and 53646, requires a legislative body to annually adopt its investment policy if it delegates investment authority to staff. Staff have subsequently updated the Policy following recommendations provided by the California Municipal Treasurer's Association (CMTA) for consideration of receiving the Investment Policy Award under the CMTA Investment Policy Certification Program.

Staff presented these proposed Policy changes to the Finance Committee at the May 1, 2025, meeting and incorporated the Committee's comments.

**Discussion:** The CMTA is a professional association founded in 1958 whose mission is to "lead in promoting and enhancing the fiduciary responsibility and integrity of individuals responsible for public funds". This organization further developed the CMTA Investment Policy Certification Program to support local government agencies in developing investment policies and industry best practices that comply with both State law and follow the California Debt and Investment Advisory Commission (CDIAC). It is a wonderful program and organization that awards agencies with a certificate stating that the Agency's Investment Policy was reviewed by a panel of investment professionals and meets the stringent requirements of managing public funds.

Many of the proposed Policy changes that were made entailed either moving certain sections around for improved flow, expanding current sections for more robust guidance, or adding new sections that were missing in the current Investment Policy for clarity. To meet the requirements of the Certification Program, the following changes are being proposed:

- Updating the “Purpose” section to be “Scope” to state that the Agency’s Investment Policy does not cover funds held in trust for pension, OPEB and deferred compensation purposes. This is standard practice considering investments held for these purposes follow separate rules under the CGC that the Agency is prohibited from investing in certain asset classes, i.e., equities and long-term fixed income instruments.
- Updating the “Internal Controls” section with comprehensive language on designing and operating a set of internal controls over cash and investments.
- Removed and updated the original “Banks and Securities Dealers” section to “Authorized Institutions, Depositories, and Securities Brokers/Dealers” to cover the Agency’s ability to hire broker/dealers if needed and state its intention to deposit funds only at qualified public depositories that are FDIC insured. Previously, the Investment Policy stated that investments can be purchased and sold; however, there were mechanisms stated as per how such arrangements were to be initiated. Also, the addition of placing public funds into FDIC insured institutions places a requirement that aligns with the objective of safety.
- Updating the “Types of Agency Investments” section for the allowable credit ratings from “A” to “AA” on certain investment asset types and the summary table to include the allowable investment allocations for each category.
- Added an “Investment Pools/Mutual Funds” section for review of investment pools on a periodic basis to ensure safety and liquidity in the investment. The intent is to incorporate a mechanism for which the Agency monitors all investment types.
- Added a “Collateralization” section for stating compliance with applicable State law for holding deposits, i.e., Certificates of Deposit, Bank Deposits, and Repurchase Agreements, at stated thresholds to ensure safety.
- Updated the “Purchase, Payment, Delivery, and Safekeeping” section to be “Safekeeping and Custody”, where it states that a custodian is required to submit trade receipt confirmations and monthly statements. To build on the internal controls mentioned previously to ensure that purchases and sales can activity be reconciled to the custodial trust account statements.
- Added a “Diversification and Risk Management” section for stating the Agency’s strategies to maintain safety that correlate with the Agency’s unchanged approved thresholds for holding onto specific securities.
- Added a “Glossary” section to explain various investment terms to help enhance better understanding of financial terms and concepts.

If approved, the Agency intends to submit its updated Investment Policy to the CMTA for consideration of the Investment Policy Award as per Business Plan Goal Two Objective 2.3.

**Attachment:**

- CMSA Financial Policy #531 – Investments

<b>POLICY #:</b>	<b>531</b>
<b>SECTION:</b>	<b>FINANCIAL – TREASURY</b>
<b>SUBJECT:</b>	<b>Investments</b>
<b>DATE:</b>	<b>05/13/2025</b>

## **POLICY**

The Agency shall invest public funds in a prudent manner that achieves its three objectives of Safety, Liquidity, and Yield while meeting its daily cash flow requirements and complying with federal, state and local statutes. Every spring, the General Manager and Treasurer shall submit to the Board of Commissioners this *Investments* policy, where the Board shall review any changes in the policy and approve it at a public meeting.

## **PURPOSESCOPE**

This policy provides guidelines for prudent investment of the Agency's cash. This policy covers all funds and investment activities under the direction of the Agency in accordance with California Government Code Sections 53600, et seq. **This policy does not cover funds held in trust for the following activities:**

### **I. Debt Proceeds**

Proceeds from debt issuance shall be invested in accordance with the permitted provisions of the specific bond indenture agreements.

### **II. Proceeds Held in Trust for Retirement Purposes**

Funds held and invested in either the Agency's pension, OPEB, or employee deferred compensation funds shall be invested following the permitted investments pursuant to California Government Code Section 53609.

## **PRUDENCE**

The Agency shall follow Section 53600.3 of the California Government Code that identifies as trustees those entities, i.e. California Asset Management Program (CAMP) and Local Agency Investment Fund (LAIF), authorized to make investment decisions on behalf of a local agency. Trustees are fiduciaries and are therefore subject to the prudent investor standard when making investment decisions on behalf of the Agency. Investments shall be made with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the Agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the Agency.

## **OBJECTIVES**

The Agency shall design and manage investments with a high degree of professionalism worthy of the public trust. The primary objectives, in order of priority of the Agency's investment activities, shall be:

### **I. Safety**

Safety of principal is the foremost objective. All investments of the Agency shall be made in a manner that seeks to ensure preservation of capital.

### **II. Liquidity**

The investment portfolio shall remain sufficiently liquid to enable the Agency to meet any cash flow requirements which might be reasonably anticipated.

### **III. Yield**

Investment return becomes a consideration only after the basic measurements of safety and liquidity have been met.

## **DELEGATION OF AUTHORITY**

The Board of Commissioners shall delegate authority to invest the Agency's funds for a one-year period to the Treasurer, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked or expires. Subject to review, the Board may renew the delegation of authority each year. No person may engage in an investment transaction except as provided under the limits of this policy.

The Treasurer may delegate day-to-day investment decision-making and execution authority to an Investment Advisor. The Advisor shall follow this policy and such other written instructions as are provided.

The Treasurer and the delegated staff acting in accordance with this policy and associated procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

## **ETHICS AND CONFLICTS OF INTEREST**

All participants in the investment process shall seek to act responsibly as custodians of the public trust according to this policy and the *Ethics* policy. Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment recommendations and decisions.

## **INTERNAL CONTROLS**

The Treasurer shall establish a system of internal controls to ensure that the assets of the Agency are safeguarded from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that the policy objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of the costs and benefits requires estimates and judgments by management. ~~regulate the activities of internal staff and any external investment advisors, and be responsible for all transactions undertaken by these persons. No person may engage in an investment transaction except as provided under the terms of this policy, other Treasury and Internal Controls policies, and the associated procedures established by the Treasurer and General Manager.~~

Periodically, as deemed appropriate by the Agency, an independent analysis by an external auditor shall be conducted to review internal controls, account activity and compliance with policies and procedures.

## **AUTHORIZED INSTITUTIONS, DEPOSITORIES AND SECURITIES BROKERS/DEALERS**

To the extent practicable, the Treasurer, in consultation with the General Manager, shall endeavor to complete investment transactions using a competitive bid process whenever possible. The Treasurer, in consultation with the General Manager, will determine which financial institutions are authorized to provide investment services to the Agency. It shall be the Agency's policy to purchase securities only from authorized institutions and firms.

The Treasurer, in consultation with the General Manager, shall maintain procedures for establishing a list of authorized broker/dealers and financial institutions, which are approved for investment purposes that are selected through a process of due diligence as determined by the Agency. Due inquiry shall determine whether such authorized broker/dealers, and the individuals covering the Agency are reputable and trustworthy, knowledgeable and experienced in Public Agency investing and able to meet all of their financial obligations. These institutions may include "primary" dealers or regional dealers that qualify under the Securities and Exchange Commission (SEC) Rule 15c3-1 (uniform net capital rule).

In accordance with Section 53601.5, institutions eligible to transact investment business with the Agency include:

- I. Institutions licensed by the state as a broker-dealer as defined in Section 25004 of the Corporations Code, with proof of FINRA certification.
- II. Institutions that are members of a federally regulated securities exchange.
- III. Primary government dealers as designated by the Federal Reserve Bank and non-primary government dealers.

- IV. Nationally or state-chartered banks.
- V. Savings or federal association (as defined in Section 5102 of the Financial Code).
- VI. The Federal Reserve Bank.
- VII. Direct issuers of securities eligible for purchase.

Selection of financial institutions and broker/dealers authorized to engage in transactions will be at the discretion of the Agency, except where the Agency utilizes an external investment advisor in which case the Agency may rely on the advisor for selection.

All financial institutions which desire to become qualified bidders for investment transactions (and which are not dealing only with the investment advisor) must supply the Agency with audited financial statements and a certification that the institution has reviewed the California Government Code, Section 53600 *et seq.* and the Agency's investment policy. The Treasurer, in consultation with the General Manager, will conduct an annual review of the financial condition and registrations of such qualified bidders.

Public deposits will be made only in qualified public depositories as established by State law. Deposits will be insured by the Federal Deposit Insurance Corporation (FDIC), or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with State law.

For investments made by an investment advisor, the Board authorizes the investment advisor to use broker/dealers and financial institutions that the investment advisor has reviewed and approved for investment purposes. The investment advisor's approved list shall be made available to the Agency upon request.

## **TYPES OF AGENCY INVESTMENTS**

The Agency shall be governed by California Government Code Sections 53600, *et seq.* Within the investments permitted by the Government Code, the Agency seeks to further restrict eligible investments to those listed below. In the event an apparent discrepancy is found between this policy and the Government Code, the more restrictive parameters shall take precedence.

The Agency's portfolio shall be diversified by security type and institution to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions. Where this section specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase.

### **I. United States Treasury Issues**

United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest. There is no limitation as to the percentage of the portfolio that may be

invested in this category.

## **II. Federal Agency Obligations**

Federal Agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There is no limitation as to the percentage of the portfolio that may be invested in this category; however, not more than 30 percent of the portfolio shall be placed in any one Agency. Furthermore, purchases of callable Federal Agency obligations are limited to a maximum of 20 percent of the portfolio. In addition, purchases of Federal Agency mortgage-backed securities issued by or fully guaranteed as to principal and interest by government agencies are limited to a maximum of 20 percent of the portfolio.

## **III. Medium-Term Notes**

Medium-term notes, defined as all corporate and depository institution securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or depository institutions licensed by the United States or any state and operating within the United States. Eligible investment shall be rated **AA** by one or more nationally recognized rating service. A maximum of 30 percent of the portfolio may be invested in this category. The amount invested in medium-term notes with any one issuer in combination with any other investments from that financial institution or issuer shall not exceed 20 percent of the portfolio.

## **IV. Municipal Securities**

Bonds, notes, warrants, or other evidences of indebtedness issued by the State of California or any California local agency. Securities eligible for purchase shall be rated **AA**, as rated by one or more nationally recognized statistical-rating organization. A maximum of 30 percent of the Agency's portfolio may be invested in this category.

## **V. Negotiable Certificates of Deposit**

Negotiable certificates of deposit (NCD) issued by a nationally- or state-chartered bank, a savings association or a federal association, a state or federal credit union, or a state-licensed branch of a foreign bank. No investments shall be made in a bank or credit union if a member of the Board, or any person with investment decision-making authority also serves on the board of directors, or any committee appointed by the board of directors of the bank or credit union issuing the NCD. Purchases are limited to institutions which have long-term debt rated **AA** or higher with a nationally recognized rating service; and/or have short-term debt rated at least **AA** with a nationally recognized rating service. NCD may not exceed two years in maturity. A maximum of 30 percent of the portfolio may be invested in this category. The amount invested in NCD with any one financial institution in combination with any other investments from that financial institution or issuer shall not exceed 20 percent of the portfolio.

## **VI. Banker's Acceptances**

Banker's Acceptances, otherwise known as bills of exchange or time drafts, are those which are drawn on and accepted by a commercial bank. Purchasers are limited to issuers whose short-term debt is rated A-1/P-1. Banker's Acceptances cannot exceed a maturity of 180 days. A maximum of 25 percent of the portfolio may be invested in this category. Furthermore, the amount invested in Banker's Acceptances with any one financial institution in combination with any other investments from that financial institution or issuer shall not exceed 20 percent of the portfolio.

## **VII. Commercial Paper**

Commercial paper of prime quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (A) or paragraph (B):

- A. The entity meets the following criteria:
  - 1) Is organized and operating in the United States as a general corporation.
  - 2) Has total assets in excess of five hundred million dollars (\$500,000,000).
  - 3) Has debt other than commercial paper, if any, that is rated AA or higher by a nationally recognized statistical-rating organization.
- B. The entity meets the following criteria:
  - 1) Is organized within the United States as a special purpose corporation, trust, or limited liability company.
  - 2) Has program-wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond.
  - 3) Has commercial paper that is rated AA-1 or higher, or the equivalent, by a nationally recognized statistical-rating organization.

Eligible commercial paper shall have a maximum maturity of 270 days or less and not represent more than 10 percent of the outstanding paper of an issuing corporation. A maximum of 25 percent of the portfolio may be invested in this category. Furthermore, the amount invested in commercial paper with any one issuer in combination with any other investments from that financial institution or issuer shall not exceed 20 percent of the portfolio.

## **VIII. Repurchase Agreements**

- A. Repurchase agreements are to be used solely as short-term investments not to exceed 30 days. The Agency may enter into repurchase agreements with primary government securities dealers rated AA or better by two nationally recognized rating services. Counterparties should also have:

- 1) A short-term credit rating of at least A-1/P-1;
  - 2) Minimum assets and capital size of \$25 billion in assets and \$350 million in capital;
  - 3) Five years of acceptable audited financial results; and
  - 4) A strong reputation among market participants.
- B. The following collateral restrictions shall be observed:
- 1) Only U.S. Treasury securities or Federal Agency securities are acceptable collateral. All securities underlying repurchase agreements shall be delivered to the Agency's custodian bank versus payment or be handled under a properly executed tri-party repurchase agreement.
  - 2) The total market value of all collateral for each repurchase agreement shall equal or exceed 102 percent of the total dollar value of the money invested by the Agency for the term of the investment.
  - 3) For any repurchase agreement with a term of more than one day, the value of the underlying securities shall be reviewed on an on-going basis according to market conditions. Market value shall be calculated each time there is a substitution of collateral.
  - 4) The Agency or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to repurchase agreement. The Agency shall have properly executed a Public Securities Association agreement with each counterparty with which it enters into repurchase agreements. A maximum of 25 percent of the portfolio may be invested in this category.

## **IX. Time Certificates of Deposit**

Time Certificates of Deposit (TCDs) placed with commercial banks and savings and loans. The purchase of TCDs from out-of-state banks or savings and loans is prohibited. The amount on deposit shall not exceed the shareholder's equity of the financial institution. To be eligible for purchase, the financial institution shall have received a minimum overall satisfactory rating for meeting the credit needs of California Communities in its most recent evaluation, as provided Government Code Section 53635.2. TCDs are required to be collateralized as specified under Government Code Section 53630, et seq.

The Agency, at its discretion, may waive the collateralization requirements for any portion that is covered by federal insurance. The Agency shall have a signed agreement with the depository per Government Code Section 53649. TCDs may not exceed one year in maturity. A maximum of 20 percent of the portfolio may be invested in this category. Furthermore, the amount invested in TCDs with any one financial institution in combination with any other investments from that financial institution or issuer shall not exceed 20 percent of the portfolio.

**X. Passbook Savings Accounts**

Passbook savings accounts placed with commercial banks and savings and loans. To be eligible to receive deposits, the financial institution shall have received a minimum overall satisfactory rating for meeting the credit needs of California Communities in its most recent evaluation, as provided Government Code Section 53635.2. Passbook savings accounts are required to be collateralized as specified under Government Code Section 53630 et. seq.

The Agency, at its discretion, may waive the collateralization requirements for any portion that is covered by federal insurance. The Agency shall have a signed agreement with the depository per Government Code Section 53649. A maximum of 20 percent of the portfolio may be invested in this category. Furthermore, the amount invested in passbook savings accounts with any one financial institution in combination with any other investments from that financial institution or issuer shall not exceed 20 percent of the portfolio.

**XI. Money Market Funds**

Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.).

A. The company shall have met either of the following criteria:

- 1) Attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations.
- 2) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).

A maximum of 10 percent of the portfolio may be invested in this category.

**XII. California Asset Management Program (CAMP)**

Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (n), inclusive of Government Code Section 53601. There is no limitation as to the percentage of the portfolio that may be invested in this category.

**XIII. State of California Local Agency Investment Fund (LAIF)**

There is no limitation as to the percentage of the portfolio that may be invested in this category. However, the amount invested may not exceed the maximum allowed by LAIF.

#### XIV. Authorized Investments

The Treasurer and/or the authorized Investment Advisor shall have the authority to invest the Agency's financial resources as shown in the table below.

Investment Type	Authorized for Investment Advisor	Authorized for Agency Treasurer	Authorized Investment Allocation
United States Treasury Issues	X	X	100%
Federal Agency Obligations	X	X	30% <sup>(3)</sup>
Medium-Term Notes	X		30%
Municipal Securities	X	X <sup>(1)</sup>	30%
Negotiable Certificates of Deposit <sup>(5)</sup>	X	X <sup>(2)</sup>	20%
Banker's Acceptances	X		20%
Commercial Paper	X		25% <sup>(4)</sup>
Repurchase Agreements	X		25%
Time Certificates of Deposit <sup>(5)</sup>	X	X	20%
Passbook Savings Accounts <sup>(5)</sup>	X	X	20%
Money Market Funds	X	X	10%
CAMP	X	X	100%
LAIF	X	X	100%

(1) Municipal Securities must have an AAA rating.

(2) Negotiable Certificates of Deposit must have a minimum AA rating for long-term notes and AA-1 for short term notes.

(3) The maximum is 20% if the portfolio is comprised of callable Federal Agency Obligations.

(4) The maximum is 20% if invested with any one single issuer.

(5) The maximum allowable limit is up to the FDIC limit of \$250,000.

#### **PROHIBITED INVESTMENTS**

Any investment in a security not specifically listed above, but otherwise permitted by the California Government Code, is prohibited. Section 53601.6 of the Government Code specifically disallows investments in invoice floaters, range notes, or interest-only strips that are derived from a pool of mortgages. In addition to the limitations in Government Code Section 53601.6, this policy further restricts investments as follows:

- I. No investment shall be made that has either (a) an embedded option or characteristic which could result in a loss of principal if the investment is held to maturity, or (b) an embedded option or characteristic which could seriously limit accrual rates or which could result in zero accrual periods.
- II. No investment shall be made that could cause the portfolio to be leveraged.

- III. Any security that could result in zero interest accrual if held to maturity shall not be made.

### **INVESTMENT POOLS/MONEY MARKET MUTUAL FUNDS**

The Agency must conduct a thorough investigation of any pool or mutual fund before making an investment, and on a continual basis thereafter. The Treasurer, in consultation with the General Manager, shall develop a questionnaire which will answer the following questions:

- I. A description of eligible investment securities, and a written statement of investment policy and objectives.
- II. A description of interest calculations and how it is distributed, and how gains and losses are treated.
- III. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- IV. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
- V. A schedule for receiving statements and portfolio listings.
- VI. Are reserves, retained earnings, etc. utilized by the pool/fund?
- VII. A fee schedule, and when and how is it assessed.
- VIII. Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

### **COLLATERALIZATION**

#### **I. Certificates of Deposit (CD)**

The Agency shall require any commercial bank or savings and loan association to deposit eligible securities with any agency of a depository approved by the State Banking Department to secure any uninsured portion of a Non-Negotiable Certificate of Deposit. The value of eligible securities as defined pursuant to California Government Code, Section 52651, pledged against a Certificate of Deposit shall be equal to 110% of the face value of the CD for all other classes of security.

#### **II. Collateralization of Bank Deposits**

This is the process by which a bank or financial institution pledges securities, other deposits for the purpose of securing repayment of deposited funds. The Agency shall require any bank or financial institution to comply with the collateralization criteria defined in California Government Code, Section 53651.

### **III. Repurchase Agreements**

The Agency requires that Repurchase Agreements be collateralized with only securities authorized in accordance with California Government Code:

- A. The securities with collateralize the repurchase agreement shall be priced at market value, including any accrued interest plus a margin. The market value of the securities that underlie a repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities.
- B. Financial institutions shall mark the value of the collateral to market at least monthly and increase or decrease the collateral to satisfy the ratio requirement described above.
- C. The Agency shall receive monthly statements of collateral.

### **PURCHASE, PAYMENT, DELIVERY AND SAFEKEEPING AND CUSTODY**

~~A competitive bid process shall be used to place all investment transactions.~~ All security transactions entered into by or on behalf of the Agency shall be conducted on a delivery vs. payment basis. All securities shall be held in the Agency's name by a third-party custodian designated by the Treasurer. ~~The custodian shall act as the Agency's agent under the terms of a custody agreement, of which includes generation of safekeeping receipts or acknowledgments for each security trade and monthly account statements sent to the Agency.~~

The only exceptions to the foregoing shall be depository accounts and securities purchases made with:

- I. Local government investment pools;
- II. Time certificates of deposit, and,
- III. Money market mutual funds since the purchased securities are not deliverable.

Evidence of each of these investments shall be held by the Treasurer.

### **TERM OF INVESTMENTS**

It is the objective of the Agency to accurately monitor and forecast revenues and expenditures so that the Agency can invest funds to the fullest extent possible. Funds of the Agency shall be invested in accordance with sound treasury management principles.

Where this policy does not specify a maximum remaining maturity at the time of the investment, no investment shall be made in any security, other than a security underlying a repurchase agreement, that at the time of the investment has a term remaining to maturity in excess of five years, unless the Board has granted express authority to make that investment

either specifically or as a part of an investment program approved by the Board no less than three months prior to the investment.

## **DIVERSIFICATION AND RISK MANAGEMENT**

### **I. Mitigating Credit Risk in the Portfolio**

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to real or perceived change in the ability of the issuer to repay its debt. The Agency will mitigate credit risk by adopting the following strategies:

- A. The diversification requirements included in the “Types of Agency Investments” section of this policy are designated to mitigate credit risk in the portfolio.
- B. No more than 5% of the total portfolio may be deposited with or invested in securities issued by a single issuer unless otherwise specified in this policy.
- C. The Agency may elect to sell a security prior to its maturity and record a capital gain or loss in order to manage the quality, liquidity, or yield of the portfolio in response to market conditions of the Agency’s risk preferences.
- D. The investment advisor shall monitor the ratings of all investments in their portfolio on a continuous basis and report all credit downgrades of portfolio securities to the Treasurer in writing within 24 hours of the event. If an existing investment’s rating drops below the minimum allowed for new investments made pursuant to this investment policy, the investment advisor shall also make a written recommendation to the Treasurer as to whether this security should be held or sold.
- E. If a security owned by the Agency is downgraded to a level below the requirements of this policy, making the security ineligible for additional purchases, the following steps are to be performed:
  - 1) Any actions taken related to the downgrade by the investment advisor will be communicated to the Treasurer, in consultation with the General Manager, in a timely manner.
  - 2) If a decision is made to retain the security, the credit situation will be monitored and reported to the Agency’s Board of Commissioners.

### **II. Mitigating Market Risk in the Portfolio**

Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. The Agency recognizes that, over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term

portfolios have higher volatility of return. The Agency will mitigate market risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes.

The Agency further recognizes that certain types of securities, including variable rate securities, securities with principal paydowns prior to maturity, and securities with embedded interest rate environments. The Agency, therefore, adopts the following strategies to control and mitigate its exposure to market risk:

- A. The Agency will maintain a target of at least the amount of its operating reserve plus its emergency reserve in short-term investments to provide sufficient liquidity for expected disbursements.
- B. The maximum stated final maturity of individual securities in the portfolio will be five (5) years, except as otherwise stated in this policy.
- C. The duration of the portfolio will generally be approximately equal to the duration (typically, plus or minus 20%) of a market benchmark, and index selected by the Agency based on the Agency's investment objectives, constraints and risk tolerances.

#### **BANKS AND SECURITIES DEALERS**

~~The Treasurer, with the concurrence of the General Manager, is authorized to make investments based on the recommendations of the Board approved investment advisor. For investments made by an investment advisor, the Board authorizes the investment advisor to use broker/dealers and financial institutions that the investment advisor has reviewed and approved for investment purposes. The investment advisor's approved list shall be made available to the Agency upon request.~~

#### **PERFORMANCE**

The Agency seeks to attain market rates of return on its investments throughout economic cycles, consistent with constraints imposed by its safety objectives and cash flow consideration. The Treasurer shall continually monitor and evaluate the portfolio's performance.

#### **REPORTING**

The Treasurer shall submit a monthly Treasurer's report to the Board that lists the Agency's individual investments, if any, and pooled investments in short-term investment pools. The report shall include the following information for each individual investment: description of investment instrument, issuer name, maturity date, credit rating, yield to maturity, purchase price, par value, current market value, and the source of the valuation. Investments in pools managed by other governments or mutual funds shall include the following information for each pool: pool name, valuation date, yield at valuation date, cost basis if materially different

from market value, and market value of the Agency's share of the pool at date of valuation of pool using the pool's valuation method.

The report also shall:

- I. State compliance of the portfolio to the statement of investment policy, or manner in which the portfolio is not in compliance,
- II. Include a description of any of the Agency's funds, investments or programs that are under the management of contracted parties, including lending programs, and
- III. Include a statement denoting the ability of the Agency to meet its expenditure requirements for the next six months or provide an explanation as to why sufficient money may not be available.
- IV. The report shall include a list of monthly investment transactions. The requirement for disclosure of monthly investment transactions does not apply to investment pools. This monthly report shall be submitted with the Board's monthly meeting agenda for public review.

## **GLOSSARY**

**Agencies:** Federal agency securities and/or Government Sponsored Enterprises (GSE) which include Federal Home Loan Bank (FHLB), Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), Federal Farm Credit Bank (FFCB), and Federal Agricultural Mortgage Association (Farmer Mac).

**Asset Backed Securities:** Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

**Banker's Acceptance (BA):** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

**Benchmark:** A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

**Broker:** A broker brings buyers and sellers together for a commission.

**Callable:** A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline, the issuer will likely call its current securities and reissue at a lower interest rate.

**Certificate of Deposit (CD):** A time deposit with a specific maturity evidenced by a Certificate. Large denominated CD's are typically negotiable.

**Collateral:** Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**Commercial Paper:** Short-term and unsecured debt issued by very large corporations.

**Coupon:** (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

**Dealer:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his/her own account.

**Debenture:** A bond secured only by the general credit of the issuer.

**Delivery versus Payment:** There are two methods of delivery securities: (1) delivery versus payment and (2) delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt of securities with an exchange of a signed receipt for the securities.

**Diversification:** Dividing investment funds among a variety of securities offering independent returns.

**Duration:** A measure of sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

**Federal Deposit Insurance Corporation (FDIC):** A federal agency that insures bank deposits, currently up to \$250,000 per entity.

**Liquidity:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between the bid and asked prices is narrow and reasonable size can be done at those quotes.

**Market Value:** The price at which a security is trading and could presumably be purchased or sold.

**Master Purchase Agreement:** A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

**Maturity:** The date upon which the principal or stated value of an investment becomes due and payable.

**Medium Term Notes:** Corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.

**Money Market:** The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

**Portfolio:** Collection of securities held by an investor.

**Primary Dealer:** A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

**Prudent Person Rule:** A standard of responsibility which applies to fiduciaries. In California, the rule is "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

**Rate of Return:** The yield obtainable on a security based on its purchase price or its current market price. This may be amortized yield to maturity on a bond or the current income return.

**Repurchase Agreement (Repo):** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him/her for this.

**Reverse Repurchase Agreement (Reverse Repo):** A reverse-repurchase agreement (reverse repo) involves an investor borrowing cash from a financial institution in exchange for securities. The investor agrees to repurchase the securities at a specified date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to a repo, the purpose of entering into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a form of borrowing.

**Safekeeping:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

**Secondary Market:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**Securities & Exchange Commission (SEC):** An agency created by Congress to protect investors in securities transactions by administering securities legislation.

**SEC Rule 15c3-1:** An SEC rule setting capital requirements for brokers and dealers. Under the

Rule, a broker or dealer must have sufficient liquidity in order to cover the most pressing obligations. This is defined as having a certain amount of liquidity as a percentage of the broker/dealer's total obligations. If the percentage falls below a certain point, the broker or dealer may not be allowed to take on new clients and may have restrictions placed on dealings with the current client.

**Treasurer:** Per *Agency Financial Policy #530 – Treasury General*, the Board of Commissioners appoints and delegates a Treasurer to manage the Agency's cash and investments following applicable internal policies and laws. The Board appoints the Administrative Services Manager to serve this position and perform the duties.

**Treasury Bills:** A noninterest-bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

**Treasury Notes:** Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to ten years.

**Treasury Bonds:** Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than ten years.

**Yield:** The rate of annual income return on an investment, expressed as a percentage. (a) Income yield is obtained by dividing the current dollar income by the current market price for the security. (b) Net yield or Yield to Maturity is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.





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**BOARD MEMORANDUM**

May 8, 2025

To: CMSA Commissioners and Alternates

From: Nick Talbot, Treatment Plant Manager  
Mark Koekemoer, Regulatory Compliance Manager

Approved: Jason Dow, General Manager

**Subject: 2024-2025 Wet Weather Flow Report**

**Recommendation:** Review the annual wet weather report.

**Summary:** This annual report is prepared to summarize specific flow and process data and other information for CMSA and each JPA member agency. Below are the report highlights:

- CMSA had 45 rain days during the wet weather season, with 26.6" of rain measured at the Agency's rain gauge.
- CMSA treated approximately 4.37 billion gallons of wastewater over the past year, of which 1.129 billion gallons were attributed to storm water inflow/infiltration (I/I) into the sanitary sewer collection system.
- Fifteen blending calendar days occurred during the wet weather season, as influent flows exceeded the 30 MGD capacity of the secondary treatment system.
- The CMSA peaking factor, average dry weather flow compared to peak wet weather flow, was 12.85 for the largest wet weather event on February 4, 2025, when 3.45 inches of rain was measured at the Agency's rain gauge.
- The JPA member agency's peaking factors ranged from 6.98 to 14.35, indicating each system receives significant I/I during rain events. San Quentin had the lowest peaking factor of 6.98.

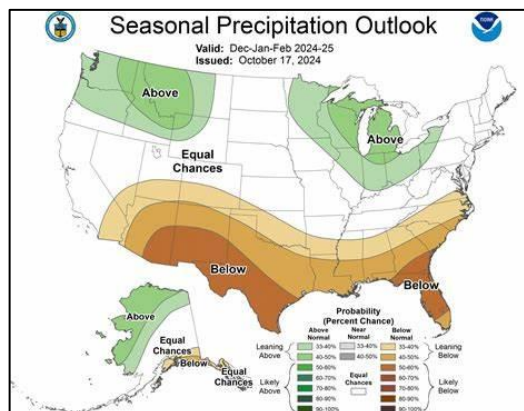
**I. NPDES Permit Compliance**

There were no permit exceedances during the wet weather season. Total Suspended Solids (TSS) in the final effluent averaged 7.1 mg/L and the Carbonaceous Biochemical Oxygen Demand (CBOD) averaged 6.1 mg/L for the year. Both are well below NPDES permit requirements of 30 mg/L and 25 mg/L, respectively. The average percent removal rate for TSS was 96% and CBOD was 96%, well above CMSA's 85% removal limits. The average mercury concentration in the final effluent was 0.0051 ug/L. CMSA's average was substantially lower

than the 0.066 ug/L average monthly effluent limit, included in San Francisco Bay’s Mercury and PCBs Watershed Permit.

## II. Rainfall and Wastewater Flows

The National Oceanic and Atmospheric Association (NOAA) produces seasonal outlook reports to help communities prepare for upcoming weather events and minimize the impact on lives and livelihoods. Forecasters at the NOAA Climate Prediction Center issued the United States Winter Outlook report on October 17, 2024, that predicted average precipitation conditions for portions of the west coast. This forecast proved to be accurate as a total of 26.6” of rain fell this season, a decrease from the 2024 season total of 29.5”, and slightly below San Rafael’s annual average of 28.0”.



The wet weather season typically begins October 1 and ends April 30. In the month of November, the Agency received its first rain event, receiving a total of 6.08” for the month. The last recorded rain event occurred on April 27, 2025.

CMSA blended over 15 calendar days during the past season, as wet weather flows exceeded the secondary process maximum capacity of 30 MGD. Blending occurs when a portion of the primary effluent flow is passively diverted around the secondary treatment process, then combines with the secondary effluent prior to disinfection and discharge to the San Francisco Bay.

Table 1 below shows the monthly rainfall in inches and the total for the season.

**Table 1: Monthly Rainfall in Inches**

May 24	Jun 24	Jul 24	Aug 24	Sept 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	Total
0.98"	0.01"	0.00"	0.00"	0.00"	0.00"	6.08"	7.01"	0.28"	8.81"	3.08"	0.31"	26.60"

Table 2 below illustrates the CMSA, JPA member agencies, and San Quentin total monthly influent flow volumes from May 2024 to April 2025. CMSA treated approximately 4.37 billion gallons of wastewater over this reporting period.

**Table 2: Monthly Total Flows in million gallons (MG)**

Monitoring Period	SRSD	RVSD	SQ	SD2	Total Plant Influent	Blend Events
	MG	MG	MG	MG	MG	#
May-24	119.74	143.74	20.14	36.24	319.85	0
Jun-24	104.62	113.59	19.16	32.95	270.32	0
Jul-24	103.55	108.66	19.86	32.19	264.27	0
Aug-24	102.15	108.65	19.00	32.14	261.94	0
Sep-24	100.02	107.39	17.92	32.03	257.36	0
Oct-24	98.66	110.43	17.91	33.14	260.15	0
Nov-24	161.28	172.46	20.91	44.09	398.74	3
Dec-24	219.00	271.42	26.13	63.03	579.58	4
Jan-25	128.54	167.25	19.33	37.03	352.16	0
Feb-25	258.48	331.27	24.60	60.96	675.31	8
Mar-25	151.71	198.82	19.34	37.93	407.81	0
Apr-25	116.07	160.27	16.65	30.10	323.08	0
<b>Total</b>	<b>1,663.83</b>	<b>1,993.96</b>	<b>240.96</b>	<b>471.84</b>	<b>4,370.59</b>	<b>15</b>
<b>Percent of Flow</b>	<b>38.1%</b>	<b>45.6%</b>	<b>5.5%</b>	<b>10.7%</b>	<b>100%</b>	

Of the total 4.37 billion gallons treated, the expected dry weather portion of the flow for the year was approximately 3.241 billion gallons, which indicates that CMSA treated approximately 1.129 billion gallons of wet weather flow. February had the highest total rainfall of 8.81". CMSA had its 5-minute peak influent flow of 115.43 MGD and its daily peak influent flow of approximately 86.78 MGD during the wet weather event on February 4, 2024. When compared to the Average Dry Weather (ADW) influent flow of 8.98 MGD, the peaking factor equals 12.85. In Metcalf & Eddy's *Wastewater Engineering: Collection and Pumping of Wastewater*, the common range for an I/I peaking factor is 1 to 4. The CMSA facility and the satellite collection systems generally experience significant peaking factors during the wet weather months.

**Table 3: Influent Peak Flows and Peaking Factors**

RAIN	SRSD	RVSD	San Quentin	SD2	CMSA
<b>ADW Flow <sup>a</sup> (MGD)</b>	3.46	3.80	0.64	1.08	8.98
<b>Peak Daily Flow <sup>b</sup> (MG)</b>	34.82	42.07	2.27	7.61	86.78
<b>Peak Flow Rate <sup>c</sup> (MGD)</b>	49.71	50.06	4.38	11.17	115.43
<b>Peaking Factor <sup>d</sup></b>	<b>14.35</b>	<b>13.32</b>	<b>6.98</b>	<b>10.32</b>	<b>12.85</b>

<sup>a</sup> Average Dry Weather Influent Flow calculated based upon influent flow from May 2024 to September 2024.

<sup>b</sup> Peak Daily flow dependent on area's rainfall. Value is defined as the Agency Daily Maximum Flow for the reporting period.

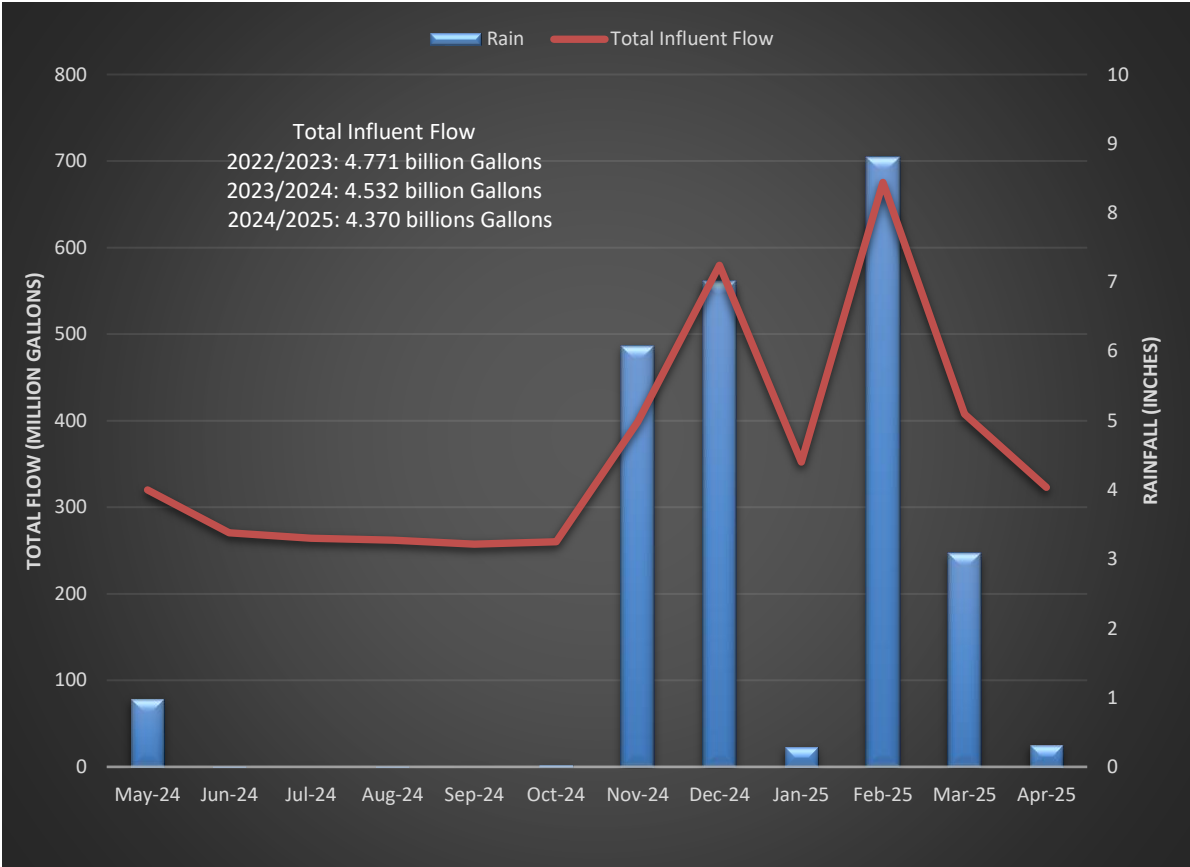
<sup>c</sup> Peak flow rate dependent on area's rainfall. Value is defined as the Agency 5-Minute Maximum Flow Rate for the reporting period.

<sup>d</sup> Metcalf & Eddy defines Peaking Factor as the Daily/Hourly/5-Minute Maximum Flow Rate divided by the Daily Average Flow Rate. CMSA defines the Peaking Factor as the 5-Minute Maximum Flow Rate divided by the Average Dry Weather Flow Rate.

III. Process

Provided below are graphical and tabular representations of wet weather indicators and affected performance indicators.

Figure 1: Monthly Total Influent Flow and Rainfall



For the 2024/2025 reporting period, CMSA received a total rainfall of 26.6” and 4.37 billion gallons of influent. These rainfall totals are lower than the previous year, as annual rainfall for 2023/2024 was 29.5”, a 9.8% decrease in annual precipitation and a 3.6% decrease in total influent flow during this period.

**Figure 2: Monthly Total Flow by JPA Agency**

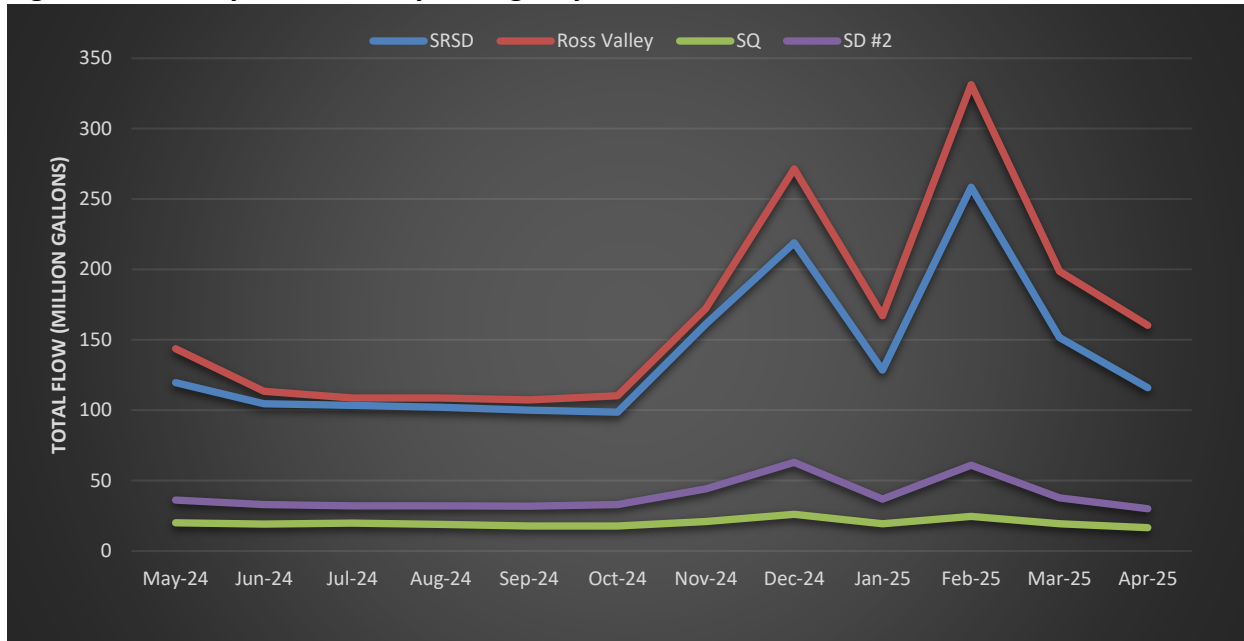


Figure 2 illustrates that during the wet weather months of October 2024 through April 2025, CMSA received an average 66.2% increase in influent flow compared to the dry season influent flow period of May through September 2024.

**Figure 3: Monthly Average Effluent Total Suspended Solids**

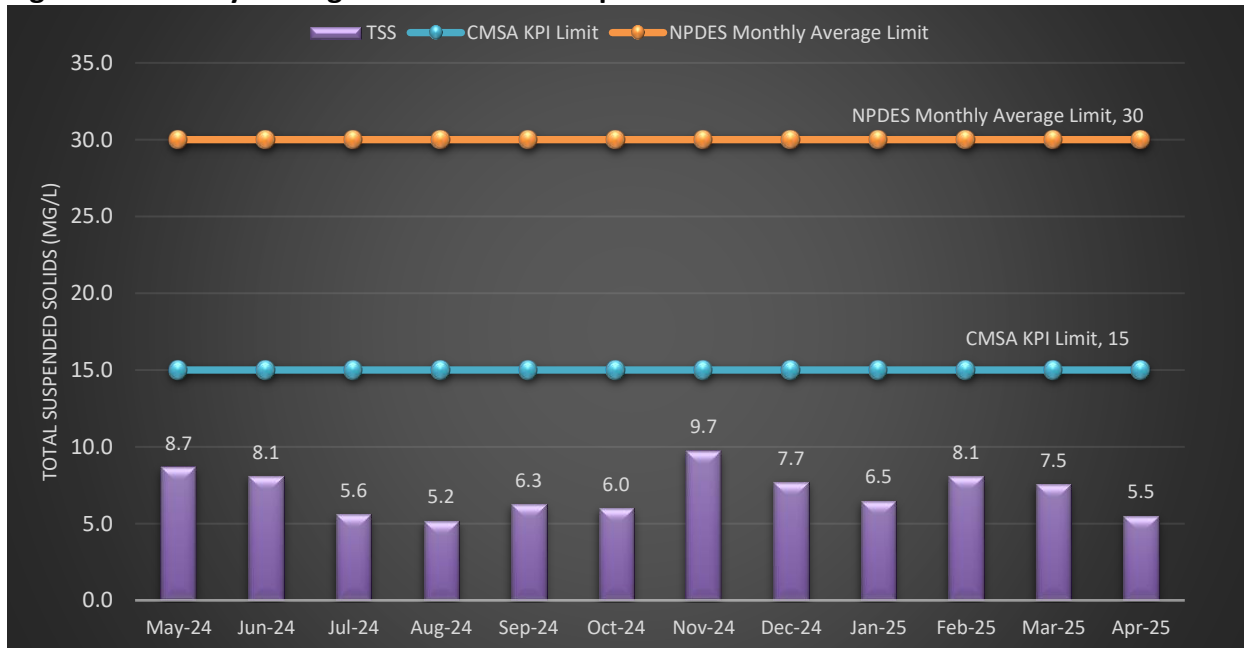


Figure 3 illustrates effluent TSS water quality during this reporting period. This year, Operations staff managed the processes and equipment in service to match seasonal changes. Each monthly TSS average remained in single digits, and below the Agency's Key Performance Indicator (KPI) of 15 mg/L.

**Figure 4: Monthly 6-Week Rolling Geometric Maximum Enterococcus**

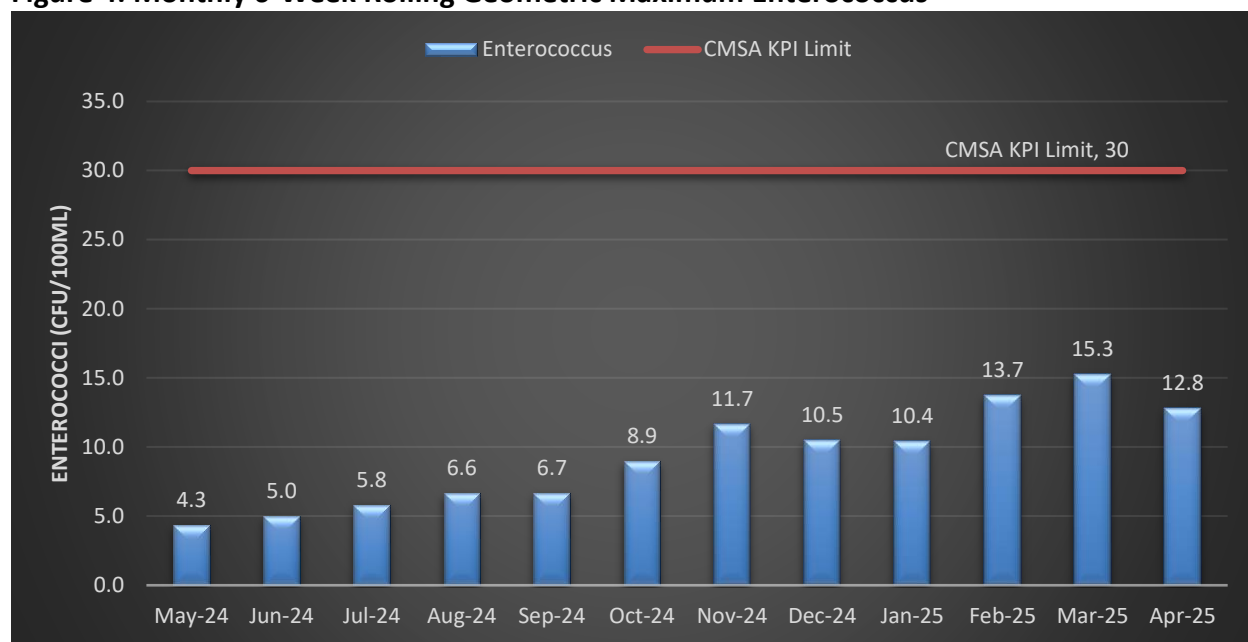


Figure 4 illustrates Enterococcus, an indicator of CMSA’s disinfection and blending processes. As shown in this graph, compliance is well below the Agency’s KPI limit and is the result of CMSA effectively managing the disinfection and overall secondary treatment processes.

**Table 4: Biosolids Production and Disposal**

Date	Total Number of Loads	Total Tons	Redwood Landfill ADC	Lystek	Sacramento County Land Application
May-24	23	412.1	280.6	131.5	
Jun-24	20	361.1	256.2	104.9	
Jul-24	25	419.7	263.5	156.2	
Aug-24	24	394.6	250.1	144.5	
Sep-24	24	421.3	271.8	149.5	
Oct-24	25	439.0	304.5	134.5	17.6
Nov-24	24	416.6	256.1	160.5	
Dec-24	26	494.0	328.6	165.4	
Jan-25	29	537.4	353.2	184.2	
Feb-25	27	503.7	363.3	140.4	
Mar-25	27	495.7	343.9	151.8	
Apr-25	26	350.0	280.0 <sup>e</sup>	122.9	
<b>Total</b>	<b>300</b>	<b>5,262.8</b>	<b>3,498.8</b>	<b>1,746.3</b>	<b>17.6</b>

As noted in Table 4, an estimated 5,262.8 wet tons of biosolids were produced at CMSA and hauled to various beneficial reuse sites during this period. Wet weather season tends to produce more biosolids due to higher solids loadings into the primary clarifiers during initial wet weather events. CMSA biosolids were beneficially reused at the Redwood Landfill as Alternate Daily Cover (ADC), at Sacramento County land application sites during dry weather, and at Lystek’s Fairfield biofertilizer production facility.



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**BOARD MEMORANDUM**

May 8, 2025

To: CMSA Commissioners and Alternates

From: Jason Dow, General Manager

**Subject: Revised Administrative Policy #58: Employee Award Recognition**

**Recommendation:** Approve the revised Administrative Policy #58: *Employee Award Recognition*.

**Discussion:** CMSA has Personnel, Financial, Administrative, and Safety Policy Manuals, and management staff periodically review and revise policies and procedures in each manual. In November 2024, staff began the process to review and update the Administrative Policy Manual, which is comprised of 51 general, financial, human resources, contract administration, safety, security, and information technology policies and procedures. Many of the policies are Board approved, and staff plan to bring these individually to Board, after they are updated by staff, for consideration of approval.

Since late 2024, the Board has approved revised policies for Disposal of Surplus Assets (#3), Cost Savings Award Program (#8), Beneficial Use of Agency Products (#11), Use of Board/Conference Room by Outside Organizations (#12), Filming and Photographing on Agency Property (#13), Internship Program Guidelines (#14), Travel Expense Reimbursement (#35), Employee Computer Purchase Assistance Program (#54), Carpool/Alternate Commute Incentive Program (#55), and Commuter Cash Reimbursement (#56). Proposed revisions to the Employee Award Recognition Policy are shown in the attachment as red text.

**Attachment:**

- Revised Administrative Policy #58: *Employee Award Recognition*



<b>POLICY/PROCEDURE #:</b>	<b>58</b>
<b>SECTION:</b>	<b>ADMINISTRATIVE – HUMAN RESOURCES</b>
<b>SUBJECT:</b>	<b>Employee Award Recognition</b>
<b>DATE:</b>	<b>5/13/25</b> <i>(Board approved)</i>

## **POLICY**

The CMSA Board recognizes agency employees when they receive industry-related awards for exceptional individual or organizational accomplishments.

## **PROCEDURE**

The Agency and its employees periodically receive recognition from national, state, and regional industry associations. Upon notification from an industry association that the Agency and/or staff members have received an award, the General Manager (GM) will prepare a report to inform the Board of the accomplishments, and the department manager will prepare the Personnel Action Form. Regular and Probationary employees who were employed by the Agency for at least six months during an **agency, department, or work group** award's specified time period are eligible for the monetary award. Temporary employees may be eligible for a monetary award, at the GM's discretion, if they meet the six-month employment criteria and their work or work product contributed to the particular award. The industry association, their award categories, the Board monetary award levels, and the eligible employee classifications are detailed below.

### **I. NATIONAL ASSOCIATION OF CLEAN WATER AGENCIES (NACWA) - PEAK PERFORMANCE**

NACWA is the national wastewater industry association that advocates for its members on regulatory, legislative, and judicial issues that could affect or impact the wastewater industry. NACWA has an award program to recognize its member's level of compliance with NPDES permit requirements. The Silver level is awarded for five or less permit exceedances in a year, while the Gold level is awarded for 100% permit compliance. If an agency meets its permit requirements for five consecutive years, it achieves the Platinum level. After five years, an agency will remain at the Platinum level if they continue to annually comply with all effluent permit requirements. The following monetary award amounts are for each Agency employee.

Silver:	\$50	Gold - Year 4:	\$400
Gold - Year 1:	\$100	Platinum - Year 5:	\$500
Gold - Year 2:	\$200	Platinum 5+:	\$500
Gold - Year 3:	\$300		

After the Platinum award level (5 years) is attained, and if the Agency continues to have full compliance with its permit requirements, the award amount will remain at the \$500 level.

## II. CALIFORNIA WATER ENVIRONMENT ASSOCIATION (CWEA) - REGIONAL AND STATE AWARDS

CWEA is one of the state's water and wastewater industry associations. CMSA is a member of the Redwood Section of CWEA, which includes Marin, Sonoma, Napa, and parts of Mendocino and Solano counties.

Each CWEA section has award programs, which are standardized throughout the state, and recognize the achievements of its member agencies and their employees. Regional award-winning employees and organizations are automatically included in the statewide competition. CWEA announces the award recipients at their respective regional conferences and the annual state conference, and provides award plaques to the recipients.

The following monetary award amounts are for achieving first place in a regional and state award.

- A. Regional award
  - 1) Organizational: \$100 for each Agency employee
  - 2) Department/workgroup: \$100 for the employee group recommended by the GM
  - 3) Individual: \$100 per award
- B. State Agency award (first place/second place)
  - 1) Organizational: \$250/~~\$100~~ for each Agency employee
  - 2) Department/workgroup: \$250/~~\$100~~ for the employee group recommended by the GM
  - 3) Individual: \$250/~~\$100~~ per award

## III. GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA) - FINANCIAL REPORTING AND BUDGETING

The GFOA is a national finance association that recognizes public agencies for exceptional financial reporting and distinguished budgeting. The Agency annually prepares an **Annual Comprehensive Financial Report (ACFR)**, a Popular Annual Financial Report (PAFR), and GFOA version of the Board adopted budget. The **ACFR** and Distinguished Budget Presentation award applications are reviewed by an independent panel of finance managers/directors around the country, and must meet specific and strict criteria to be considered for award. The PAFR award applications are judged using more subjective criteria for presentation, readability, creativity, and understandability.

The **ACFR** award is the Certificate of Achievement for Excellence in Financial Reporting and is the highest form of recognition in governmental accounting and financial reporting. Its attainment represents a significant accomplishment by a government entity and its management. The PAFR award is for an agency's outstanding achievement in popular annual financial reporting. The Distinguished Budget Presentation award

signifies that an agency's budget was deemed to be proficient as a policy document, financial plan, operational guide, and communication device for the agency's business. Recognition by the GFOA includes plaques for each award, and a certificate for the Agency's Administrative Services Manager.

Each finance department employee, and appropriate staff as recommended by the General Manager, will receive a \$100 monetary award for receipt of the **ACFR** award, a \$100 monetary award for receipt of the PAFR award, and \$100 monetary award for receipt of the Distinguished Budget Presentation award.

#### **IV. OTHER AGENCY AND EMPLOYEE AWARDS**

If the Agency and an employee(s) receive noteworthy recognition and an award from another industry association or group, such as the California Association of Sanitation Agencies or the California Sanitation Risk Management Authority, the General Manager may present the award to the CMSA Board and recommend a monetary award.



**BOARD MEMORANDUM**

May 8, 2025

**To:** CMSA Commissioners and Alternates

**From:** Jacky Wong, Associate Engineer  
Peter Kistenmacher, Technical Services Manager/Assistant General Manager

**Approved:** Jason Dow, General Manager

**Subject:** **FY26 Chemical Supply Contracts**

**Recommendation:** Authorize the General Manager to execute procurement agreements for the following FY26 chemical supply contracts:

1. **Calcium Nitrate** – award to Two Rivers Terminal at a unit price of \$0.697 per pound of nitrate-oxygen.
2. **Ferric Chloride** – award to Pencco at a unit price of \$1,583 per dry ton.
3. **Sodium Bisulfite** – award to Univar at a unit price of \$1.445 per gallon.
4. **Sodium Hypochlorite** – award to Univar at a unit price of \$3.29 per gallon.

**Summary:** The calcium nitrate, ferric chloride, sodium bisulfite, and sodium hypochlorite contracts are for a twelve-month fixed procurement price, ending June 30, 2026.

**Economic Summary:** The table below shows the estimated annual use for each chemical, the current unit price before tax, the new unit price before tax, and the percentage change between the current unit price and the new unit price.

Chemical	Vendor	Estimated Annual Usage	Current Unit Price	New Unit Price	% Change
Calcium Nitrate	Two Rivers Terminal	415,000 lbs	\$0.688 /lb N-O	\$0.697 /lb N-O	1.3%
Ferric Chloride	Pencco	108 dry tons	\$1,573/dry ton	\$1,583/dry ton	0.60%
Sodium Bisulfite	Univar USA	138,000 gal	\$1.64/gal	\$1.445/gal	-11.9%
Sodium Hypochlorite	Univar USA	225,000 gal	\$3.25/gal	\$3.29/gal	1.2%

**Discussion:** CMSA uses several types of chemicals to treat and process wastewater and biosolids to meet regulatory permit requirements. These chemical suppliers are selected after a public bid process either administered by the Bay Area Chemical Consortium (BACC) or CMSA staff. This year, BACC bid on sodium hypochlorite, sodium bisulfite, and ferric chloride, while

CMSA bid on calcium nitrate. Below is a brief description of each chemical's use and the bidding process.

Calcium Nitrate is the first phase of a two-phase odor control process used in the collection system upstream of the wastewater treatment facility to control wastewater odors around the Headworks building. Nitrate dosed at strategic points inhibits the formation of hydrogen sulfide gas. It is injected at the Greenbrae (Ross Valley Sanitary District), Paradise (Sanitary District No. 2), and North Francisco and West Railroad (San Rafael Sanitation District) pump stations. The Agency uses approximately 415,000 pounds annually. In early April 2025, CMSA issued a Request for Bids to chemical suppliers. Staff received, opened, and analyzed four bids on April 24, 2025. Two Rivers Terminal was determined to be the lowest responsive and responsible bidder. A bid summary and tabulation are attached.

Ferric Chloride controls hydrogen sulfide content in biogas, improves biosolids dewatering performance, and enhances suspended solids removal in primary clarifiers during wet weather flows. The Agency uses approximately 108 dry tons annually. The BACC issued a Request for Bids to chemical suppliers in December 2024. Bids were received, opened, and analyzed in February 2025, and the BACC award recommendation letter to Pencco for the ferric chloride bids is attached.

Sodium Bisulfite is a dechlorination chemical used to neutralize residual chlorine in the final effluent prior to discharge into the San Francisco Bay. The Agency uses approximately 138,000 gallons annually. The BACC issued a Request for Bids to chemical suppliers in December 2024. Bids were received, opened, and analyzed in February 2025, and the BACC award recommendation letter to Univar for the sodium bisulfite bids is attached.

Sodium Hypochlorite is used for disinfection of final effluent, odor control at various locations in the treatment facilities, disinfection of reclaimed water, and filament control in activated sludge. The Agency uses approximately 225,000 gallons annually. The BACC issued a Request for Bids to chemical suppliers in December 2024. Bids were received, opened, and analyzed in February 2025, and the BACC award recommendation letter to Univar for the sodium hypochlorite bids is attached.

**BACC Background:** CMSA joined the BACC in June 2013. The BACC is a cooperative group of over 60 public water and wastewater agencies in northern California and is currently managed and administered by the Bay Area Clean Water Agencies (BACWA). The primary purpose of the BACC is to seek competitive bids from vendors, on a regional basis, to supply and deliver chemicals for water and/or wastewater treatment. CMSA is in the Marin-Sonoma-Napa County region for bidding purposes.

BACC members benefit from a better price through larger purchasing power and administrative cost savings as BACWA prepares all the bid documents, bid advertisements, and performs the bid analyses. BACC members reimburse BACWA when participating in one of the BACC bids. The reimbursement cost to BACWA is \$436.65 per bid, and CMSA's total fee for participating in the chemical procurement process this year is \$1,309.95. Utilizing the BACC bid process provides


significant savings in staff time and advertising costs as compared to CMSA staff developing the contracts and administering the procurement process.

**Attachments:**

- 1) Calcium Nitrate Bid Opening Summary and Bid Tabulation
- 2) BACC Notice of Award Letter for Ferric Chloride
- 3) BACC Notice of Award Letter for Sodium Bisulfite
- 4) BACC Notice of Award Letter for Sodium Hypochlorite



Central Marin Sanitation Agency  
Supply and Delivery of Calcium Nitrate  
CMSA Contract No. 25-37  
Bid Opening Results  
April 24, 2025 1:30PM

Bidder	Bid Amount
Univar	No Bid
Pencio	\$ 2.97 / gal \$ 0.8486 / lb
US Peroxide	\$ 4.23 / gallon \$ 1.0152 / lb
Evoqua	\$ 2.54 / gallon \$ 0.705 / lb
Two Rivers Terminal	\$ 2.72 / gallon \$ 0.697 / lb
Bids Opened By	 Bids Read By

**BID REVIEW/RECOMMENDATION****CMSA Contract No. 25-37 Calcium Nitrate****Addenda Issued: None****Bid Open Date: Tuesday, April 24, 2025 at 1:30 PM**

Bidder:	Two Rivers Terminal	Evoqua	Pencco	US Peroxide	Univar
Description	Low Bidder				No Bid
Received in sealed envelope by bid deadline above	Yes	Yes	Yes	Yes	
Bids submitted on forms provided (completed BID FORM)	Yes	Yes	Yes	Yes	
In non-erasable permanent ink	Yes	Yes	Yes	Yes	
Must include a base unit price per gallon and per unit lb	Yes	Yes	Yes	Yes	
Additional charges for "short load" deliveries shown as a standard deviation on bid form	None	None	None	None	
Completed BIDDER INFORMATION FORM, including References: minimum of 3	Yes	Yes	Yes	Yes	
Product Specification Deviations - if any, proposed specification must be attached	None	None	None	None	
Signed Agreement	Yes	Yes	Yes	Yes	
Fully Executed Non-Collusion Affidavit	Yes	Yes	Yes	Yes	
Manufacturer's information with Representative lab analysis of the chemical prepared by reputable outside laboratory or ISO Certified	Yes	Yes	Yes	No	
Name /Address of chemical manufacturer	Grow West	Yara	Andersons	Miles Chemical	
Product Bulletin and Typical Properties	Yes	Yes	Yes	No	
Safety Data Sheet (SDS)	Yes	Yes	Yes	Yes	
Addendum/Addenda Acknowledgement	N/A	N/A	N/A	N/A	
Specific Deviations Noted	None	None	None	None	



March 17, 2025

Pencco, Inc.  
Attn: Sarah Duffy  
PO Box 600  
San Felipe, TX 77473

**RE: Award Contract in Response to Bay Area Chemical Consortium (BACC) Bid No. 06-2025 for Supply and Delivery of FERRIC CHLORIDE.**

Dear Ms. Duffy,

We are pleased to advise you that the bid submitted by Pencco, Inc. for Bid No. 06-2025, was determined to be the lowest responsive bid for the supply and delivery of FERRIC CHLORIDE during the period July 1, 2025 through June 30, 2026.

The participating BACC Agencies should be contacting you shortly to discuss entering into contracts with Pencco, Inc. for their respective facilities.

Bay Area Chemical Consortium sincerely appreciates your efforts and participation in the competitive bid process.

If you have any questions, please free to contact me at [jdymment@bacwa.org](mailto:jdymment@bacwa.org)

Sincerely,

Jennifer Dymment  
Assistant Executive Director  
BACWA.org  
as Coordinating Agency for the Bay Area Chemical Consortium

Section Description Unit of Measure Penco, Inc	FERRIC CHLORIDE							
	Central Valley	East Bay	Marin Sonoma Napa	North Bay	Peninsula	Sacramento	South Bay	Tri Valley
	dry ton	dry ton	dry ton	dry ton	dry ton	dry ton	dry ton	dry ton
	1,480.0000	1,400.0000	1,583.0000	1,583.0000	1,509.0000	1,509.0000	1,500.0000	1,500.0000



March 17, 2025

Univar Solutions USA LLC.  
Attn: Jennifer Perras  
8201 S 212<sup>th</sup> St.  
Kent, WA 98032

**RE: Award Contract in Response to Bay Area Chemical Consortium (BACC) Bid No. 11-2025 for Supply and Delivery of SODIUM BISULFITE.**

Dear Ms. Perras,

We are pleased to advise you that the bid submitted by Univar Solutions USA Inc. for Bid No. 11-2025 was determined to be the lowest responsive bid for the supply and delivery of SODIUM BISULFITE during the period July 1, 2025 through June 30, 2026.

The participating BACC Agencies should be contacting you shortly to discuss entering into contracts with Univar Solutions USA Inc. for their respective facilities.

Bay Area Chemical Consortium sincerely appreciates your efforts and participation in the competitive bid process.

If you have any questions, please free to contact me at [jdymment@bacwa.org](mailto:jdymment@bacwa.org)

Sincerely,

Jennifer Dymment  
Assistant Executive Director  
BACWA.org  
as Coordinating Agency for the Bay Area Chemical Consortium

Bay Area Clean Water Agencies  
Bid Results for Project 11-2025 SODIUM BISULFITE  
Bid Due on February 20, 2025 4:00 PM (PDT)  
SINGLE BID AWARD

Section	Sodium Bisulfite 25%							SODIUM BISULFITE 40% Solution		
Description	Central Valley	East Bay	Marin Sonoma Napa	North Bay	Peninsula	Sacramento	South Bay	Central Valley	East Bay	Sacramento
Unit of Measure	gal	gal	gal	gal	gal	gal	gal	gal	gal	gal
Univar Solutions USA LLC.	1.4450	1.4450	1.4450	1.4450	1.4450	1.4450	1.4450	2.8450	5.3450	2.6450



March 17, 2025

Univar Solutions USA LLC  
ATTN Jennifer Perras  
8201 S 212th St.  
Kent, WA 99032

**RE: Regional Award Contract in Response to Bay Area Chemical Consortium (BACC) Bid No. 13-2025 for Supply and Delivery of SODIUM HYPOCHLORITE 12.5% in the Central Valley, East Bay, Marin Sonoma Napa, North Bay, Peninsula, South Bay and Tri Valley regions.**

Dear Ms. Perras,

We are pleased to advise you that the bid submitted by Univar Solutions USA LLC. for Bid No. 13-2025 was determined to be the lowest responsive bid for the supply and delivery of SODIUM HYPOCHLORITE 12.5% in the Central Valley, East Bay, Marin Sonoma Napa, North Bay, Peninsula, South Bay and Tri Valley regions during the period July 1, 2025 through June 30, 2026.

The participating BACC Agencies from the above regions should be contacting you shortly to discuss entering into contracts with Univar Solutions USA LLC. for their respective facilities.

Bay Area Chemical Consortium sincerely appreciates your efforts and participation in the competitive bid process.

If you have any questions, please free to contact me at [jdymment@bacwa.org](mailto:jdymment@bacwa.org)

Sincerely,

Jennifer Dymment  
Assistant Executive Director  
BACWA.org  
as Coordinating Agency for the Bay Area Chemical Consortium

Section	SODIUM HYPOCHLORITE 12.5%								SODIUM HYPOCHLORITE 12.5% In 275-gal totes (Optional bid item)		Sodium Hypochlorite 12.5% In Carboys (OPTIONAL BID ITEM)	SODIUM HYPOCHLORITE 5.25% (Optional bid item)
	Central Valley	East Bay	Marin Sonoma Napa	North Bay	Peninsula	Sacramento	South Bay	Tri Valley	Central Valley	North Bay	Marin Sonoma Napa	Sacramento
Description	gal	gal	gal	gal	gal	gal	gal	gal	gal	gal	gal	gal
Unit of Measure	gal	gal	gal	gal	gal	gal	gal	gal	gal	gal	gal	gal
Univar Solutions USA LLC.	3.2900	3.2700	3.2900	3.2500	3.3200	3.4100	3.2900	3.3100	no bid			no bid

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**BOARD MEMORANDUM**

May 8, 2025

**To:** CMSA Commissioners and Alternates

**From:** Peter Kistenmacher, Technical Services Manager/Assistant General Manager

**Approved:** Jason Dow, General Manager

**Subject:** **Sale of Surplus Digester Pilot Trailer Base**

**Recommendation:** Approve the sale of the surplus digester pilot trailer base for \$10,000.

**Discussion:** In 2019, CMSA purchased a used 1991 digester pilot trailer base and associated anaerobic digestion equipment for \$15,000, to perform a Digester Pilot Study. Staff subsequently installed additional equipment and control systems on top of the trailer base to make it suitable for the intended research. The Digester Pilot Study was successfully completed in 2021, and the unit was moved to a storage location near the Maintenance Annex.

Based on research of similar 1991 vintage trailers on online trailer auction sites, the trailer base itself, without the anaerobic digestion equipment, appears to be worth approximately \$10,000. Per the Agency's Disposal of Surplus Assets Policy, staff seeks Board approval to sell the trailer base for this amount. A very interested buyer recently approached staff about purchasing the trailer base for \$10,000 using an As-Is Sales Agreement. The buyer is interested in the trailer base only, and CMSA staff would first remove any salvageable equipment such as the tanks, pumps, and electrical spare parts, and add them to inventory

**Photos:**

**Photo 1: Digester Pilot Trailer Base with Equipment**



**Photo 2: Digester Pilot Trailer Base**





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## BOARD MEMORANDUM

May 8, 2025

To: CMSA Commissioners and Alternates

From: Joyce Cheung, Senior Engineer

Approved: Jason Dow, General Manager

**Subject: Extra Work Order for Biosolids Hoppers Coating**

**Recommendation:** Approve Extra Work Order No. 1 to Euro Style Management to coat the interior of three biosolids hoppers and gates in the amount of \$87,000, and authorize the General Manager to sign it.

**Summary:** Three cost proposals for the Biosolids Hoppers Coating Work were received on April 30, 2025. Euro Style Management submitted the lowest, responsive and responsible proposal in the amount of \$87,000. Because Euro Style Management is currently contracted for the Chlorine Contact Tank No. 4, and Primary Clarifier No. 2 and 3 Coatings and Concrete Rehabilitation Project (Project), staff recommend incorporating the Biosolids Hoppers Coating Work into the Project under Extra Work Order No. 1 to streamline project management and coordination.

**Fiscal Impact:** The Agency's Capital Improvement Program (CIP) budget includes \$80,000 for the Biosolids Hoppers Coating Work in FY25, which assumed \$58,000 for coating the interior of the hoppers and \$22,000 for inspection and construction management. The Euro Style Management cost proposal is \$29,000 higher than the CIP estimated amount due to construction sequencing constraints that require only one hopper to be taken offline at a time. If Extra Work Order No. 1 is authorized, staff will transfer necessary funds from the recently completed Facility Structures Seismic account to the Biosolids Hoppers Maintenance account.

**Discussion:** The Agency has three biosolids hoppers in the Sludge Handling Building, which are used to store dewatered biosolids until a biosolids truck hauls them offsite. Structural repairs were made in October 2023 to address deteriorated structural elements and corroded steel members. This Project's scope of work includes blasting and coating the interior of the three biosolids hoppers and hopper gates, including cleaning, surface preparation and blasting, monitoring coating conditions and coating application, providing dust control, performing steel repairs if needed (allowance of 10 square feet total), performing inspection and coating discontinuity testing, and addressing pinholes to provide a mirror smooth finish that allows the biosolids to easily discharge into the trucks.

Staff solicited cost proposals from four coating contractors and three proposals were received on April 30, 2025. Table 1 summarizes the results.

**Table 1. Results**

Contractor	Total Amount
Engineer's Estimate	\$58,000
Euro Style Management	\$87,000
Top Line Engineers	\$114,000
FD Thomas	\$364,200

Euro Style Management is also very familiar with the Agency's facilities as they have worked on multiple coating projects with the Agency in the past, and were also recently contracted for the Chlorine Contact Tank No. 4 and Primary Clarifier No. 2 and 3 Coatings and Concrete Rehabilitation Project. Staff have been satisfied with their performance.

**Alignment with Strategic Plan:** This Project aligns with the Agency's FY25 Business Plan to support Goal 1 – Objective 1.2 as shown below.

*Goal One: CMSA will effectively operate and maintain its treatment facilities in compliance with changing regulations.*

*Objective 1.2: Manage the Agency's equipment and assets consistent with CIP and maintenance programs.*

**Photos:**



*Figure 1: Corroded areas inside hopper*



*Figure 2: Corroded hopper gates*

**Attachment:**

- CMSA Contract No. 25-36 Extra Work Order No. 1 with Euro Style Management



# CENTRAL MARIN SANITATION AGENCY

Jason R. Dow, P.E.  
General Manager

1301 Andersen Drive, San Rafael, CA 94901

Phone (415) 459-1455

Fax (415) 459-3971

www.cmsa.us

May 8, 2025  
GL: 0350-550-8510

Lilia Bugriyev, CFO  
Euro Style Management  
1401 Main Ave  
Sacramento, CA 95838

**Subject: Extra Work Order No. 1 – Chlorine Contact Tank No. 4, and Primary Clarifier No. 2 and 3 Coatings and Concrete Rehabilitation Project, CMSA Contract No. 25-26**

Dear Ms. Bugriyev:

Please sign and date this Extra Work Order No. 1 (EWO No. 1) and return it to CMSA. When we receive the signed and dated copy, CMSA will countersign it, and one copy will be returned to you for your records. EWO No. 1 is issued under Euro Style Management's ongoing work for the Chlorine Contact Tank No. 4, and Primary Clarifier No. 2 and 3 Coatings and Concrete Rehabilitation Project (CMSA Contract No. 25-26) and includes coating the interior of the biosolids hoppers and gates, which has been negotiated and accepted by CMSA.

**Contract Time:** The work outlined in this extra work order does not affect the contract time for the Chlorine Contact Tank No. 4, and Primary Clarifier No. 2 and 3 Coatings and Concrete Rehabilitation Project and accordingly the completion date for CMSA Contract No. 25-26 has not been revised.

**Summary:** This Extra Work Order is issued to the referenced contract for the work noted in the table below.

Item No.	Description	Negotiated Amount
EWO-01	Biosolids Hoppers Coating Work	\$87,000
<b>TOTAL</b>	<b>Total</b>	<b>\$87,000</b>

**EWO No. 1 Scope:** Perform the Biosolids Hoppers Coating Work, which includes furnishing all materials, labor and equipment to coat the interior and upper flanges of three (3) biosolids hoppers and gates, including performing cleaning, surface preparation and blasting, monitoring coating conditions and coatings application, providing dust control, performing steel repairs, coordination with CMSA on scheduling and sequencing, and performing inspection and testing with a high voltage spark holiday detector, addressing pinholes, and providing all associated work as shown in Appendix A, at a not-to-exceed cost of \$87,000 in accordance with the Proposal Cost Form and Bid Schedule shown in Appendix B.

EWO No. 1  
GL: 0350-550-8510

**Economic Summary:** Based on the above, the total not-to-exceed cost for this Extra Work Order is \$87,000.

By: \_\_\_\_\_  
Lilia Bugriyev, CFO  
Euro Style Management

By: \_\_\_\_\_  
Jason R. Dow, P.E., General Manager  
Central Marin Sanitation Agency

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

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

**Enclosure:**

Appendix A: Scope of work

Appendix B: Proposal Cost Form and Bid Schedule



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**BOARD MEMORANDUM**

May 8, 2025

**To:** CMSA Commissioners and Alternates

**From:** Joyce Cheung, Senior Engineer  
Peter Kistenmacher, Technical Services Manager/Assistant General Manager

**Approved:** Jason Dow, General Manager

**Subject:** **Sole Source Specification for DeZurik Plug Valves, Victaulic Grooved Fittings and Couplings, and Allen-Bradley CompactLogix PLC**

**Recommendations:** Approve the sole source specification of DeZurik plug valves, Victaulic grooved fittings and couplings, and Allen-Bradley CompactLogix PLC for the Centrifuge Dewatering Improvements Project.

**Summary:** The Centrifuge Dewatering Improvements Project (Project) replaces three centrifuges with larger, more efficient units to better process co-digested sludge, and includes replacement of the centrifuge control panels and programmable logic controllers (PLCs), replacement of the dewatering system Master PLC, piping modifications, and associated mechanical, structural, electrical, and instrumentation work to integrate the new centrifuges with existing infrastructure. The Agency has standardized DeZurik plug valves and Victaulic grooved fittings and couplings for pipe joint connections and recommends sole source specification for these items in the Project technical specifications. Staff also recommend specifying the Allen-Bradley CompactLogix PLC with a PanelView Plus 7 Performance Operator interface for the replacement Master PLC to ensure compatibility with the new centrifuge control system.

**Project Budget:** The Agency's 10-year Capital Improvement Program (CIP) allocated \$3,700,000 in FY26 for the construction of this Project, and \$175,000 for construction management and engineering services during construction. The Project schedule and cost based on the 90% design will be reflected in the FY26 & FY27 CIP Update.

**Discussion:** Staff are currently preparing the construction contract documents with consultant Black & Veatch (BV), and seeking authorization to sole source specify DeZurik plug valves, Victaulic grooved fittings and couplings, and the Allen-Bradley CompactLogix PLC in the Project's technical specifications for the following reasons:

- Victaulic grooved fittings and couplings: Many of the process piping systems within the Agency's facilities are constructed using ductile iron pipe with groove type fittings and couplings. These process piping systems include the grit, grit overflow, primary sludge,

scum, RAS, WAS, TWAS, centrifuge feed, centrate, and process waste lines. The original treatment plant construction used Victaulic grooved fittings and couplings for these process pipes, and thus the Agency standardized on Victaulic and maintains spare parts in inventory. Approximately 90% of all grooved pipes in the plant currently use Victaulic fittings and couplings.

- DeZurik plug valves: The Agency standardized on DeZurik plug valves in 2011 after staff experienced issues with valves from a different manufacturer. Approximately 90% of the plug valves in the plant are currently manufactured by DeZurik, with all aging plug valves scheduled for in-house replacement with DeZurik valves as needed. DeZurik valves are kept in the warehouse inventory which provides for immediate replacement of deteriorated valves if needed.
- Allen-Bradley CompactLogix PLC: The Board authorized the pre-purchase of three sludge dewatering centrifuges during the August 2024 meeting, which included motors, control panels, and associated hardware, software, operator interface terminals, and programming for operating the centrifuges. The pre-purchased centrifuges are each equipped with an Allen-Bradley CompactLogix PLC and a PanelView Plus 7 Performance Operator interface unit.

As part of the Project, the dewatering system Master PLC will be upgraded due to its age and obsolete parts. The current Master PLC is an Allen-Bradley unit, and it controls the entire dewatering system, including centrifuges, polymer feed pumps, and centrifuge feed pumps. To ensure the Master PLC will reliably communicate with the PLCs of the pre-purchased centrifuges, staff recommend sole source specification for the replacement Master PLC with an Allen-Bradley CompactLogix PLC and a PanelView Plus 7 Performance operator interface unit.

Public Contract Code (PCC) Section 3400 allows sole sourcing equipment in contract specifications if they are “to match existing products in use on the particular public work”.

Staff are currently reviewing the 90% design documents and expect to receive the final design documents in June. Staff will present the Project’s contract documents for Board acceptance and authorization for public bidding after final design is completed.

**Alignment with Strategic Plan:** This Project aligns with the Agency’s FY25 Business Plan to support Goal 1 – Objective 1.3 as shown below.

*Goal One: CMSA will effectively operate and maintain its treatment facilities in compliance with changing regulations*

*Objective 1.3: Deliver critical and high priority Agency capital projects*

*Action: Complete Dewater System Replacement Project design and begin construction*

**Photos:**



*Figure 1: DeZurik plug valves and Victaulic fittings and couplings on the centrifuge feed and centrate piping*



*Figure 2: Inventory of Victaulic fittings, couplings and gaskets*





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## BOARD MEMORANDUM

May 8, 2025

To: CMSA Commissioners and Alternates

From: Jason Dow, General Manager

**Subject: CMSA Fee Ordinance Public Hearing**

**Recommendation:** Conduct the public hearing for the proposed Fee Ordinance 2025-1, pass the Ordinance, and authorize publication of a summary of the passed Ordinance in the Marin Independent Journal newspaper.

**Summary:** Staff presented the proposed revisions to the Agency's Fee Ordinance (Ordinance) at the April Board meeting. After discussing each revision, the Board accepted them and directed staff to schedule a public hearing for proposed Ordinance 2025-1 at the May 13 Board meeting. A Notice of Hearing was posted in the Marin Independent Journal (IJ) newspaper on May 7 and May 9.

**Details:** Proposed Ordinance 2025-1 is attached, and the changes are presented below.

- 1) *Section 1 – Definitions:* Include abbreviations for each JPA Member Agency name.
- 2) *Section 3 - Capacity Charge:* Update the Capacity Charge schedule with FY26 amounts; and add clarifying language that Capacity Charge remittances to the Agency will be accompanied by supporting receipt documentation from the JPA Member Agency.
- 3) *Section 6 – Waste Hauler Charges:* Add clarifying language that the annual tipping fee update is rounded to the nearest dollar.
- 4) *Section 9 – Industrial Monitoring and Permit Fees:* Update new, renewal, and expedited permit fees.

If the Ordinance is passed, a Summary of the Passed Ordinance for publication in the Marin IJ will be similar to the attached Summary of the Proposed Ordinance.

**Attachments:**

1. Summary of Proposed Ordinance 2025-1
2. Proposed Fee Ordinance 2025-1



**SUMMARY OF ORDINANCE AND NOTICE OF HEARING****AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE CENTRAL MARIN SANITATION AGENCY REVISING ITS FEE ORDINANCE**

The Central Marin Sanitation Agency (CMSA) previously adopted Ordinance 2023-1, an ordinance relating to fee schedules for capacity charges, waste haulers, Fats, Oils, and Grease (FOG) Haulers, and industrial monitoring, on June 22, 2023. This proposed Ordinance will revise provisions within Ordinance 2023-1 to update fee schedules and make other minor revisions.

This proposed Ordinance will revise Ordinance 2023-1 in the following ways:

- Regional Capacity Charges for new sanitary sewer connections and increased fixture unit counts have been updated.
- Industrial monitoring fees for new and renewed discharger permits have been updated.
- Recreational Vehicle tipping fees are rounded to the nearest dollar.
- Capacity Charge remittances to the Agency will be accompanied by supporting receipt documentation.

CMSA's Board of Commissioners has authorized publication of the foregoing summary of the proposed Ordinance and Notice of Hearing pursuant to Health and Safety Code Section 6490 and 6491.3, and will conduct a public hearing to consider the proposed Ordinance at its meeting on May 13, 2025 at 6pm. The meeting will be held virtually and in the Agency Board Room located at 1301 Andersen Drive, San Rafael. All persons desiring to be heard on whether or not the Board of Commissioners should pass the proposed Ordinance, will have an opportunity to present their views.

A copy of the proposed Ordinance can be viewed or downloaded from the Agency's website ([www.cmsa.us](http://www.cmsa.us)) or is available at the Agency office.

Jason Dow, PE  
General Manager





CENTRAL MARIN SANITATION  
AGENCY

**AN ORDINANCE RELATING TO FEE SCHEDULES  
FOR CAPACITY CHARGES, WASTE HAULERS,  
AND INDUSTRIAL MONITORING**

ORDINANCE No. 2025-1

May 2025

**CENTRAL MARIN SANITATION AGENCY**

**Ordinance No. 2025-1**

**AN ORDINANCE RELATING TO FEE SCHEDULES  
FOR CAPACITY CHARGES, WASTE HAULERS,  
AND INDUSTRIAL MONITORING**

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## CENTRAL MARIN SANITATION AGENCY

### Ordinance No. 2025-1

#### AN ORDINANCE RELATING TO FEE SCHEDULES FOR CAPACITY CHARGES, WASTE HAULERS, FATS, OILS, AND GREASE (FOG) HAULERS, AND INDUSTRIAL MONITORING

The Commission of the Central Marin Sanitation Agency does ordain as follows:

#### SECTION 1 - DEFINITIONS

**Agency:** Agency means Central Marin Sanitation Agency, a joint exercise of powers agency formed on October 15, 1979.

**Member Agency:** A Member Agency means San Rafael Sanitation District (SRSD), Ross Valley Sanitary District (RVSD), and Sanitary District #2 of Marin County (SD2).

**Plumbing Fixture Unit:** A plumbing fixture unit, or fixture unit, evaluates the wastewater load resulting from average use of various kinds of plumbing fixtures. As used herein, a plumbing fixture unit means a plumbing fixture unit as defined by the most recent version of the Uniform Plumbing Code (UPC). There are 16 plumbing fixture units in a service unit.

**Service Unit:** A service unit, or equivalent dwelling unit (EDU), means a unit of a wastewater discharge with volume and strength estimated to equal that of an average single-family residential unit.

#### SECTION 2 - NO FREE SERVICE

No facilities or services of the Agency's wastewater system shall be furnished to any user free of charge.

### SECTION 3 - CAPACITY CHARGE

A regional capacity charge shall be used by CMSA only for capital improvement purposes. It shall be paid for each new sewer user connecting to a public sewer within or being served by one of CMSA's Member Agencies, or for an expansion by an existing sewer user already connected to the sewer system. Such charge shall be collected by the Member Agency in the same manner in which the Member Agencies now collect their own local sewer connection fee. Member Agencies shall forward the regional capacity charges collected on behalf of CMSA and supporting documentation<sup>1</sup> within 45 days of receipt of such funds. Nothing contained herein is intended to reduce or interfere with a Member Agency's local sewer connection and other fees.

The amount of such regional capacity charge as of July 1, 2025 is as follows:

1	New sewer connections for residential units, whether in single-family or multiple-family configuration.  <i>Per service unit:</i>	\$7,747.39
2	Other new sewer user connections, including commercial, public agency, non-profit and all others users, except industrial and high strength users.  <i>Per plumbing fixture unit, as defined in the UPC:</i> Residential fee [1] divided by plumbing fixtures per unit (\$7,747.39/16)	\$484.21*
3	Expansion of any existing sewer connection fixture unit count, except industrial and high strength users.  <i>Per new or additional plumbing fixture unit, as defined in the UPC:</i> Residential fee (1) divided by plumbing fixtures per unit (\$7,747.39/16)	\$484.21*
4	New High Strength User connection and/or expansion of existing High Strength User connection fixture units, including restaurants and bakeries. Commercial fee times high strength factor (2.34).  <i>Per plumbing fixture unit, as defined in the UPC:</i> Commercial fee [2] multiplied by the high strength factor (\$484.21 x 2.34)	\$1,133.05*
5	New industrial structures and/or those new sewer users which, as determined by the Agency's general manager, discharge special volumes or strengths of wastewater shall be charged a regional capacity charge established by Board action in each individual case.	

\*But not less than \$7,747.39 per new connection, the minimum fee if a new connection is added.

<sup>1</sup> Supporting documentation from each of the Member Agencies include the *Permit & Capacity Fee Invoice* packet from RVSD, *Permit Receipt* and *Application* from SD2, and *Receipt for Sewer Connection Charge* from SRSD.

#### **SECTION 4 - ANNUAL ADJUSTMENT OF CAPACITY CHARGE**

Each year, commencing on July 1 and continuing thereafter on each July 1, the connection fee shall be adjusted by an increment based on the most recent annual change (April to April) in the Engineering News-Record Construction Cost Index (ENR Index) for San Francisco.

However, the CMSA Board of Commissioners may at its option determine, by resolution adopted prior thereto, that such adjustment shall not be effective for the next succeeding year, or may determine other amounts as appropriate.

#### **SECTION 5 - ACCESSORY DWELLING UNITS, SENIOR CITIZEN, AND AFFORDABLE HOUSING**

Those residential construction projects which a Member Agency designates and determines are qualified for reduced local sewer connection fees shall also automatically qualify for a reduced regional capacity charge. However, the Agency's regional capacity charge shall be reduced only by the same proportionate amount as the Member Agency's connection fee.

## SECTION 6 - WASTE HAULER CHARGES

A waste disposal fee shall be paid by septage haulers, other trucks hauling chemical toilet and/or domestic strength wastewater, and recreational vehicles discharging directly in the Agency's treatment facilities. Each type and volume of hauled waste is assigned a Service Unit (Equivalent Dwelling Unit, EDU)

TYPE OF VEHICLE	SERVICE UNITS (EDU)
Septage and Chemical Toilet Waste Haulers: Truck volume per 1,000 gallons or portion of	0.270
Recreational Vehicle and Other Domestic-Strength Waste Haulers: Minimum charge is \$10.00	0.025
Other Tank Truck Wastes: As determined by the Agency's General Manager, on a case-by-case basis.	

Each year, commencing on July 1 and continuing thereafter on each July 1, the annual service charge "EDU Rate" for each service unit "EDU" will be established in the CMSA Adopted Budget. The Agency's EDU Rate will be based on the total of billed revenues to the Member Agencies divided by the total number of reported EDUs in the Member Agencies' service area for the current fiscal year.

Each waste hauler shall pay a waste disposal fee based on the following formula:

*Septage and Chemical Toilet Trucked Waste Disposal Fee = (Total volume / 1,000) x (0.27 x EDU Rate) + a Facility Use Fee.*

*Recreational Vehicle Disposal Fee = 0.025 x EDU Rate*

The Facility Use Fee is \$0.07 per gallon, and is applied to each waste hauler load to recover Agency administrative, load monitoring, and facility maintenance expenses associated with receiving the trucked waste.

The charges determined above shall be rounded up to the nearest one dollar (\$1.00), e.g., if greater than \$0.50, then round up; if lower, round down.

## SECTION 7 - FATS, OILS, AND GREASE (FOG) HAULER CHARGES

A wastewater facilities use charge shall be paid by haulers of fats, oils, and grease (FOG) discharging directly in the Agency's treatment and disposal facilities.

<b>Tipping Fee Tiers (gallons per day)</b>	<b>Charge per Tier (\$/gallon)</b>
0 – 1,500	0.06
1,501 – 3,000	0.05
3,001 - 5,000	0.03
5,001 – 10,000	0.02
10,001 – 15,000	0.01
15,001+	No charge

The Agency may also charge a monitoring fee to FOG haulers to recover the actual cost of any required sample collection and analysis, if a sample is collected at the discretion of CMSA.

The Agency may establish a per gallon FOG disposal fee that is lower than the fee described above to be competitive with the FOG disposal fees charged by other wastewater treatment or similar disposal facilities, or to obtain desirable FOG delivery terms that would be financially advantageous for CMSA's power delivery program. Under these circumstances, the General Manager may recommend a reduction in the FOG fee and request the Board of Commissioners to make the reduction through a Board action at a properly agendized Board meeting, or the fee may be reduced to an appropriate level at the discretion of the General Manager, who shall notify the Board of such fee reduction at its next regular meeting. Any new rate change under this section would become effective immediately either upon the date of the Board action or upon the date that the General Manager makes the decision for a reduction.

## SECTION 8 - LIQUID ORGANIC WASTE HAULER CHARGES

Liquid wastes from food and beverage manufacturing and/or production facilities are accepted at the Agency's Organic Waste Receiving Facility. The Agency's fee to receive and process each type of liquid waste will be negotiated with the generator of the waste material, and will consider the expected delivery volume and frequency, and its contamination level and organic content. The General Manager has the authority to establish the initial tipping fee for each type of liquid waste material and adjust the fee to remain competitive in the marketplace.

## SECTION 9 - INDUSTRIAL MONITORING AND PERMIT FEES

- A. CMSA shall assess and collect fees for the recovery of costs associated with the discharge of industrial wastes to the sanitary sewers. These fees are permit fees, monitoring fees, and noncompliance fees, as described in CMSA's Sewer Use Ordinance. Permit and monitoring fees are shown below and are adjusted each fiscal year based on the San Francisco Bay Area CPI.

User/Permit Class	User/Permit Description	New Permit Fee <sup>(a)</sup>	Renewal Permit Fee <sup>(a)</sup>	Expedited Permit Fee <sup>(b)</sup>
I	Significant/Categorical Industrial User (SIU/CIU)	\$1,464	\$732	\$2,197
II	Manufacturing, mass transit, etc.	\$732	\$367	\$1,099
III	Business activity, radiator repair shops,, auto service facilities, etc.	\$732	\$367	\$1,099
IV	Groundwater discharger, CIPP lining, construction runoff, etc.	\$488	\$244	\$732

Note: See CMSA Sewer Use Ordinance for detailed description of User/Permit Classes. CPI fee adjustments are rounded to the nearest dollar.

- (a) The New Permit and Renewal Permit review process timeline is approximately 30 calendar days. If additional information is required or the application is amended during the review process the permitting process may be extended.
- (b) The Expedited Permit Fee targets a 7-calendar day timeline.

### 1. Monitoring Fee

All routine monitoring events, pursuant to verifying compliance with a Wastewater Discharge Permit or as follow-up to an instance of non-compliance detected during a previous monitoring event, shall be assessed one of the monitoring fees listed below.

#### **Grab Sample(s)**

The sum of: 1) One hour labor at the current weighted salary of the average CMSA Environmental Services Analyst; 2) 60% overhead assessed on the labor charge; and 3) The cost of any analytical work performed on the sample(s) by CMSA's in-house analytical laboratory and/or the currently contracted analytical laboratory, per their invoice to CMSA.

#### **24-hour Composite Sample(s)**

Identical to the Grab Sample fee, except that two hours of labor will be charged.

## **SECTION 10 - DETERMINATION THAT FEES DO NOT EXCEED COST OF SERVICE**

CMSA has determined that the fees for Capacity Charges (Section 3), Waste Hauler Charges (Section 6), and Industrial Monitoring Fees (Section 9) do not exceed the cost of providing the services that CMSA provides.

## **SECTION 11 - SEVERABILITY**

If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, no other provision of this ordinance shall be affected thereby.

## **SECTION 12 - REPEALS**

All prior Ordinances of CMSA relating to fees are hereby repealed.

### SECTION 13 - EFFECTIVE DATE

This ordinance shall be effective thirty (30) days after its passage. Before the expiration of fifteen (15) days after its passage, it shall be published once, with the names of the members voting for and against it, in the Marin Independent Journal, a newspaper of general circulation published within the Agency boundaries.

PASSED AND ADOPTED on May 13, 2025 by the following vote:

AYES:

NOES:

ABSENT:

Attest:

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Eli Beckman – Commission Chair

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Mary Sylla – Commission Secretary



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**BOARD MEMORANDUM**

May 8, 2025

To: CMSA Board of Commissioners

From: Corey Spray, Administrative Services Manager  
Jason Dow, General Manager

Approved: Board Finance Committee – Commissioners Beckman, DiGiovanni, and Gaffney

**Subject: CMSA Monthly Treasurer’s Report Format Update**

**Recommendation:** Approve the Agency’s updated Monthly Treasurer’s Report format, and provide comments and/or direction to staff, as appropriate.

**Summary:** The Board approved *Financial Policy #530 – Treasury General* outlines procedures for managing the Agency’s treasury and investments, including appointment of a Treasurer, preparation of a monthly Treasurer’s Report, and performance of monthly bank reconciliations. Staff have revised the Treasurer’s Report to enhance its clarity in presenting the Agency’s financial operations. The draft report was presented to the Finance Committee on May 1, 2025, and their comments have been incorporated.

**Discussion:** The current monthly Treasurer’s Report provides summarized information in four primary areas: (1) cash, investments and reserves; (2) operating account activity schedule; (3) operating account disbursement register; and (4) capital reserve schedule. The report is developed from the perspective of the operating account. Most of the Agency’s financial activities are transacted within the operating account; however, this narrow view leaves out activity that occurs within the other cash and investment accounts available to the Agency, e.g., investment income and debt service. The accounts available are:

- *Operating account (Westamerica)* – Primary deposit account for general usage
- *Petty cash* – In-house cash kept for small purchases
- *Petty cash (for RV)* – Cash collected from RV customers
- *Pension obligation bond trust (US Bank)* – Restricted for payment on debt service
- *Revenue bond trust (US Bank)* – Restricted for payment on debt service
- *Pooled investment (LAIF)* – Investment with the State of California
- *Pooled investment (CAMP)* – Investment with California Asset Management Program
- *Section 115 pension trust (Keenan)* – Restricted investment to manage future pension obligations

All available cash and investment accounts are then shown in the Agency's internal reserves presentation to track specific cash flows or activity. Using current Government Accounting Standards Board (GASB) guidance on tracking reserves or fund balance, the categories available to the Agency for tracking internal liquidity are: (1) nonspendable funds whereby the principal cannot be contractually spent, i.e., an endowment, (2) legally or contractually restricted, (3) committed by Board policy, (4) internally assigned by management, or (5) unassigned remaining funds. Out of these five categories, the Agency elects to manage its internal liquidity using the categories of restricted, committed, and unassigned as these best correlate with the Agency's operating and capital activities. As such, the reserve categories are as follows:

- *Pension obligation (restricted)*
- *Pension bond debt trust (restricted)*
- *Revenue bond debt trust (restricted)*
- *Operating reserve (Board committed)* – 25% of budgeted operating expenditures
- *Emergency reserve (Board committed)* – \$500,000 for contingency use
- *Capital reserve (Board committed)* – 25% of debt service collection fees
- *Unassigned operating reserve* – Remaining operating funds
- *Unassigned capital reserve* – Remaining capital funds

The monthly Treasurer's Report needs to show all these accounts to accurately capture the Agency's financial activities. As such, the report is being reformatted to include the following sections for enhanced clarity and to increase the data's usage:

- Update the listing of all cash and investment accounts to show the monthly change versus only presenting the end of month balances.
- Update the rate of return fields to include rates of return for all accounts.
- Update the reserve schedule for all above listed reserves and show the monthly change.
- Update the operating account schedule to include all cash/investment account activity.
- Add a fiscal year-to-date budget-to-actual schedule on a cash basis to show the consolidated cash flow activity relative to the budget on a timely basis. Explanation of the budget-to-actual activity will be performed on a quarterly basis.

To align the new report's presentation, Financial Policy #530 will need to be updated to reflect the updated process. If the changes to the Treasurer's Report are approved by the Board, staff will present the corresponding revised Financial Policy at the June meeting, and begin with the updated presentation for the July 2025 Treasurer's Report going forward.

**Attachment:**

- CMSA Monthly Treasurer's Report – *December 2024 Period Used for Reference*



## BOARD MEMORANDUM

May 8, 2025

To: CMSA Board of Commissioners

From: Corey Spray, Administrative Services Manager  
Jason Dow, General Manager

**Subject: December 2024 Treasurer's Report**

**Purpose:** Consistent with *Financial Policy# 530 – General*, Agency staff shall prepare a monthly Treasurer's Report that presents the Agency's cash and investments, operating and capital reserves, and cash flow activities.

**Cash and Investments:**

		Financial				Funds	
	Cash/Investment	Institution	11/30/2024	Receipt	Disbursement	FMV Change	Transfer 12/31/2024
1	Operating account	Westamerica	501,123	3,717,121	(2,309,351)	-	336 1,909,229
2	Petty cash	In-house	400	-	-	-	- 400
3	RV petty cash	In-house	60	336	-	-	(336) 60
4	Pension bond trust	US Bank	1,003	3	-	-	- 1,006
5	Revenue bond trust	US Bank	9,339	32	-	-	- 9,371
6	Pooled investment	LAIF	19,944,412	-	-	-	- 19,944,412
7	Pooled investment	CAMP	429,116	1,718	-	-	- 430,834
8	Pension trust	Keenan	949,743	13,277	-	(32,097)	- 930,923
9	Total Agency		\$ 21,835,196	\$ 3,732,488	\$ (2,309,351)	\$ (32,097)	\$ - \$ 23,226,236
10	Total net change in cash and investments			\$ 1,391,040	[Includes FMV change in pension trust]		

Note: The Fair Market Value (FMV) change on the LAIF portfolio is not included in the above presentation due to the funds deposited into the pooled account are guaranteed to be withdrawn dollar-for-dollar at the request of the Agency.

	Cash/Investment	Financial Institution	12/31/2024 Balance	CM Interest /FMV Change	Average RoR%
1	Operating account	Westamerica	\$ 1,909,229	\$ 1,317	1.00%
2	Petty cash	In-house	400	-	0.00%
3	RV petty cash	In-house	60	-	0.00%
4	Pension bond trust	US Bank	1,006	3	4.10%
5	Revenue bond trust	US Bank	9,371	32	4.10%
6	Pooled investment	LAIF	19,944,412	-	4.43%
7	Pooled investment	CAMP	430,834	1,718	4.80%
8	Pension trust	Keenan	930,923	(18,819)	-1.98%
9	Total Agency		\$ 23,226,236	\$ (15,749)	2.06%

Note: The average rate of returns for each account are annualized calculations of the monthly or quarterly interest proceeds received. The total Agency average rate of return percentage is the simple average of all annualized return percentages.

## Operating and Capital Reserves:

*Financial Policy #532 – Reserve* stipulates the establishment of certain reserve categories to manage the Agency’s liquidity. Some of the Agency’s activities are legally binding based on existing debt agreements or Internal Revenue Code (IRC) requirements that make these funds restricted, i.e., the debt service trusts for both the pension obligation bond and revenue bonds as well as the Section 115 pension investment trust. Other activities are tethered to Board of Commissioner approved policies that commit certain funds, i.e., establishment of an operating, emergency and capital reserves that have specific funding targets. All other activities that do not meet either the restricted or committed categories are classified as unassigned funds.

The Agency strives to use its unassigned funds first when conducting its core operations. Transfers to and from and its committed reserves are conducted following the management practices stipulated per Financial Policy. Transfers to and usage of funds allocated within its restricted reserves comply with current applicable laws and regulations.

	Reserve	Status	11/30/2024	Net Result	Funds Transfer	12/31/2024	Board Target
1	Pension trust	Restricted	\$ 949,743	\$ (18,819)	\$ -	\$ 930,923	\$ -
2	Pension bond trust	Restricted	1,003	3	-	1,006	-
3	Revenue bond trust	Restricted	9,339	32	-	9,371	-
4	Operating reserve	Committed	4,302,500	-	-	4,302,500	4,302,500
5	Emergency reserve	Committed	500,000	-	-	500,000	500,000
6	Capital reserve	Committed	1,125,100	116,800	(116,800)	1,125,100	1,125,100
7	Unassigned operating	Unassigned	1,082,678	1,782,995	-	2,865,673	-
8	Unassigned capital	Unassigned	13,864,833	(489,971)	116,800	13,491,662	7,728,711
9	Total Agency		<u>\$ 21,835,195</u>	<u>\$ 1,391,040</u>	<u>\$ -</u>	<u>\$ 23,226,235</u>	<u>\$ 13,656,311</u>

*Note 1: The pension trust net result is non-cash due to it including changes in fair value of the investment portfolio.*

*Note 2: Net result is the difference between cash receipts, FMV change, and cash disbursements.*

## Statement of Compliance:

The above portfolio of investments is in compliance with the Agency’s investments policy, adopted annually, and California Code Section 53601, authorized investments, and 53646, investments policy. In addition, the Agency does have the financial ability to meet its cash flow requirements for the next six months.

Further detail on the cash flows are provided in the succeeding pages showing the current month cash receipts and disbursements along with a comparison of the fiscal year-to-date activity to the approved annual budget.

## Cash Receipt & Disbursement Detail

A breakdown of the cash receipts for all Agency cash and investment accounts over the past month is listed below:

	Cash Receipt Transaction	Amount
1	JPA service charge collections (FY25 Q2: RVSD/SRSD)	\$ 3,335,175
2	Capacity charge collections ( <i>see detail below</i> )	116,800
3	SQSP wastewater services contract (FY25 October)	137,992
4	SD#2 operations & maintenance contract (FY25 October)	47,020
5	SQ Village operations & maintenance contract (FY25 October)	1,156
6	Marin Airporter lease payment	6,125
7	Marin Clean Energy sales	5,199
8	SRSD Contract Development cost reimbursement	5,879
9	Countywide education cost allocation (FY25 Q1: SD#5)	138
10	Permit and inspection fees	6,494
11	Laboratory service fees	7,216
12	SD#2 FOG program (FY25 Q1)	1,279
13	Almonte FOG program (FY25 Q1)	895
14	Organic waste, septage & RV haulers	44,711
15	Other miscellaneous	62
16	Cash & investment interest/dividends/realized gains	16,348
17	Total Agency cash receipts	<u>\$ 3,732,488</u>

As per the Joint Powers Agreement, the member agencies have agreed to collect the Agency's share of capacity charges and remit the proceeds within 45 days of collection. For the current month, the breakdown of capacity charges from each member is the following:

	JPA Member	Amount	Notes
1	Ross Valley Sanitary District	\$ 85,354	1 new connection & 158 FU
2	San Rafael Sanitation District	31,446	4 new connections
3	Sanitary District #2	-	N/A
4	Total capacity charges	<u>\$ 116,800</u>	

Please see attached *Disbursement Register* for the disbursement detail.

## Fiscal Year-to-Date Budget-to-Actual (Cash Basis) – As of December 2024

		FY2025 Budget	FY2025 YTD Actual	Budget Remain \$	Budget Used %
<b>OPERATING ACTIVITIES</b>					
<b>SOURCES</b>					
1	Regional service charges	\$ 13,247,500	\$ 6,623,750	\$ 6,623,750	50.0%
2	Contract service collection fees	1,862,500	1,036,699	825,801	55.7%
3	Program collection fees	133,900	94,088	39,812	70.3%
4	Permits, source control, inspection & other fees	458,600	624,788	(166,188)	136.2%
5	Bank interest (WAB/LAIF/CAMP/USB POB/Pension)	323,200	532,308	(209,108)	164.7%
6	Total funding sources	16,025,700	8,911,633	n/a	n/a
<b>USES</b>					
7	Salaries and benefits	11,279,900	5,776,900	5,503,000	51.2%
8	Chemicals and fuel	2,063,000	1,131,521	931,479	54.8%
9	Biosolids management	632,000	248,579	383,421	39.3%
10	Permit testing and monitoring	252,765	238,126	14,639	94.2%
11	Repairs and maintenance	827,072	409,723	417,349	49.5%
12	Utilities and telephone	444,200	217,168	227,032	48.9%
13	Insurance	668,800	444,543	224,257	66.5%
14	General and administrative	1,089,914	558,820	531,095	51.3%
15	Total funding uses	17,257,651	9,025,380	n/a	n/a
16	Net funding position change	\$ (1,231,951)	\$ (113,747)	n/a	n/a
<b>CAPITAL ACTIVITIES</b>					
<b>SOURCES</b>					
17	Debt service charges	\$ 4,500,300	\$ 3,861,191	\$ 639,109	85.8%
18	Debt service coverage fees	1,125,100	958,931	166,169	85.2%
19	Capital fees	1,575,500	787,750	787,750	50.0%
20	Capacity charges	39,500	375,662	(336,162)	951.0%
21	Grant proceeds	250,000	761,195	(511,195)	304.5%
22	Capital debt proceeds	-	-	-	0.0%
23	Bank interest (WFB/USB Rev)	2,000	9,376	(7,376)	468.8%
24	Total funding sources	7,492,400	6,754,104	n/a	n/a
<b>USES</b>					
25	Capital debt service	4,500,300	3,951,241	549,059	87.8%
26	Capital improvement program	10,364,562	3,154,439	7,210,122	30.4%
27	Total funding uses	14,864,862	7,105,680	n/a	n/a
28	Net funding position change	\$ (7,372,462)	\$ (351,576)	n/a	n/a
<b>TOTAL AGENCY</b>					
29	Total funding sources	\$ 23,518,100	\$ 15,665,738	n/a	n/a
30	Total funding uses	32,122,513	16,131,060	n/a	n/a
31	Net funding position change	\$ (8,604,413)	\$ (465,322)	n/a	n/a

Note: Total Agency net funding position change does not include pension trust unrealized activity due to activity being non-cash.

### Attachment:

- December 2024 Disbursement Register

**BOARD MEMORANDUM**

May 8, 2025

**To:** CMSA Commissioners and Alternates

**From:** Jacky Wong, Associate Engineer  
Peter Kistenmacher, Technical Services Manager/Assistant General Manager

**Approved:** Jason Dow, General Manager

**Subject:** **Accept Completion of the FY25 Parking Lot Rehabilitation Project**

**Recommendation:** Accept the FY25 Parking Lot Rehabilitation Project as complete, and authorize the General Manager to file the Notice of Completion with Marin County.

**Summary:** On February 11, 2025, the CMSA Board awarded the FY25 Parking Lot Rehabilitation Project (Project) to EE Gilbert Construction for \$303,555. Field work began on March 23, 2025, and was satisfactorily completed and in compliance with the project specifications on April 22, 2025. Due to unforeseen site conditions requiring additional work, the final construction cost increased to \$393,650.00, 29.68% above the contract award amount.

**Economic Summary:** The Project's adopted FY25 Capital Improvement Program (CIP) budget allocated \$193,600 for repairing various facility paved areas. After expanding the Project's scope of work during design, the revised Engineer's Estimate was \$380,000. Staff reported in February that budget savings from other FY25 capital accounts would be utilized to fund this Project. The estimated total project expenditures are detailed in the table below:

<b>Project Expenditures</b>	
Original Construction Contract (EE Gilbert)	\$303,555.00
Construction Change Order 1 – additional asphalt removal and disposal and elimination of fog seal (EE Gilbert)	\$18,675.00
Construction Change Order 2 – cement treatment of existing subgrade and additional recycled class 2 aggregate base transportation (EE Gilbert)	\$69,099.00
Construction Change Order 3 – utility potholing (EE Gilbert)	\$2,321.00
<b>Total Construction Contract (EE Gilbert)</b>	<b>\$393,650.00</b>
Geotechnical Engineering and Construction Material Testing Services (Miller Pacific)	\$10,800.00
Procurement of additional recycled aggregate base (Marin Sanitary Services)	\$4,382.56
<b>Total Estimated Project Cost</b>	<b>\$408,832.56</b>

**Discussion:** The Project involved removing and replacing about 25,000 square feet of deteriorated asphalt and sub-base in the visitor and employee parking lots. Work progressed as scheduled, however, on March 24, as the contractor began removing the existing asphalt, it was discovered that the actual asphalt thickness was significantly greater than indicated in the design drawings. The actual asphalt thickness was approximately 7 inches on average, compared to the 4 inches shown in the drawings, which were based on historical facility record drawings. Additionally, much of the underlying subgrade layer was only 2 to 3 inches thick and highly unstable due to a clay layer (young bay mud) beneath, making it unsuitable for the heavy paving trucks and equipment needed for placing the new asphalt.

CMSA staff engaged Miller Pacific, a local geotechnical engineering firm that successfully supported CMSA with the Andersen Drive Landslide Repairs Project, to evaluate the changed subsoil conditions. On April 2, Dynamic Cone Penetration (DCP) tests were performed at nine locations to ascertain the existing subsoil-bearing capacity. The team evaluated various improvement options, including over-excavation to remove and dispose of the clay layer and backfill with new aggregate base, building up the pavement section using engineered geogrid with additional layers of aggregate base and asphalt, or applying cement to treat and stabilize the subsoil. After consulting with Miller Pacific and another experienced local paving contractor, staff selected cement treatment of the entire top 18 inches of subsoil volume using a mixed-in-placed method. The cement treatment, performed by a subcontractor with specialized equipment, was completed on April 11, followed by parking lot paving on April 16 and 18, with the pavement striping completed on April 22.

**Project Photos:** The following photos show the pavement during and after the construction.



**Photo 1:** Grinding to remove asphalt surfaces.



**Photo 2:** Trucks off-hauling removed asphalt.



**Photo 3: Unstable subgrade with cracks.**



**Photo 4: Unstable clay layer (young bay mud) beneath subgrade.**



**Photo 5: Potholing unmarked utilities.**



**Photo 6: Cement base treatment equipment used for spreading cement.**



**Photo 7: Cement base treatment equipment used for mixing subsoil.**



**Photo 8: Cement base treatment equipment used for compaction.**



**Photo 9: New pavement installation.**



**Photo 10: Equipment used for parking lot striping.**

**Alignment with Strategic Plan:** This Project aligns with the Agency's FY25 Business Plan to support Goal 1 – Objective 1.2 as shown below.

*Goal One: CMSA will effectively operate and maintain its treatment facilities in compliance with changing regulations.*

*Objective 1.2: Manage the Agency's equipment and assets consistent with CIP and maintenance programs.*



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## BOARD MEMORANDUM

May 8, 2025

To: CMSA Commissioners and Alternates

From: Jason Dow, General Manager  
Corey Spray, Administrative Services Manager

Approved: Board Finance Committee – Commissioners Beckman, DiGiovanni, and Gaffney

**Subject: Proposed Draft Budget for FY26 and FY27**

**Recommendation:** Review the Proposed Draft Budget for FY26 and FY27, and provide comments and/or direction to the General Manager, as appropriate.

**Summary:** Staff prepared the Agency's draft 2-year operating and capital budget, for FY26 and FY27, which was reviewed by the Finance Committee at its May 1, 2025, meeting. The Committee recommends the Board accept the budget as presented or with edits and direct staff to bring the final draft budget to the June meeting for approval. The 2-year draft budget is enclosed in Board member agenda packets and may be viewed on the Agency website at <https://www.cmsa.us/finance>. Staff will give a high-level budget PowerPoint presentation at the May 13, 2025, Board meeting.

**Discussion:** The proposed draft 2-year budget consists of five parts: revenues, operating expenses, a 10-year capital improvement plan, a 10-year financial forecast, and an appendix of reference tables specific to budget development. Budget amounts have been carefully developed by department managers and budget account administrators, reviewed by the Administrative Services Manager and General Manager, and accepted by the Finance Committee at its meeting on May 1, 2025. Attached for reference information are several draft budget documents that were provided to and reviewed by the Finance Committee.

The proposed budget provides funding requirements and funding sources necessary to provide services to the Agency's customers in a responsible and cost-effective manner. Board comments and suggested changes will be incorporated into the Government Finance Officers Association (GFOA) version of the final draft budget that will be presented at the June 10, 2025, meeting.

### Budget Highlights

- The FY26 and FY27 budgets are balanced.
- JPA member revenues will increase 4.5% per the adopted 5-year Revenue Plan.

- CMSA's staffing level remains at 48 employees, including a shared safety professional with Novato Sanitary District and 2 FTE student interns each year.
- The capital program will be financed from, and in this order, (1) capacity charges, (2) debt service coverage fees, (3) capital fee, and (4) capital reserve usage.
- There is a scheduled debt issuance of \$13,000,000 to occur in FY26. Assumptions used for this scenario include the interest rate stated at 3.5%, issued at par, and term of 20 years.

**Alignment with Strategic Plan:** The project is a strategic action supporting Goal 2 – Objective 2.3 in the Agency's FY25 Business Plan as shown below.

*Goal Two: CMSA will continually improve financial management practices to ensure transparency, financial sustainability, and sound fiscal principles.*

*Objective 2.3 Prepare transparent financial documents.*

*Action 1: Prepare the Agency's FY26 and FY27 Budget document in the Government Officers Association (GFOA) format and submit to the GFOA for review.*

**Attachments:** The following attachments were provided to and reviewed with the Board's Finance Committee on May 1, 2025. There have been minor changes to them in the proposed draft FY26 and FY27 budget.

1. Budget Assumptions for Revenues, Expenses and Capital
2. Funding Requirements and Sources Summary
3. Reserves Summary
4. Schedule of Revenue Allocation Tables
5. Proposed FY26 and FY27 Capital Improvement Program – Summary of Changes
6. Updated 10-Year Capital Improvement Program

**Enclosure:** Proposed Draft FY26 and FY27 Budget

## BUDGET ASSUMPTIONS FOR REVENUES, EXPENSES, AND CAPITAL

### Revenues

- In accordance with the Board adopted revenue plan, charges to SRSD, RVSD, and SD2 increased a total of 4.5%. Charges include the operating service fee, capital fee, debt service charge, and debt service coverage charge.
- The operating service and capital fee are allocated using the average 3-year wastewater flow-strength method.
- Debt service charges plus the 25% covenant coverage fee are a dollar-for-dollar amount allocated based upon agreed-upon 10-year average EDU counts.
- Capacity charges are dependent upon new connections and increase annually based upon the April-to-April ENR index, which is assumed to be 3%.
- The significant contract service revenues are for wastewater services to San Quentin State Prison and San Quentin Village, and pump station maintenance for Sanitary District #2. These services are billed at weighted labor rates plus materials and overhead.
- Interest follows anticipated cash flow. Rates of return are assumed to follow the US Federal Reserve's interest rate plan of 3.9% and 3.6% in FY26 and FY27 respectively.
- Investment income for the pension trust is newly added for this budget cycle to accurately and conservatively show investment portfolio movements. The total pension portfolio is expected to grow further from market returns of 2.75% (FY26) and 5.75% (FY27).
- Wastewater services to San Quentin Village (within contract service revenues) will end in the future as the sewer collection system will annex into RVSD.
- Capital debt proceeds of \$13M (net \$12.675M of cost of issuance) is anticipated to fund current capital projects.
- Operating and capital reserves are used to balance the budget, wherein by mechanics of the worksheet a reserve usage is positive, and a reserve increase is negative.

### Expenses – Salaries & Wages and Benefits

- Salaries are budgeted based upon step-specific classification levels with provision for employee step increases where applicable, promotions, and estimated leave cash outs.
- Salaries are budgeted to increase 2.76% and an estimated 3% per the authorized cost of living adjustment in FY26 and FY27 respectively.
- The CalPERS Classic employer rate of 16.09% (FY26) and 16.10% (FY27) is applied to applicable compensation, and the rate of 7.96% (FY26) and 8% (FY27) is applied to PEPRAs applicable compensation for employees hired after December 31, 2012.
- The Agency is following its plan of budgeting as a funding mechanism for the previously scheduled UAL amounts for the unfunded liability in the amounts of \$1,106,700 and \$1,073,200 for each of the two fiscal years, respectively. The funding will provide for the debt service for the 2022 pension obligation bonds (POBs) with the difference between the

POBs and UAL amount transferred to a Pension Trust, to prefund future UAL amounts received from CalPERS.

- CalPERS medical costs are budgeted at the actual rate for known employee status and Kaiser family rate where status is not known. Growth for both fiscal years is assumed to be 8%.
- Retiree medical (OPEB) costs are budgeted to increase 8% for each of the two fiscal years, respectively, for the Kaiser Senior Advantage medical plan in accordance with the OPEB funding plan to prefund the OPEB trust to provide for future OPEB obligation.

#### Expenses – Materials, Supplies, and Services

- CSRMA premiums for general liability and property insurance increased significantly from the prior year due to large claims within the industry over the past year. Liability increased 15% and property 10%.
- Workers' compensation insurance increased 10% for the base premium while the expense modification factor increased slightly from 0.92 to 0.95.
- General & administrative costs are generally consistent between years.
- The budget contains adequate provision for professional associations and employee training and development.
- The budget contains adequate provision for legal, regulatory, audit, and other professional consultants.
- Chemical costs are expected to normalize due to cost inflation pressures abating and recent contract bidding by the BACC and the Agency.
- Utility costs are expected to normalize due to cost inflation pressures abating.
- Biosolids hauling and reuse fees are generally consistent between years even with the addition of the third load to Lystek per week.
- Permit testing and monitoring costs are generally consistent between years.
- The maintenance budget is generally consistent between years.

#### Capital

- The capital improvement budget consists of four sections – facility improvements, general equipment, liquids treatment equipment and systems, and solids treatment and energy generation equipment and systems.
- The CIP covers a 10-year period for scheduled equipment replacement as well as master plan projects totaling approximately \$150 million.
- The larger more significant projects will be debt financed with the balance of projects financed from traditional capital funding sources.
- The CIP utilizes cost escalations to account for rising prices using a rolling five-year average of the San Francisco ENR Construction Cost index.
- A summary of significant capital projects is discussed in Attachment 5.

**CENTRAL MARIN SANITATION AGENCY**  
**FUNDING REQUIREMENTS AND SOURCES SUMMARY**  
**FOR THE FISCAL YEARS ENDED 2024 THROUGH 2026**

		A		B	(B - A) / A	C	(C - B) / B
	ACTUAL	BUDGET	PROJECTION	PROPOSED	YoY Chg %	PROPOSED	YoY Chg %
	6/30/2024	6/30/2025	6/30/2025	6/30/2026	FY26 vs FY25	6/30/2027	FY27 vs FY26
<b>Operating Activities</b>							
1 Salaries & benefits (Note 1 )	\$ 9,850,334	\$ 11,274,300	\$ 10,559,903	\$ 11,368,500	0.8%	\$ 11,764,500	3.5%
2 Chemicals & fuel	1,697,068	2,063,000	1,932,200	2,034,900	-1.4%	2,095,500	3.0%
3 Biosolids management	396,318	632,000	550,300	645,300	2.1%	666,800	3.3%
4 Permit testing & monitoring	182,355	248,600	239,300	260,100	4.6%	249,600	-4.0%
5 Maintenance & repairs	458,699	813,200	905,800	734,500	-9.7%	751,600	2.3%
6 Utilities	461,228	444,200	378,700	392,400	-11.7%	405,400	3.3%
7 Insurance	576,992	674,400	551,800	632,500	-6.2%	688,300	8.8%
8 General & administrative	738,995	1,060,300	843,000	1,069,800	0.9%	1,080,800	1.0%
9 Total operating uses	14,361,990	17,210,000	15,961,003	17,138,000	-0.4%	17,702,500	3.3%
10 Regional service charges	12,984,173	13,247,500	13,247,500	13,843,600	4.5%	14,466,600	4.5%
11 Contract service fees	1,777,149	1,862,500	2,098,000	2,041,100	9.6%	2,104,000	3.1%
12 Program revenues	121,845	133,900	245,000	194,100	45.0%	191,300	-1.4%
13 Other operating sources	1,346,827	781,800	1,565,200	1,387,200	77.4%	1,384,900	-0.2%
14 Total operating sources	16,229,995	16,025,700	17,155,700	17,466,000	9.0%	18,146,800	3.9%
15 Net operating activities	1,868,005	(1,184,300)	1,194,697	328,000	n/a	444,300	n/a
<b>Capital Activities</b>							
16 Capital debt service	4,501,006	4,500,300	4,500,300	4,497,200	-0.1%	5,463,000	21.5%
17 Capital improvement program	5,362,279	10,108,700	5,006,400	16,630,900	64.5%	8,450,800	-49.2%
18 Total capital uses	9,863,285	14,609,000	9,506,700	21,128,100	44.6%	13,913,800	-34.1%
19 Debt service charges	4,373,673	4,500,300	4,500,300	4,497,200	-0.1%	5,463,000	21.5%
20 Debt service coverage fees	1,093,418	1,125,100	1,125,100	1,124,300	-0.1%	1,365,800	21.5%
21 Capital fees	1,289,186	1,575,500	1,575,500	1,903,500	20.8%	1,034,800	-45.6%
22 Capacity charges	986,988	39,500	305,200	40,500	2.5%	41,700	3.0%
23 Grant proceeds (Note 2 )	1,556,349	250,000	257,700	-	-100.0%	-	0.0%
24 Capital debt proceeds, net	-	-	-	12,675,000	100.0%	-	-100.0%
25 Other capital sources	1,592	2,000	10,900	130,200	6410.0%	8,500	-93.5%
26 Total capital sources	9,301,206	7,492,400	7,774,700	20,370,700	171.9%	7,913,800	-61.2%
27 Net capital activities	(562,079)	(7,116,600)	(1,732,000)	(757,400)	n/a	(6,000,000)	n/a
28 Total Agency uses	(24,225,275)	(31,819,000)	(25,467,703)	(38,266,100)	20.3%	(31,616,300)	-17.4%
29 Total Agency sources	25,531,201	23,518,100	24,930,400	37,836,700	60.9%	26,060,600	-31.1%
30 Total Agency reserve (inc)/dec	(1,305,926)	8,300,900	537,303	429,400	-94.8%	5,555,700	1193.8%
31 Total Agency funding change	\$ -	\$ -	\$ -	\$ -	n/a	\$ -	n/a

Note 1: Includes POB debt service and contribution to the pension trust.

Note 2: Does not include \$1.7M in IRA funds.



**CENTRAL MARIN SANITATION AGENCY**  
**AGENCY RESERVES SUMMARY**  
**FOR THE FISCAL YEARS ENDED 2024 THROUGH 2026**

	ACTUAL 6/30/2024	A BUDGET 6/30/2025	PROJECTION 6/30/2025	B PROPOSED 6/30/2026	(B - A) / A YoY Chg % FY26 vs FY25	C PROPOSED 6/30/2027	(C - B) / B YoY Chg % FY27 vs FY26
<b>Operating Activity Reserves</b>							
<b>- Restricted Pension Trust -</b>							
1 Beginning balance	\$ 207,792	\$ 904,043	\$ 904,043	\$ 1,540,343	n/a	\$ 1,811,043	n/a
2 Net investment activity	20,880	-	50,100	84,000	n/a	153,000	n/a
3 Net fund transfer - Op unassigned	675,370	586,200	586,200	186,700	n/a	153,800	n/a
4 Ending balance	904,043	1,490,243	1,540,343	1,811,043	21.5%	2,117,843	16.9%
<b>- Restricted Pension Obligation Bond Trust -</b>							
5 Beginning balance	168	53	53	1,353	n/a	1,500	n/a
6 Net investment activity	118	-	1,300	1,500	n/a	1,400	n/a
7 Debt service - POB	(439,154)	(550,800)	(550,800)	(920,000)	n/a	(919,400)	n/a
8 Net fund transfer - Op unassgn	438,921	550,747	550,800	918,647	n/a	917,900	n/a
9 Ending balance	53	-	1,353	1,500	100.0%	1,400	-6.7%
<b>- Committed Operating Reserve -</b>							
10 Beginning balance	3,674,596	4,003,034	4,003,034	4,302,500	n/a	4,302,500	n/a
11 Net fund transfer - Op unassgn	328,438	299,466	299,466	-	n/a	123,100	n/a
12 Ending balance	4,003,034	4,302,500	4,302,500	4,302,500	0.0%	4,425,600	2.9%
Policy target (25% of op exp)	4,003,034	4,302,500	4,302,500	4,284,500		4,425,600	
<b>- Committed Emergency Reserve -</b>							
13 Beginning balance	500,000	500,000	500,000	500,000	n/a	500,000	n/a
14 Net fund transfer - Op unassgn	-	-	-	-	n/a	-	n/a
15 Ending balance	500,000	500,000	500,000	500,000	0.0%	500,000	0.0%
Policy target (\$500,000)	500,000	500,000	500,000	500,000		500,000	
<b>- Unassigned Operating Activities Reserve -</b>							
16 Beginning balance	2,463,288	3,306,719	3,306,719	500,000	n/a	500,000	n/a
17 Surplus / (deficit) - Op (less rest)	2,286,161	(633,500)	1,694,097	1,162,500	n/a	1,209,300	n/a
18 Net fund transfer - pension	(675,370)	(586,200)	(586,200)	(186,700)	n/a	(153,800)	n/a
19 Net fund transfer - POB	(438,921)	(550,747)	(550,800)	(918,647)	n/a	(917,900)	n/a
20 Net fund transfer - Op res	(328,438)	(299,466)	(299,466)	-	n/a	(123,100)	n/a
21 Net fund transfer - emergency	-	-	-	-	n/a	-	n/a
22 Net fund transfer - Cap unassgn	-	-	(3,064,350)	(57,153)	n/a	(14,500)	n/a
23 Ending balance	3,306,719	1,236,806	500,000	500,000	-59.6%	500,000	0.0%
24 Beginning balance - operating	6,845,844	8,713,849	8,713,849	6,844,196	n/a	7,115,043	n/a
25 Surplus / (deficit) - operating	1,868,005	(1,184,300)	1,194,697	328,000	n/a	444,300	n/a
26 Net fund transfer - Cap unassign	-	-	(3,064,350)	(57,153)	n/a	(14,500)	n/a
27 Ending balance - operating	\$ 8,713,849	\$ 7,529,549	\$ 6,844,196	\$ 7,115,043	-5.5%	\$ 7,544,843	6.0%

**CENTRAL MARIN SANITATION AGENCY**  
**AGENCY RESERVES SUMMARY**  
**FOR THE FISCAL YEARS ENDED 2024 THROUGH 2026**

	ACTUAL 6/30/2024	A BUDGET 6/30/2025	PROJECTION 6/30/2025	B PROPOSED 6/30/2026	(B - A) / A YoY Chg % FY26 vs FY25	C PROPOSED 6/30/2027	(C - B) / B YoY Chg % FY27 vs FY26
<b>Capital Activity Reserves</b>							
<b>- Restricted Revenue Bond Trust -</b>							
28 Beginning balance	\$ 1,291	\$ 1,300	\$ 1,300	\$ 10,900	n/a	\$ 8,200	n/a
29 Net investment activity	1,592	2,000	10,900	130,200	n/a	8,500	n/a
30 Debt issuance proceeds	-	-	-	13,000,000	n/a	-	n/a
31 Cost of issuance	-	-	-	(325,000)	n/a	-	n/a
32 Debt service - capital debt	(4,501,006)	(4,500,300)	(4,500,300)	(4,497,200)	n/a	(5,463,000)	n/a
33 Net fund transfer - Cap unassgn	4,499,423	4,499,000	4,499,000	(8,310,700)	n/a	5,454,800	n/a
34 Ending balance	1,300	2,000	10,900	8,200	310.0%	8,500	3.7%
<b>- Committed Capital Reserve -</b>							
35 Beginning balance	1,130,508	1,145,427	1,145,427	1,125,100	n/a	1,124,300	n/a
36 Capacity charge collections	986,988	39,500	305,200	40,500	n/a	41,700	n/a
37 Debt service coverage fees	1,093,418	1,125,100	1,125,100	1,124,300	n/a	1,365,800	n/a
38 Net fund transfer - Op unassgn	(2,065,488)	(1,184,927)	(1,450,627)	(1,165,600)	n/a	(1,166,000)	n/a
39 Ending balance	1,145,427	1,125,100	1,125,100	1,124,300	-0.1%	1,365,800	21.5%
Policy target (25% of debt service)	1,125,252	1,125,100	1,125,100	1,124,300		1,365,800	
<b>- Unassigned Capital Activities Reserve -</b>							
40 Beginning balance	14,407,989	13,830,983	13,830,983	15,174,059	n/a	14,477,313	n/a
41 Surplus / (deficit) - Cap (less rest)	1,856,929	(3,782,900)	1,327,100	(10,230,200)	n/a	(1,953,000)	n/a
42 Net fund transfer - rev bnd	(4,499,423)	(4,499,000)	(4,499,000)	8,310,700	n/a	(5,454,800)	n/a
43 Net fund transfer - Cap res	2,065,488	1,184,927	1,450,627	1,165,600	n/a	1,166,000	n/a
44 Net fund transfer - Op unassgn	-	-	3,064,350	57,153	n/a	14,500	n/a
45 Ending balance	13,830,983	6,734,010	15,174,059	14,477,313	115.0%	8,250,013	-43.0%
Policy target (10YR ann avg CIP)	8,105,877	7,477,169	7,477,169	15,118,380		15,118,380	
46 Beginning balance - capital	15,539,788	14,977,710	14,977,710	16,310,059	n/a	15,609,813	n/a
47 Surplus / (deficit) - Cap	(562,079)	(7,116,600)	(1,732,000)	(757,400)	n/a	(6,000,000)	n/a
48 Net fund transfer - Op unassgn	-	-	3,064,350	57,153	n/a	14,500	n/a
49 Ending balance - capital	14,977,710	7,861,110	16,310,059	15,609,813	98.6%	9,624,313	-38.3%
50 Beginning balance - total	22,385,633	23,691,559	23,691,559	23,154,256	n/a	22,724,856	n/a
51 Surplus / (deficit) - total	1,305,926	(8,300,900)	(537,303)	(429,400)	n/a	(5,555,700)	n/a
52 Ending balance - total	\$ 23,691,559	\$ 15,390,659	\$ 23,154,256	\$ 22,724,856	47.7%	\$ 17,169,156	-24.4%

**CENTRAL MARIN SANITATION AGENCY  
SCHEDULE OF JPA REVENUE ALLOCATIONS  
FOR THE FISCAL YEARS ENDED 2024 THROUGH 2026**

Description		Adopted FY25	Proposed FY26	Proposed FY27
Flow-Strength Allocation Table (for service charges and capital fee)		36M Flow 36M Strength	36M Flow 36M Strength	36M Flow 36M Strength
1	San Rafael Sanitation District (SRSD)	40.85%	40.18%	40.18%
2	Ross Valley Sanitary District (RVSD)	49.15%	48.64%	48.64%
3	Sanitary District #2 (SD#2)	10.00%	11.18%	11.18%
4	Total flow-strength rate	100.00%	100.00%	100.00%
Allocation of Regional Service Charges to Members		Amount	Amount	Amount
5	San Rafael Sanitation District (SRSD)	\$ 5,322,846	\$ 5,562,358	\$ 5,812,680
6	Ross Valley Sanitary District (RVSD)	6,443,584	6,733,527	7,036,554
7	Sanitary District #2 (SD#2)	1,481,071	1,547,715	1,617,366
8	Total regional service charges	\$ 13,247,500	\$ 13,843,600	\$ 14,466,600
Allocation of Capital Fees to Members		Amount	Amount	Amount
9	San Rafael Sanitation District (SRSD)	\$ 643,592	\$ 764,826	\$ 415,783
10	Ross Valley Sanitary District (RVSD)	774,358	925,862	503,327
11	Sanitary District #2 (SD#2)	157,550	212,811	115,691
12	Total capital fees	\$ 1,575,500	\$ 1,903,500	\$ 1,034,800
Equivalent Dwelling Unit (EDU) Allocation Table (for debt service and debt service coverage fees)		EDU Count	EDU Count	EDU Count
13	San Rafael Sanitation District (SRSD) - effective FY18 fixed at 19,545	19,545	19,545	19,545
14	Ross Valley Sanitary District (RVSD) - effective FY18 fixed at 22,404	22,404	22,404	22,404
15	Sanitary District #2 (SD#2) - effective FY18 fixed at 6,090	6,090	6,090	6,090
16	San Quentin State Prison (SQSP) - effective FY18 fixed at 4,005	4,005	4,005	4,005
17	Total EDU count	52,044	52,044	52,044
Debt Service Cost Total		Amount	Amount	Amount
18	2015 Revenue Bond - principal & interest	\$ 3,944,506	\$ 3,939,381	\$ 3,988,756
19	2020 Revenue Bond - principal & interest	555,775	557,775	559,575
20	2026 Revenue Bond - principal & interest	-	-	914,694
21	Total debt service cost	4,500,281	4,497,156	5,463,025
22	Debt service coverage cost	1,125,070	1,124,289	1,365,756
23	Total debt service cost & coverage fee	\$ 5,625,352	\$ 5,621,445	\$ 6,828,782
Allocation of Debt Service Charges and Coverage Fees to Members		Amount	Amount	Amount
24	San Rafael Sanitation District (SRSD)	\$ 2,133,294	\$ 2,110,955	\$ 2,564,330
25	Ross Valley Sanitary District (RVSD)	2,445,348	2,419,741	2,939,435
26	Sanitary District #2 (SD#2)	664,710	657,750	799,016
27	San Quentin State Prison (SQSP)	382,000	433,000	526,000
28	Total debt service cost & coverage fee	\$ 5,625,352	\$ 5,621,445	\$ 6,828,782
29	Total debt service charge per EDU (SRSD/RVSD/SD#2)	109.15	108.00	131.20
30	Total debt service charge per EDU (SQSP)	95.38	108.11	131.34
31	Total billed charges to JPA members	\$ 20,448,352	\$ 21,368,545	\$ 22,330,182



## Proposed FY26 & FY27 Capital Improvement Program – Summary of Changes

Category	FY25 Adopted Budget	FY25 Current Budget	FY25 Projected Actuals	FY26 Proposed Budget	FY27 Proposed Budget
Facility Improvements	\$1,913,650	\$1,937,356	\$1,593,113	\$1,937,400	\$535,200
General Equipment	\$720,100	\$761,409	\$635,884	\$918,200	\$685,600
Liquid Treatment Equipment and Systems	\$4,671,710	\$4,818,553	\$1,683,754	\$7,982,950	\$4,227,950
Solids Treatment and Energy Generation	\$2,803,160	\$2,847,244	\$1,093,591	\$5,792,300	\$3,002,000
<b>Total</b>	<b>\$10,108,620</b>	<b>\$10,364,561</b>	<b>\$5,006,342</b>	<b>\$16,630,850</b>	<b>\$8,450,750</b>

### FY25 Projected Actuals

The Board adopted the FY25 budget during the June 2024 meeting. The current budget includes budget transfers and budget increases due to differences in actual bid and contract costs. Projected actuals are expected to be approximately 48 percent of the current budget. Due to delays in the design and construction schedules and the lead time required for pre-purchase equipment, FY25 cash expenditures were lower than budgeted for several larger projects that span multiple fiscal years, including the grit classifier replacement, centrifuge replacement, nutrient removal alternatives, primary clarifiers rehabilitation, and elevator controls replacement. Some of these expenditures and encumbrances will be included in the proposed FY26 and FY27 budgets instead.

### FY26 & FY27 Priority Projects, and Other Major CIP Adjustments

A summary of the major changes proposed for the FY26 & FY27 and the 10-year projection of the Capital Improvement Program is provided in the following sections. Budget changes from the previously adopted CIP for FY26 & FY27 are provided in parentheses.

#### **Facility Improvements**

- 1) Effluent Storage Pond Rehabilitation (-\$20.3k): Moved the three-year project design and construction sequence out by 1 year, to begin in FY28 instead of FY27, as pond settlement has appeared to have stabilized.
- 2) Agency Facilities Master Plan (\$0): Moved master plan placeholder from FY30 to FY33 as Nutrient Removal Project implementation between FY25-30 will result in major facility changes.

- 3) Industrial Coatings and Concrete Rehabilitation (\$819k): Unplanned repairs of the failed coating on the north wall of Chlorine Contact Tank (CCT) No. 4 will begin in FY25, with half of bid amount expected to be expended in FY25, and the remaining \$344.5k anticipated to be spent in FY26. Moved unspent funds of \$175k from FY25 to FY26 for coating above the water line in CCTs No. 1-3, and updated unit costs based on the FY25 bid results (total cost of \$550k for above the water line coating for all three channels). Moved \$75k for headworks channel coating from FY26 to FY30 to better fit with timing of other associated headworks projects.
- 4) Facility Improvements (\$112.5k): Budget was added to purchase and replace hatches for the 66" final effluent vault, Headworks odor scrubber room, biotower south end, and final vault in FY26. Budget for an EV charging study was moved from FY26 to FY27. Budget of \$1.12M was also added to FY35 to construct an additional Annex Building for storage.
- 5) Facility Roofs Rehabilitation (\$3k): Net change of \$3k in FY27 due to inflation. Added allowance of \$447.7k in FY30 to replace standing seam roofs on the Maintenance Annex, Aeration Building, and Secondary Clarifier, including replacement of metal roof, gutter, skylights, downspouts, ridge vents and flashing.
- 6) SHB Elevator Control Replacement (\$195k): Moved unspent funds from FY25 for the construction of the elevator control system replacement project in FY26. Added budget in FY29 to perform a comprehensive assessment of the entire elevator system.

### **General Equipment**

- 1) Agency Vehicle Replacement (\$59k): Added budgets to FY26-32 to reflect updated vehicle costs, and added budget in FY35 to replace a telehandler.
- 2) Electrical Conduit Rehabilitation (\$285k): The facility has extensive electrical conduit runs that are 40 years old and frequently embedded in concrete slabs, limiting accessibility. In FY25 staff assessed facility conduits and identified increasing signs of water intrusion and conduit corrosion. This will be a new general ledger account, and a budget was added in FY26 to repair high priority areas. A systematic, facility-wide conduit rehabilitation plan will be developed in FY26, and a placeholder allowance is added to accommodate annual conduit rehabilitation from FY27 through FY35.

### **Liquids Treatment Equipment and Systems**

- 1) Headworks Equipment (\$3.12M): Moved unspent funds of \$600k from FY25 and updated budget to reflect construction cost of \$1.94M based on the final design cost of the Grit Classifiers Replacement Project. The budget associated with the construction sequence was moved out one year, from FY25 & FY26 to FY26 & FY27 due to equipment

delivery delays, and a budget was added in FY26 to repair a grit classifier. Note that the encumbered amount of \$1.28M in FY25 for equipment pre-purchased in FY25 but not yet delivered or invoiced is included in the FY26 budget to reflect the actual time of disbursement. The FY26 & FY27 budgets include funds of \$257k for engineering services during construction and construction management services, and costs for bar screen replacement were increased by \$264k based on updated vendor quotes received. An allowance of \$80k was also added for FY28 to install a platform around the new grit washers.

- 2) Odor Scrubber Replacement (\$40k): Added budget in FY26 to repair the deteriorated concrete and rebar in the headworks odor scrubber room.
- 3) Primary Clarifiers Rehabilitation (-\$166k): Updated budget based on construction bid results and updated construction schedule, and moved up the purchase and installation of equipment for Primary Clarifiers No. 6 & 7 from FY29 to FY26 due to accelerated deterioration. Added budget in FY30 to replace fiberglass skimmers.
- 4) Process Piping Inspection/Repairs/Replacement (-\$93k): For FY26, the budget of \$121k was removed because a wholesale replacement of gallery wall hypochlorite lines with double contained piping is not needed. Added \$25k in FY26 for replacement of leaking embedded pipe bend in Gallery C. A budget was added for FY31 and FY35 to inspect the buried large diameter pipelines.
- 5) Piping, Valves & Operators (\$164k): Updated FY26 budget to include funds for inspecting and/or replacing various larger corroded valves and knife gates at the effluent pump station on the facility interceptor vaults. Added funds in FY27 to replace butterfly valves.
- 6) Nutrient Removal (\$500k): Moved unspent funds from FY25 to FY26 to complete the dry season stress testing of the secondary clarifiers and complete the Nutrient Removal Facilities Plan and Alternatives Evaluation.

#### **Solids Treatment and Energy Generation Equipment and Systems**

- 1) Centrifuge Replacement (\$1.35M): Moved unspent funds from FY25 to begin construction in FY26. Budget was updated based on the 90% design and includes funds for engineering services during construction and construction management services. The costs encumbered in FY25 for the pre-purchased centrifuges but not yet delivered or invoiced are also captured in the FY26 proposed budget. A project was added to FY30-31 to evaluate and replace the centrifuge feed pumps.

- 2) Waukesha Cogeneration Maintenance (\$0): Added budget of \$251k for top-end overhaul of backup Waukesha engine in FY31 based on staff estimated annual runtime hours.
- 3) Jenbacher Cogeneration Maintenance (-\$90k): Deleted funds for larger oil and urea storage tanks as existing system is working well. Moved the allowance for the Selective Catalytic Reducer and Oxidation Catalyst internal materials out by one year, from FY28 to FY29 and from FY32 to FY33.
- 4) Biosolids Hoppers Maintenance (\$99k): Moved budget to FY26 to recoat the biosolids hoppers and updated budget based on quotes received.
- 5) Organic Waste Receiving Facility (\$47k): Moved budget from FY28 to FY26 for Huber screen replacement parts and added purchase of four spare VFDs. Moved budget from FY26 to FY28 for paddle finisher replacement parts.

Central Marin Sanitation Agency  
Capital Improvement Program  
Proposed FY26 and FY27 Budget and 10-Year Projection

ATTACHMENT 6

GL Account Number	PM*		Delivery Method	10-year CIP												Total FY26 - FY35
				Current Budget FY25	Projected Final FY25	1 Proposed FY26	2 Proposed FY27	3 FY28	4 FY29	5 FY30	6 FY31	7 FY32	8 FY33	9 FY34	10 FY35	
Facility Improvements																
0230-550-8201	TSM	Effluent Storage Pond Rehabilitation	FB	-	-	-	-	20,600	36,400	1,640,900	-	-	-	-	-	1,697,900
0230-550-8202	TSM	Agency Facilities Master Plan	PSA	-	-	-	-	-	-	-	-	-	800,000	-	-	800,000
0230-550-8203	TSM	Industrial Coatings & Concrete Rehabilitation	IB/MC/FB	401,700	364,500	894,500	214,100	190,600	42,700	132,400	112,800	30,800	32,000	33,200	34,500	1,717,600
0230-550-8204	TSM	Outfall Inspection & Repairs	IB/MC/FB	640,700	548,840	41,200	42,800	131,900	46,200	48,000	49,900	51,800	53,800	55,900	58,100	579,600
0230-550-8205	TSM	Facility Improvements	IB	201,819	176,819	379,500	186,200	129,700	48,400	134,700	75,100	50,000	45,800	55,000	1,697,900	2,802,300
0230-550-8206	TSM	Facility Paving/Site Work	IB/MC	416,600	409,669	204,700	14,100	14,700	15,300	15,900	16,500	17,100	17,800	18,500	19,200	353,800
0230-550-8207	TSM	Hillside Repairs	PSA/IB	-	-	-	-	103,900	-	-	-	-	-	130,600	-	234,500
0230-550-8208	TSM	Facility Roofs Rehabilitation	MC/IB/FB	-	-	20,000	78,000	981,800	31,500	480,500	34,000	35,400	36,700	38,200	39,600	1,775,700
0230-550-8209	TSM	SHB Elevator Control Replacement	FB	193,000	33,285	397,500	-	-	67,600	-	-	-	-	-	-	465,100
0230-550-8210	TSM	Facility Structures Seismic Study	PSA	83,536	60,000	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Facility Improvements				1,937,356	1,593,113	1,937,400	535,200	1,573,200	288,100	2,452,400	288,300	185,100	986,100	331,400	1,849,300	10,426,500
General Equipment																
0110-550-8301	ISA	Process Control	M/MC	82,400	23,755	54,600	50,000	42,800	44,400	46,200	48,000	49,800	51,700	53,800	55,800	497,100
0110-550-8302	MS	Security / Fire Systems	MC	29,300	31,000	21,300	24,800	101,700	29,700	25,400	22,500	16,600	23,400	18,000	26,300	309,700
0350-550-8303	MS/TSM	Fuel Storage Tanks	IB/MC	13,000	897	-	-	176,600	-	190,600	-	-	-	-	-	367,200
0110-550-8304	ISA	IT Hardware and Communication Equipment	M	70,300	60,000	37,400	68,800	94,400	59,600	85,100	45,300	40,900	90,000	44,200	45,900	611,600
0350-550-8305	MS	Agency Vehicle Replacement	IB/PO	343,000	343,000	89,100	87,000	110,500	87,400	90,800	69,200	98,000	91,600	106,500	175,700	1,005,800
0230-550-8306	RCM	Laboratory Equipment	PO	65,302	65,302	65,000	46,200	221,900	24,200	39,000	71,900	16,300	232,500	36,600	16,600	770,200
0350-550-8307	MS	Electrical Equipment	M/IB	90,000	55,000	122,500	96,100	99,800	108,200	107,700	111,900	116,200	120,800	125,400	130,300	1,138,900
0350-550-8309	MS	Process Instrumentation	M	53,600	53,600	117,200	61,800	61,500	47,700	34,000	35,300	36,600	38,100	39,500	41,100	512,800
0350-550-8310	TSM	Electrical Distribution System Rehabilitation	PSA/FB	14,507	3,330	161,100	215,900	2,323,700	6,503,100	1,853,700	323,800	2,000,500	349,500	2,158,900	407,100	16,297,300
0350-550-8311	MS	Electrical Conduit Rehabilitation	M/MC/IB	-	-	250,000	35,000	36,400	37,800	39,300	40,800	42,400	44,000	45,700	47,500	618,900
Subtotal - General Equipment				761,409	635,884	918,200	685,600	3,269,300	6,942,100	2,511,800	768,700	2,417,300	1,041,600	2,628,600	946,300	22,129,500
Liquids Treatment Equipment and Systems																
0230-550-8401	TSM	Biotower Rotary Distributor Replacement	FB	-	-	-	-	58,300	1,195,300	-	-	-	1,560,500	-	-	2,814,100
0350-550-8402	MS	Plant Pumps	MC/M	109,300	109,300	90,000	129,900	86,300	89,700	93,200	96,800	100,600	104,500	108,500	112,700	1,012,200
0350-550-8403	MS	Chemical Pumps	M	73,200	73,200	85,800	65,600	68,200	70,800	73,600	76,400	79,400	82,500	85,700	89,000	777,000
0350-550-8404	MS	Gates Rehabilitation	M/IB/FB	272,000	272,000	302,100	372,000	103,700	107,700	111,900	116,300	120,800	125,500	130,300	135,400	1,625,700
0350-550-8405	MS/TSM	Headworks Equipment	M/FB/PSA	1,963,737	322,590	3,932,150	890,150	212,400	137,600	142,900	148,500	45,700	47,500	49,400	51,300	5,657,600
0230-550-8406	TSM	Odor Scrubber Replacement	PSA/FB	-	-	40,000	-	30,000	2,500,400	-	2,930,900	-	2,090,100	-	-	7,591,400
0350-550-8407	MS	Process Tank Maintenance	M/IB	-	-	-	-	58,300	-	-	111,100	115,500	120,000	124,700	129,600	659,200
0350-550-8408	TSM	Primary Clarifiers Rehabilitation	M/FB/PSA	1,127,981	294,250	1,490,000	1,030,900	953,100	495,900	100,000	-	-	-	-	-	4,069,900
0350-550-8409	TSM	Secondary Clarifiers Rehabilitation	PSA/FB	-	-	-	-	-	-	-	88,800	1,134,000	1,972,400	1,004,000	-	4,199,200
0350-550-8411	TPM	Aeration System Rehabilitation	M/IB	-	-	10,800	-	65,400	-	130,600	-	89,600	-	96,600	-	393,000
0230-550-8412	TSM	Process Piping Inspection/Repairs/Replacement	PSA/IB	41,100	17,678	25,000	103,500	-	-	-	205,400	-	-	-	124,500	458,400
0350-550-8413	MS	Chemical Tanks	M/IB	53,700	53,700	69,100	59,700	112,100	64,500	79,000	69,600	87,300	75,100	93,000	96,000	805,400
0350-550-8414	MS	Piping, Valves & Operators	M	30,000	30,000	180,000	116,200	193,400	82,200	85,400	88,800	92,200	95,800	99,500	103,400	1,136,900
0230-550-8415	TSM	CCT Valve and Screen Replacement	FB	-	-	-	360,000	35,000	-	-	-	-	-	-	-	395,000
0230-550-8416	TSM	Influent Flow Meter Improvement	PSA/IB	147,534	11,036	158,000	-	-	-	-	-	-	-	-	-	158,000
0230-550-8417	TSM	Nutrient Removal	PSA	1,000,000	500,000	1,500,000	1,000,000	2,000,000	31,734,300	33,348,000	-	-	-	-	-	69,582,300
0230-550-8418	TSM	Recycled Water	PSA	-	-	100,000	100,000	100,000	-	-	-	-	-	-	-	300,000
Subtotal - Liquids Treatment Equipment and Systems				4,818,553	1,683,754	7,982,950	4,227,950	4,076,200	36,478,400	34,164,600	3,932,600	1,865,100	6,273,900	1,791,700	841,900	101,635,300

Central Marin Sanitation Agency  
Capital Improvement Program  
Proposed FY26 and FY27 Budget and 10-Year Projection

ATTACHMENT 6

GL Account Number	PM*		Delivery Method	10-year CIP												Total FY26 - FY35
				Current Budget FY25	Projected Final FY25	1 Proposed FY26	2 Proposed FY27	3 FY28	4 FY29	5 FY30	6 FY31	7 FY32	8 FY33	9 FY34	10 FY35	
Solids Treatment and Energy Generation Equipment and Systems																
0230-550-8501	TSM	Emergency Generator Assessment & Improvement	PSA/FB	28,129	-	520,000	1,576,200	-	-	94,300	-	-	-	-	-	2,190,500
0230-550-8502	TSM	Digester Inspection, Cleaning & Cover Replacement	FB	-	-	-	-	76,600	84,100	94,300	1,481,300	1,536,800	-	-	-	3,273,100
0350-550-8503	TSM	Centrifuge Replacement	PSA/FB	2,025,000	388,576	4,772,500	1,057,500	-	-	75,000	350,000	-	-	-	-	6,255,000
0350-550-8504	MS	Waukesha Cogeneration Maintenance	M/IB/FB	-	-	-	-	-	-	-	251,400	-	-	-	-	251,400
0350-550-8513	MS	Jenbacher Cogeneration Maintenance	M/IB/FB	105,500	105,500	80,800	284,600	87,200	169,200	94,000	97,700	589,100	184,100	109,500	113,800	1,810,000
0230-550-8505	MS	Cogeneration System	M	475,000	475,000	25,000	-	-	-	-	-	-	-	-	-	25,000
0350-550-8506	MS	Hot Water Systems	M/PSA	20,300	15,000	41,500	6,600	6,900	7,200	7,400	7,700	8,000	8,300	8,700	9,000	111,300
0350-550-8508	MS	Boilers	IB/FB	-	-	-	-	-	121,000	704,500	-	-	-	-	-	825,500
0350-550-8510	MS	Biosolids Hoppers Maintenance	M	80,000	-	111,700	-	12,700	31,200	13,700	-	14,800	-	16,000	-	200,100
0350-550-8511	MS	Organic Waste Receiving Facility	PO	103,100	103,100	240,800	77,100	263,400	76,800	79,800	82,900	86,100	89,500	93,000	96,600	1,186,000
0230-550-8514	TSM	Liquid Organic Waste Storage and Biogas Treatment Upgrades	FB	6,415	6,415	-	-	-	-	-	-	-	-	-	-	-
		Subtotal - Solids Treatment and Energy Generation Equipment and Systems		2,843,444	1,093,591	5,792,300	3,002,000	446,800	489,500	1,163,000	2,271,000	2,234,800	281,900	227,200	219,400	16,127,900
		Annual CIP Totals		10,360,761	5,006,342	16,630,850	8,450,750	9,365,500	44,198,100	40,291,800	7,260,600	6,702,300	8,583,500	4,978,900	3,856,900	150,319,200

\* PM indicates the project manager for the account.  
(1) BOLD items are individual Capital Improvement Projects, or larger, nonrecurring maintenance projects.

			Projected Annual Escalation Rate: 3.88%													
			Escalation Factors: 1.0388 1.0791 1.1210 1.1646 1.2098 1.2567 1.3055 1.3562 1.4088 1.4635 1.5203 1.5794													
Delivery Methods																
M		Maintenance project, self performed														
MC		Maintenance Contract														
			FY25 to FY26 Escalation Change: -1.20%													
PO		Purchase Order, equipment only	Escalation Change Factors: 0.9880 0.9761 0.9643 0.9527 0.9413 0.9300 0.9188 0.9077 0.8968 0.8860 0.8753 0.8648													
PSA		Professional Services Agreement														
IB		Informally Bid														
FB		Formally Bid														



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**BOARD MEMORANDUM**

May 8, 2025

To: CMSA Commissioners and Alternates

From: Jason Dow, General Manager

**Subject: San Quentin State Prison Wastewater Service Agreement**

**Recommendation:** Approve the San Quentin State Prison Wastewater Service Agreement, and authorize the General Manager to sign it.

**Summary:** Staff presented the draft Wastewater Service Agreement for San Quentin State Prison (Agreement) at the April 8, 2025, Board meeting, and reviewed the changes to the Agreement's scope of work and fee schedule. The Board discussed and accepted the proposed changes, did not request any additional changes, and directed staff to bring the final Agreement to the May 13, 2025, Board meeting for approval. On April 30, 2025, the California Department of Corrections and Rehabilitation (CDCR) staff sent the attached final Agreement to the Agency.

After the April Board meeting, on April 21, RVSD Board President Mary Sylla sent Chair Beckman a letter requesting CMSA either decline to contract with CDCR or amend the Agreement for it to terminate if San Quentin is annexed into the RVSD service area. Chair Beckman asked that I discuss the requested termination provision with CDCR. On April 25, I had the discussion with CDCR representatives, and they did not include the requested provision in the final Agreement.

**Discussion:** CMSA began providing wastewater services to San Quentin State Prison on July 1, 2012, and the current 5-year Agreement was approved by the Board in April 2020 and CDCR in May 2020. The current Agreement expires on June 20, 2025. Last fall, CDCR and CMSA staff began the process to revise and update the Agreement, with staff sending the Agency's proposed revisions in late October 2024. CDCR accepted many of the proposed editorial revisions and all fee increases, prepared a new reorganized draft Agreement, and in late March 2025, sent the draft agreement to the Agency for review and comment.

The new Agreement has been reorganized and reformatted by CDCR, and contains many new provisions that are required in State and CDCR contracts. Several of the provisions in Exhibits C, D and Exhibit E are not applicable to CMSA providing the wastewater services. CDCR representatives stated that CMSA will only be expected to comply with applicable provisions. Exhibits A and B are summarized below.

Scope of Work (Exhibit A): The Agreement’s operative scope of work includes operating the main San Quentin pump station near the west gate and a small lift station near the east gate, providing corrective and preventative maintenance on both pump station’s equipment and systems, and treating and disposing of the prison property wastewater and biosolids.

Invoicing and Payment (Exhibit B): This Exhibit includes payment provisions for CMSA’s services and invoicing information. Exhibit B-1 is a Rate Sheet that shows the services CMSA will provide for each of the next five fiscal years with maximum allowances for each service. CDCR prefers to include the maximum fee with any contingencies each fiscal year to ensure appropriate funding is allocated by the State to the specific CDCR budget accounts. CMSA’s actual annual service charges each year will likely be less than the maximum amounts listed for each service.

The wastewater service fee is comprised of three components – wastewater treatment, wastewater capital debt service, and pump station maintenance for each year during the five-year term. A contingency for a planned debt issuance in FY26 is included in the wastewater capital debt service fee, and a contingency for San Quentin’s share of the Nutrient Removal Project is included in the final two fiscal years, FY 29 and FY30. The Agreement also includes an Extra Service allowance of \$1.1 million for project work not included in the Agreement’s scope of work. During the current Agreement’s term, extra work that was separately approved by CDCR included replacement of the main electrical power distribution system and control panel, diesel emergency generator and automatic transfer switch, and ventilation exhaust system; and installing new close-coupled pump motors, transformers, and gas monitoring system.

The current contract service fee (FY25) and the annual maximum FY26-30 service fees are shown below, with the Nutrient Removal Project Contingency included in FY29 and FY30.

<b>Service</b>	<b>Current Fee</b>	<b>Maximum FY26-28 Fee</b>	<b>Maximum FY29 and FY30 Fee</b>
Wastewater Treatment <sup>1</sup>	\$815,000	\$996,000	\$996,000
Capital Debt Service <sup>2</sup>	\$382,000	\$526,000	\$526,000
Pump Station Maintenance <sup>3</sup>	\$500,000	\$567,000	\$567,000
Nutrient Removal Project <sup>4</sup>	0	0	\$439,000
<b>Total</b>	<b>\$1,697,000</b>	<b>\$2,089,000</b>	<b>\$2,528,000</b>

#### Notes

- (1) San Quentin’s current wastewater treatment fee is based on the 3-yr flow/strength allocation methodology, and the annual fee increases pursuant to the CMSA Board’s adopted revenue plan for the satellite collection agencies, which is 4.5% in FY26, FY27, and FY28, and estimated to be 3.5% in FY29 and FY30 – if the annual fee exceeds the estimated \$996,000, CMSA and CDCR staff will amend this agreement to reflect the appropriate fee.

- (2) The annual capital debt service fee is a fixed amount of \$433,000 and includes San Quentin's share of the FY15 and FY20 revenue bond debt services payments. If the Board approves a planned FY26 revenue bond issuance, the annual fee increases to \$526,000.
- (3) Pump station maintenance expenses, including cleaning the influent channel screens from 6am to 10pm, will be up to \$491,000 the first year of the agreement with the labor components adjusting per the San Francisco Bay Area annual CPI for each subsequent year of the Agreement, with a maximum amount of \$567,000 in the fifth year.
- (4) CMSA has started the planning for a Nutrient Removal Project and anticipates issuing some form of debt in 2028 or 2029 to fund the project's construction costs, which are currently estimated to be \$65 million. This figure will change based on the final design project cost estimate, which will be known in 2028. In FY29, after the debt proceeds have been received, CMSA will add the San Quentin share of the Nutrient Removal Project debt service to the monthly service invoice. Assuming a \$65 million construction cost and debt terms of 20 years at 3.5%, the monthly fee increase will be approximately \$36,600.

**Attachment:**

- Wastewater Service Agreement for San Quentin State Prison



DIVISION OF ADMINISTRATIVE SERVICES  
OFFICE OF BUSINESS SERVICES

9838 Old Placerville Road, Suite B-2  
Sacramento, CA 95827



April 30, 2025

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

Dear Jason Dow:

**AGREEMENT NUMBER: C5612841**  
**SERVICE: WASTEWATER TREATMENT SERVICES**

Enclosed for your signature are the above-referenced Standard Agreements and related exhibits. **This agreement is not valid unless, and until, approved by the DGS, or under its authority, CDCR.** The State has no legal obligation, unless and until the Agreement is approved. The State assumes no responsibility for any work commenced by the Contractor and will not reimburse the Contractor for any work performed prior to approval of the Agreement. When this Agreement is fully approved, an original will be forwarded to you. Please allow up to two months for approval.

Please have all items dated and signed **via original signature or DocuSign** by an authorized representative.

Copies of the following document(s) must be returned to CDCR's OBS before this Agreement can be sent to DGS for approval.

Certificate of Insurance

As required under the Insurance requirements provision in Exhibit D, CDCR Special Terms and Conditions for Public Entity Agreements.

- All self-insured public entities **MUST** provide proof of self-insurance as specified under the Agreement.
- As required under the Workers' Compensation provision in the CDCR Special General Terms and Conditions of this Agreement, the Contractor shall furnish to the State evidence of valid Workers' Compensation coverage in the manner specified therein.

Board Resolution

Please provide a certified copy of the board resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into this Agreement, authorizing execution of the Agreement as required in the Contractor Certification Clauses.

Contractor Certification Clauses

A signed copy of the CCC must be returned with any other requested documentation. Failure to submit a signed CCC will delay approval of this Agreement.

STD 204 - Payee Data Record

Contractors shall comply with State and Federal Reportable Payment Identification and Classification Requirements by fully completing the enclosed Payee Data Record (STD 204) as required in the Contractor Certification Clauses.

Supplemental Government Payee Data Record Form

Contractors must complete all applicable fields of the Supplemental Vendor Payee Data Record Form and return with this Agreement.

OBS 1510 - California Civil Rights Laws Certification

Pursuant to Public Contract Code Section 2010, the Contractor must provide a complete Civil Rights Laws Certification Form when entering into a contract with the State and when the contract is being amended for time and/or funds.

OBS 1000 - Generative Artificial Intelligence (GenAI) Disclosure & Factsheet

The OBS 1000 form must be completed by the Contractor to disclose any intent to utilize GenAI, including GenAI from third parties, to complete all or a portion of any deliverable that materially impacts: (i) functionality of a State system, (ii) risk to the State, or (iii) Contract performance.

All documentation must be returned via email to Contract Analyst, Elizabeth Fisher, at [elizabeth.fisher@cdcr.ca.gov](mailto:elizabeth.fisher@cdcr.ca.gov).

If you have any questions or need assistance, do not hesitate to contact me at (279) 210-3719 or via email at [elizabeth.fisher@cdcr.ca.gov](mailto:elizabeth.fisher@cdcr.ca.gov).

Sincerely,

Elizabeth Fisher  
Contract Analyst  
Institution Contracts Section  
Contracts Management Branch

Enclosure(s)

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

**STANDARD AGREEMENT**

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

C5612841

PURCHASING AUTHORITY NUMBER (If Applicable)

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

CONTRACTING AGENCY NAME

California Department of Corrections and Rehabilitation (CDCR)

CONTRACTOR NAME

Central Marin Sanitation Agency (CMSA)

2. The term of this Agreement is:

START DATE

July 1, 2025

THROUGH END DATE

June 30, 2030

3. The maximum amount of this Agreement is:

\$12,423,400.00

Twelve Million, Four Hundred Twenty-Three Thousand, Four Hundred Dollars and Zero Cents.

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

Exhibits	Title	Pages
Exhibit A	Scope of Work	6
Exhibit A-1	Operations and Maintenance Specifications	2
Exhibit B	Budget Details and Payment Provisions	2
+ - Exhibit B-1	Rate Sheet	2
+ - Exhibit C *	General Terms and Conditions *GTC 02/2025	*
+ - Exhibit D	Special Terms and Conditions for Public Entity Agreements	14
+ - Exhibit E	CDCR 2301 PREA Policy Information for Volunteers and Contractors	3

*Items shown with an asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto.**These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>**IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.***CONTRACTOR**

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

Central Marin Sanitation Agency (CMSA)

CONTRACTOR BUSINESS ADDRESS

1301 Anderson Drive

CITY

San Rafael

STATE

CA

ZIP

94901

PRINTED NAME OF PERSON SIGNING

Jason Dow

TITLE

General Manager

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

**STANDARD AGREEMENT**

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

C5612841

PURCHASING AUTHORITY NUMBER (If Applicable)

**STATE OF CALIFORNIA**

CONTRACTING AGENCY NAME

California Department of Corrections and Rehabilitation (CDCR)

CONTRACTING AGENCY ADDRESS

9838 Old Placerville Road, Suite B-2

CITY

Sacramento

STATE

CA

ZIP

95827

PRINTED NAME OF PERSON SIGNING

Samantha Bruton

TITLE

Chief (A), Contracts Management Branch

CONTRACTING AGENCY AUTHORIZED SIGNATURE

DATE SIGNED

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION (If Applicable)

## **WASTEWATER TREATMENT SERVICES**

### **1. Introduction**

This Agreement is entered into by and between the Central Marin Sanitation Agency (CMSA), and the California Department of Corrections and Rehabilitation (CDCR) for Wastewater Treatment Services at the San Quentin Rehabilitation Center (SQRC) located at 100 Main Street, San Quentin, California, 94964, which includes the San Quentin Wastewater Conveyance Systems (SQWCS).

This Agreement utilized the CMSA owned and operated regional wastewater treatment facility (WWTP) in San Rafael, adjacent to SQRC, that treats the wastewater and biosolids from the residents, businesses, and institutions in Central Marin County.

CDCR agrees to pay CMSA for all reasonable and verified costs associated with providing services performed under this Agreement, and detailed in Exhibit B-1, Rate Sheet, including direct costs for contractors, consultants, equipment and material procurement, CMSA labor, and other related expenses in response to, stabilize, correct, and/or address an emergency situation at the SQRC pump stations or for the 16" force main.

### **2. San Quentin Wastewater Conveyance Systems (SQWCS)**

The SQWCS is located on the grounds of the SQRC and consists of building laterals, gravity sewer lines, lift stations, force mains, and a main pump station, which includes a wet well, influent channel screens, and channel grinders and augers.

The SQWCS connects to the CMSA regional treatment facilities and the marine outfall, via the SQRC 16" force main connecting into the CMSA maintained 54" Ross Valley interceptor.

### **3. Scope of Services**

The operations and maintenance (O&M) shall include maintaining and operating the lift station and main pump station, and transporting the wastewater to CMSA for treatment and disposal of the wastewater. This includes all system components starting at the SQRC lift station near the east gate, main pump station wet well through the pump station, and the 16" force main connecting into the CMSA maintained 54" interceptor in the San Quentin Junction Box.

CMSA shall regularly perform comprehensive preventive and corrective maintenance on each pump station's equipment and components as recommended by manufacturers or industry standards. The CDCR shall pay electrical costs for the operation of the lift and main pump stations, systems, and equipment on SQRC property.

#### **A. Treatment**

CMSA shall safely transport the SQRC wastewater to its treatment facility. CMSA shall receive, process, and dispose of the wastewater and biosolids generated by the SQRC property in accordance with the requirements in its National Pollutant Discharge Elimination System permit issued by the San Francisco Bay Regional Water Quality Control Board (RWQCB). CMSA will be responsible for complying with all federal, State, regional, and local wastewater and biosolids treatment and disposal, monitoring, reporting,

and other related regulatory requirements, with respect to the wastewater it is obligated to transport and treat under this Agreement.

## **B. Operations and Maintenance Specifications**

The specific O&M activities are detailed in Exhibit A-1, Operations and Maintenance Specifications. The activities may be adjusted or modified only in the case of mutual agreement of CDCR and CMSA.

## **C. Emergency Services**

CMSA shall respond to pump station alarms and other system emergencies twenty-four (24) hours a day, seven days a week. CMSA shall take all necessary actions to stabilize such emergencies. The CDCR shall be immediately notified as to any critical or emergency events during normal business hours. CMSA will notify CDCR within twenty-four (24) hours, if after hours, on weekends or holidays. The emergency notification contact is the institutional Watch Commander, at (415) 455-5051.

CMSA may retain outside consultants and subcontractors, in accordance to Exhibit D, Special Terms and Conditions for Public Entity Agreements, to respond to and address such emergencies.

It is the responsibility of CDCR to provide gate access to CMSA and approved subcontractors/consultants when responding to an emergency.

## **D. Replacement of Parts & Equipment**

The CMSA shall maintain all equipment, including regular replacement of lubricants and parts required for normal maintenance. This obligation shall not include replacement of equipment or parts due to sudden breakage or equipment failure, which shall be considered extra services.

## **E. Extra Services**

CMSA agrees, subject to its discretion and to CDCR's consent, to perform extra services on an as-needed and/or as-requested basis, depending on staff expertise and resource availability, and subject to the following conditions.

CMSA agrees to provide a scope of work and cost estimate to CDCR for any extra services. CDCR shall review both and if approved, CDCR will issue a written notice to proceed.

Except in an emergency involving life, safety, violations of the CMSA NDPES permit, or response to a sanitary sewer overflow, CMSA shall only perform extra services upon written request and written confirmation of acceptance by CDCR of CMSA's written scope and estimate of the charge for the extra service.

CMSA agrees to provide an invoice to CDCR within sixty (60) days of performance and completion of any approved or emergency extra services. CMSA shall submit an Extra Services Invoice for the work performed during the month.

## **F. Reporting Sewer Overflows**

The CDCR shall be responsible for meeting the State Water Resources Control Board and San Francisco Bay RWQCB sanitary sewer overflow (SSO) reporting requirements. CMSA shall report any observed discharge incidents to CDCR as soon as practicably possible, but in no event later than twenty-four (24) hours after the incident has been observed and/or addressed. CMSA will report overflows, if CDCR staff are unavailable, to the County of Marin Environmental Health Services, the Office of Emergency Services, and other required regulatory agencies to meet the two (2) hour notification requirement. CMSA personnel shall follow SSO reporting procedures in the CMSA Emergency Action Plan (EAP). Follow-up reporting shall be done by CDCR.

At the CDCR's request and based on CMSA's staff availability, CMSA will assist with investigating the causes of the SSO, calculating the volume of sewage released from the collection system, and preparing written reports to the appropriate regulatory agencies as needed. Investigation efforts by CMSA will be considered extra services for the purposes of compensation provisions under this Agreement.

## **G. Reports and Documents of Services**

CMSA shall maintain and provide access or copies, upon request, to all regulatory documents, annual operations and capital budgets, ten (10) year capital improvement plans and financial forecasts, and other operational, regulatory, and financial documents concerning the O&M services provided under this Agreement. CMSA, upon request, will provide copies of its audited financial statements and annual comprehensive financial reports.

CMSA shall, whenever possible, provide CDCR notice and estimates of cost to repair or replace equipment to which its obligations relate under this Agreement as soon as CMSA observes conditions of equipment indicating likely near-term failure or breakdown.

CMSA shall participate in required government agency inspections.

CMSA will prepare a monthly wastewater service report for CDCR that includes the main pump station flow information and a brief summary of the completed corrective and preventative maintenance activities.

## **H. Pump Station Screen Cleaning Hours**

CMSA will perform the routine cleaning of the pump station influent channel screens upstream of the channel grinders between 6AM and 10PM, including weekends and holidays. SQRC will be responsible for the screen cleaning between 10PM and 6AM.

## **I. Nutrient Removal Project**

CMSA is required to remove approximately 62% of the nutrients in its treated water by 2034 pursuant to the San Francisco Bay Nutrient Watershed Permit that was adopted by the San Francisco Bay RWQCB in July 2024. CMSA has started the planning for a Nutrient Removal Project and anticipates the project to begin in 2028.

#### **4. Compliance With Law**

CMSA shall perform all services of this Agreement in strict accordance with all applicable laws and regulations.

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

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

#### **5. Term of Agreement**

The term of this Agreement shall commence on July 1, 2025, and shall expire on June 30, 2030.

#### **6. Site Access and Safety**

The CDCR shall provide CMSA access to the SQWCS through the west main facility gate unless some other access is mutually agreed upon. CMSA agrees to comply with all CDCR security regulations pertaining to visitor and outside contractor access, including security clearance for each individual seeking access to the service area.

CMSA is solely responsible for any loss due to theft of CMSA tools, equipment, or materials left or stored in the service area. CMSA agrees to remove all CMSA tools, materials, and equipment from the service area when not in use, and to maintain the service area broom clean.

CMSA shall provide and maintain reasonable protection measures to prevent damage to institution/prison property in the course of its performance of this Agreement.

CMSA shall provide and maintain reasonable worksite safety equipment, such as fire extinguishers, air monitoring systems, and eye wash stations, to be used in the event of an emergency, and will provide and maintain personal protective equipment at both pump stations.

#### **7. Continuation of Operations**

The SQRC operates twenty-four (24) hours a day, every day of the year. Except in an emergency which threatens the health and safety of persons or violation of the NDPES permit, CMSA shall not cause any reduction or interruption of sanitary sewer transportation and treatment without the prior written consent of CDCR.

In the event CMSA determines an interruption or reduction of wastewater services is required for the maintenance or repair of either pump station, CMSA shall consult with CDCR to schedule the work at a time consistent with the needs of the operations of the facility.

## **8. Licenses/Qualifications**

CMSA has been selected to perform the services of this Agreement because of the integration of the SQWCS with the CMSA wastewater treatment system and the special knowledge, skills, experience and expertise of key employees of CMSA in the operations of its system. CMSA shall prepare and submit to CDCR an organizational chart identifying key employees assigned to perform this Agreement, including their titles.

CMSA shall designate a qualified, experienced senior employee satisfactory to CDCR as the Project Manager who shall, so long as performance continues to be acceptable to CDCR, remain in charge of the services provided under this Agreement over its duration.

Prior to making any changes in the lead/key personnel associated with this Agreement, CMSA shall submit a written notification for such change to CDCR. The notification shall be made at least ten (10) calendar days prior to the proposed change and shall outline the reason for the personnel change and provide statements of qualifications of persons, which CMSA proposes for assignment to that position.

CMSA shall, without additional expense to CDCR, be responsible for obtaining any business and professional licenses and permits and for complying with any applicable Federal or State laws, codes and regulations, and municipal ordinances, as necessary for the prosecution of the services of this Agreement.

## **9. Warranties**

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

## **10. Records**

CMSA agrees to maintain records of all labor, equipment, and materials supplied to and charged CDCR for the performance of this Agreement in accordance with generally accepted accounting practices. The CDCR, or any duly authorized representative, shall have access and the right to examine, copy, audit, excerpt and transcribe any books, documents, papers or records of CMSA, which, in the reasonable opinion of CDCR, may be related or pertinent to the Agreement. Such material must be retained for a period of three years after final payment in accordance with California Government Code Section 8546.7.

## **11. Continued Wastewater Treatment**

In the event either party terminates this contract, CMSA as the regional WWTP, a sole source provider, will continue to receive and treat the SQRC property's wastewater and biosolids, and

CDCR will compensate CMSA for those services at a fair and equitable negotiated service fee, and in no event shall such service fee be below CMSA's actual costs incurred to provide such services.

## **12. Contact Information**

### **Billing/Payment:**

California Department of Corrections and Rehabilitation (CDCR)  
ASB - Sacramento  
Attention: Accounts Payable B  
P.O. Box 187016  
Sacramento, CA 95818-7016

### **Scope of Work/Performance:**

#### **CMSA**

Jason Dow, General Manager  
Central Marin Sanitation Agency  
1301 Andersen Drive  
San Rafael, CA 94901  
Email: JDow@cmsa.us

#### **CDCR**

Lewis Callahan, Regional Facility Maintenance Manager  
Facility Maintenance and Regulatory Compliance Branch  
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San Quentin Rehabilitation Center  
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### **General Contract Concerns:**

Office of Business Services  
Contracts Management Branch  
Phone Number: 279-210-3719  
Email: m\_cdcrobscontracts@cdcr.ca.gov

The O&M Specifications details the comprehensive preventive and corrective maintenance that shall be performed by CMSA for each pump stations equipment and components as recommended by manufacturers or industry standards. All Section A and B tasks shall be performed at the main pump station, and applicable tasks will be performed at the lift station. Adjustments or modifications may occur only in the case of mutual agreement of CDCR and CMSA.

## **A. Mechanical Maintenance Tasks**

### **Daily:**

1. Conduct daily inspections Monday – Friday (excluding Agency Holidays).
2. Ensure air handling system is operational.
3. Test pump operation and verify indicator lamps are operational.
4. Perform visual grounds inspection.
5. Verify standby emergency generator battery charger is functional.

### **Weekly:**

1. Perform general housekeeping, debris removal, and spot painting.
2. Inspect and clean wet well; degrease as necessary.
3. Ensure Programmable Logic Controllers, Human Machine Interface, and Control Cabinets are operational, and Supervisory Control and Data Acquisition (SCADA) readings are accurate.
4. Inspect wet well augers and grinders.
5. Inspect standby generator's batteries for leaks and corrosion; top off fluid as needed.
6. Verify standby generator's block heater is functioning.
7. Test eyewash stations.

### **Monthly:**

1. Test wet well level control instrumentation and consistency with SCADA.
2. Test sump pumps and add bleach solution as needed to sump for mosquito control.
3. Exercise all station's dry and wet side plug valves; ensure check valves are sealed properly.
4. Inspect fire extinguishers.
5. Verify standby generator battery electrolyte level and add if necessary.
6. Check the standby generator fluid levels and diesel day tank level, and exercise generator at normal operating temperature (log hours and reason for operation in engine logbook).
7. Verify diesel storage tank always holds at least 72 hours of fuel runtime.
8. Inspect all ladders.
9. Test standby generator's Automatic Transfer Switch (ATS) for proper operation.
10. Diesel fuel fill requests for the standby generator's tank are made through SQ Prison's Engineering Department.

### **Semi-Annually:**

1. Inspect and replace auger system brushes as necessary.
2. Inspect, clean, and remove the air-release-valve (ARV) on the 16" SQPS force main located in the median manhole just outside the prison's West entrance gate.

### **Annually:**

1. Isolate and clean station's pumps; inspect volute and impeller wear and clearances.
2. Perform standby generator maintenance: change oil, oil and diesel filters, hoses, belts.

3. Test diesel day tank's manual priming pump to ensure it provides fuel as designed.
4. Inspect and exercise influent and effluent isolation gates.

**As Needed:**

1. If deficiencies that cannot be immediately corrected and affect operation, CMSA will report the situation and solution to CDCR.
2. Degrease wet well walls; apply odor control as needed.
3. Repair or replace pumps and check valves as necessary.

**B. Electrical, Instrumentation, Communication, and Alarm System Tasks**

**Semi-Annually:**

1. Test all alarms and verify signals locally and through SCADA to CMSA.

**Annually:**

1. Inspect, clean, and perform thermal imaging scans on motor controllers (MCCs) and all control panels.
2. Inspect and clean the emergency standby generator's switchgear components. Inspect, tighten terminal connections, ensure mechanical interlocks function properly, check mechanical operation of components, add dielectric grease to contacts, and verify equipment is properly labeled per NFPA 70E (Arc flash).
3. Check amperage and megger all motor equipment.
4. Inspect and clean non-sealed motor contracts.
5. Calibrate and verify pressure transducers locally and ensure SCADA signaling is recording to CMSA.
6. Inspect, clean, test, and replace four-gas air monitoring system sensor heads. Verify local audible alarm, and alarm signal on SCADA at CMSA.
7. Zero the 16" effluent flow meter.
8. Inspect standby generator backup battery charging system.
9. Verify level control (wet well, sumps, influent channel) systems are accurate locally and SCADA signaling is transmitting to CMSA.
10. Inspect ATS components and electrical connections.
11. Ensure SCADA and radio telemetry systems are operational and communicating.
12. Perform necessary electrical and instrumentation repairs.

**C. Jobsite Hazard Inspection & Safety Equipment Inspections**

**Annually:**

1. Perform jobsite hazard analysis and report findings to CDCR.
2. Certify fire extinguishers.

**1. Invoicing and Payment**

- a.** For services satisfactorily rendered, and upon receipt and approval of Contractor's invoices, the State agrees to compensate the Contractor in accordance with the rates specified herein on Exhibit B-1 Rate Sheet and made a part of this Agreement. Exhibit B-1 Rate Sheet shall remain in force for the stated term of this Agreement and shall include every item of expense, direct and indirect, including taxes incidental to the specified rates.
- b.** Invoices shall include the Agreement number and Purchase Order number and shall be submitted not more frequently than monthly in arrears to the address provided below. Invoices shall be itemized, separating parts and labor. Labor hours shall be clearly listed and according to actual hours in which services were performed. Approved estimates, Service Reports, parts receipts, and/or subcontractor receipts shall accompany the invoice to the State. Payment will be for actual expenses only, not estimated costs.
- c.** The Contractor also has the option to submit their invoices electronically to the appropriate email address listed below. The Contractor must use the name on the Agreement and the Agreement Number on the subject line of the email. The email must include an attached PDF file of the invoice, in accordance with the information above, and must reference the institution acronym and invoice number. Separate emails shall be sent for contracts with more than one participating institution, facility, office and/or site with the invoice information as stated above.

**To submit invoices by mail for Institutions, DJJ Facilities, DJJ Headquarters, and Board of Parole Hearing contracts:**

California Department of Corrections and Rehabilitation (CDCR)  
ASB - Sacramento  
Attention: **Accounts Payable B**  
P.O. Box 187016  
Sacramento, CA 95818-7016

**For electronic submission, send invoices to:**  
**[Institutionnonmedcontractinvoices@cdcr.ca.gov](mailto:Institutionnonmedcontractinvoices@cdcr.ca.gov)**

**2. Budget Contingency Clause**

- a.** It is mutually agreed that if the California State Budget Act for the current fiscal year and/or any subsequent fiscal years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor, or to furnish any other considerations under this Agreement, and Contractor shall not be obligated to perform any provisions of this Agreement.
- b.** If funding for the purposes of this program is reduced or deleted for any fiscal year by the California State Budget Act, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an Agreement amendment to Contractor to reflect the reduced amount.

**3. Prompt Payment Clause**

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927. Payment to small/micro businesses shall be made in accordance with and within the time specified in Chapter 4.5, Government Code 927 et seq.

**4. Subcontractors**

Nothing contained in this Agreement, or otherwise, shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Contractor of Contractor's responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

When a subcontractor is utilized, the subcontractor must provide a detailed, itemized receipt that adheres to the terms of this Agreement. Under no circumstances will the Contractor be allowed to mark up or manipulate the hours of the quote provided by the subcontractor in order to cover additional expenses. The quote from the subcontractor and Contractor must adhere to the rates identified in the Exhibit B-1, Rate Sheet. There will be no additional compensation for any work that is performed by a subcontractor that was not identified on the Exhibit A, Scope of Work.

**5. Advanced Payment for Non-Profit Organizations**

Pursuant to Government Code Section (GC) 11019, upon review and approval of CDCR, the Contractor may request an advance payment for the fiscal year(s) covered by this agreement, which shall not exceed twenty five percent (25%) of the annual budget for each fiscal year. The CDCR will review and determine the need for an advance payment using the criteria contained in the department's procedures for advance payments to Community-Based, Private, Non-Profit Organizations, CDCR shall recover one-twelfth (1/12) of the advance payment each month by the reduction of monthly invoices submitted for payment by the Contractor in accordance with the project budget amount for each fiscal year of the agreement.

**6. City/County Rate Increase**

It is understood that the city/county may regulate some or all of the Contractor's rates for services. In the event the city/county increases the rates that directly affect the services provided in this Agreement, the Contractor may, once during the term of the Agreement, request from the State an increase in the rates stated in this Agreement. The Contractor must submit a written request to the State with a copy of the resolution from the city/county listing the prior rates and new rates and effective date of the new rates.

### WASTEWATER TREATMENT SERVICES

Quantities listed in Exhibit B-1, Rate Sheet are the State's estimates only. The State does not expressly or by implication agree that the actual amount of work will correspond therewith and reserves the right to increase/omit portions of work as may be deemed necessary or advisable by the State.

All prices shall be in U.S. currency and shall encompass every item of expense necessary to perform the services.

#### A. FY 2025/26 Services

Service Description	=	Total
Wastewater Treatment <sup>1</sup>	=	\$996,000.00
Wastewater Capital Debt Service <sup>2</sup>	=	\$526,000.00
Pump Station Maintenance <sup>3</sup>	=	\$567,000.00
<b>Total A =</b>		<b>\$2,089,000.00</b>

#### B. FY 2026/27 Services

Service Description	=	Total
Wastewater Treatment	=	\$996,000.00
Wastewater Capital Debt Service	=	\$526,000.00
Pump Station Maintenance	=	\$567,000.00
<b>Total B =</b>		<b>\$2,089,000.00</b>

#### C. FY 2027/28 Services

Service Description	=	Total
Wastewater Treatment	=	\$996,000.00
Wastewater Capital Debt Service	=	\$526,000.00
Pump Station Maintenance	=	\$567,000.00
<b>Total C =</b>		<b>\$2,089,000.00</b>

#### D. FY 2028/29 Services

Service Description	=	Total
Wastewater Treatment	=	\$996,000.00
Wastewater Capital Debt Service	=	\$526,000.00
Pump Station Maintenance	=	\$567,000.00
Nutrient Removal Project <sup>4</sup>	=	\$439,200.00
<b>Total D =</b>		<b>\$2,528,200.00</b>

#### E. FY 2029/30 Services

Service Description	=	Total
Wastewater Treatment	=	\$996,000.00
Wastewater Capital Debt Service	=	\$526,000.00
Pump Station Maintenance	=	\$567,000.00
Nutrient Removal Project	=	\$439,200.00
<b>Total E =</b>		<b>\$2,528,200.00</b>

#### F. Extra Services (Full Term)

All extra services provided for Agreement.	=	\$1,100,000.00
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**TOTAL FOR AGREEMENT (A + B + C + D + E + F) =** **\$12,423,400.00**  
**BASIS OF AGREEMENT**

**NOTES:**

<sup>1</sup>CMSA's wastewater treatment fee is allocated based on each satellite collection agency's wastewater flow and strength. CMSA continuously measures the wastewater flow from San Quentin and the three other collection agencies, and routinely samples each agency's wastewater strength. The annual fee allocation is based on each agency's proportional flow and strength relative to CMSA's combined influent wastewater flow and strength. San Quentin's wastewater treatment base fee is allocated based on the 3-year flow/strength methodology, and will increase pursuant to the CMSA Board's adopted revenue plan for the satellite collection agencies, which is 4.5% in FY26, FY27, and FY28, and estimated to be 3.5% in FY29 and FY30— if the annual fee exceeds the NTE limit of \$996K, CMSA and CDCR staff will amend this agreement to reflect the appropriate treatment fee.

<sup>2</sup>The annual capital fee is a fixed amount of \$433,000 for, and may increase to \$526,000 in FY27 or a future year if the CMSA Board approved revenue bond financing for certain capital projects.

<sup>3</sup>Pump station maintenance expenses, including cleaning the influent channel screens from 6am to 10pm, will be up to \$491,000 the first year of the agreement with the labor components adjusting per the San Francisco Bay Area annual CPI for each subsequent year of the Agreement, NTE \$ 567,000 in the fifth year.

<sup>4</sup>CMSA is required to remove approximately 62% of the nutrients in its treated water by 2034 pursuant to the S.F. Bay Nutrient Watershed Permit that was adopted by the S.F. Bay Regional Water Board in July 2024. CMSA has started the planning for a Nutrient Removal Project and anticipates issuing some form of debt in 2028 to fund the project's construction costs, which are currently estimated to be \$65 million. This figure will change based on the final design project cost estimate, which will be known in 2028. In FY29, after the debt proceeds have been received, CMSA will add the San Quentin share of the Nutrient Removal Project debt service to the monthly service invoice. Assuming a \$65 million construction cost and debt terms of 20 years at 3.5%, the monthly fee increase will be approximately \$36,600.

**1. Contract Disputes with Public Entities** (Supersedes provision number 6, Disputes, of Exhibit C)

As a condition precedent to Contractor's right to institute and pursue litigation or other legally available dispute resolution process, if any, Contractor agrees that all disputes and/or claims of Contractor arising under or related to the Agreement shall be resolved pursuant to the following processes. Contractor's failure to comply with said dispute resolution procedures shall constitute a failure to exhaust administrative remedies.

Pending the final resolution of any such disputes and/or claims, Contractor agrees to diligently proceed with the performance of the Agreement, including the delivering of goods or providing of services. Contractor's failure to diligently proceed shall constitute a material breach of the Agreement.

The Agreement shall be interpreted, administered, and enforced according to the laws of the State of California. The parties agree that any suit brought hereunder shall have venue in Sacramento, California, the parties hereby waiving any claim or defense that such venue is not convenient or proper.

A county, city, district or other local public body, state board or state commission, another state or federal agency, or joint-powers authority shall resolve a dispute with CDCR, if any, through a meeting of representatives from the entities affected. If the dispute cannot be resolved to the satisfaction of the parties, each entity may thereafter pursue its right to institute litigation or other dispute resolution process, if any, available under the laws of the State of California.

**2. Confidentiality of Data**

All financial, statistical, personal, technical and other data and information relating to State's operation, which are designated confidential by the State and made available to carry out this Agreement, or which become available to the Contractor in order to carry out this Agreement, shall be protected by the Contractor from unauthorized use and disclosure.

If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used with the written consent of the State. The Contractor shall not be required under the provisions of this paragraph to keep confidential any data already rightfully in the Contractor's possession that is independently developed by the Contractor outside the scope of the Agreement or is rightfully obtained from third parties.

No reports, information, inventions, improvements, discoveries, or data obtained, repaired, assembled, or developed by the Contractor pursuant to this Agreement shall be released, published, or made available to any person (except to the State) without prior written approval from the State.

Contractor by acceptance of this Agreement is subject to all of the requirements of California Government Code Section 11019.9 and California Civil Code Sections 1798, et seq., regarding the collection, maintenance, and disclosure of personal and confidential information about individuals.

**3. Accounting Principles**

The Contractor will adhere to generally accepted accounting principles as outlined by the American Institute of Certified Public Accountants. Dual compensation is not allowed; a contractor cannot receive simultaneous compensation from two or more funding sources for the same services performed even though both funding sources could benefit.

**4. Taxes**

Unless required by law, the State of California is exempt from federal excise taxes.

**5. Right to Terminate** (Supersedes provision number 7, Termination for Cause, of Exhibit C)

The parties hereto agree that either party may cancel this Agreement by giving the other party written notice thirty (30) days in advance of the effective date of such cancellation. In the event of such termination, the State agrees to pay Contractor for actual services rendered up to and including the date of termination.

The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

**6. Contract Suspension**

Notwithstanding any other provisions of this Agreement, pursuant to a Governor's Executive Order or equivalent directive, such as a court order or an order from a federal or state regulatory agency, mandating the suspension of state contracts, the State may issue a Suspension of Work Notice. The Notice shall identify the specific Executive Order or directive and the Agreement number(s) subject to suspension. Unless specifically stated otherwise, all performance under the Agreement(s) must stop immediately upon receipt of the Notice. During the period of contract suspension, Contractor is not entitled to any payment for the suspended work. Once the order suspending state contracts has been lifted, a formal letter from the Department will be issued to the Contractor to resume work.

**7. Extension of Term**

When it is determined to be in the best interest of the State, this Agreement may be amended to extend the term at the rates agreed upon by CDCR and the Contractor.

**8. Contractor Employee Misconduct**

During the performance of this Agreement, it shall be the responsibility of the Contractor whenever there is an incident of use of force or allegation(s) of employee misconduct associated with and directly impacting incarcerated individual and/or parolee rights, to immediately notify the CDCR of the incident(s), to cause an investigation to be conducted, and to provide CDCR with all relevant information pertaining to the incident(s). All relevant information includes, but is not limited to: a) investigative reports; b) access to incarcerated

individuals/parolees and the associated staff; c) access to employee personnel records; d) that information reasonably necessary to assure CDCR that incarcerated individuals and/or parolees are not or have not been deprived of any legal rights as required by law, regulation, policy and procedures; and e) written evidence that the Contractor has taken such remedial action, in the event of unnecessary or excessive force, or employee misconduct with incarcerated individuals and/or parolees, as will assure against a repetition of incident(s) or retaliation. To the extent that the information provided by the Contractor fails to so assure CDCR, CDCR may require that any implicated Contractor staff be denied access to and the supervision of CDCR incarcerated individuals and/or parolees at the facility and access to incarcerated individual and/or parolee records. Notwithstanding the foregoing, and without waiving any obligation of the Contractor, CDCR retains the power to conduct an independent investigation of any incident(s). Furthermore, it is the responsibility of the Contractor to include the foregoing terms within any and all subcontracts, requiring that subcontractor(s) agree to the jurisdiction of CDCR to conduct an investigation of their facility and staff, including review of subcontractor employee personnel records, as a condition of the Agreement.

**9. Subcontracting**

Services provided are to be performed primarily with the staff of the public entity or, in the case of educational institutions, auxiliaries or foundations, by the faculty, staff or students associated with the particular institution. Agreements are not to be used by state agencies to circumvent the competitive bidding requirements of Public Contract Code Section 10340.

If more than twenty-five (25) percent of the total contract amount or \$50,000.00, whichever is less, is subcontracted, non-competitive bid approval must be obtained from the Secretary of CDCR and the Department of General Services prior to the commencement of services, unless the subcontract was competitively bid or the subcontractor(s) also qualifies as a state agency, governmental agency, or joint power.

**10. Subcontractor/Consultant Information**

Contractor is required to identify all subcontractors and consultants who will perform labor or render services in the performance of this Agreement. Additionally, the Contractor shall notify the Department of Corrections and Rehabilitation, Office of Business Services, in writing, within ten (10) working days, of any changes to the subcontractor and/or consultant information.

**11. Liability for Nonconforming Work**

The Contractor will be fully responsible for ensuring that the completed work conforms to the agreed upon terms. If nonconformity is discovered prior to the Contractor's deadline, the Contractor will be given a reasonable opportunity to cure the nonconformity. If the nonconformity is discovered after the deadline for the completion of the project, CDCR, in its sole discretion, may use any reasonable means to cure the nonconformity. The Contractor shall be responsible for reimbursing CDCR for any additional expenses incurred to cure such defects.

**12. Temporary Nonperformance**

If, because of mechanical failure or for any other reason, the Contractor shall be temporarily unable to perform the work as required, the State, during the period of the Contractor's inability to perform, reserves the right to accomplish the work by other means and shall be reimbursed by the Contractor for any additional costs above the Agreement price.

**13. Contract Violations**

The Contractor acknowledges that any violation of Chapter 2, or any other chaptered provision of the Public Contract Code (PCC), is subject to the remedies and penalties contained in PCC Sections 10420 through 10425.

**14. Employment of Ex-Offenders**

Contractor cannot and will not either directly, or on a subcontract basis, employ in connection with this Agreement:

- a. Ex-Offenders on active parole or probation, who have been on active parole or probation during the last three years preceding their employment;

Contractor shall only employ ex-offenders who can provide written evidence of having satisfactorily completed parole or probation, and who have remained off parole or probation, and have had no arrests or convictions within the past three years.

- b. Ex-offenders convicted of drug trafficking in a prison/jail; escape or aiding/abetting escape; battery on a Peace Officer or Public Official; arson offenses; or, any violations of Penal Code Sections 4570-4574 (unauthorized Communications with Prisons and Prisoners Offenses).
- c. Ex-Offenders are required to register as a sex offender pursuant to Penal Code Section 290.
- d. Any ex-offender who has an offense history involving a "violent felony" as defined in subparagraph (c) of Penal Code Section 667.5; or
- e. Any ex-offender in a position which provides direct supervision of parolees.

An ex-offender whose assigned duties involve administrative or policy decision-making, accounting, procurement, cashiering, auditing, or any other business-related administrative function shall be fully bonded to cover any potential loss to the State or contractor. Evidence of such bond shall be supplied to CDCR prior to employment of the ex-offender.

**15. Conflict of Interest**

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

**a. Contractors and Their Employees**

Consultant contractors shall file a Statement of Economic Interests, Fair Political Practices Commission (FPPC) Form 700 prior to commencing services under the Agreement, annually during the life of the Agreement, and within thirty (30) days after the expiration of the Agreement. Other service contractors and/or certain of their employees may be required to file a Form 700 if so requested by the CDCR or whenever it appears that a conflict of interest may be at issue. Generally, service contractors (other than consultant contractors required to file as above) and their employees shall be required to file an FPPC Form 700 if one of the following exists:

- (1) The Agreement service has been identified by the CDCR as one where there is a greater likelihood that a conflict of interest may occur;
- (2) The Contractor and/or Contractor's employee(s), pursuant to the Agreement, makes or influences a governmental decision; or
- (3) The Contractor and/or Contractor's employee(s) serves in a staff capacity with the CDCR and in that capacity participates in making a governmental decision or performs the same or substantially all the same duties for the CDCR that would otherwise be performed by an individual holding a position specified in the CDCR's Conflict of Interest Code.

**b. Current State Employees**

- (1) No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- (2) No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.
- (3) In addition to the above, CDCR officials and employees shall also avoid actions resulting in or creating an appearance of:
  - (a) Using an official position for private gain;
  - (b) Giving preferential treatment to any particular person;
  - (c) Losing independence or impartiality;
  - (d) Making a decision outside of official channels; and
  - (e) Affecting adversely the confidence of the public or local officials in the integrity of the program.
- (4) Officers and employees of the Department must not solicit, accept or receive, directly or indirectly, any fee, commission, gratuity or gift from any person or business organization doing or seeking to do business with the State.

**c. Former State Employees**

- (1) For the two year (2-year) period from the date he or she left state employment, no former state officer or employee may enter into an Agreement in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the Agreement while employed in any capacity by any state agency.
- (2) For the twelve-month (12-month) period from the date he or she left state employment, no former state officer or employee may enter into an Agreement with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed Agreement within the 12-month period prior to his or her leaving state service.

In addition to the above, the Contractor shall avoid any conflict of interest whatsoever with respect to any financial dealings, employment services, or opportunities offered to incarcerated individuals or parolees. The Contractor shall not itself employ or offer to employ incarcerated individuals or parolees either directly or indirectly through an affiliated company, person or business unless specifically authorized in writing by CDCR. In addition, the Contractor shall not (either directly, or indirectly through an affiliated company, person or business) engage in financial dealings with incarcerated individuals or parolees, except to the extent that such financial dealings create no actual or potential conflict of interest, are available on the same terms to the general public, and have been approved in advance in writing by CDCR. For the purposes of this paragraph, "affiliated company, person or business" means any company, business, corporation, nonprofit corporation, partnership, limited partnership, sole proprietorship, or other person or business entity of any kind which has any ownership or control interest whatsoever in the Contractor, or which is wholly or partially owned (more than 5% ownership) or controlled (any percentage) by the Contractor or by the Contractor's owners, officers, principals, directors and/or shareholders, either directly or indirectly. "Affiliated companies, persons or businesses" include, but are not limited to, subsidiary, parent, or sister companies or corporations, and any company, corporation, nonprofit corporation, partnership, limited partnership, sole proprietorship, or other person or business entity of any kind that is wholly or partially owned or controlled, either directly or indirectly, by the Contractor or by the Contractor's owners, officers, principals, directors and/or shareholders.

The Contractor shall have a continuing duty to disclose to the State, in writing, all interests and activities that create an actual or potential conflict of interest in performance of the Agreement.

The Contractor shall have a continuing duty to keep the State timely and fully apprised in writing of any material changes in the Contractor's business structure and/or status. This includes any changes in business form, such as a change from sole proprietorship or partnership into a corporation or vice-versa; any changes in company ownership; any dissolution of the business; any change of the name of the business; any filing in bankruptcy; any revocation of corporate status by the Secretary of State; and any other material changes in the Contractor's business status or structure that could affect the performance of the Contractor's duties under the Agreement.

If the Contractor violates any provision of the above paragraphs, such action by the Contractor shall render this Agreement void.

Members of boards and commissions are exempt from this section if they do not receive payment other than payment for each meeting of the board or commission, payment for preparatory time and payment for per diem.

## **16. Compliance with Legal Requirements**

The Contractor shall be aware of and comply with all Federal and State statutes, rules, regulations, and CDCR policies and directives ("CDCR Policies") applicable to the Contract. CDCR policies shall include, but are not limited to the Department Operations Manual (DOM), California Code of Regulations Title 15, any policy memoranda issued by the CDCR Secretary or jointly with the Receiver, California Correctional Health Care Services (CCHCS), and any similar department-wide guidance that may be issued by proper

authority, of which the Contractor has been informed by CDCR or has been published on the CDCR public internet web site, CDCR.ca.gov.

**17. Executive Order N-6-22 – Russia Sanctions**

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Contractor is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Contractor advance written notice of such termination, allowing Contractor at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

**18. Travel**

Contractor’s rates shall include all travel expenses required to perform services in accordance with this contract.

**19. Notification of Personnel Changes**

Contractor must notify the State, in writing, of any changes of those personnel allowed access to State premises for the purpose of providing services under this Agreement. In addition, Contractor must recover and return any State-issued identification card provided to Contractor’s employee(s) upon their departure or termination.

**20. Security Clearance/Fingerprinting**

The State reserves the right to conduct fingerprinting and/or security clearance—through the Department of Justice, Bureau of Criminal Identification and Information (BCII)—prior to award and at any time during the term of the Agreement, in order to permit Contractor (and/or Contractor employee) access to State premises. The State further reserves the right to terminate the Agreement should a threat to security be determined.

**21. Computer Software**

Contractor certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

**22. Expendable Equipment**

Expendable equipment is defined as expendable items which change with use and have a unit acquisition cost of less than \$5,000 per unit (i.e. fax machines, computers, printers, etc.). Title to any expendable equipment purchased or built with State funds as part of this agreement will vest in the State. The Contractor must retain a listing of expendable equipment purchases that are considered “theft-sensitive” items, such as cameras,

calculators, two-way radios, computer equipment, etc., for audit purposes. Upon completion or termination of the agreement, Contractors are required to leave all expendable equipment for use by subsequent contractors or for the State to dispose of accordingly. The State may authorize the continued use of such equipment for work to be performed under a different agreement.

The cost of expendable equipment purchased should be comparable to the prevailing price for similar items in the surrounding area.

**23. Electronic Waste Recycling**

The Contractor certifies that it complies with the requirements of the Electronic Waste Recycling Act of 2003, Chapter 8.5, Part 3 of Division 30, commencing with Section 42460 of the Public Resources Code, relating to hazardous and solid waste. Contractor shall maintain documentation and provide reasonable access to its records and documents that evidence compliance.

**24. Liability for Loss and Damages**

Any damages by the Contractor to the State's facility including equipment, furniture, materials or other State property, will be repaired or replaced by the Contractor to the satisfaction of the State at no cost to the State. The State may, at its option, repair any such damage and deduct the cost thereof from any sum due Contractor under this Agreement.

**25. Disclosure**

Neither the State nor any State employee will be liable to the Contractor or its staff for injuries inflicted by incarcerated individuals or parolees of the State. The State agrees to disclose to the Contractor any statement(s) known made by any incarcerated individual or parolee which indicate violence may result in any specific situation, and the same responsibility will be shared by the Contractor in disclosing such statement(s) to the State.

**26. Additional Disclosure**

Neither the State nor any State employee will be liable to the Contractor or its staff for any injuries caused by exposure to any blood borne pathogens, aerosol transmissible diseases, or communicable diseases. Contractor agrees that it shall comply fully with all applicable Cal/OSHA regulations concerning protection of the Contractor's employees from diseases; including Title 8, California Code of Regulations section 5193 (Blood Borne Pathogens), and Title 8, section 5199 (Aerosol Transmissible Diseases). Contractor agrees to indemnify, defend, and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any of the Contractor's employees arising out of exposure to any blood borne pathogen, aerosol transmissible disease, or communicable disease during the Contractor's performance of the Agreement.

**27. Workers' Compensation**

Contractor hereby represents and warrants that Contractor is currently and shall, for the duration of this agreement, carry workers' compensation insurance, at Contractor's expense, or that it is self-insured through a policy acceptable to CDCR, for all of its

employees who will be engaged in the performance of this agreement. Such coverage will be a condition of CDCR's obligation to pay for services provided under this agreement.

Prior to approval of this agreement and before performing any work, Contractor shall furnish to the State evidence of valid workers' compensation coverage. Contractor agrees that the workers' compensation insurance shall be in effect at all times during the term of this agreement. In the event said insurance coverage expires or is canceled at any time during the term of this agreement, Contractor agrees to give at least thirty (30) days prior notice to CDCR before said expiration date or immediate notice of cancellation. Evidence of coverage shall not be for less than the remainder of the term of the agreement or for a period of not less than one year. The State reserves the right to verify the Contractor's evidence of coverage. In the event the Contractor fails to keep workers' compensation insurance coverage in effect at all times, the State reserves the right to terminate this agreement and seek any other remedies afforded by the laws of this State.

Contractor also agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all of Contractor's workers' compensation claims and losses by Contractor's officers, agents and employees related to the performance of this agreement.

## **28. Indemnity**

To the fullest extent permitted by law, Contractor shall defend, indemnify and hold harmless the State and its directors, officers, employees, representatives and agents from and against all allegations, claims, actions, suits, demands, damages, liabilities, obligations, losses, settlements, judgments, penalties, fines, costs and expenses (including, but not limited to attorney fees and costs) arising out of, relating to, resulting from or in connection with the Contractor's activities under this Agreement, due to the acts, errors or omissions of the Contractor or anyone for whom the Contractor is legally responsible.

To the fullest extent permitted by law, and subject to the availability of funds, the State shall defend, indemnify and hold harmless the Contractor and its directors, officers, employees, representatives and agents from and against all allegations, claims, actions, suits, demands, damages, liabilities, obligations, losses, settlements, judgments, penalties, fines, costs and expenses (including, but not limited to attorney fees and costs) arising out of, relating to, resulting from or in connection with the performance of this Agreement, due to the acts, errors or omissions of the State or anyone for whom the State is legally responsible.

## **29. Insurance Requirements**

Insurance as required herein shall be a condition of the State's obligation to pay for services provided under this Agreement. Prior to approval of this Agreement and before performing any work, Contractor and any subcontractor shall furnish to the State evidence of valid coverage. The following shall be considered evidence of coverage: A certificate of insurance, a "true and certified" copy of the policy, or any other proof of coverage issued by Contractor's insurance carrier. Binders are not acceptable as evidence of coverage. Providing evidence of coverage to the State conveys no rights or privileges to the State, nor does it insure any State employee or insure any premises owned, leased, used by or otherwise or under the control of the State. It does, however, serve to provide the State with proof that the Contractor and any subcontractors are insured at the minimum levels required

by the State of California.

Contractor agrees that any liability insurance required in the performance of this Agreement shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires or is canceled during the term of this Agreement, Contractor shall provide the State within five (5) business days of receipt by contractor a copy of any notice of cancellation or non-renewal of insurance required by the contract. Evidence of coverage required in the performance of this Agreement shall not be for less than the remainder of the term of this Agreement or for a period of not less than one year. The State and the Department of General Services (DGS) reserve the right to verify the Contractor's evidence of coverage; evidence of coverage is subject to the approval of the DGS. In the event the Contractor fails to keep insurance coverage as required herein in effect at all times, the State reserves the right to terminate this Agreement and to seek any other remedies afforded by the laws of the State of California.

Contractor hereby represents and warrants they (and any subcontractors) are currently and shall for the duration of this Agreement be insured. Contractor shall provide proof of self-insurance against:

Commercial General Liability – Provider agrees to carry a minimum of \$1,000,000 per occurrence for bodily injury and property damage liability combined.

Auto Liability – By signing this Agreement, the Contractor certifies that the Contractor and any employees, subcontractors or servants possess valid automobile coverage in accordance with California Vehicle Code Sections 16450 to 16457, inclusive. The State reserves the right to request proof at any time.

### **30. Tuberculosis (TB) Testing**

In the event that the services required under this Agreement will be performed within a CDCR institution/parole office/community-based program, Contractors and their employees who are assigned to work with, near, or around incarcerated individuals/parolees shall be required to be examined and tested or medically evaluated by a licensed healthcare provider for TB in an infectious or contagious stage prior to the performance of contracted duties, and at least once a year thereafter (within 12 months of their initial or previous TB test under this contract), or more often as directed by CDCR.

Contractors and their employees who have any contact (physical or nonphysical) with incarcerated individuals/parolees, shall be required to furnish to the CDCR Program/Institution Contract Manager, at no cost to CDCR, a documented Tuberculosis (TB) evaluation/test for TB infection (Tuberculin Skin Test (TST) or a blood test Interferon Gamma Release Assay (IGRA) completed within (30) thirty days of the start date of the services and be certified to be free of TB in an infectious or contagious stage by a licensed healthcare provider prior to assuming their contracted duties and annually thereafter.

***The following provisions apply to services provided on departmental and/or institution grounds:***

**31. Blood borne Pathogens**

Provider shall adhere to California Division of Occupational Safety and Health (CAL-OSHA) regulations and guidelines pertaining to blood borne pathogens.

**32. Primary Laws, Rules, and Regulations Regarding Conduct and Association with State Prison incarcerated individuals and Division of Juvenile Justice Wards**

Individuals who are not employees of the California Department of Corrections and Rehabilitation (CDCR), but who are working in and around incarcerated individuals who are incarcerated, or wards who are housed within California's institutions/facilities or camps, are to be apprised of the laws, rules and regulations governing conduct in associating with prison incarcerated individuals or wards. The following is a summation of pertinent information when non-departmental employees come in contact with prison incarcerated individuals or wards.

By signing this contract, the Contractor agrees that if the provisions of the contract require the Contractor to enter an institution/facility or camp, the Contractor and any employee(s) and/or subcontractor(s) shall be made aware of and shall abide by the following laws, rules and regulations governing conduct in associating with prison incarcerated individuals or wards:

- a. Persons who are not employed by CDCR, but are engaged in work at any institution/facility or camp must observe and abide by all laws, rules and regulations governing the conduct of their behavior in associating with prison incarcerated individuals or wards. Failure to comply with these guidelines may lead to expulsion from CDCR institutions/facilities or camps.

SOURCE: California Penal Code (PC) Sections 5054 and 5058; California Code of Regulations (CCR), Title 15, Sections 3285 and 3415, and California Welfare and Institutions Code (WIC) Section 1712.

- b. CDCR does not recognize hostages for bargaining purposes. CDCR has a "NO HOSTAGE" policy and all prison incarcerated individuals, wards, visitors, and employees shall be made aware of this.

SOURCE: PC Sections 5054 and 5058; CCR, Title 15, Section 3304 and Title 9, Section 30936; WIC Section 1712.

- c. All persons entering onto institution/facility or camp grounds consent to search of their person, property or vehicle at any time. Refusal by individuals to submit to a search of their person, property, or vehicle may be cause for denial of access to the premises.

SOURCE: PC Sections 2601, 5054 and 5058; CCR, Title 15, Sections 3173, 3177, 3288, and Title 9, Sections 30275 and 30958; WIC 1712.

- d. Persons normally permitted to enter an institution/facility or camp may be barred, for

cause, by the CDCR Director, Warden, and/or Regional Parole Administrator.

SOURCE: PC Sections 5054 and 5058; CCR, Title 15, Section 3176 (a) and Title 9, Section 30275; WIC Section 1712.

- e. It is illegal for an individual who has been previously convicted of a felony offense to enter into CDCR adult institutions/facilities or camps, or youth institutions/facilities or camps in the nighttime, without the prior approval of the Warden or officer in charge. It is also illegal for an individual to enter onto these premises for unauthorized purposes or to refuse to leave said premises when requested to do so. Failure to comply with this provision could lead to prosecution.

SOURCE: PC Sections 602, 4570.5 and 4571; CCR, Title 15, Sections 3173 and 3289; WIC Section 1001.7.

- f. Encouraging and/or assisting prison incarcerated individuals to escape, is a crime. It is illegal to bring firearms, deadly weapons, explosives, tear gas, drugs or drug paraphernalia on CDCR institutions/facilities or camp premises. It is illegal to give prison incarcerated individuals or wards firearms, explosives, alcoholic beverages, narcotics, or any drug or drug paraphernalia, including cocaine or marijuana. It is illegal to give wards sex oriented objects or devices, and written materials and pictures whose sale is prohibited to minors.

SOURCE: PC Sections 2772, 2790, 4533, 4535, 4550, 4573, 4573.5, 4573.6 and 4574; WIC Section 1152, CCR, Title 9, sections 30976 and 30945; WIC Section 1001.5.

- g. It is illegal to give or take letters from incarcerated individuals or wards without the authorization of the Warden or officer in charge. It is also illegal to give or receive any type of gift and/or gratuities from prison incarcerated individuals or wards.

SOURCE: PC Sections 2540, 2541 and 4570; CCR, Title 15, Sections 3010, 3399, 3401, 3424, 3425 and Title 9, Section 31609; WIC Section 1712.

- h. In an emergency situation the visiting program and other program activities may be suspended.

SOURCE: PC Section 2601; CCR, Title 15, Section 3383, and Title 9, Sections 30935 and 30275.

- i. For security reasons, visitors must not wear clothing that in any way resembles state issued prison incarcerated individual or ward clothing (blue denim shirts, blue denim pants).

SOURCE: CCR, Title 15, Section 3174 (b) (1) and Title 9, Section 30275.

- j. Interviews with SPECIFIC INCARCERATED INDIVIDUALS are not permitted. Conspiring with an incarcerated individual to circumvent policy and/or regulations constitutes a rule violation that may result in appropriate legal action. Interviews with individual wards are permitted with written consent of each ward if he is 18 years of

age or older, or with written consent of a parent, legal guardian, or committing court, if 17 years of age or younger.

SOURCE: CCR, Title 15, Sections 3261.5, 3315 (a) (3) (X), and 3177 and Title 9, Section 31100(a)(1).

**33. Clothing Restrictions**

While on institution grounds, Contractor and all its agents, employees, and/or representatives shall be professionally and appropriately dressed in clothing distinct from that worn by incarcerated individuals at the institution. Specifically, blue denim pants and blue chambray shirts, orange/red/yellow/white/chartreuse jumpsuits and/or yellow rainwear shall not be worn onto institution grounds, as this is incarcerated individual attire. Contractor should contact the institution regarding clothing restrictions prior to requiring access to the institution to assure the Contractor and their employees are in compliance.

**34. Tobacco-Free Environment**

Pursuant to Penal Code Section 5030.1, the use of tobacco products by any person on the grounds of any institution or facility under the jurisdiction of the Department of Corrections and Rehabilitation is prohibited.

**35. Prison Rape Elimination Policy**

CDCR maintains a zero tolerance for sexual misconduct in its institutions, community correctional facilities, conservation camps and for all offenders under its jurisdiction. All sexual misconduct is strictly prohibited.

CDCR is committed to providing a safe, humane, secure environment, free from sexual misconduct. This will be accomplished by maintaining a program to ensure education/prevention, detection, response, investigation and tracking of sexual misconduct and to address successful community re-entry of the victim.

All Contractors and their employees are expected to ensure compliance with this policy as described in Department Operations Manual, Chapter 5, Article 44.

If you are providing services for the confinement of our incarcerated individuals, you and your staff are required to adopt and comply with the PREA standards, 28 Code of Federal Regulations (CFR) Part 115 and with CDCR's Department Operations Manual, Chapter 5, Article 44, including updates to this policy. This will include CDCR staff and outside audit personnel (who also conduct PREA audits of state prisons) conducting audits to ensure compliance with the standards.

As a Contractor with CDCR, you shall not assign an employee to a CDCR facility or assign an employee to duties if that employee will have contact with CDCR incarcerated individuals, if that employee has 1) engaged in sexual abuse in a prison, jail, lockup, community confinement facility, juvenile facility, or other institution (as defined in 42 U.S.C. 1997); 2) been convicted of engaging or attempting to engage in sexual activity in the community facilitated by force, overt or implied threats of force, or coercion, or if the victim did not consent or was unable to consent or refuse; or 3) has been civilly or administratively adjudicated to have engaged in the activity described in this section.

The Contractor shall conduct a criminal background records check for each contract employee who will have contact with CDCR incarcerated individuals and retain the results for audit purposes. By signing this contract the Contractor agrees to ensure that all of the mandates of this Prison Rape Elimination Policy are complied with. Material omissions, by the contract employee, regarding such misconduct or the provision of materially false information, shall be grounds for removal from institutional grounds.

Contract employees, who have contact with incarcerated individuals, shall be provided training via the Exhibit titled; "PRISON RAPE ELIMINATION POLICY, Volunteer/Contractor Informational Sheet" to learn their responsibilities under the agency's sexual abuse and sexual harassment prevention, detection, and response policies and procedures. A copy of this signed informational sheet will be provided to the institution before a contract employee may have contact with incarcerated individuals.

Any contract employee who appears to have engaged in sexual misconduct of an incarcerated individual shall be prohibited from contact with incarcerated individuals and shall be subject to administrative and/or criminal investigation. Referral shall be made to the District Attorney unless the activity was clearly not criminal. Reportable information shall be sent to relevant licensing bodies.

### **36. Security Regulations**

- a. Unless otherwise directed by the entrance gate officer and/or Contract Manager, the Contractor, Contractor's employees and subcontractors shall enter the institution through the main entrance gate and park private and nonessential vehicles in the designated visitor's parking lot. Contractor, Contractor's employees and subcontractors shall remove the keys from the ignition when outside the vehicle and all unattended vehicles shall be locked and secured while on institution grounds.
- b. Any State- and Contractor-owned equipment used by the Contractor for the provision of contract services, shall be rendered temporarily inoperative by the Contractor when not in use, by locking or other means unless specified otherwise.
- c. In order to maintain institution safety and security, periodic fire prevention inspections and site searches may become necessary and Contractor must furnish keys to institutional authorities to access all locked areas on the worksite. The State shall in no way be responsible for Contractor's loss due to fire.
- d. Due to security procedures, the Contractor, Contractor's employees and subcontractors may be delayed at the institution vehicle/pedestrian gates and sally ports. Any loss of time checking in and out of the institution gates and sally ports shall be borne by the Contractor.
- e. Contractor, Contractor's employees and subcontractors shall observe all security rules and regulations and comply with all instructions given by institutional authorities.
- f. Electronic and communicative devices such as pagers, cell phones and cameras/microcameras are not permitted on institution grounds.
- g. Contractor, Contractor's employees and subcontractors shall not cause undue

interference with the operations of the institution.

h. No picketing is allowed on State property.

**37. Gate Clearance**

Contractor and Contractor's employee(s) and/or subcontractor(s) must be cleared prior to providing services. The Contractor will be required to complete a Request for Gate Clearance for all persons entering the facility a minimum of ten (10) working days prior to commencement of service. The Request for Gate Clearance must include the person's name, social security number, valid state driver's license number or state identification card number and date of birth. Information shall be submitted to the Contract Liaison or his/her designee. CDCR uses the Request for Gate Clearance to run a California Law Enforcement Telecommunications System (CLETS) check. The check will include Department of Motor Vehicles check, Wants and Warrants check, and Criminal History check.

Gate clearance may be denied for the following reasons: Individual's presence in the institution presents a serious threat to security, individual has been charged with a serious crime committed on institution property, inadequate information is available to establish positive identity of prospective individual, and/or individual has deliberately falsified his/her identity.

All persons entering the facilities must have a valid state driver's license or photo identification card on their person.

The Prison Rape Elimination Policy for the California Department of Corrections and Rehabilitation (CDCR) is explained on this informational sheet. As a volunteer or private contractor who has contact with CDCR offenders, it is your responsibility to do what you can, within the parameters of your current assignment, to reduce incidents of sexual violence, staff sexual misconduct, and sexual harassment and to report information appropriately when they are reported to you or when you observe such an incident. For purposes of this Policy, the word “staff” includes volunteers and private contractors.

### **Historical Information**

Both the Congress and State Legislature passed laws, the Federal Prison Rape Elimination Act (PREA) of 2003, the Sexual Abuse in Detention Elimination Act, Chapter 303, Statutes of 2005, and most recently the United States, Department of Justice Final Rule; National Standards of 2012 to help prevent, detect, and respond to sexual violence, staff sexual misconduct, and sexual harassment behind bars. It is important that we, as professionals, understand all aspects of these laws and our responsibilities to help prevent, detect, and respond to instances by offenders and staff.

### **CDCR Policy**

The CDCR policy is found in Department Operations Manual (DOM), Chapter 5, Article 44. PREA addresses five types of sexual offenses. Sexual violence committed by offenders against offenders encompasses: abusive sexual contact, non-consensual sex acts, and sexual harassment by an offender. Other sections covered by PREA include staff sexual misconduct towards an offender and staff sexual harassment towards an offender.

CDCR’s policy provides for the following:

- CDCR is committed to continuing to provide a safe, humane, secure environment, free from offender on offender sexual violence, staff sexual misconduct, and sexual harassment.
- CDCR maintains zero tolerance for sexual violence, staff sexual misconduct, and sexual harassment in its institutions, community correctional facilities, conservation camps, and for all offenders under its jurisdiction.
- All sexual violence, staff sexual misconduct, and sexual harassment is strictly prohibited.
- This policy applies to all offenders and persons employed by the CDCR, including volunteers and independent contractors assigned to an institution, community correctional facility, conservation camp, or parole.

Retaliatory measures against employees or offenders who report incidents of sexual violence, staff sexual misconduct, or sexual harassment as well as retaliatory measures taken against those who cooperate with investigations shall not be tolerated and shall result in disciplinary action and/or criminal prosecution. Retaliatory measures include, but are not limited to:

- Coercion.
- Threats of punishments.
- Any other activities intended to discourage or prevent staff or offenders from reporting incident(s).

### **Professional Behavior**

Staff, including volunteers and private contractors are expected to act in a professional manner while on the grounds of a CDCR institution and while interacting with other staff and offenders. Key elements of professional behavior include:

- Treating everyone, staff and offenders alike, with respect.
- Speaking without judging, blaming, or being demeaning.
- Listening to others with an objective ear and trying to understand their point of view.
- Avoiding gossip, name calling, and what may be perceived as offensive or "off-color" humor.
- Taking responsibility for your own behavior.

### **Preventative Measures**

You can help reduce sexual violence, staff sexual misconduct, and sexual harassment by taking various actions during the performance of your duties as a volunteer or private contractor.

The following are ways in which you can help:

- Know and enforce the rules regarding the sexual conduct of offenders.
- Be professional at all times.
- Make it clear that sexual activity is not acceptable.
- Treat any suggestion or allegation of sexual violence, staff sexual misconduct, and sexual harassment as serious.
- Follow appropriate reporting procedures and assure that the alleged victim is separated from the alleged predator.
- Never advise an offender to use force to repel sexual advances.

### **Detection**

All staff, including volunteers and private contractors, is responsible for reporting immediately and confidentially, to the appropriate supervisor any information that indicates an offender is being, or has been, the victim of sexual violence, staff sexual misconduct, or sexual harassment.

After immediately reporting to the appropriate supervisor, you are required to document the information you reported. You will be instructed by the supervisor regarding the appropriate form to be used for documentation.

You will take necessary action (i.e., give direction or press your alarm) to prevent further harm to the victim. Staff, including volunteers and private contractors, will request the victim does not: 1) Shower; 2) Remove clothing without custody supervision; 3) Use the restroom facilities; and 4) Consume any liquids.

*I have read the information above and understand my responsibility to immediately report any information that indicates an offender is being, or has been, the victim of sexual violence, staff sexual misconduct, or sexual harassment.*

\_\_\_\_\_  
Volunteer/Contractor Name (Printed)

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
Signature of Volunteer/Contractor

\_\_\_\_\_  
Current Assignment within Institution

\_\_\_\_\_  
Contact Telephone Number

\_\_\_\_\_  
Supervisor in Current Assignment

**PART B shall only be completed by contractors who, in the course of their assigned duties, have contact with inmates.**

**Duty to Report**

You are required to answer the following questions:

- 1) Have you ever engaged in sexual abuse in a prison, jail, lockup, community confinement facility, juvenile facility, other institution?  
☐ Yes ☐ No If yes, provide the date of the incident and the facility name in the space below.
- 2) Have you ever been convicted of engaging or attempting to engage in sexual activity in the community facilitated by force, overt or implied threats of force, or coercion, or if the victim did not consent or was unable to consent or refuse?  
☐ Yes ☐ No If yes, provide the date of the incident and the county in the space below.
- 3) Have you ever been civilly or administratively found to have engaged in the activity described in question (2) above?  
☐ Yes ☐ No If yes, provide the date of the incident and the county in the space below.
- 4) Have you ever received any disciplinary action as a result of allegations of sexual harassment of an inmate in a prison, jail, lockup, community confinement facility, or other institution?  
☐ Yes ☐ No If yes, provide the date of the incident and the facility name in the space below.

If you answered "Yes" to any of the questions, please provide the date of the incident and the facility name/county where it occurred:

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

Facility/County Name: \_\_\_\_\_

As a contract employee, you have a continuing duty to promptly report, and you are required to notify your employer and the Appointing Authority of the Institution to which you are assigned if the answer to any of the above questions changes.

I hereby certify that there are no misrepresentations, omissions, or falsifications, and that all answers are true and correct. I understand and agree that if any material facts are discovered which differ from those facts stated by me on this form, my services to the California Department of Corrections and Rehabilitation will be discontinued and my contract employer will be notified.

Printed

Signature:

Date



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**BOARD MEMORANDUM**

May 8, 2025

To: CMSA Commissioners and Alternates

From: Tiffany Elam, Administrative Specialist

Approved: Jason Dow, General Manager

**Subject: April 2025 Informational Items**

Recommendation: Informational, provide comments or direction to the General Manager, as appropriate.

1. Letter dated April 28, 2025, to Ms. Kerry O’Conner, California Regional Water Quality Control Board

*Re: Monthly Self-Monitoring Report (SMR) – Choose an item.*

2. Energy Balance and Demand Graph

*Re: April 2025*

3. Total Inorganic Nitrogen Levels – Monthly Update

*Re: May 2025*

4. National Association of Clean Water Agencies – Award

*Re: Platinum Peak Performance Award*





# CENTRAL MARIN SANITATION AGENCY

Jason R. Dow P.E.  
General Manager

1301 Andersen Drive, San Rafael, CA 94901-5339

Phone (415) 459-1455

Fax (415) 459-3971

www.cmsa.us

April 28, 2025

California Regional Water Quality Control Board  
San Francisco Bay Region  
Ms. Kerry O' Conner, Water Resource Control Engineer  
1515 Clay Street, Suite 1400  
Oakland, CA 94612

## **Subject: Monthly Self-Monitoring Report (SMR) – March 2025**

Dear Ms. O' Conner,

The SMR for the Central Marin Sanitation Agency (CMSA) treatment plant has been submitted using the eSMR /California Integrated Water Quality System (CIWQS). This SMR conforms to CMSA's NPDES Permit Order #R2-2023-006, the Nutrient Watershed Permit Order #R2-2024-0013, the Mercury and PCBs Permit Order #R2-2022-0038, the Amendment of Monitoring and Reporting Requirements and Amendment of Alternate Monitoring and Reporting Program Permit Order #R2-2021-0028, and the Amendment Update to Total Residual Chlorine and Oil and Grease Requirement Permit Order R2-2023-0023.

### **Violations**

There are no reportable NPDES Permit violations for this reporting period.

### **Blending Events**

The CMSA treatment facility did not exceed the maximum secondary capacity of 30 MGD during this reporting period.

### **Data Validation**

All regulatory daily, weekly, and monthly quality control calibrations/checks conducted during the month of March meet established quality assurance acceptance criteria, except those indicated within the attached analytical reports.

### **Summary**

If there are any questions, please contact me at (415) 459-1455, extension 101. Quality assurance data are available for all test results cited in this report. Values reported are measured values and each are subject to analytical variability. CMSA reserves the right to question data in an enforcement proceeding.

I certify under penalty of law that this document and all attachments are prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gathered and evaluated the information submitted. Based on my inquiry of the person or persons who managed the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and

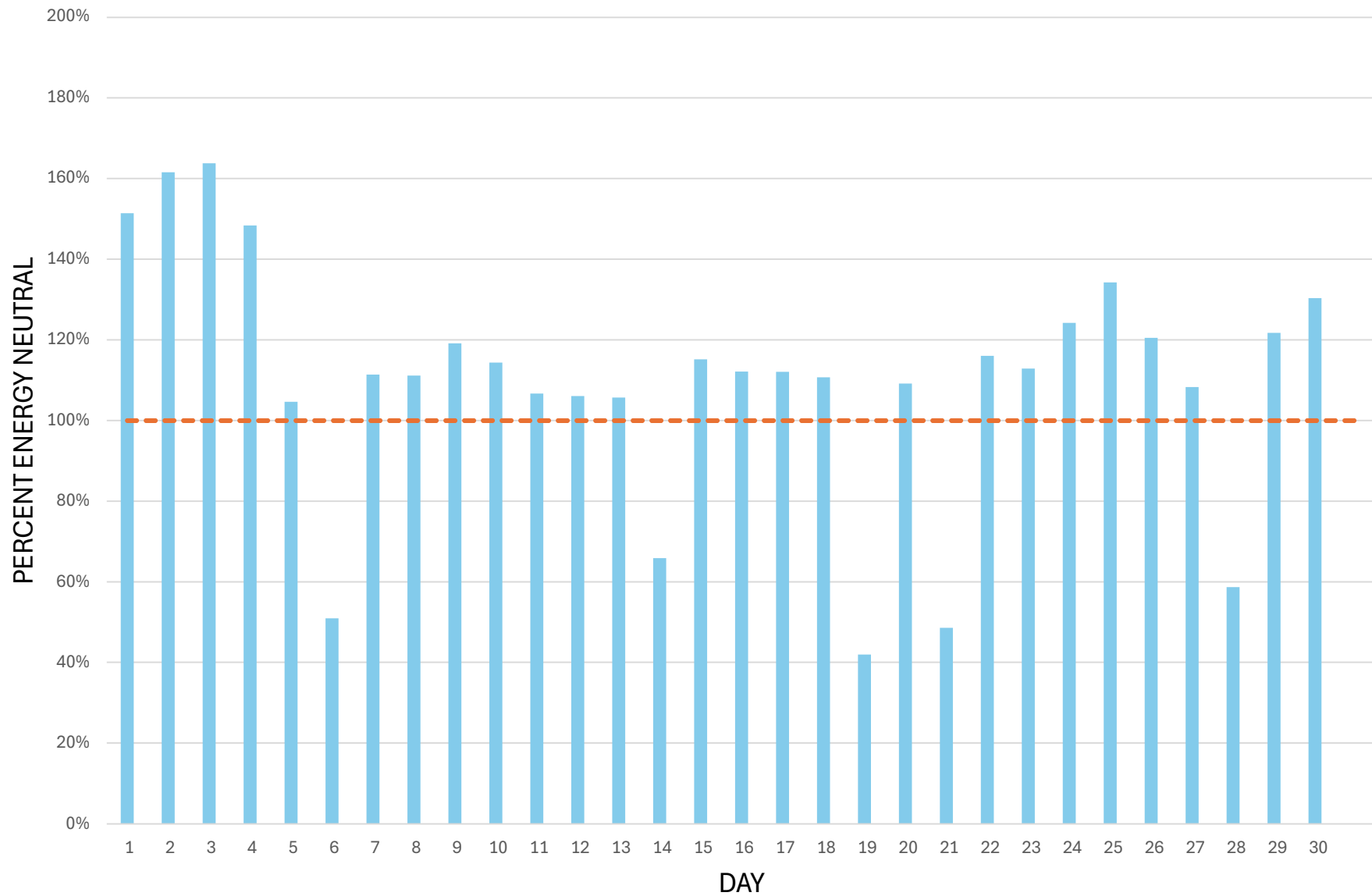
belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for known violations (40 CFR 122.22(d)).

Sincerely,

A handwritten signature in black ink, appearing to be 'Nick Talbot', with a long horizontal stroke extending to the right.

Nick Talbot  
Treatment Plant Manager

## APRIL 2025 CMSA RENEWABLE POWER SUMMARY

**110% ENERGY NEUTRAL**

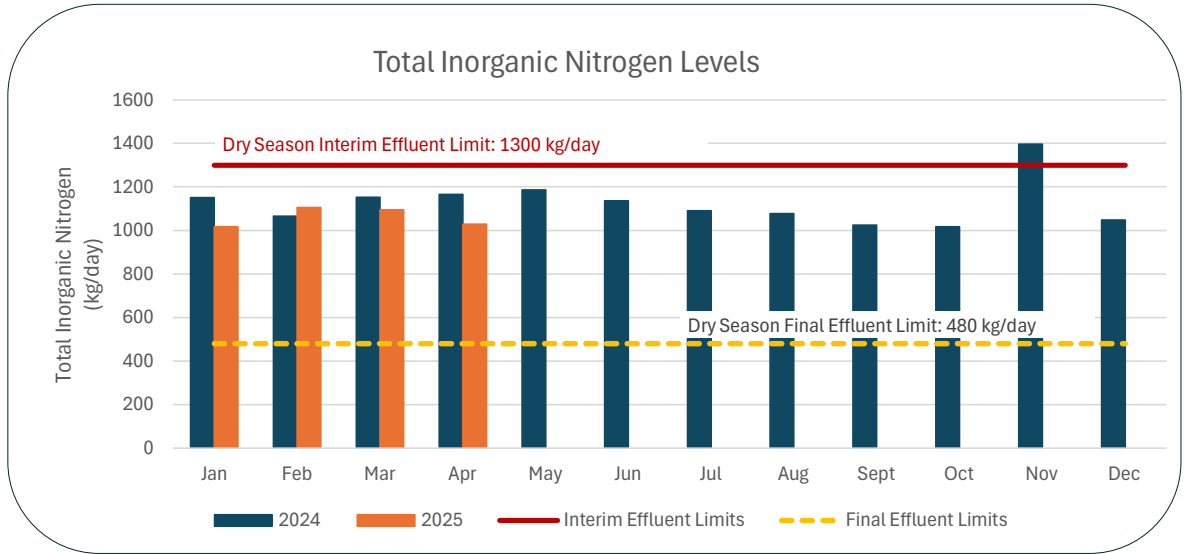


Nutrient Removal Alternatives Evaluation & Facilities Plan Project

The Project consists of evaluating alternatives for interim (2024 -2034) and permanent (post 2034) nutrient removal from CMSA's effluent. The work includes wastewater sampling, process modeling, developing screenings criteria, evaluating interim and permanent nutrient removal options, evaluating funding options, evaluating the nutrient/energy/solids nexus, and completing a Facilities Plan and Final Report for the selected nutrient removal alternative.

Completed Tasks	Completion Date
Kickoff Meeting	September 10, 2024
2-Week Wastewater Sampling	October 2024
Interim Optimizations Workshop 1	October 2, 2024
Procured & Installed Ammonia and Nitrate Probes	November 28, 2024
Staff Training at Nutrient Technology Events	November 2024
Interim Optimizations Workshop 2	November 18, 2024
Screening Criteria Workshop	December 18, 2024
Tech Memo 1 & 2 on Sampling and Interim Optimizations	February 2025
Alternatives Evaluation Workshop #1 & #2	January 15, 2025 & March 31, 2025
Tech Memo 3 on Design Criteria	February 14, 2025
Alternatives Evaluation Progress Update	March 31, 2025
Board approval of Amendment No. 1	April 8, 2025

Remaining Tasks	Target Completion Date
Aeration System Diffuser/ Blower Evaluation	May/June 2025
Secondary Clarifier stress test and CFD Modeling	June/July 2025
Process Modeling	July 2025
Solids Loading/Energy/Nutrient Nexus	August 2025
Conceptual Construction and O&M Costs	August 2025
Alternatives Evaluation	August 2025
Funding Opportunity Evaluation	August 2025
Facilities Plan and Report	September 2025
Final Report and Board Presentation	October 2025



Note: High TIN load in November 2024 due to large winter storm events (outside of dry season)

MAY 2025 UPDATE

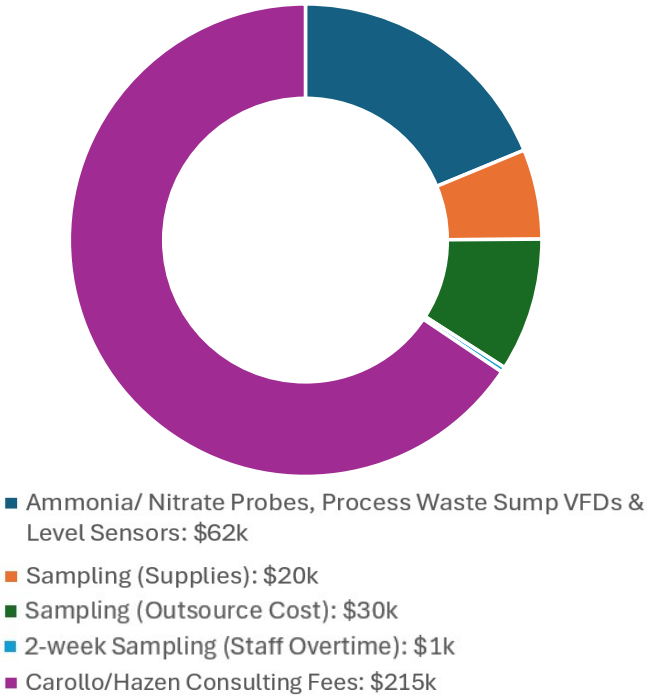


FY25 Budget	Spent (33%)*	Remaining
\$1.0 M	\$0.328 M	\$0.672 M

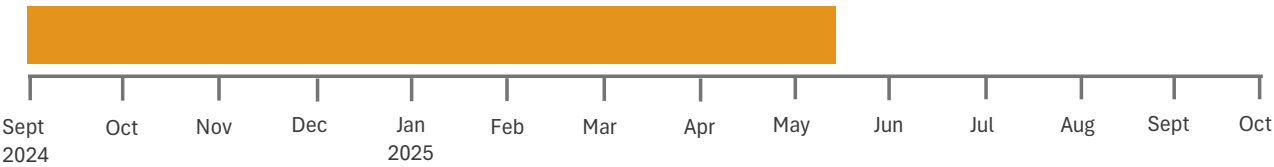
\* Note: Amount spent does not include invoices received at the end of the previous month due to timeline required to review and process payments. Those invoices and payments will be reflected in next month's budget update.



Spending Summary



Project Schedule (65% Complete)



Special Notes

- The Board approved Amendment No. 1 in April, which includes evaluating the aeration system diffuser/blowers and performing stress testing of the secondary clarifiers.
- Results of the stress testing will be used to develop a computational fluid dynamics (CFD) model of the secondary clarifiers to determine tank capacity under a future nutrient removal scenario and the modifications that can help improve performance.
- The project schedule was extended to allow for the stress testing in June/July.
- A detailed biotower condition assessment including the media may be considered in 2025 if biotowers are determined to remain as part of the recommended alternative.
- Kennedy/ Jenks performed a seismic study on the primary clarifiers, biotowers and aeration tanks, and provided structural considerations for new nutrient removal facilities. The technical memorandum was received in April and provided to Carollo for reference.
- Carollo provided a funding matrix to summarize available loans and grants for this project, and will review it in further detail after the Alternatives Evaluation is completed.





PRESIDENT

**William J. "Mickey" Conway**  
Chief Executive Officer  
Metro Water Recovery  
Denver, CO

TREASURER

**Kyle Dreyfuss-Wells**  
Chief Executive Officer  
Northeast Ohio Regional  
Sewer District  
Cleveland, OH

SECRETARY

**Laura Briefer**  
Director  
Salt Lake City Department  
of Public Utilities  
Salt Lake City, UT

CHIEF EXECUTIVE OFFICER

**Adam Krantz**

May 9, 2025

Jason R. Dow  
General Manager  
Central Marin Sanitation Agency  
1301 Andersen DR  
San Rafael, CA 94901-5339

Dear Jason:

Congratulations! On behalf of the National Association of Clean Water Agencies, we are pleased to inform you that the *Central Marin Sanitation Agency* earned a *Platinum Peak Performance Award* for seven years of 100% compliance.

As part of our celebration of Platinum Peak Performance honorees, we will honor these award-winning facilities with a multi-media presentation. The Essential Information for Award Recipients document included with this correspondence provides information and critical deadlines regarding the presentation.

Additional honors that your utility may have been awarded, such as Gold or Silver Awards, will be mailed along with your Platinum certificate after the Awards Ceremony.

Again, congratulations on a job well done.

Sincerely,

A handwritten signature in dark ink, appearing to read "Susan D. Pekarek", with a long, sweeping horizontal line extending to the right.

Susan D. Pekarek  
Chair, NACWA Awards Committee  
General Manager  
Johnson County Wastewater, KS

A handwritten signature in dark ink, appearing to read "Adam Krantz", with a stylized, cursive script.

Adam Krantz  
NACWA CEO

Enclosure: Essential Information for Award Recipients

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