



Central Marin Sanitation Agency

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

January 6, 2026, 12:00 pm

1301 Anderson Drive, San Rafael CA 94901

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

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

Join Zoom Meeting

Online:

<https://us06web.zoom.us/j/87200902389>

Phone in:

+1-253-205-0468

Meeting ID:

872 0090 2389

AGENDA

1. **Call Meeting to Order**
2. **Pledge of Allegiance**
3. **Roll Call**
4. **Approve/Revise Agenda**
5. **Open Period for Public Participation:** Members of the public may directly address the Committee on any item appearing on the Agenda. They may address the Committee when the item is called by the Committee Chair, and he indicates it is the time for the public to speak to the agenda item. Public comments can also be submitted via email to jdow@cmsa.us, and will be shared with the Committee at the meeting, summarized during the Open Period for Public Participation, and included in the meeting proceedings.
6. **Meeting Minutes – October 28, 2025**
Recommendation: Approve meeting minutes as presented or with revisions.
7. **SRSD Management and Operations Service Agreement**
Recommendation: Review the final draft agreement revisions and provide comments to staff.

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

Recommendation: Accept the SRSD Contract Development Expense Tracking Report.

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

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

10. **Committee Member Oral Reports**

11. **Items for Next Meeting Agenda**

12. **Schedule next Meeting Date**

13. **Adjourn**

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

11/18/25



Central Marin Sanitation Agency

**AD-HOC COMMITTEE OF CMSA JPA MEMBER REPRESENTATIVES
TO CONSIDER THE JPA'S ORGANIZATION
DEVELOPMENT FUTURE
MEETING MINUTES
October 28, 2025**

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

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

Staff Present: Peter Kistenmacher, Technical Services Manager/Assistant General Manager;
Brandon Halter, CMSA Legal Counsel; Tiffany Elam, Administrative Specialist

Public Present: Michael Boorstein, Paul Causey, Michael Colantuono (RVSD Counsel), Doris Toy

- 4. Approve Agenda/Revise Agenda**

The committee approved the agenda.

Comments from the Public

There were no comments from members of the public.

- 5. Open Period for Public Participation**

There were no comments from members of the public.

- 6. Meeting Minutes – September 17, 2025**

The committee approved the meeting minutes.

Comments from the Public

The were no comments from the members of the public.

- 7. Revised SRSD Management and Operations Service Agreement**

TSM/AGM Kistenmacher introduced CMSA Legal Counsel Brandon Halter to present.

Mr. Halter discussed the updated version of the agreement and edits made in response to feedback from JPA members' Counsel and the Benefits Counsel. Mr. Halter discussed several key issues including third-party beneficiary language, union negotiations and salary structure, indemnification and insurance clauses and equipment insurance.

Committee Member Beckman asked clarifying questions regarding SD2 Counsels' strike throughs.

Mr. Halter clarified that some SD2 revisions were struck through as they were not in alignment with CalPERS and others extended too much external control into Agency business.

Mr. Halter discussed due diligence activities to be completed prior to services effective date such as identifying a representative responsible for checking off milestone completions prior to start and adding a provision that could allow CMSA to delay the effective start date until labor requirements were met.

Mr. Halter discussed the need to identify a representative to act as a liaison between CMSA and SRSD employees to ensure CalPERS benefits alignment, to create the degree of separation needed to ensure no co-employment relationship.

Mr. Halter discussed edits related to costs incurred as a result of unlawful waste discharge, to ensure the paragraph covered other instances of potential damage.

Mr. Halter stated SRSD counsel opposed the inclusion of RVSD and SD2 as third-party beneficiaries, and raised concerns regarding potential risks and obligations that it could create.

The Committee discussed the implications of third-party beneficiaries and the risk involved.

Committee Member DiGiovanni stated the Agency currently did not have the same third-party beneficiary requirement for other JPA service contracts and that it should be equitable across the board.

The Committee agreed that this provision was not present in previous JPA contract agreements.

Committee Member DiGiovanni stated he believed the agreement was solid as it had gone through considerable legal review by JPA member counsels, and that all contributors had provided solid information and feedback. He stated that the goal was to protect the Agency and agreed to keep the third-party beneficiary language and was confident that the current draft protected the Agency. Committee Member DiGiovanni recommended that draft version ten of the agreement move forward to their perspective JPA Member Boards for review, with the exception of the indemnification clause.

The Committee discussed moving the draft forward and agreed to revisit it after the indemnification provision was reviewed.

Committee Member Beckman stated if the committee agreed on the indemnification provision, he would be fine with moving the draft forward.

Comments from the Public

Mr. Causey stated that the equipment referenced in the agreement was owned by SRSD and that CMSA would be operating the equipment and asked for the agreement to clarify who would insure, maintain and manage SRSD's equipment. Mr. Causey asked that there be no delay between the

resignation of SRSD employees and the hiring of staff as their obligation to the city or union would be null once employees resigned.

Mr. Halter agreed to re-evaluate the clause related to equipment and clarified Counsel's stance related to the provisions of the hiring process.

Mr. Causey stated that there was an equity question, as many of the provisions required in the SRSD contract were not required in the SD2 agreement and recommended the same level of assurances be used in all other JPA contracts for equity. He also requested that the audit services align with the fiscal year and that the blank salary schedule be removed from the agreement, to not hinder the process as salaries would be negotiated with the unions.

The Committee discussed alternative options for inputting salary figures in order to streamline the process.

8. Service Agreement Indemnification Section Options

Mr. Halter stated that SRSD counsel proposed three alternative options to the indemnification provision language.

The Committee asked clarifying questions regarding the indemnification risks and for a high-level summary of the alternative language proposed by SRSD.

Mr. Halter stated from an Agency counsel prospective, the current indemnity provision was written to maximize the protection for CMSA. He stated option one leaned towards a mutual indemnity for both parties, option two was similar language to the current draft, and option three was a counter proposal which could require factual analysis and may present potential problems down the road.

The Committee discussed the indemnification clause, the alternative options provided by SRSD and the implications of a third-party beneficiary.

Committee Member Beckman recommended the language from option two be considered as it was closest to the current language and protection for the Agency.

Committee Member DiGiovanni stated he would like to adopt the schedule and move the draft agreement forward and merge the current indemnity language with the SRSD option two language. Committee Member DiGiovanni requested SRSD investigate obtaining a third-party insurance policy.

The Committee discussed the alternative language options proposed by SRSD and the implications of a third-party beneficiary.

Committee Member DiGiovanni asked Mr. Halter when the next draft could be ready.

Mr. Halter stated it would be reasonable to have a draft to member agency counsel by the 18th of November.

The Committee agreed to move the next draft service agreement to their boards and requested committee members to agendize the item on their next Board meeting.

Comments from the Public

Mr. Causey stated the SRSD contract was requiring additional language that went way beyond what was required for the SD2 agreement that was just passed and should have also been included on the other JPA agreements.

Mr. Colantuono discussed the operational risk related to the indemnity clause, recommended the Agency conduct an assessment to understand the state of the current SRSD systems, and that SRSD obtain a third-party insurer. Mr. Colantuono suggested combining the protective language in version 9 with an insurance strategy and proposed that SRSD handle their risks through a third-party insurance provider rather than direct indemnification.

9. **SRSD Contract Development Expense Tracking Report**
Committee stated that CMSA expenses were paid to date.

Comments from the Public

There were no comments from members of the public.

10. **Revised SRSD Management and Operations Service Agreement Schedule**
The Committee discussed and agreed to move forward with the current service agreement schedule during their item 8 discussion.

11. **Committee Oral Reports**
None.

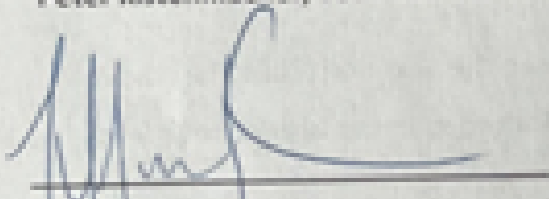
12. **Items for Next Meeting Agenda**
None.

13. **Schedule next Meeting Date**
The Committee scheduled the next meeting for January 16, 2025, if needed.

Respectfully submitted,



Peter Kistenmacher, Technical Services Manager/ Assistant General Manager



Tiffany Elam, Administrative Specialist



BOARD MEMORANDUM

December 31, 2025

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

From: Jason Dow, General Manager

Subject: Final Draft SRSD Management and Operations Service Agreement

Recommendation: Review the final draft agreement revisions, and provide comments to staff.

Discussion: The final draft agreement was accepted by the Committee at its meeting on October 28, 2025. General Counsel Halter sent the final draft agreement to the JPA agencies' legal counsels on November 12, 2025, to provide each agency two Board meetings to review and discuss it, per schedule. Since then, SD2 legal counsel and CMSA staff have provided Counsel Halter with additional revisions, and on December 30, 2025, we received the attached SRSD email from Counsel Halter. Chair DiGiovanni will present the revisions to the committee at the meeting, which are shown in red text in the attachment.

Attachment:

- Revised Final Draft SRSD Management and Operations Service Agreement
- Attachment 2

MANAGEMENT AND OPERATION SERVICES AGREEMENT

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

RECITALS

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

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

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

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

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

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

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

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

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

NOW, THEREFORE, the parties hereby agree as follows.

1. Definitions:

- a. Agreement Effective Date: Effective date of this Agreement
- b. City: City of San Rafael.
- c. City Employees: Current City employees responsible for performing operation services for SRSD Facilities who may become employees of CMSA following the Services Effective Date subject to the terms of this Agreement.
- d. CMSA: Central Marin Sanitation Agency.
- e. CMSA Board: CMSA's Board of Commissioners.
- f. CMSA GM: CMSA's General Manager.
- g. MCERA: Marin County Employees' Retirement Association.
- h. JPA: The Joint Exercise of Powers Agreement between SRSD, RVSD, and SD2, as last amended December 2019 and effective January 31, 2020 that forms CMSA.
- i. RVSD: Ross Valley Sanitary District.
- j. SD2: Marin County Sanitary District Number Two.
- k. Services Effective Date: Date on which CMSA shall begin providing services to SRSD as set forth in this Agreement.
- l. SRSD: San Rafael Sanitation District.
- m. SRSD Board: SRSD's Board of Directors

2. Scope of Services: Beginning on the Services Effective Date (as further defined below), CMSA agrees to perform the services specified in the Scope of Services attached hereto as Exhibit B ("Services"), Exhibit B is incorporated by reference. CMSA shall provide SRSD with all labor, equipment, tools, services and materials necessary to perform the stated services in a professional and competent manner,

and in accordance with accepted professional practices and standards as well as the requirements of federal, state, and local laws. SRSD authorizes CMSA employees to enter its property in order to carry out the services required in this Agreement.

3. **Agreement Term:** This Agreement shall remain in full force and effect for two years from the Effective Date, and shall continue thereafter from year to year unless the Agreement is terminated or amended by mutual agreement of all parties.
4. **Services Effective Date:** The Services Effective Date shall be a date determined by the CMSA Representative, as defined below, subject to approval by the CMSA Board, subject to the requirements of this section.
 - a. The Services Effective Date shall occur after the CMSA Representative determines, in their reasonable discretion and subject to approval by the CMSA Board, that the following activities have been completed, and provides written notice of such determination to the SRSD Board:
 - i. SRSD and the City terminate the agreement pursuant to which City has provided management and operation services for SRSD and execute any additional agreements necessary to formalize permanent separation.
 - ii. All labor negotiation requirements necessary to authorize the release of all City Employees from City employment, and the hire by CMSA of those City Employees deemed qualified by CMSA to perform services for SRSD Facilities in accordance with this Agreement, have been met.
 - iii. CMSA completes all requirements necessary to authorize it to hire the City Employees for purposes of providing the Services in accordance with this Agreement, including but not limited to hiring requirements and labor negotiation requirements, as well as finalization of a salary schedule.
 - iv. SRSD confirms that it has paid off all pending MCERA pension-related liabilities for the City Employees, including unfunded pension liabilities, for all periods prior to the Services Effective Date.
 - v. CMSA and SRSD have completed all other administrative tasks necessary to perform the Services.
 - vi. Sufficient office space capacity has been secured by CMSA to provide the Services.
 - vii. The City Employees approved for hire at CMSA are released from employment by City, and hired by CMSA.
 - viii. SRSD adopts an ordinance to follow the Uniform Public Construction Cost Accounting Act sufficient to allow the CMSA General Manager to approve contracts as allowed under the Act.

- ix. SRSD provides documentation describing the condition of the SRSD Facilities for purposes of assisting in future allocation of costs.
- b. The Services Effective Date shall not occur, and this Agreement shall be null and void, if the Services Effective Date does not occur on a date within one year of the date of this Agreement, except that this deadline may be extended by mutual written agreement of the parties.

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

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

6. **SRSD's Representative:** SRSD hereby designates the SRSD Board President or their designee, to act as its representative in all matters pertaining to the administration and performance of this Agreement ("SRSD Representative"). Any changes to the Scope of Services shall be made only by written agreement between approved by the governing boards of CMSA and SRSD.
7. **CMSA's Representative:** CMSA hereby designates the CMSA GM, or their designee, to act as its representative for the performance of this Agreement ("CMSA Representative"). CMSA's Representative shall have full authority to represent and act on behalf of CMSA for all purposes under this Agreement, except as to those matters that require CMSA Board approval. The CMSA Representative shall act as the Services administrator, supervising and directing all Services, using his or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services under this Agreement. CMSA Representative shall not perform services for SRSD in their own capacity and will direct CMSA employees to perform any and all services under this Agreement.

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

SRSD agrees that it will take whatever actions are necessary to ensure compliance with such responsibilities and obligations, including but not limited to designation of a Legally Responsible Official. The parties acknowledge that nothing in this

agreement shall infringe or interfere with SRSD's ability to exercise any of its powers under applicable law, including but not limited to the power to enter contracts.

10. Compensation to CMSA for Services:

- a. It is the intent of the parties that all costs related to parties' participation in this Agreement will be borne exclusively by SRSD. This Agreement shall be interpreted consistent with the foregoing intent to the maximum extent possible. All services rendered under this Agreement shall be calculated monthly to include all costs and expenses incurred by CMSA for carrying out all Services under this Agreement.
- b. Consistent with the foregoing, SRSD is solely responsible for, and shall compensate CMSA for incurring, any and all costs related to negotiating this Agreement and providing the Services (together, "Costs," and each, a "Cost"). The parties understand and acknowledge that such Costs shall include, but are not limited to, the following:
 - i. All costs related to the parties' negotiations related to this Agreement, and their actions to ensure the conditions precedent to the Services Effective Date included but not limited to negotiations with labor organizations, are completed.
 - ii. Procurement of materials, supplies, and equipment.
 - iii. Insurance (including any additional insurance CMSA must carry as required in section 16 below, as well as any supplemental insurance as determined by **the CMSA GM in consultation with the CMSA insurance/risk management company (CRSMA)** to address unfunded liabilities, catastrophic events, and any costs and risks identified by the SFSD 2025 Sewer System Management Plan, that CMSA determines in its sole discretion is necessary to provide the Services), public education and outreach, and all other direct expenses.
 - iv. An initial 5% overhead factor on the annual total compensation budget estimate for the Services, to cover all indirect and non-tracked minor expenses, which 5% overhead factor can be changed after notice to SRSD.
 - v. All costs related to emergency response.
 - vi. All expenses related to preventative, ongoing, and enforcement of operations, maintenance, inspection, and sewer pipe blockage and overflow control programs; development and implementation of spill emergency responses; system evaluation, capacity assurances, monitoring, measurement programs and program modifications; communication programs, and capital improvements, whether known or unforeseen.

- vii. All costs incurred as a result of acts, omissions, or misconduct of City Employees subsequently hired by CMSA.
 - viii. All costs incurred as a result of any waste discharge, flooding, or other damage, attributable to SRSD Facilities, regardless of the degree of fault of any CMSA employee.
- c. SRSD shall pay CMSA for the Costs as follows:
 - i. CMSA will prepare and send SRSD a monthly invoice for the services provided the prior month, and SRSD Board will approve and authorize payment of the invoice at the next subsequent Board meeting or within 60 days, whichever is earlier.
- d. Notwithstanding the foregoing, costs for capital improvements related to SRSD Facilities shall only be included in the definition of "Costs" under this Agreement to the extent they are approved by the SRSD Board.

11. Third Party Beneficiaries. RVSD and SD2 are expressly acknowledged and agreed to be third-party beneficiaries of this Agreement, with full rights to enforce the provisions hereof as if they were parties hereto. Except for RVSD and SD2, this Agreement is for the sole benefit of the parties hereto and their permitted successors and assigns, and no other person or entity shall be deemed a third-party beneficiary of this Agreement. This provision shall survive the termination, expiration, or cancellation of this agreement.

12. City Employees Hired by CMSA:

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

final salary ranges will be approved by the CMSA Board before the Services Effective Date.

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

13. SRSD Unfunded Pension Liabilities and Retiree Medical Benefits:

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

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

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

SRSD shall reimburse CMSA annually for any post-retirement costs related to retiree medical benefits, with respect to benefits accrued prior to the Services Effective Date.

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

15. Indemnification:

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

- and RVSD have any obligations to indemnify any cost attributable to this Agreement. No party shall challenge the validity of this provision of the Agreement. In the event that RVSD or SD2 is required to enforce the provisions hereto or any other provisions affecting them in this Agreement, SRSD shall, at its sole expense, indemnify RVSD and SD2 for all costs, including reasonable attorneys' fees, arising out of or resulting from the enforcement action.
- b. The obligations contained in this indemnification provision shall survive the termination of this Agreement.

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

17. Accounting and Audit: CMSA will keep an accounting of all operating, capital, and contract services for the Services performed under this Agreement that is separate from the accounting of costs incurred under the services performed under the JPA. Annually, on a date to be selected by CMSA that maximizes administrative efficiencies with respect to CMSA's other annual financial reporting obligations, the financial accounting and records relating to the performance of the services under this Agreement shall be audited by an independent certified public accountant who will report the audit findings to the CMSA Board.

18. Dispute Resolution:

- a. Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including but not limited to the determination of the scope or applicability of this Section to resolve disputes, including any such claim or controversy asserted by a third party beneficiary ("Dispute"), shall exclusively be determined as follows:
- i. The parties (including third-party beneficiaries, which shall be subject to the same rights under this Section as the parties and subject to the conditions of this Section as to those rights) shall first attempt in good

faith to resolve any Dispute promptly by negotiation between two members of each of the parties' Boards, subject to approval of any such resolution by the full membership of such Boards. Any party may give the other party written notice of any Dispute not resolved in the normal course of business. Within 15 days after delivery of the notice, the receiving party shall submit to the other a written response. The notice and response shall include with reasonable particularity a statement of each party's position and a summary of arguments supporting that position. Within 30 days after delivery of the notice, the representatives of both parties shall meet at a mutually acceptable time and place.

- ii. If the Dispute is not resolved by negotiation pursuant to subparagraph (i) above, the parties shall submit to mediation before an agreed-upon mediator. **Each party to pay an equal share of the mediation fees, and each party to pay its own attorneys' fees and legal costs. In the event the dispute involves a third-party beneficiary, SRSD shall pay the mediation fees and all legal costs and attorneys' fees incurred by the third-party beneficiary if they are the prevailing party in the mediation.** Should the parties be unable to agree upon a mediator, they will jointly submit to mediation through ADR Services, which shall select a mediator.
 - iii. If the Dispute is not resolved by mediation pursuant to subparagraph (ii) above, then the Dispute shall be determined by final binding arbitration in San Francisco, California before one arbitrator. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures and in accordance with the Expedited Procedures in those Rules. **Each party to pay an equal share of the arbitration fees, and each party to pay its own attorneys' fees and legal costs. In the event the dispute involves a third-party beneficiary, SRSD shall pay the mediation fees and all legal costs and attorneys' fees incurred by the third-party beneficiary if they are the prevailing party in the arbitration.** Judgment on the award resulting from such arbitration may be entered in any court having jurisdiction. This clause shall not preclude parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction.
- b. The parties each hereby expressly waives any and all rights to have disputes under this Agreement decided by court action, court trial, jury trial or any other legal action of any kind or type, other than the dispute resolution process specified above. However, in emergency or extraordinary

circumstances, either or both parties may seek equitable or injunctive relief to preserve the status quo pending occurrence of the dispute resolution process specified above. It is the express intent of both the parties to have any and all disputes under this Agreement resolved by the dispute resolution process described above in as timely and economical a manner as possible.

19. Termination:

- a. Notice. This Agreement may be terminated by either party by **supermajority** vote of the terminating party's Board. Any such termination shall be effectuated by written notice eighteen months in advance.
- b. Transition Period. Upon notice of termination by either party, the parties shall cooperate in good faith to facilitate the orderly conclusion of the parties' rights and obligations under this Agreement. The parties acknowledge that CMSA's participation in this Agreement will require it to initiate and maintain investments sufficient to allow it to meet its obligations under this Agreement, including but not limited to, investments in the form of hiring employees, and that orderly conclusion the parties' rights and obligations under this Agreement includes ensuring that SRSD bears any costs associated with the need to divest CMSA of such investments.

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

If to the CMSA:

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

With a copy to:

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

If to the SRSD:

Board President
San Rafael Sanitation District
1400 Fifth Avenue

San Rafael, CA 94901

With a copy to:

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

If to SD2:

District Manager
Sanitary District No. Two
300 Tamalpais Drive
Corte Madera, CA 94925

If to RVSD:

District Manager
Ross Valley Sanitary District
1111 Anderson Dr.
San Rafael, CA 94901

21. Modification: No modification or amendment hereof shall be effective unless and until such modification is evidenced by a writing signed by all parties to this Agreement. Prior to presenting a proposed modification or amendment to the CMSA Board for approval, CMSA staff shall provide written notice of such proposed modification or amendment to staff for RVSD and SD2.

22. Reports, Plans and Documents: CMSA shall keep and maintain records related to its performance of the Services in the same manner it keeps and maintains similar classes of records for its own operations. All reports, drawings, calculations, plans, specifications, and other documents prepared or obtained by CMSA for purposes of providing the Services pursuant to the terms of this Agreement shall be the property of the SRSD, subject to SRSD granting of an irrevocable worldwide license to use such material to CMSA, except as may otherwise be required by law or any contract between CMSA or SRSD and a design professional.

23. Prior Agreements: This Agreement shall neither affect the JPA, nor any of the amendments to that Agreement.

24. Severability: If any provisions of this Agreement are held invalid by a court of competent jurisdiction, the remainder of this Agreement shall not be affected

thereby if such remainder would continue to serve the purposes and objectives originally contemplated by the parties.

- 25. Force Majeure:** Any provision, delay, or stoppage which is due to strikes, labor disputes, inability to obtain labor, materials, equipment or reasonable substitutes therefor, acts of God, governmental restrictions or requisitions or controls, judicial orders, enemy or hostile government actions, civil commotion, fire or other casualty, epidemics or pandemics, gubernatorial orders, orders of the County of Marin Health Officer, or other causes beyond reasonable control of the party obligated to perform hereunder, shall excuse performance by such party for a period equal to the duration of such prevention, delay, or stoppage, provided that the performance is not a duty to pay money.
- 26. Binding Authority of Signatories:** Each of the signatories below represents and warrants that he/she possesses full legal authority to contract for and legally bind his/her respective public entity to this Agreement and all its terms and provisions.
- 27. Counterparts:** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of Electronic Transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.
- 28. Waiver:** No waiver by either Party of any of the terms or conditions of this Agreement or any of their respective rights under this Agreement shall be effective unless such waiver is in writing and signed by the Party charged with the waiver.
- 29. Complete Agreement:** This Agreement contains the entire agreement and understanding between the parties concerning the subject matter of this Agreement and supersedes all prior agreements, terms, understandings, conditions, representations and warranties, whether written or oral concerning the matters which are the subject of this Agreement. This Agreement has been drafted through a joint effort of the parties and their counsel and, therefore, shall not be construed in favor of or against either of the parties.
- 30. Successors and Assigns:** The provisions of this Agreement shall be binding upon, and inure to the benefit of, the parties hereto, as well as their respective successors, assigns, employees, officials, personal and legal representatives, executors, administrators, heirs, distributees, and devisees (together, "Successors and Assigns").

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

32. Exhibits:

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

San Rafael Sanitation District

Central Marin Sanitation Agency

Kate Colin, President

[NAME], Chair

Attest:

Maribeth Bushey, SRSD Secretary

[NAME], CMSA Vice-Chair

Exhibit A-1 – SRSD Sewer System Assets

SRSD owns and operates a municipal sanitary sewer system composed of the following assets as of the Agreement Effective Date.

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

Exhibit A-2 – Pump Stations

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

Exhibit B – Scope of Services - District Operations

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

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

1. SRSD Board Administration

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

2. Financial Management and Administration

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

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

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

3. Human Resources and Staffing

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

4. Emergency Response Services

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

5. Staff Training and Development

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

6. Customer Relations and Outreach

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

7. Operation and Maintenance of SRSD Assets

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

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

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

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

8. Reporting to SRSD

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

9. Regulatory Reporting:

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

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

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Appendix A	Emergency Vendor Contact Information
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Appendix F	Summary of SSOs from 2017 to 2022
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Exhibit D: Employee Classification Changes

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

From: [Kerry Gerchow](#)
To: [Brandon Halter](#)
Cc: [Doris Toy](#)
Subject: FW: Draft CMSA SRSD Service Agreement
Date: Tuesday, December 30, 2025 2:43:36 PM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)

Just a fyi.

Thanks, everyone.

From: Kerry Gerchow
Sent: Tuesday, December 30, 2025 1:31 PM
To: 'Amy Ackerman' <aackerman@publiclawgroup.com>
Subject: RE: Draft CMSA SRSD Service Agreement

Hi Amy,

Here are my proposed changes in bold and underline.

Third Party Beneficiaries. RVSD and SD2 are expressly acknowledged and agreed to be third-party beneficiaries of this Agreement, with full rights to enforce the provisions hereof as if they were parties hereto **only to the extent they deem such enforcement is necessary to protect their rights herein.** Except for RVSD and SD2, this Agreement is for the sole benefit of the parties hereto and their permitted successors and assigns, and no other person or entity shall be deemed a third-party beneficiary of this Agreement. This provision shall survive the termination, expiration, or cancellation of this agreement.

Indemnification:

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

estopped in future litigation from asserting that SD2 and RVSD have any obligations to indemnify any cost attributable to this Agreement. No party shall challenge the validity of this provision of the Agreement. In the event that RVSD or SD2 is required to enforce the provisions hereto or any other provisions affecting them in this Agreement, SRSD shall, at its sole expense, indemnify RVSD and SD2 for all costs, including reasonable attorneys' fees, arising out of or resulting from the enforcement action.

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

Dispute Resolution:

- a. Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including but not limited to the determination of the scope or applicability of this Section to resolve disputes, including any such claim or controversy asserted by a third party beneficiary ("Dispute"), shall exclusively be determined as follows:
 - i. The parties (including third-party beneficiaries, which shall be subject to the same rights under this Section as the parties and subject to the conditions of this Section as to those rights) shall first attempt in good faith to resolve any Dispute promptly by negotiation between two members of each of the parties' Boards, subject to approval of any such resolution by the full membership of such Boards. Any party may give the other party written notice of any Dispute not resolved in the normal course of business. Within 15 days after delivery of the notice, the receiving party shall submit to the other a written response. The notice and response shall include with reasonable particularity a statement of each party's position and a summary of arguments supporting that position. Within 30 days after delivery of the notice, the representatives of both parties shall meet at a mutually acceptable time and place.
 - ii. If the Dispute is not resolved by negotiation pursuant to subparagraph (i) above, the parties shall submit to mediation before an agreed-upon mediator. Each party to pay an equal share of the mediation fees, and each party to pay its own attorneys' fees and legal costs. In the event the dispute involves a third-party beneficiary, SRSD shall pay the mediation fees and all **reasonable** legal costs and attorneys' fees incurred by the third-party beneficiary if they are the prevailing party in the mediation. Should the parties be unable to agree upon a mediator, they will jointly submit to mediation through ADR Services, which shall select a mediator.
 - iii. If the Dispute is not resolved by mediation pursuant to subparagraph (ii) above, then the Dispute shall be determined by final binding arbitration in San Francisco, California before one arbitrator. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures and in accordance with the Expedited Procedures in those Rules. Each party to pay an equal share of the arbitration fees, and each party to pay its own attorneys' fees and legal costs. In the event the dispute involves a third-party beneficiary, SRSD shall pay the mediation fees and all **reasonable** legal costs and attorneys' fees incurred by the third-party beneficiary if they are the prevailing party in the arbitration. Judgment on the award resulting from such arbitration may be entered in any court having jurisdiction. This clause shall not preclude parties from seeking provisional remedies in aid of arbitration from a

court of appropriate jurisdiction.

- b. The parties each hereby expressly waives any and all rights to have disputes under this Agreement decided by court action, court trial, jury trial or any other legal action of any kind or type, other than the dispute resolution process specified above. However, in emergency or extraordinary circumstances, either or both parties may seek equitable or injunctive relief to preserve the status quo pending occurrence of the dispute resolution process specified above. It is the express intent of both the parties to have any and all disputes under this Agreement resolved by the dispute resolution process described above in as timely and economical a manner as possible.

Thanks,
Kerry

From: Amy Ackerman <aackerman@publiclawgroup.com>

Sent: Monday, December 29, 2025 12:45 PM

To: Kerry Gerchow <Kerry.Gerchow@MarinCounty.gov>

Subject: RE: Draft CMSA SRSD Service Agreement

Hi Kerry,

The SD2 Board made it clear that they will not oppose the Agreement, provided that it protects SD2 and its rate payers from any costs and liability (since the Agreement provides no benefits to SD2). The language I proposed offers that protection. As I understand it, the remaining issue is the dispute resolution clause. I've been told that SRSD is concerned that RVSD will abuse the process. I don't really think they can. The rights of the third-party beneficiaries in the Agreement are limited to ensuring they pay not costs and they are indemnified for any costs or liabilities, so I don't see how they can trigger the dispute resolution process at all on any other issue.

That being said, I'm willing to consider language that clarifies when the third party beneficiaries can trigger the dispute resolution process. Can you please send me proposed language and I'll take a look?

Thanks,

Amy



Amy Ackerman

Partner / Lead Government Attorney

aackerman@publiclawgroup.com

(415) 848-7200

(415)-297-4317 cell



■
Confidentiality Notice: This transmittal is intended only for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this transmittal is not the intended recipient or the employee or agent responsible for delivering the transmittal to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited.

From: Kerry Gerchow <Kerry.Gerchow@MarinCounty.gov>
Sent: Monday, December 29, 2025 12:26 PM
To: Amy Ackerman <aackerman@publiclawgroup.com>
Subject: Draft CMSA SRSD Service Agreement

Hi Amy,

I hope you had a great holiday week.

Wondering if we can connect on some of the clauses and come to an agreement on some of them before the ad hoc committee meeting – while some of them are not ideal, my board is might be able to live with some of them provided that there are appropriate guardrails on them.

Many thanks in advance,
Kerry



.

Kerry L. Gerchow (she/her)
DEPUTY COUNTY COUNSEL

County of Marin
Office of the County Counsel
3501 Civic Center Drive, Suite 275
San Rafael, CA 94903
T: 415.473.6117
F: 415.473.3796
kerry.gerchow@marincounty.gov

Email Disclaimer: <https://www.marincounty.gov/privacy-policy>



BOARD MEMORANDUM

December 31, 2025

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

From: Jason Dow, General Manager

Subject: SRSD Contract Development Expense Tracking Report

Recommendation: Accept the SRSD Contract Development Expense Tracking Report.

Discussion: At its December 3, 2024, meeting the Committee asked staff to prepare a written report at each meeting to show the SRSD contract development expense information. The table below shows the expense information through December 31, 2025. The December invoice for \$1,791 will be sent to SRSD in the near future.

SRSD Contract Expense Tracking	Amount
Total expenses through 12/31/25	\$120,171*
SRSD reimbursed to date	\$118,380

* includes GM costs: 162 hours at \$298/hr



BOARD MEMORANDUM

December 31, 2025

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

From: Jason Dow, General Manager

Subject: **SRSD Management and Operations Service Agreement Schedule**

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

Discussion: There have not been any revisions to the agreement schedule since the October 28, 2025 committee meeting.

Attachment:

- Draft SRSD Management and Operations Service Agreement Schedule – 12/31/25

SRSD MANAGEMENT AND OPERATIONS SERVICE AGREEMENT SCHEDULE
Revised Draft (12/31/2025)

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

