



Central Marin Sanitation Agency

COMMISSION REGULAR MEETING AGENDA

September 9, 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/81047808881>

Phone in:

+1 253 215 8782

Meeting ID:

810 4780 8881

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.

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.

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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, July 22, 2025
b)	Treasurer's Report – July 2025
c)	Treasurer's Report – August 2025
d)	July 2025 NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report
e)	August 2025 NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report
f)	Performance Metric Report – July and August 2025
g)	Sale of Surplus Dewatering Centrifuges
h)	Updated Pension Trust Investment Strategy
i)	Revised Investments Policy – Financial Policy #531
j)	Updated OPEB Funding Plan

7. **Beyond The Dome Presentation**

Recommendation: Receive the Beyond The Dome presentation, and provide direction to the General Manager, as appropriate.

8. **Grit Classifiers Replacement Project – Status Update and Engineering Services During Construction Contract**

Recommendation: Approve the Professional Services Agreement with Carollo Engineers in the amount of \$138,194 to provide engineering services during construction for the Grit Classifiers Replacement Project, and authorize the General Manager to sign it.

9. **Centrifuge Dewatering Improvements Project – Construction Contract Award**

Recommendation: Award the construction contract for the Centrifuge Dewatering Improvements Project to GSE Construction for the total bid amount of \$2,546,800, and authorize the General Manager to execute the contract agreement.

10. **Acceptance of Completion for the Chlorine Contact Tank No. 4, and Primary Clarifier No. 2 and 3 Coatings and Concrete Rehabilitation Project**

Recommendation: Accept the Chlorine Contact Tank No. 4, and Primary Clarifier No. 2 and 3 Coatings and Concrete Rehabilitation Project as complete, and authorize the General Manager to file the Notice of Completion with Marin County.

11. **Regional Charge Allocation**

Recommendation: Discuss the Regional Charge Allocation Procedure, and provide direction to staff, as appropriate.

12. **August and September 2025 Informational Items**

Recommendation: Informational, provide comments or direction to the General Manager, as appropriate.

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

14. **Oral Reports by Commissioners***

15. **Oral Reports by General Manager/Video***

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

17. **Adjourn to Closed Session – Anticipated Litigation**

*Significant exposure to litigation pursuant to California Government Code Section 54956.9(d)(2)
Number of Potential Cases: One (1)*

18. **Reconvene in Open Session**

Report on any action taken in Closed Session.

19. **Next Scheduled Regular Meeting**

October 14, 2025 at 6:00 p.m.

*Information not furnished with Agenda

**Central Marin Sanitation Agency****COMMISSION SPECIAL MEETING MINUTES****July 22, 2025, 6:00 pm****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. 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, Michael Boorstein, Maribeth Bushey, Dean DiGiovanni, and Thomas Gaffney.

Absent: None

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

Public Present: No public present

4. Review and Approve Agenda**00:00:40**

Commissioner DiGiovanni noted a revision to item 11 to state July Informational item in lieu of June. The Board moved forward with unanimously approving the amended Agenda.

There were no comments from members of the public.

5. Open Period for Public Participation**00:01:25**

There were no comments from members of the public.

6. Consent Calendar**00:01:32**

a)	Minutes – Regular Board Meeting, June 10, 2025
b)	Treasurer's Report – June 2025
c)	June 2025 NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report
d)	Performance Metric Report – June 2025

e)	FY25 Asset Management Program Annual Report
f)	Updated Financial Policy #532 – Reserves
g)	FY25 Board Compensation Report
h)	Revised Administrative Policies on Health and Safety (#92) and the Safety and Wellness Incentive Program (#93)
i)	Procurement of Replacement Parts for Perforated Plate Screens No. 1 and 2

GM Dow pulled item 6f, he noted minor edits were made for clarity after publication.

Comments from the Public

There were no comments from members of the public.

ACTION:	Commissioner Bushey moved to approved as amended 6a through 6j; second, Commissioner Boorstein .	
DIRECTION:	None	
VOTE:	The item was passed unanimously.	
	AYES:	Beckman, Boorstein, Bushey, DiGiovanni, Gaffney
	NAYS:	None
	ABSTAIN:	None

7. Authorization to Bid the Centrifuge Dewatering Improvements Project

00:02:42

GM Dow provided the Board with a progress update on the Centrifuge Dewatering Improvement Project, stating that Black and Veatch had finalized the design with the support of Corolla Engineers, and the Project was ready to move forward with public advertisement and bidding of the construction contract.

Comments from the Public

There were no comments from members of the public.

ACTION:	Commissioner DiGiovanni moved to adopt the construction contract documents for the Centrifuge Dewatering Improvements Project, and authorize the General Manager to advertise the project for public bidding; second, Commissioner Gaffney.	
DIRECTION:	None	
VOTE:	The item was passed unanimously.	
	AYES:	Beckman, Boorstein, Bushey, DiGiovanni, Gaffney
	NAYS:	None
	ABSTAIN:	None

8. Centrifuge Dewatering Improvements Project – Engineering Services During Construction

00:04:37

GM Dow provided the Board with background information on the 2023 Black and Veatch professional services agreement for engineering design services for the Centrifuge Dewatering Improvements project. GM Dow noted that historically the Agency utilizes the same design engineer for both the design and the construction stage of a project, with services being outlined in either a task order or separate agreement. He stated that the Agency developed a separate professional services agreement for Black and Veatch to support the construction stage of the project.

Commissioner Gaffney asked for clarification regarding construction management for the project.

GM Dow stated that Agency staff would handle most of the construction management activities and would also receive support from Dee Consultants via a separate service agreement.

Commissioner DiGiovanni noted that the project was currently under budget.

Comments from the Public

There were no comments from members of the public.

ACTION:	Commissioner Boorstein moved to approve the Professional Services Agreement with Black & Veatch in the amount of \$134,644 to provide engineering services during construction for the Centrifuge Dewatering Improvements Project, and authorize the General Manager to sign it; second, Commissioner DiGiovanni.	
DIRECTION:	None	
VOTE:	The item was passed unanimously.	
	AYES:	Beckman, Boorstein, Bushey, DiGiovanni, Gaffney
	NAYS:	None
	ABSTAIN:	None

9. Proposed FY26 Business Plan

00:09:03

GM Dow stated that the Agency was in the fifth and final year of its 5-year Strategic Plan, and that Agency Strategic Planning Committee had completed the FY25 Business Plan Report and prepared the proposed FY26 Business Plan. GM Dow noted that staff planned to discuss the development of a new 5-year Strategic Plan with the Board in the Fall of 2025.

GM Dow reviewed the proposed FY26 Business Plan and highlighted several new activities for the year.

The Board discussed Artificial Intelligence and developing a roadmap for Agency use.

Chair Beckman stated that compared to other organizations CMSA consistently delivered on their Business Plan objectives and applauded staff for their great work at following up and tracking projects.

Commissioner Boorstein agreed.

Commissioner DiGiovanni requested a new action for objective 6.3 regarding ACH payments and transfers.

GM Dow stated that Administrative Services Manager, Corey Spray, had recently developed an administrative procedure for ACH payments and transfer which would be reviewed and finalized at the next Executive Team meeting. He noted that Mr. Spray would then meet with each department to review the policy to ensure Agency safeguards were in place.

Comments from the Public

There were no comments from members of the public.

ACTION:	Commissioner DiGiovanni moved to approve the proposed FY26 Agency Business Plan and provide comments and/or direction to the General Manager, as appropriate; second, Commissioner Boorstein.	
DIRECTION:	None	
VOTE:	The item was passed unanimously.	
	AYES:	Beckman, Boorstein, Bushey, DiGiovanni, Gaffney
	NAYS:	None
	ABSTAIN:	None

10. FY26 Commission Officer, Committee, and NBWA Board Appointments

00:25:03

The Board discussed and selected officers, and made appointments to the standing Finance Committee, Ad hoc Evaluation Committee, and North Bay Watershed Association's (NBWA) Board of Directors.

Commissioner Gaffney recommended elevating Commissioner Boorstein to Vice-Chair.

Chair Beckman nominated, Commissioner DiGiovanni to Chair, Commissioner Boorstein to Vice-Chair and himself to Secretary. He renominated the standing Finance Committee, Ad-Hoc Evaluation Committee and NBWA members.

Officers

Commission Chair: Dean DiGiovanni, San Rafael Sanitation District

Commission Vice-Chair: Michael Boorstein, Ross Valley Sanitary District

Commission Secretary: Eli Beckman, Sanitary District #2

Standing Finance Committee: Tom Gaffney (RVSD), Eli Beckman, Dean DiGiovanni

Ad Hoc Evaluation Committee: FY25 – Eli Beckman and Dean DiGiovanni

NBWA Board of Directors: Michael Boorstein

GM Jason Dow (alternate)

GM Dow discussed moving the Commission Officer, Committee and NBWA Board Appointments to the June meeting in order to start the fiscal year off with the new officers in place.

The Board agreed to move this item from the July meeting to the June meeting in the future.

Comments from the Public

There were no comments from members of the public.

ACTION:	Commissioner Beckman moved to nominate and appoint commissioners for the Commission Chair, Vice-Chair, and Secretary offices, and to Committees and the NBWA Board of Directors; second, Commissioner Bushey.	
DIRECTION:	None	
VOTE:	The item was passed unanimously.	
	AYES:	Beckman, Boorstein, Bushey, DiGiovanni, Gaffney
	NAYS:	None
	ABSTAIN:	None

11. July 2024 Informational Items

00:27:35

ACTION: This item was informational no action was taken.

12. North Bay Watershed Association (NBWA) Report

00:27:38

Commissioner Boorstein provided the Board with a handout on the impacts of non-native fish on salmon recovery, discussed at the July 11, 2025, NBWA meeting.

13. Oral Reports by Commissioners

00:31:49

No oral reports from commissioners.

14. Oral Reports by General Manager

00:31:54

GM Dow referred to his handout and reported:

- Agency received the Inflation Reduction Act Direct Payment of \$1.9M.
- Agency summer barbecue lunch July 23, 2025 – Board members welcomed to attend.
- Survey of GM Asset Disposal Authority limits from other agencies.

The Board requested for future Asset Disposal items to be placed on the Consent Calendar for approval.

15. Items for Next/Future Agendas

00:34:50

Commissioner Gaffney requested that the Regional Services Charge allocations procedure be placed on the next agenda.

The Board agreed.

16. Next Scheduled Meeting

00:35:25

The Board has scheduled a Regular meeting for September 9, 2025 at 6:00 p.m.

Chair Beckman adjourned the meeting at 6:35 p.m.

Respectfully submitted,

Tiffany Elam, Recording Secretary

Dean DiGiovanni, Chair

DRAFT



Central Marin Sanitation Agency

BOARD MEMORANDUM

September 4, 2025

To: CMSA Board of Commissioners

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

Subject: July 2025 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:

Cash/Investment	Financial Institution	6/30/2025	Receipt	Disbursement	FMV Change	Funds Transfer	7/31/2025
1 Operating account	Westamerica	\$ 1,248,221	\$ 6,037,016	\$ (3,083,243)	\$ -	\$ 2,497,076	\$ 6,699,070
2 Petty cash	In-house	400	-	-	-	-	400
3 RV petty cash	In-house	50	517	-	-	(528)	39
4 Pension bond trust	US Bank	1,405	4	-	-	-	1,410
5 Revenue bond trust	US Bank	10,949	34	-	-	-	10,982
6 Pooled investment	LAIF	21,914,270	228,226	-	-	(2,500,000)	19,642,496
7 Pooled investment	CAMP	440,469	1,650	-	-	-	442,119
8 Dental trust	EDIS	21,382	-	(10,099)	-	3,452	14,735
9 Pension trust	Keenan	1,583,379	3,395	-	(1)	-	1,586,773
10 Total Agency		\$ 25,220,524	\$ 6,270,843	\$ (3,093,342)	\$ (1)	\$ 0	\$ 28,398,024
11 Total net change in cash and investments		\$ 3,177,500 <i>[Includes FMV change in pension trust]</i>					

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	7/31/2025 Institution	CM Interest /FMV Change	Average RoR%
1 Operating account	Westamerica	\$ 6,699,070	\$ 1,309	1.00%
2 Petty cash	In-house	400	-	0.00%
3 RV petty cash	In-house	39	-	0.00%
4 Pension bond trust	US Bank	1,410	4	3.71%
5 Revenue bond trust	US Bank	10,982	34	3.71%
6 Pooled investment	LAIF	19,642,496	228,226	4.26%
7 Pooled investment	CAMP	442,119	1,650	4.50%
8 Dental trust	EDIS	14,735	-	0.00%
9 Pension trust	Keenan	1,586,773	3,394	0.21%
10 Total Agency		\$ 28,398,024	\$ 234,617	1.93%

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 agreements, State law, 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, payments being made out of a dedicated payment account established by EDIS, collection of capacity and debt service coverage fees, 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 as per Financial Policy. Transfers to and usage of proceeds allocated within its restricted reserves comply with current applicable laws and regulations.

	Reserve	Status	6/30/2025	Note 2 Net Result	Funds Transfer	7/31/2025	Board Target
1	Pension trust (<i>Note 1</i>)	Restricted	\$ 1,583,379	\$ 3,394	\$ -	\$ 1,586,773	\$ -
2	Pension bond trust	Restricted	1,405	4	-	1,410	-
3	Revenue bond trust	Restricted	10,949	34	-	10,982	-
4	Dental trust	Restricted	21,382	(10,099)	3,452	14,735	-
5	Capital reserve	Restricted	1,125,100	966,890	(967,690)	1,124,300	1,124,300
6	Operating reserve	Committed	4,302,500	-	-	4,302,500	4,293,000
7	Emergency reserve	Committed	500,000	-	-	500,000	500,000
8	Unassigned operating	Unassigned	500,000	(412,019)	(3,452)	84,529	-
9	Unassigned capital	Unassigned	17,175,809	2,629,296	967,690	20,772,795	8,626,700
10	Total Agency		\$ 25,220,524	\$ 3,177,500	\$ -	\$ 28,398,024	\$ 14,544,000

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 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	Permit and inspection fee collections	\$ 4,491
2	Laboratory services (Verily June 2025)	1,350
3	Waste Haulers & RV	48,112
4	Organic Waste Programs	13,772
5	FOG Source Control Program (LGVSD Q4 FY25)	6,702
6	Regional Service JPA charges (SRSD Q1 FY26)	1,581,796
7	Debt Service JPA charges (RVSD & SRSD)	4,059,089
8	NBWA Treasurer Services collection	10,762
9	SRSD Service Agreement Development collection	2,705
10	SQRC Wastewater Services Contract (June 2025)	137,992
11	Marin Clean Energy power purchase (May 2025)	10,256
12	Capacity Charges (see below)	148,706
13	Misc collections (CSRMA wellness/insurance dividend, training/project reimb)	10,493
14	Interest received & FMV change in pension trust (<i>all accounts</i>)	234,617
15	Total Agency cash receipts	<u>\$ 6,270,843</u>

As per the Joint Powers Authority (JPA) 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	\$ 100,725	205 FU
2	San Rafael Sanitation District	26,042	4 connections (offset by 11 FU credit)
3	Sanitary District #2	21,939	29 FU & 1 connection
4	Total capacity charges	<u>\$ 148,706</u>	

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

Fiscal Year-to-Date Budget-to-Actual (*Cash Basis*) – As of July 2025 (P1 – 8.3%)

		FY2026 Budget	FY2026 YTD Actual	Budget Remain \$	Budget Used %
OPERATING ACTIVITIES					
SOURCES					
1	Regional service charges	\$ 13,843,600	\$ 1,390,590	\$ 12,453,010	10.0%
2	Contract service collection fees	2,041,100	116,414	1,924,686	5.7%
3	Program collection fees	194,100	13,467	180,633	6.9%
4	Permits, source control, inspection & other fees	507,000	49,785	457,215	9.8%
5	Bank interest (<i>all except USB Rev Bonds</i>)	880,300	234,584	645,716	26.6%
6	Total funding sources	17,466,100	1,804,840	15,661,260	10.3%
USES					
7	Salaries and benefits	11,368,500	1,286,696	10,081,804	11.3%
8	Chemicals and fuel	2,034,900	200,914	1,833,986	9.9%
9	Biosolids management	645,300	95,670	549,630	14.8%
10	Permit testing and monitoring	260,100	16,758	243,342	6.4%
11	Repairs and maintenance	768,300	80,914	687,386	10.5%
12	Utilities and telephone	392,400	34,414	357,986	8.8%
13	Insurance	632,500	433,269	199,231	68.5%
14	General and administrative	1,069,800	74,925	994,875	7.0%
15	Total funding uses	17,171,800	2,223,560	14,948,240	12.9%
16	Net funding position change	\$ 294,300	\$ (418,720)	n/a	n/a
CAPITAL ACTIVITIES					
SOURCES					
17	Debt service charges	\$ 4,497,200	\$ 3,272,738	\$ 1,224,462	72.8%
18	Debt service coverage fees	1,124,300	818,184	306,116	72.8%
19	Capital fees	1,903,500	191,207	1,712,293	10.0%
20	Capacity charges	40,500	148,706	(108,206)	367.2%
21	Grant proceeds	-	-	-	0.0%
22	Capital debt proceeds, net	12,675,000	-	12,675,000	0.0%
23	Bank interest (<i>USB Rev Bonds only</i>)	130,100	34	130,066	0.0%
24	Total funding sources	20,370,600	4,430,868	15,939,732	21.8%
USES					
25	Capital debt service	4,497,200	-	4,497,200	0.0%
26	Capital improvement program	16,711,900	834,648	15,877,252	5.0%
27	Total funding uses	21,209,100	834,648	20,374,452	3.9%
28	Net funding position change	\$ (838,500)	\$ 3,596,220	n/a	n/a
TOTAL AGENCY					
29	Total funding sources	\$ 37,836,700	\$ 6,235,708	31,600,992	16.5%
30	Total funding uses	38,380,900	3,058,208	35,322,692	8.0%
31	Net funding position change	\$ (544,200)	\$ 3,177,500	n/a	n/a

Attachment:

- July 2025 Disbursement Register

CENTRAL MARIN SANITATION AGENCY
ATTACHMENT - DISBURSEMENT REGISTER
For the Month Ended JULY 31, 2025

Number	Date	Vendor/Payee	Amount	Description
2027156				Last check from prior month's register
2027157	07/02/2025	Byron Jones	185.08	Reimbursement for monthly retiree health benefits
2027158	07/02/2025	Phillip Frye	185.08	Reimbursement for monthly retiree health benefits
2027159	07/02/2025	Uline	165.06	Speed bumps for OWRF station
2027160	07/02/2025	Univar USA Inc	35,630.30	Sodium Hypochlorite (3 deliveries)
2027161	07/02/2025	USP Technologies	21,733.78	Hydrogen Peroxide (3 invoices)
2027162	07/02/2025	VWR International	4,579.61	Laboratory supplies: graduated cylinder, syringe filter, beaker, funnel, test strip, tubes rack, safety gloves, chemicals (sulfide, sulfuric acid, chlorine), innoculum, and deionized water (16 invoices)
2027163	07/02/2025	Waste Management	10,285.14	Biosolids disposal, May 2025
2027164	07/02/2025	Water Components & Bldg. Supp.	292.41	Manhole hooks, cleaner, gloves and sledge hammer
2027165	07/02/2025	Western Exterminator Co.,Inc.	288.68	Pest control, June 2025
2027166	07/09/2025	Sta-Clean Services Inc	4,150.00	Janitorial services, May 1, 2025 - June 2, 2025 (final)
2027167	07/11/2025	California State Disbursement	194.42	Garnishment for pay period ending 07/05/2025
2027168	07/11/2025	California State Disbursement	348.92	Garnishment for pay period ending 07/05/2025
2027169	07/10/2025	DNG Enterprises, Inc (Napa Auto Parts)	583.07	SD2: Screws (Note B), lawnmower belt, battery for portable generator, vehicle oil and oil filter, air filter, fuses (9 invoices)
2027170	07/10/2025	Dossett, Garrett	250.00	Employee reimbursement: Safety boots
2027171	07/10/2025	Home Depot Credit Services	1,758.17	Deck materials, mortar, herbicide, sand for pavers, and refrigerator for lab (6 invoices)
2027172	07/10/2025	Manco	2,115.67	Yaskawa VFD for centrifuge feed pump
2027173	07/10/2025	Marin Recycling HHWF	131.20	Hazardous waste disposal
2027174	07/10/2025	McMaster-Carr Supply Co.	5,280.13	SQRC: 12-inch gasket, hardware and hazardous location conduit (Note B), wedge anchors, pipe fittings, hardware, anchors, receptacle, wind sock, valves (18 invoices)
2027175	07/10/2025	Pace Supply Corp.	3.19	Pipe clamps
2027176	07/10/2025	PG&E	145.13	Electricity service at San Quentin junction box 05/16/2025-06/17/2025
2027177	07/10/2025	Rexel	1,111.62	SQRC: Electrical fittings for auger system replacement (Note B, 2 invoices)
2027178	07/10/2025	Ross Valley Sanitary District	9,996.10	EffectTV Ad campaign for Spring, 2025
2027179	07/10/2025	Two Rivers Terminal LLC	11,951.78	Nitrate (1 delivery)
2027180	07/10/2025	Victoria Politz	134.00	Employee travel reimbursement: Mileage reimbursement
2027181	07/10/2025	Yamaha Golf Cars Of	219.46	Accelerator return spring and gauge for electric carts
2027182	07/11/2025	EDIS	1,065.00	Dental monthly fee, July 2025
2027183	07/14/2025	A and S Landscape Materials, Inc	2,218.49	Grounds keeping supplies (5 invoices)
2027184	07/14/2025	American Textile & Supply Inc	764.75	Hazardous waste disposal
2027185	07/14/2025	Anchor Scientific Inc	571.16	Level float switch signal
2027186	07/14/2025	Automation Direct Co., Inc.	1,491.27	PLC module card, and temperature input module (2 invoices)
2027187	07/14/2025	CDW Government, Inc.	1,049.98	Two tablets for Operations
2027188	07/14/2025	Diamond Tire Center	241.98	Tire repair and one new tire (2 invoices)
2027189	07/14/2025	Downey Brand LLP	113.51	Legal Services: Land use, February 2025
2027190	07/14/2025	E.E. Gilbert Construction, Inc.	19,682.50	Parking Lot Rehabilitation Project (Retention payment)
2027191	07/14/2025	Mary Jo Ramey	84.78	Employee reimbursement: Tarp for Marin County Fair
2027192	07/14/2025	Bayside Insulation Inc	13,550.00	Hot water system piping insulation for the Administration Building
2027193	07/14/2025	Black & Veatch	15,739.50	Prof Svcs: Design - Centrifuge Dewatering Improvements Project, 05/10/2025 - 06/06/2025 (Payment #22)
2027194	07/14/2025	CDW Government, Inc.	4,119.09	Annual Nessus vulnerability license
2027195	07/14/2025	Compactor Management Co.	8,926.26	Two rag bins
2027196	07/14/2025	Dee Consultants LLC	12,596.00	Prof Svcs: CM - Coating and Concrete Rehabilitation Project (2 invoices)
2027197	07/14/2025	DKF Solution Group LLC	4,500.00	Safety consulting - Indoor heat illness prevention program

CENTRAL MARIN SANITATION AGENCY
ATTACHMENT - DISBURSEMENT REGISTER
For the Month Ended JULY 31, 2025

Number	Date	Vendor/Payee	Amount	Description
2027198	07/14/2025	Euro Style Management	519,382.28	Primary clarifier and CCT coating project (payment #1)
2027199	07/14/2025	Roy's Sewer Service, Inc.	8,000.00	Pipes and wet well cleaning service
2027200	07/14/2025	TPC Training	1,495.00	NSD: High Voltage Electrical Safety training (Note B)
2027201	07/14/2025	Alliant Insurance Services	8,174.00	Insurance coverage renewal: Auto and commercial crimes (2 invoices)
2027202	07/14/2025	CSRMA	432,119.65	WC insurance premium and property insurance premium
2027203	07/14/2025	J.J. Keller & Associates Inc	811.31	Safety training advisor, newsletter and poster, and annual subscription (2 invoices)
2027204	07/14/2025	National Safety Council	499.00	Annual membership renewal
2027205	07/16/2025	VOID	-	VOID
2027206	07/17/2025	Evoqua Water Tech LLC	630.34	DI water system maintenance
2027207	07/17/2025	Graybar	56.71	Electrical cover
2027208	07/17/2025	Hagel Supply Co.	939.97	Janitorial supplies
2027209	07/17/2025	Horizon Dist. Inc	392.71	Grounds keeping supplies (4 invoices)
2027210	07/17/2025	VOID	-	VOID
2027211	07/17/2025	Marin Sanitary Service - 0004321	1,278.41	Recycling disposal, June 2025
2027212	07/17/2025	Marin Sanitary Service - 0027511	3,094.68	Grit box disposal, June 2025
2027213	07/17/2025	PG&E	1,573.49	Natural gas supply, June 2025
2027214	07/17/2025	United States Plastic Corp	13,939.13	VOID-- reprinted as USP Technologies
2027215	07/17/2025	CWEA TCP	500.00	CWEA Redwood Empire dinner meeting (10 employees)
2027216	07/17/2025	Bay Area Coating Consultants	2,285.25	Coating inspection services
2027217	07/17/2025	Black & Veatch	19,662.00	Prof Svcs: Design - Centrifuge Dewatering Improvements Project, 06/07/2025 - 06/30/2025 (Payment #23)
2027218	07/17/2025	CD & Power (Got Power, Inc.)	16,732.01	SD2: Generator rental and additional work (Note B)
2027219	07/17/2025	Fastenal Company	718.03	Maintenance vending machine replenishment, June 2025
2027220	07/17/2025	Fluid Components International LLC	2,800.65	Biogas flowmeter sensor repair
2027221	07/17/2025	Forster & Kroegeer Landscape Maintenance	20,238.00	Landscape maintenance services
2027222	07/17/2025	Manco	57,943.76	Five Yaskawa VFD for grit pumps/washer, five dual modbuss/TCP cards and 1 year extended warranty
2027223	07/17/2025	Misco Water	34,954.86	One Sodium Bisulfite chemical tank
2027224	07/17/2025	Motion Industries, Inc.	33,527.84	Primary Clarifier Rehabilitation equipment - New flights, chains, hardware and 1.5-inch bulk hose for washdown (3 invoices)
2027225	07/17/2025	Sentry	1,280.00	Sentry subscription for aeration basin #2 (invoice #7)
2027226	07/18/2025	PG&E	12,360.67	Electricity service at CMSA, 06/12/2025-07/14/2025
2027227	07/21/2025	Marin Honda	31,821.61	Vehicle purchase with trade-in credit applied
2027228	07/21/2025	Michael Owen Boorstein	60.15	Lunch meeting reimbursement
2027229	07/25/2025	California State Disbursement	348.92	Garnishment for pay period ending 07/19/2025
2027230	07/25/2025	California State Disbursement	194.42	Garnishment for pay period ending 07/19/2025
2027231	07/24/2025	Goldstreet Design Agency Inc	4,000.00	Public Educ Program: New mascot logo design (Note B)
2027232	07/24/2025	Lystek International LTD	12,753.98	Biosolids beneficial reuse fee, June 2025
2027233	07/24/2025	Pacific EcoRisk	5,645.00	Chronic toxicity analytical service (2 invoices)
2027234	07/24/2025	PG&E	1,283.67	Natural gas supply, May 2025
2027235	07/24/2025	Tap Master Inc	2,395.00	ISCO flowmeter removal (additional work)
2027236	07/24/2025	UBEO Business Services	3,449.82	Usage payment for three printer/copiers, 05/20-07/20/2025 (2 invoices)
2027237	07/24/2025	USP Technologies	7,747.69	Hydrogen Peroxide (1 invoice)
2027238	07/24/2025	Waste Management	12,140.41	Biosolids disposal, June 2025
2027239	07/24/2025	VelocityEHS Inc	4,618.95	MSDS online chemical management (Note B)
2027240	07/25/2025	Aurora Alexander	75.00	Overtime meal reimbursement: Marin County Fair

**CENTRAL MARIN SANITATION AGENCY
ATTACHMENT - DISBURSEMENT REGISTER
For the Month Ended JULY 31, 2025**

Number	Date	Vendor/Payee	Amount	Description
2027241	07/25/2025	Dillon Rhoten	300.00	Employee reimbursement: Safety glasses
2027242	07/25/2025	Jason Dow	334.50	Employee travel per diem: 2025 CASA Annual Conference
2027243	07/25/2025	Eromosele Esoimeme	25.00	Overtime meal reimbursement: Marin County Fair
2027244	07/25/2025	Evan Gilmore	50.00	Overtime meal reimbursement: Operations
2027245	07/25/2025	Scott Hayes	25.00	Overtime meal reimbursement: Marin County Fair
2027246	07/25/2025	Kyle Carbajal	25.75	Overtime meal reimbursement: Marin County Fair
2027247	07/25/2025	Mary Jo Ramey	50.00	Overtime meal reimbursement: Marin County Fair
2027248	07/25/2025	Mike Silva	229.99	Employee reimbursement: Safety boots
2027249	07/25/2025	Pablo Loayza	25.00	Overtime meal reimbursement: Marin County Fair
2027250	07/25/2025	Sean Clementz	25.00	Overtime meal reimbursement: Marin County Fair
2027251	07/28/2025	Grace Buell	6.79	Employee reimbursement: Postage
2027252	07/28/2025	Nicholas Talbot	105.24	Employee reimbursement: Annual agency appreciation BBQ supplies
2027253	07/28/2025	Sean Clementz	448.00	Employee reimbursement: CWEA Mechanical Technologist Grade I certificate fee and Elec&Instr Grade III application fee
2027254	07/29/2025	DNG Enterprises, Inc (Napa Auto Parts)	1,955.98	SQRC: Oil, filters for generator, and fuel treatment (Note B). Oil filter, spark plugs and fuel filter for lawnmower, coolant tester and batteries for electric cart, June 2025
2027255	07/29/2025	Galco Industrial Electronics	1,226.57	Transformer for laboratory equipment
2027256	07/29/2025	Grainger	4,995.18	Pipe fittings, effluent sampling vault sump pump, compressor oil cut-off wheels, hardware for process tank maintenance, welded tubing, pipe fittings for digester sensor; pipe fitting for seismic hoses, and signage for COGEN room (11 invoices)
2027257	07/29/2025	Marin Color Service	958.48	Safety yellow paint, rust destroyer paint, parking lot paint, peroxide pipe paint and paint supplies, May-June 2025
2027258	07/29/2025	Marin County Tax Collector	6,978.25	Legal Services: General counsel, April - June 2025
2027259	07/29/2025	New Pig Corporation	1,613.05	Storm cover for OWRf station
2027260	07/29/2025	Underground Service Alert	300.00	2025 membership fee
2027261	07/29/2025	AT&T Corp	175.00	Monthly internet fee, June 2025
2027262	07/29/2025	Comcast	224.11	Internet service back-up, 05/04-06/03/2025
2027263	07/29/2025	DNG Enterprises, Inc (Napa Auto Parts)	304.26	SD2: DEF (Note B), DEF and oil for F550, battery for lab truck, July 2025
2027264	07/29/2025	PG&E	12,100.64	Electricity service at CMSA 05/13/2025-06/11/2025, and San Quentin junction box 06/18/2025-07/17/2025 (two invoices)
2027265	07/29/2025	State Water Resources Ctrl Brd	230.00	Operator certification application fee for employee (Cancelled, lost check)
2027266	07/31/2025	Airgas USA, LLC	51.60	Adapter for calibration gas
2027267	07/31/2025	Alameda Electrical Dist Inc	2,091.05	SQRC: Electrical wire for auger replacement (Note B), electrical wire and electrical box for process waste pump
2027268	07/31/2025	Fisher Scientific	78.89	Filter funnel
2027269	07/31/2025	Harrington Industrial Plastics	500.23	Air filter, and grab rings (3 invoices)
2027270	07/31/2025	Home Depot Credit Services	457.27	Soil, fertilizer, auger tool, weed killer and 2-way radio (5 invoices)
2027271	07/31/2025	International Fire Inc.	2,982.81	Fire extinguisher inspection (2 invoices)
2027272	07/31/2025	Jackson's Hardware	2,369.03	Misc. hardware supplies, May-June 2025
2027273	07/31/2025	Marin Resource Recovery Center	536.00	Trash disposal
2027274	07/31/2025	McMaster-Carr Supply Co.	116.02	Turbidity meter strainer
2027275	07/31/2025	Uline	2,271.49	48-inch bin storage cabinet for cogen room
2027276	07/31/2025	Van Bebber Bros., Inc.	1,565.77	Splash guard for OWRf pit
2027277	07/31/2025	VWR International	566.95	Sample containers, and anion filter
2027278	07/31/2025	Water Components & Bldg. Supp.	127.10	Sandbags
2027279	07/31/2025	Anchor Scientific Inc	632.95	Level floats
2027280	07/31/2025	Automation Direct Co., Inc.	79.75	SQRC: battery control module for SCADA (Note B)
2027281	07/31/2025	Blake Petersen	25.00	Overtime meal reimbursement: Parallel source testing with Blue Sky

CENTRAL MARIN SANITATION AGENCY
ATTACHMENT - DISBURSEMENT REGISTER
For the Month Ended JULY 31, 2025

Number	Date	Vendor/Payee	Amount	Description
2027282	07/31/2025	Caltest Analytical Laboratory	6,374.85	Analytical services: Biosolids, Source control, NPDES monitoring (4 invoices)
2027283	07/31/2025	CSRMA	146.90	Pooled liability program deductible recovery
2027284	07/31/2025	Environmental Water	1,420.40	Gas filter
2027285	07/31/2025	Evoqua Water Tech LLC	418.34	DI water system tank exchange
2027286	07/31/2025	Fisher Scientific	11,848.42	Laboratory supplies: Nutrient standard, micro-tube, glassware, dishwasher (5 invoices)
2027287	07/31/2025	Fluid Components International LLC	6,755.04	Biogas flow meter annual inspection
2027288	07/31/2025	Hach Company	802.29	Laboratory supplies: Titration supplies
2027289	07/31/2025	Harrington Industrial Plastics	283.41	O-ring kit for aeration and PVC pipe fittings (2 invoices)
2027290	07/31/2025	Kone Inc	225.41	Elevator monthly maintenance, July 2025
2027291	07/31/2025	Mancomm OSHA	1,103.24	VFD Centrifuge sludge pumps
2027292	07/31/2025	Marin Resource Recovery Center	50.00	Trash disposal (1 invoice)
2027293	07/31/2025	Motion Industries, Inc.	261.38	Oil seal
2027294	07/31/2025	Myron Brown	750.00	Utility locator training for NSD (Note B)
2027295	07/31/2025	PG&E Non-Energy Collection Unit	160.15	Renewable energy expansion, July, 2025
2027296	07/31/2025	Pipette.com	959.22	Single channel pipette
2027297	07/31/2025	Progent Corporation	99.95	IT support, July 2025
2027298	07/31/2025	Prudential Overall Supply	4,332.49	Uniforms: May-June, 2025
2027299	07/31/2025	Quadient Finance USA, Inc	298.33	Postage replenishment and supply charge, 04/29/2025 - 05/15/2025
2027300	07/31/2025	Two Rivers Terminal LLC	23,746.06	Nitrate (2 deliveries)
2027301	07/31/2025	Univar USA Inc	40,866.42	Sodium hypochlorite (3 deliveries)
2027302	07/31/2025	USP Technologies	27,925.22	Hydrogen Peroxide (4 invoices)
Total Checks			1,656,347.86	

Payments by ACH:

Date	Vendor/Payee	Amount	Description
07/03/2025	Retiree Medical Benefits	13,171.97	Monthly reimbursement for retiree health benefits
07/25/2025	Alliant Insurance Services	491.00	Additional vehicle coverage fee
07/16/2025	Amazon	5,297.37	Spare monitor, cables, phones (7 invoices)
07/03/2025	Cal Public Employee Retirement	97,833.99	Medical insurance for July 2025
07/31/2025	Cal-Card	15,556.19	State of California purchase card for July 2024
07/11/2025	CalPERS	50,701.09	Retirement pension contribution: Agency and employees, PPE 07/05/2025 (Note C)
07/14/2025	CalPERS	858.40	FY 24/25 1959 Survivor billing for classic employees FY 24/25
07/14/2025	CalPERS	2,465.00	FY 24/25 1959 Survivor billing for PEPRA employees FY 24/25
07/18/2025	CalPERS	227.54	Retirement pension contribution: Agency and employees true-up, PPE 07/05/2025
07/24/2025	CalPERS	18,617.00	ER PEPRA Contribution, Annual Unfunded Accrued Liability
07/24/2025	CalPERS	454,041.00	ER Classic Contribution, Annual Unfunded Accrued Liability
07/25/2025	CalPERS	50,578.89	Retirement pension contribution: Agency and employees, PPE 07/19/2025 (Note C)
07/16/2025	Carollo Engineers, Inc.	9,474.50	Prof Svcs: Hydrogen Peroxide Facility Relocation Study (payment #5) and Centrifuge Dewatering Project support , June 2025 (payment #7)
07/30/2025	Constellation Energy Corporation	195.54	Natural gas supply, June 2025
07/11/2025	Dean DiGiovanni	309.50	Travel Per-diem: CASA 2025 Annual Conference
07/11/2025	Employment Development Department	19,067.78	State and SDI Taxes, PPE 07/05/2025
07/25/2025	Employment Development Department	17,986.79	State and SDI Taxes, PPE 07/19/2025
07/28/2025	Employment Development Department	820.72	Additional tax for 2QCY25

**CENTRAL MARIN SANITATION AGENCY
ATTACHMENT - DISBURSEMENT REGISTER
For the Month Ended JULY 31, 2025**

Number	Date	Vendor/Payee	Amount	Description
	07/16/2025	IEDA, Inc.	994.52	Labor Relations fees, June 2025
	07/16/2025	IEDA, Inc.	1,044.25	Labor Relations fees, July 2025
	07/11/2025	IRS	48,955.07	Federal income and Medicare Taxes, PPE 07/05/2025
	07/25/2025	IRS	47,289.53	Federal income and Medicare Taxes, PPE 07/19/2025
	07/18/2025	Kemira	17,374.06	Ferric Chloride (1 delivery)
	07/07/2025	Lincoln Financial Group	3,091.14	Life insurance, July 2025
	07/11/2025	MissionSquare Retirement Trust-457	1,550.00	Deferred compensation contributions, PPE 07/05/2025 (Note A)
	07/25/2025	MissionSquare Retirement Trust-457	1,550.00	Deferred compensation contributions, PPE 07/19/2025 (Note A)
	07/11/2025	Nationwide Retirement	28,518.67	Deferred compensation contributions, PPE 07/05/2025 (Note A)
	07/25/2025	Nationwide Retirement	28,701.59	Deferred compensation contributions, PPE 07/19/2025 (Note A)
	07/11/2025	Navia Benefit Solutions	782.76	Flexible spending account, PPE 07/05/2025
	07/14/2025	Navia Benefit Solutions	200.00	Monthly minimum fee, July 2025
	07/25/2025	Navia Benefit Solutions	782.76	Flexible spending account, PPE 07/19/2025
	07/11/2025	Northeast-Western	5,708.61	LTSA Jenbacher cogen, May 2025, emission SCR dosing parts, gaskets, and hardware (3 invoices)
	07/21/2025	Northeast-Western	5,476.33	LTSA Jenbacher cogen, June 2025
	07/30/2025	Northeast-Western	261.45	Hardware for Jenbacher exhaust
	07/11/2025	Public Agency Retirement Services	848.24	Retirement pension contribution: Part-time employees, PPE 07/05/2025
	07/25/2025	Public Agency Retirement Services	559.78	Retirement pension contribution: Part-time employees, PPE 07/19/2025
	07/11/2025	SEIU Local 1021	1,230.06	Union dues, PPE 07/05/2025
	07/25/2025	SEIU Local 1021	1,230.06	Union dues, PPE 07/19/2025
	07/25/2025	Synagro West, Inc.	60,490.00	Biosolids hauling, April-June 2025
	07/25/2025	Tyler Technologies Inc	1.36	In-site transaction fee, 04/01/2025-06/30/2025
	07/10/2025	U.S. Bank	8,685.00	Trustees revenue bonds fees and Pension bond fund administrative fees (2 invoices)
	07/07/2025	Vision Service Plan -(CA)	1,809.41	Vision insurance, July 2025
	07/31/2025	Bank fees	722.18	Bank analysis and credit card processing fees
	07/31/2025	Dental claims	10,099.00	July 2025 dental claims paid
	07/01/2025	Euro Style Management	23,150.00	Returned fraudulent payment
		Total ACH	1,058,800.10	

CMSA Employee Compensation:

Date	Vendor/Payee	Amount	Description
07/11/2025	All employees (Board excluded)	198,269.85	Pay period ended 07/05/2025
07/25/2025	All employees (Board excluded)	179,023.90	Pay period ended 07/19/2025
	Total ACH	377,293.75	

Board Member Compensation:

Date	Vendor/Payee	Amount	Description
07/11/2025	Eli Beckman	225.00	Stipend for 06/26/2025 Ad-Hoc SRSD Service Contract Development Committee meeting
07/11/2025, 07/25/2025	Dean DiGiovanni	450.00	Stipend for 06/26/2025 Ad-Hoc SRSD Service Contract Development Committee meeting and 10/02/2024 GM Evaluation Committee
07/11/2025	Thomas Gaffney	225.00	Stipend for 06/26/2025 Ad-Hoc SRSD Service Contract Development Committee meeting
	Total ACH	900.00	

**CENTRAL MARIN SANITATION AGENCY
ATTACHMENT - DISBURSEMENT REGISTER
For the Month Ended JULY 31, 2025**

Number	Date	Vendor/Payee	Amount	Description
GRAND TOTAL			3,093,341.71	

Notes:

A: Not an Agency 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.



BOARD MEMORANDUM

September 4, 2025

To: CMSA Board of Commissioners

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

Subject: August 2025 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:

	Cash/Investment	Financial Institution	7/31/2025	Receipt	Disbursement	FMV Change	Funds Transfer	8/31/2025
1	Operating account	Westamerica	\$ 6,699,070	\$ 3,416,918	\$ (1,460,569)	\$ -	\$ (7,103,675)	\$ 1,551,744
2	Petty cash	In-house	400	-	-	-	-	400
3	RV petty cash	In-house	39	385	-	-	(385)	39
4	Pension bond trust	US Bank	1,410	5	-	-	781,318	782,733
5	Revenue bond trust	US Bank	10,982	35	-	-	4,018,058	4,029,076
6	Pooled investment	LAIF	19,642,496	-	-	-	2,300,000	21,942,496
7	Pooled investment	CAMP	442,119	1,654	-	-	-	443,773
8	Dental trust	EDIS	14,735	-	(8,092)	-	4,683	11,326
9	Pension trust	Keenan	1,586,773	-	-	-	-	1,586,773
10	Total Agency		\$ 28,398,024	\$ 3,418,996	\$ (1,468,660)	\$ -	\$ 0	\$ 30,348,360
11	Total net change in cash and investments		\$ 1,950,336 [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. Furthermore, the change in the pension trust is not included due to timing of the release of the statement for the current month.

	Cash/Investment	Financial Institution	8/31/2025 Institution	CM Interest /FMV Change	Average RoR%
1	Operating account	Westamerica	\$ 1,551,744	\$ 3,916	1.00%
2	Petty cash	In-house	400	-	0.00%
3	RV petty cash	In-house	39	-	0.00%
4	Pension bond trust	US Bank	782,733	5	3.84%
5	Revenue bond trust	US Bank	4,029,076	35	3.84%
6	Pooled investment	LAIF	21,942,496	-	4.26%
7	Pooled investment	CAMP	443,773	1,654	4.49%
8	Dental trust	EDIS	11,326	-	0.00%
9	Pension trust	Keenan	1,586,773	-	0.00%
10	Total Agency		\$ 30,348,360	\$ 5,609	1.94%

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 agreements, State law, 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, payments being made out of a dedicated payment account established by EDIS, collection of capacity and debt service coverage fees, 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 as per Financial Policy. Transfers to and usage of proceeds allocated within its restricted reserves comply with current applicable laws and regulations.

	Reserve	Status	Note 2		Funds Transfer	8/31/2025	Board Target
			7/31/2025	Net Result			
1	Pension trust (Note 1)	Restricted	\$ 1,586,773	\$ -	\$ -	\$ 1,586,773	\$ -
2	Pension bond trust	Restricted	1,410	5	781,318	782,733	-
3	Revenue bond trust	Restricted	10,982	35	4,018,058	4,029,076	-
4	Dental trust	Restricted	14,735	(8,092)	4,683	11,326	-
5	Capital reserve	Restricted	1,124,300	190,373	(190,373)	1,124,300	1,124,300
6	Operating reserve	Committed	4,302,500	-	-	4,302,500	4,293,000
7	Emergency reserve	Committed	500,000	-	-	500,000	500,000
8	Unassigned operating	Unassigned	84,529	1,453,061	(786,002)	751,588	-
9	Unassigned capital	Unassigned	20,772,795	314,953	(3,827,685)	17,260,063	8,626,700
10	Total Agency		\$ 28,398,024	\$ 1,950,336	\$ -	\$ 30,348,360	\$ 14,544,000

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 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	Permit and inspection fee collections	\$ 6,474
2	Laboratory services (Verily July 2025)	1,350
3	Waste Haulers & RV	26,193
4	Organic Waste Programs	2,850
5	FOG Source Control Program (LGVSD, RVSD & TCSD Q4 FY25)	38,124
6	Regional Service JPA charges (RVSD & SD2 Q1 FY26)	2,354,979
7	Debt Service JPA charges (SD2)	589,283
8	County-Wide Public Education Program collection	20,880
9	Health & Safety Program Collection	27,273
10	SQRC Wastewater Services Contract (May 2025 & Project Management)	149,216
11	SQ Village Operations & Maintenance contract	1,833
12	Sanitary District #2 Pump Station Maintenance Contract (Apr-Jun 2025 & Add Work)	103,449
13	Marin Clean Energy power purchase (June 2025)	12,639
14	Marin Airporter lease payment (July & August 2025)	12,345
15	Capacity Charges (see below)	66,150
16	Misc collections (training/project reimb)	349
17	Interest received & FMV change in pension trust (<i>all accounts</i>)	5,609
18	Total Agency cash receipts	<u>\$ 3,418,996</u>

As per the Joint Powers Authority (JPA) 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	\$ -	N/A
2	San Rafael Sanitation District	41,747	67 FU & 8 High Strength
3	Sanitary District #2	24,403	50 FU
4	Total capacity charges	<u>\$ 66,150</u>	

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

Fiscal Year-to-Date Budget-to-Actual (Cash Basis) – As of August 2025 (P2 – 16.7%)

		FY2026 Budget	FY2026 YTD Actual	Budget Remain \$	Budget Used %
OPERATING ACTIVITIES					
SOURCES					
1	Regional service charges	\$ 13,843,600	\$ 3,460,900	\$ 10,382,700	25.0%
2	Contract service collection fees	2,041,100	364,062	1,677,038	17.8%
3	Program collection fees	194,100	61,621	132,479	31.7%
4	Permits, source control, inspection & other fees	507,000	125,225	381,775	24.7%
5	Bank interest (<i>all except USB Rev Bonds</i>)	880,300	240,158	640,142	27.3%
6	Total funding sources	17,466,100	4,251,966	13,214,134	24.3%
USES					
7	Salaries and benefits	11,368,500	2,075,466	9,293,034	18.3%
8	Chemicals and fuel	2,034,900	295,714	1,739,186	14.5%
9	Biosolids management	645,300	122,540	522,760	19.0%
10	Permit testing and monitoring	260,100	25,783	234,318	9.9%
11	Repairs and maintenance	768,300	107,268	661,032	14.0%
12	Utilities and telephone	392,400	42,556	349,844	10.8%
13	Insurance	632,500	433,269	199,231	68.5%
14	General and administrative	1,078,050	123,117	954,933	11.4%
15	Total funding uses	17,180,050	3,225,712	13,954,338	18.8%
16	Net funding position change	\$ 286,050	\$ 1,026,254	n/a	n/a
CAPITAL ACTIVITIES					
SOURCES					
17	Debt service charges	\$ 4,497,200	\$ 3,769,631	\$ 727,569	83.8%
18	Debt service coverage fees	1,124,300	942,408	181,892	83.8%
19	Capital fees	1,903,500	475,875	1,427,625	25.0%
20	Capacity charges	40,500	214,856	(174,356)	530.5%
21	Grant proceeds	-	-	-	0.0%
22	Capital debt proceeds, net	12,675,000	-	12,675,000	0.0%
23	Bank interest (<i>USB Rev Bonds only</i>)	130,100	69	130,031	0.1%
24	Total funding sources	20,370,600	5,402,839	14,967,761	26.5%
USES					
25	Capital debt service	4,497,200	-	4,497,200	0.0%
26	Capital improvement program	16,787,890	1,301,257	15,486,633	7.8%
27	Total funding uses	21,285,090	1,301,257	19,983,833	6.1%
28	Net funding position change	\$ (914,490)	\$ 4,101,581	n/a	n/a
TOTAL AGENCY					
29	Total funding sources	\$ 37,836,700	\$ 9,654,805	28,181,895	25.5%
30	Total funding uses	38,465,140	4,526,969	33,938,171	11.8%
31	Net funding position change	\$ (628,440)	\$ 5,127,836	n/a	n/a

Attachment:

- August 2025 Disbursement Register

CENTRAL MARIN SANITATION AGENCY
ATTACHMENT - DISBURSEMENT REGISTER
For the Month Ended AUGUST 31, 2025

Number	Date	Vendor/Payee	Amount	Description
2027302				Last check from prior month's register
2027303	08/01/2025	Byron Jones	185.08	Reimbursement for monthly retiree health benefits
2027304	08/01/2025	Phillip Frye	185.08	Reimbursement for monthly retiree health benefits
2027305	08/05/2025	State Water Resources Ctrl Brd	230.00	Operator certification application fee for N. Fleming
2027306	08/06/2025	Alpha Analytical Lab Inc.	4,487.00	Nutrient project: Organic waste feedstock monitoring (4 invoices)
2027307	08/06/2025	Atmospheric Analysis	2,181.00	Monthly and quarterly biogas monitoring (2 invoices)
2027308	08/06/2025	ERA, A Waters Company	368.11	Bromide, and complex nutrients (2 invoices)
2027309	08/06/2025	Fisher Scientific	40.21	Sulfuric acid
2027310	08/06/2025	Metrohm USA, Inc	315.98	Anion chemicals
2027311	08/08/2025	California State Disbursement	194.42	Garnishment for pay period ending 08/02/2025
2027312	08/08/2025	California State Disbursement	348.92	Garnishment for pay period ending 08/02/2025
2027313	08/07/2025	Dossett, Garrett	210.00	Employee reimbursement: Operator certification application fee
2027314	08/07/2025	State Water Resources Ctrl Brd	230.00	Operator certification application fee for P. Loayza
2027315	08/07/2025	EDIS	965.00	Dental monthly fee, August 2025
2027316	08/07/2025	USP Technologies	13,939.13	Hydrogen Peroxide (2 invoices)
2027317	08/08/2025	CDW Government, Inc.	1,846.24	Annual firewall license renewal
2027318	08/08/2025	Goldstreet Design Agency Inc	800.00	Public Ed Program: Content setup and development (Note B)
2027319-2027320	08/08/2025	2 Employees	200.00	GFOA-ACFR incentive award
2027321	08/08/2025	Justifacts Credential	244.57	Recruitment background check (1 employee)
2027322	08/08/2025	Kyle B Carbajal	250.00	Employee reimbursement: Safety boots
2027323	08/08/2025	Lystek International LTD	14,263.26	Biosolids beneficial reuse fee, July 2025
2027324	08/08/2025	Manco	1,103.24	VFD centrifuge sludge pumps
2027325	08/08/2025	Medical Center of Marin	242.00	Pre-employment testing (1 new employee)
2027326	08/08/2025	Nicola Franceschine	1,800.00	Prof Svcs: GASB 75 Disclosure Report for FY25
2027327	08/08/2025	Peter Kistenmacher	124.50	Employee travel reimbursement: CASA annual conference, mileage
2027328	08/08/2025	Progent Corporation	99.95	IT support, August 2025
2027329	08/08/2025	Rebecca Brewer	22.00	Employee reimbursement: Utility training event supplies
2027330	08/08/2025	Sentry	1,280.00	Sentry subscription for aeration basin #2 (invoice #9)
2027331	08/08/2025	1 employee	100.00	GFOA-ACFR incentive award
2027332	08/08/2025	USP Technologies	13,885.47	Hydrogen Peroxide (2 invoices)
2027333	08/08/2025	VWR International	451.97	Dry rack, ammonia test strips, and sterile water (3 invoices)
2027334-2027365	08/13/2025	32 Employees	3,060.00	Safety & Wellness incentive award and one employee per diem
2027366	08/22/2025	California State Disbursement	194.42	Garnishment for pay period ending 08/16/2025
2027367	08/22/2025	California State Disbursement	348.92	Garnishment for pay period ending 08/16/2025
2027368	08/21/2025	Euro Style Management	397,337.50	Primary clarifier and CCT coating project (payment #2)
2027369	08/29/2025	Alameda Electrical Dist Inc	37.40	Electrical cable for fleet vehicle
2027370	08/29/2025	All Star Rents	134.88	Sod cutter rental
2027371	08/29/2025	Allied Fluid Products Corp	711.10	Pipe gaskets
2027372	08/29/2025	Aquatic Informatics Inc	15,374.52	Annual Linko maintenance
2027373	08/29/2025	AT&T Corp	175.00	Monthly internet fee, July 2025
2027374	08/29/2025	Automation Direct Co., Inc.	654.41	Biogas monitoring: Monthly & quarterly (2 invoices)
2027375	08/29/2025	Comcast	234.11	Internet service back-up, 06/04-07/03/2025
2027376	08/29/2025	Dee Consultants LLC	1,316.00	Prof Svcs: CM - Coating and Concrete Rehabilitation Project, July 2025
2027377	08/29/2025	Fast Forward	5,200.00	Public Ed Program: Environmental page sponsorship (Note B)
2027378	08/29/2025	Fastenal Company	844.51	Maintenance vending machine replenishment, July 2025
2027379	08/29/2025	Flyers Energy LLC	1,474.84	Diesel exhaust fluid (2 invoices)

CENTRAL MARIN SANITATION AGENCY
ATTACHMENT - DISBURSEMENT REGISTER
For the Month Ended AUGUST 31, 2025

Number	Date	Vendor/Payee	Amount	Description
2027380	08/29/2025	GHD Inc	9,809.54	Prof Services: Headworks concrete repair consulting (2 invoices, final payment)
2027381	08/29/2025	Grainger	4,114.37	Battery clamp, photocell, first aid supplies, welding cable, new employee raingear, floor drain cover, shower valve, saddle clamp, filters for above ground fuel tank, accessories for service truck, and desiccant for H2H sampler (14 invoices). SQRC: Wash down hoses, and pvc coupling (2 invoices, Note B)
2027382	08/29/2025	Hach Company	22,630.90	Digital pH sensor, ethernet cable, chlorine, TSS probe ball valve, TSS modbus, and TSS probe sensor (6 invoices)
2027383	08/29/2025	Hagel Supply Co.	592.08	Janitorial supplies
2027384	08/29/2025	Herc Rentals Inc	2,950.20	Lift rental for digester no. 1 level sensor
2027385	08/29/2025	Horizon Dist. Inc	270.74	Groundskeeping landscape supplies, sod cutter blade and fertilizer (3 invoices)
2027386	08/29/2025	Instrumart	914.26	SD2: Submersible level transmitter (Note B)
2027387	08/29/2025	JDH Corrosion Consultants, Inc.	8,250.00	Cathodic protection field survey and survey report
2027388	08/29/2025	Marin Resource Recovery Center	210.00	Trash disposal (1 invoice)
2027389	08/29/2025	Marin Sanitary Service - 0004321	1,578.86	Recycling disposal, July 2025
2027390	08/29/2025	Marin Sanitary Service - 0027511	4,642.04	Grit box disposal, July 2025
2027391	08/29/2025	Motion Industries, Inc.	2,745.16	Filler blocks for primary clarifier flights, hydraulic hose, and bearings for electric carts (3 invoices)
2027392	08/29/2025	Myron Brown	1,250.00	Utility locator training for 12 CMSA employees, and 4 NSD employees (Note B)
2027393	08/29/2025	Pace Supply Corp.	1,432.88	Headworks floor drain cover, parts for facility toilet repair, and 8-inch pipe plug (3 invoices)
2027394	08/29/2025	PG&E Non-Energy Collection Unit	160.15	Renewable energy expansion, August 2025
2027395	08/29/2025	Super Bright Leds, Inc	2,029.49	Twelve LED lights for plant facility
2027396	08/29/2025	Teledyne Instruments Inc	1,404.96	Power supply for sampler
2027397	08/29/2025	Two Rivers Terminal LLC	11,663.54	Calcium Nitrate (1 delivery)
2027398	08/29/2025	Uline	546.33	Custodial cart
2027399	08/29/2025	Univar USA Inc	23,658.01	Sodium Hypochlorite (2 deliveries)
2027400	08/29/2025	USP Technologies	13,965.94	Hydrogen Peroxide (2 invoices)
2027401	08/29/2025	Waste Management	12,607.61	Biosolids disposal, July 2025
Total Checks			615,117.80	

Payments by ACH:

Date	Vendor/Payee	Amount	Description
08/11/2025	Amazon	870.36	PC headsets, ethernet repeater, front gate controller switch, video adapter and TSS analyzer to SCADA (6 invoices)
08/01/2025	Cal Public Employee Retirement	104,590.08	Medical insurance for August 2025
08/22/2025	Cal-Card	17,608.26	State of California purchase card for August 2024
08/08/2025	CalPERS	50,762.70	Retirement pension contribution: Agency and employees, PPE 08/02/2025 (Note C)
08/22/2025	CalPERS	49,938.62	Retirement pension contribution: Agency and employees, PPE 08/16/2025 (Note C)
08/14/2025	Carbon Activated Corporation	30,000.00	Replacement of lost check
08/04/2025	Carollo Engineers, Inc.	31,346.42	Prof Svcs: Hydrogen Peroxide Facility Relocation Study (payment #5) and Centrifuge Dewatering Project support , June 2025 (payment #7)
08/14/2025	Dean DiGiovanni	2,443.04	Travel reimbursement: CASA 2025 Annual Conference
08/08/2025	Employment Development Department	17,880.04	State and SDI Taxes, PPE 08/02/2025
08/18/2025	Employment Development Department	17.36	State and SDI Taxes, PPE 08/15/2025
08/22/2025	Employment Development Department	18,061.59	State and SDI Taxes, PPE 08/16/2025
08/11/2025	IEDA, Inc.	1,044.25	Labor Relations fees, August 2025
08/08/2025	IRS	45,785.81	Federal income and Medicare Taxes, PPE 08/02/2025
08/18/2025	IRS	42.74	Federal income and Medicare Taxes, PPE 08/15/2025
08/22/2025	IRS	46,025.97	Federal income and Medicare Taxes, PPE 08/16/2025
08/01/2025	Lincoln Financial Group	3,068.73	Life insurance, August 2025
08/08/2025	MissionSquare Retirement Trust-457	1,550.00	Deferred compensation contributions, PPE 08/02/2025 (Note A)

CENTRAL MARIN SANITATION AGENCY
ATTACHMENT - DISBURSEMENT REGISTER
For the Month Ended AUGUST 31, 2025

Number	Date	Vendor/Payee	Amount	Description
	08/22/2025	MissionSquare Retirement Trust-457	1,550.00	Deferred compensation contributions, PPE 08/16/2025 (Note A)
	08/08/2025	Nationwide Retirement	28,805.43	Deferred compensation contributions, PPE 08/02/2025 (Note A)
	08/22/2025	Nationwide Retirement	28,845.17	Deferred compensation contributions, PPE 08/16/2025 (Note A)
	08/08/2025	Navia Benefit Solutions	782.76	Flexible spending account, PPE 08/02/2025
	08/11/2025	Navia Benefit Solutions	200.00	Monthly minimum fee, August 2025
	08/22/2025	Navia Benefit Solutions	782.76	Flexible spending account, PPE 08/16/2025
	08/11/2025	Pencoco, Inc	31,523.31	Ferric Chloride (2 deliveries)
	08/08/2025	Public Agency Retirement Services	623.60	Retirement pension contribution: Part-time employees, PPE 08/02/2025
	08/22/2025	Public Agency Retirement Services	582.80	Retirement pension contribution: Part-time employees, PPE 08/16/2025
	08/04/2025	Retiree Benefits	13,171.97	Monthly reimbursement for retiree health benefits
	08/08/2025	SEIU Local 1021	1,230.06	Union dues, PPE 08/02/2025
	08/22/2025	SEIU Local 1021	1,230.06	Union dues, PPE 08/16/2025
	08/31/2025	Bank fees	582.11	Account analysis & credit card processing fees
	08/31/2025	Dental claims paid	8,091.80	EDIS dental claims paid out of trust
	08/11/2025	1 employee	100.00	GFOA-ACFR incentive award
	08/01/2025	Vision Service Plan -(CA)	1,809.41	Vision insurance, August 2025
Total ACH			540,947.21	

CMSA Employee Compensation:

Date	Vendor/Payee	Amount	Description
	CMSA employee payroll	178,144.54	Pay period ended 08/02/2025
	CMSA employee payroll	178,598.18	Pay period ended 08/16/2025
Total ACH		356,742.72	

Board Member Compensation:

Date	Vendor/Payee	Amount	Description
08/08/2025	Eli Beckman	225.00	Stipend for 07/22/2025 CMSA Special Commission meeting
08/08/2025	Michael Boorstein	225.00	Stipend for 07/22/2025 CMSA Special Commission meeting
08/08/2025	Maribeth Bushey	225.00	Stipend for 07/22/2025 CMSA Special Commission meeting
08/08/2025	Dean DiGiovanni	225.00	Stipend for 07/22/2025 CMSA Special Commission meeting
08/08/2025	Thomas Gaffney	225.00	Stipend for 07/22/2025 CMSA Special Commission meeting
Total ACH		1,125.00	

Less: 4 prior month stale check reversals (45,272.37) Adjustment to agree total net disbursements to aggregate cash activity

GRAND TOTAL	1,468,660.36
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Notes:

A: Not an Agency 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.

**BOARD MEMORANDUM**

August 7, 2025

To: CMSA Commissioners and Alternates

From: Nicholas Talbot, Treatment Plant Manager

Approved: Jason Dow, General Manager

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

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

I. NPDES Permit Compliance

NPDES permit testing for July 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 for final effluent disinfection compliance. The rolling enterococcus geometric mean was 12.2 MPN, which is significantly lower than the permit limit of 255 MPN. The average ammonia concentration for the month was 48.6 mg/L, which is less than the monthly limit of 60 mg/L.

II. Influent and Effluent Flows

Warm temperatures continued throughout July, and no rainfall was measured by the Agency's on-site rain gauge. There were zero blend events. Table 1 summarizes CMSA's average influent and effluent flows, along with daily, hourly, and 5-minute peak flows for the month. 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	8.95 MGD	12.76 MGD	18.96 MGD	8.36 MGD
Effluent	6.56 MGD	9.19 MGD	13.43 MGD	6.05 MGD

Table 2: Satellite Collection Agency and Total Flow Summary

Flow Type	SRSD	RVSD	SD2	San Quentin	CMSA Totals
Average Daily (MGD)	3.47 MGD	3.44 MGD	0.99 MGD	0.46 MGD	8.36 MGD
Total for Month (MG)	107.61 MG	106.65 MG	30.95 MG	14.10 MG	259.31 MG
Percent of Flow	41.5%	41.1%	12.0%	5.4%	100%

III. Treatment Process

In July, Operations staff focused on completing annual preventative maintenance work orders. The inlet gate to the Effluent Storage Pond was locked out to facilitate mowing, landscaping, and weed removal inside the pond berm, helping to maximize storage capacity during wet weather events. The 66-inch effluent valve, which operates during high tide conditions when the Effluent Pump Station is in use, was actuated and serviced to verify proper functionality. Effluent Pump Station alarms were tested and verified through SCADA, and its sump pump was inspected and serviced. All five diesel generator-driven pumps at the station were also serviced, including oil changes, belt replacements, and coolant checks. In coordination with E&I staff, Operations performed maintenance and refresher training on the Agency's emergency generator, including manual bypass and startup procedures in the event of an automatic failure during a utility power outage. Rotary Drum Thickener No. 2's TWAS pump was locked out and rebuilt by Maintenance to address decreased pumping performance. The chlorine analyzer feed pump located at the end of the Chlorine Contact Tanks was rebuilt due to reduced flow output; the lag pump was placed in service during the repair, and the rebuilt primary pump was reinstalled following alignment and testing. Operations staff also assisted E&I with annual effluent weir calibrations on Chlorine Contact Tanks No. 5 and No. 6.

The Mixed Liquor Suspended Solids inventory averaged 846 mg/l, which aligned with the target Mean Cell Residence Time of 2.5 days. The sludge volume index (SVI), which measures the secondary sludge settleability, averaged 88 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 7.5 mg/l, which is 50.0% of the Agency's KPI of 15 mg/l and 25.0% of the permit's monthly average limit of 30 mg/l.

IV. Maintenance Activities

In July, the cogeneration system supplied 95.8% of the Agency's power, with the remainder provided by MCE (Graph #8). Maintenance staff continued fabricating new stainless-steel pump and motor frames for the primary clarifier sludge pumps, replacing severely corroded steel frames. Installation began on upgraded variable frequency drives for the centrifuge sludge pumps. These new drives are more energy-efficient and are expected to have a longer service life. The Jenbacher cogeneration engine received its monthly service, including oil, air, and fuel filter changes. Annual emissions testing of the Jenbacher cogeneration engine was also completed by a contractor in coordination with CMSA staff to ensure continued compliance with Bay Area Air Quality Management District permit requirements. E&I staff installed a differential pressure sensor on Digester No. 2 to improve monitoring of pressure differences between the digester's inner cover for biogas pressure and the outer cover for detection of leaks or failures. E&I also supported floor repairs in the Headworks odor scrubber room by evaluating damaged conduit and assisting a contractor with conduit repairs. Maintenance staff removed severely corroded gate frames from Biosolids Hopper No. 1, which are scheduled for replacement, and responded to motor overload alarms on the FOG screen press by clearing compacted grit from the screw auger and returning the system to service.

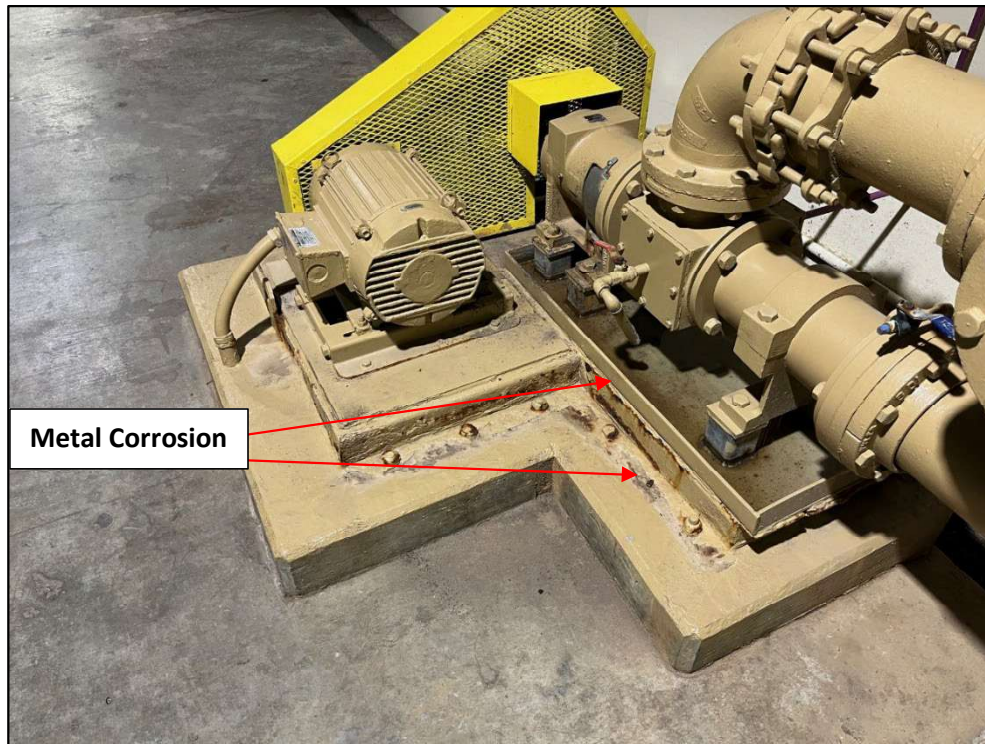
Attachment:

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

NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report

July 2025

BEFORE: Corroded Steel Primary Clarifier Sludge Motor and Pump Base



AFTER: New Primary Clarifier Sludge Stainless-Steel Motor and Pump Base



Monthly Compliance Summary Table

Central Marin Sanitation Agency

July, 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	6.0	mg/L	Maximum 40
	Monthly Average	1/Week	3/Week	5.2	mg/L	Maximum 25
cBOD Removal	Monthly Average	1/Week	3/Week	97	%	Minimum 85
Total Suspended Solids (TSS)	Weekly Maximum Average	2/Week	3/Week	8.5	mg/L	Maximum 45
	Monthly Average	2/Week	3/Week	7.5	mg/L	Maximum 30
TSS Removal	Monthly Average	2/Week	3/Week	95	%	Minimum 85
Chlorine Residual	Hourly Maximum	Continuous	Continuous	ND	mg/L	Maximum 0.56
Ammonia	Monthly Average	2/Month	1/Week	48.6	mg/L	Maximum 60
	Daily Maximum	2/Month	1/Week	52.1	mg/L	Maximum 120
pH	Instantaneous	Continuous	Continuous	7.1	SU	Minimum 6
	Instantaneous	Continuous	Continuous	7.3	SU	Maximum 9
Bacteriological Analysis						
Enterococcus	6-Week Geomean	2/Week	3/Week	12.2	MPN/100mL	Maximum 255
	10% Maximum	2/Week	3/Week	22.8	MPN/100mL	Maximum 1,055
Metals Analysis						
Copper	Daily Maximum	Monthly	Monthly	5.2	ug/L	Maximum 84
	Monthly Average	Monthly	Monthly	5.2	ug/L	Maximum 48
Cyanide	Daily Maximum	Monthly	Monthly	J1.3	ug/L	Maximum 37
	Monthly Average	Monthly	Monthly	J1.3	ug/L	Maximum 21
Semiannual and Quarterly Analysis						
Mercury	Weekly Average	Quarterly	Quarterly	0.0033	ug/L	Maximum 0.072
	Monthly Average	Quarterly	Quarterly	0.0033	ug/L	Maximum 0.066
	Annual Load	Quarterly	Quarterly	0.050	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
Permit Analysis						
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

July 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:	362.8	mg/l	Expected removal efficiencies as outlined in Metcalf & Eddy Wastewater Engineering Manual.
TSS out:	121.3	mg/l	
Percent Removal Achieved:	66.6	%	Design 50-70% Removal
Total Biochemical Oxygen Demand (BOD) in:	332.3	mg/l	
BOD out:	207.7	mg/l	
Percent Removal Achieved:	37.5		Design 25-40% Removal
Plant Influent Flows:	8.36	MGD	

SECONDARY SYSTEM PERFORMANCE

AERATION TANKS/ACTIVATED SLUDGE

Dissolved Oxygen set point:	2.3	mg/l
MLSS:	846	mg/l
MCRT:	2.5	Days
SVI:	88	

SECONDARY CLARIFIERS

WAS concentration:	7,116	mg/l
TSS out:	10.2	mg/l
Secondary System TSS Removal	91.6	%

FINAL EFFLUENT

Effluent TSS for the month:	7.5	mg/l	(Maximum Limit: 30mg/l)
Week #1 weekly average	7.3	mg/l	(Maximum Limit: 45mg/l)
Week #2 weekly average	6.3	mg/l	"
Week #3 weekly average	7.6	mg/l	"
Week #4 weekly average	8.5	mg/l	"
Week #5 weekly average	8.0	mg/l	"
Monthly average TSS removal efficiency through the plant:	95.3	%	(Minimum Limit: 85%)

Effluent CBOD:	5.2	mg/l	(Maximum Limit: 25mg/l)
Week #1 weekly average	4.0	mg/l	(Maximum Limit: 40mg/l)
Week #2 weekly average	5.0	mg/l	"
Week #3 weekly average	5.0	mg/l	"
Week #4 weekly average	6.0	mg/l	"
Week #5 weekly average	6.0	mg/l	"
Monthly average CBOD removal efficiency through the plant:	97.3	%	(Minimum Limit: 85%)

Disinfection Dosing Rate:	2.5	mg/l	monthly average
Ammonia Monthly Average:	48.6	mg/l	(Maximum 60)
Enterococcus six-week Geometric Mean:	12.2	MPN	(Maximum 255)
Enterococcus 10% Maximum:	22.8	MPN	(Maximum 1,055 MPN)
Effluent pH for the month:	Min	7.1	(Min 6.0)
	Max	7.3	(Max 9.0)

DIGESTER TREATMENT

Thickened Waste Concentration from the RDT:	5.46	%	
Volatile Solids destroyed:	84.0	%	
Cubic feet of biogas produced:	9,740,000 (Total)	314,194 (Daily Average)	
Temperature of the digesters:	101.8	degrees Fahrenheit	

EXECUTIVE SUMMARY PROCESS PERFORMANCE DATA

July 2025

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

DEWATERING

Centrifuge feed concentration:	2.5	%
Biosolids concentration:	25.0	%
TSS of the centrate:	527	mg/l
Centrifuge solids capture:	98.09	%
Polymer use per dry ton of biosolids:	17.95	#/dry ton
Polymer feed rate per run:	3.49	gpm
Concentration of the polymer batches:	0.328	%
Sludge feed rate per run:	50.4	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 0-10 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 12.2 MPN 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 7.5 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.

The effluent CBOD average was 5.2 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 KPI of 25% for July. Several days early in the month fell below the KPI due to ongoing centrifuge testing focused on reducing polymer usage (pounds per dry ton). However, concentrations were consistently above KPI for the final 10 consecutive days of the month, demonstrating improved performance. No dewatering operations were conducted on 7/4.

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 314,194 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 143,917 kWh in July.

Glossary of Terms

Process Performance Data Sheet

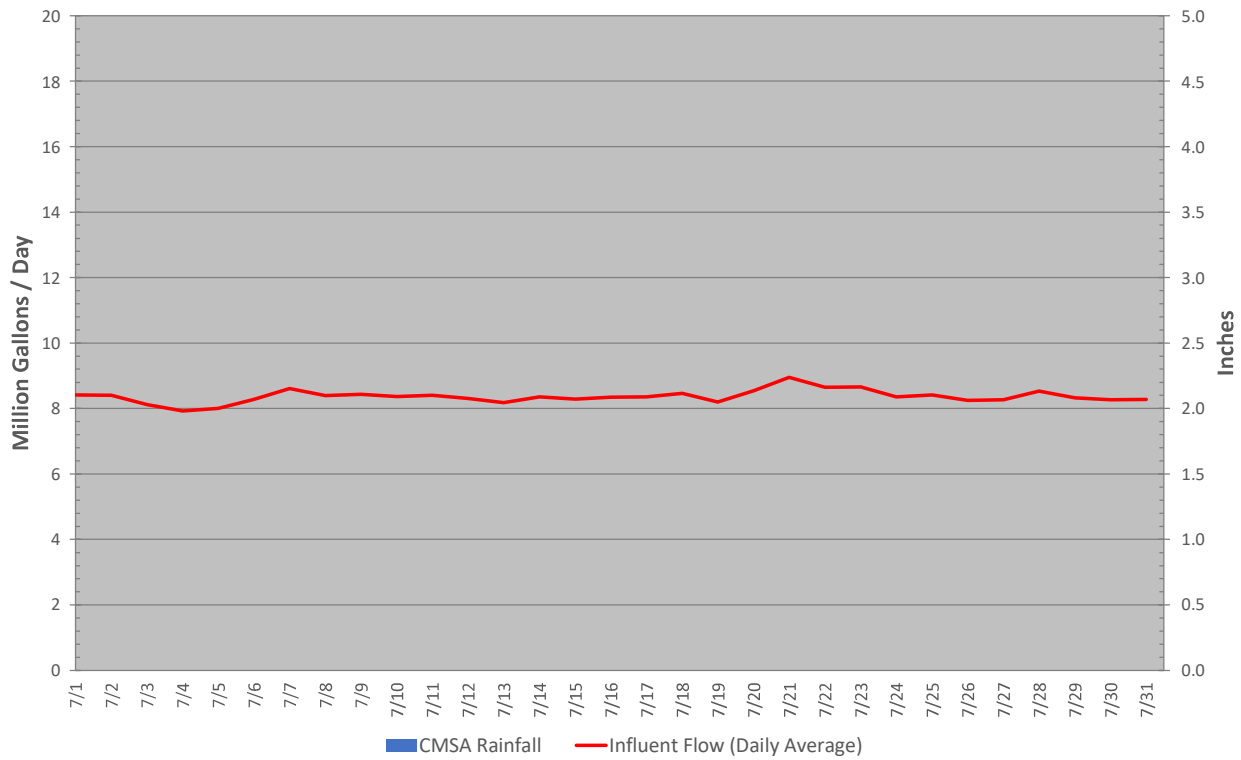
- **Aeration Tanks:** A biological process that takes place after the biotowers, where biomass (microorganisms) is mixed with the wastewater to feed on dissolved and suspended organic material. High speed blowers are used to provide compressed air to mix the tank contents.
- **Anaerobic Digesters:** 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.

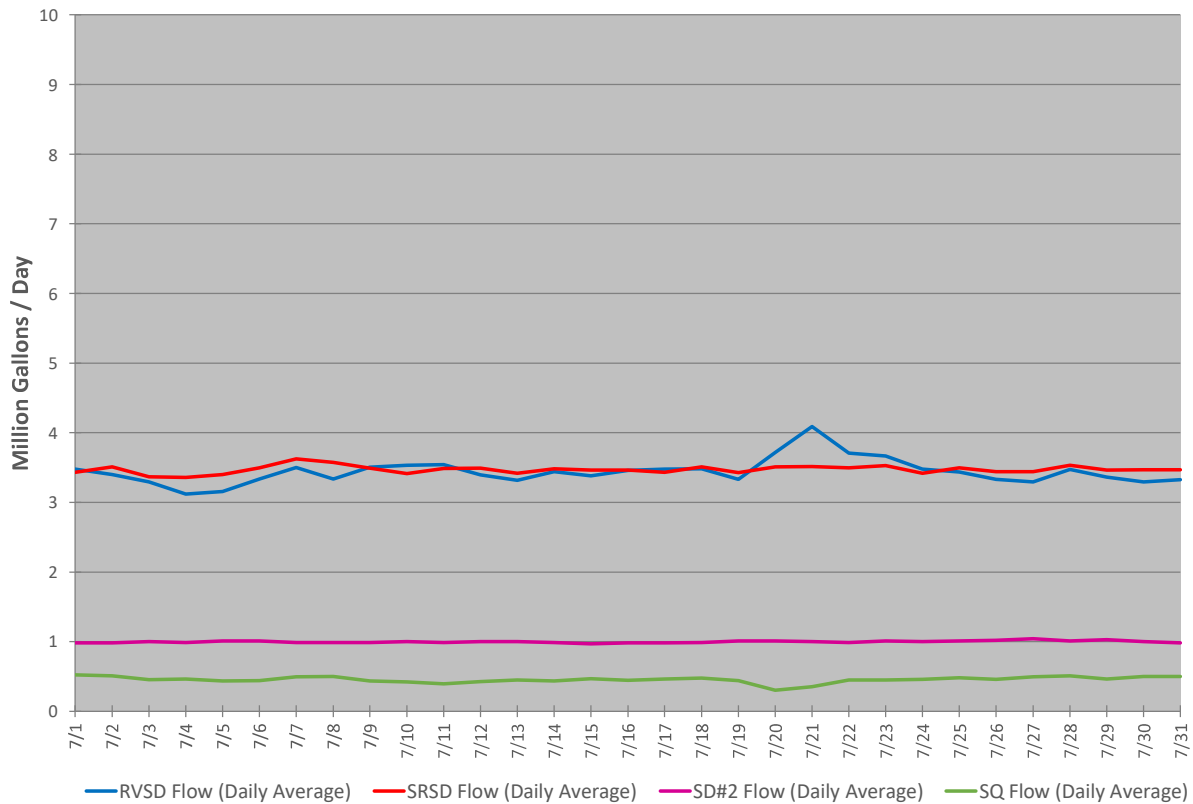
Units of Measurement

- 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.

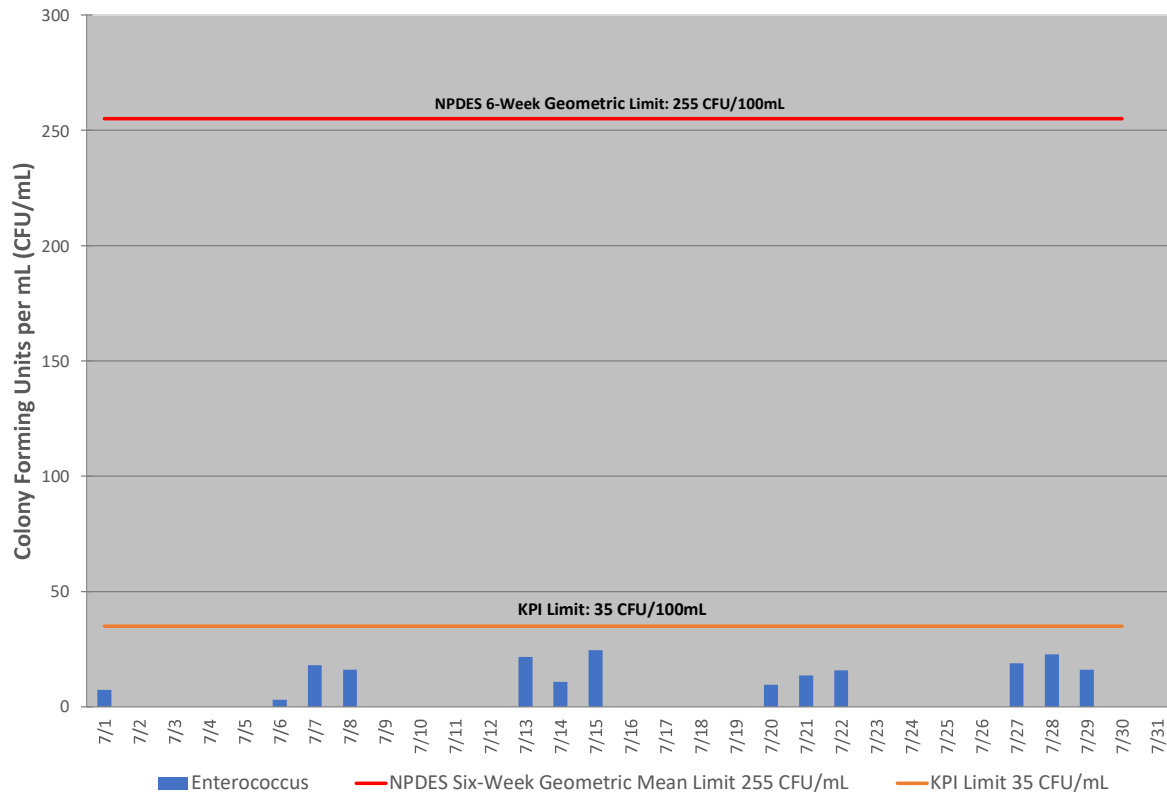
Graph #1: CMSA Influent Flow and Rainfall



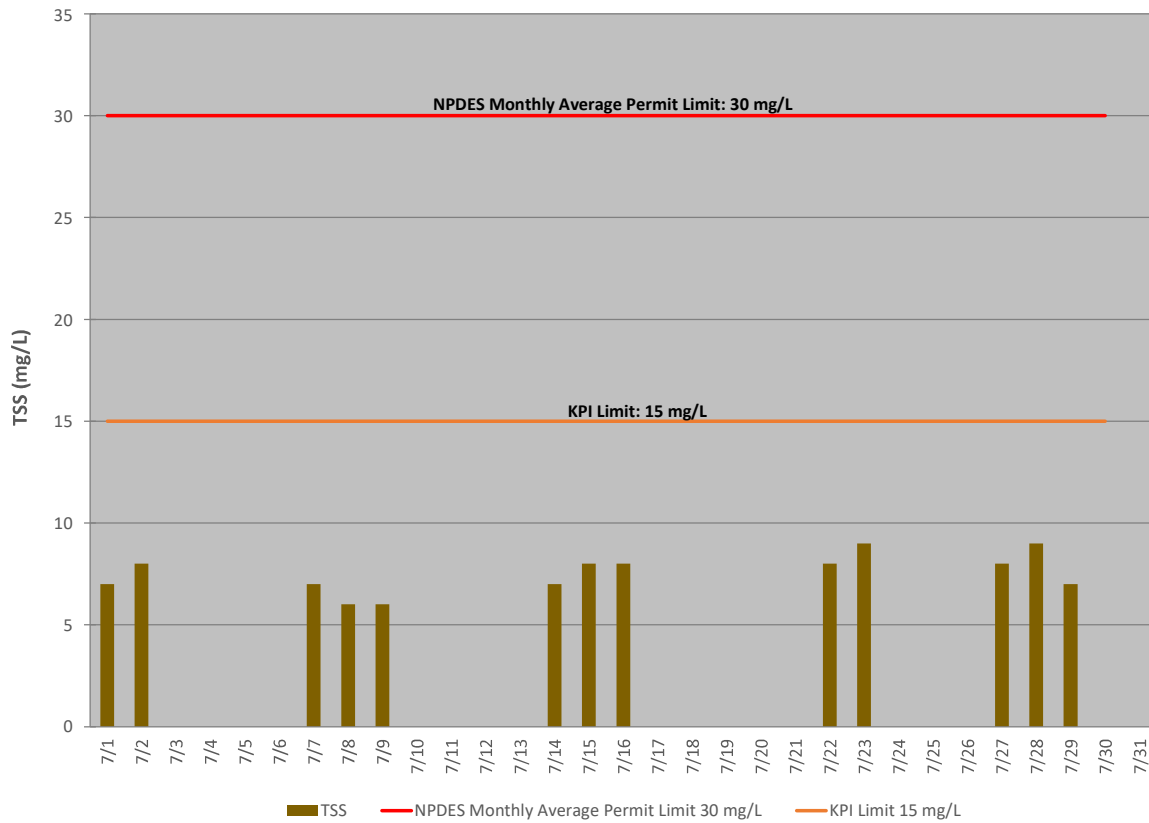
Graph #2: Collection System Influent Flows



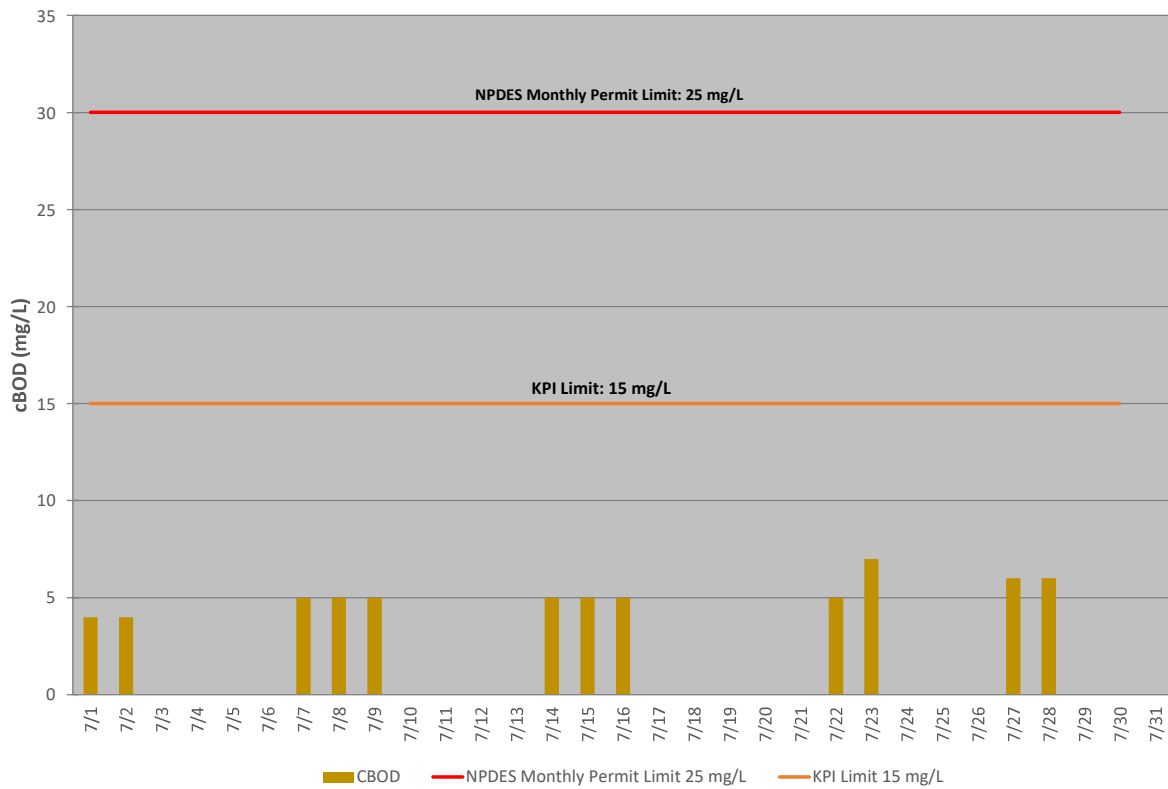
Graph #3: Enterococcus



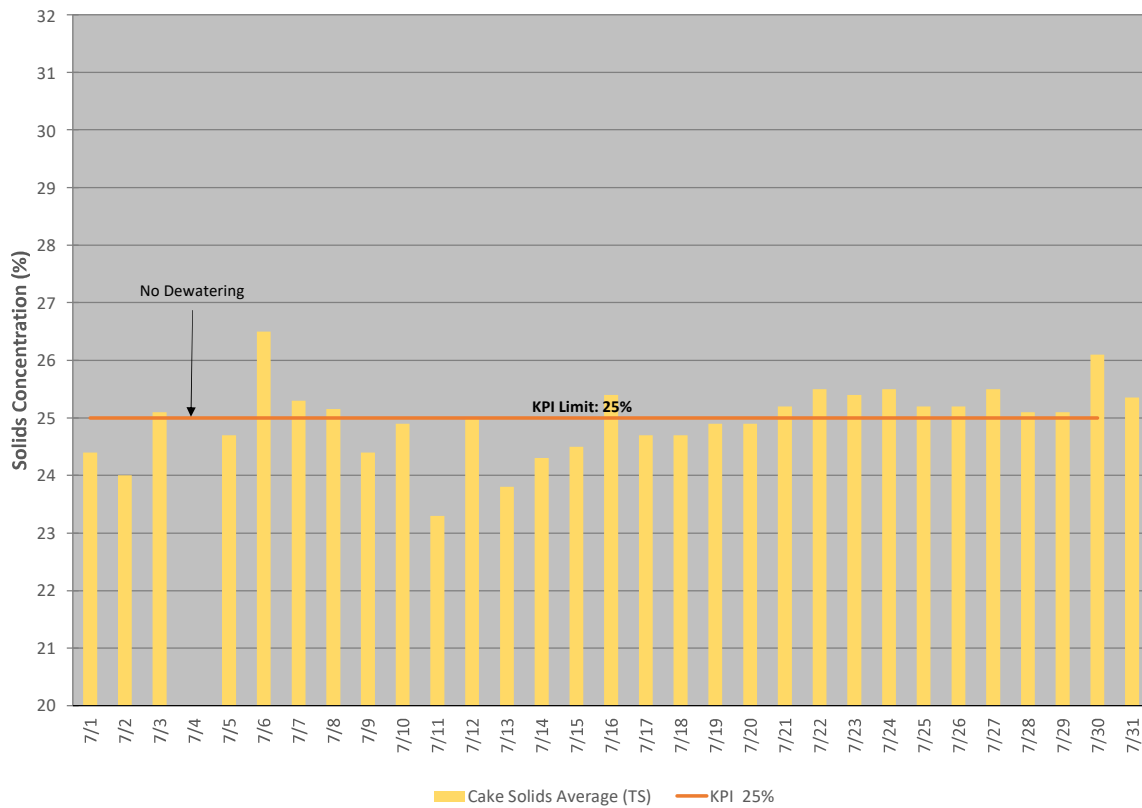
Graph #4: Final Effluent Total Suspended Solids



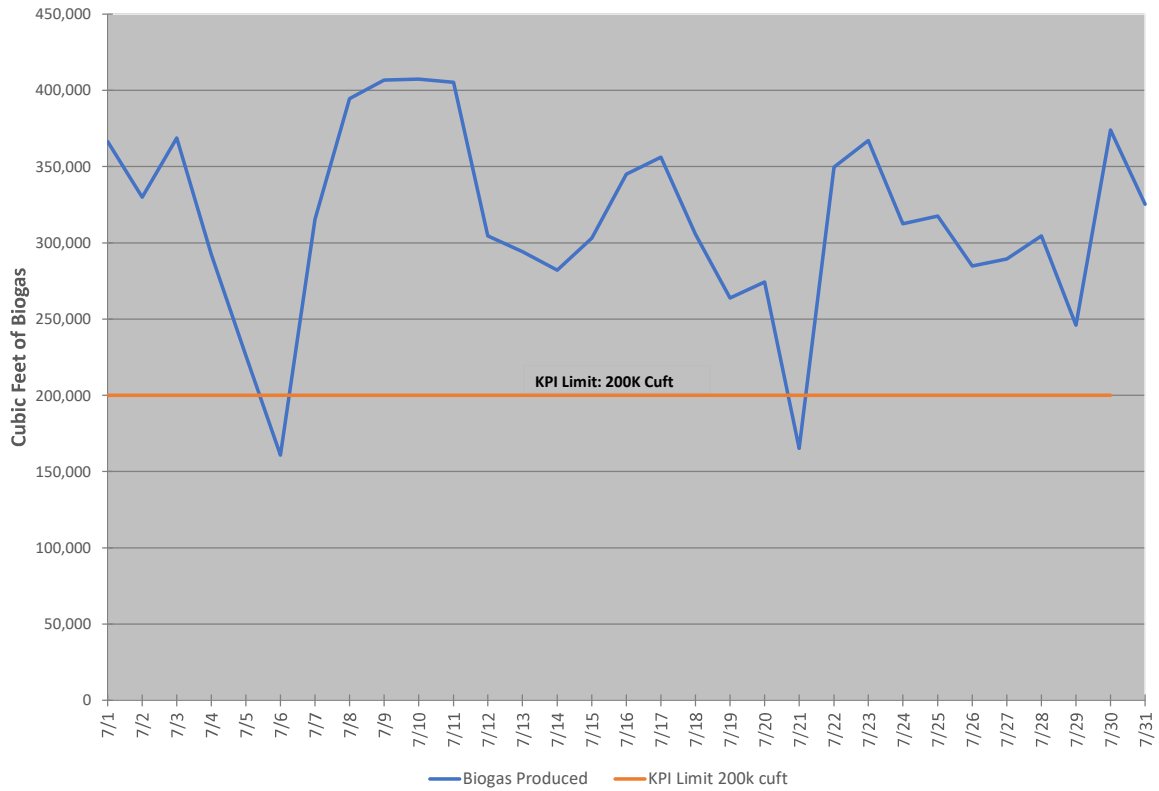
Graph #5: Carbonaceous Biochemical Oxygen Demand (cBOD)



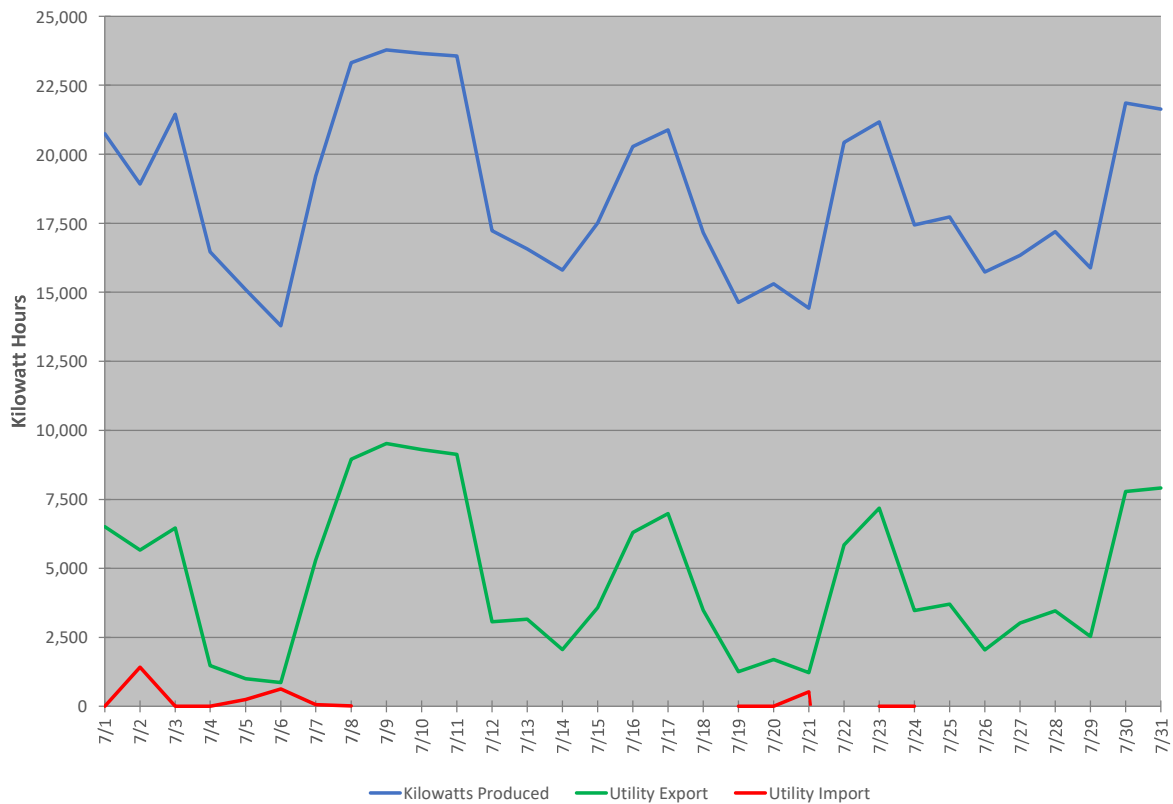
Graph #6: Biosolids Solids Concentration



Graph #7: Biogas Production



Graph #8: Power Distribution



**BOARD MEMORANDUM**

September 4, 2025

To: CMSA Commissioners and Alternates

From: Nicholas Talbot, Treatment Plant Manager

Approved: Jason Dow, General Manager

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

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

I. NPDES Permit Compliance

NPDES permit testing for August 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 for final effluent disinfection compliance. The rolling enterococcus geometric mean was 16.0 MPN, which is significantly lower than the permit limit of 255 MPN. The average ammonia concentration for the month was 51.0 mg/L, which is less than the monthly permit limit of 60 mg/L.

II. Influent and Effluent Flows

Pleasant and warm temperatures continued throughout August, and no rainfall was measured by the Agency's on-site rain gauge. There were no blend events. Table 1 summarizes CMSA's average influent and effluent flows, along with daily, hourly, and 5-minute peak flows for the month. 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	8.82 MGD	12.08 MGD	21.90 MGD	8.32 MGD
Effluent	6.61 MGD	9.70 MGD	12.00 MGD	6.19 MGD

Table 2: Satellite Collection Agency and Total Flow Summary

Flow Type	SRSD	RVSD	SD2	San Quentin	CMSA Totals
Average Daily (MGD)	3.33 MGD	3.40 MGD	1.04 MGD	0.55 MGD	8.32 MGD
Total for Month (MG)	103.00 MG	105.62 MG	32.26 MG	17.11 MG	257.99 MG
Percent of Flow	40.0%	40.9%	12.5%	6.6%	100%

III. Treatment Process

In August, Operations staff focused on completing preventative and corrective maintenance work orders. The biogas system was isolated and purged to perform media changeouts on siloxane and H₂S vessels, as monthly lab results and field instruments indicated both were nearing their replacement KPIs. Primary Clarifier No. 1 was placed in service, while Primary Clarifier No. 5 was drained, cleaned, and placed in standby to support phase 3 testing of the Primary Clarifier Baffle Study. The final phase of the study is scheduled for completion at the end of September. Operations assisted Maintenance with isolating Sodium Bisulfite storage tank No. 1, which was emptied, flushed, and removed. A new tank was installed and placed back into service, completing the capital asset replacement of both Sodium Bisulfite storage tanks. Operations also assisted with isolating a leaking potable water valve on the emergency eyewash station in the chemical storage building, allowing Maintenance to replace the valve. Preventive maintenance on the final effluent and polishing chlorine analyzers, which involved cleaning and calibrating, was completed, along with flushing of the final effluent vault sump pumps. Lastly, a bulk gasoline delivery was received into the underground storage tank in preparation for the wet weather season to fuel vehicles and critical equipment.

The Mixed Liquor Suspended Solids inventory averaged 834 mg/l, which aligned with the target Mean Cell Residence Time of 2.5 days. The sludge volume index (SVI), which measures the secondary sludge settleability, averaged 94 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 7.1 mg/l, which is 47.3% of the Agency's KPI of 15 mg/l and 23.6% of the permit's monthly average limit of 30 mg/l.

IV. Maintenance Activities

In August, the cogeneration system produced a net total of 134% of the Agency's power demand, exporting more electricity than the facility required. MCE supplied small power imports during hours when cogeneration production did not meet facility demand (Graph #8). Replacement of Variable Frequency Drives for centrifuge sludge feed pumps No. 1 and 2 were completed, with pump No. 3 scheduled for completion by the end of September. Maintenance, with support from the Information Systems Administrator, developed an automated daily SCADA report to track pump starts and run hours at each pump station in the SD2, SQV, and SQRC collection systems. This report helps staff evaluate pump efficiency, compare performance, and identify deficiencies early so preventative maintenance can be scheduled before failures occur. Staff replaced a failing oil temperature sensor on the Jenbacher engine, correcting erratic readings. A failed sensor on biogas chiller No. 1 was also replaced with contractor warranty support, restoring the unit to service. Staff began fabricating and welding a stainless-steel pipe for the upcoming installation of a new total solids percent meter on the primary sludge discharge line. This meter will allow Operations to adjust Primary Clarifier sludge pumping rates based on both sludge blanket levels and solids concentration. Lastly, all Primary Clarifier sludge pumps, drive collectors, and scum troughs were serviced. This work included replacing belts, oil changes, tightening of chains, and replacement of a failed check valve, preparing the primary treatment system for the upcoming wet weather season.

Attachment:

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

NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report
August 2025

Replacement of obsolete Variable Frequency Drives for the Centrifuge Sludge Feed Pumps.

BEFORE:



AFTER:



Monthly Compliance Summary Table
Central Marin Sanitation Agency
August, 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	10.0	mg/L	Maximum 40
	Monthly Average	1/Week	3/Week	7.4	mg/L	Maximum 25
cBOD Removal	Monthly Average	1/Week	3/Week	97	%	Minimum 85
Total Suspended Solids (TSS)	Weekly Maximum Average	2/Week	3/Week	8.5	mg/L	Maximum 45
	Monthly Average	2/Week	3/Week	7.1	mg/L	Maximum 30
TSS Removal	Monthly Average	2/Week	3/Week	96	%	Minimum 85
Chlorine Residual	Hourly Maximum	Continuous	Continuous	ND	mg/L	Maximum 0.56
Ammonia	Monthly Average	2/Month	1/Week	51.0	mg/L	Maximum 60
	Daily Maximum	2/Month	1/Week	53.2	mg/L	Maximum 120
pH	Instantaneous	Continuous	Continuous	7.1	SU	Minimum 6
	Instantaneous	Continuous	Continuous	7.4	SU	Maximum 9
Bacteriological Analysis						
Enterococcus	6-Week Geomean	2/Week	3/Week	16.0	MPN/100mL	Maximum 255
	10% Maximum	2/Week	3/Week	22.8	MPN/100mL	Maximum 1,055
Metals Analysis						
Copper	Daily Maximum	Monthly	Monthly	7.3	ug/L	Maximum 84
	Monthly Average	Monthly	Monthly	7.3	ug/L	Maximum 48
Cyanide	Daily Maximum	Monthly	Monthly	J1.4	ug/L	Maximum 37
	Monthly Average	Monthly	Monthly	J1.4	ug/L	Maximum 21
Semiannual and Quarterly Analysis						
Mercury	Weekly Average	Quarterly	Quarterly	0.0033	ug/L	Maximum 0.072
	Monthly Average	Quarterly	Quarterly	0.0033	ug/L	Maximum 0.066
	Annual Load	Quarterly	Quarterly	0.050	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
Permit Analysis						
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

August 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:	395.8	mg/l	Expected removal efficiencies as outlined in Metcalf & Eddy Wastewater Engineering Manual.
TSS out:	106.3	mg/l	
Percent Removal Achieved:	73.1	%	Design 50-70% Removal
Total Biochemical Oxygen Demand (BOD) in:	287.0	mg/l	
BOD out:	189.0	mg/l	
Percent Removal Achieved:	34.1		Design 25-40% Removal
Plant Influent Flows:	8.32	MGD	

SECONDARY SYSTEM PERFORMANCE

AERATION TANKS/ACTIVATED SLUDGE

Dissolved Oxygen set point:	2.3	mg/l
MLSS:	834	mg/l
MCRT:	2.5	Days
SVI:	94	

SECONDARY CLARIFIERS

WAS concentration:	7,369	mg/l
TSS out:	8.5	mg/l
Secondary System TSS Removal	92.0	%

FINAL EFFLUENT

Effluent TSS for the month:	7.1	mg/l	(Maximum Limit: 30mg/l)
Week #1 weekly average	8.0	mg/l	(Maximum Limit: 45mg/l)
Week #2 weekly average	6.0	mg/l	"
Week #3 weekly average	6.0	mg/l	"
Week #4 weekly average	7.0	mg/l	"
Week #5 weekly average	8.5	mg/l	"
Monthly average TSS removal efficiency through the plant:	96.0	%	(Minimum Limit: 85%)

Effluent CBOD:	7.4	mg/l	(Maximum Limit: 25mg/l)
Week #1 weekly average	7.5	mg/l	(Maximum Limit: 40mg/l)
Week #2 weekly average	8.5	mg/l	"
Week #3 weekly average	10.0	mg/l	"
Week #4 weekly average	5.0	mg/l	"
Week #5 weekly average	6.0	mg/l	"
Monthly average CBOD removal efficiency through the plant:	97.0	%	(Minimum Limit: 85%)

Disinfection Dosing Rate:	2.7	mg/l	monthly average
Ammonia Monthly Average:	51.0	mg/l	(Maximum 60)
Enterococcus six-week Geometric Mean:	16.0	MPN	(Maximum 255)
Enterococcus 10% Maximum:	22.8	MPN	(Maximum 1,055 MPN)
Effluent pH for the month:	Min	7.1	(Min 6.0)
	Max	7.4	(Max 9.0)

DIGESTER TREATMENT

Thickened Waste Concentration from the RDT:	6.31	%	
Volatile Solids destroyed:	84.4	%	
Cubic feet of biogas produced:	10,123,870 (Total)	326,576 (Daily Average)	
Temperature of the digesters:	101.8	degrees Fahrenheit	

EXECUTIVE SUMMARY PROCESS PERFORMANCE DATA

August 2025

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

DEWATERING

Centrifuge feed concentration:	2.7	%
Biosolids concentration:	25.1	%
TSS of the centrate:	241	mg/l
Centrifuge solids capture:	99.18	%
Polymer use per dry ton of biosolids:	17.57	#/dry ton
Polymer feed rate per run:	3.63	gpm
Concentration of the polymer batches:	0.328	%
Sludge feed rate per run:	50.2	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 0-10 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 16.0 MPN remained well below the Agency KPI of 35 MPN and permit limit of 255 MPN. On 8/18, the enterococcus result was 54.6 MPN. Staff could not identify any contributing factors, as disinfection, laboratory procedures, and sampling protocols were properly followed. The prior sample was 5.2 MPN and subsequent sample was 9.7 MPN, suggesting the elevated result of 54.6 MPN was an isolated anomaly.

Graph #4:

Depicts the total suspended solids in the effluent.

Our monthly average was 7.1 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.

The effluent CBOD average was 7.4 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 average biosolids % concentration exceeded KPI of 25% for August. Several days fell below the KPI due to ongoing centrifuge testing focused on reducing polymer usage (pounds per dry ton). No dewatering operations were conducted on three days, 8/5, 8/23, & 8/31.

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 326,576 cubic feet per day, above our monthly KPI of 200,000 cubic feet per day. On 8/25, the H2S scrubber system was out of service to conduct a media change out. The Agency ran the cogeneration system in natural gas during the media change out, resulting in low Biogas use for the 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 166,165 kWh in August.

Glossary of Terms

Process Performance Data Sheet

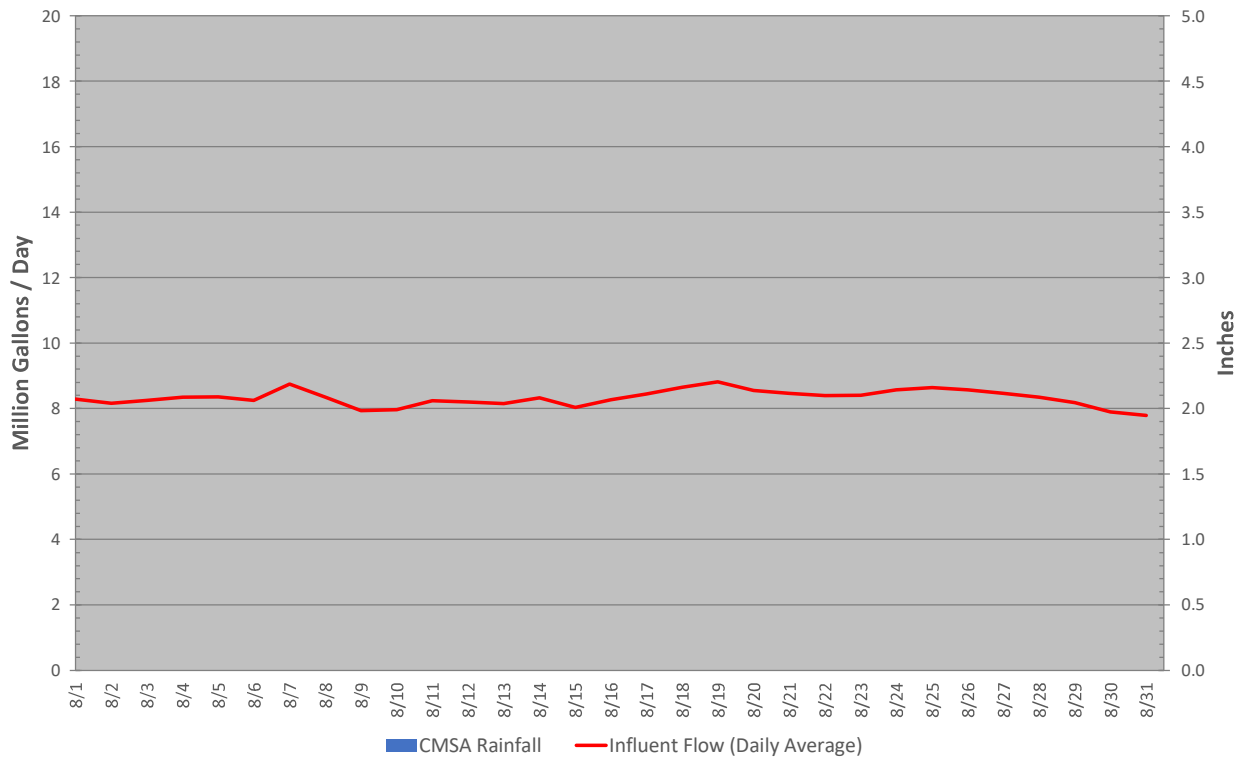
- **Aeration Tanks:** A biological process that takes place after the biotowers, where biomass (microorganisms) is mixed with the wastewater to feed on dissolved and suspended organic material. High speed blowers are used to provide compressed air to mix the tank contents.
- **Anaerobic Digesters:** 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.

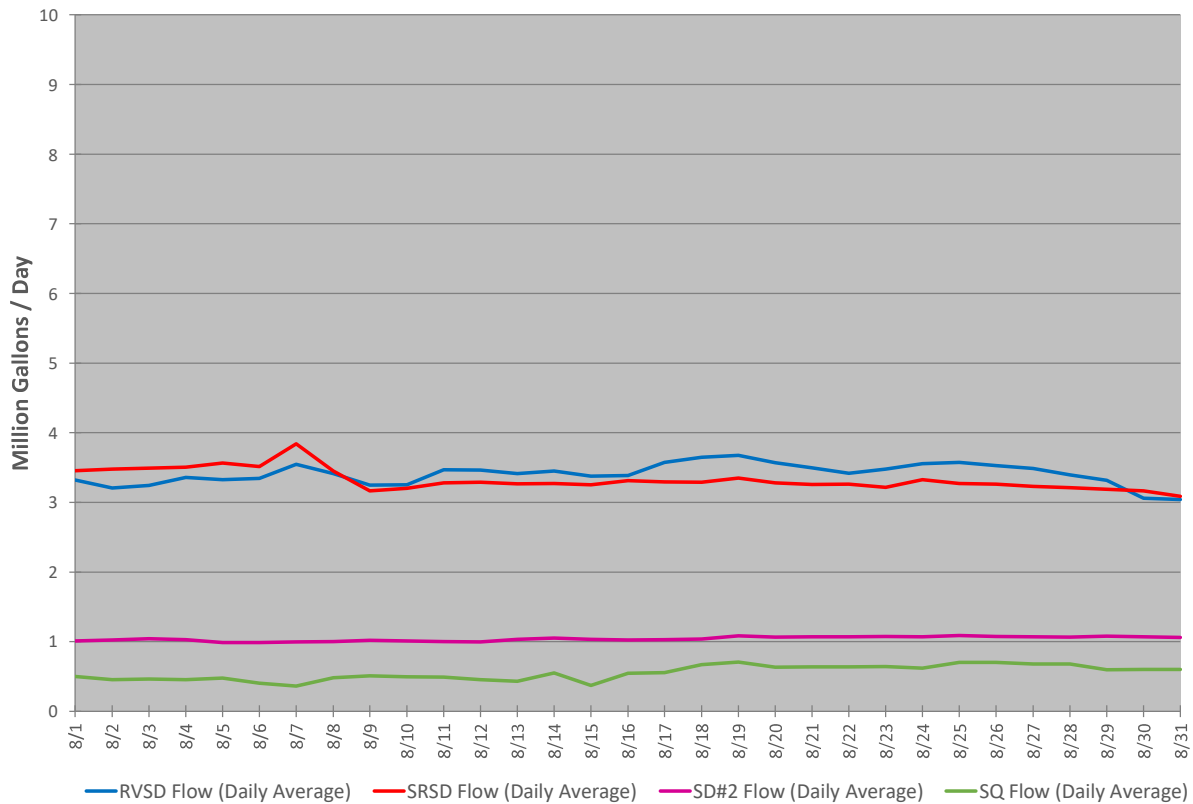
Units of Measurement

- 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.

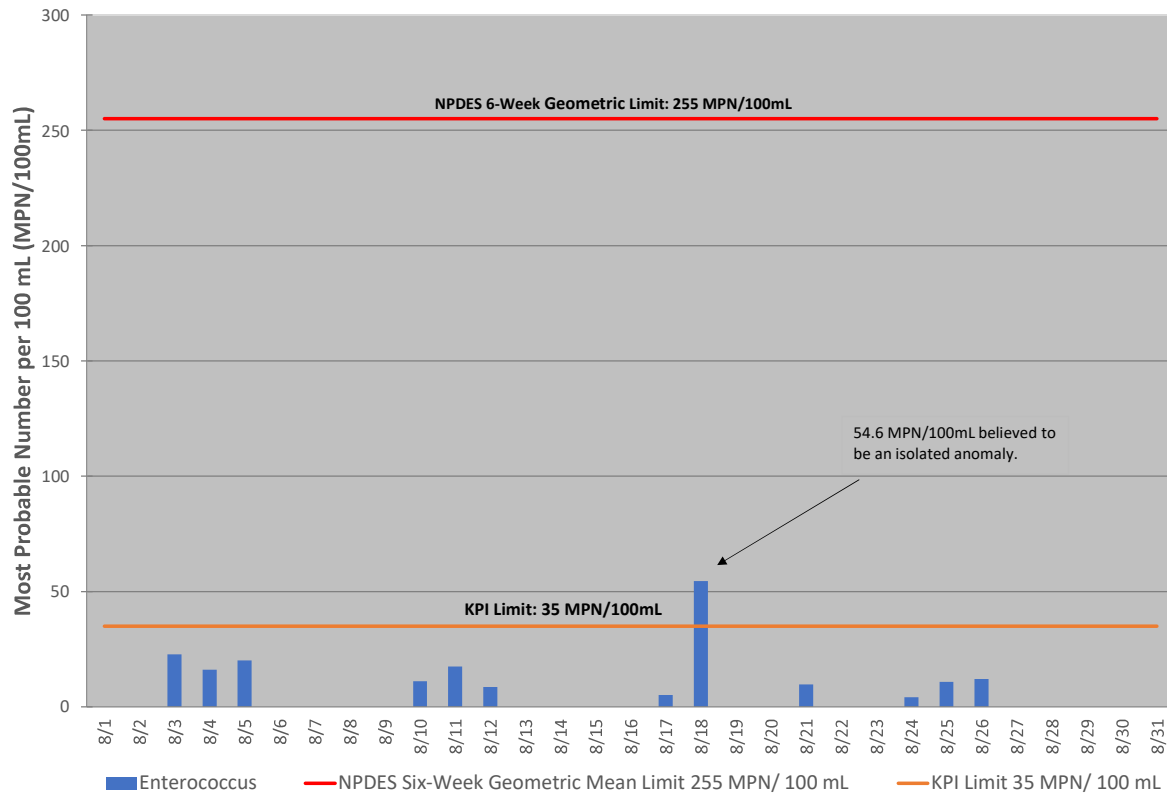
Graph #1: CMSA Influent Flow and Rainfall



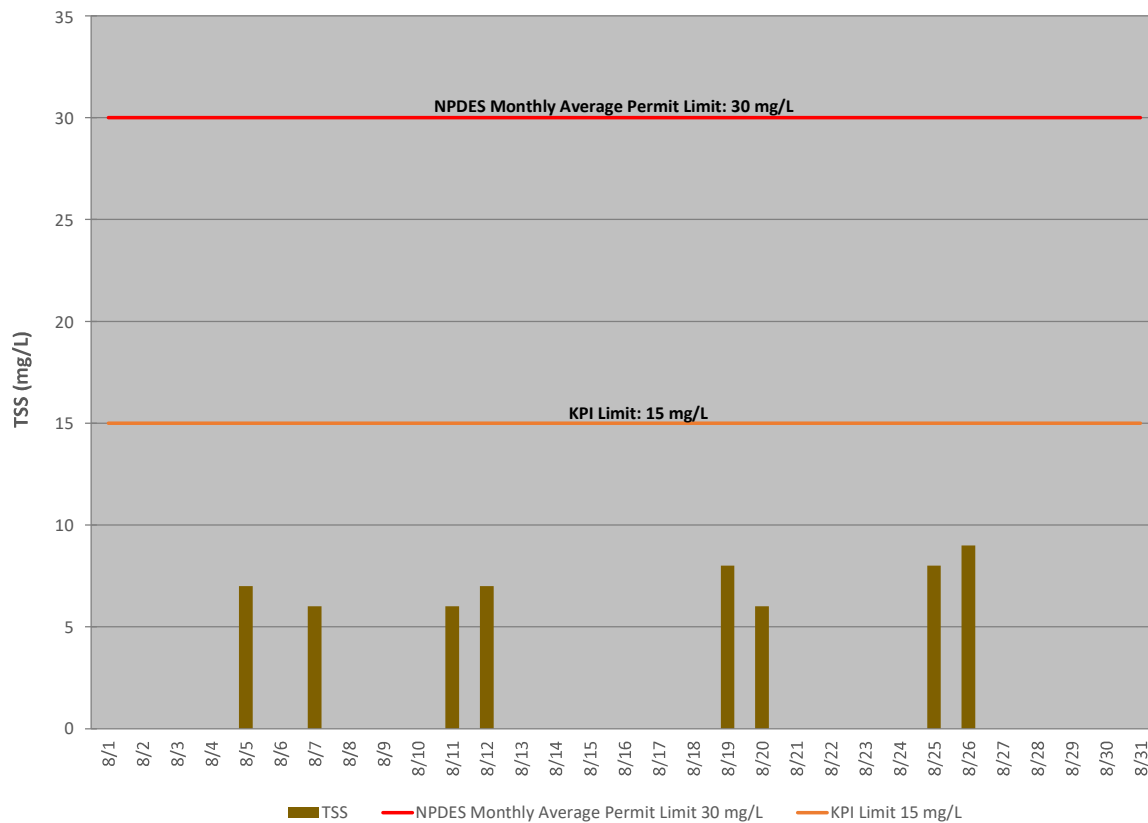
Graph #2: Collection System Influent Flows



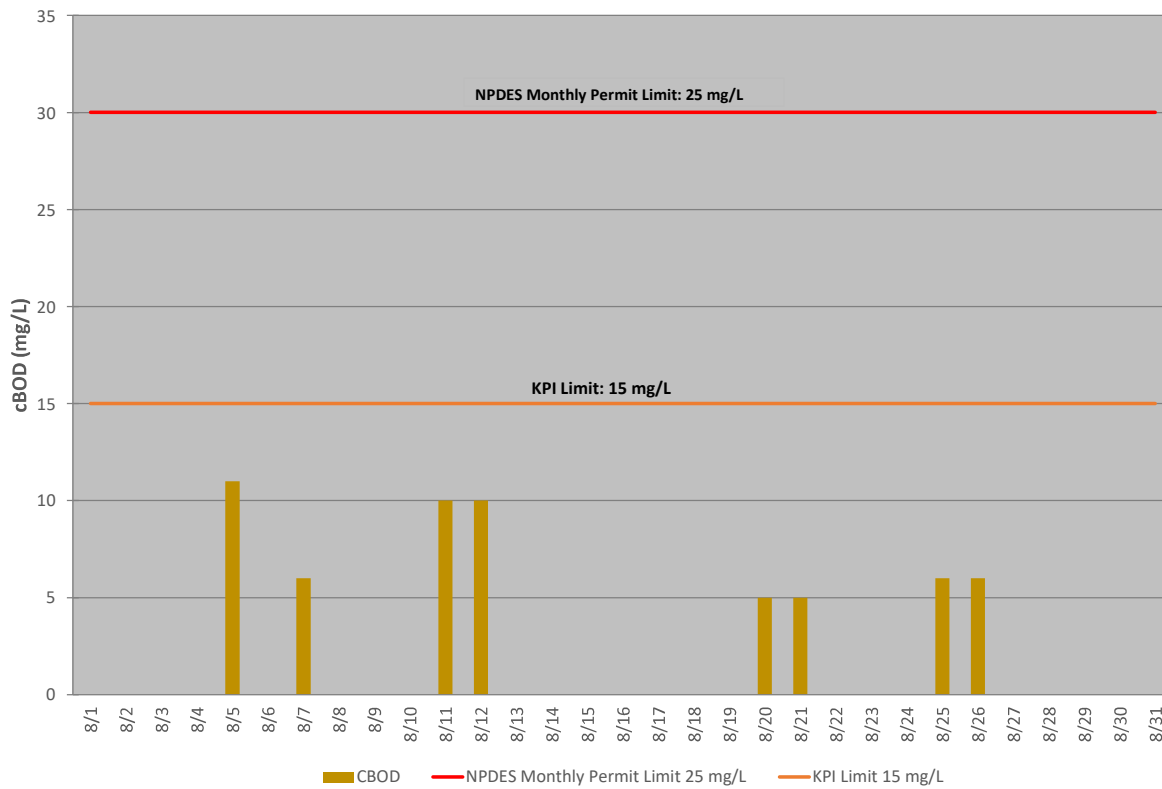
Graph #3: Enterococcus



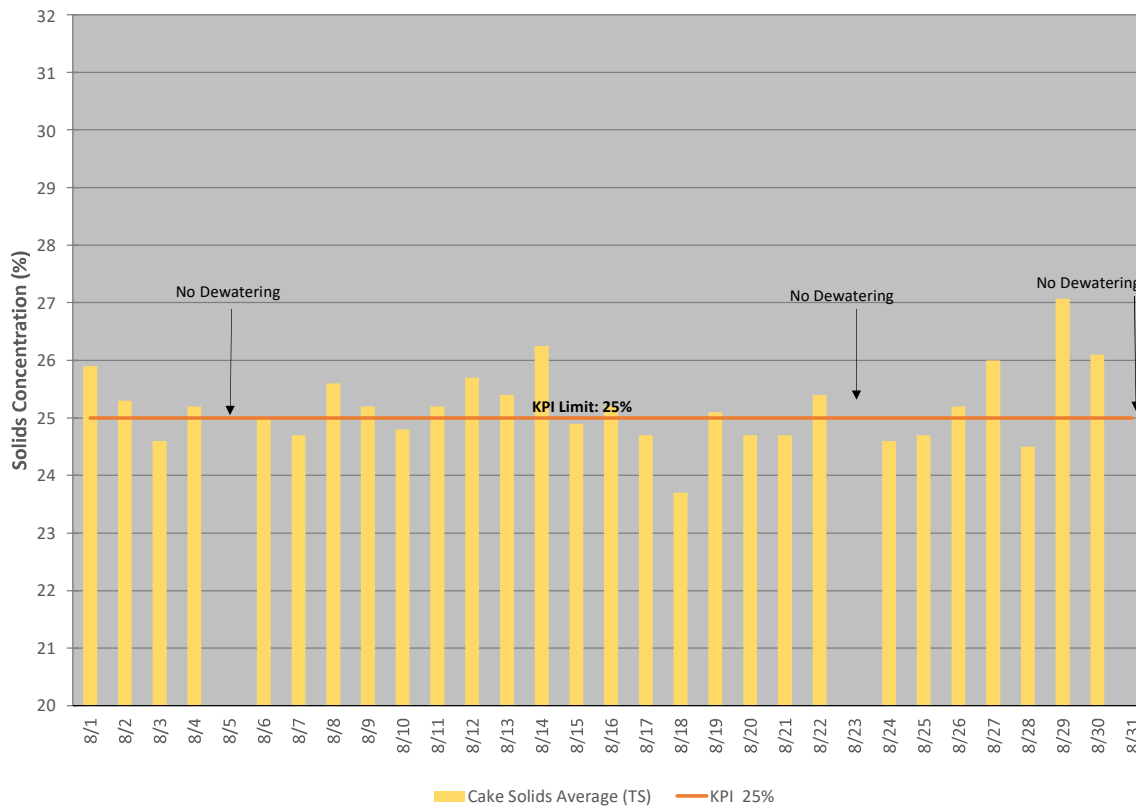
Graph #4: Final Effluent Total Suspended Solids



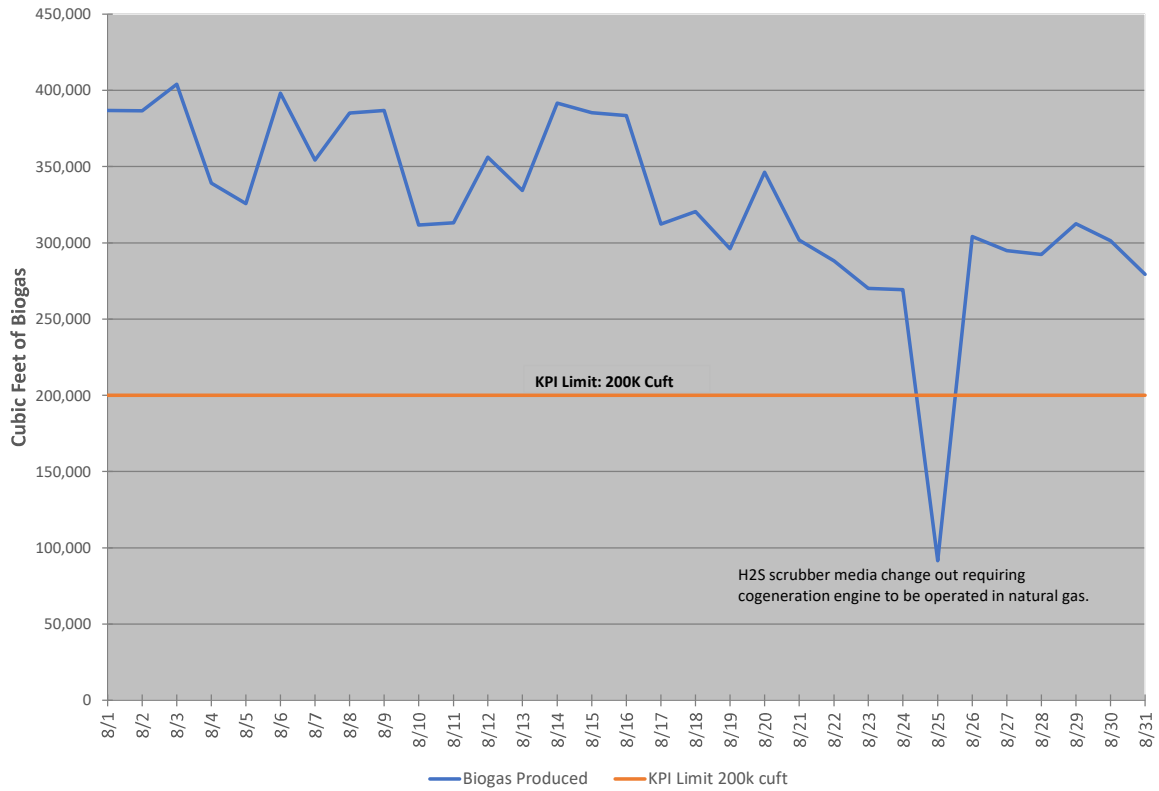
Graph #5: Carbonaceous Biochemical Oxygen Demand (cBOD)



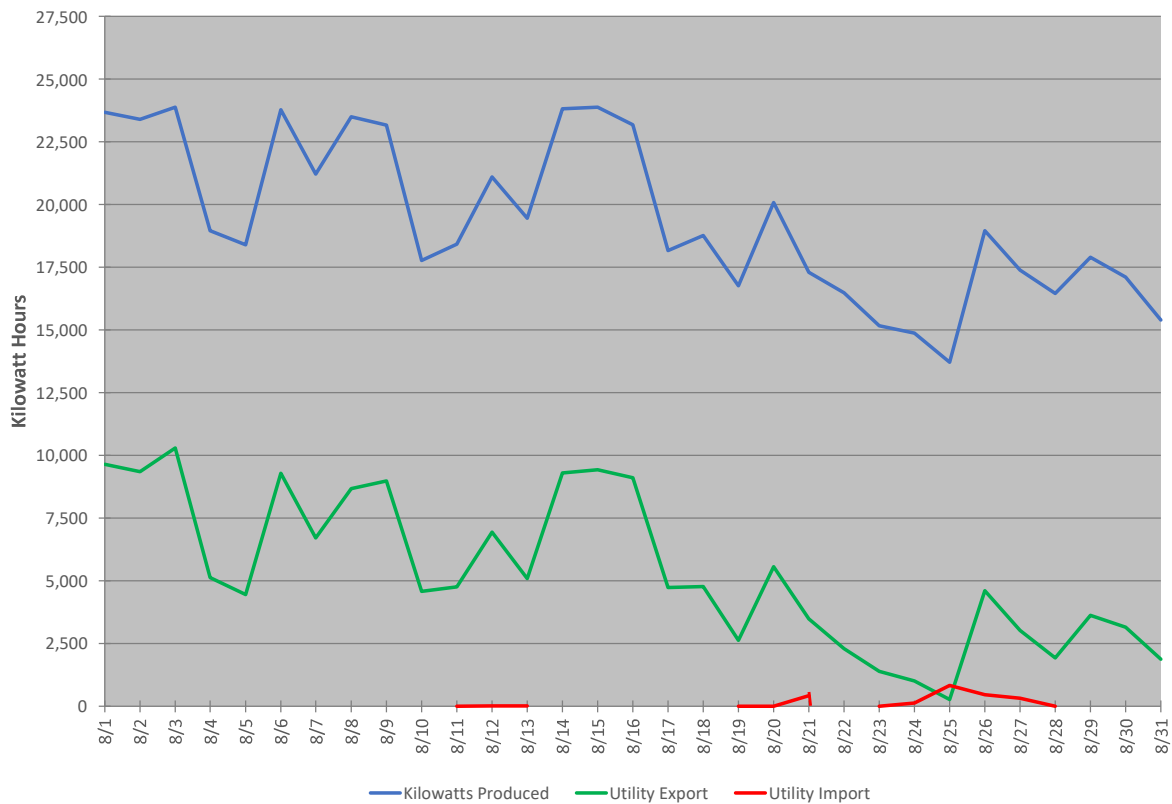
Graph #6: Biosolids Solids Concentration



Graph #7: Biogas Production



Graph #8: Power Distribution





BOARD MEMORANDUM

September 4, 2025

To: CMSA Commissioners and Alternates

From: Jason Dow, General Manager

Subject: Performance Metric Reports – July and August 2025

Recommendation: Accept the July and August 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. Annually, department managers review and update the metric report, and this year's revisions are highlighted in the attachments.

Table I – Treatment/Process Metrics

Final effluent quality continues to be very good, and the treatment facilities are in their dry weather operational mode.

Revisions include adding average biogas production per day to the Biogas Production metric, and expanding ranges in the Power Produced metric for power produced from cogeneration, power delivered to MCE, and Agency power demand supplied by renewable power. The expanded ranges are a direct result of the Agency receiving more organic waste loads from Marin Sanitary Service and Republic Services, increasing biogas generation and renewable power production.

Table II – Employee Metrics

Internal and web-based training over the past two months included Confined Space, Ergonomics, Heat Illness Prevention, and Respiratory Protection & Wildfire Smoke safety training for all employees; SQRC security access training for a few employees; KnowBe4 IT Security Awareness training for all employees; Ethics and Integrity Training for Operators and Laboratory Technicians; and professional development training for several employees.

The General Manager and Technical Services Manager/Assistant General Manager attended the Annual CASA Conference in San Diego. An Electrical/Instrumentation Technician attended Yaskawa VFD, Controls, and Implementation Training at Yaskawa's Headquarters in Chicago.

Table III – Public Outreach

Two odor notifications were posted to the Agency website, and there were no public odor complaints. The notifications were for draining primary clarifier 5 and filling primary clarifier 1 for the next phase of the Primary Clarifier Baffle Study.

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

Date	Event	Attendees
7/2-7/6	Marin County Fair	3,149
8/5	National Night Out Event in Mill Valley	125
8/19	Farmer's Market in Novato	35

School Events – Juggler Show Presentations and Classroom Events

Rock Steady Juggling provides elementary school outreach presentations. There were no presentations in July or August due to students being on summer break.

CMSA Tours

Date	Group	Attendees
8/22	NapaSan Engineers to visit the Organic Waste Facility.	3

Table IV – Environmental and Regulatory Compliance Metrics

There were no final effluent or air permit exceedances during the past two months.

The numbers of regulated businesses were updated in the Source Control and FOG Program Inspection metrics.

Attachments:

- June 2025 Performance Metric Report
- August 2025 Performance Metric Report

TABLE I - TREATMENT/PROCESS METRICS

Metric	Definition	Measurement	Range/Target/Goal
1) Wastewater Treated	Volume of wastewater influent treated in million gallons (Mg); <i>Year to date in billion gallons (Bg)</i>	259.3 Mg; 2.55 Bg	165 – 820 Mg/month
2) Recycled Water Use	Volume of recycled water produced and used on-site, in million gallons (Mg) Volume delivered at the truck fill station, in thousand gallons (Kg)	30.6 Mg 27.0 Kg	25 - 40 Mg variable
3) Biosolids Reuse	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)	262.5 wt 87.5 wt 175.0 wt	360 – 665 wt
4) Conventional Pollutant Removal	Removal of the conventional NPDES pollutants. a. tons of Total Suspended Solids (TSS) removed; % TSS removal b. tons of Biological Oxygen Demand (BOD) removed; % BOD removal	168 tons; 95% 199 tons; 97%	> 85% > 85%
5) Priority Pollutants Removal	Diversion of priority NPDES metals from discharge to the San Francisco Bay: a. % Mercury, for current quarter b. % Copper	96 % 86 %	88 – 99% 75 – 90%
6) Total Inorganic Nitrogen	Total Inorganic Nitrogen in final effluent (Permitted May – September) a. % of permit season total limit b. May – September (rolling permit season average)	93% 1,215	<100% <1300 kg
7) Biogas Production	Biogas generated in our anaerobic digesters, in million cubic feet (Mft ³) Natural gas equivalent of the biogas, in million cubic feet (Mft ³) Average biogas production per day, in thousands of cubic ft (Kft³)	9.74 Mft ³ 6.23 Mft ³ Xx Kft ³	7.0 - 10.5 Mft ³ 4.5 - 6.7 Mft ³ 200 - 375 Kft³
8) Power Produced	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).	575,295 kWh 143,917 kWh 703.21 hrs; 94.5% 95.8% 742.79 hrs; 99.8% \$52,162	425,000 - 740,000 kWh 60,000 – 175,000 kWh 600 hrs; 80% 80 - 150% 650 hrs; 87% \$30,000 - \$60,000
9) Efficiency	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)	\$4,262/Mg 2,232 kWh/Mg	\$2,500 - \$5,400/Mg (wet - dry) 670 - 2,400 kWh/Mg

CMSA CY24 PERFORMANCE METRICS – July 2025

Table II – EMPLOYEE METRICS

Metric	Definition	Measurement	Target/Goal
1) Employee Training	Hours of internal training – safety, virtual, project, vendor, etc. Hours of external training – employment law, technical, regulatory, etc.	Internal = 77.5 hrs External = 16 hrs	variable
2) Work Orders	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);	555.75 hrs 453.75 hrs (97.3%) 12.5 hrs (1.2%) 1.19	800 - 1,100 hrs ≥ 70% total CM hrs ≤ 30% total hours ≥ 0.45
3) Overtime Worked	Monthly hours of overtime worked; <i>Year to date hours of overtime</i> % of regular hours worked; <i>% Year to date</i>	133 hrs; (749 hrs) 1.8%; (1.3%)	< 5%
4) Internship Program	Number of high school and college student interns work hours; <i>Year to date hours</i>	315 hrs; (1,668 hrs)	Variable

Table III- PUBLIC OUTREACH

Metric	Definition	Measurement	Target/Goal
1) Public Education Events	Attendance at public education outreach events; # of booth visitors; <i>(YTD)</i>	3,149; (4,199)	3,000/year
2) School Events	Participation or sponsorship in school outreach events; attendees; <i>(YTD)</i>	0; (2,293)	variable
3) Agency Tours	Tours given to students and the public; # of people, <i>(YTD)</i>	0; (97)	variable
4) Odor Notifications	Number of odor alerts posted to the Agency website	1	1-10
5) Odor Complaints	Number of odor complaints received from the public	0	0

CMSA CY24 PERFORMANCE METRICS – July 2025

Table IV - ENVIRONMENTAL AND REGULATORY COMPLIANCE METRICS

Metric	Definition	Measurement	Range/Target/Goal
1) Permit Exceedances	# of NPDES permit exceedances # of BAAQMD permit exceedances	0 0	0 0
2) Regulatory Analyses	# of analyses by the CMSA laboratory for NPDES, stormwater, and biosolids regulatory compliance monitoring and reporting.	480	200-500
3) Process Control Analyses	# of analyses by the CMSA laboratory for process control monitoring and studies.	1,060	400-900
4) Contract Laboratory Analyses	# of analyses by contract laboratories for regulatory compliance reporting, studies, and source control program monitoring.	97	25-150
5) Quality Control Testing	# of CMSA performed laboratory analyses for QA/QC purposes.	1,120	500-1,500
6) Water Quality Sample Analyses	# of ammonia, total and fecal coliform, enterococcus, and/or sulfide analyses performed for the CMSA member agencies, and occasionally source control monitoring analyses.	218	50-500
7) Source Control Inspections	Inspections of industrial and commercial businesses in the Agency's and LGVSD's source control programs and Novato Sanitary District's Mercury Reduction Program – 187 businesses and 95 dental offices.	28	10-30
8) FOG Program Inspections	Inspections of food service establishments (FSEs) in the Almonte, TCSD, SD2, RVSD, SRSD, and LGVSD service areas – approx. 346 FSEs are regulated.	26	30 – 50
9) Permits Issued/Renewed	Permits issued for the source control programs – pretreatment, pollution prevention, food service establishments, and ground water discharge.	0	variable

TABLE I - TREATMENT/PROCESS METRICS

Metric	Definition	Measurement	Range/Target/Goal
1) Wastewater Treated	Volume of wastewater influent treated in million gallons (Mg); <i>Year to date in billion gallons (Bg)</i>	258 Mg; 2.81 Bg	165 – 820 Mg/month
2) Recycled Water Use	Volume of recycled water produced and used on-site, in million gallons (Mg) Volume delivered at the truck fill station, in thousand gallons (Kg)	34 Mg 29 Kg	25 - 40 Mg variable
3) Biosolids Reuse	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)	140.0 wt 52.5 wt 262.5 wt	360 – 665 wt
4) Conventional Pollutant Removal	Removal of the conventional NPDES pollutants. a. tons of Total Suspended Solids (TSS) removed; % TSS removal b. tons of Biological Oxygen Demand (BOD) removed; % BOD removal	170.1 tons; 96% 223.1 tons; 97%	> 85% > 85%
5) Priority Pollutants Removal	Diversion of priority NPDES metals from discharge to the San Francisco Bay: a. % Mercury, for current quarter b. % Copper	96 % 81%	88 – 99% 75 – 90%
6) Total Inorganic Nitrogen	Total Inorganic Nitrogen in final effluent (Permitted May – September) a. % of permit season total limit b. May – September (rolling permit season average)	93% 1,214 kg	<100% <1300 kg
7) Biogas Production	Biogas generated in our anaerobic digesters, in million cubic feet (Mft ³) Natural gas equivalent of the biogas, in million cubic feet (Mft ³) Average biogas production per day, in thousands of cubic ft (Kft³)	10.12 Mft ³ 6.48 Mft ³ 326 Kft ³	7.0 - 10.5 Mft ³ 4.5 - 6.7 Mft ³ 200 - 375 Kft³
8) Power Produced	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).	603,226 kWh 166,165.8 kWh 720.77 hrs; 96.9% 134% 743.0 hrs; 99.9% \$53,685	425,000 -740,000 kWh 60,000 – 175,000 kWh 600 hrs; 80% 80 - 150% 650 hrs; 87% \$30,000 - \$60,000
9) Efficiency	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)	\$4,753/Mg 2,348 kWh/Mg	\$2,500 - \$5,400/Mg (wet - dry) 670 - 2,400 kWh/Mg

CMSA CY24 PERFORMANCE METRICS – August 2025

Table II – EMPLOYEE METRICS

Metric	Definition	Measurement	Target/Goal
1) Employee Training	Hours of internal training – safety, virtual, project, vendor, etc. Hours of external training – employment law, technical, regulatory, etc.	Internal = 80 hrs External = 40 hrs	variable
2) Work Orders	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);	1,045.75 hrs 453.75 hrs (94.4%) 27.50 hrs (1.8%) 2.13	800 - 1,100 hrs ≥ 70% total CM hrs ≤ 30% total hours ≥ 0.45
3) Overtime Worked	Monthly hours of overtime worked; <i>Year to date hours of overtime</i> % of regular hours worked; <i>% Year to date</i>	83 hrs; (832 hrs) 1.2%; (1.3%)	< 5%
4) Internship Program	Number of high school and college student interns work hours; <i>Year to date hours</i>	311 hrs; (2,000 hrs)	Variable

Table III- PUBLIC OUTREACH

Metric	Definition	Measurement	Target/Goal
1) Public Education Events	Attendance at public education outreach events; # of booth visitors; <i>(YTD)</i>	160; (4,359)	3,000/year
2) School Events	Participation or sponsorship in school outreach events; attendees; <i>(YTD)</i>	0; (2,293)	variable
3) Agency Tours	Tours given to students and the public; # of people, <i>(YTD)</i>	0; (97)	variable
4) Odor Notifications	Number of odor alerts posted to the Agency website	1	1-10
5) Odor Complaints	Number of odor complaints received from the public	0	0

CMSA CY24 PERFORMANCE METRICS – August 2025

Table IV - ENVIRONMENTAL AND REGULATORY COMPLIANCE METRICS

Metric	Definition	Measurement	Range/Target/Goal
1) Permit Exceedances	# of NPDES permit exceedances # of BAAQMD permit exceedances	0 0	0 0
2) Regulatory Analyses	# of analyses by the CMSA laboratory for NPDES, stormwater, and biosolids regulatory compliance monitoring and reporting.	205	200-500
3) Process Control Analyses	# of analyses by the CMSA laboratory for process control monitoring and studies.	976	400-900
4) Contract Laboratory Analyses	# of analyses by contract laboratories for regulatory compliance reporting, studies, and source control program monitoring.	46	25-150
5) Quality Control Testing	# of CMSA performed laboratory analyses for QA/QC purposes.	734	500-1,500
6) Water Quality Sample Analyses	# of ammonia, total and fecal coliform, enterococcus, and/or sulfide analyses performed for the CMSA member agencies, and occasionally source control monitoring analyses.	147	50-500
7) Source Control Inspections	Inspections of industrial and commercial businesses in the Agency's and LGVSD's source control programs and Novato Sanitary District's Mercury Reduction Program – 187 businesses and 95 dental offices.	20	10-30
8) FOG Program Inspections	Inspections of food service establishments (FSEs) in the Almonte, TCSD, SD2, RVSD, SRSD, and LGVSD service areas – approx. 346 FSEs are regulated.	38	30 – 50
9) Permits Issued/Renewed	Permits issued for the source control programs – pretreatment, pollution prevention, food service establishments, and ground water discharge.	52	variable



BOARD MEMORANDUM

September 4, 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: Sale of Surplus Dewatering Centrifuges

Recommendation: Approve the sale of three surplus dewatering centrifuges to CentriTEK for a total of \$30,000, and authorize the General Manager to execute the Agreement.

Discussion: The Agency currently uses three centrifuges, installed in 2002, to dewater digested wastewater sludge. Due to their age and deteriorated performance, the Agency will replace the three dewatering centrifuges in 2026 under the Centrifuge Dewatering Improvements Project (Project) with larger, more efficient units to better process co-digested sludge. The existing centrifuges and control panels will be salvaged for resale.

Three potential buyers were notified to submit a bid to purchase the surplus centrifuge equipment, including listing any additional items that are desired to be salvaged and purchased under the as-is Centrifuge Sale Agreement. The bids were requested in advance of the Project's demolition phase to ensure that the items identified for salvage would not be removed and disposed. The Buyer will be responsible to pick up each unit as they are removed. CentriTek submitted the only bid on August 28, 2025.

Per the Agency's Disposal of Surplus Assets Policy, Board approval is required to sell any item with a current value of \$7,500 or greater. Staff recommend the Board authorize the sale of the surplus dewatering centrifuges to CentriTEK.

Attachment:
- Centrifuge Sale Agreement

CENTRIFUGE SALE AGREEMENT

THIS AGREEMENT OF SALE (the “**Agreement**”) is made and entered into on this _____ day of September 2025, by and between Central Marin Sanitation Agency (“**Seller**”), of San Rafael, California and Chris Gatewood Industries, Inc. DBA CentriTEK (“**Buyer**”), of Benicia, California.

1. Equipment Sold; Price.

This Agreement sets forth the terms and conditions governing the sale of the equipment (the “**Equipment**”) set forth in Section 2 below. By executing this Agreement, Seller agrees to sell and Buyer agrees to purchase the Equipment on the terms set forth herein. The stated price of Buyer’s purchase of the Equipment shall be thirty thousand dollars (\$30,000) (the “**Purchase Price**”).

2. Description of the Equipment.

The below description of the Equipment is based on the best information available to Seller. Seller, however, makes no warranty, express or implied, as to the description of the Equipment, except as expressly set forth otherwise in this Agreement.

- Three centrifuge systems. Each centrifuge system consisting of: one dewatering centrifuge manufactured by Centrisys, model CS-18-4-2P, including diverter gates, centrifuge stand and supports, main drives, and hydraulic back drives, and one control panel by Allen Bradley, model CompactLogix 1769-L30ER, in NEMA 4X SS enclosure.

3. Delivery.

All Equipment delivered to Buyer by Seller shall be F.O.B. Seller’s location, with title and risk of loss passing to Buyer upon tender of the Equipment to Buy or a common carrier arranged and paid for by Buyer. Buyer agrees to prepare the Equipment and otherwise arrange for shipping and insurance with the carrier, including performing all inspection and maintenance upgrades, and such costs are Buyer’s responsibility. Buyer is solely responsible for payment of all shipping charges, freight costs, taxes, import fees and duties, insurance, and any other charge incidental to Buyer’s purchase, delivery, and receipt of the Equipment (“**Additional Charges**”).

Seller’s location is:

Central Marin Sanitation Agency
1301 Andersen Dr.
San Rafael, CA 94901

The centrifuge systems are expected to be available for pick up in accordance with the anticipated schedule below. Buyer is responsible for storage and protection of the equipment and is responsible for its removal from Seller’s property. Seller will coordinate with the Buyer on the timeline and will inform Buyer of any timeline changes.

- Centrifuge System No. 1: March 31, 2026
- Centrifuge System No. 2: May 31, 2026
- Centrifuge System No. 3: September 30, 2026

4. Terms of Payment.

Payment of the Purchase Price shall be made in advance, in U.S. dollars, by wire transfer or bank draft to Central Marin Sanitation Agency. Payment shall be made before pick-up of each centrifuge system at the unit price of ten thousand dollars (\$10,000) for each centrifuge system.

5. Warranty.

Seller and Buyer agree that all Equipment to be sold under this Agreement is sold on an “**AS IS, WHERE IS, WITH ALL FAULTS**” basis. SELLER MAKES NO REPRESENTATION OR WARRANTY, STATUTORY, EXPRESS, OR IMPLIED, WITH RESPECT TO THE EQUIPMENT, INCLUDING MAKING NO WARRANTY THAT THE EQUIPMENT WILL BE MERCHANTABLE OR FIT FOR ANY PARTICULAR PURPOSE. THE ONLY WARRANTY OR REPRESENTATION MADE BY SELLER IS A WARRANTY THAT SELLER IS THE OWNER OF THE EQUIPMENT. Buyer assumes all risks and liability whatsoever resulting from the possession, use, or disposition of the Equipment. Seller will have no liability with respect to the Equipment sold to Buyer, including having no liability for indirect, incidental, or consequential damages. The Equipment shall be deemed to be accepted by Buyer when tendered to common carrier. Under no circumstances other than those set forth explicitly in this Agreement will Seller accept a return of the Equipment or any portion of the Equipment.

6. Indemnity.

Buyer indemnifies Seller and holds Seller harmless against all liability or loss of all persons for injury, sickness, and/or death and for property damage caused by the Equipment or by hazardous chemicals or other hazardous material on or in them, except for that solely attributable to Seller’s sole negligence. Buyer agrees to refrain from making any use of any trademarks, labels, distinctive markings, or designs that may appear on the Equipment.

7. Inspection.

Buyer is invited, urged, and cautioned to inspect the Equipment prior to purchase. The Equipment will be available for inspection upon reasonable request by Buyer.

8. Hazardous Chemicals and Other Hazardous Materials.

Buyer is warned and acknowledges that the Equipment purchased from Seller may bear or contain hazardous substances, hazardous materials, or hazardous waste which may be, or may become by chemical reaction or otherwise, directly or indirectly, hazardous to life, to health, or to property. Buyer does hereby discharge and release Seller from any and all liability directly or indirectly resulting from the presence of the aforesaid hazardous substances, materials or waste including, but not limited to, any and all liability directly or indirectly resulting from the failure of Seller to give more specific warning with respect to individual items of Equipment or from the inadequacy of any warning.

9. Force Majeure.

Delivery may be suspended by either party in case of act of God, war, riots, fire, explosion, flood, strike, lockout, injunction, inability to obtain fuel, power, raw materials, labor, containers or transportation facilities, accident, breakage of machinery or apparatus, national defense requirements, government laws, ordinances, rules, and regulations, whether valid or invalid, or any cause beyond the control of such party preventing the manufacture, shipment, acceptance, or consumption of a shipment of the Equipment. If, because of any such circumstance, Seller is unable to supply the total demand for the Equipment, such deliveries so suspended will be canceled without liability to Seller.

10. Export Control.

Buyer agrees to comply with all export laws, restrictions, and regulations of the United States governing or relating

to the Equipment. Buyer represents and warrants to Seller that Buyer is not procuring the product purchased under this Agreement with the intent to export such product in violation of the US export control laws and regulations, and that Buyer is not a national or resident of any country subject to a US embargo, including without limitation Angola, Burma, Cuba, Iran, Iraq, Libya, North Korea, Sudan, or Syria. Buyer will indemnify, defend, and hold Seller harmless from and against any and all claims, liabilities, and damages incurred by Seller arising out of Buyer's breach of these obligations.

11. Termination.

After the Purchase Price has been accepted by Seller, Buyer is bound by the terms of this Agreement and cannot terminate this Agreement. If Buyer fails to fulfill any of its obligations, Seller may, with prior written notice to Buyer, terminate this Agreement at any time. If Seller terminates this Agreement after the Purchase Price has been paid, then Seller will refund the Purchase Price to Buyer, less any Additional Charges that were incurred prior to the date of termination, or which may be unavoidable or non-refundable.

12. Choice of Law and Choice of Venue.

The Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to principles of conflicts of law. Any action, suit, or proceeding arising out of or related to the Equipment sold by Seller to Buyer or the Agreement shall be brought only in the courts with proper subject matter jurisdiction located in or having jurisdiction over the county in which Seller has its principal place of business at the time of filing of such action, suit, or proceeding, and the parties hereby unconditionally and irrevocably consent and submit to the exclusive jurisdiction of such courts and waive any objection that they may now or hereafter have with respect thereto.

13. Severability and Non-Waiver.

If any provision of the Agreement shall be held void, voidable, invalid, or inoperative, no other provision hereof shall be affected as a result, and accordingly, the remaining provisions shall remain in full force and effect as though such void, voidable, invalid or inoperative provision had not been contained herein, provided, however, that if such void, voidable, invalid or inoperative provision is a material term or condition, the parties shall be compelled to supply a substitute provision, negotiated in good faith, which comes closest to their original intention. No provision of the Agreement shall be deemed to have been waived by any act or acquiescence on the part of either party, it being understood that waiver may only occur by an instrument in writing signed by an authorized officer of the party against whom such waiver is sought to be enforced. In the event of a waiver, whether in writing or by operation of law, such waiver shall not constitute a waiver of any other provision or of the same provision on another occasion.

14. Entire Agreement.

This Agreement supersedes all prior or contemporaneous oral or written communications, proposals, and representations with respect to the subject matter and shall prevail over any conflicting or additional terms of any quote, order, previous agreement, acknowledgment, or similar communications between Seller and Buyer. If this Agreement is incorporated by reference into any other agreement between the parties, with respect to any ambiguity or conflict between such incorporating agreement or terms, on the one hand, and this Agreement, on the other hand, such incorporating agreement or terms shall control to the extent of the scope of such incorporating agreement or terms and this Agreement shall control with respect to matters outside the scope of such incorporating agreement or terms.

IN WITNESS WHEREOF, with the intent to be bound, the parties have executed this Agreement on the date written above.

Central Marin Sanitation Agency

By: Jason R. Dow - General Manager

- A N D -

Chris Gatewood Industries, Inc. DBA CentriTEK

(COMPANY NAME)

(Signature)

By: _____
(Chris Gatewood, President)



BOARD MEMORANDUM

September 4, 2025

To: CMSA Commissioners and Alternates

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

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

Subject: **Updated Pension Trust Investment Strategy**

Recommendation: Approve changing the Pension Trust investment strategy from Medium to Medium-Growth.

Summary: In 2022, the Agency established an Internal Revenue Code (IRC) Section 115 Pension Stabilization Trust (Trust) with Keenan Financial Services (Keenan) to manage its long-term actuarial pension liability. When the Trust was established, the Board selected a Moderate investment strategy. At the August 28, 2025, Finance Committee meeting, staff presented the Moderate strategy's portfolio performance over the past few years and reviewed the suite of investment strategies offered by Keenan. After discussion of the strategies and the long-term nature of the Trust, the Committee selected the Moderate-Growth strategy for consideration by the Board.

Discussion: Keenan serves as an investment advisor to the Agency, and through Keenan, it provided both a Portfolio Manager (Morgan Stanley) and a Safekeeper (Benefit Trust Company). The Agency contributes funds to the Trust following *Financial Policy #556 – Pension Funding Policy* using the savings between the original unfunded actuarial liability (UAL) annual payment to CalPERS prior to refunding and the pension obligation bond (POB) debt service after refunding.

Keenan provides a suite of investment portfolio options ranging from being 100% invested in fixed income securities to having a portfolio mix of 24% allocated into fixed income securities with the remaining 76% in equity securities. The intention is to provide some options to clients on how to best manage their investment portfolio.

Keenan offers a uniform array of investment portfolio strategy options to better assist its clients with managing their investment portfolio following one's own risk tolerance. The available options are listed on the following page in descending order of least to aggressive risk.

Strategy Name	Fixed Income Allocation %	Equity Allocation %
Fixed Income	100	0
Conservative	84	16
Moderate	67	33
Moderate Growth	55	45
Growth	39	61
Aggressive Growth	24	76

The Moderate strategy portfolio mix is 33% in equity securities and 67% in fixed income securities. This is a relatively lower risk portfolio strategy whereby the majority of any investment income earned is related to interest collections and gyrations in market interest rates. This strategy is ideal for capital preservation as only a lower amount of portfolio growth is allowed from the equity portfolio exposure.

Below is a historical chart of the Agency's Moderate portfolio performance:

Market Value Allocation	FYE 6/30/2022	FYE 6/30/2023	FYE 6/30/2024	FYE 6/30/2025
Fixed Income	\$ 6,451	\$ 137,140	\$ 362,191	\$ 1,054,701
Equities	2,441	60,735	511,827	477,247
Alternatives	425	9,917	30,024	51,431
Total account	\$ 9,317	\$ 207,792	\$ 904,043	\$ 1,583,379
Total account RoR%, net	-6.80%	0.86%	8.21%	10.07%
Avg return (since inception)	3.08%			
ER contributions	\$ 10,000	\$ 197,389	\$ 675,370	\$ 586,235

Source: Benefit Trust Investment Account Statements

The Agency manages its Other Post-Employment Benefits (OPEB) Plan through CalPERS' California Employers' Retiree Benefit Trust (CERBT) program. Within the CERBT program, three investment strategies are allowed. Strategy 1 is the most aggressive and Strategy 3 is the most conservative. The Board selected Strategy 1 when the CERBT was established in 2011, and has consistently remained there since. Strategy 1 maintains a portfolio mix of 49% in equity and 51% in fixed income. Changing the Trust to the Moderate-Growth strategy aligns with the Strategy 1 portfolio in the CERBT Program.



BOARD MEMORANDUM

September 4, 2025

To: CMSA Commissioners and Alternates

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

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

Subject: **Revised Investments Policy – Financial Policy #531**

Recommendation: Approve the revised Investments Policy.

Summary: The Board approved of the Agency's Investments Policy (Policy) at the May 9, 2025, meeting, and staff subsequently submitted it to the California Municipal Treasurer's Association (CMTA) for review and comment. CMTA returned the Policy with several comments for clarification purposes. Staff presented a revised Policy to the Finance Committee at its August 28, 2025, meeting, where the CMTA proposed revisions were discussed and accepted. The Finance Committee recommends the Board approve the revised Policy.

Discussion: The CMTA comments centered around providing minor and clarifying updates to the Policy's language. Some of the comments included recommendations to follow revised language documented within the California Government Code, and other comments included suggestions on Policy language for better understanding. Highlights of the following changes made are as follows:

- Revise the "Prudence" section with updated California Government Code language.
- Change the "Types of Agency Investments" section title to "Authorized and Suitable Investments" for clearer Policy language understanding.
- Further clarify the rating scales listed within the "Authorized and Suitable Investments" section by including both Moody's and Standard & Poor's (S&P) ratings, i.e., S&P equivalent of "AA" for Moody's is "Aa".
- Revise the summary "Authorized Investments" table footnotes within the "Authorized and Suitable Investments" section to list only exceptions to the allocation percentages previously described.
- Add a "Review of Investment Portfolio" section to provide guidance on reviewing the portfolio for continual compliance.
- Update the "Collateralization" section California Government Code citations.

- Update the “Diversification” section concentration percentage to be what is referenced throughout the “Authorized and Suitable Investments” section for clarity.

All other changes made were for minor edits for clearer Policy language understanding. Minor additional comments proposed by the Finance Committee were incorporated into the revised Policy.

Attachment:

- Revised Financial Policy #531 – Investments

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

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.

SCOPE

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. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act 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 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.

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.

AUTHORIZED AND SUITABLE INVESTMENT 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/Aa by one or more nationally recognized ~~statistical~~-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~~ 10 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/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/Aa or higher with a nationally

recognized ~~statistical~~-rating service; and/or have short-term debt rated at least ~~AA~~ **A-1/P-1** with a nationally recognized ~~statistical~~-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~~/**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/P-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 ~~2~~**10** 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/Aa or better by two nationally recognized **statistical**-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 ~~(Ar)~~, 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% ⁽³¹⁾
Medium-Term Notes	X		30% ⁽³⁾
Municipal Securities	X	X ⁽⁴⁾	30%
Negotiable Certificates of Deposit ⁽⁵²⁾	X	X ⁽²⁾	230% ⁽³⁾
Banker's Acceptances	X		250% ⁽³⁾
Commercial Paper	X		25% ^{(4) (3)}
Repurchase Agreements	X		25%
Time Certificates of Deposit ⁽⁵²⁾	X	X	20%
Passbook Savings Accounts ⁽⁵²⁾	X	X	20%
Money Market Funds	X	X	10%
CAMP	X	X	100%
LAIF	X	X	100%

~~(1) Municipal Securities must have an AA rating.~~

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

~~(31)~~ The maximum is 20% if the portfolio is comprised of callable Federal Agency Obligations ~~or mortgage-backed securities guaranteed by principal and interest payments.~~

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

~~(52)~~ The maximum allowable limit is up to the FDIC limit of \$250,000.

- (3) The maximum allowable limit is reduced if all invested into one single issuer. Please refer to the specific section for the allocation percentage.

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.

REVIEW OF INVESTMENT PORTFOLIO

The securities held by the Agency must be in compliance with the “Authorized and Suitable Investments” section at the time of purchase. Because some securities may not comply with this section subsequent to the date of purchase, the Agency should at least annually review the portfolio to identify those securities that do not comply. The Agency should establish procedures to report to the Board, should one exist, major and critical incidences of noncompliance identified through the review of the portfolio.

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.
- IV. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- V. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.

- VI. A schedule for receiving statements and portfolio listings.
- VII. Are reserves, retained earnings, etc. utilized by the pool/fund?
- VIII. A fee schedule, and when and how is it assessed.
- IX. 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~~53630, et seq., 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 ~~52651~~53630, et seq.

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.

SAFEKEEPING AND CUSTODY

All security transactions entered into by or on behalf of the Agency shall 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 ~~the maximum allowed percent allocation for each security type~~ ~~5% of the total portfolio~~ may be deposited with or invested in ~~issued~~ securities ~~issued by a single issuer unless otherwise specified in this policy~~. Any allowable security classification is exempt from this strategy if otherwise specified.
- 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 options, will affect the market risk profile of the portfolio differently in different 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.

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 their 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.

Financial Industry Regulatory Authority (FINRA): A non-profit and self-regulatory organization authorized by the U.S. government to protect investors and ensure the integrity of the U.S. securities markets by overseeing broker-dealers, registering brokers, and enforcing industry rules.

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 them 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 therein.

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.



BOARD MEMORANDUM

September 4, 2025

To: CMSA Commissioners and Alternates

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

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

Subject: **Updated OPEB Funding Plan**

Recommendation: Approve the FY26 OPEB Funding Plan.

Discussion: Staff updated the Other Post-Employment Benefits (OPEB) Funding Plan (Plan) and reviewed it with the Board's Finance Committee at its August 28, 2025, meeting. CMSA needs approximately \$2.4 million in the OPEB Trust by FY39 to fund future retiree health benefits. The updated Plan, based on last year's Board direction and the FY25 OPEB Trust fund investment earnings resulted in a FY39 balance of approximately \$3 million. To maintain the FY39 OPEB Trust at the necessary level, the Finance Committee considered several alternatives and recommends the Board consider the following actions:

- 1) Discontinue funding the OPEB Trust with the Governmental Accounting Standards Board (GASB) 75 Actuarially Determined Contribution (ADC).
- 2) Use the estimated retiree medical expenses increase estimates of 10.8% for FY26 and 11.1% in FY27, then reduce the annual increase as shown in the updated Plan.
- 3) Continue to use the OPEB Trust investment rate of return at 6.75% through FY39.
- 4) Maintain the annual retiree medical cost reimbursement at 80%.

Attachment:

- FY26 OPEB Funding Plan



CENTRAL MARIN SANITATION AGENCY

OPEB FUNDING PLAN (APPROVED FROM 8/28/2025 FINANCE COMMITTEE)

AS OF FISCAL YEAR ENDED JUNE 30, 2025

Scenario: Update current year reimbursement rate from 75% to 100% and then 80% for all succeeding years, and no current year contribution.

Annual Status as Estimated or Actual	Fiscal Year	Beginning Balance	Note 1 Contribution	Investment Rate of Return at 6.75% Net of Fees	Investment RoR Act / Est	Retiree Medical Cost Reimb at 80%	Ending Balance	PEMHCA Min Cost Actual / Estimated	Classic OPEB Cost Actual / Estimated	Total Retiree Medical Cost Actual / Estimated	Retiree Medical Cost Growth Act / Est
Actual	2019-20	\$ 2,715,805	\$ 39,424	\$ 96,099	3.63%	\$ -	\$ 2,851,328	\$ 84,579	\$ 95,857	\$ 180,436	-1.1%
Actual	2020-21	2,851,328	46,584	787,355	27.71%	-	3,685,268	77,101	93,698	170,799	-5.3%
Actual	2021-22	3,685,268	-	(480,652)	-12.96%	(176,305)	3,028,311	75,868	100,590	176,458	3.3%
Actual	2022-23	3,028,311	-	193,197	6.47%	(170,047)	3,051,460	76,489	93,556	170,046	-3.6%
Actual	2023-24	3,051,460	23,746	335,256	11.08%	(168,962)	3,241,501	80,954	112,668	193,621	13.9%
Actual	2024-25	3,241,501	-	385,933	11.98%	(193,621)	3,433,812	83,005	155,566	238,571	23.2%
Estimated	2025-26	3,433,812		230,065	6.75%	(190,857)	3,473,020	85,495	178,901	264,396	10.8%
Estimated	2026-27	3,473,020		232,692	6.75%	(211,517)	3,494,195	88,060	205,736	293,796	11.1%
Estimated	2027-28	3,494,195		234,111	6.75%	(235,037)	3,493,269	90,702	220,138	310,840	5.8%
Estimated	2028-29	3,493,269		234,049	6.75%	(248,672)	3,478,646	93,423	233,346	326,769	5.1%
Estimated	2029-30	3,478,646		233,070	6.75%	(261,415)	3,450,301	96,226	247,347	343,573	5.1%
Estimated	2030-31	3,450,301		231,170	6.75%	(274,858)	3,406,613	99,113	260,209	359,322	4.6%
Estimated	2031-32	3,406,613		228,243	6.75%	(287,458)	3,347,398	102,086	271,918	374,004	4.1%
Estimated	2032-33	3,347,398		224,275	6.75%	(299,203)	3,272,470	105,149	284,154	389,303	4.1%
Estimated	2033-34	3,272,470		219,256	6.75%	(311,442)	3,180,284	108,303	296,941	405,244	4.1%
Estimated	2034-35	3,180,284		213,079	6.75%	(324,195)	3,069,168	111,552	310,303	421,855	4.1%
Estimated	2035-36	3,069,168		205,634	6.75%	(337,484)	2,937,318	114,899	324,267	439,166	4.1%
Estimated	2036-37	2,937,318		196,800	6.75%	(351,333)	2,782,785	118,346	338,859	457,205	4.1%
Estimated	2037-38	2,782,785		186,447	6.75%	(365,764)	2,603,468	121,896	354,108	476,004	4.1%
Estimated	2038-39	2,603,468		174,432	6.75%	(380,803)	2,397,097	125,553	370,043	495,596	4.1%

AA

Funding Comparison:

Variables that can be changed for the analysis

Ending CERBT balance @ 2039	2,397,097	AA
Estimated OPEB liability (PEMHCA only)	2,303,893	See OPEB liability derivation
Excess / (deficiency) of proceeds for diminishing Classic	93,204	Appropriate target range

Assumptions:

- 1) Estimated investment rate of return = 6.75% -> consistent with OPEB actuarial
- 2) Total retiree medical payments (PEMHCA & Classic) are expected to grow 11% in FY26 and FY27, and then drop off to steady rate of 4.1%.
- 3) CERBT fee rate applied is 0.05%.
- 4) Reimbursement rate applied against CERBT for retiree medical costs is 80% for all years.

Notes:

- 1) Contributions to CERBT are subject to annual review.

BOARD MEMORANDUM

September 4, 2025

To: CMSA Commissioners and Alternates

From: Jason Dow, General Manager

Subject: **Beyond The Dome Presentation**

Recommendation: Receive the Beyond The Dome presentation, and provide direction to the General Manager, as appropriate.

Summary: The Board approved a pilot program agreement with Beyond the Dome (BTD) at its December 2023 meeting, and the BTD pilot test system was delivered to CMSA in April 2025. BTD staff have been operating the system since then using CMSA's dewatered biosolids as a feedstock. Sophie Mancuso, the BTD CEO & Founder, will attend the September 9, 2025, Board meeting and give a presentation on the BTD pilot program at CMSA.

Discussion: Several years ago, I met with Sophia Mancuso to discuss how CMSA manages its biosolids and BTD's in-development biosolids management technology. After that meeting, every eight to nine months, Sophia would meet with me to provide a briefing on the status of the BTD technology. BTD's technology uses an Ultra-Super Critical Water Oxidation process to break down organic materials to produce water, electricity, minerals, and carbon dioxide gas.

Their pilot system is in a storage container, operating under high pressure and temperature, and is located between the CMSA solids handling building and digesters. During the pilot test period, CMSA provides power, recycled water, and dewatered biosolids to the BTD equipment. After start-up and commissioning, BTD believes the pilot system will produce enough electricity to power its systems and likely deliver some power to CMSA.



BTD pilot test system

BTD staff operate the pilot equipment, analyze product samples, and will share the information with CMSA.

Attachment:

- BTD presentation



Supercritical water oxidation trials at CMSA to destroy biosolids on site

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Agenda

- Team intro
- What we do
- How we do it
- Where we are
- Goals for our project at CMSA



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BTD Team @ CMSA

Stanford
University

UC Berkeley

NASA

Woodard
& Curran



Sophie Mancuso, Ph.D.
Founder and CEO

sophie@beyondthedome.com
650-808-0288



Eric Litwiller, Ph.D.
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Patrick Charles
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Mike Henington
Machinist & Operator

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Jeff Wong
Mechanical Engineer

jeff@beyondthedome.com

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Agenda

- Team intro
- **What we do**
- How we do it
- Where we are
- Goals for our project at CMSA



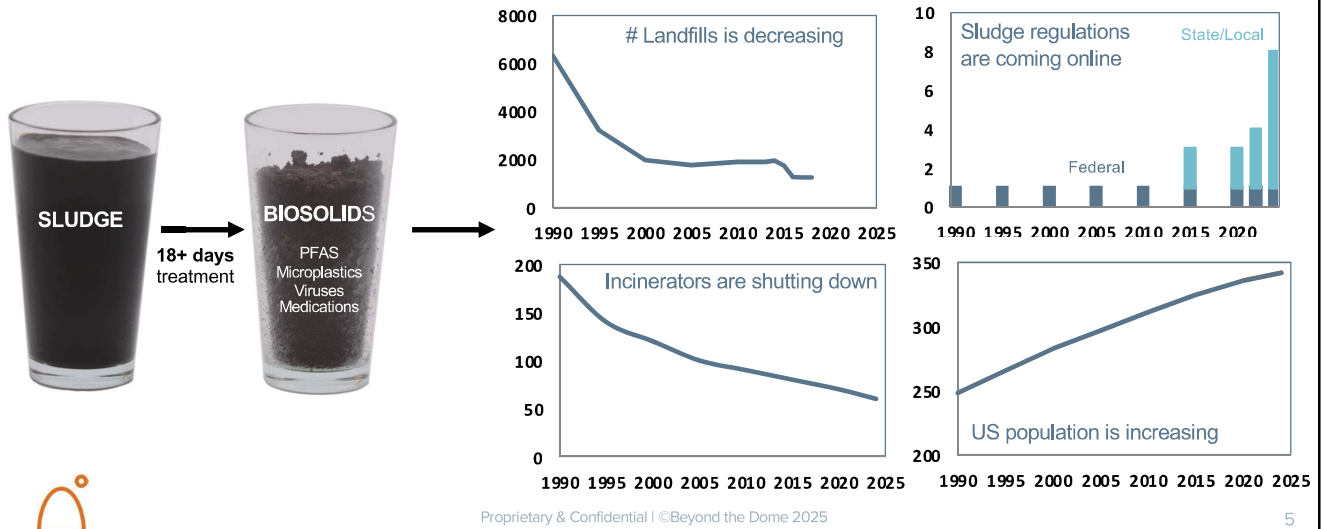
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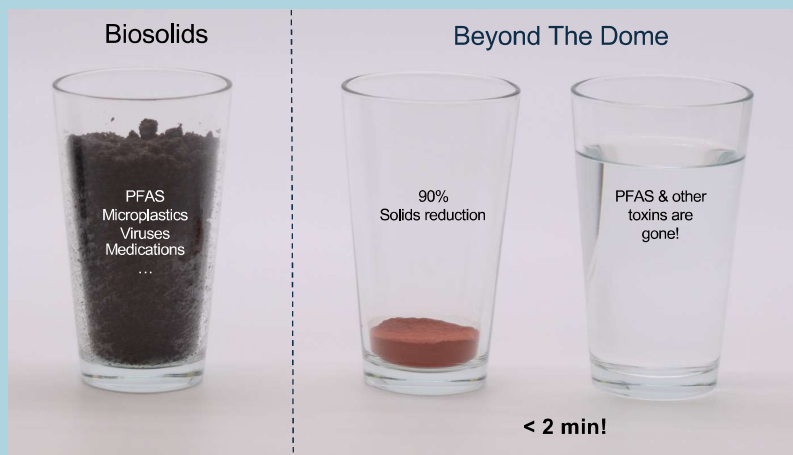
Escalating cost of sludge/biosolids management

We are running out of disposal options at a time we need more!



5

We destroy the problem



- Reduces solids by >90%
 - + Destroys all emerging contaminants including PFAS
 - + Fast & space efficient
-
- = **Futureproof** cost and regulations

4.

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Agenda

- Team intro
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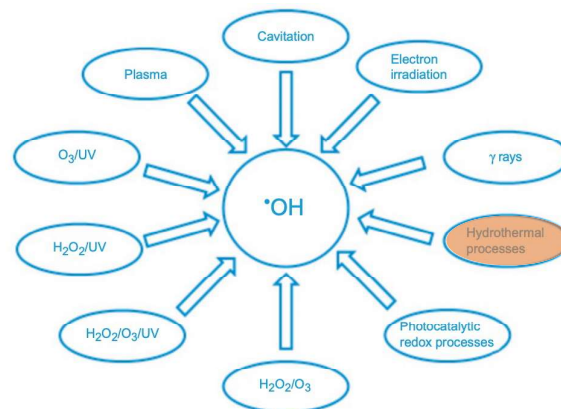
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Advanced oxidation

Because conventional oxidation methods do not remove all organics from water

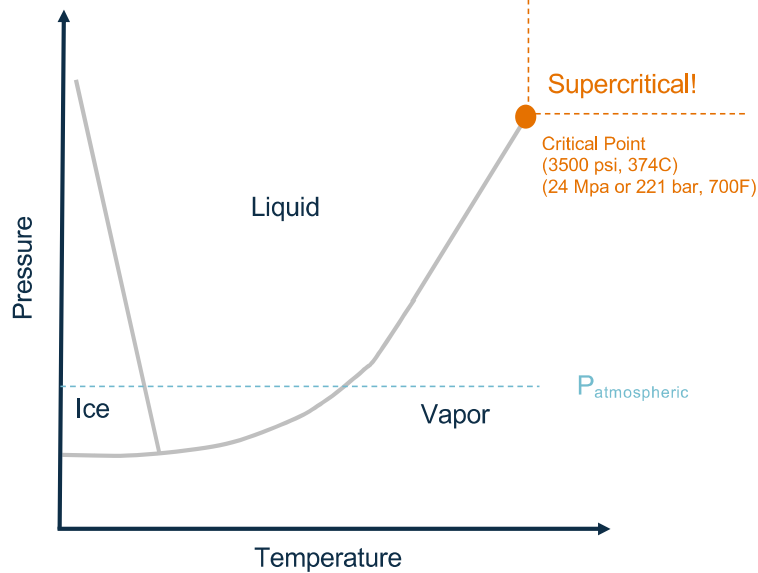
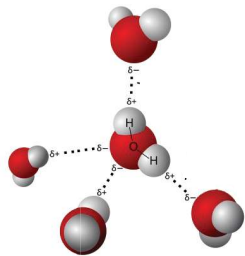


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Supercritical water oxidation (SCWO)

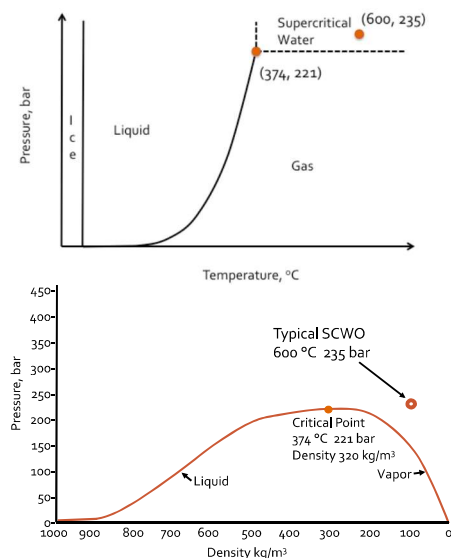


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Primer

Supercritical Water Oxidation (SCWO)

- Technology developed at MIT and NASA. Great technology but cumbersome and expensive in its present state.
- Supercritical phase is a blend of liquid and gas; it occurs at temperatures $> 374^{\circ}\text{C}$ and pressures > 221 bars.
- Typical operation at 600°C (colder than your car's engine) & 235 bars (high pressure diving tank).
- Water dissolves organic substances & precipitates salts in supercritical state (opposite to liquid phase)
- Fast reaction time: $< 1\text{min}$
- Only produces CO_2 , water, nitrogen, minerals
- Does not produce carbon monoxide, smog, NO_x , SO_x
- Destroys organic toxins
- Autogenic potential

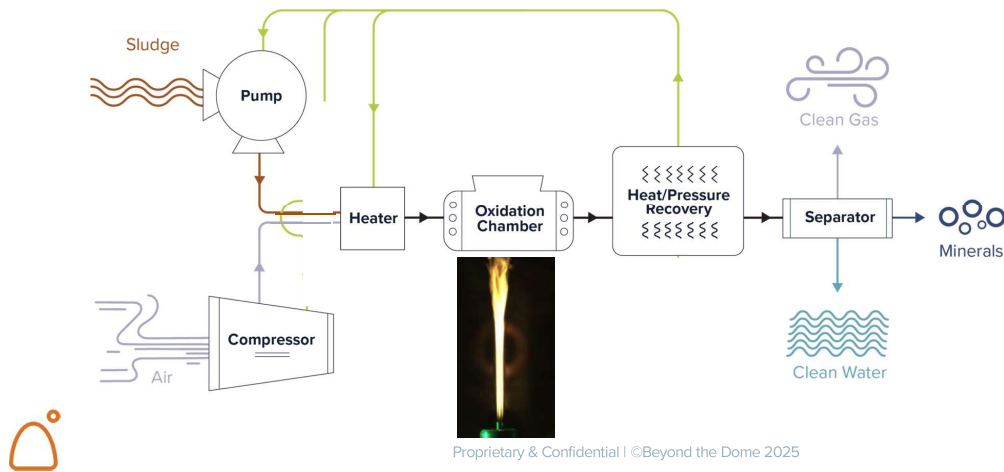


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SCWO equipment

Optimized for the destruction of wastewater sludge



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Agenda

- Team intro
- What we do
- How we do it
- **Where we are**
- Goals for our project at CMSA



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Where are we?



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Agenda

- Team intro
- What we do
- How we do it
- Where we are
- **Goals for our project at CMSA**



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Goals for our project at CMSA

1. First pilot!
2. Demonstration of continuous operation
3. Demonstration of contaminant destruction
4. Increase reliability
5. Experiment with various feeds
6. Optimize operations
7. Optimize maintenance



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Solving One of the Wastewater Industry's Big Challenges

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BOARD MEMORANDUM

September 4, 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: **Grit Classifiers Replacement Project – Status Update and Engineering Services During Construction Contract**

Recommendation: Approve the Professional Services Agreement with Carollo Engineers in the amount of \$138,194 to provide engineering services during construction for the Grit Classifiers Replacement Project, and authorize the General Manager to sign it.

Summary: The Agency and Carollo Engineers (Carollo) entered into a Professional Services Agreement in October 2023, for Carollo to provide engineering design services for the Grit Classifiers Replacement Project (Project). Public bidding for the Project is anticipated to begin in October 2025, with substantial completion expected in November 2026. Staff prepared the attached Professional Services Agreement with Carollo for engineering services during construction (ESDC) for the Project's construction phase of work, which includes attending some construction meetings, reviewing selected technical submittals, responding to contractor requests for information, providing design clarifications, and preparing Record Drawings.

Fiscal Impact: The Agency's Capital Improvement Program allocates \$3,520,000 in FY26 and FY27 for this Project, which includes \$1,940,000 for construction, \$1,286,000 encumbered for the pre-purchased equipment, \$170,000 for bid phase and engineering services during construction, and \$124,000 for change orders, equipment warranties, in-house repairs of a grit classifier, and construction management. The ESDC Agreement fee of \$138,194 is below the budgeted amount.

Discussion: The Grit Classifiers Replacement Project includes the demolition and replacement of three aging grit classifiers with two new grit washers, replacement of five grit pumps that have experienced heavy corrosion and wear, installation of new check valves, plug valves, piping, seal water systems, and performing all associated mechanical, structural, instrumentation and electrical retrofits in the Grit Handling Room to integrate the new equipment into the existing grit handling process. In consideration of long lead times required to fabricate and assemble the process equipment, the Board had previously authorized the pre-purchase of the grit washers and the grit pumps at the May 2024 and the October 2024 Board

meetings, respectively. The Board had also authorized the Project for public bidding in January 2025.

Construction was originally planned to begin in spring of 2025 to align with the delivery of the pre-purchased grit washers. However, the design phase took longer than expected due to the customization required to ensure the clearances and seismic requirements were met for placing the grit washers inside the narrow grit handling room. As a result, the grit washers were received in August 2025. Additionally, due to delays in the manufacturing production process the grit pumps originally planned for June 2025 delivery, are scheduled for delivery in mid-September 2025. The Project construction phase was postponed due to delayed equipment delivery schedules and is planned in alignment with the next dry season to minimize disruption to the grit handling process during wet weather.

With all the major process equipment for this Project expected to be on site by this fall, staff will issue the public bid advertisement in October 2025, and a construction award recommendation will be prepared for the December 2025 Board meeting. Beginning the construction phase in December 2025 will allow sufficient time for submittal reviews and lead time for remaining materials, such as glass-lined ductile iron pipe and fittings, to arrive by spring. Onsite construction is anticipated to begin in April 2026 and be substantially completed by November 2026. The project's revised contract documents with new bid dates will be available at the Agency's administrative office for Board member and public review.

During construction, Agency staff will be the primary point of contact for the contractor, but engineering services during construction (ESDC) will be provided by Carollo, to provide clarity and ensure quality control. The scope of services and fee for Carollo's ESDC Agreement are summarized below:

Task	Task Description	Amount
1.1	Project Management	\$4,015
1.2	Construction Meetings	\$2,648
1.3	Submittal Reviews	\$17,874
1.4	Respond to Requests for Information	\$13,284
1.5	Prepare Design Clarification Memoranda	\$6,164
1.6	Periodic Site Visits	\$4,070
1.7	E/I&C Construction Support Services (subconsultant costs)	\$67,104
1.8	Conformed Documents	\$5,054
1.9	Record Drawings	\$8,838
2.1	Repackage bid documents with revised bid dates	\$3,958
2.2	Bid Period Services	\$5,185
	Total	\$138,194

Alignment with Strategic Plan: This Project aligns with the Agency's FY26 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: *Begin the Grit Washers Project construction*

Photos:



Existing grit classifier



Existing grit pump



New Huber Coanda Grit Washers Delivered to CMSA in August 2025

Attachment: ESDC Professional Services Agreement with Carollo Engineers with Exhibits A and B

CENTRAL MARIN SANITATION AGENCY
GRIT CLASSIFIER REPLACEMENT PROJECT – ENGINEERING SERVICES DURING CONSTRUCTION
PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (hereinafter "Agreement") is made and entered into this _____ day of **September 2025** by and between the Central Marin Sanitation Agency (hereinafter referred to as "Agency") and Carollo Engineers, Inc. (hereinafter referred to as "Consultant").

RECITALS:

WHEREAS, the Agency desires to retain Consultant to perform the services (hereinafter referred to as "Services"), which include, but are not limited to, reviewing submittals and RFIs, performing site visits, providing design clarifications, assisting with change orders during construction, and providing conformed documents and record drawings; and

WHEREAS, Consultant represents and warrants that it is qualified, competent, and ready to perform such Services;

NOW, THEREFORE, for and in consideration of the promises contained herein, and the payments to be made by Agency, the parties agree to the following:

1. CONSULTANT'S SCOPE OF SERVICES:

Consultant shall provide the Services described in **Exhibit A** attached hereto and by this reference made a part of this Agreement. If the Agency desires to engage Consultant to perform optional or additional services, the Agency and Consultant will prepare and execute an amendment to this Agreement for the performance of the optional or additional services.

2. AGENCY'S OBLIGATIONS:

The Agency shall:

- (A) Provide access to and make provisions for the Consultant to enter the Agency's facilities as needed by Consultant in order for it to perform the Services, subject only to Consultant providing the Agency with reasonable advance notice of its need for access to one or more of the Agency's facilities.
- (B) Make available to Consultant all pertinent data, contract documents, record drawings, reports, studies, and other records (hereinafter collectively "Information") requested by Consultant for its review and use, and reliance in its performance of the Services.
- (C) Provide review comments on project deliverables per the agreed upon activity and project schedules.

3. FEES:

The fees for furnishing the Services to be performed under this Agreement shall not exceed **\$138,194** (One hundred thirty-eight thousand, one hundred ninety-four dollars), as set forth in the fee and task proposal which is attached hereto as **Exhibit B** and by this reference incorporated herein and made a part of this Agreement. Said fees shall remain in effect for the entire term of the Agreement.

If during the performance of the Services, Consultant makes a good faith determination that there will be a balance remaining in a task upon its completion, the Consultant, with the Agency's prior agreement, which shall not be unreasonably withheld, may reallocate that amount among other tasks that have not been completed but have exceeded or are estimated to exceed the amount originally allocated for those tasks.

4. PAYMENT:

The Agency shall pay Consultant for proper performance of the Services according to the fee schedule set forth in **Exhibit B**. On a monthly basis, Consultant will provide the Agency with a written invoice setting forth the hours spent by Consultant's assigned personnel along with any reimbursable expenses incurred during that month together with supporting documentation as requested by the Agency. The fees for services under this Agreement shall be due within thirty (30) calendar days after approval by the Agency of the invoice covering the services and reimbursable expenses.

5. AGREEMENT TIME:

This Agreement shall commence when executed by the Agency and Consultant, and shall terminate on **December 31, 2026**. Time is of the essence with respect to this Agreement. This Agreement's Time may be extended by mutual agreement of the parties.

6. INSURANCE:

Consultant shall procure and maintain at all times during the performance of the Agreement at its expense the following insurances:

- (A)(i) **Workers' Compensation and Employer's Liability Insurance** for protection of Consultant's employees as required by the State of California and as will protect Consultant from loss or damage because of personal injuries, including death to any of its employees. Employers Liability insurance shall be provided in amounts not less than:

\$1,000,000 each accident for bodily injury

\$1,000,000 each employee for bodily injury by disease

\$1,000,000 policy limit for bodily injury by disease

- (A)(ii) **Comprehensive Automobile Liability Insurance** shall provide coverage for bodily injury and property damage liability. This policy shall protect Consultant against all liability arising out of the use of owned or leased automobiles both passenger and commercial. Automobiles, trucks, and other vehicles and equipment (owned, not owned, or hired, licensed or unlicensed for road use) shall be covered under this policy. Limits of liability for Comprehensive Automobile Liability Insurance shall not be less than \$1,000,000 per accident for bodily injury and property damage.
- (A)(iii) **Comprehensive General Liability Insurance** as will protect Consultant and the Agency from any and all claims for damages or personal injuries, including death, which may be suffered by persons, or for damages to or destruction to the property of others, which may arise from the Consultant's Services under this Agreement. Said insurance shall provide a minimum of \$1,000,000 Combined Single Limit coverage for personal injury, bodily injury, and property damage for each occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately for this Agreement or the general aggregate limit shall be twice the required occurrence limit. Such insurance will insure Consultant and the Agency from any and all claims arising from the following:
1. Personal injury;
 2. Bodily injury;
 3. Property damage;
 4. Broad form property damage;
 5. Independent contractors;
 6. Blanket contractual liability.
- (A)(iv) **Professional Liability Insurance** shall protect Consultant from claims arising out of negligent acts, errors or omissions of Consultant in the performance of the Service in an amount of not less than \$1,000,000. The policy shall cover the indemnity provisions under this Agreement. Consultant shall maintain this insurance for twelve (12) months after the Services required under this Agreement have been completed.
- (B) Consultant agrees to procure and maintain such insurances at Consultant's expense in full force and effect in a company or companies satisfactory to the Agency. All coverage shall remain in effect until completion of the Services.
- (C) Consultant will furnish the Agency with certificates of insurance issued by Consultant's insurance carrier(s) and countersigned by an authorized agent or representative of the insurance company. The certificates shall show that the insurance will not be cancelled, altered, or reduced without at least ten (10) days' prior written notice to the Agency. The certificates for liability insurance will show that liability assumed under this Agreement is included.
- (D) Consultant hereby grants to CMSA a waiver of any right to subrogation which any insurer of said Consultant may acquire against CMSA by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of

whether or not the CMSA has received a waiver of subrogation endorsement from the insurer.

- (E) The general liability and automobile liability insurance policies shall contain or be endorsed to contain the following provisions:
- (i) The Agency, its members including San Rafael Sanitation District, Ross Valley Sanitary District, Sanitary District No. 2 of Marin County, the City of San Rafael, the Town of Corte Madera, their respective commissioners, directors, councilmembers, officers, officials, employees and volunteers are to be covered as additional insured as respects: liability arising out of activities performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; or automobiles owned, leased, hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the Agency, its members including San Rafael Sanitation District, Ross Valley Sanitary District, Sanitary District No. 2 of Marin County, the City of San Rafael, the Town of Corte Madera, their respective commissioners, directors, councilmembers officers, officials, employees and volunteers.
 - (ii) For any claims related to this Agreement, the Consultant's insurance coverage shall be primary insurance as respects the Agency, its members including San Rafael Sanitation District, Ross Valley Sanitary District, Sanitary District No. 2 of Marin County, the City of San Rafael, the Town of Corte Madera, their respective commissioners, directors, councilmembers, officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its members including San Rafael Sanitation District, Ross Valley Sanitary District, Sanitary District No. 2 of Marin County, the City of San Rafael, the Town of Corte Madera, their respective commissioners, directors, councilmembers, officers, officials, employees and volunteers shall be excess of the Consultant's insurance and shall not contribute to it.
 - (iii) The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
 - (iv) Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party except after ten (10) days' prior written notice by mail, has been given to the Agency. Consultant agrees to provide notification to the Agency in the event the insurance policies are suspended, voided, or reduced in coverage or limits.
- (F) Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to CMSA.

Failure to provide and maintain the insurance required by this Agreement will constitute a material breach of this Agreement. In addition to any other available remedies, Agency may suspend payment to the Consultant for any services provided during any time that insurance was not in effect and until such time as the Consultant provides adequate evidence that Consultant has obtained the required insurance coverage.

CMSA, at its discretion, may waive insurance requirements or reduce the above stated coverage limits based on the Consultant's scope of work and complexity of the associated tasks.

7. NONDISCRIMINATORY EMPLOYMENT:

Consultant and/or any permitted sub-consultant, shall not unlawfully discriminate against any individual based on race, color, religion, nationality, sex, sexual orientation, age, condition of disability, or other protected category. Consultant and/or any permitted sub-consultant understands and agrees that Consultant and/or any permitted sub-consultant is bound by and will comply with the nondiscrimination mandates of all federal, state and local statutes, regulations and ordinances.

8. LICENSING AND PERMITS:

The Consultant shall procure and maintain as required the appropriate licenses and permits required to perform the Services throughout the life of this Agreement.

9. BOOKS OF RECORD AND AUDIT PROVISION:

Consultant shall maintain on a current basis complete books and records relating to this Agreement and the Services performed. Such records shall include, but not be limited to, documents supporting all billings to the Agency for the Services performed. The books and records shall be original entry books with a general ledger itemizing all debits and credits for the work on this Agreement. In addition, Consultant shall maintain detailed payroll records including all subsistence, travel and field expenses, and canceled checks, receipts and invoices for all items. These documents and records shall be retained for at least five years from the completion of this Agreement. Consultant will permit Agency to audit all books, accounts or records relating to this Agreement or all books, accounts or records of any business entities controlled by Consultant who participated in this Agreement in any way. Any audit may be conducted on Consultant's premises or, at Agency's option, Consultant shall provide all books and records within a maximum of fifteen (15) days upon receipt of written notice from Agency. Consultant shall refund any moneys erroneously charged.

10. TITLE TO INFORMATION & DOCUMENTS:

It is understood that any and all documents, including but not limited to Information, documents, and reports concerning this Agreement's Services prepared by and/or submitted to the Consultant, shall be the property of the Agency. The Agency may provide the Consultant's

work product(s) to another person or entity in the future for a separate specific assignment. However, Consultant retains all intellectual property rights, including copyrights, applicable to its work. The Consultant may retain reproducible copies of the documents that it prepares as part of the Services. In the event of the termination of this Agreement, for any reason whatever, Consultant shall promptly deliver all Information, including but not limited to writings, plans, reports and other documents to Agency without exception or reservation.

11. TERMINATION:

- (A) **Notice to Cure.** If Consultant at any time fails to properly and diligently perform the Services covered by the Agreement, or has committed a material breach of a provision of this Agreement, the Agency shall give Consultant written notice that within two (2) working days of its receipt of said notice, Consultant shall commence and continue satisfactory correction of such default or breach with diligence and promptness.
- (B) **Consultant Default.** If Consultant fails to commence, within two (2) working days after receipt from the Agency of the notice issued under the above paragraph (A) and diligently thereafter, to correct the default or breach, then the Agency may pursue any remedies available by common law, statute, or this Agreement, including, but not limited to, one or more of the following:
- (i) withhold any sums due or thereafter to become due to Consultant under the Agreement and during such period such withheld amounts shall not accrue interest; or
 - (ii) terminate the Agreement.

Within seven (7) business days of Consultant's correction of the default or breach, the Agency shall release to the Consultant any monies withheld.

- (C) **Termination for Convenience.** The Agency may for its convenience and at any time and for any reason terminate Consultant's Services and this Agreement. Termination shall be by service of written notice to Consultant at its address for notice set forth below. Upon receipt of such notice, Consultant shall, unless the notice directs otherwise, immediately discontinue performing the Services.

Upon such termination, sub-consultants shall be entitled to payment only for the Services completed as of the date of termination pursuant to the Agreement. Consultant shall not be entitled to any claim or claim for any additional compensation, lost profit, or other damages in the event of such termination.

12. RELATIONSHIP BETWEEN THE PARTIES:

It is expressly understood that in the performances of the Services herein, the Consultant, and the agents and employees thereof, shall act as an independent contractor and not as officers, employees or agents of the Agency. Consultant shall be solely responsible to pay all required

taxes, including but not limited to, all withholding social security, and worker's compensation for its employees.

13. AMENDMENT:

This Agreement may be amended or modified only by written agreement of all parties.

14. ASSIGNMENT OF SERVICES AND PERSONNEL:

The Consultant shall not subcontract or assign any portion of the Services required to be performed pursuant to this Agreement without the prior written approval of the Agency. Further, Consultant shall not substitute any personnel for those specifically named in its proposal unless personnel with substantially equal or better qualifications and experience are provided and are acceptable to Agency, as is evidenced in writing.

15. JURISDICTION AND VENUE:

This Agreement shall be construed in accordance with the laws of the State of California and the parties hereto agree that venue shall be in Marin County, California.

16. INDEMNIFICATION:

Consultant shall indemnify, defend, and hold harmless the Agency, its members including San Rafael Sanitation District, Ross Valley Sanitary District, Sanitary District No. 2 of Marin County, the City of San Rafael, the Town of Corte Madera, and their respective commissioners, directors, councilmembers, officers, officials, and employees (collectively "Indemnitees") from any and all claims for damages including, but not limited to, money, expenses, and/or losses (collectively "Claim") to the extent Claim arises from Consultant's negligence, recklessness, and/or willful misconduct in the performance of the Services under this Agreement.

Notwithstanding the foregoing, for any Claim alleging Consultant's negligence, recklessness, and/or willful misconduct, Consultant's obligations and liability for costs of the Indemnitees' defense shall not exceed the Consultant's proportionate percentage of fault for the Claim.

17. STANDARD OF CARE:

Consultant shall complete the services required hereunder in accordance with the prevailing standard of care by exercising the skill and ability ordinarily required to perform the same or similar services, under the same or similar circumstances, in the State of California. Consultant shall, at no cost to the Agency, re-perform any part of the services which fail to satisfy the foregoing standard of care.

18. ESTIMATES AND PROJECTIONS:

Consultant has no control over the cost of labor, materials, equipment or services furnished by others, over the incoming water quality and/or quantity, or over the way the Agency's facilities and/or associated processes are operated and/or maintained. Data projections and estimates are based on Consultant's opinion based on experience and judgment. Consultant cannot and does not guarantee that actual costs and/or quantities realized will not vary from the data projections and estimates prepared by Consultant and Consultant does not and will be not liable to and/or indemnify the Agency and/or any third party related to any inconsistencies between Consultant's data projections and estimates and actual costs and/or quantities realized by the Agency and/or any third party in the future.

19. THIRD PARTIES:

The services to be performed by Consultant are intended solely for the benefit of Agency and its members. No person or entity not a signatory to this Agreement shall be entitled to rely on Consultant's performance of its services hereunder, and no right to assert a claim against Consultant by assignment of indemnity rights or otherwise shall accrue to a third party as a result of this Agreement or the performance of Consultant's services hereunder.

20. FORCE MAJEURE:

Neither Consultant nor Agency shall be considered to be in default of this Agreement if delays in or failure of performance shall be due to uncontrollable forces, the effect of which, by the exercise of reasonable diligence, the nonperforming party could not avoid. The term "uncontrollable forces" shall mean any event which results in the prevention or delay of performance by a party of its obligations under this Agreement and which is beyond the control of the nonperforming party. It includes, but is not limited to, fire, flood, earthquake, storms, lightening, epidemic, war, riot, civil disturbance, sabotage, inability to procure permits, licenses, or authorizations from any state, local, or federal agency or person for any of the supplies, materials, accesses, or services required to be provided by either Consultant or Agency under this Agreement, strikes, work slowdowns or other labor disturbances, and judicial restraint.

21. COMPLIANCE WITH APPLICABLE LAWS:

In performance of the services, Consultant will comply with applicable regulatory requirements including federal, state, and local laws, rules, regulations, orders, codes, criteria, and standards.

22. WAIVER:

A waiver by either the Agency or Consultant of any breach of this Agreement shall not be binding upon the waiving party unless such waiver is in writing and executed by the waiving party. In the event of a written waiver, such a waiver shall not affect the waiving party's rights with respect to any other or further breach.

23. SEVERABILITY:

The invalidity, illegality, or unenforceability of any provision of this Agreement, or the occurrence of any event rendering any portion or provision of this Agreement void, shall in no way affect the validity or enforceability of any other portion or provision of the Agreement. Any void provision shall be deemed severed from the Agreement and the balance of the Agreement shall be construed and enforced as if the Agreement did not contain the particular portion or provision held to be void.

24. INTEGRATION:

This Agreement supersedes all prior agreements, contracts, proposals, representations, negotiations, letters, or other communications between the Consultant and Agency pertaining to this Agreement and the Services to be performed, whether written or oral.

25. NOTICES AND DESIGNATED REPRESENTATIVES:

Joyce Cheung is the designated representative for CMSA and will administer this Agreement for CMSA. Michelle Trinh is the designated representative for Consultant. Changes in designated representatives shall occur only by advance written notice to the other party.

All invoices shall be submitted and approved by the designated Agency representative and all notices shall be given to Agency at the following location:

1301 Andersen Drive
San Rafael, CA 94901

Notices shall be given to Consultant at the following address:

2795 Mitchell Drive
Walnut Creek, CA 94598

IN WITNESS WHEREOF, the parties hereunto have executed this Agreement on the date first above written.

APPROVED BY:

CENTRAL MARIN SANITATION AGENCY:

CONSULTANT:

Jason R. Dow, General Manager

Rick Chan, Principal-in-Charge

Federal Tax ID #: _____

Exhibit A:
Consultant's Scope of Services



August 25, 2025

Ms. Joyce Cheung
Central Marin Sanitation Agency
1302 Andersen Drive
San Rafael, CA 94901

Subject: Grit Classifier Replacement Project – Engineering Services During Construction Proposal and Additional Design and Bid Period Services - Revision 4

Dear Ms. Cheung:

We are pleased to provide this proposal for engineering services during construction for the Grit Classifier Replacement Project (Project). The project bidding period is expected to begin in September, and the construction schedule is anticipated to occur from December 2025 to November 2026. We have outlined the scope of services below for engineering support services to assist the Central Marin Sanitation Agency (CMSA) during construction (Task 1) and additional engineering services related to repackaging the bid documents for the new bid date and bid period services (Task 2). Per correspondence on 2/19/25, CMSA will review the mechanical items. Carollo has previously reviewed the mechanical equipment (i.e., Huber grit washer, grit pump), and these previous efforts are not included in the proposal.

SCOPE OF SERVICES

The task numbers in this Scope of Services are associated with the costs presented in Attachment A. Carollo shall provide the following engineering services during construction (ESDC), additional engineering and bid period services for the project.

Task 1.0 – Engineering Services During Construction (ESDC)

Carollo will provide engineering services during construction (ESDCs) of the Project. The following sub-tasks are included.

Task 1.1 – Project Management

Carollo will provide the project administration and management necessary to ensure planning, execution, monitoring, and reporting of this project. Carollo's budget allowance is based on requiring one (1) hour per month for project management and reporting over a 12-month project duration for a total of 12 hours.

Task 1.2 – Construction Meetings

Carollo will attend the following construction meetings.

- Technical Meetings – Carollo's project manager and discipline staff will attend each up to four technical meetings (8 total, 1-hour per meeting) via teleconference when requested by CMSA to discuss project technical issues that require coordination with the Contractor.

Page 2

Task 1.3 – Submittal Reviews

Carollo will review and comment on submittals provided by the contractor for conformance with the contract documents. It is estimated that 7 initial submittals will require Carollo's review with each requiring an average of 6 hours for review and 4 of the initial submittals will require resubmittal for confirmation of the requirements with each requiring an average of 3 hours for review.

The Construction Manager (provided by CMSA) will screen all submittals for form, completeness, and general content conforming to that specified in the Contract Documents before transmitting them to Carollo.

Carollo's submittal review is to determine compliance with the Contract Documents. Submittal review is not intended as acceptance of the work. The review is not intended to relieve the Contractor of his or her full responsibility for performance as required by the Contract Documents.

Task 1.4 – Respond to Requests for Information

Carollo will respond to the Contractor's requests for information (RFIs). Carollo's budget allowance is based on reviewing 10 RFIs at an average review time of four (4) hours per RFI.

Task 1.5 – Prepare Design Clarification Memoranda

Carollo will issue Clarification Memoranda where deemed necessary by Carollo and on an as requested basis by CMSA. Carollo will provide a written clarification on a Design Clarification Memorandum (DCM) (including specifications, sketches, or other information as necessary) and issue the Design Clarification Memorandum to the Construction Manager.

Clarification Memoranda will be issued to:

1. Clarify Contract Documents, when necessary,
2. In the event that modifications to the Contract Documents are desired by CMSA, or
3. To assist the Construction Manager with the preparation of contract change order requests.

Carollo's budget allowance is based on preparing two (2) Design Clarification Memoranda at a preparation time of twelve (12) hours per Clarification Memoranda.

Task 1.6 – Periodic Site Visits

Carollo has budgeted for 2 site visits to provide opinions and observations to CMSA regarding general compliance with the Contract Documents and assist CMSA in resolving field related issues.

Carollo's budget allowance is based on attending two (2) site visits at an average attendance time of six (6) hours per site visit, including travel time.

Task 1.7 – E/I&C Construction Support Services

Electrical, instrumentation and controls support services will be provided by Beecher Engineering, Inc. as outlined below:

- Project management

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- Construction Meetings: Attendance at (6) 1-hour virtual meetings, if requested by CMSA.
- Submittal Reviews: Twelve (12) submittals/resubmittals, assuming 8 submittals at 6 hours per submittal and 4 resubmittals at 3 hours per submittal.
- RFIs: Eight (8) RFIs at 6 hours per RFI.
- DCMs: Two (2) DCMs at 8 hours per DCM.
- Periodic Site Visits: Two (2) site visits with follow-up correspondence at 10 hours per visit, if requested by CMSA.
- Conformed Documents: Modification of the design drawings and specifications to address revisions from addenda during the bid phase of up to 24 hours.
- Record Drawings: Based upon Contractor markups along with a final site visit to verify as-built conditions of up to 40 hours.

Task 1.8 – Conformed Documents

Carollo has budgeted 22 hours for modification of the design drawings and specifications to address revisions from addenda during the bid phase. Beecher Engineering's effort to complete the conformed documents is included in Task 1.7. A set of electronic documents in PDF format will be provided to CMSA for record keeping purposes.

Task 1.9 – Record Drawings

Carollo will assist CMSA in closing out the project following completion of construction. The following subtasks are included.

Carollo has budgeted 36 hours for modification of the design drawings using as-built documents supplied by the Contractor. Beecher Engineering's effort to complete record drawings is included in Task 1.7. A set of electronic drawings in PDF format will be provided to CMSA for record keeping purposes.

Carollo and Beecher Engineering will not be responsible for field verifying as-built conditions and will rely solely on the information provided by the Construction Manager and Contractor as the basis for preparing the record drawings.

Task 2.0 – Bid Period Services

Task 2.1 Repackage Bid Documents with Revised Bid Dates

This will include updating drawings and specifications with the new dates, updated PE stamp, and signatures, and will include a clarification that the grit pump VFDs will need to have the control power transformer (CPT) be provided by the Contractor.

Task 2.2 Bid Period Services

Carollo shall provide the following bid period services:

- Responses to questions from potential bidders.

Page 4

- Prepare technical materials (specifications, drawings, etc.) for one addendum.

ASSUMPTIONS

The following key assumptions were made in developing the scope of services:

- CMSA will review shop drawings submitted by the contractor for equipment and materials that are specified in CMSA's specifications or called out on CMSA's standard details, O&M manuals, and other minor technical submittals.
- Engineering services during construction are assumed to start on December 17, 2025, and will be completed by November 17, 2026.
- Construction management services will be conducted by CMSA staff or a third-party construction manager.
- As-built drawings provided by the Contractor will be clean, legible, color coded, and otherwise ready to be drafted by a technical without significant interpretation by engineering staff.
- CMSA will manage the bid period, conduct the pre-bid meeting, and oversee preparation of all addenda.
- Bid phase services are assumed to start in July 2025 after Board approval of the agreement and end by the end of October 2025.
- Billing rates shown in Attachment A will be held constant through the end of the construction period.

DELIVERABLES

Carollo will provide the following deliverables:

- Progress letter reports to accompany invoices. Invoices will include a summary table with % complete by task.
- Review and input on progress meeting minutes.
- Written responses to RFIs, comments on shop drawing submittals, and written design clarifications.
- Electronic copies in PDF format of the conformed documents and record drawings.
- Technical materials for one addendum.

PROPOSED ENGINEERING BUDGET

Our proposed budget to provide engineering services during construction and closeout is presented in Attachment A. Please contact us at any time if you have any questions or require additional information on this proposal.

Sincerely,

Ms. Joyce Cheung
Central Marin Sanitation Agency
August 25, 2025

Page 5

CAROLLO ENGINEERS, INC.

A handwritten signature in black ink, appearing to read "Michelle Trinh", with a stylized flourish at the end.

Michelle Trinh, P.E.
Project Manager

A handwritten signature in black ink, appearing to read "Rick Chan", with a stylized flourish at the end.

Rick Chan, P.E.
Principal-in-Charge

Enclosures: Attachment A Fee Proposal

cc: Rick Chan

Exhibit B

ATTACHMENT A

LABOR AND BUDGET ESTIMATE

CENTRAL MARIN SANITATION AGENCY GRIT CLASSIFIER REPLACEMENT PROJECT

ENGINEERING SERVICES DURING CONSTRUCTION AND ADDITIONAL ENGINEERING AND BID PERIOD SERVICES

Revision 4 8/25/2025

Task Description	SP	LPP	PP	CAD	DP	Total	Labor	Other Direct Costs (ODC)						Total
								Subconsultant	Subconsultant	PECE	Mileage ¹		ODC	
								Beecher	Markup 10%	\$17.00	Trips	Amount	Total	Cost
Task 1.0 Engineering Services During Construction														
1.1 Project Management	1	0	11	0	0	12	\$3,811	\$0	\$0	\$204	0	\$0	\$204	\$4,015
1.2 Construction Meetings	0	0	8	0	0	8	\$2,512	\$0	\$0	\$136	0	\$0	\$136	\$2,648
1.3 Submittal Reviews	0	0	54	0	0	54	\$16,956	\$0	\$0	\$918	0	\$0	\$918	\$17,874
1.4 Respond to Requests for Information	0	2	38	0	0	40	\$12,604	\$0	\$0	\$680	0	\$0	\$680	\$13,284
1.5 Prepare Design Clarification Memoranda	0	2	6	16	0	24	\$5,756	\$0	\$0	\$408	0	\$0	\$408	\$6,164
1.6 Periodic Site Visits	0	0	12	0	0	12	\$3,768	\$0	\$0	\$204	2	\$98	\$302	\$4,070
1.7 E/I&C Construction Support Services	0	0	4	0	0	4	\$1,256	\$59,800	\$5,980	\$68	0	\$0	\$65,848	\$67,104
1.8 Conformed Documents	0	0	4	14	4	22	\$4,680	\$0	\$0	\$374	0	\$0	\$374	\$5,054
1.9 Record Drawings	0	0	9	27	0	36	\$8,226	\$0	\$0	\$612	0	\$0	\$612	\$8,838
Task 1.0 Subtotal	1	4	146	57	4	212	\$59,569	\$59,800	\$5,980	\$3,604	2	\$98	\$69,482	\$129,051
Task 2.0 Bid Period Services														
2.1 Repackage bid documents with revised bid dates	0	0	3	6	3	12	\$2,610	\$1,040	\$104	\$204	0	\$0	\$1,348	\$3,958
2.2 Bid Period Services	1	0	5	4	0	10	\$2,727	\$2,080	\$208	\$170	0	\$0	\$2,458	\$5,185
Task 2.0 Subtotal	1	0	8	10	3	22	\$5,337	\$3,120	\$312	\$374	0	\$0	\$3,806	\$9,143
PROJECT TOTAL	2	4	154	67	7	234	\$64,906	\$62,920	\$6,292	\$3,978	2	\$98	73,288	\$138,194

Legend:

SP Senior Professional
LPP Lead Project Professional
PP Project Professional
P Professional
CAD Computer Aided Design
DP Document Processor
PECE Project Equipment and Communication Expense

Note:

1. Mileage based on 70 miles.



BOARD MEMORANDUM

September 4, 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: Centrifuge Dewatering Improvements Project – Construction Contract Award

Recommendation: Award the construction contract for the Centrifuge Dewatering Improvements Project to GSE Construction for the total bid amount of \$2,546,800, and authorize the General Manager to execute the contract agreement.

Summary: Bids for the construction of the Centrifuge Dewatering Improvements Project (Project) were received and publicly opened on August 27, 2025. Five bids were received, with GSE Construction (GSE) submitting the lowest, responsive, and responsible bid with a total bid amount of \$2,546,800. If the Board awards the construction contract to GSE, construction is anticipated to begin in October 2025, with substantial completion anticipated in December 2026.

Fiscal Impact: The Agency's Capital Improvement Program budget has allocated \$5,830,000 in FY26 and FY27 for this Project, which includes \$1,600,000 encumbered for the pre-purchase of the centrifuges and bridge crane system, the engineer's construction cost estimate of \$4 million, and \$230,000 allocated for engineering services and construction management. GSE's bid proposal of \$2,546,800 is \$1.5 million below the engineer's estimate.

Discussion: The Agency's existing centrifuges have been in service for over 20 years and have since gradually experienced diminished hydraulic loading capacity. The Project scope of work includes the replacement of three centrifuges, replacement of a monorail and hoist with a bridge crane system, widening and replacing a floor hatch, replacing the centrifuge control panels and the master programmable logic controller (PLC), piping modifications, and associated mechanical, structural, electrical, and instrumentation work to integrate the new centrifuges with the existing solids handling process infrastructure. The centrifuges and bridge crane system were pre-purchased in August 2024 and June 2025, respectively, upon Board authorization, and the equipment is expected to be delivered during the construction period.

The Board adopted the Project's contract documents and authorized public bidding at the July 2025 meeting. The Notice Inviting Bids was issued on July 25, 2025, and was published in the Marin Independent Journal, the Agency's website, and various Builders' Exchanges. Ten companies attended the optional pre-bid meeting on August 13, 2025, and two addenda's were issued. Five sealed bids were received on August 27, 2025, and the table below summarizes the bid opening results.

Contractor	Total Base Bid Amount	Bid Alternate A1 Amount	% Above/Below Engineer's Estimate
<i>Engineer's Estimate</i>	<i>\$4,034,461</i>	<i>\$32,000</i>	
GSE Construction Company, Inc.	\$2,496,800	\$50,000	-37.4%
Pacific Infrastructure	\$2,780,000	\$30,000	-30.9%
Innovative Construction Solutions	\$2,870,000	\$50,000	-28.2%
C. Overaa & Co.	\$2,972,000	\$43,400	-25.8%
NMI Industrial Holdings LLC	\$3,098,300	\$99,000	-21.4%

Staff reviewed the apparent low bid submitted by GSE, and concluded that GSE is the lowest, responsive, and responsible bidder. The difference between each of the five bids received are within 3-12% of each other. GSE was the contractor for several other recent projects that were successfully completed, including the Secondary Clarifiers Rehabilitation Projects, and the Liquid Organic Wastes Receiving and Biogas Treatment Upgrades Project. The Notice to Proceed will be issued in October, and the Contractor has 426 calendar days to complete construction, which puts the estimated substantial completion date in December 2026. No bid protests were received for this Project.

Environmental Review: This Project is exempt from the requirements of the California Environmental Quality Act (CEQA) because this is a routine action necessary to restore and replace existing equipment. This Project qualifies for the CEQA "common sense exemption," which states under Section 15061(b)(3) of CEQA: *"A project is exempt from CEQA if the activity is covered by the commonsense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA."*

Alignment with Strategic Plan: This Project supports Goal 1 – Objective 1.3 in the Agency's FY26 Business Plan 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: Begin Dewatering System Replacement Project construction

Attachment:

- Centrifuge Dewatering Improvement Project Agreement with GSE

SECTION 00500**AGREEMENT****Centrifuge Dewatering Improvements Project
Contract No. 25-07**

THIS AGREEMENT is entered into this _____ day of September, 2025, between the Central Marin Sanitation Agency a public agency, by and through its Board of Commissioners ("Owner") and GSE Construction Company, Inc. ("Contractor"), License No. 401498.

WITNESSETH: That the parties hereto have mutually covenanted and agreed, and by these present do covenant and agree with each other, as follows:

ARTICLE 1 WORK

Contractor, in consideration of the mutual covenants set forth in this Agreement, promises and agrees with the Owner, at his/her own cost and expense, to do all the work and furnish all the tools, equipment, facilities, labor, supplies and materials necessary to construct and complete in good workmanlike and substantial manner the project entitled: Centrifuge Dewatering Improvements Project, Contract No. 25-07, in strict conformity with the Contract Documents (collectively defined in Section 01090-2.0, **DEFINITIONS OF WORDS AND TERMS**), which said Contract Documents in their entirety are incorporated herein by reference and made a part of this Agreement.

Contractor's execution of this Agreement signifies its agreement that the Contract Time and Contract Price are sufficient for it to complete the Work, as well as its acceptance of the other terms and conditions contained in the Contract Documents.

Contractor shall provide a fully functional, complete and operational Project, including but not limited to, all investigations, analyses, surveys, engineering, procurement, materials, labor, workmanship, construction and erection, commissioning, equipment, shipping, subcontractors, material suppliers, permits, insurance, bonds, fees, taxes, duties, documentation, spare parts, materials for initial operation, security, disposal, startup, testing, training, warranties, guarantees, and all incidentals.

Contractor shall keep itself fully informed of and strictly comply with the ordinances, codes and regulations, as applicable, of the Owner, City of San Rafael, County of Marin and any state or federal governmental entity or agency having jurisdiction over the Project, the work and/or those entities or persons performing any part of the work of constructing the Project.

ARTICLE 2 CONTRACT TIME & LIQUIDATED DAMAGES

The Contractor shall diligently prosecute the work so that it shall be substantially completed within the time specified in Section 00800-1.1, **Time Allowed for Completion**.

It is understood and agreed by and between Contractor and the Owner that time is of the essence in all matters relating to this Agreement and the Contract Documents and that the Owner will suffer financial loss if the Project is not completed within the above-stated Contract Time, plus any extensions thereof allowed in accordance with Section 00700-6.0, **PROGRESS OF THE WORK**. The Owner and Contractor further understand and agree that the actual cost to Owner which would result from Contractor's failure to complete the Project within the Contract Time is extremely difficult, if not impossible, to determine. Accordingly, Contractor and the Owner agree that as liquidated damages for delay (but not as a penalty), Contractor shall pay the Owner the amounts set forth in Section 00800-1.2, **Damages For Delay** for each calendar day that expires after the above Contract Times and the Project is not substantially complete.

ARTICLE 3 CONTRACT PRICE

Contractor and the Owner agree that, upon performance and fulfillment of the mutual covenants set forth herein and the Contract Documents, the Owner will, in the manner provided by law and as set forth in the Contract Documents, pay or cause to be paid to Contractor the following price(s), as indicated in the Contractor's Bid Schedule (Section 00310):

1. Lump sum for specified portions of the Work
2. The total of all Unit Price Items bid
3. Allowances specified
4. Selected additive/deductive Alternate Bid Items

Total awarded contract price ("Contract Price"): \$2,546,800 (Two million five hundred forty-six thousand eight hundred dollars)

The price(s) and the amount set forth above for the Contract Price may be adjusted during the performance or upon final completion of the Project in accordance with the Contract Documents.

ARTICLE 4 LABOR REQUIREMENTS

The Project is a "public work" as defined in California Labor Code and shall be performed by Contractor as such. Contractor shall insure that it and the subcontractors at all tiers comply with the Labor Code, including but not limited to those sections listed in this Agreement. Contractor agrees that the prevailing rate of per diem wages for the day, legal holiday, and overtime work shall be those wage rates set forth within the appropriate General Prevailing Wage Determinations made by the Director of Industrial Relations, State of California, in accordance with Section 1770 of the Labor Code of the State of California. Said wage determinations are on the file with the Owner which copies will be made available to any interested party on request and can also be found at: www.dir.ca.gov/DLSR/PWD. Further, in accordance with Labor Code Sections 1771 and 1774, Contractor and subcontractors at all tiers shall not pay less than the general prevailing rate of per diem wages for work of a similar character within the locality where the work is being performed and not less than the general prevailing rate of per diem wages for holiday and overtime work set forth in the Labor Code and by Director of Industrial Relations.

Labor Code sections 1775, 1776, and 1777.5, which apply the work performed on this Project, set forth (1) the penalties to be assessed Contractor and/or the subcontractors at any tier for failing to pay the correct prevailing wage rates; (2) the responsibilities of Contractor and the subcontractors at any tier to maintain accurate payroll records for every person employed to work on the Project, which shall be made available for inspection at all reasonable hours at the principal office of the Contractor; and (3) the employment of apprentices on the Project. This Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations pursuant to Labor Code section 1771.4.

Labor Code Sections 1810–1815, which apply to the work performed on this Project, govern working hours, including but not limited to (1) eight hours labor constitutes a legal day's work, (2) work on the Project is limited to 8 hours during any one calendar day and 40 hours during any one calendar week, except as provided in Labor Code section 1815, (3) payment of not less than 1 ½ times the basic rate of pay for every hour in excess of 8 hours per day; (4) the payment twenty-five dollars (\$25.00) each calendar day to the Owner for each worker employed in the execution of the work by Contractor or by any subcontractor where such worker or workers are required or permitted to work more than eight hours in any one calendar day and forty hours in any one calendar week in violation of these sections; and (5) the violation of these sections is a misdemeanor.

Labor Code section 1861 provides that Contractor, by its execution of this Agreement, certifies the following:

“I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for worker’s compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.”

Contractor shall post all job site notices prescribed by the regulations, including but not limited to the applicable IWC Orders, Minimum Wage Order, Pay Day Notice, Cal/OSHA Form 200, Harassment or Discrimination in Employment is Prohibit form (DFEH – 162)

ARTICLE 5 INSURANCE

The Contractor shall procure and maintain all the insurance coverages set forth in Section 00800-2.0, **LIABILITY AND INSURANCE**.

The Notice to Proceed with the work under this Agreement will not be issued and the Contractor shall not commence work, until the Contractor submits written evidence that Contractor has obtained all the required insurance coverages. A subcontractor shall not commence work on the project until written evidence of the required insurance coverages has been obtained and verified by the Contractor and shall be submitted to the Owner for their records upon request.

ARTICLE 6 BONDS

The Contractor shall provide, on the execution of this Agreement, a good and sufficient corporate surety bond in the penal sum of one hundred percent (100%) of the Contract Price, which bond shall be on the form provided by the Owner in Section 00610, **FAITHFUL PERFORMANCE BOND**, and be conditioned upon the faithful performance of all work and payment of all the Contractor’s obligation under the Contract Documents.

The Contractor shall also furnish a good and sufficient corporate surety bond in the penal sum of one hundred percent (100%) of the Contract Price on the form provided by the Owner in Section 00620, **PAYMENT BOND**, and conform strictly with the provisions of Chapter 7, Title 15, Part 4, Division 3, of the Civil Code of the State of California, and all amendments thereto.

The Contractor shall also furnish a good and sufficient corporate surety bond in the penal sum of ten percent (10%) of the Final Contract Price on the form provided by the Owner in Section 00625, **MAINTENANCE BOND**, prior to the Owner’s issuance of final Project payment.

The bonds required by this Article 6 BONDS shall be issued by a corporate surety approved by the Owner. The corporate surety shall be authorized to conduct business in California. At its discretion, the Owner may request that a certified copy of the Certificate of Authority of the insurer issued by the Insurance Commissioner of the State of California be submitted by the Surety to the Owner. At its discretion, the Owner may also require the insurer to provide copies of its most recent annual statement and quarterly statement filed with the Department of Insurance pursuant to Article 10 of Chapter 1 of Part 2 of Division 1 of the Insurance Code. Further, subject to applicable law, such surety companies shall also meet such additional requirements and qualifications as provided in Section 00700-1.8, **Bonds**.

Only the bond forms provided by the Owner are acceptable and shall be executed by corporate sureties who are admitted surety insurers in the state of California in accordance with applicable law and acceptable to the Owner. All Bonds signed by an agent must be accompanied by a certified copy of such agent’s authority to act.

If the surety on any Bond furnished by the Contractor is declared bankrupt or becomes insolvent or its right to do business is terminated in any state where any part of the Work is located, the Contractor shall

within 7 days thereafter substitute another Bond and surety, which must be acceptable to the Owner.

ARTICLE 7 INDEMNITY

The duty of Contractor to indemnify and save harmless, as set forth herein, shall include a duty to defend as set forth in Section 2778 of the California Civil Code; provided, however, that nothing herein shall be construed to require Contractor to indemnify to the extent prohibited by Section 2782 of the California Civil Code.

Contractor shall indemnify, defend with counsel acceptable to Owner, and hold harmless to the full extent permitted by law, the Owner, and its individual members, and their respective commissioners, officers, officials, employees, agents and volunteers, Design Consultant and its consultants for the Project and their respective agents and employees; and if one is designated by the Owner for the Project, the Construction Manager and its consultants for the Project and their respective agents and employees (collectively "the Indemnified Parties") in accordance with the requirements of Section 00800-2.1.6, Indemnification.

ARTICLE 8 GUARANTEE

In addition to other guarantees as may be provided in other provisions of the Contract Documents, Contractor hereby expressly guarantees for one (1) full year from the date of acceptance of the Work under this agreement thereof by the Owner, to repair or replace any part of the Work performed hereunder which constitutes a defect resulting from the use of inferior or defective materials, equipment or workmanship. If, within said period, any repairs or replacements in connection with the Work are, in the opinion of the Owner, rendered necessary as the result of the use of inferior or defective materials, equipment or workmanship, Contractor agrees, upon receipt of notice from Owner, and without expense to Owner, to promptly repair or replace such material or workmanship and/or correct any and all defects therein. If Contractor, after such notice, fails to proceed promptly to comply with the terms of this guarantee, Owner may perform the work necessary to effectuate such correction and recover the cost thereof from the Contractor and/or its sureties.

In special circumstances where a particular item of work or equipment is placed in continuous service before completion of all the Work, the correction period for that item may start to run from an earlier date. This date shall be agreed upon in writing by the Contractor and Owner on or before the item is placed in continuous service.

Any and all other special guarantees which may be applicable to specific parts of the Work under this Agreement shall be considered as an additional guarantee and shall not reduce or limit the guarantee as provided by Contractor pursuant to this article during the first year of the life of such guarantee.

ARTICLE 9 CONTRACTOR'S LICENSE & DIR REGISTRATION

Contractor covenants that it and each of its subcontractors at every tier who will be performing any work on this Project currently possesses and will maintain for the duration of the Project a current active contractor's license in accordance with the provisions of California's Business & Professions Code. Contractor further covenants that it and each of its subcontractors at every tier who will be performing any work on this Project is registered with the Department of Industrial Relations ("DIR") in accordance with California's Labor Code and will remain registered with DIR for the duration of the Project.

ARTICLE 10 ASSIGNMENTS

In accordance with Section 7103.5 of the Public Contract Code, the Contractor and subcontractors shall

conform to the following requirements. In entering into a public works contract or a subcontract to supply goods, services, or materials pursuant to a public works contract, the Contractor or subcontractor offers and agrees to assign to the Owner all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act [Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code], arising from purchases of goods, materials or services pursuant to this Agreement or the subcontract. Such assignment shall be made and become effective at the time the Owner tenders final payment to the Contractor, without further acknowledgment by the parties.

ARTICLE 11 PAYMENT RELEASE

Pursuant to Public Contract Code Section 7100, the acceptance by the Contractor of an undisputed payment made under the terms of the Agreement shall operate as, and shall be, a release to the Owner, and their duly authorized agents, from all claim of and/or liability to the Contractor arising by virtue of this Agreement related to those amounts. Disputed contract claims in stated amounts may be specifically excluded by the Contractor from the operation of the release.

ARTICLE 12 CONTRACT INTERPRETATIONS

It is further expressly agreed by and between the parties hereto that should there be any conflict between the terms of this Agreement and the bid proposal of said Contractor, then this Agreement shall control, and nothing herein contained shall be considered as an acceptance of the said terms of said proposal conflicting herewith.

ARTICLE 13 SEVERABILITY

If any term or portion of this Agreement is held to be invalid, illegal, or otherwise enforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, accepted and agreed on the date indicated above:

Executed on _____, 20____

OWNER:

CONTRACTOR:

By: _____
Jason R. Dow, P.E.

By: _____
(Authorized Representative of Contractor)

Dated: _____

Print Name: _____

Title: _____
(Attach Acknowledgement for Authorized Representative of Contractor)

License No.: _____

Dated: _____
(Contractor signatures must be notarized)

***** END OF SECTION *****

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BOARD MEMORANDUM

September 4, 2025

To: CMSA Commissioners and Alternates

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

Approved: Jason Dow, General Manager

Subject: Acceptance of Completion for the Chlorine Contact Tank No. 4, and Primary Clarifier No. 2 and 3 Coatings and Concrete Rehabilitation Project

Recommendation: Accept the Chlorine Contact Tank No. 4, and Primary Clarifier No. 2 and 3 Coatings and Concrete Rehabilitation Project as complete, and authorize the General Manager to file the Notice of Completion with Marin County.

Summary: The construction contract for the Chlorine Contact Tank (CCT) No. 4, and Primary Clarifier No. 2 and 3 Coatings and Concrete Rehabilitation Project (Project) was awarded to Euro Style Management (Euro Style) in March 2025 for \$1,277,500. Three Contract Change Orders were issued during construction for \$73,718.19, resulting in a final contract amount of \$1,351,288.19. Euro Style provided good quality work and completed the work on schedule.

Discussion: The Project's scope of work included blasting and recoating the steel launder mechanisms, resurfacing and coating deteriorated sludge hopper concrete, and repairing deteriorated concrete surfaces in Primary Clarifier (PC) tanks No. 2 and No. 3. Additionally, the project included replacing failing coatings along the entire north wall of CCT No. 4, replacing failing coatings in the sodium bisulfite (SBS) spill vault, and applying a new deck coating on various horizontal walkways to prevent water intrusion through hairline cracks that could corrode embedded rebar. The Project's Notice to Proceed was issued on May 12, 2025. Euro Style subsequently provided submittals for engineering review and began equipment mobilization and onsite construction activities. During a preconstruction meeting, Euro Style proposed substituting the specified elastomeric polyurethane coating (which had failed repeatedly since 2013 due to sub-surface moisture) with a penetrating sealer that provides permanent waterproofing by penetrating up to 6 inches into the concrete. The contractor offered this change at no additional cost. Staff researched the product and conducted successful reference checks and approved the substitution.

During construction, staff processed three change orders to address unforeseen conditions totaling \$73,788.19. These changes included repairing spalled concrete, sealing active leaks in

an expansion joint as well as in some walls and ceilings, and increasing the coating area in the defective SBS spill vault flooring.

Economic Summary: The table below shows the total expenditures for the project funded by the FY25 and FY26 Capital Improvement Program (CIP) budgets. There were three change orders totaling \$73,788.19, bringing the final cost of the Euro Style construction contract to \$1,351,288.19, representing a 5.78% increase over the original contracted amount due to unforeseen yet necessary repairs. After including third-party construction management and inspection costs, the total project cost amounts to \$1,373,997.19.

Project Expenditures	
25-26 Original Contract (Euro Style)	\$1,277,500.00
Construction Change Order 1 – Repair of Spalled Grout on PC#2 Sloped Hopper Wall (Euro Style)	\$4,253.33
Construction Change Order 2 – CMSA Clean Up Cost Recovery (Euro Style)	\$(535.14)
Construction Change Order 3 – Six Items: Primary Clarifier No. 3 Concrete Repairs, SBS Spill Vault Soffit and Wall Cracks Repairs, SBS Spill Vault Floor Coating Replacement, Primary Clarifier Deck Spalling Repairs, CCT South Wall Cracks Repairs, CCT No. 3 Expansion Joint Hypalon Sealing Strip Replacement (Euro Style)	\$70,070.00
Coating Inspection Services (Bay Area Coating Consultants)	\$7,293.00
Construction Management Assistance (Dee Consultants)	\$15,416.00
Total Estimated Project Cost	\$1,373,997.19

Alignment with Strategic Plan: Completion of this Project aligns with the Agency's FY26 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.

Action b: Finish the Chlorine Contact Tank Deck and Wall Coating Project.

Project Photos:



Photo 1: Applying waterproofing sealant to the resurfaced primary clarifier sludge hopper walls.



Photo 2: Recoated steel launder mechanisms.



Photo 3: Newly coated primary clarifier deck.



Photo 4: Fully rehabilitated chlorine contact tank (CCT) No. 4.



BOARD MEMORANDUM

September 4, 2025

To: CMSA Commissioners and Alternates

From: Jason Dow, General Manager

Subject: Regional Charge Allocation Procedure

Recommendation: Discuss the Regional Charge Allocation Procedure, and provide direction to staff, as appropriate.

Summary: At the July 2025 Board meeting, Commissioner Tom Gaffney requested the Regional Charge allocation to the JPA member agencies (Members) be included on the next Board meeting agenda. On July 25, 2025, RVSD sent the attached letter to CMSA stating the district will pay the CMSA FY26 first quarter invoice under protest as directed by the RVSD Board at its July 16, 2025, meeting. Accompanying the RVSD letter is a staff report to the RVSD Board entitled "Discussion and Direction on the CMSA Cost Allocation Policy and Procedures".

In discussions with RVSD Directors and CMSA Commissioners Gaffney and Boorstein, the RVSD Boards' concerns can be addressed by CMSA considering the following actions:

- 1) The general CMSA Laboratory Standard Operating Procedure (SOP) for the Regional Charge allocation should be revised to include detailed information and procedures on how the allocation data is obtained and used to determine the Members' allocation percentages.
- 2) CMSA's FY26 Regional Charges should be based on wastewater strength results from relocated sample locations on the San Rafael and Ross Valley interceptors – June 2023 through March 2025.
- 3) San Quentin's treatment fee should be determined and presented as if San Quentin were a Member.

This memorandum provides the factual background, history, and joint actions that CMSA and the Members have collectively taken regarding the regional charge allocation.

Discussion: CMSA's Joint Powers Agreement (JPA), Section 14, states that CMSA determines the Regional Charge for each Member and the Members agree to pay it, and the Regional Charges shall be based on a methodology that may include equivalent dwelling units (EDU), wastewater flow, and/or wastewater flow and strength, where strength is the wastewater's Total Suspended Solids (TSS) and Biological Oxygen Demand (BOD) content. CMSA has been

determining each Member's Regional Charge using the flow/strength methodology since July 2013 (FY14).

Regional Charge Allocation History

CMSA allocated the Regional Charge to each Member using the EDU allocation method from the inception of CMSA through FY12. In July 2011, in response to RVSD significantly lowering the EDU count at San Quentin Rehabilitation Center, resulting in reduced Regional Charge and Debt Service payments to CMSA, the Board authorized a Regional Charge Alternative Study to evaluate basing the Regional Charge on the three methods stated in the JPA. The Study was presented to the Board in early 2012, and the Board subsequently took actions to change the Regional Charge allocation over the following four years as shown below.

Year	Methodology
FY13	Three-year flow
FY14	Three-year flow/one year strength
FY15	Three-year flow/two-year strength
FY16	Three-year flow/three-year strength

Prior to FY13, CMSA had flow data for the three Members and San Quentin, but only had strength data from the Ross Valley and San Rafael interceptors. When the Board made the decision to use the flow/strength allocation method, staff began strength sampling the SD2 and San Quentin wastewater effluent, and each following year based the Member allocations on the prior year's strength data. CMSA has been using the three-year flow/strength allocation method for the past eleven fiscal years.

Regional Charge Allocation Process

The results of the 2012 Regional Charge Alternative Study and a 2013 Regional Charge Allocation Evaluation were incorporated into the CMSA Revenue Management Financial Policy. During the JPA managers meetings in 2012 and 2013, the managers discussed how the Regional Charge would be allocated by flow and later flow/strength. Discussion topics included the allocation formulas, location of flow meters and 24 hour composite samplers, where samples were taken for each collection system, the calculation used to determine RVSD's flow and strength since there wasn't a flow meter or sample port on the district's effluent pipeline, the day samples would be taken, and how the flow and strength data was used in Excel spreadsheets to determine each Member's Regional Charge allocation. During these meetings, the managers agreed on the process of allocating the Regional Charges, and CMSA implemented the process.

Over the years, CMSA made changes to the allocation process, most of which were explained to and supported by the JPA managers. Some of these included changing the sampler collection from time based to flow based, using a database for the allocation calculations instead of spreadsheets, moving the SD2 flow measurement locations, and most recently, changing the sampling locations at the Ross Valley and San Rafael interceptors.

In early 2023 as part of CMSA's primary clarifier TSS and BOD removal efficiency study, staff collected influent samples at a few locations upstream of the primary clarifiers to identify the best plant sampling location. Staff discovered that the interceptor samples generally had higher TSS and BOD concentrations than the downstream plant samples, which should not be the case as plant samples include recycle flow streams with high TSS. These findings were discussed at two JPA manager meetings, and the interceptor sample ports were moved to the mid-point of each interceptor. The new sampling locations were implemented by June 18, 2023, and, as predicted, resulted in lower TSS and BOD concentrations in the interceptors.

RVSD Request for Regional Charge Allocation Information

RVSD began requesting regional charge allocation information on February 20, 2025, and over the following 4-month period, RVSD sent several additional information requests and numerous questions to CMSA. After each request, CMSA provided the information, data, and/or responses. CMSA also met with RVSD staff to explain aspects of the regional charge allocation method, answer questions, and present the regional charge allocation WIMS database and explain how it is used to calculate the allocations using the flow, TSS, and BOD data.

RVSD requested the initial allocation information by March 14. The table below lists the date and information provided by CMSA over that 4-month period, from email records, as well as the in-person meeting dates.

Date	Information Provided to RVSD
March 13	2011 Regional Charge Alternative Study, 2013 Regional Service Charge Allocation Analysis, Revenue Management Financial Policy, Laboratory Standard Operating Procedure (SOP 017), and FY24 flow/strength allocation data from the CMSA budget. Responses to six questions.
March 26	Laboratory SOPs for Sampling, Sample Receipt, BOD, and TSS
March 27	JPA manager meeting to discuss flow meter and sampler locations, and how charge allocation is calculated using formulas in the 2011 and 2013 Studies
April 16	FY25 flow and strength concentration and loading data, CMSA response to 20 RVSD questions and comments; revised Lab SOP 017 with changes to address items discussed at the 3/27 meeting
April 28	CMSA response to several RVSD questions
May 30	2019 – 2025 flow and strength concentration data
June 4	CMSA staff meeting with RVSD manager to present WIMS database and allocation calculations
June 16	2019 – 2024 flow and strength concentration and loading data

Laboratory Procedure to Allocate the Regional Charge

In June 2023, as a part of continued State mandated laboratory TNI implementation, laboratory staff prepared an internal SOP that generally describes where the Members' flow and strength data are collected, how TSS and BOD are analyzed, and how the data is used in WIMS to calculate loading. This SOP was prepared to assist the Agency with achieving laboratory

certification compliance, and was not intended to accurately describe the procedural details that are used to calculate the Members' Regional Charge allocations.

The SOP was reviewed at the March JPA manager meeting. During that meeting, I told the managers that CMSA will gladly revise the SOP with any and all agreed upon revisions from the JPA manager group. I also stated it is very important to CMSA that the JPA agencies fully understand how the Regional Charge is allocated, and that a revised and detailed SOP will be valuable for future reference by each district's staff. The first revision of the SOP was shared in April and included items discussed at the March meeting, such as a data outlier review task using a feature that was included in the WIMS database. It's important to note that data review for statistical outliers hadn't been previously discussed by CMSA and/JPA agency staff, and has not been used to date.

Attachments:

- 1) RVSD letter, dated July 25, 2025
- 2) RVSD July 16 Board meeting staff report, dated July 9, 2025



ROSS VALLEY SANITARY DISTRICT

1111 Andersen Dr., San Rafael, CA 94901

Tel. 415-259-2949 | www.rvsd.org

July 25, 2025

Corey Spray
Administrative Services Manager
Central Marin Sanitation Agency
1301 Andersen Drive
San Rafael, CA 94901

Sent via email to cspray@cmsa.us

RE: Payment under Protest – CMSA Invoice No. INV02177

Dear Corey:

This letter serves as notification that the payment for CMSA Invoice Number INV02177 dated July 8, 2025 in the amount of \$1,914,847.36 is being made under protest by direction of the Ross Valley Sanitary District Board of Directors' unanimous vote during a public meeting held on July 16, 2025.

While payment is being made to ensure timely settlement and avoid any potential penalties, the reason for the dispute is described in the attached RVSD Board Meeting July 16, 2025 Agenda Item 15.

All rights are reserved to challenge these disputed charges through further negotiations, mediation, arbitration, or any other legal means available. This payment should not be considered an admission of liability or acceptance of the accuracy or validity of the disputed charges.

A review of these charges is under way by the JPA Member Agencies and an appropriate adjustment to the account may be requested.

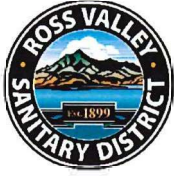
Thank you for your understanding of this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Felicia", with a long, sweeping horizontal line extending to the right.

Felicia Newhouse
Assistant General Manager
fnewhouse@rvsd.org
415-870-9761 (direct line)

Encl. CMSA Invoice dated July 8, 2025
RVSD Board Meeting July 16, 2025 Agenda Item 15
Paper check in the amount of \$1,914,847.36



ROSS VALLEY SANITARY DISTRICT

1111 Andersen Drive
San Rafael, CA 94901
(415) 259-2949 ~ rvsd.org

STAFF REPORT

For the Meeting of July 16, 2025

July 9, 2025

To: Board of Directors

From: Steve Moore, P.E., General Manager

Subject: **Discussion and Direction on CMSA Treatment Cost Allocation Policy and Procedures**

Summary

This staff report presents information and history on the CMSA treatment cost allocation policy and procedures, an analysis of how treatment costs have been disproportionately allocated to RVSD to the benefit of other JPA Members and San Quentin Rehabilitation Center, recommended modifications of policy and procedures for accuracy, transparency and fairness, and action items for Board consideration.

Background

From 2018 to 2021, RVSD's treatment costs were trending downward, demonstrating RVSD's commitment to successful wastewater management programs, initially driven by the Regional Water Board's Cease and Desist Order. These programs include award-winning O&M activities, a multi-million dollar capital program and implementation of lateral programs that reduce infiltration and inflow (I&I).

However, from 2022 to 2025, RVSD treatment costs have climbed upward, despite an ongoing reduction in total flow volumes. Board members asked RVSD staff to investigate this trend and convey the factors that contribute to higher calculated treatment cost allocations. RVSD inquiries into quality assurance procedures at CMSA began on February 20, 2025, with actual strength loading data from 2018 to 2025 being furnished by CMSA on June 16, 2025.

Unfortunately, unreported errors in CMSA's practices for treatment cost allocation have contributed to cost increases to RVSD and warrant the Board's consideration on how these overcharges should be addressed on behalf of the RVSD ratepayers. Errors occurred in both sampling for strength ("TSS" and "BOD") and in averaging snapshots of loading estimates. These errors started in 2012, when CMSA first introduced a flow/strength method to calculate treatment cost allocations, and have continued to accumulate over that period of time. Review of JPA manager meeting agendas and correspondence indicate that there was no written evidence that CMSA's practices of sampling for

strength indicators and averaging load estimates were ever peer reviewed by the JPA members whose costs and budgets depend on the veracity of these measurements and calculations.

Discussion

The attached Technical Memo (Attachment A) provides a detailed review of CMSA policy, procedures and practices that have contributed to higher treatment cost allocations to RVSD and recommendations for modifications to CMSA policy and procedures, as well as additional actions for Board consideration.

The Technical Memo describes the options available to allocate treatment costs in CMSA's Policy 520. In 2013, CMSA phased in a method of using 36 months of flow and strength (Table 2, Attachment A). Strength is measured by biochemical oxygen demand (BOD) and total suspended solids (TSS) concentrations in the influent to the treatment plant, multiplied by flow to calculate loading. Strength is not measured continuously like flow. Therefore, the details of how, where, and when strength is measured, including the sampling methods, have a large impact on the reported values which in turn affect the proportion of treatment costs borne by JPA Members and San Quentin Rehabilitation Center (SQRC) under the current system managed by CMSA.

Sampling Error Led to Overcharging RVSD for Treatment Since 2013

While investigating CMSA's standard operating procedures and practices, RVSD learned that in June 2023, CMSA changed their sampling orientation at the RVSD interceptor and the SRSD interceptor. These recent sampling changes significantly affected measured concentrations, which in turn significantly affected the strength values calculated by CMSA to allocate treatment costs. The sampling changes were so significant that the strength values used by CMSA before June 2023 are arguably not representative of the quality of the wastewater from RVSD that requires treatment, but an over-estimation of RVSD wastewater strength. This over-estimation of strength translated into an overcharging for treatment costs over a long period of time (2013 to present). The overcharging continues this year because the treatment costs are based on the last 36 months of data. The Technical Memo provides an analysis that substitutes representative values for faulty values which suggests millions of dollars of over payment by RVSD for treatment costs during this period.

Statistical Outliers Not Screened By CMSA

A statistical outlier is a data point that significantly deviates from other values in a dataset. CMSA's standard operating procedure SOP-017 describes procedures for determining Member Agency Flow and Strength, and Sections 4a and 4b describe that data and calculations are reviewed and validated for alignment with historic trends. Because the loading data of the last few years showed a lot of variability, on March 31, 2025, RVSD staff asked if any statistical methods were used to implement Section 4a and 4b. On April 11, 2025, CMSA staff unilaterally amended SOP-017 with a questionable statistical method for industrial pretreatment that would accept all the past faulty data. The Technical Memo explains how a standard screening method should replace this proposed method

and includes a figure that shows how outliers in the last five years should have been screened out if Section 4b of SOP-017 had been implemented correctly.

CMSA's Method of Averaging Load Data Results in Increased Cost to RVSD

CMSA's policy and procedures indicate that strength is calculated according to an equation, but not how an annual TSS or BOD load is derived for allocating costs. RVSD learned that CMSA estimates an annual daily load for the year by averaging the loads from days that concentrations are measured, which number about 50 per year, or less than 14% of the days. An average daily load value is calculated for each calendar month, and then the 12 calendar month averages are averaged to calculate an annual daily load that is then multiplied by 365 (days). This method omits flow data from 86% of the time, and since flow strongly influences loading, it is a snapshot method based on averages of averages, which introduce magnitudes of error.

The Technical Memo contains a sensitivity analysis comparing CMSA's averaging method to an aggregating method that calculates a load for each day based on the flow for that day and the latest available concentration. The data used for this analysis was for 2023-24 (July to March) and 2024-25 (April to March), excluding the faulty strength data prior to July 2023. This comparison revealed that the averaging method, by leaving out so much relevant information for determining treatment cost (86% of the time), penalizes RVSD in excess of \$1 Million over the last two years alone. If San Quentin Rehabilitation Center (SQRC) is included in this calculation, in the last year (2024-25) RVSD has subsidized \$577,143, including \$148,385 to SQRC, and in the previous year (2023-24) the subsidy from RVSD was \$666,273, with \$215,630 going to SQRC (see Table 6 in the Technical Memo).

Recommendations for Modifications to Policy and Procedures

The disparities, practices, and lack of communication from CMSA documented in the Technical Memo warrant significant changes in how CMSA bills the entities that pay for treatment at its facilities, the documentation that CMSA provides as part of these bills, and the standard operating procedures and policy of CMSA that address member agency flow and strength determinations. Recommendations include:

1. Tables showing flow and loading data that accompany quarterly bills need to include San Quentin Rehabilitation Center (SQRC) alongside the JPA Members and the percent allocations included. The flow and loading from San Quentin Rehabilitation Center needs to be transparently tracked alongside JPA Members so that CMSA can "true up" actual treatment costs with SQRC contract costs in full transparency to all its JPA members. Going forward, to avoid the appearance of or actual subsidies, SQRC data needs to be incorporated into the overall treatment costs and budgeting, i.e., part of the 100% flow volume (see CMSA invoice document, Attachment B).
2. Strength loading determinations for JPA Members and SQRC need to be changed to a more representative method that accounts for daily fluctuations in flow and not just a few snapshots per month. A daily aggregate mass loading calculation of loading for every

calendar day should be calculated based on the most recent strength concentrations multiplied by the daily flow, with two sampling events per week.

3. At a minimum, raw data and flow and strength calculations, including evaluation and removal of statistically significant outliers, need to accompany the annual billing statement that adjusts allocations for the coming year (each April).
4. Recommended Changes to SOP-017 (see page 17 of Attachment A)
5. Recommended Changes to Policy 520 (see page 18 of Attachment A)

Action Items for Board Consideration

In addition to changes to CMSA policy and procedures to ensure accuracy, fairness and transparency, staff requests Board discussion and direction for how to address past overcharges for treatment, and how to address inflated treatment charges for this year (2025-26), Attachment B. Alternatives are presented in the Technical Memo on pages 19-20.

Recommendation

Accept the Technical Memo and provide direction on next steps in addressing issues raised by the analysis of financial impacts to RVSD of CMSA policy and procedures on treatment cost allocation.

Attachment(s):

- A) Technical Memorandum: Analysis of Financial Impacts to RVSD of CMSA Policy and Procedures on Treatment Cost Allocation, Recommendations for Modifications, and Action Items for Board Consideration
- B) July 8, 2025 Quarterly Invoice for Treatment Costs ("Regional Service Charges")



BOARD MEMORANDUM

September 4, 2025

To: CMSA Commissioners and Alternates

From: Tiffany Elam, Administrative Specialist

Approved: Jason Dow, General Manager

Subject: August and September 2025 Informational Items

Recommendation: Informational, provide comments or direction to the General Manager, as appropriate.

1. Letter dated July 28, 2025, to Ms. Kerry O’Conner, California Regional Water Quality Control Board
Re: Monthly Self-Monitoring Report (SMR) – June 2025
2. Letter dated August 27, 2025, to Ms. Kerry O’Conner, California Regional Water Quality Control Board
Re: Monthly Self-Monitoring Report (SMR) – July 2025
3. Energy Balance and Demand Graph
Re: July 2025
4. Energy Balance and Demand Graph
Re: August 2025
5. Total Inorganic Nitrogen Levels – Monthly Update
Re: September 2025
6. Government Finance Officers Association
Re: July 28, 2025, CMSA Award Letter
7. Request for \$500 Million from GGRF to Support Nutrient Reduction in San Francisco Bay
Re: June 16, 2025, Letter

**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

July 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) – June 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 June meet established quality assurance acceptance criteria, except those indicated within the attached analytical reports.

Supplemental Submittals

In compliance with NPDES Permit Order #R2-2023-006, included within this submittal is the semiannual Chronic Toxicity Compliance and Surveillance monitoring that was conducted during May 2025. During this test, compliance monitoring result indicated a Pass result for the TST with 0.1% effect at the 2.3% Effluent dilution. However, Surveillance monitoring indicated a Fail result of the TST with a 46.4% effect at the 10% effluent dilution. A summary of the results from the semiannual testing event are provided in Table 1 below and data has been submitted in CIWQS.

Table 1: Semiannual Chronic Toxicity Compliance and Surveillance Results

Test Species	2.3% Effluent		10% Effluent	
	TST	% Effect	TST	% Effect
<i>Mytilus galloprovincialis</i>	Pass	0.1%	Fail	46.4%

In compliance with NPDES Permit Order #R2-2023-006, Attachment E, Surveillance monitoring was conducted the following calendar month to confirm TRE requirements. Surveillance monitoring during June 2025 indicated a Pass result of the TST with a 5.1% effect at the 10% effluent dilution. A summary of the results from the follow-up Surveillance monitoring event is provided in Table 2 below and data has been submitted in CIWQS. Based on these findings, as outlined in Table E-6 of Attachment E, a TRE is not required.

Table 2: Follow-up Chronic Toxicity Surveillance Results

Test Species	10% Effluent	
	TST	% Effect
<i>Mytilus galloprovincialis</i>	Pass	5.1%

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,



Nick Talbot
Treatment Plant Manager



CENTRAL MARIN SANITATION AGENCY

Attachment 2

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

August 27, 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) – July 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 July 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



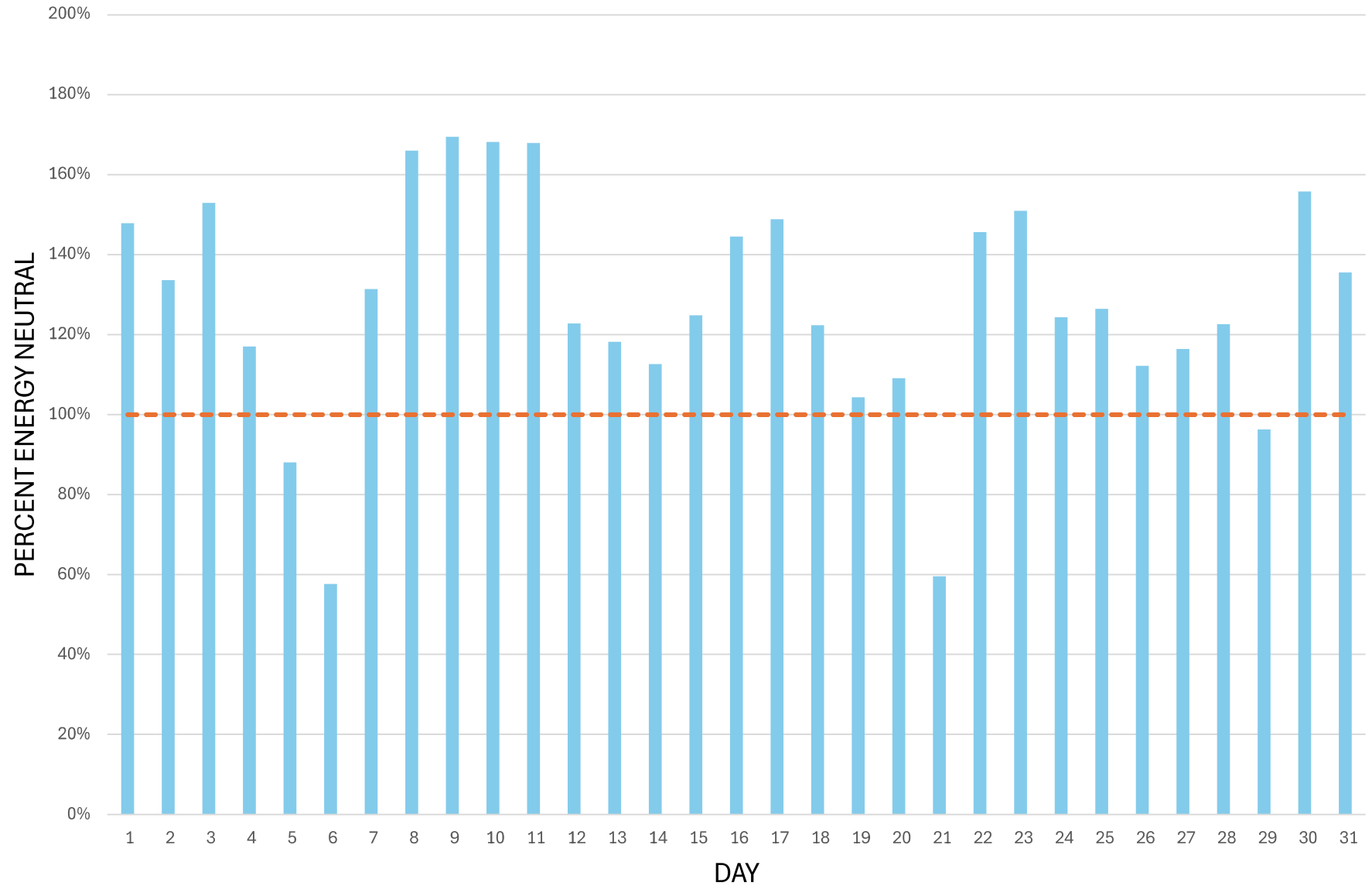
the person or persons who managed the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for known violations (40 CFR 122.22(d)).

Sincerely,

A handwritten signature in black ink, appearing to read 'Nick Talbot', with a long horizontal stroke extending to the right.

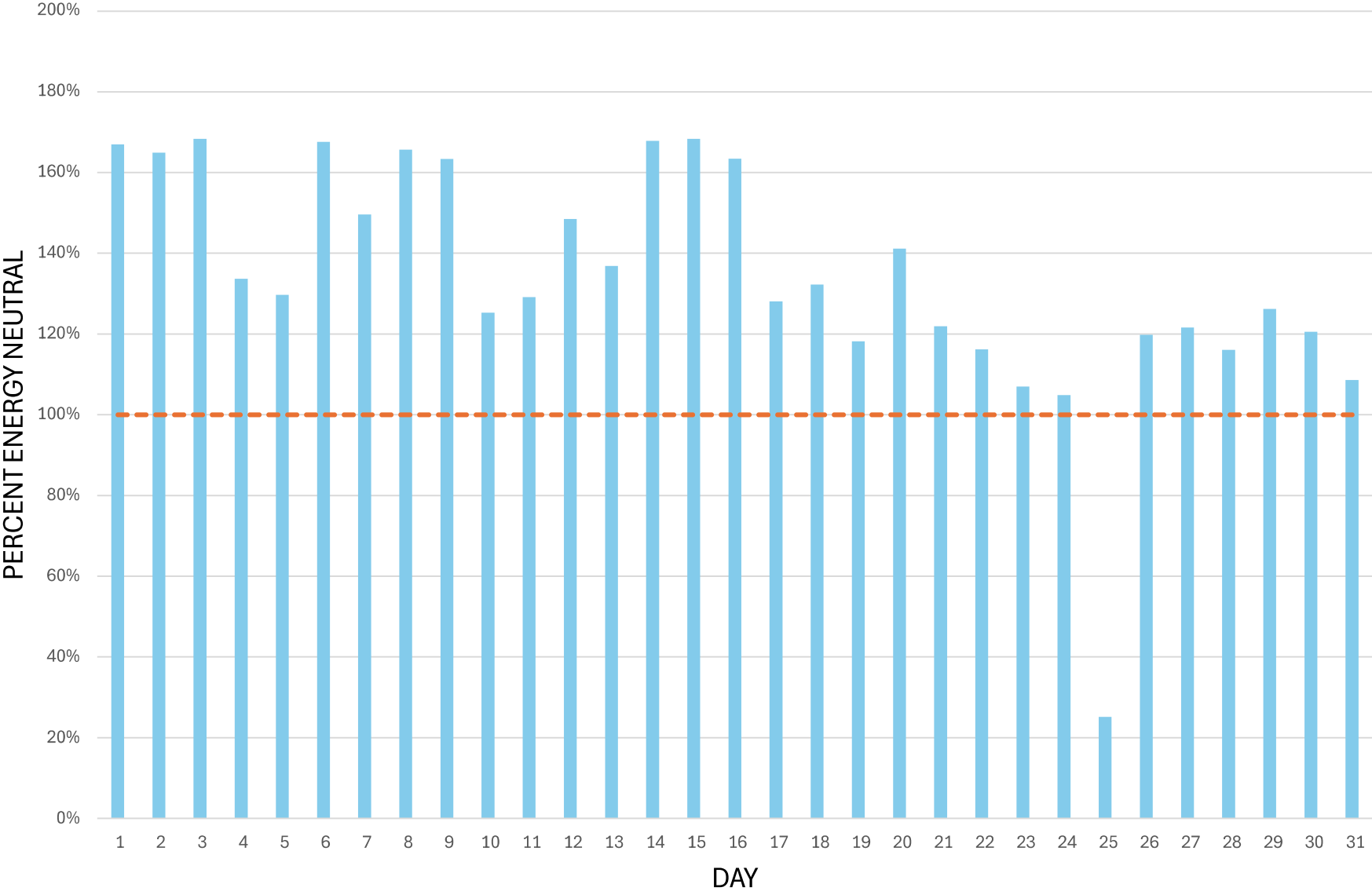
Nick Talbot
Treatment Plant Manager

JULY 2025 CMSA RENEWABLE POWER SUMMARY

128% ENERGY NEUTRAL

AUGUST 2025 CMSA RENEWABLE POWER SUMMARY

134% ENERGY NEUTRAL

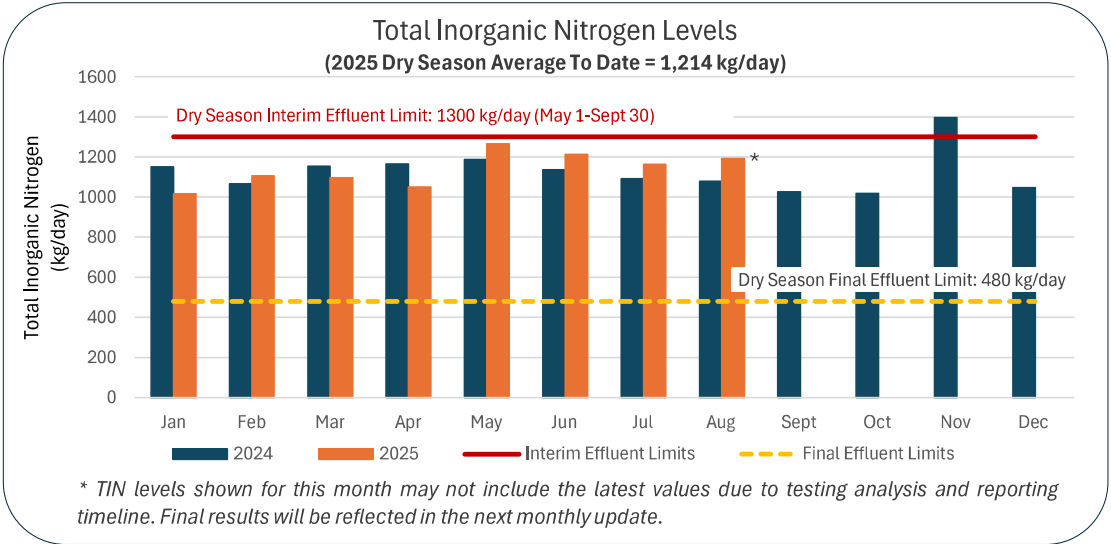


Nutrient Removal Alternatives Evaluation & Facilities Plan Project

The Project consists of evaluating alternatives for interim (2025 -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 & Progress Update	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
Secondary Clarifier Stress Test	June 9-12, 2025
Alternatives Evaluation Workshop #2	July 25, 2025
Additional Calcium Nitrate Sampling	August-September 2025
Introductory Call with Freshwater Trust on Nutrient Trading	August 2025

Remaining Tasks	Target Completion Date
Aeration System Diffuser/ Blower Evaluation	September 2025
Secondary Clarifier CFD Modeling	September 2025
Process Modeling	September 2025
Solids Loading/Energy/Nutrient Nexus	September-October 2025
Conceptual Construction and O&M Costs	September-October 2025
Alternatives Evaluation	September-October 2025
Funding Opportunity Evaluation	September-October 2025
Facilities Plan and Report	October-November 2025
Final Report and Board Presentation	November 2025



Note: High TIN load in November 2024 due to large winter storm events (outside of dry season)

SEPTEMBER 2025 UPDATE

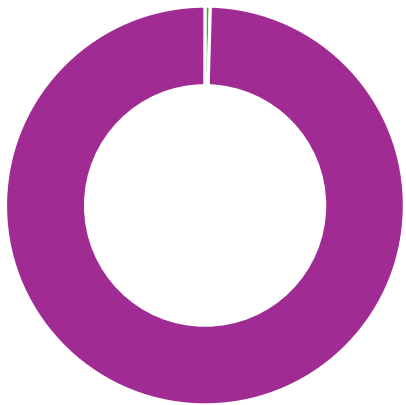


FY26 Budget	Spent (5%)**	Remaining
\$1.5 M	\$79,500	\$1.5 M

** Note: Amount spent in this fiscal year 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.

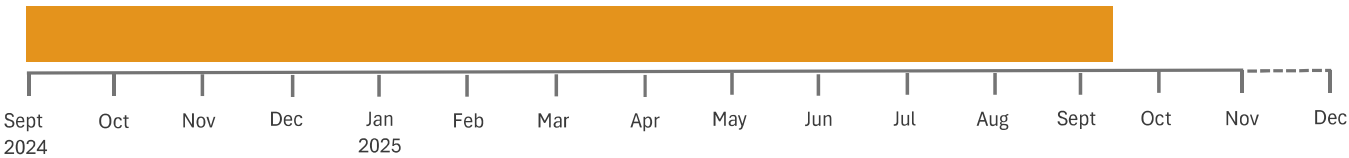


Spending Summary



■ Sampling (Supplies): \$335
■ Carollo/Hazen Consulting Fees: \$79k

Project Schedule (~87% Complete)



Special Notes

- The team met in late July to review nutrient removal alternatives. Two "bookend" alternatives were selected for further analysis to cover worst case scenarios in terms of cost and constructability, and two additional alternatives were selected for further evaluation to understand the potential range of operational and economic impacts.
- Carollo completed the development of the aeration blower model and is currently calibrating the model.
- The computational fluid dynamics (CFD) modeling based on the secondary clarifiers stress testing conducted in June 2025 is in progress. The model will be used to determine tank capacity under a future nutrient removal scenario and the modifications that can help improve performance.
- 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. There are no structural or seismic issues with ground subsidence beneath the tanks.
- 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.
- Additional influent sampling on the effects of calcium nitrate addition in the collection system began in August and will continue through the end of September.
- An introductory call was held with the Freshwater Trust where the Agency explained the scope and status of the project, and Freshwater Trust shared initial background information regarding potential nutrient trading concepts.



Government Finance Officers Association
203 North LaSalle Street, Suite 2700
Chicago, Illinois 60601-1210
312.977.9700 fax: 312.977.4806

7/28/2025

Corey Spray
Administrative Services Manager
Central Marin Sanitation Agency, California

Dear Corey:

Congratulations!

We are pleased to notify you that your annual comprehensive financial report for the fiscal year ended June 30, 2024 has met the requirements to be awarded GFOA's Certificate of Achievement for Excellence in Financial Reporting. The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (Certificate Program) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare annual comprehensive financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting. Congratulations, again, for having satisfied the high standards of the program.

Your electronic award packet contains the following:

- **A "Summary of Grading" form and a confidential list of comments and suggestions for possible improvements.** We strongly encourage you to implement the recommended improvements in your next report. Certificate of Achievement Program policy requires that written responses to these comments and suggestions for improvement be included with your 2025 fiscal year end submission. If a comment is unclear or there appears to be a discrepancy, please contact the Technical Services Center at (312) 977-9700 and ask to speak with a Certificate of Achievement Program in-house reviewer.
- **Certificate of Achievement.** A Certificate of Achievement is valid for a period of one year. A current holder of a Certificate of Achievement may reproduce the Certificate in its immediately subsequent annual comprehensive financial report. Please refer to the instructions for reproducing your Certificate in your next report.
- **Award of Financial Reporting Achievement.** When GFOA awards a government the Certificate of Achievement for Excellence in Financial Reporting, we also present an Award of Financial Reporting Achievement (AFRA) to the department identified in the application as primarily responsible for achievement of the Certificate.
- **Sample press release.** Attaining this award is a significant accomplishment. Attached is a sample news release that you may use to give appropriate publicity to this notable achievement.

In addition, award recipients will receive via mail either a plaque (if first-time recipients or if the government has received the Certificate ten times since it received its last plaque) or a brass medallion to affix to the plaque (if the government currently has a plaque with space to affix the medallion). Plaques and medallions will be mailed separately.

As an award-winning government, we would like to invite one or more appropriate members of the team that put together your annual comprehensive financial report to apply to join the Special Review Committee. As members of the Special Review Committee, peer reviewers get exposure to a variety of reports from around the country; gain insight into how to improve their own reports; achieve professional recognition; and provide valuable input that helps other local governments improve their reports. Please see our website for [information on completing an application](#).

Thank you for participating in and supporting the Certificate of Achievement Program. If we may be of any further assistance, please contact the Technical Services Center at (312) 977-9700.

Sincerely,

A handwritten signature in black ink that reads "Michele Mark Levine". The signature is written in a cursive, flowing style.

Michele Mark Levine
Director, Technical Services



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Central Marin Sanitation Agency
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

June 16, 2025

The Honorable Gavin Newsom
Governor of California
1021 O St. 9000
Sacramento, CA 95814

The Honorable Mike McGuire
President pro Tempore, California State Senate
1021 O Street, Suite 8518
Sacramento, CA 95814

The Honorable Robert Rivas
Speaker, California State Assembly
1021 O Street, Suite 8330
Sacramento, CA 95814

The Honorable Scott Wiener
Chair, Senate Committee on Budget and Fiscal Review
1021 O Street, Suite 8630
Sacramento, CA 95814

The Honorable Jesse Gabriel
Chair, Assembly Committee on Budget
1021 O Street, Suite 8230
Sacramento, CA 95814

RE: Request for \$500 Million from GGRF to Support Nutrient Reduction in San Francisco Bay

Dear Governor Newsom, President pro Tempore McGuire, Speaker Rivas, Chair Wiener and Chair Gabriel,

We the undersigned coalition of public agencies respectfully request \$500 million in Greenhouse Gas Reduction Funds (GGRF) to help reduce nutrient loading to San Francisco Bay from municipal wastewater treatment plants. This investment is critical to protecting the health of the Bay, ensuring the long-term sustainability of our regional water infrastructure and to protect the San Francisco Bay and safeguard communities from worsening impacts of harmful algal blooms driven by climate change.

The San Francisco Bay is the West Coast's largest estuary and a vital environmental, recreational, and economic resource. But climate change is placing the Bay under increased stress and intensified threats to the Bay's health. Warmer water temperatures, increased solar radiation, and changes in hydrology are accelerating harmful algal blooms.

These blooms—exacerbated by nutrient loading from wastewater, rising temperatures, and climate change—have had devastating impacts on marine life, recreational water use, and public health. In 2022 and 2023, severe algal blooms resulted in the death of more than 10,000 fish across five species and created unsafe water conditions for both people and pets. Left unaddressed, these climate-exacerbated events risk triggering cascading ecosystem failures and undermining decades of environmental progress.

Bay Area wastewater agencies, including the San Francisco Public Utilities Commission, are investing in infrastructure to reduce nutrient discharges and meet regulatory requirements. However, these projects come with significant costs, with the total estimated need for Bay Area

agencies reaching as much as \$11 billion and could raise average household utility bills by more than \$200 per year. Without federal and state assistance, local ratepayers—including many working families—would be paying off the debt from reducing nutrient discharges for a generation.

Nutrient reduction is closely interlinked with California’s climate goals. Many improvements that wastewater agencies are planning have co-benefits that bolster our region’s climate resilience. Recycled water projects can divert nutrients from the Bay while reducing water imports from the Sierras. Many agencies are investigating nature-based solutions that can reduce nutrients while providing shoreline protection against sea level rise, habitat protection, and enhanced community access to the shoreline. Agencies are also piloting innovative technologies that can reduce their facility’s energy requirements while reducing nutrient discharges to the San Francisco Bay.

We urge the Legislature to appropriate \$500 million for this effort within the next allocation of GGRF reduction or climate resilience funds. This is a once-in-a-generation opportunity to align California’s climate action with water quality and ecosystem protection. We respectfully request your leadership in ensuring San Francisco Bay receives the resources it needs to adapt and thrive in the face of climate change.

Thank you for your leadership and commitment to California’s climate future.

Sincerely,

Bill Hansell
District Manager
Alto Sanitary District

Roger S. Bailey
General Manager
Central Contra Costa Sanitary District

Lorien Fono
Executive Director
Bay Area Clean Water Agencies (BACWA)

Jason Dow
General Manager
Central Marin Sanitation Agency

Vince De Lange
General Manager
Delta Diablo

Jacqueline Zipkin, P.E.
General Manager
East Bay Dischargers Authority

Alex Ameri
Director of Public Works
City of Hayward

Jimmy Dang
General Manager
Oro Loma Sanitary District

Mariana Chavez Vazquez
General Manager
San José-Santa Clara Regional Wastewater
Facility

Dennis Herrera
General Manager
San Francisco Public Utilities Commission

Teresa Herrera, P.E.
Manager
Silicon Valley Clean Water

Garret Toy
General Manager
Tamalpais Community Services District

Andy Morris
Wastewater Plant Superintendent
The City of Benicia California

Mark Tomko
General Manager
Vallejo Flood & Wastewater District

Andrew Clough
General Manager
West County Wastewater

CC:

Senator Jesse Arreguín
Senator Josh Becker
Senator Christopher Cabaldon
Senator Dave Cortese
Senator Tim Grayson
Senator John Laird
Senator Aisha Wahab

Assemblymember Patrick Ahrens
Assemblymember Anamarie Ávila Farias
Assemblymember Marc Berman
Assemblymember Mia Bonta
Assemblymember Damon Connolly
Assemblymember Matt Haney
Assemblymember Ash Kalra
Assemblymember Alex Lee
Assemblymember Liz Ortega
Assemblymember Gail Pellerin
Assemblymember Diane Papan
Assemblymember Catherine Stefani
Assemblymember Buffy Wicks
Assemblymember Lori D. Wilson

