Central Marin Sanitation Agency

COMMISSION REGULAR MEETING AGENDA
Tuesday, November 14, 2017
at the Agency Office
7:00 p.m.

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. Audio and video recordings will be made of this meeting and will be posted to the Agency website.

1. **7:00 p.m.: Call Meeting to Order/Pledge of Allegiance**
2. **Roll Call**
3. **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.
4. **Consent Calendar**
   Matters listed under this item are considered routine and will be enacted by one motion. The consent calendar may include resolutions; therefore, the motion, second, and vote will also be applicable to the resolution and recorded accordingly. There will be no separate discussion of these items unless requested by a member of the Board or the public prior to the time the Board votes on the motion to adopt.

   a) Minutes—Regular Board Meeting—October 10, 2017
   b) Treasurer's Report—Operating Account—October 2017
   c) Schedule of Investments— October 2017
   d) NPDES, Process, and Maintenance Report— October 2017
   e) Performance Metric Report— October 2017
   f) Capacity Charge Schedule for Fiscal Year 2016-17
   g) Revised Disposal of Surplus Assets Policy
   h) Letter of Understanding with SEIU Local 1021
   i) Compensation and Benefit Adjustment for Unrepresented Employees

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5. **Fiscal Year 2016-17 Audited Financial Statements**
   Recommendation: Accept the Agency's Fiscal Year 2016-17 audited financial statements, and provide comments or direction the General Manager, as appropriate.

6. **Andersen Drive Hillside Landslide Restoration – Cal OES Agent Authorization Resolution**
   Recommendation: Adopt CMSA Resolution No. 317, and provide comments or direction to the General Manager as appropriate.

7. **Secondary Clarifier Pipe Corrosion Repair**
   Recommendation: Informational, provide direction to the General Manager, as appropriate.

8. **Construction Progress Update for the Maintenance Building Modifications Project**
   Recommendation: Informational, provide comments and/or direction to the General Manager, as appropriate.

9. **Reschedule December 2017 Board Meeting**
   Recommendation: Consider rescheduling the December 12, 2017 Board meeting.

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

11. **Oral Reports by Commissioners/General Manager***

12. **Next Scheduled Meeting**
    Tuesday, December 12, 2017 at 7:00 p.m. at the Agency office.

*Information not furnished with Agenda

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

Central Marin Sanitation Agency

COMMISSION REGULAR MEETING MINUTES
Tuesday, October 10, 2017
at the Agency Office

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/Pledge of Allegiance**
   Chair Furst called the meeting to order at 6:03 p.m. A quorum was present.

2. **Roll Call** **00:00:38**

Present:	Chair Diane Furst; Vice-Chair Thomas Gaffney; Commissioners Maribeth Bushey, Michael Boorstein, and Dan Hillmer; Alternate Commissioner Dean DiGiovanni (for Al Boro).
Absent:	Secretary Al Boro
Staff present:	Jason Dow, General Manager; Kate Brouillet, Recording Secretary
Public present:	None

3. **Open Period for Public Participation** **00:00:50**
   There were no comments from the public.

4. **Closed Session was convened at 6:05 p.m.** **00:01:00**
   The recording secretary left the meeting.

   CONFERENCE WITH LABOR NEGITIATOR
   California Government Code Section 54957.6
   Agency Negotiator: Austris Rungis, Human Resources Consultant (I.E.D.A.), Jason Dow, General Manager
   Employee Organization: SEIU Local 1021; and Unrepresented Employees

   PUBLIC EMPLOYEE PERFORMANCE EVALUATION
   California Government Code Section 54957
   Title: General Manager

5. Open Session was reconvened at 7:20 p.m.

Chair Furst reported that no action was taken in closed session, and direction was given to staff.

6. Roll Call **00:00:00**

Present:	Chair Diane Furst; Vice-Chair Thomas Gaffney; Commissioners Maribeth Bushey, Michael Boorstein, and Dan Hillmer; Alternate Commissioner Dean DiGiovanni (for Al Boro).
Absent:	Secretary Al Boro
Staff present:	Jason Dow, General Manager; Brian Thomas, Technical Services Manager; Chris Finton, Treatment Plant Manager; Paul Bruemmer, Maintenance Supervisor; and Kate Brouillet, Recording Secretary
Public present:	Felicia Newhouse, RVSD; Jim Dunbar, Lystek

7. Open Period for Public Participation **00:00:26**

There were no comments from the public.

8. Revised General Manager Employment Agreement **00:00:45**

Chair Furst stated that the Board met in closed session and discussed the performance evaluation and revised employment agreement for the General Manager. She stated that the Board proposed two changes to the revised employment agreement: in Section 2, *Compensation*, change the monthly salary to $21,863; and add a statement in Section 7, *Deferred Compensation Contribution*. Chair Furst asked Commissioner DiGiovanni to describe the suggested statement.

Commissioner DiGiovanni stated that he recommends for clarity adding a statement that the Agency's deferred compensation contribution is in addition to the General Manager's base monthly salary. The Board concurred.

Agency Counsel Jack Govi stated that he will make the salary adjustment change and add a statement in appropriate language to Section 7 as noted above.

Comments from the Public:

There were no comments from the public.

ACTION:	Commissioner Hillmer moved to approve the revised General Manager Employment Agreement with the above noted changes; second, Commissioner Boorstein.
Ayes:	BOORSTEIN, BUSHEY, DIGIOVANNI, FURST, GAFFNEY, HILLMER
Nos:	NONE
Abstentions:	NONE

DIRECTION: Agency Counsel Jack Govi to prepare a revised contract with the above changes for signature by the Board Chair and Vice-Chair.

9. Consent Calendar **00:03:08**

a) Minutes—Regular Board Meeting—September 12, 2017
b) Treasurer's Report—Operating Account—September 2017
c) Schedule of Investments— September 2017
d) NPDES, Process, and Maintenance Report— September 2017
e) Performance Metric Report— September 2017
f) FY 2018 Budget Status – First Quarter Report
g) FY 2018 Asset Management Program – First Quarter Report

There was no discussion by the Board.

Agency Counsel Jack Govi left the meeting.

Comments from the Public:
There were no comments from the public.

ACTION: Commissioner Boorstein moved to approve the Consent Calendar; second, Commissioner Gaffney.

Ayes: BOORSTEIN, BUSHEY, DIGIOVANNI, FURST, GAFFNEY, HILLMER

Nos: NONE

Abstentions: NONE

10. Lystek Biosolids Reuse Presentation **00:03:47**

GM Dow reviewed the background of the Agency's transportation of its dewatered biosolids to beneficial reuse sites. He stated that due to the increasing limitations and restrictions on the land application of biosolids throughout the state over the past fifteen years, the Agency has been participating in various programs to explore biosolids diversification options. GM Dow stated that in October 2016 CMSA began delivering dewatered biosolids to Lystek's biofertilizer facility in Fairfield when it began commercial operations. He stated that delivering biosolids to Lystek diversifies the Agency's reuse portfolio and provides the Agency with a year-round sustainable biosolids management solution.

GM Dow then introduced Jim Dunbar, Lystek's General Manager of California Operations.

Mr. Dunbar gave a comprehensive presentation on Lystek's first year of operations, and stated that Lytek values the partnership with CMSA and hopes that it continues well into the future. He then presented a small monetary check to the Agency for CMSA's share of Lystek's annual sales profit in accordance with the agreement.

The Board thanked Mr. Dunbar for the very informative presentation, and asked him various questions regarding the soil injection process, sales of the fertilizer product to farmers, potential use of the product on food crops, and testing procedures.

Mr. Dunbar answered the Board's questions, and after the discussions left the meeting.

This item was informational, and no action was taken by the Board.

11. Marin County Adult Offender Work Program **00:24:00**

GM Dow stated that CMSA's Maintenance Supervisor, Paul Bruemmer, has experience with the San Mateo County Adult Offender Work Program (AOWP) with his previous employer, Daly City's Water/Wastewater department, and has recommended that CMSA consider participating in the Marin County AOWP. GM Dow stated that staff has contacted the AOWP administrator, the Marin County Probation Department, and local agency AOWP references and believes CMSA's participation will provide the Agency with several benefits. He stated that staff informed SEIU Local 1021 about CMSA's interest in participating in the program, and SEIU responded that they did not have any concerns. GM Dow then introduced Mr. Bruemmer, Maintenance Supervisor.

Mr. Bruemmer provided a brief summary of the AOWP program and its administration, and how CMSA will utilize the program participants to support the Agency.

The Board briefly discussed the program and asked a few questions regarding the cost of the program and supervision of the AOWP participants.

GM Dow stated that there is no cost to the Agency to participate in the program, and that Utility Workers would provide the orientation and supervision. He stated that by CMSA taking part in the program it would allow time for Utility Workers to broaden their work experience by assisting in Operations and Maintenance staff with higher level maintenance and mechanical tasks.

Mr. Bruemmer stated that the AOWP program provides introductory supervisory training for the Utility Worker staff.

Chair Furst suggested that sex offenders and anyone having been sentenced or convicted of a crime associated with explosives be excluded from working at the Agency, and for the AOWP program managers to recommend other types of offenders who would not be appropriate for assignment to the Agency.

Commissioner Gaffney stated that he commends staff for bringing an effective program in place at another agency to the attention of the Board for consideration.

Comments from the Public:
There were no comments from the public.

ACTION: Commissioner Bushey moved to authorize the Agency's participation in the Marin County Adult Offender Work Program; second, Commissioner Boorstein.

Ayes: BOORSTEIN, BUSHEY, DIGIOVANNI, FURST, GAFFNEY, HILLMER

Nos: NONE

Abstentions: NONE

Mr. Bruemmer left the meeting.

12. Draft Sea Level Rise Assessment - 2017 Agency Facilities Master Plan 00:38:20

DM Dow stated that in September 2016, the Board approved the 2017 Agency Facilities Master Plan (Plan) contract with Carollo Engineers that is comprised of eleven specific technical tasks to assist the Agency with planning for potential future operational, capital, resource recovery, and regulatory compliance activities. He stated that at the June 2017 meeting staff presented the first report on the findings from the final draft Blending Alternative Analysis, Facility Condition Assessment, and Dewatering Alternative Evaluation Technical Memorandums (TMs).

GM Dow stated that to keep the Board briefed on the Plan's development, staff intends to present noteworthy information from draft TMs at Board meetings over the next several months. He stated that when the final draft Plan report is prepared, a Carollo representative will attend a Board meeting and present each TM's findings and recommendations to the Board, after which the final Report will be submitted.

GM Dow stated that Carollo Engineers has submitted the draft Sea Level Rise Assessment TM that staff is currently reviewing. GM Dow referred to the staff memo and described the report's findings. He stated that CMSA's treatment processes and equipment will not be impacted by the projected sea level rise in 2030, 2050, or 2100, including the 100-year flood event; portions of Andersen Drive leading to CMSA will be flooded at the projected 2030 sea level elevation with the 100-year flood; and gravity and pumped outfall discharge to the central San Francisco Bay is not significantly reduced for the projected 2030 sea level elevation with the 100-year flood.

The Board discussed the draft report's findings, and asked GM Dow various questions regarding the existence of similar studies by MMWD or the member agencies; potential accessibility limitations to CMSA property; and the effect that outfall diffusers buried in the SF Bay mud may have on Agency operations.

GM Dow answered the Board's questions and stated that at the next JPA managers meeting, he will inquire if sea-level rise studies are being undertaken at the member agencies.

This item was informational and no action was taken by the Board.

The Board took a 10-minute recess.

13. Draft MCE Power Purchase Agreement **01:01:26**

GM Dow stated that at the May 2017 meeting, the Board authorized staff to negotiate a power sale agreement with Marin Clean Energy (MCE), and directed staff to explore with MCE the possibility of a contract term of less than 20 years. He stated that staff, CMSA's energy consultant, and special legal counsel have reviewed and commented on MCE's standard power purchase agreement, and negotiated several revisions to it.

GM Dow stated that the Agency's electricity bills are complex, and that CMSA's power purchase unit price is comprised of several cost components such as MCE generation charges and PG&E transportation and delivery charges. He stated that staff submitted an application for the MCE standard Feed-In Tariff (FIT) in early March 2017, it was deemed complete on March 20, 2017, and has reserved a baseload energy price of $0.105 per kWh.

The Board had a brief discussion and asked if the Agency was generating excess power.

GM Dow stated that the Agency is not yet generating excess power, pending the necessary facility improvements and expansion of the organic waste program.

Commissioner Bushey stated that she has not been able to review the agreement in detail, is not prepared to discuss it, and suggests that it would be the best use of the Board's time to create an ad hoc committee to work through the details and bring a recommendation back to the full Board at an appropriate time. The Board concurred.

Commissioners Gaffney, Bushey, and DiGiovanni volunteered to serve on an ad hoc committee. The Board concurred.

Comments from the Public:
There were no comments from the public.

ACTION: Commissioner Boorstein moved to refer this item to an ad hoc committee comprised of Commissioners Gaffney, Bushey, and DiGiovanni a bring a recommendation back to the full Board at a later time; second, Commissioner Hillmer.

Ayes: BOORSTEIN, BUSHEY, DIGIOVANNI, FURST, GAFFNEY, HILLMER

Nos: NONE

Abstentions: NONE

14. North Bay Watershed Association (NBWA) Report **01:10:41**

Chair Furst stated that she, Commissioner Boorstein, and GM Dow attended the October 6th NBWA Board Meeting, and that there was a very informative tour of the Russian River Water Supply & Fish Ladder facilities hosted by the Sonoma County Water Agency. She stated the tour showed how the Russian River water supply recharges an aquifer, and concluded with a visit to the newly constructed Russian River Fish Ladder and Viewing Gallery which allows fish to navigate an inflatable dam at the agency's diversion facility.

15. Oral Reports by Commissioners/General Manager **01:19:19**

GM Dow stated that he will include a staff report on a successful rehabilitation project on the next meeting's agenda.

Chair Furst stated that all should read the Washington Post article in this month's Informational Items on the "Fatburg."

16. Next Scheduled Meeting **01:20:15**

Tuesday, November 14, 2017 at 7:00 p.m. at the Agency office.

Chair Furst adjourned the meeting at 8:50 p.m.

Respectfully Submitted,

Kate Brouillet

Kate Brouillet, Recording Secretary

Tom Gaffney, Vice-Chair

Central Marin Sanitation Agency
Treasurer's Report - Operating Account
For the Month of October 2017

I. Accounts Summary: Bank & Investment Accounts

Summary of Bank & Money Market Accounts		
Westamerica Bank - Account Activity shown below	$	331,212.90
Local Agency Investment Fund (LAIF) - Refer to Schedule of Investments		15,990,878.76
California Asset Management Program (CAMP) - Refer to Schedule of Investments		361,560.29
Total Bank & Investment Accounts: Ending Balance on October 31, 2017	$	16,683,651.95

II. Account Activity for Westamerica Bank

Beginning Balance on October 1, 2017		284,458.89
Cash Receipts (Deposits into Westamerica):		
Transfers from LAIF		200,000.00
JPA Service Charges (FY18 Q2: SD#1, SD#2, SRSD)		2,723,290.75
Connection Fees (Capacity Charges): SRSD - 1 Residential & 83 Fixture Units		36,617.90
LGVSD - pollution prevention & FOG (FY18 1Q: July-September)		1,832.75
RVSD - FOG Program (FY17 4Q: April-June)		2,553.85
Revenue from Haulers & RVs		8,726.93
Revenue from Organic Waste Programs		12,880.94
Health & Safety Program Revenue (NSD: FY18 2Q Salary/Benefits & 1Q Expenses)		11,312.27
SD 2 Operations & Maintenance Contract (FY18: August & September)		45,343.98
SQSP Wastewater Services Contract (FY18: August)		89,908.83
SQSP: Extra work: pump room piping assessment to determine condition of internal pipe lining; lead containing paint and polychlorinated biphenyl testing (FY18: August)		7,437.24
SQ Village Operations & Maintenance Contract (FY18: August)		852.60
Miscelleneous Revenue: MetLife Dividend		38.00
Miscelleneous Reimbursements: Workers' Comp sick-time buyback from employee, Lystek profit rebate, SRSD annual cathodic protection survey		3,623.84
Void check #15799 & 15590		835.64
Total Cash Receipts	$	3,145,255.52
Cash Disbursements (Withdrawals from WestAmerica):		
October 2017 Operating account disbursements register (see attached)		$754,783.14
Regular Payroll paid 10/13/17		129,277.86
Regular Payroll paid 10/27/17		132,055.62
Transfers to EFTPS Federal Payroll Taxes (10/05, 10/12, 10/18)		70,018.61
Merit Pay (2)		12,249.85
Transfers to LAIF (FY18 Q2: JPA Payments)		2,000,000.00
Bank Fee		116.43
Total Cash Disbursements		$3,098,501.51
Ending Balance on October 31, 2017	$	331,212.90

Prepared by: Kenneth Spray, Administrative Services Manager

Reviewed by: Jason Dow, General Manager

Central Marin Sanitation Agency
Operating Account Disbursements Register
For the Month of October 2017

Check Number	Date	Vendor/Payee	Amount	Description
15846				Last check # from prior month's register
15847	10/03/17	Phillip Frye	225.63	Reimbursement for retiree health benefits by check
15848	10/03/17	James L. Johnson	172.48	Reimbursement for retiree health benefits by check
15849		Void		
15850	10/03/17	California Public Employee	4,127.45	Contribution to Retiree Health Benefits Trust Fund, PPE 09/23/2017 (Note C)
15851	10/03/17	California State Disbursement	314.76	EE Garnishment, PPE 09/23/2017 (Note A)
15852	10/03/17	ICMA Retirement Trust-457	4,910.00	Deferred compensation contributions, PPE 09/23/2017 (Note A)
15853	10/03/17	Navia Benefit Solutions	540.19	Flexible spending account, PPE 09/23/2017
15854	10/03/17	Nationwide Retirement	4,409.30	Deferred compensation contributions, PPE 09/23/2017 (Note A)
15855	10/03/17	SEIU Local 1021	1,080.74	Union dues, PPE 09/23/2017
15856	10/05/17	CASH-PETTY CASH Replenishment	375.60	Petty cash replenishment
15857	10/05/17	Delta Dental Plan of Calif.	7,857.91	Dental insurance, October 2017
15858	10/05/17	Lincoln Financial Group	1,975.88	Life insurance, October 2017
15859	10/05/17	Vision Service Plan -(CA)	902.46	Vision insurance, October 2017
15860	10/06/17	Amazing Solutions, Inc.	150.00	Prof Svcs: Accounting software support, September 2017
15861	10/06/17	Katherine Brouillet	642.00	Employee expenses eligible for Agency dental reimbursement
15862	10/06/17	Carollo Engineers, Inc.	6,732.10	Prof Svcs: PG&E Interconnection Agreement Modifications Project, August 2017
15863	10/06/17	Evoqua Water Tech LLC	28,301.07	Calcium Nitrate (2 deliveries); Hydrogen Peroxide (1 delivery)
15864	10/06/17	IEDA, Inc.	1,564.00	Labor relations consulting, October 2017
15865	10/06/17	Monica Oakley	8,397.80	Prof Svcs: Regulatory consulting, September 2017
15866	10/06/17	Pacific Infrastructure	33,112.00	Secondary Clarifier #3 Pipe Corrosion Repair project
15867	10/06/17	P.G.& E.	17,983.11	Electricity service, 08/16-09/14/2017 (2 invoices)
15868	10/06/17	Ricoh USA Inc	259.35	Lab copier rental, 09/09-10/08/2017
15869	10/06/17	SPURR	4,229.24	Natural gas, August 2017
15870	10/06/17	Thatcher Company of	4,670.43	Ferric Chloride (1 delivery)
15871	10/06/17	The Cary Company	265.60	Lab supplies
15872	10/06/17	Total Waste Systems, Inc.	9,397.14	Biosolids hauling fee, September 2017
15873	10/06/17	Univar USA Inc	7,585.64	Sodium Bisulfite (1 delivery); Sodium Hypochlorite (1 delivery)
15874	10/09/17	Airgas USA, LLC	50.24	Nitrogen cylinder rental
15875	10/09/17	Caltest Analytical Laboratory	1,032.25	Lab analyses (3 invoices)
15876	10/09/17	Chris Finton	200.00	Employee Exp Reimb: Commuter Check Program
15877	10/09/17	Fisher Scientific	1,623.78	Lab supplies (11 invoices)
15878	10/09/17	Grainger	1,956.97	Safety supplies (2 invoices), Maintenance parts & supplies (9 invoices)
15879	10/09/17	Keller America Inc	1,383.96	Submersible level transmitters (4)
15880	10/09/17	McMaster-Carr Supply Co.	3,691.13	Maintenance parts & supplies (10 invoices)
15881	10/09/17	Modular Space Corporation	626.65	Rental fee for mobile office and storage containers
15882	10/09/17	Platt	454.92	Electrical supplies
15883	10/09/17	Praxair Distribution, Inc.	98.13	Acetylene cylinder rental
15884	10/09/17	Ryan Herco Flow Solutions	245.38	Lab supplies
15885	10/09/17	Seco Controls LLC	3,034.25	Laser level for digester dome
15886	10/17/17	CAL-CARD	8,501.94	State of California Purchase Card, August and September 2017
15887	10/17/17	California Public Employee	4,127.45	Contribution to Retiree Health Benefits Trust Fund, PPE 10/07/2017 (Note C)
15888	10/17/17	California State Disbursement	314.76	EE Garnishment, PPE 10/07/2017 (Note A)
15889	10/17/17	ICMA Retirement Trust-457	4,910.00	Deferred compensation contributions, PPE 10/07/2017 (Note A)
15890	10/17/17	Navia Benefit Solutions	540.19	Flexible spending account, PPE 10/07/2017
15891	10/17/17	SEIU Local 1021	1,112.17	Deferred compensation contributions, PPE 10/07/2017 (Note A)
15892	10/18/17	Airgas USA, LLC	48.52	Union dues, PPE 10/07/2017
15893	10/18/17	Aramark Uniform Services	617.22	Uniform services, September 2017
15894	10/18/17	AT&T	327.18	Fax and emergency phone service, 10/07-11/06/2017
15895	10/18/17	Automation Direct Co., Inc.	100.00	Maintenance parts & supplies

Central Marin Sanitation Agency
Operating Account Disbursements Register
For the Month of October 2017

Check Number	Date	Vendor/Payee	Amount	Description
15896	10/18/17	Babbitt Bearing Co Inc	540.00	Motor-operated valve repair
15897	10/18/17	Cal Steam	80.44	SD2 PS Maint: Flow control valve parts (Note B)
15898	10/18/17	CDW Government, Inc.	1,397.10	Adobe Acrobat software upgrade
15899	10/18/17	Cole-Parmer Instrument Co.	366.23	Maintenance parts & supplies
15900	10/18/17	Compactor Management Co.	2,799.67	OWRF pumice bins (2)
15901	10/18/17	Evoqua Water Tech LLC	18,238.26	Calcium Nitrate (3 deliveries); Hydrogen Peroxide (1 delivery)
15902	10/18/17	Harrington Industrial Plastics	539.90	Maintenance parts & supplies (3 invoices)
15903	10/18/17	Home Depot Credit Services	320.46	Electrical supplies
15904	10/18/17	Horizon Dist. Inc	21.39	Maintenance parts & supplies
15905	10/18/17	Jackson's Hardware	130.15	Maintenance parts & supplies
15906	10/18/17	Kone Inc	131.59	Elevator Service, October 2017
15907	10/18/17	Platt	454.92	Electrical supplies
15908	10/18/17	R & B Company	566.87	Backflow assembly for Gallery C
15909	10/18/17	Rafael Lumber	210.95	Maintenance parts & supplies
15910	10/18/17	Rock Steady Juggling	500.00	Pub Ed Program: Outreach at 1 school (Note B)
15911	10/18/17	SHAPE Incorporated	12,203.64	Replacement site sump pump
15912	10/18/17	Thomas Fish Company	139.50	Lab supplies
15913	10/18/17	Waste Management	4,750.53	Redwood Landfill biosolids reuse fee, September 2017
15914	10/18/17	Western Machinery	3,190.86	SQPS maint: Stand-by generator annual service and repair (2 invoices) (Note B)
15915	10/18/17	Woodland Center Auto Supply	528.77	Auto parts supplies
15916	10/18/17	AireSpring	704.20	Telephone service, September 2017
15917	10/18/17	American Sentry Systems, Inc.	105.00	Alarm service, October-December 2017
15918	10/18/17	Brandon Tire	746.89	Vehicle tires, (2 invoices)
15919	10/18/17	Comcast	191.20	Internet service, 10/04-11/03/2017
15920	10/18/17	Dealers Industrial Equipment	702.92	SQPS maint: Grinder motor (Note B)
15921	10/18/17	Dee Consultants LLC	8,280.00	Prof Svcs: Construction Management Support, September 2017
15922	10/18/17	Evoqua Water Tech LLC	19,583.77	Calcium Nitrate (1 delivery); Hydrogen Peroxide (1 delivery)
15923	10/18/17	FLO-LINE Technology Inc.	3,643.34	Replacement ferric feed pump for digester
15924	10/18/17	Foster Flow Control	2,805.93	Replacement boiler system valve
15925	10/18/17	Graybar	15,219.58	LED replacement lighting
15926	10/18/17	Hoffmeyer Co. Inc.	5,858.99	Replacement motors for centrifuge (2); facility washdown hose
15927	10/18/17	Mark Koekemoer	119.93	Employee Expense Reimb: TNT ELAP training
15928	10/18/17	Koff & Associates, Inc.	1,300.00	Employee compensation and benefits analysis
15929	10/18/17	Marin Sanitary Service	4,087.75	Yardwaste and grit disposal service, September 2017
15930	10/18/17	Marin Office Supply	693.66	Office supplies, September 2017
15931	10/18/17	OCCUMETRIC	345.00	Utility Worker Recruitment: Pre-employment physical
15932	10/18/17	Pacific EcoRisk	3,785.00	NPDES Permit: Toxicity testing
15933	10/18/17	Red Wing Brands of America Inc	912.40	Safety shoes (3 employees)
15934	10/18/17	Dustin Rice	114.49	Employee Expense Reimb: DMV report and mileage
15935	10/18/17	Rockwell Solutions	7,789.77	TWAS pumps for spare inventory
15936	10/18/17	Anthony Smith	300.00	Employee Exp Reimb: Commuter Check Program
15937	10/18/17	TEC Associates Inc	4,002.04	LEL and Hydrogen Sulfide gas analyzer
15938	10/18/17	Wiley Price & Radulovich	412.50	Prof Svcs: Employment Law services, September 2017
15939	10/18/17	EverWatt Lights	4,904.46	LED replacement lighting
15940	10/18/17	Koff & Associates, Inc.	250.00	Utility Worker Recruitment: Background check
15941	10/19/17	Amazing Solutions, Inc.	37.50	Prof Svcs: Accounting software support, September 2017
15942	10/19/17	Amazon	1,670.33	Computer supplies
15943	10/19/17	AT&T Dataplan	399.99	Wireless service, 09/02-10/01/2017
15944	10/19/17	Cal Steam	191.13	Maintenance parts & supplies (2 invoices)
15945	10/19/17	Caltest Analytical Laboratory	1,805.52	Lab analyses (5 invoices)
15946	10/19/17	City Electric Supply	223.77	Maintenance parts & supplies (3 invoices)
15947	10/19/17	CWEA TCP	540.00	Membership fees (3 employees)
15948	10/19/17	Elite Tree Service	2,000.00	Tree removal (3)

Central Marin Sanitation Agency
Operating Account Disbursements Register
For the Month of October 2017

Check Number	Date	Vendor/Payee	Amount	Description
15949	10/19/17	Examinetics, Inc.	1,440.00	Annual audiometric testing for CMSA and NSD employees (NSD portion reimbursed)
15950	10/19/17	Grainger	13,451.09	Maintenance parts & supplies (9 invoices)
15951	10/19/17	Hach Company	3,313.58	Field meter for pretreatment and stormwater monitoring
15952	10/19/17	Horizon Dist. Inc	280.47	Maintenance parts & supplies (3 invoices)
15953	10/19/17	Ken Grady Co., Inc.	393.34	Maintenance parts & supplies
15954	10/19/17	Lystek International LTD	10,340.11	Biosolids beneficial reuse fee, September 2017
15955	10/19/17	McMaster-Carr Supply Co.	3,121.45	Maintenance parts & supplies (14 invoices)
15956	10/19/17	Marin Municipal Water District	543.60	Water service, 08/10-10/09/2017
15957	10/19/17	Powerstride Battery Co Inc	676.09	Cart batteries
15958	10/19/17	Regional Monitoring Program	34,516.00	Annual fee, 01/01-12/31/2018
15959	10/19/17	Ricoh USA Inc	317.99	Admin copier lease, 09/23-10/22/17
15960	10/19/17	ULINE	499.82	Utility supplies
15961	10/19/17	Univar USA Inc	2,782.60	Sodium Hypochlorite (1 delivery)
15962	10/19/17	VWR International	4,643.34	Lab supplies (4 invoices)
15963	10/19/17	Water Components & Bldg. Supp.	763.13	Maintenance parts & supplies (9 invoices)
15964	10/19/17	Western Exterminator Co.,Inc.	170.50	Pest control, September 2017
15965	10/23/17	Carollo Engineers, Inc.	17,408.40	Prof Svcs: 2017 Facilities Master Plan Project, September 2017
15966	10/23/17	Chavan & Associates LLP	7,200.00	Prof Svcs: FY16-17 Financial Audit, progress payment #3
15967	10/23/17	Evoqua Water Tech LLC	7,157.10	Calcium Nitrate (1 delivery)
15968	10/23/17	Intec Solutions, Inc.	1,676.50	SD2 PS Maint: VFD repairs (Note B)
15969	10/23/17	Marin Municipal Water District	1,116.33	Water service, 08/11-10/10/2017 (3 invoices)
15970	10/25/17	Evoqua Water Tech LLC	9,913.27	Hydrogen Peroxide (1 delivery)
15971	10/25/17	J.J. Keller & Associates Inc	995.00	Online safety program license renewal, 01/01-12/31/2018
15972	10/25/17	Orchard Business/SYNCB	203.47	Maintenance parts & supplies
15973	10/25/17	Platt	226.51	Maintenance parts & supplies
15974	10/25/17	SPURR	2,878.41	Natural gas, September 2017
15975	10/25/17	Thatcher Company of	4,427.20	Ferric Chloride (1 delivery)
15976	10/25/17	Water Components & Bldg. Supp.	53.64	Maintenance parts & supplies
15977	10/26/17	California Public Employee	4,127.45	Contribution to Retiree Health Benefits Trust Fund, PPE 10/21/2017 (Note C)
15978	10/26/17	California State Disbursement	314.76	EE Garnishment, PPE 10/21/2017 (Note A)
15979	10/26/17	ICMA Retirement Trust-457	4,910.00	Deferred compensation contributions, PPE 10/21/2017 (Note A)
15980	10/26/17	Navia Benefit Solutions	540.19	Flexible spending account, PPE 10/21/2017
15981	10/26/17	SEIU Local 1021	1,073.15	Deferred compensation contributions, PPE 10/21/2017 (Note A)
15982	10/26/17	Katherine Brouillet	109.28	Union dues, PPE 10/21/2017
15983	10/26/17	DELL Marketing L.P.	842.48	Computer for lab LIMS workstation
15984	10/26/17	Univar USA Inc	8,140.01	Sodium Bisulfite (1 delivery); Sodium Hypochlorite (1 delivery)

Payments by Automatic Clearing House:

10/4/2017	Payments to 23 retirees	7,122.45	Reimbursement for retiree health benefits
10/9/2017	Buhler ACH	102,098.88	Solids Handling Building Ventilation Improvements; Progress Payment #7
10/23/2017	Buhler ACH	12,071.38	Solids Handling Building Ventilation Improvements; Retainage release
10/5/2017	Calpers Medical ins	63,401.95	Medical Insurance, October 2017
10/13/2017	CalPERS	34,298.57	Retirement Pension Contribution: Agency and Employees, PPE 09/23/2017 (Note C)
10/23/17	CalPERS	20,824.41	Retirement Pension Contribution: Agency and Employees, PPE 10/07/2017 (Note C)
10/5/2017	EDD	12,153.97	State & SDI Taxes, PPE 09/23/2017
10/18/2017	EDD	12,884.82	State & SDI Taxes, PPE 10/07/2017
10/3/2017	NRS/PEHP-3 and Z	1,256.74	MARA contributions, PPE 09/23/2017
10/18/2017	NRS/PEHP-3 and Z	5,643.46	Deferred compensation and MARA contribution PPE 10/07/2017

Central Marin Sanitation Agency
Operating Account Disbursements Register
For the Month of October 2017

Check Number	Date	Vendor/Payee	Amount	Description
	10/27/2017	NRS/PEHP-3 and Z	5,742.99	Deferred compensation and MARA contribution PPE 10/21/2017
	10/12/2017	Michael Owen Boorstein	100.00	Stipend for 10/10/2017 Regular Board meeting
	10/12/2017	Maribeth Bushey	100.00	Stipend for 10/10/2017 Regular Board meeting
	10/12/2017	Dean DiGiovanni	100.00	Stipend for 10/10/2017 Regular Board meeting
	10/12/2017	Diane L. Furst	200.00	Stipend for 10/10/2017 Board meeting and NBWA meeting
	10/12/2017	Thomas E Gaffney	100.00	Stipend for 10/10/2017 Regular Board meeting
	10/12/2017	Dan Hillmer	100.00	Stipend for 10/10/2017 Regular Board meeting
		Grand Total	754,783.14	

Notes:

A: Not an Agency Expense. Expense funded through Payroll deduction.

B: Not an Agency Expense. CMSA will be reimbursed for this expense.

C: CMSA is partially reimbursed for this expense per Employee Labor Agreements.

Central Marin Sanitation Agency
Schedule of Investments
As of Month Ending October 31, 2017

Description (1)	Book Value (2)	Market Value (3)	Agency Reserve Target for October 31, 2017
I. Investments managed by California Asset Management Program (CAMP)			
Money Market Funds (< 1 year in maturity)			
CAMP Cash Reserve Pool, 1.15%			
b1. Agency Unrestricted Reserve: Operating	$ 11,560.29	$ 11,560.29	See LAIF
b2. Agency Unrestricted Reserve: Emergency	$ 250,000.00	$ 250,000.00	$ 250,000
b3. Agency Unrestricted Reserve: Insurance	$ 100,000.00	$ 100,000.00	$ 100,000
Total with CAMP	**$ 361,560.29**	**$ 361,560.29**	
II. Investments managed by Local Agency Investment Fund (LAIF)			
Money Market Funds (< 1 year in maturity)			
Local Agency Investment Fund (LAIF), 0.92% (estimate)			
a. Current Year Operating	$ 4,227,146.30	$ 4,227,146.30	
b1. Agency Unrestricted Reserve: Operating	$ 2,854,089.71	$ 2,854,089.71	$ 2,865,650
c1. Capital Reserves (Restricted)	$ 990,477.00	$ 990,477.00	$ 990,477
c1. Capital Reserves (Restricted-Capacity/Connection Fees)	$ -	$ -	
c2. Capital Reserves (Unrestricted)	$ 7,919,165.75	$ 7,919,165.75	$ 6,175,485
Total with LAIF	**$ 15,990,878.76**	**$ 15,990,878.76**	
TOTAL INVESTMENTS	**$ 16,352,439.05**	**$ 16,352,439.05**	
Amount designated for Capital Reserves			
1. CAMP	$ -	$ -	
2. LAIF	$ 8,909,642.75	$ 8,909,642.75	$ 7,165,962
Total	**$ 8,909,642.75**	**$ 8,909,642.75**	**$ 7,165,962**

COLUMN DEFINITIONS:
(1) Description - the issuer, type of security and interest rate
(2) Book Value - The sum of Original Cost and Accumulated Amortization
(3) Market Value - An estimate of the value at which the principal would be sold from a willing seller to a willing buyer as-of the close of the last business day
Market values are per the fiscal agent's respective monthly statements.

NOTES:

Capacity connection fees collected each fiscal year are the initial source of funding for capital projects. Capital reserve restricted and unrestricted balances reflect amounts remaining after expenditures for CIP to date, including $5,932.85 in capacity charges collected to date. Beginning balances for both reserves were determined by the FY 17-18 Adopted Budget.

Statement of Compliance

The above portfolio of investments is in compliance with the Agency's investment policy, adopted at the July 22, 2015 Commission meeting, and California G Section 53600. In addition, the Agency does have the financial ability to meet its cash flow requirements for the next six months.

4.c

Central Marin Sanitation Agency

BOARD MEMORANDUM

November 9, 2017

To: CMSA Commissioners and Alternates

From: Chris Finton, Treatment Plant Manager

Approved: Jason Dow, General Manager

Subject: October 2017 NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report

Recommendation: Accept the October 2017 NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report.

I. NPDES Permit Compliance

Our NPDES permit testing for October showed that the CMSA 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. We successfully passed the October 96-hour flow through bioassay test.

The Agency's NPDES permit specifies monitoring for enterococcus bacteria to verify compliance with established effluent limits. The enterococcus monthly geometric mean for October was 1.0 MPN, which is well below our monthly limit of 35 MPN.

II. Influent Flow

In October, the extended summer weather delivered daytime temperatures in central Marin County averaging 81°F. It remained very dry with no precipitation recorded by the Agency's rain gauge. The CMSA treatment plant and each satellite collection agency's daily average and total monthly influent flows are shown in the table below:

October Monthly Influent Flows	**San Rafael (SRSD)**	**Ross Valley (SD#1)**	**San Quentin (SQSP)**	**Corte Madera (SD#2)**	**CMSA Plant Total**
Average Daily (MGD)	3.0 MGD	3.6 MGD	0.50 MGD	0.84 MGD	7.9 MGD
Total for Month (MG)	91.5 MG	112.7 MG	15.2 MG	26.0 MG	245.4 MG
Percent of Flow	37.0 %	46.0 %	6.0 %	11.0 %	100 %

III. Treatment Process

The treatment plant continues to operate in the dry weather mode, all major process area preventative maintenance has been completed, and the majority of facility processing equipment is ready to be placed into service. The Mixed Liquor Suspended Solids (MLSS) inventory averaged 1,264 mg/l, a 22.0% increase in biomass from last month. The biomass inventory was bolstered this past month in anticipation of wet weather, and also aligned with the process control decision to carry between 1,200 and 1,400 mg/L to manage our biomass and effectively meet our permit limits. This past month staff temporarily placed the effluent storage pond into service to test its level controlling equipment and a recently installed variable frequency drive on the effluent pond's drain pump.

Graph #3 shows the Total Suspended Solids (TSS), which is a good indicator of the effluent quality. The TSS monthly average in October was 4.3 mg/l, which is 29.0% of our Key Performance Indicator (KPI) of 15 mg/l, and is 14.0% of our permit's monthly average limit of 30 mg/l.

Graph #4 shows the coliform most probable number (MPN), which represents the effectiveness of the disinfection process. All twenty-two coliform samples collected in October were below our KPI of 30 MPN, and well below our daily limit of 10,000 MPN. The total coliform monthly geometric mean for October was 2.6 MPN, well below our permit's monthly limit of 240 MPN.

IV. Maintenance Activities

The cogeneration system produced 95.4% of the Agency's power in October, and Marin Clean Energy (MCE) supplied the balance. The generator, as indicated on Graph #8, was in service and produced green power for the entire month. There were three occasions in October when the cogeneration system was temporarily removed from service:

- October 3 - To adjust the intake manifold's ambient air temperature.
- October 22 - Complete a general spark plug change-out.
- October 24 - Change out air intake filters.

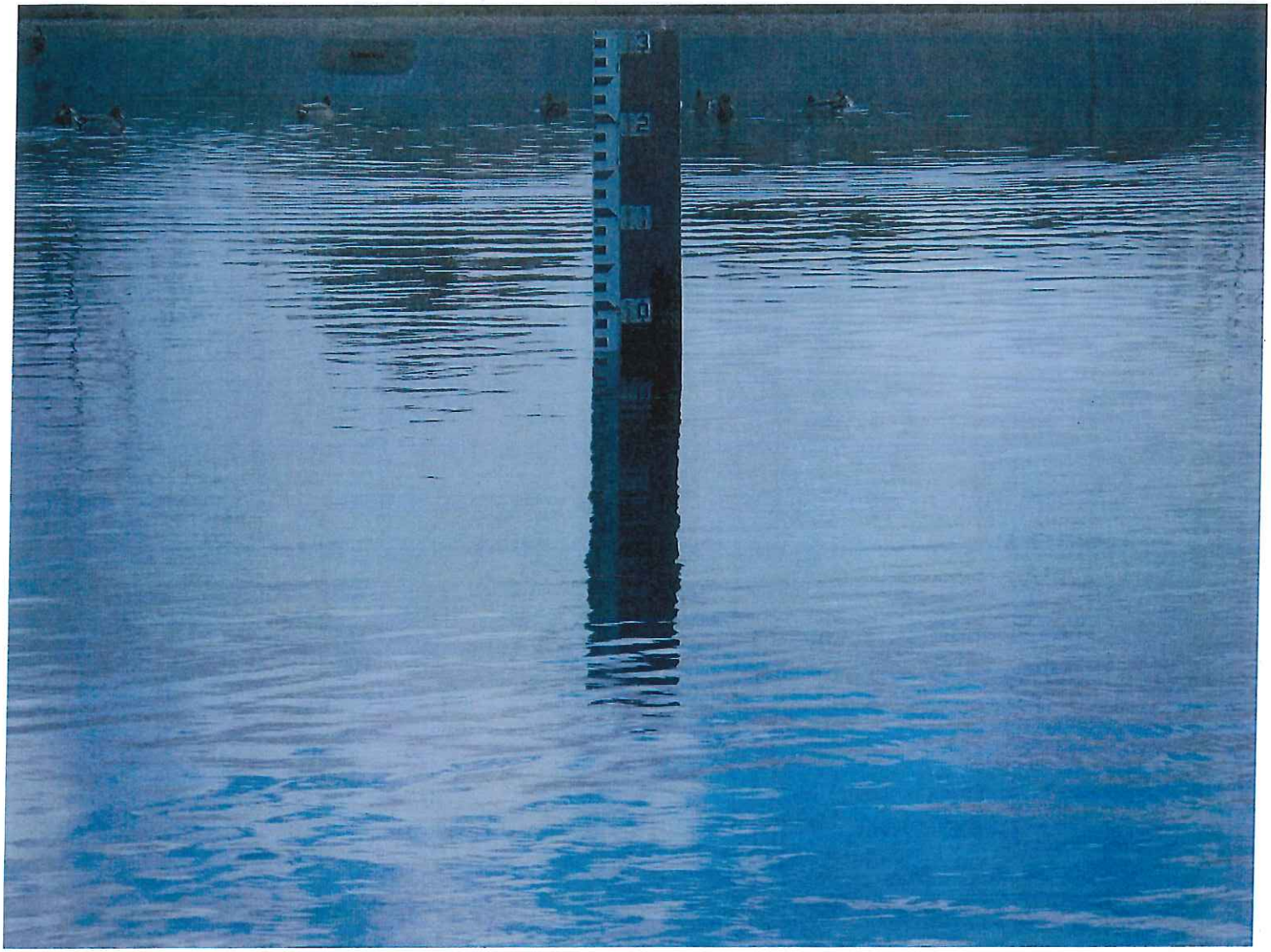
In addition to the activities surrounding the cogeneration system, staff also completed scheduled project work and monthly preventative maintenance tasks. Work included replacement of a dechlorination solution supply line and its heat tracing, replacement of a disinfection paddle mixer and shaft, and the replacement of an underperforming sludge conditioning pump. Staff also replaced several board-feet of toe-kicks around the chlorine contact tanks and supported a contractor performing root removal and sewer cleaning at the San Quentin Village Sewer Maintenance District.

Attachment

- October 2017 NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report

NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report

October 2017



Testing Effluent Storage Pond and Equipment Prior to Wet Weather Operations

Monthly Compliance Summary Table

Central Marin Sanitation Agency

October 2017

Final Effluent Monitoring

Parameter	Frequency	Units	Results	Limit
Carbonaceous BOD Highest Weekly Average	Weekly	mg/L	5.4	Maximum 40
Carbonaceous BOD Monthly Average	Monthly	mg/L	5.1	Maximum 25
Carbonaceous BOD Monthly Removal Rate	Monthly	%	98.7	Minimum 85
Total Suspended Solids Highest Weekly Average	Weekly	mg/L	4.5	Maximum 45
Total Suspended Solids Monthly Average	Monthly	mg/L	4.3	Maximum 30
Total Suspended Solids Monthly Removal Rate	Monthly	%	99.2	Minimum 85
Chlorine Residual Instant Limit	Instant	mg/L	<0.1	Maximum 0.0
Ammonia Monthly Average	Monthly	mg/L	37.6	Maximum 60
Ammonia Maximum Daily	Daily	mg/L	40.7	Maximum 120
pH Lower Limit	Continuous	SU	7.3	Minimum 6
pH Upper Limit	Continuous	SU	7.8	Maximum 9
Bacteriological Analysis				
Total Coliform Monthly Geometric Mean	3 X Week	MPN/100mL	2.6	Maximum 240
Total Coliform Daily Maximum	3 X Week	MPN/100mL	23	Maximum 10,000
Enterococcus Monthly Geometric Mean	Monthly	MPN/100mL	1.0	Maximum 35
Flow Through Bioassay				
Acute Toxicity 11 Sample 90th Percentile	Monthly	% survival	100	Minimum 70
Acute Toxicity 11 Sample Median	Monthly	% survival	100	Minimum 90
Metals Analysis				
Copper Daily Limit	Monthly	ug/L	5.9	Maximum 85
Copper Monthly Average	Monthly	ug/L	5.9	Maximum 49
Cyanide Daily Limit	Monthly	ug/L	ND	Maximum 41
Cyanide Monthly Average	Monthly	ug/L	ND	Maximum 21
Mercury Weekly Average	Weekly	ug/L	0.0036	Maximum 0.072
Mercury Monthly Average	Monthly	ug/L	0.0036	Maximum 0.066
Mercury Monthly Loading	Monthly	kg/mo	0.00345	
Mercury Annual Loading (watershed permit)	Jan-Dec	kg/yr	0.13376 (b)	Maximum 0.11
Permit Analysis				
Dioxin - Total Equivalents (TEQ) Daily Maximum	1/Permit Cycle	ug/L	*	Maximum 2.8E-08
Dioxin - Total Equivalents (TEQ) Monthly Average	1/Permit Cycle	ug/L	*	Maximum 1.4E-08
Polychlorinated Biphenyls (PCBs) Daily Limit	1/Permit Cycle	ug/L	*	Maximum 0.017
Polychlorinated Biphenyls (PCBs) Monthly Limit	1/Permit Cycle	ug/L	*	Maximum 0.012
Quarterly Analysis				
Oil and Grease Daily Limit	Quarterly	mg/L	ND	Maximum 20
Oil and Grease Monthly Average	Quarterly	mg/L	ND	Maximum 10
Chronic Bioassay Toxicity	Quarterly	Tuc	X	Maximum 20
Chronic Bioassay Toxicity (3 sample median)	Quarterly	Tuc	X	Maximum 10

Flow Analysis	Daily Max	Hourly Max	5 minute Max	Monthly Average
Effluent Flow (a)	10.6	14.3	15.4	6.7
Influent Flow (a)	8.5	12.2	16.4	7.9
# Days Blended				0

(a) Influent & Effluent flow values are currently being reviewed to assess daily variability between values.

(b) Although annual mercury loading is above the watershed mercury annual loading limit, historical annual loading of all dischargers have typically been well below the threshold limit of 11 kg/yr. As such it is highly unlikely that this CMSA's annual mercury loading will result in a violation.

* Monitoring Not Required This Month

X Data not available at report time

ND = None Detected

DNQ = Detected but Not Quantified

Glossary of Terms
NPDES Permit Compliance Summary Table

- **Ammonia**: CMSA's NPDES permit requires that we analyze the final effluent for ammonia due to its toxicity to aquatic organisms and potential for providing nutrients for algae in the San Francisco Bay. The permit has a maximum daily limit of 60 mg/L and a monthly average limit of 120 mg/L. The maximum daily limit is the number that cannot be exceeded on any sample and the monthly average applies to all samples collected in any month (although typically we are required to take only one sample).

- **Biochemical Oxygen Demand (BOD)**: The amount of dissolved oxygen needed by microorganisms (biomass) to stabilize organic material in the effluent. The permit limits for our effluent require that removal of 85% influent BOD, and meet a weekly average of less than 40 mg/L and a monthly average of less than 25 mg/L BOD.

- **Chlorine Residual:** The secondary effluent is disinfected with hypochlorite (chlorine "bleach"), and then the residual chlorine is neutralized with sodium bisulfite to protect the Bay environment. The final effluent chlorine residual limit is 0.0 mg/l, which is monitored continuously.

- **Bacteria:** Coliform and enterococcus bacteria are the indicator organisms for the determination of the effectiveness of the disinfection process.

- **Dioxin - Total Equivalents:** These are 17 dioxin-like compounds that we analyze for twice per year which have permit limits.

- **Fats, Oils, and Grease:** We are required to monitor our effluent for Fats, Oils, and Grease quarterly.

- **Flow Through Bioassay:** A 96-hour test in which we test the toxicity of our effluent to young rainbow trout (15-30 days old) in a flow-through tank to determine their survivability under continuous exposure to CMSA effluent. The permit requires that we maintain a 90th percentile survival of at least 70% and an 11-sample median survival of at least 90%. In layman's terms, this means that out of the last 11 samples, only one bioassay may fall below 70% survival, and the middle value—when all 11 samples are placed in numerical order—must be at least 90%.

- **Metals Analysis:** Our permit requires that we analyze our effluent for many different metals on a monthly basis. We have permit limits for three of the metals. The limits are stated as a maximum daily limit and a monthly average limit.

- **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 permit effluent pH must stay within the range of 6.0 to 9.0, which we monitor continuously.

- **Total Suspended Solids (TSS):** Measurement of suspended solids in the effluent. Our permit requires that we remove 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
October 2017

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

Primary Clarifier Performance

Average Total Suspended Solids (TSS) in:	543	mg/l	Expected removal efficiencies as outlined in Metcalf & Eddy Wastewater Engineering Manual
Average TSS out:	97	mg/l	
Average Percent Removal Achieved:	82.1	%	Design 50-70% Removal
Average Total Biochemical Oxygen Demand (BOD) in:	385	mg/l	
Average BOD out:	187	mg/l	
Average Percent Removal Achieved:	51.4	%	Design 25-40% Removal
Average Plant Influent Flows:	7.9	MGD	

Biotower Performance

Average TSS out:	104	mg/l	
Average BOD out:	86	mg/l	
Average Percent BOD Removal Achieved:	54.0	%	Design 25-30% Removal

Aeration Tanks/Activated sludge

Dissolved Oxygen set point:	2.0	mg/l
Average MLSS:	1,264	mg/l
Average MCRT:	2.0	Days
Average SVI:	178	

Secondary Clarifiers

Average WAS concentration:	6,750	mg/l

Final Effluent

Average Effluent TSS for the month was:	4.3	mg/l	(Maximum Limit: 30mg/l)
Week #1 weekly average	4.5		(Maximum Limit: 45mg/l)
Week #2 weekly average	4.2		"
Week #3 weekly average	4.0		"
Week #4 weekly average	4.1		"
Monthly average TSS removal efficiency through the plant was:	99.2	%	(Minimum Limit: 85%)
Average Effluent BOD was:	5.1	mg/l	(Maximum Limit: 25mg/l)
Week #1 weekly average	5.4		(Maximum Limit: 40mg/l)
Week #2 weekly average	5.2		"
Week #3 weekly average	5.0		"
Week #4 weekly average	4.9		"
Monthly average BOD removal efficiency through the plant was:	98.7	%	(Minimum Limit: 85%)

Disinfection Dosing Rate:	4.1	mg/l	monthly average
Total Coliform Monthly Geometric Mean:	2.6	MPN	(Maximum 240)
The Daily Maximum Total Coliform Count for the month was:	23	MPN	(Maximum 10,000)
Enterococcus Monthly Geometric Mean:	1.00	MPN	(Maximum 35 MPN)
Effluent pH for the month was: Min	7.3		(Min 6.0)
Max	7.8		(Max 9.0)

Digester Treatment

Average Thickened Waste Concentration from the RDT was:	6.3	%		
Average percent of Volatile Solids destroyed was:	70.7	%		
Cubic feet of biogas produced was:	8,494,047	(Total)	274,002	(Daily Average)
Average temperature of the digester was:	100	degrees Fahrenheit		

Executive Summary Process Performance Data
October 2017

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

Dewatering

Average Centrifuge Feed concentration was:	2.5	%
Average Biosolids concentration was:	26.3	%
Average TSS of the Centrate was:	0.018	%
Solids capture of the Centrifuge was:	99.32	%
Polymer use per Dry ton of biosolids was:	15.78	#/dry ton
Average polymer feed rate per run was:	3.40	gpm
Average concentration of the polymer batches was:	0.328	%
Average sludge feed rate per run was:	57	gpm

Comments:
The treatment plant has been running well with final effluent being of very good quality.

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 graph line depicts the CMSA rain gauge recordings for the month.

Graph #2:
Depicts individual collection agency flows.
The Y-axis is in the Dry Weather flow range of 0-10 MGD.

Graph #3:
Depicts the total suspended solids in the effluent.
Our monthly average was 4.3 mg/l versus our KPI of 15 mg/l and permit monthly average limit of 30 mg/l.

Graph #4:
Depicts the coliform most probable number (MPN) results which are an indication of the performance of the disinfection system.
The monthly Total Coliform Geometric Mean was 2.6 MPN through October, which is less than our KPI median of 30 MPN and permit limit of 240 MPN.

Graph #5:
Depicts the effluent CBOD which measures the oxygen demand of the wastewater.
The October effluent CBOD average was 5.1 mg/l, well below our NPDES limits of 40 mg/l weekly and 25 mg/l for the month.

Graph #6:
Depicts the degree to which the biosolids have been dewatered.
Our biosolids % concentration exceeded our KPI of 25% for the entire month of October. Dewatering operations did not occur on October 26.

Graph #7:
Depicts the amount of Biogas that is produced in the digesters, and then used to produce electricity.
Biogas production in October averaged 274,002 cubic feet per day, which exceeded 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 Marin Clean Energy (MCE) for Agency operations. The cogeneration engine was online for the entire month of October producing 95.4% of the facility's power needs. The engine was temporarily removed from service as described in the attached process compliance, treatment, and maintenance activities report, and as depicted on Graph 8.

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.

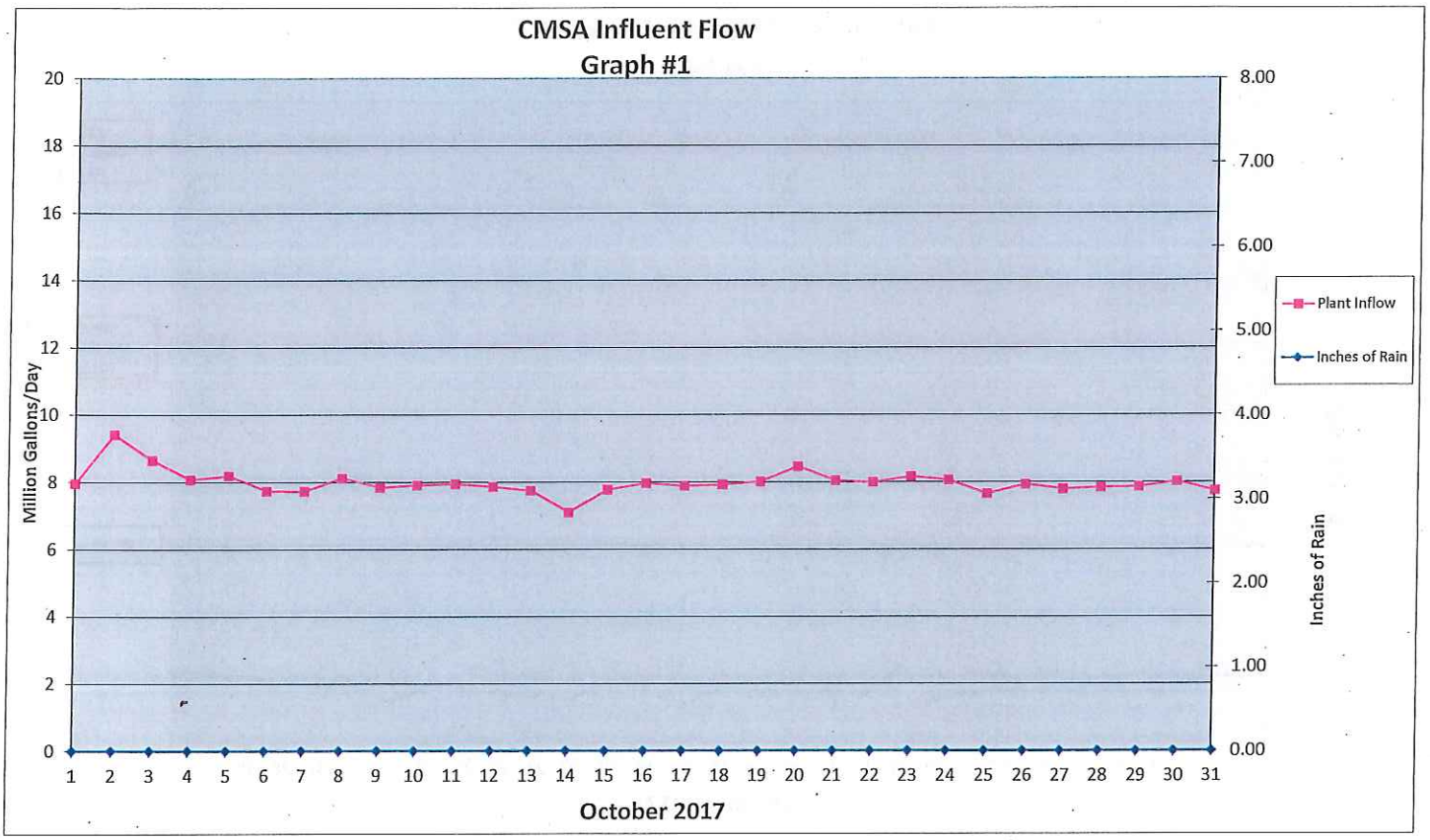
- **Thickened Waste Activated Sludge (TWAS):** Waste activated sludge is thickened in the RDTs, and then the TWAS product is pumped to the digester for processing.

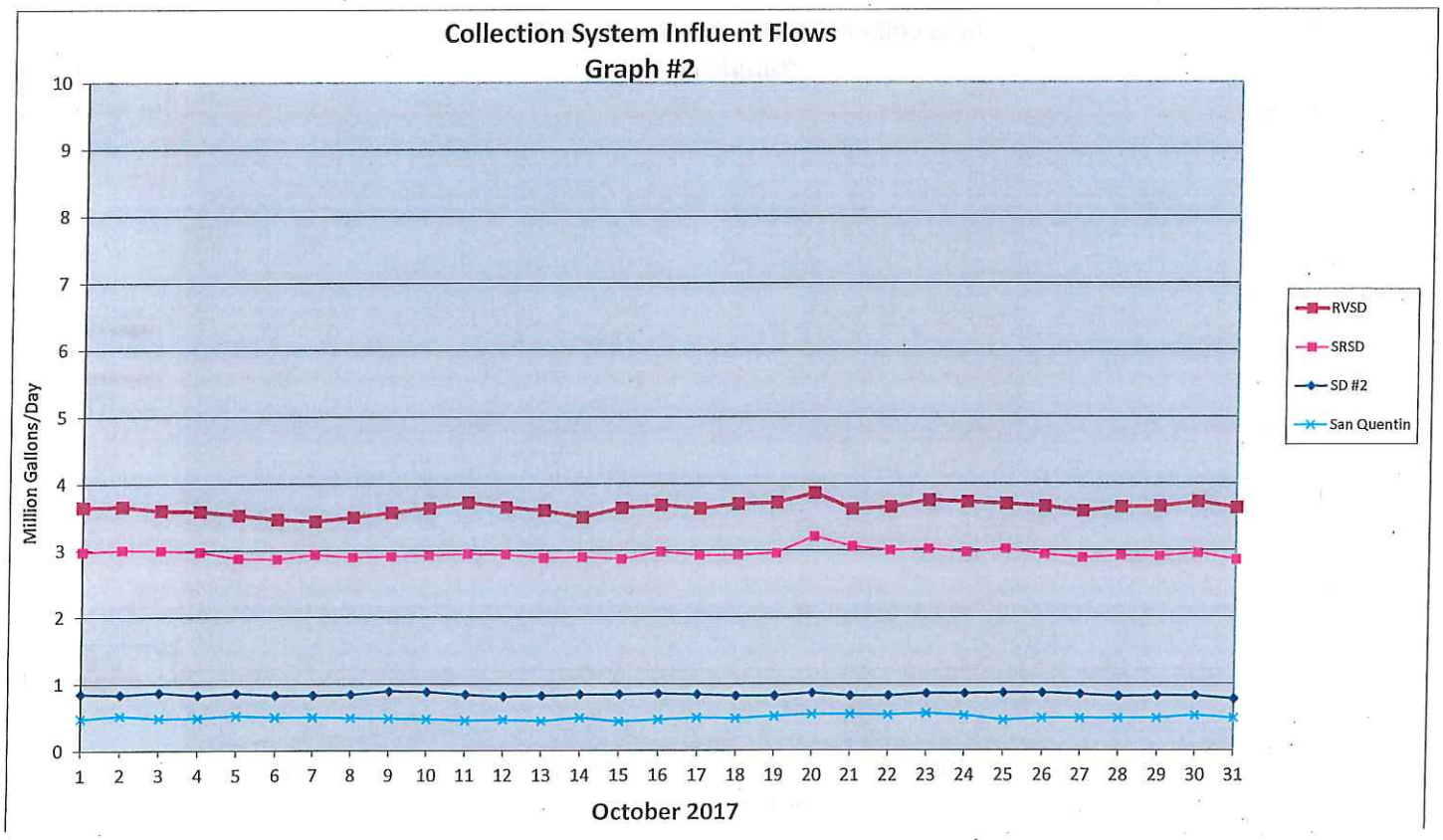
- **Volatile Solids:** Organic content of the wastewater suspended solids.

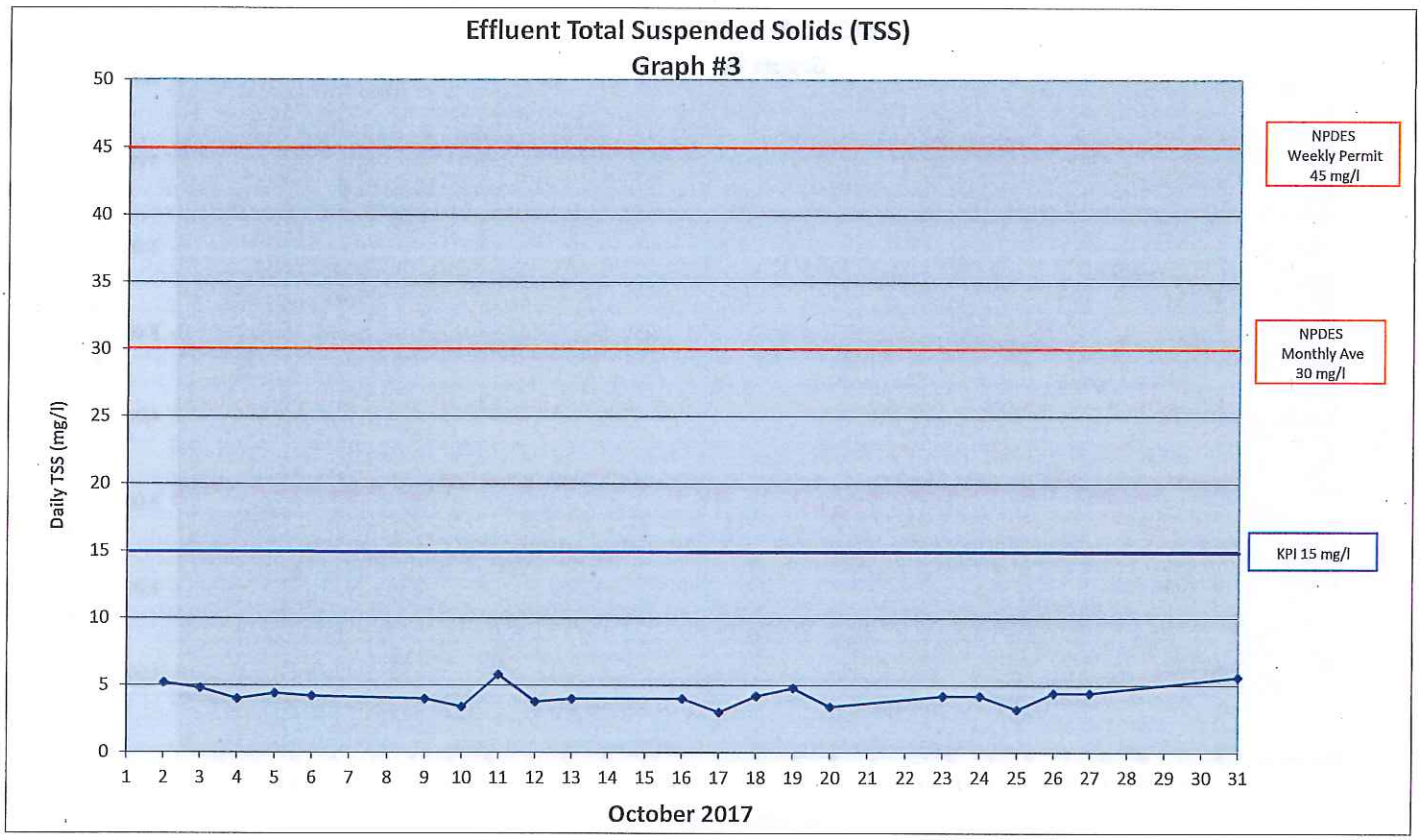
- **Waste Activated Sludge (WAS):** Biomass that is removed from the secondary clarifiers pumped to the RDTs for thickening.

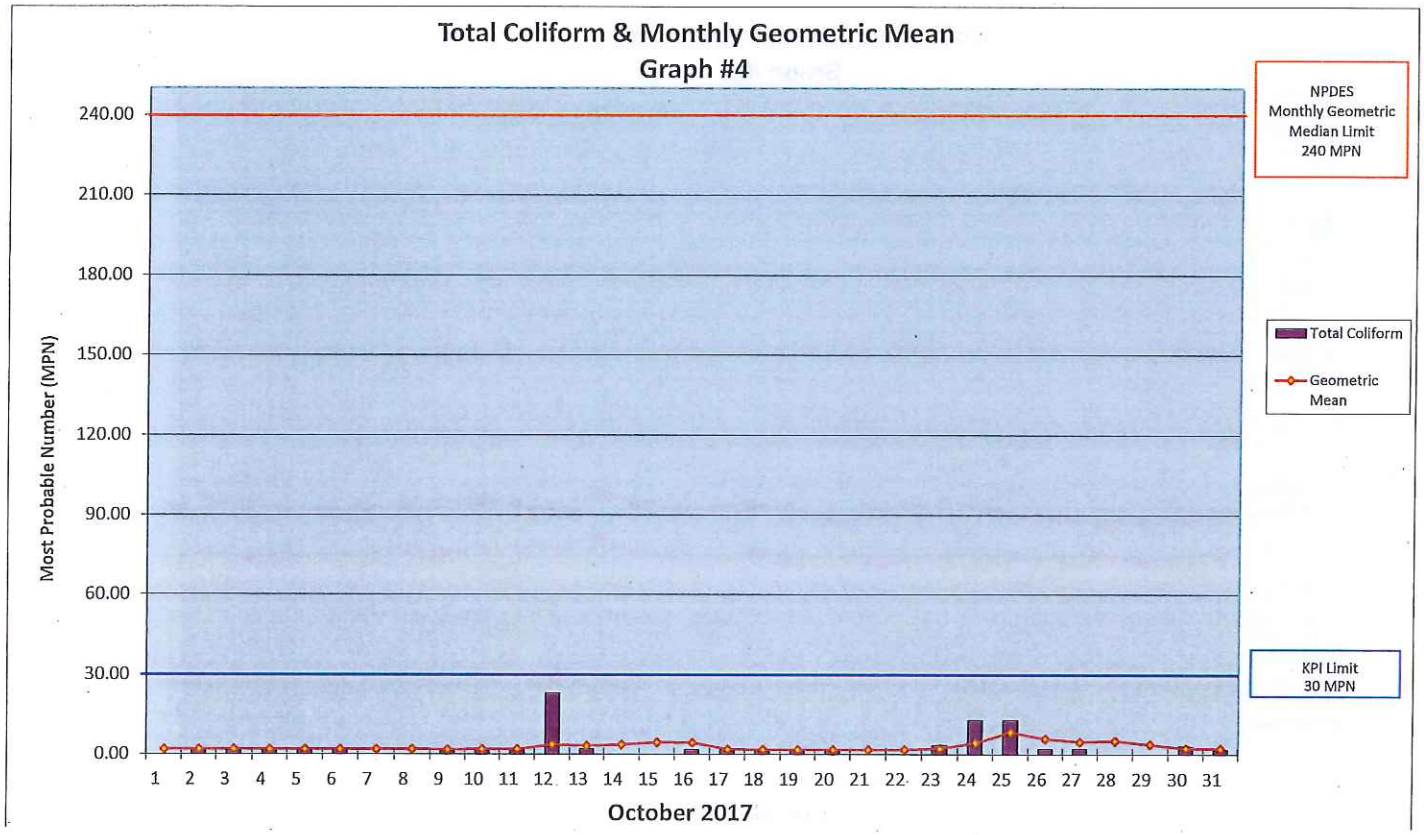
Units of Measurement

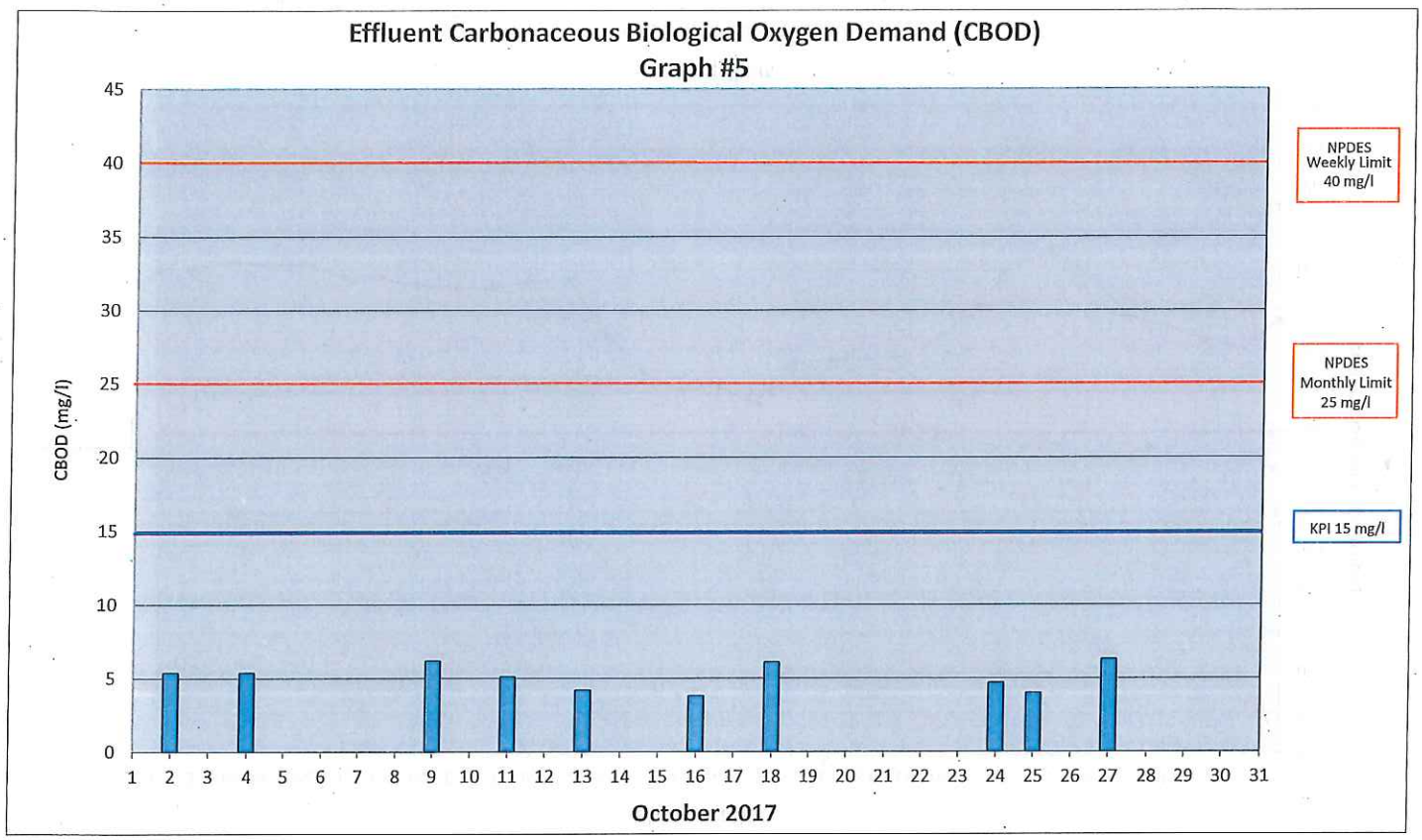
- kg/month (Kilograms per Month): 1 kilogram = 2.205 lbs.
- KPI (Key Performance Indicators): The Agency's process performance goals.
- Kwh (Kilowatt Hours): A unit of electric power equal to using 1 Kw for 1 hour.
- Milligrams per Liter (mg/L): A measure of the concentration by weight of a substance 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.

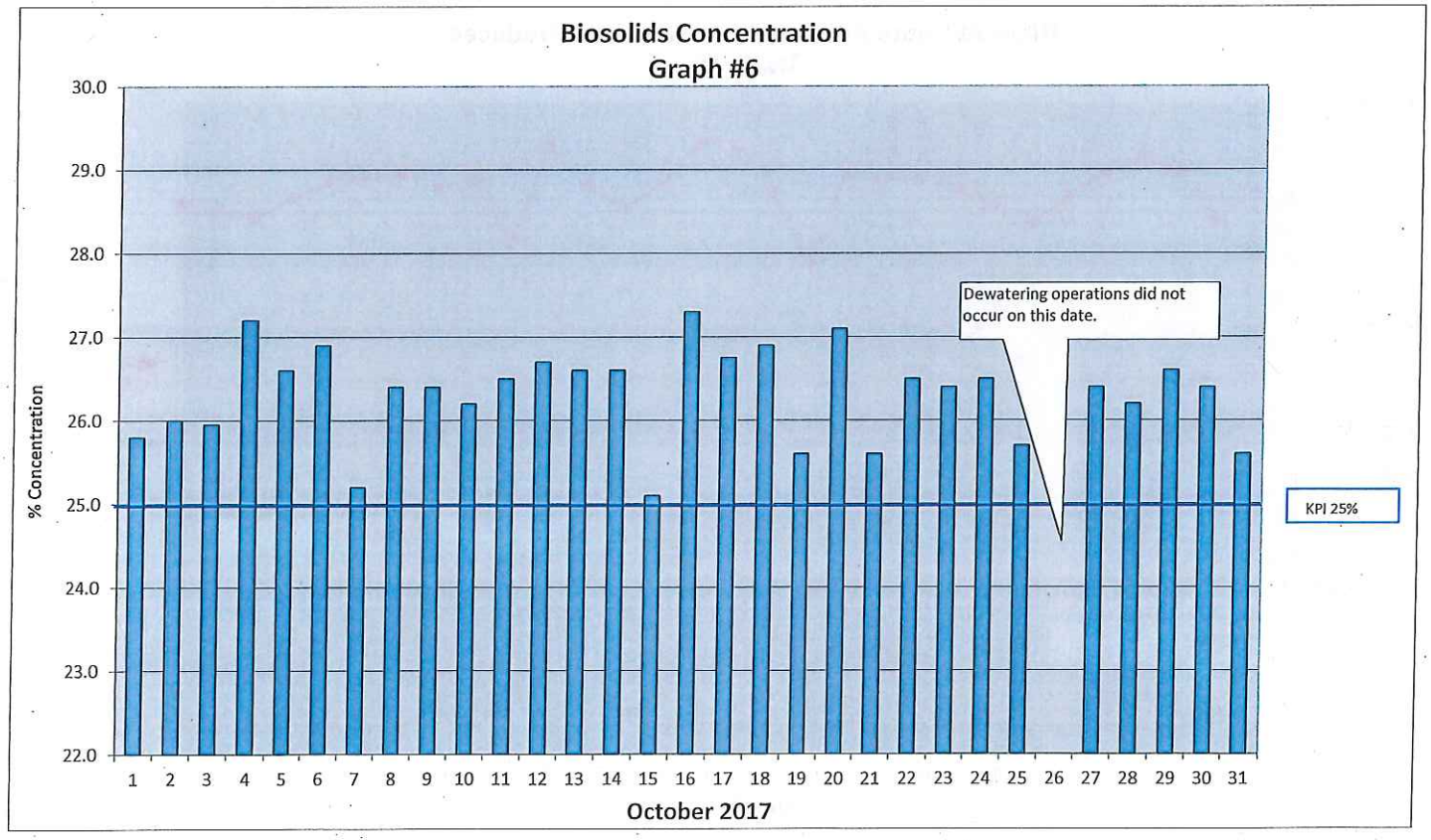

CMSA Influent Flow
Graph #1
Million Gallons/Day
Inches of Rain
Plant Inflow
Inches of Rain
October 2017

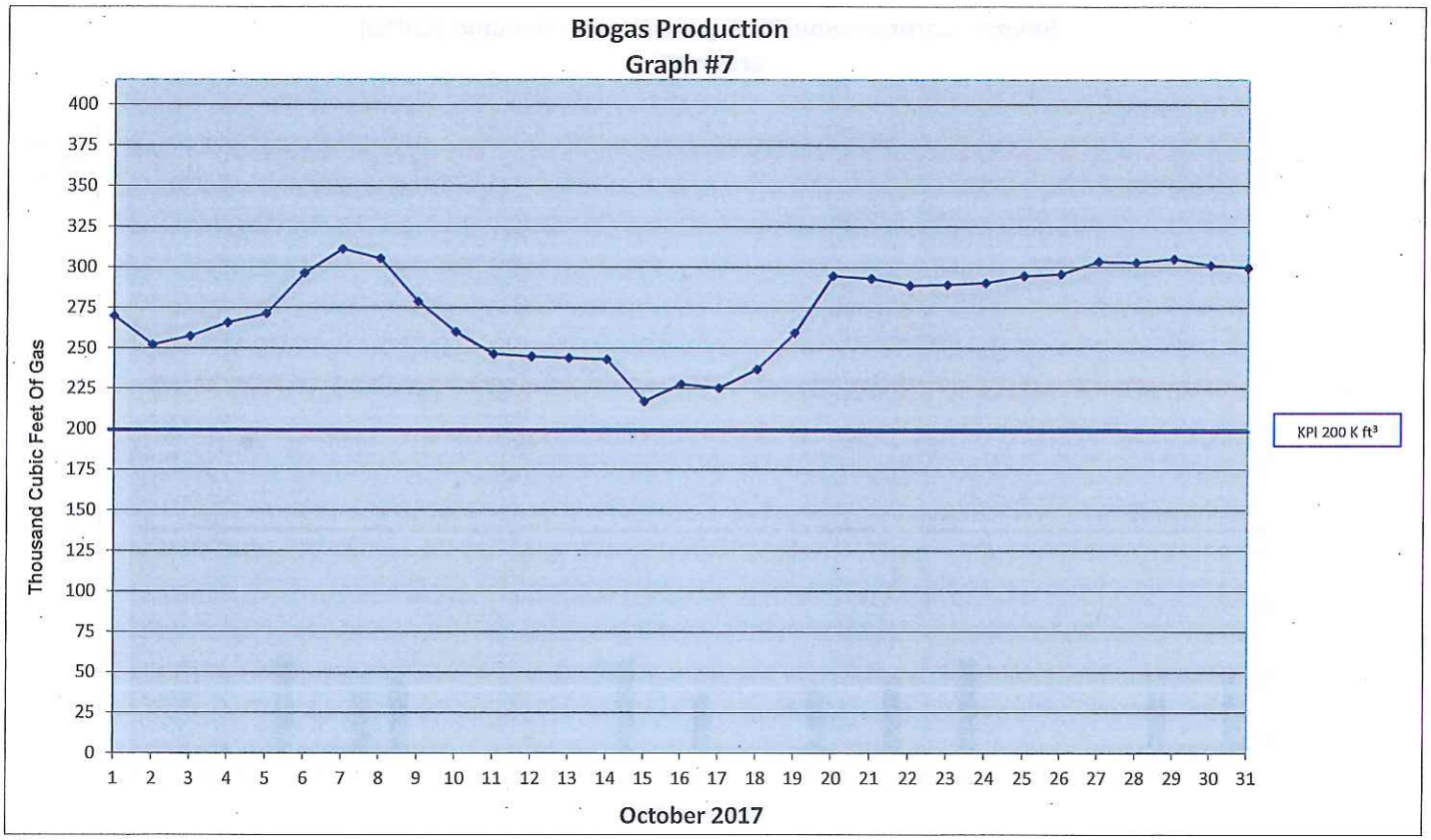

Collection System Influent Flows
Graph #2
Million Gallons/Day
RVSD
SRSD
SD #2
San Quentin
October 2017

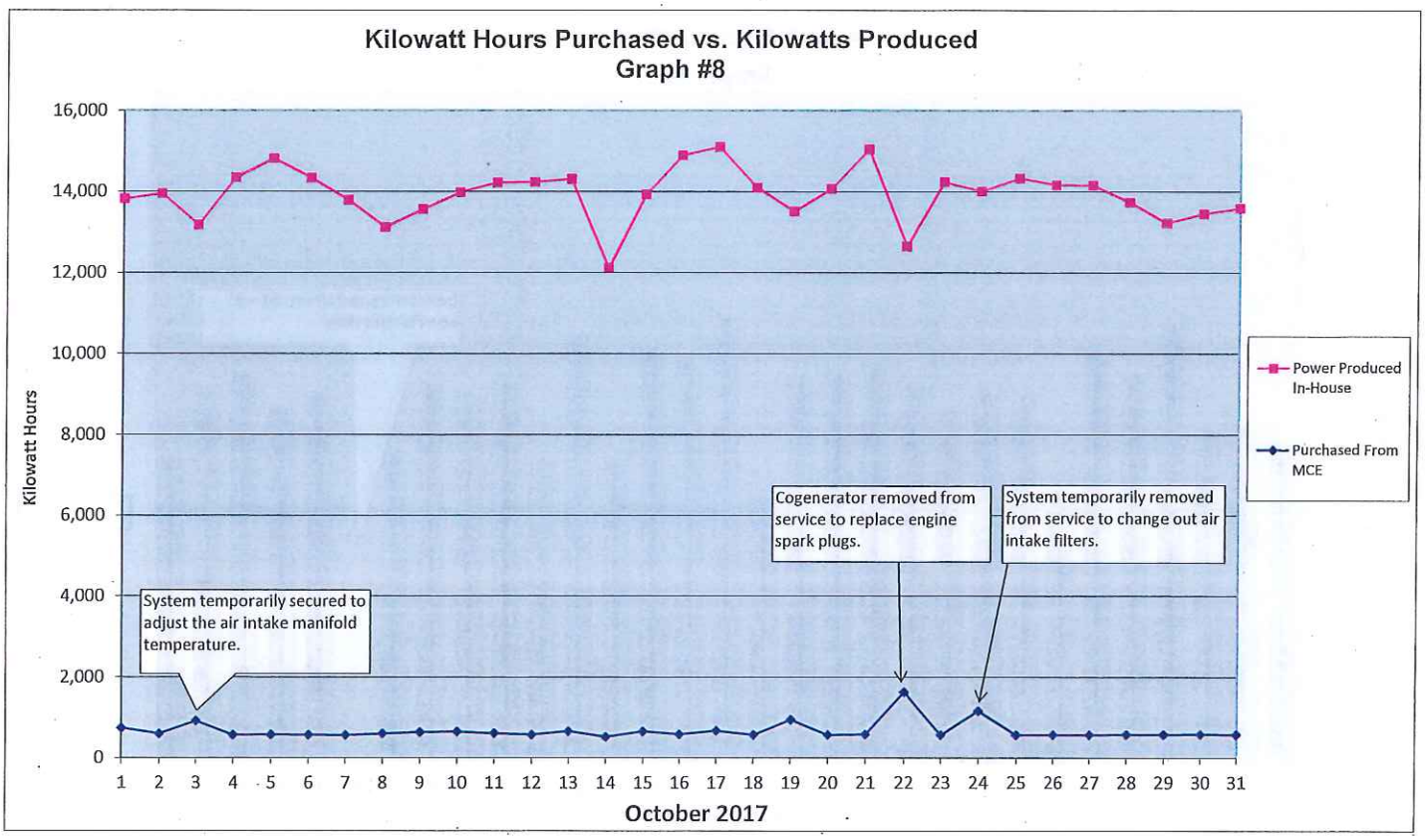

Effluent Total Suspended Solids (TSS)
Graph #3
Daily TSS (mg/l)
50
45
40
35
30
25
20
15
10
5
0
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31
October 2017
NPDES Weekly Permit 45 mg/l
NPDES Monthly Ave 30 mg/l
KPI 15 mg/l


Total Coliform & Monthly Geometric Mean
Graph #4
Most Probable Number (MPN)
240.00
210.00
180.00
150.00
120.00
90.00
60.00
30.00
0.00
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31
October 2017
NPDES Monthly Geometric Median Limit 240 MPN
Total Coliform
Geometric Mean
KPI Limit 30 MPN


Effluent Carbonaceous Biological Oxygen Demand (CBOD)
Graph #5
CBOD (mg/l)
45
40
35
30
25
20
15
10
5
0
NPDES Weekly Limit 40 mg/l
NPDES Monthly Limit 25 mg/l
KPI 15 mg/l
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31
October 2017


Biosolids Concentration
Graph #6
% Concentration
30.0
29.0
28.0
27.0
26.0
25.0
24.0
23.0
22.0
Dewatering operations did not occur on this date.
KPI 25%
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31
October 2017


Biogas Production
Graph #7
Thousand Cubic Feet Of Gas
400
375
350
325
300
275
250
225
200
175
150
125
100
75
50
25
0
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31
October 2017
KPI 200 K ft³


Kilowatt Hours Purchased vs. Kilowatts Produced
Graph #8
Kilowatt Hours
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31
October 2017
Power Produced In-House
Purchased From MCE
System temporarily secured to adjust the air intake manifold temperature.
Cogenerator removed from service to replace engine spark plugs.
System temporarily removed from service to change out air intake filters.

Central Marin Sanitation Agency

BOARD MEMORANDUM

November 9, 2017

To: CMSA Commissioners and Alternates

From: Jason Dow, General Manager JD

Subject: Performance Metric Report – October 2017

Recommendation: Accept the October 2017 Performance Metric report.

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

Table I – Treatment/Process Metrics

Final effluent quality was exceptional over the past month, and the preventative maintenance work mentioned in last month's report was completed on schedule and the CMSA treatment facilities are ready for the wet weather season. Biosolids land application ended for the season on October 13, and until mid-April, biosolids will be beneficially reused as alternate daily cover at the Redwood Landfill several days per week and transported the Lystek biofertilizer facility twice per week.

Table II – Employee Metrics

Training highlights included bloodborne pathogen safety training for most employees; laboratory ethics for staff who work in the Agency's environmental laboratory; several staff attended the Northern Regional Safety Day in Woodland; operations and maintenance staff training on the Agency's forklift and telehandler; the Lab Director's attendance at the Environmental Laboratory Accreditation Program TNI certification training; the Administrative Assistant attending the California Special District Association's Board Secretary Conference; and specific field staff development training.

Table III - Environmental and Regulatory Compliance Metrics

There weren't any NPDES permit exceedances in October, and laboratory and pollution prevention activities were performed as scheduled.

Table IV - Public Outreach

There were two odor alerts posted to the Agency website in October, and no public odor complaints. Alerts were for taking chlorine contact tanks out of service for periodic cleaning and rotating aeration tanks out of service to accommodate maintenance work.

Public education events include staff attendance at public outreach events; school classroom and/or juggler show presentations, and Agency tours. Events over the past month are presented below with the event date and number of attendees.

Public Outreach Events
10/21 - Scream on the Green in Novato - 500 +/- visitors
10/31 - Trunk or Treat in Mill Valley - 500 +/- visitors

School Events – Juggler Show Presentation
No presentations in October

CMSA Tours
10/20 - Marin Civil Grand Jury - 10 jurors
10/21 - Dominican College - 25 students
10/27 - Operator in Training and one member of the public - 2 people

Attachment:
- October 2017 Performance Metric Report

CMSA CY17 PERFORMANCE METRICS – October 2017

TABLE I - TREATMENT/PROCESS METRICS

Metric	Definition	Measurement	Range/Target/Goal
1) Wastewater Treated	Volume of wastewater influent treated and disposed, in million gallons (Mg)	245.4 Mg	165 – 820 Mg
2) Biosolids Reuse	Alternate Daily Cover (ADC) 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)	216 wt 88 wt 173 wt	360 – 665 wt
3) Conventional Pollutant Removal	Removal of the conventional NPDES pollutants - Total Suspended Solids (TSS) and Biological Oxygen Demand (BOD) a. tons of TSS removed; % TSS removal b. tons of organics removed (BOD); % BOD removal	524.2 tons; 99.3% 383.3 tons; 98.9%	> 85% > 85%
4) Priority Pollutants Removal	Diversion of priority NPDES metals from discharge to the S.F. Bay: a. % Mercury b. % Copper	97.8% 90.8%	88 – 99% 84 – 98%
5) Biogas Production	Biogas generated in our anaerobic digesters, in million cubic feet (Mft^3) Natural gas (methane) equivalent of the biogas, in million cubic feet (Mft^3)	8.49 Mft^3 5.44 Mft^3	6.0 to 9.5 Mft^3 3.8 to 6.1 Mft^3
6) Energy Produced	Energy produced from cogeneration of generated biogas and purchased natural gas - in kilowatt hours Cogeneration system runtime on biogas, *in hours (hrs.); % time during month* Biogas value (natural gas cost equivalent)	432,207 kWh 676 hrs; 90.1% $25,081	380 to 480,000 kWh 540 hrs.; 75% $7,000 to $24,000
7) Efficiency	The cost to operate and maintain the treatment plant per million gallons of wastewater treated, in dollars per million gallons Energy used, kilowatt hours, per million gallons treated	$1,466/Mg 1,846 kWh/Mg	$451-$1,830/Mg (wet - dry) 670 - 2,400 kWh/Mg

Table II – EMPLOYEE METRICS

Metric	Definition	Measurement	Target/Goal
1) Employee Training	Hours of internal training – safety, web-based, project, vendor, etc. Hours of external training – employment law, technical, regulatory, etc.	internal = 120 hrs External = 60 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);	503 hrs 705.5 hrs (80%) 181 hrs (26.1%) 0.57	300 – 500 hrs ≥ 70% total CM hrs ≤ 30% total hours ≥ 0.45
3) Overtime Worked	Monthly hours of OT worked; *Year to date hours of OT (YTD)* % of normal hours worked; *% Year to date (YTD)*	150 hrs; *(1,463 hrs.)* 2.3%; *(2.0%)*	< 5%

CMSA CY17 PERFORMANCE METRICS – October 2017

Table III - ENVIRONMENTAL AND REGULATORY COMPLIANCE METRICS

Metric	Definition	Measurement	Range/Target/Goal
1) Permit Exceedances	# of NPDES permit exceedances	0	0
2) NPDES Analyses	# samples analyzed by the CMSA laboratory for NPDES compliance monitoring	208	150-250
3) Process Analyses	# samples analyzed by the CMSA laboratory for process control reporting and monitoring	575	400-600
4) Quality Control Testing	# of CMSA performed laboratory analyses for QA/QC purposes Accuracy of QA/QC tests	338 99.1%	150-300 > 90%
5) Water Quality Sample Analyses	# of ammonia, coliform (total and fecal), enterococcus, and/or sulfide analyses performed for the CMSA member agencies (SSOs, etc.)	9	as-needed
6) Pollution Prevention Inspections	Inspections of industrial and commercial businesses in the Agency's pretreatment and pollution prevention programs and Novato Sanitary District's Mercury Reduction Program – 277 businesses regulated	0	variable
7) FOG Program Inspections	Inspections of food service establishments (FSEs) in the Almonte, TCSD, SD2, RVSD, SRSD, and LGVSD service areas – approx. 500 FSEs are in programs; 310 are regulated – either permitted or have waivers.	10	20 – 50
8) Permits Issued/Renewed	Permits issued for the pretreatment, pollution prevention, and FOG source control programs, and for groundwater discharge	9	variable

Table IV- PUBLIC OUTREACH

Metric	Definition	Measurement	Target/Goal
1) Public Education Events	Attendance at public education outreach events; # of booth visitors; *(YTD)*	1,000; *(4,581)*	3,000/year
2) School Events	Participation or sponsorship in school outreach events; attendees; *(YTD)*	0; *(1,083)*	variable
3) Agency Tours	Tours given to students and the public; # of people, *(YTD)*	37; *(269)*	variable
4) Odor Notifications	Number of odor alerts posted to the Agency website due to process or operational changes	2	1-10
5) Odor Complaints	Number of odor complaints received from the public	0	0

Central Marin Sanitation Agency

BOARD MEMORANDUM

November 9, 2017

To: CMSA Commissioners and Alternates

From: Kenneth Spray, Administrative Services Manager

Approved: Jason Dow, General Manager

Subject: Capacity Charge Schedule for Fiscal Year 2016-17

Recommendation: Approve the FY 2016-17 Capacity Charge Schedule

Summary: CMSA and the JPA member agencies charge a fee for new connections to the sanitary sewer system. The intent of the fee is to ensure that all new users pay their fair share of the wastewater collection and treatment system costs, and is based on the idea that wastewater services and capacity are available on a first-come-first-serve basis. Each member agency charges a collection system connection fee and CMSA charges a fee for treatment plant capacity. The total fee is collected by the member agencies, with the capacity charge portion of the fee being forwarded to CMSA.

In FY 2016-17, the CMSA capacity charge was $5,863.20 for new residential connections, $366.45 per fixture unit for commercial facilities, and $857.49 for high strength fixtures. The Agency received $330,079.08 in capacity charges from its member agencies. There were a total of 47 new connections (5 of which were collected prior to CMSA adopting the FY 2016-17 capacity charge rate) and 149 additional fixtures in the service area: 19 new residential connections and 149 fixture units in San Rafael Sanitation District, 9 new residential connections in Sanitary District No. 1, and 19 new residential connections in the Sanitary District No. 2 service area.

The California Government Code requires CMSA to disclose the amount of capacity charges collected within 180 days after the fiscal year and identify the public improvements or projects that were funded by the capacity charges. The FY 2016-17 Schedule of Capacity Charges is attached for Board review and approval.

Attachment:
- FY 2016-17 Capacity Charge Schedule

Central Marin Sanitation Agency
Schedule of Capacity Charges
Fiscal Year Ended June 30, 2017

The California Government Code requires certain disclosures regarding capacity charges. The Code requires separate accounting of capacity charges and the application of interest to outstanding balances. Central Marin Sanitation Agency's practice is to utilize capacity charges received on a first-in-first-out basis to finance Fiscal Year 2016-17 capital program initiatives. Accordingly, no interest was posted to capacity charges and there was no outstanding balance of capacity charges at fiscal year-end.

Other required disclosures for the fiscal year ended June 30, 2017 are as follows:

- Total amount of capacity charges collected $330,079.08

- Listing of FY 2016-17 Maintenance and Capital Projects for which capacity charges were applied:

  - Maintenance Facility Modification Project $330,079.08

Total	$330,079.08

Central Marin Sanitation Agency

BOARD MEMORANDUM

November 9, 2017

To: CMSA Commissioners and Alternates

From: Jason Dow, General Manager JD

Subject: Revised Disposal of Surplus Assets Policy

Recommendation: Approve the revised Disposal of Surplus Assets Policy, Administrative Policy/Procedure #5.

Summary: Agency staff routinely collects and stores surplus assets, equipment, and materials for future disposal. Some of the surplus assets are sold, using various methods, with the proceeds being deposited in the Agency's operating fund. Board authorization and guidance for the periodic disposal of these surplus assets is provided in the Board adopted Administrative Policy/Procedure #5 – Disposal of Surplus Assets. Staff recently reviewed this Policy, which was last revised and approved by the Board in October 2013, and made several revisions as detailed below.

- Procedures reorganized to improve readability.
- References to specific websites removed from the Advertising section.
- Discarding assets with no value added to Disposal Method section.
- A new Reporting section added to ensure that an asset's disposition is provided to finance staff for use in updating the Agency's fixed asset schedule.
- Asset disposal recommendations must now be submitted on a new disposal form.

Background: The Agency has Administrative, Financial, and Personnel Policy/Procedure Manuals, and each is reviewed on a three-year rotating basis. For this fiscal year, staff will be reviewing the Administrative Policies and recommending revisions to the Board for consideration of approval. CMSA has fifty-one administrative policies and procedures, ten of which have been adopted by the Board. The others are procedures to support Board adopted personnel and financial policies. Over the next several months, staff will be proposing revisions to most or all of the ten administrative policies.

Attachment:
Revised Administrative Policy/Procedure #5 – Disposal of Surplus Assets

POLICY/PROCEDURE #:	**5**
SECTION:	**ADMINISTRATIVE – GENERAL**
SUBJECT:	**Disposal of Surplus Assets**
DATE:	**11/14/2017** *(for Board Approval)*

POLICY

CMSA will dispose of surplus assets when they have exceeded their service life, are obsolete, where the value of replacement is less than rehabilitation, or they no longer serve the Agency's mission.

PROCEDURE

Agency assets will be determined to be surplus by Department. Department Managers will estimate the value of the asset to be declared surplus and provide a recommendation to the General Manager on the manner to dispose of the assets, including process and method, and the advertising approach. The recommendation will be submitted on the attached asset disposal form (S:\Lib - Forms and Templates\STAFF FORMS).

1. Advertising - The Department Manager will review options for advertising, including advertising in print media or listing on websites. The most appropriate method will be determined using factors such as asset value, advertisement costs, desired audience, and breadth of advertisement.

2. Disposal Methods - The disposal method may include sale to the highest bidder after sealed proposals are opened, donation to a local non-profit organization, internal posting for employee bidding, or discarding or recycling with other solid waste. Department managers will determine and recommend the best method for each asset.

   CMSA reserves the right to reject proposals if the bid is lower than the estimated asset value, or if additional advertising is determined appropriate.

3. Authorization—The Board of Commissioners shall approve disposal for any item valued at $7,500 or greater. The General Manager shall approve disposal of any item valued at less than $7,500.

4. Reporting- After an asset has been sold, donated, or disposed, the Department Manager will provide the asset information to the Finance Department for updating the Agency's fixed asset schedule.

5. All funds realized from the sale of surplus assets will be deposited in the CMSA operating fund.

DISPOSAL OF SURPLUS ASSETS

ASSET	NO.	DISPOSAL METHOD	EST. VALUE

Submitted by _____ Date _____

General Manager Approval _____ Date _____

Board Approval Date _____

- GM Approval for value under $7,500
- Board Approval for value over $7,500

Central Marin Sanitation Agency

BOARD MEMORANDUM

November 9, 2017

To: CMSA Commissioners and Alternates

From: Jason Dow, General Manager JD
Austris Rungis, IEDA Labor Relations Consultant

Subject: Letter of Understanding with SEIU Local 1021

Recommendation: Approve the Letter of Understanding with SEIU Local 1021 and the Grievance Settlement Agreement, and authorize the General Manager to sign both.

Summary: The Agency's negotiating team and representatives from SEIU have met and conferred on the April 2017 CalPERS written decision that CMSA cannot report EPMC as special compensation after July 1, 2016 and can only report merit awards for exceptional level performance. After the October Board meeting, a proposal was presented to SEIU and a Tentative Agreement prepared. CMSA's SEIU represented employees met on November 1 and voted on the Board proposal. SEIU's field representative, Michael Viloria, informed us on November 5 that the Tentative Agreement was ratified by the Agency's represented employees. A Letter of Understanding between CMSA and SEIU is attached for Board review and consideration for approval. Once executed it will amend the 2014 Collective Bargaining Agreement (MoU) between CMSA and SEIU. Provisions in the Letter of Understanding are:

- The MoU term is extended from June 30, 2020 to June 30, 2022.
- Effective July 1, 2020 and July 1, 2021, employees will receive a COLA not to exceed 4%.
- Health and Welfare benefits of the MoU remain unchanged for its duration.
- Effective January 1, 2018, the Agency will discontinue the Merit Award Program and effective December 1, 2017 all job classifications will receive a 3.5% wage increase.
- Upon signing a release, employees who retire between January 1, 2017 and June 30, 2018 will receive a settlement amount of $750 for each full year of service at CMSA.

Attachments:
1) Letter of Understanding between CMSA and SEIU Local 1021 with Release of Claims form
2) Grievance Settlement Agreement

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**

November 15, 2017

Michael Viloria
SEIU Local 1021
600 B Street
Santa Rosa, CA 95401

Dear Mr. Viloria,

This letter will confirm the following understandings that the parties have reached after meeting and conferring.

1. The current Collective Bargaining Agreement between Central Marin Sanitation Agency and SEIU Local 1021 (MoU) that has a term from July 1, 2014 through June 30, 2020 will be extended from July 1, 2020 through June 30, 2022.
2. The Cost-of-Living Adjustment provided for in Section 12.3 of the MoU for July 1, 2018 and July 1, 2019 is unchanged, and Section 12.3 is amended as follows:

   Cost-of-Living-Adjustments
   Effective July 1, 2020, and July 1, 2021, the Agency will provide a Cost-of-Living (COL) adjustment for each agency classification using the formula as follows: The Annual Consumer Price Index for the previous Calendar Year - All Urban Consumers for the San Francisco-Oakland-San Jose, CA, 82-84=100, up to a maximum of a Four Percent (4.0 %) wage increase.
3. *Section 13 Health and Welfare* of the MoU remain unchanged for the duration of the MoU.
4. Effective January 1, 2018 Central Marin Sanitation Agency will discontinue the Merit Pay program and delete all reference to the Merit Pay program from all Central Marin Sanitation Agency documents. Effective December 1, 2017, all bargaining unit classifications will receive a wage increase of Three point Five Percent (3.50%).
5. Employees who retire between January 1, 2017 and June 30, 2018 from CMSA will receive a settlement amount of Seven Hundred and Fifty Dollars ($750.00) for each full year of service with CMSA, provided that they execute the attached Release of Claims.

If the foregoing is in accordance with your understanding, please so indicate and sign and date below.

Dated_____

By_____
Michael Viloria
SEIU 1021

By_____
Jason Dow, General Manager
Central Marin Sanitation Agency

Attachment:
- Release of Claims

RELEASE OF ALL CLAIMS

FOR AND IN CONSIDERATION of the **Central Marin Sanitation Agency's** payment to me of the total sum of _____ ( ), I, being of lawful age, do hereby release, acquit and forever discharge the **Central Marin Sanitation Agency hereinafter referred to as CMSA**, and their agents, servants and employees, from any and all actions, causes of action, claims, demands, damages, costs, loss of services, expenses and compensation, on account of, or in any way growing out of, any and all known and unknown damages resulting or alleged to result from CMSA's non-reporting of employee's EPMC as special compensation between July 1, 2016, and June 30, 2018, pursuant to a CALPERS (California Public Employee Retirement System) decision. Additionally: I waive all rights to appeal the CALPERS decision on discontinuing reporting of EMPC past 7/1/16; I agree that I cannot file any claim against CMSA for the discontinuing of reporting after July 1, 2016.

It is understood and agreed that all rights under §1542 of the Civil Code of California which provides as follows:

> "CERTAIN CLAIMS NOT AFFECTED BY GENERAL RELEASE
>
> --- A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor",

are hereby expressly waived.

I hereby declare and represent that any damages sustained are or may be permanent and progressive and in making this release and agreement it is understood and agreed that I rely wholly upon my own judgment, belief and knowledge of the nature, extent and duration of said damages, and that I have not been influenced to any extent whatever in making this release by any representations or statements regarding said damages, or regarding any other

matters, made by the persons, firms or corporations who are hereby released, or by any person or persons representing him or them.

It is further understood and agreed that this settlement is the compromise of a doubtful and disputed claim, and that the payment to me is not to be construed as an admission of liability by CMSA, its employees, agents and servants, by whom liability is expressly denied.

This release contains the ENTIRE AGREEMENT between the parties hereto, and the terms of this release are contractual and not a mere recital.

I further state that I have carefully read the foregoing release and know the contents thereof, and I sign the same as my own free act.

CMSA Employee

Date: _____

_____

Employee

CMSA Representative Witness

Date: _____

_____

Jason Dow, General Manager

SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 1021, Union, and CENTRAL MARIN SANITATION AGENCY, Employer.	Grievance No.: **SETTLEMENT AGREEMENT**

WHEREAS, in or around 2017, the California Public Employees' Retirement System's ("CalPERS") Employer Account and Management Division completed a review of compensation of unrepresented and SEIU Local 1021-represented employees of the Central Marin Sanitation Agency ("CMSA"). CalPERS concluded that CMSA had incorrectly reported to CalPERS as pensionable income both Merit Pay and the value of Employer-Paid Member Contributions ("EPMC");

WHEREAS, at the request of CMSA, on April 6, 2017, CalPERS issued its findings in writing to CMSA. CMSA shared those findings with SEIU Local 1021 and offered to meet to discuss them;

WHEREAS, CMSA and SEIU Local 1021 promptly engaged in proactive in-person discussions in an effort to address CalPERS's concerns regarding the misreporting of employees' compensation to CalPERS;

WHEREAS, from July 16, 2016 to March 25, 2017, CMSA continued to deduct from employees' paychecks the same contributions toward retirement. Thereafter, beginning the payroll period ending April 8, 2017, CMSA stopped reporting to CalPERS the employees' Merit Pay and the value of EPMC;

WHEREAS, in May 2017, SEIU Local 1021 challenged the CalPERS April 6, 2017 determination letter by filing an appeal with CalPERS;

WHEREAS, after exhausting good faith attempts to informally resolve the reporting errors CalPERS identified, on or about July 21, 2017, SEIU Local 1021 filed a grievance against CMSA;

WHEREAS, in the interest of promoting harmonious labor relations and to avoid the uncertainty, inconvenience, and expense of litigation, CMSA and SEIU Local 1021 (collectively the "Parties") agree as follows:

1. SEIU Local 1021 will withdraw, with prejudice, the above-captioned grievance upon the date this agreement is executed;

2. SEIU Local 1021 will not pursue or file an appeal or other legal action of any kind against CalPERS or CMSA relating to CalPERS's informal or formal determination that the Merit Pay and the value of EPMC are not pensionable;

3. SEIU Local 1021 acknowledges that its members will not receive backpay or other compensation as a result of CMSA ceasing to report Merit Pay or the value of EPMC to CalPERS, except as expressly agreed to in this Settlement Agreement;

4. In exchange for SEIU Local 1021 withdrawing the above-referenced grievance with prejudice and waiving related claims, CMSA agrees:

a. The current Memorandum of Understanding ("MOU") between Central Marin Sanitation Agency and SEIU Local 1021 that has a term from July 1, 2014 through June 30, 2020 will be extended from July 1, 2020 through June 30, 2022;

b. The Cost-of-Living Adjustment provided for in Section 12.3 of the MOU shall be as follows;

Cost-of-Living-Adjustments

Effective July 1, 2020, and July 1, 2021, the Agency will provide a Cost-of-Living (COL) adjustment for each agency classification using the formula as follows: The Annual Consumer Price Index for the previous Calendar Year - All Urban Consumers for the San Francisco-Oakland-San Jose, CA, 82-84=100, up to a maximum of a Four Percent (4.0 %) wage increase.

c. Section 13 Health and Welfare of the MOU remain unchanged for the duration of the MOU;

d. Effective January 1, 2018, CMSA will discontinue the Merit Pay program and delete all reference to the Merit Pay program from all CMSA documents. Effective December 1, 2017, all bargaining unit classifications will receive a wage increase of Four Percent (4.0%);

e. Employees who retire between January 1, 2017 and June 30, 2018 from CMSA will receive a settlement amount of Seven Hundred and Fifty Dollars ($750.00) for each full year of service with CMSA, provided they execute a Release of Claims;

f. CMSA will reimburse to employees, with interest, the deductions made from their paychecks from July 16, 2016 to March 25, 2017 relating to Merit Pay and the value of EPMC;

5. The Parties mutually agree that this Settlement Agreement ("Agreement") represents a full and complete resolution of their respective claims and disputes with respect to the above-captioned grievance;

6. The Parties mutually agree that this Agreement does not constitute an admission of wrongdoing, contract or statutory violation, or liability on the part of either party to this Agreement, and shall be non-precedential;

7. The undersigned Parties represent that they have read and understand the terms of this Agreement, and that they are authorized to execute this Agreement on behalf of their principles.

For SEIU Local 1021:	For CMSA:
Date:	Date:
Michael Viloria, SEIU Local 1021	Jason Dow, General Manager

Central Marin Sanitation Agency

BOARD MEMORANDUM

November 9, 2017

To: CMSA Commissioners and Alternates

From: Jason Dow, General Manager JD

Subject: Compensation and Benefit Adjustment for Unrepresented Employees

Recommendation: Approve the Compensation and Benefit Adjustment for Unrepresented Employees.

Summary: In April 2017, CalPERS issued a written decision that CMSA cannot report EPMC as special compensation after July 1, 2016, and can only report merit awards for exceptional level performance. SEIU Local 1021 has accepted the Board's compensation and benefit proposal, and per Board instruction, the same proposal elements will be applied to the Agency's unrepresented employees. I have met with the unrepresented employees and explained the Board's proposal, and each employee has either stated they understood or supported it.

- Effective July 1, 2020 and July 1, 2021, employees will receive a COLA not to exceed 4%.
- Effective January 1, 2018, the Agency will discontinue the Merit Award Program and effective December 1, 2017 all job classifications will receive a 3.5% equivalent wage increase.
- Upon signing a release, employees who retire between January 1, 2017 and June 30, 2018 will receive a settlement amount of $750 for each full year of service at CMSA.

Attachment:
- Commission Action Setting Forth Compensation and Benefits for Unrepresented Employees
- Release of All Claims Form

Central Marin Sanitation Agency

COMMISSION ACTION SETTING FORTH
COMPENSATION AND BENEFITS FOR UNREPRESENTED EMPLOYEES
November 2017

1) Cost of Living Adjustment (COLA): Effective July 1, 2020, and July 1, 2021, the Agency will provide a COLA for each agency classification using the formula as follows: The Annual Consumer Price Index for the previous Calendar Year - All Urban Consumers for the San Francisco-Oakland-San Jose, CA, 82-84=100 up to a maximum of a Four Percent (4.0 %) wage increase.

2) Effective January 1, 2018, CMSA will discontinue the Merit Pay Program and delete all reference to the Merit Pay Program from all Agency documents.

3) Effective December 1, 2017, all unrepresented job classifications will receive a wage increase of Three point Five Percent (3.50%).

4) Employees who retire between January 1, 2017 and June 30, 2018 from CMSA will receive a payment amount of Seven Hundred and Fifty Dollars ($750.00) for each full year of service with CMSA, provided that they execute a Release of All Claims.

This amended action shall take effect immediately upon its adoption by the Commission, and was passed on November 12, 2017 by the following vote:

AYES:
NOES:
ABSENT:

_____
Diane Furst, Chair

_____
Tom Gaffney, Vice-Chair

RELEASE OF ALL CLAIMS

FOR AND IN CONSIDERATION of the **Central Marin Sanitation Agency's** payment to me of the total sum of _____ ( ), I, being of lawful age, do hereby release, acquit and forever discharge the **Central Marin Sanitation Agency hereinafter referred to as CMSA**, and their agents, servants and employees, from any and all actions, causes of action, claims, demands, damages, costs, loss of services, expenses and compensation, on account of, or in any way growing out of, any and all known and unknown damages resulting or alleged to result from CMSA's non-reporting of employee's EPMC as special compensation between July 1, 2016, and June 30, 2018, pursuant to a CALPERS (California Public Employee Retirement System) decision. Additionally: I waive all rights to appeal the CALPERS decision on discontinuing reporting of EMPC past 7/1/16; I agree that I cannot file any claim against CMSA for the discontinuing of reporting after July 1, 2016.

It is understood and agreed that all rights under §1542 of the Civil Code of California which provides as follows:

> "CERTAIN CLAIMS NOT AFFECTED BY GENERAL RELEASE
>
> --- A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor",

are hereby expressly waived.

I hereby declare and represent that any damages sustained are or may be permanent and progressive and in making this release and agreement it is understood and agreed that I rely wholly upon my own judgment, belief and knowledge of the nature, extent and duration of said damages, and that I have not been influenced to any extent whatever in making this release by any representations or statements regarding said damages, or regarding any other

matters, made by the persons, firms or corporations who are hereby released, or by any person or persons representing him or them.

It is further understood and agreed that this settlement is the compromise of a doubtful and disputed claim, and that the payment to me is not to be construed as an admission of liability by CMSA, its employees, agents and servants, by whom liability is expressly denied.

This release contains the ENTIRE AGREEMENT between the parties hereto, and the terms of this release are contractual and not a mere recital.

I further state that I have carefully read the foregoing release and know the contents thereof, and I sign the same as my own free act.

CMSA Employee

Date: _____

_____

Employee

CMSA Representative Witness

Date: _____

_____

Jason Dow, General Manager

Central Marin Sanitation Agency

BOARD MEMORANDUM

November 9, 2017

To: CMSA Commissioners and Alternates

From: Kenneth Spray, Administrative Services Manager

Approved: Jason Dow, General Manager

Subject: Fiscal Year 2016-17 Audited Financial Statements

Recommendation: Accept the Agency's Fiscal Year 2016-17 audited financial statements, and provide comments or direction the General Manager, as appropriate.

Summary: The Agency's audited financial statements for the Fiscal Year 2016-17 (FY 17) are enclosed for your review. The report contains four sections, Management's Discussion and Analysis, Basic Financial Statements, Required Supplementary Information, and the Independent Auditor's Report on Internal Control and Compliance with Other Matters. The auditor, Mr. Sheldon Chavan of Chavan & Associates, will provide a brief overview of the audit report and its contents and answer any questions you may have. The report is also available on the Agency's website at http://www.cmsa.us/finance. The audit received a clean opinion and there were no management letter comments or findings.

Discussion: The annual audit consists of two parts. The first is preliminary fieldwork with emphasis on internal controls, and the second is known as final work with emphasis on analysis of account balances. Both portions of the audit went well, were smooth, and were timely. The Agency received a clean opinion and there were no findings of items not in conformance with policy or procedures. The audited financial statements will be incorporated into the Agency's Comprehensive Annual Financial Report (CAFR) and submitted to the Government Finance Officers Association (GFOA) for an award, and into the Popular Annual Financial Report (PAFR), also to be submitted to the GFOA for an award. The PAFR is a condensed version of the PAFR with summarized Agency and financial information.

As described in the Management's Discussion and Analysis (MD&A) section of the audit report, there was a decrease in the FY 17 net position in the amount of ($841,513) versus an increase in net position for FY 16 in the amount of $96,282. The decrease in net position was due largely to book accruals posted to salaries and benefits for additional retirement expenses as required by a recent accounting standard, No. 68, from the Government Accounting Standards Board (GASB) in connection with accounting for cost-sharing pension plans. These accruals account for

changes in the dynamics of the actuarially determined total pension obligation, changes in plan assumptions, such as changes in the expected rate of return and changes in the demographics of both active as well as retired plan participants.

The decrease in the FY 17 repairs and maintenance expenses in the amount of approximately $400,000 was due to less construction-in-progress initial charges that did not result in capitalizable projects, such as feasibility studies not resulting in a project. Costs associated with non-capitalizable projects normally transfer to expense. Lastly, interest expense has increased due to less interest charges in the prior year resulting from transition from the 2015 bond refinancing transaction.

There were a number of projects completed in FY 17, including the cogeneration major refurbishment at approximately $229,000, plant sluice gates rehabilitation at approximately $111,000, relining of the organic waste facility vault at approximately $97,000, and the aeration system rehabilitation at approximately $51,000.

Other Post-Employment Benefits known as OPEB will not be a significant cost problem for the Agency due to action taken in 2010 to close the plan to new participants as of June 30, 2010. The plan is approximately 50% funded and will see a decrease in total obligation over time due to attrition, i.e., no new entrants into the plan.

There were two prior period adjustments made to correct the accounting for the bond refinancing transaction and accounting for fixed assets. Both items have been corrected. At the end of FY 17, the Agency had a strong cash position and is healthy.

Attachments:

1) FY17 Audit Presentation for the November 11, 2017 Board meeting
2) Chavan & Associates letter to the Board of Commissioners, dated November 2, 2017
3) Chavan & Associates Management Letter, dated November 2, 2017

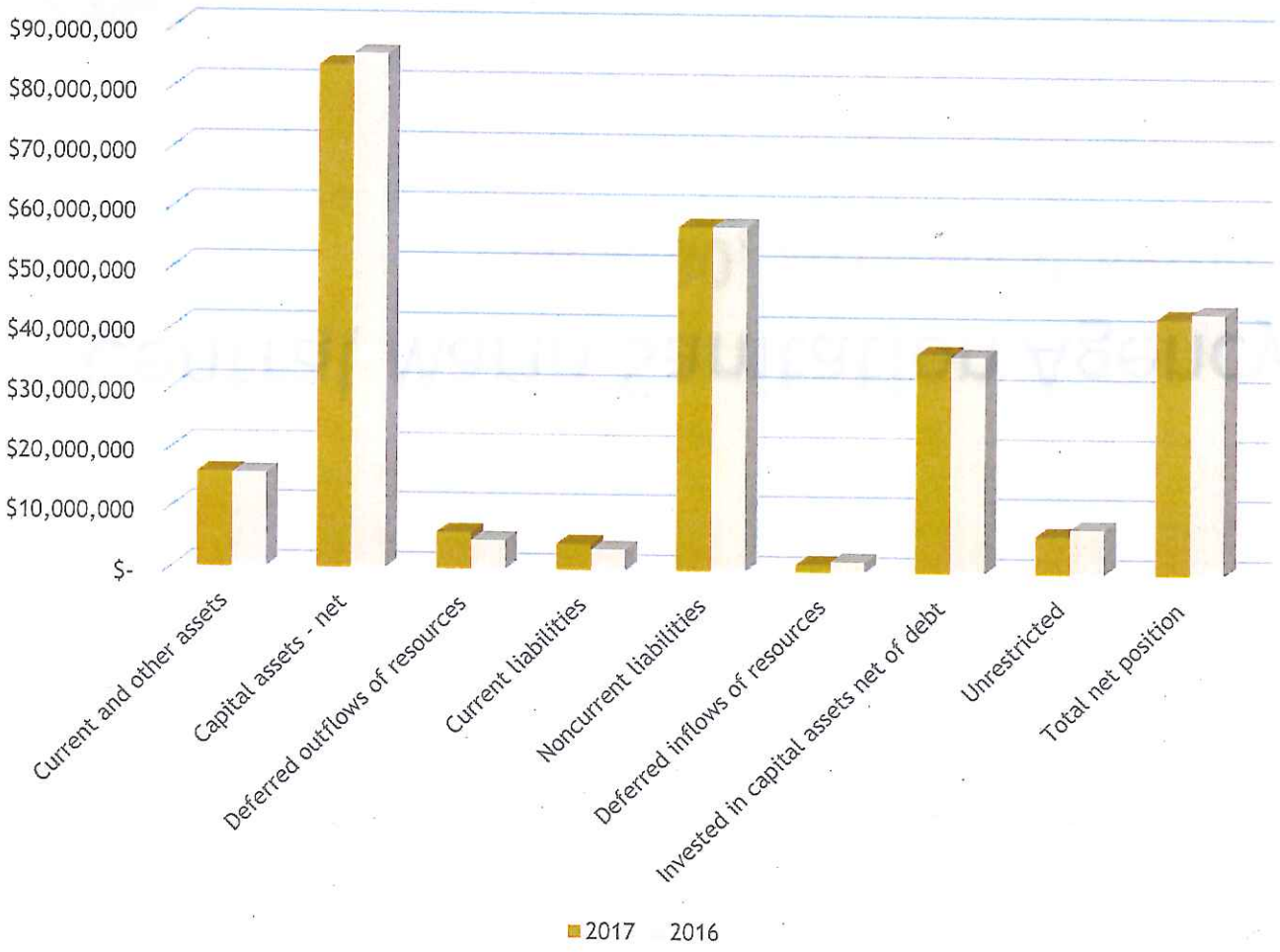
Central Marin Sanitation Agency

June 30, 2017 Audit Results

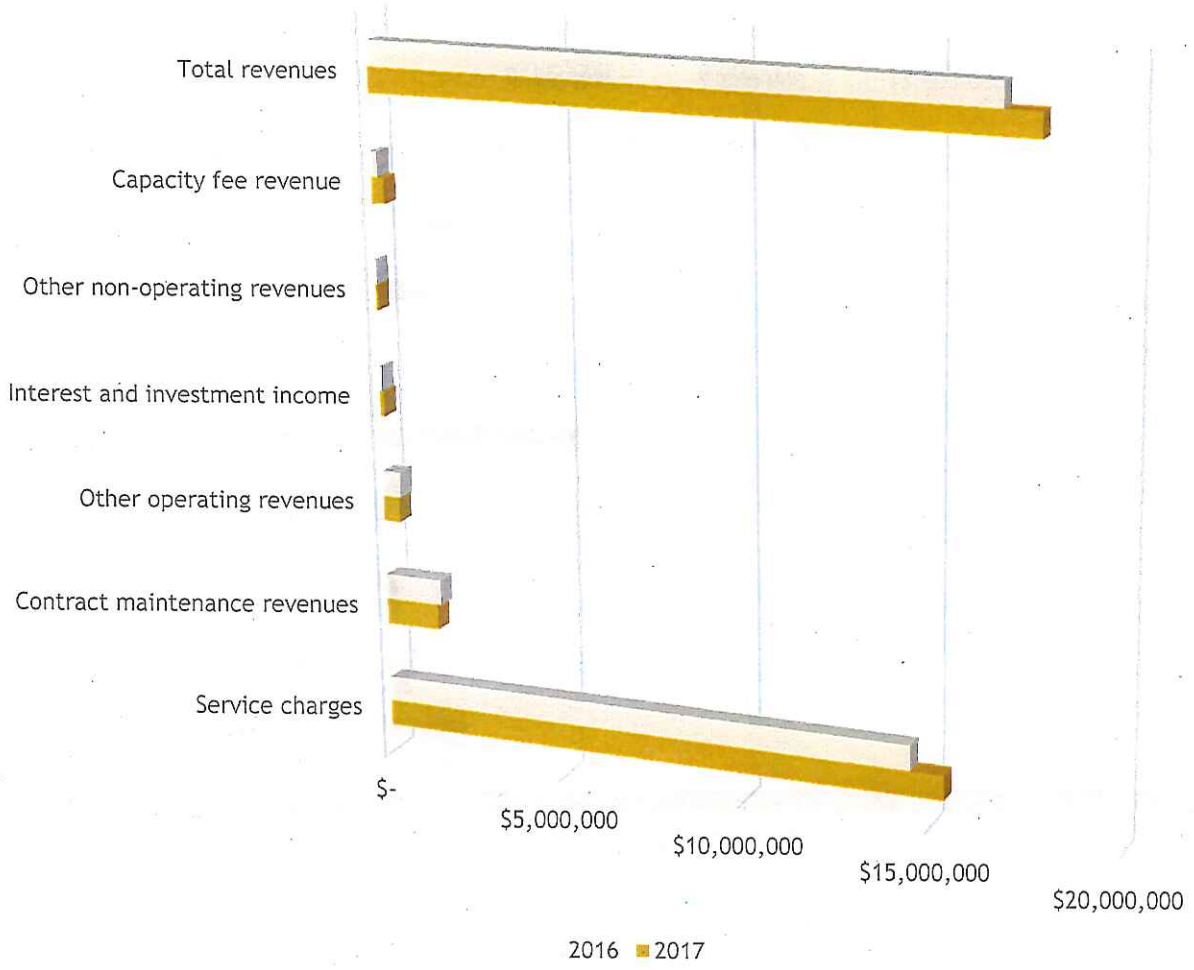
Chavan & Associates, LLP
Certified Public Accountants

ATTACHMENT 1

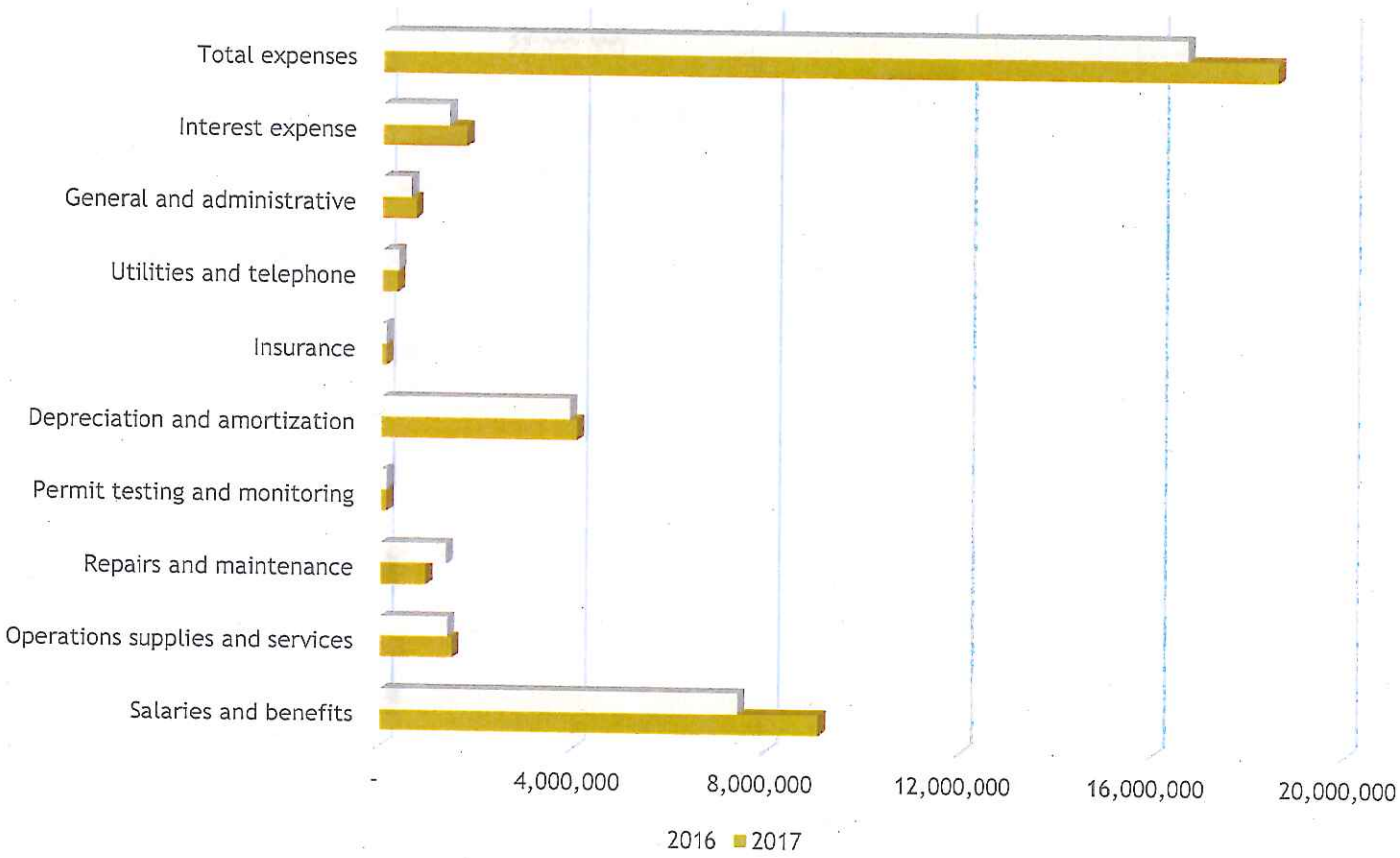
Statement of Net Position



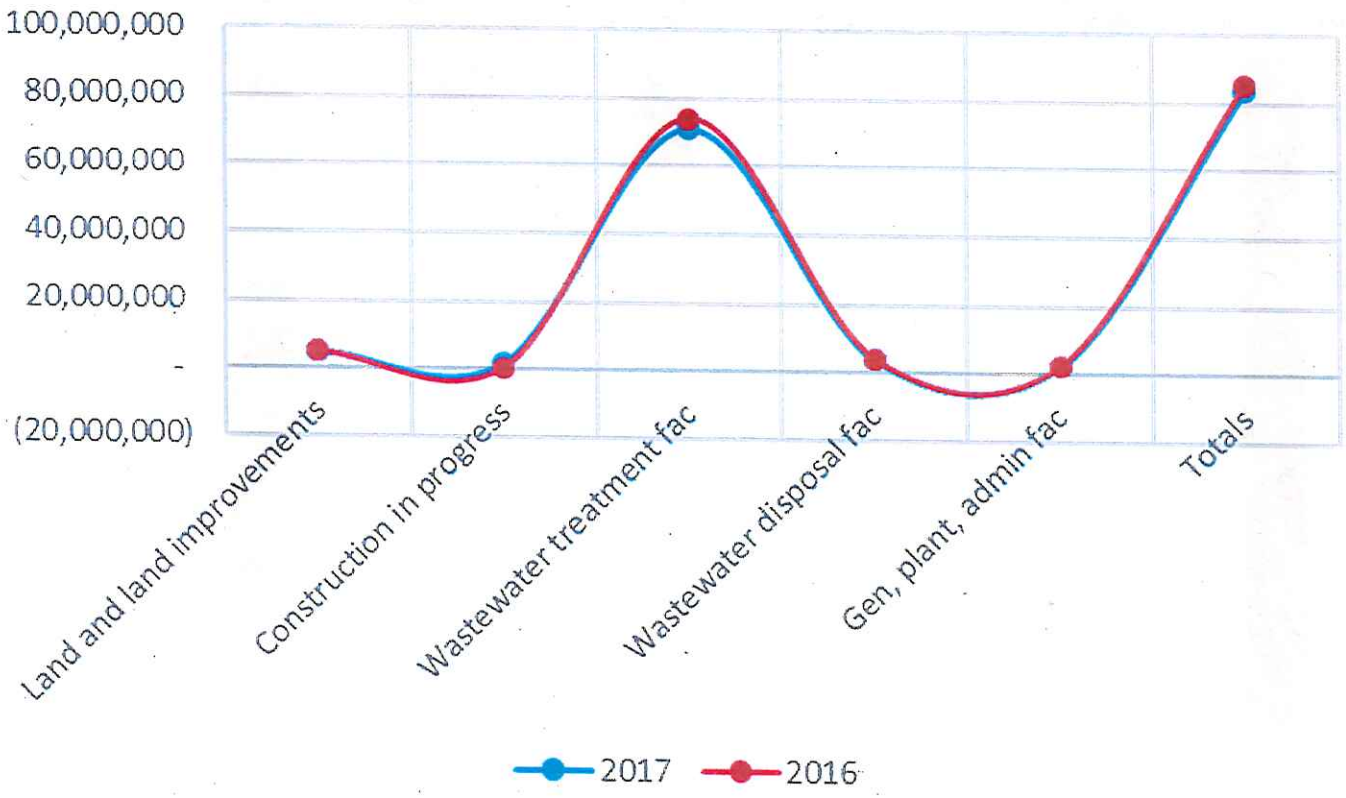
Revenue


Total revenues
Capacity fee revenue
Other non-operating revenues
Interest and investment income
Other operating revenues
Contract maintenance revenues
Service charges
$-
$5,000,000
$10,000,000
$15,000,000
$20,000,000
2016
2017

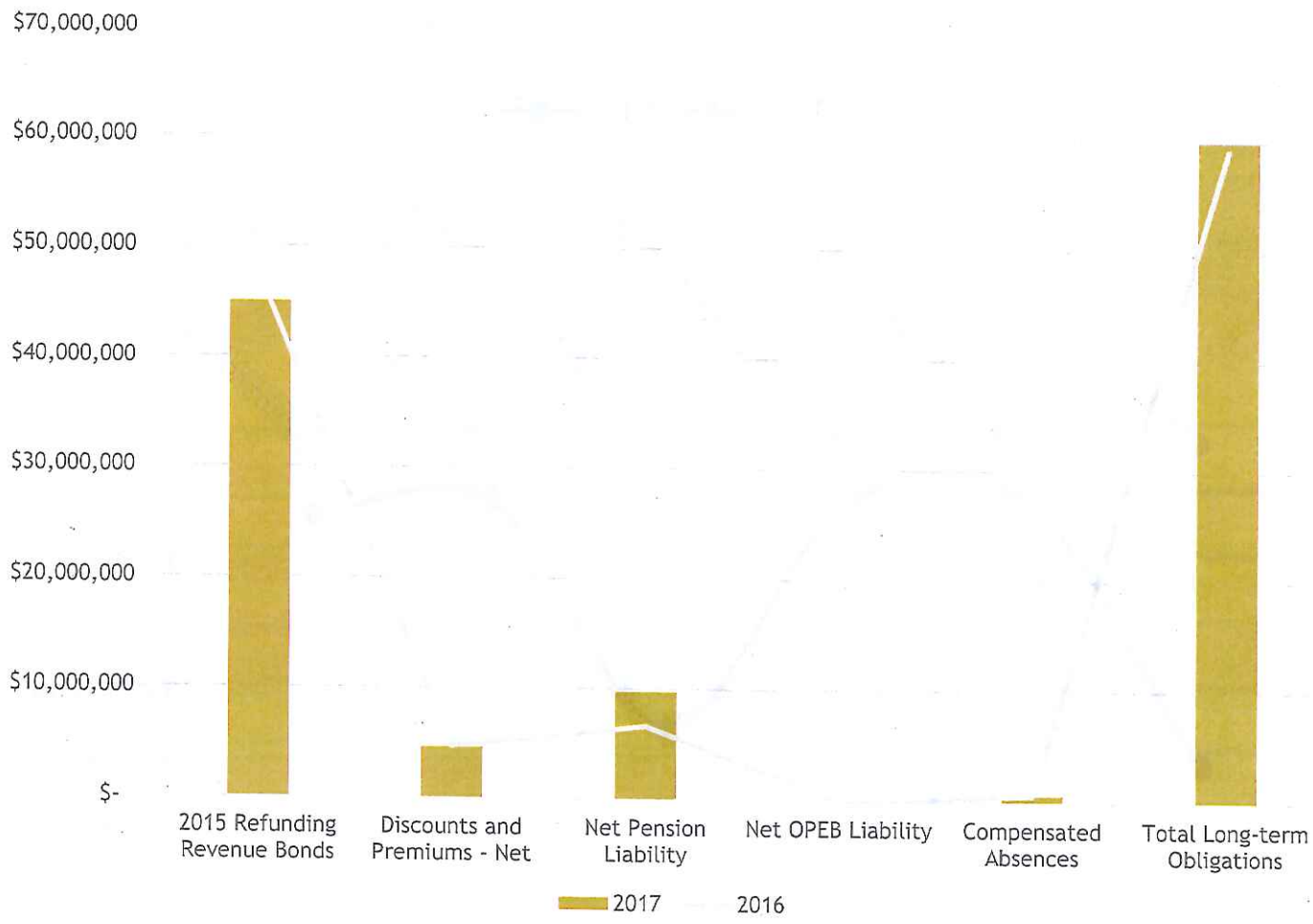
Expenses


Total expenses
Interest expense
General and administrative
Utilities and telephone
Insurance
Depreciation and amortization
Permit testing and monitoring
Repairs and maintenance
Operations supplies and services
Salaries and benefits
-
4,000,000
8,000,000
12,000,000
16,000,000
20,000,000
2016
2017

Capital Assets



Long-Term Obligations



Audit Results

- No Exceptions in Audit Opinions
- No Material Weaknesses
- No Disagreements with Management
- No Significant Passed on Adjustments

Chavan & Associates, LLP
Certified Public Accountants

To the Board of Directors
Central Marin Sanitation Agency

We have audited the basic financial statements of the Central Marin Sanitation Agency as of and for the year ended June 30, 2017, and have issued our report thereon dated October 20, 2017. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility under Generally Accepted Auditing Standards and *Government Auditing Standards*

As communicated in our engagement letter, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Central Marin Sanitation Agency solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Other Information in Documents Containing Audited Financial Statements

Pursuant to professional standards, our responsibility as auditors for other information in documents containing Central Marin Sanitation Agency's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to management.

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Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Central Marin Sanitation Agency is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during June 30, 2017. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements include accumulated depreciation related to capital assets and unfunded liabilities and expenses based on assumptions in actuarial studies performed on defined benefit pension plans (GASB 68 and GASB 45).

We evaluated the key factors and assumptions used to develop the identified estimates and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting Central Marin Sanitation Agency's financial statements relate to: cash and investments, capital assets, long-term obligations and defined benefit pension plans.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either

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individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. There were no material, corrected misstatements noted during the audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Central Marin Sanitation Agency's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in a separate letter dated October 20, 2017.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Findings or Issues

In the normal course of our professional association with the Central Marin Sanitation Agency, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Central Marin Sanitation Agency's auditors.

This report is intended solely for the information and use of the Board and management of the Central Marin Sanitation Agency and is not intended to be and should not be used by anyone other than these specified parties.

C & A LLP

November 2, 2017
San Jose, California

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ATTACHMENT 3

Central Marin Sanitation Agency

Management Letter
June 30, 2017

Prepared by
Chavan & Associates, LLP
Certified Public Accountants

To the Central Marin Sanitation Agency

Introduction and Internal Controls

In planning and performing our audit of the basic financial statements of Central Marin Sanitation Agency, as of and for the year ended June 30, 2017, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered Central Marin Sanitation Agency's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of Central Marin Sanitation Agency's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Upcoming Accounting Pronouncements

The following is a summary of new accounting pronouncements from the Governmental Accounting Standards Board:

1) **GASB Statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions***

   The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans.

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The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

In addition, this Statement details the recognition and disclosure requirements for employers with payables to defined benefit OPEB plans that are administered through trusts that meet the specified criteria and for employers whose employees are provided with defined contribution OPEB. This Statement also addresses certain circumstances in which a nonemployer entity provides financial support for OPEB of employees of another entity.

In this Statement, distinctions are made regarding the particular requirements depending upon whether the OPEB plans through which the benefits are provided are administered through trusts that meet the following criteria:

- Contributions from employers and nonemployer contributing entities to the OPEB plan and earnings on those contributions are irrevocable.
- OPEB plan assets are dedicated to providing OPEB to plan members in accordance with the benefit terms.
- OPEB plan assets are legally protected from the creditors of employers, nonemployer contributing entities, the OPEB plan administrator, and the plan members.

The Agency is in the process of determining the impact this statement will have on the financial statements.

2) **GASB Statement No. 81, Irrevocable Split-Interest Agreements.** - The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.

Split-interest agreements are a type of giving agreement used by donors to provide resources to two or more beneficiaries, including governments. Split-interest agreements can be created through trusts—or other legally enforceable agreements with characteristics that are equivalent to split-interest agreements—in which a donor transfers resources to an intermediary to hold and administer for the benefit of a government and at least one other beneficiary. Examples of these types of agreements include charitable lead trusts, charitable remainder trusts, and life-interests in real estate.

This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of

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resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period.

The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively. Earlier application is encouraged.

The Agency doesn't believe this statement will have a significant impact on the Agency's financial statements.

3) **GASB Statement No. 82, *Pension Issues - an amendment of GASB Statements No. 67, No. 68, and No. 73*** - The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

   The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of GASB 82 for selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. Earlier application is encouraged.

   The Agency doesn't believe this statement will have a significant impact on the Agency's financial statements.

4) **GASB Statement No. 83, *Certain Asset Retirement Obligations.*** - This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2018. Earlier application is encouraged.

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The Agency doesn't believe this statement will have a significant impact on the Agency's financial statements.

5) **GASB Statement No. 84, *Fiduciary Activities.*** - The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

   This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2018. Earlier application is encouraged.

   The Agency doesn't believe this statement will have a significant impact on the Agency's financial statements.

6) **GASB Statement No. 86, *Certain Debt Extinguishment Issues.*** - The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2017. Earlier application is encouraged.

   The Agency is in the process of determining the impact this statement will have on the financial statements.

Purpose of Communication

The purpose of this communication, which is an integral part of our audit, is to describe, for management and those charged with governance, the scope of our testing of internal control and the results of that testing, and communicate additional information that may be relevant to future Agency decision making. Accordingly, this communication is not intended to be and should not be used for any other purpose.

C & A LLP

November 2, 2017
San Jose, California

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Central Marin Sanitation Agency

BOARD MEMORANDUM

November 9, 2017

To: CMSA Commissioners and Alternates

From: Brian Thomas, Technical Services Manager

Approved: Jason Dow, General Manager JD

Subject: Andersen Drive Hillside Landslide Restoration – Cal OES Agent Authorization Resolution

Recommendation: Adopt CMSA Resolution No. 317, and provide comments or direction to the General Manager as appropriate.

Summary: Staff applied to the Federal Emergency Management Agency (FEMA) and the Governor's Office of Emergency Services (Cal OES) for funding assistance for emergency landslide stabilization measures in the hillside along Andersen Drive and to design and construct permanent improvements to prevent future landslides. Cal OES has approved CMSA's Request for Public Assistance and issued a Notification of Obligation for funds related to the emergency work. In order to complete the reimbursement process, Cal OES requires the attached resolution be adopted by the Board, which designates the General Manager as the authorized agent to execute Cal OES and/or FEMA documents for present and future disaster relief applications for up to three (3) years following the date of adoption.

Discussion: During the February 2017 storms, Marin County experienced historic rain and flooding. CMSA incurred multiple landslides on the eastern facing slope of the Andersen Drive Hillside. The landslides filled concrete drainage ditches with soil, impeded access to a maintenance road on the hillside, and downed two trees. In February, CMSA hired Maggiora and Ghilotti to remove landslide debris from the ditches and roadway, cover the slides with plastic to reduce further saturation, install temporary drain piping, and place temporary barriers to contain future slides. A separate contractor was hired later to remove two trees that were severely damaged and posed a life safety issue.

On April 1, 2017, President Trump issued a major disaster declaration (FEMA-4308-DR) that provided disaster relief funding for emergency repairs and long term restoration of damaged infrastructure. Also in April, CMSA submitted a funding assistance application to FEMA for the emergency work to remove landslide debris and another funding assistance application to design and construct the permanent hillside improvements. Staff met with FEMA and Cal OES staff in May and June to evaluate the landslide damage and determine the extent of the area

that is eligible for repair funding. On July 24, CMSA received a letter from Cal OES stating the funding assistance request had been approved by FEMA. CMSA hired Miller Pacific Engineering Group (MPEG) in August to design the permanent improvements to the hillside. Their design work is underway with the most recent activities being surveying and soil boring on the hillside. Final construction documents are scheduled to be completed in January 2018. Subject to Board approval, the project will be released for public bidding in late winter with construction activities scheduled for early summer 2018 after the hillside soil has had time to dry. FEMA's regulatory deadline to complete the permanent construction is October 1, 2018 with Cal OES being able to grant time extensions through April 1, 2021.

Fiscal Impact: CMSA submitted an initial project list to FEMA for emergency and permanent work with an estimated cost of $437,042.30. The total cost for the emergency debris removal was $37,842.30. Per the attached Notification of Obligation, FEMA and Cal OES will provide a total of $36,186 in funding assistance for the emergency debris removal. The design contract with MPEG is $20,500. Cal OES will issue additional notifications of obligation as the design and construction phases reach signification milestones. FEMA funds are limited to 75% of the total eligible costs for the permanent repairs. Cal OES will also provide funding for up to 18.75% of the total cost, leaving CMSA's share at 6.25%.

Attachments

1) CMSA Resolution No. 317
2) Project Assurances for Federal Assistance form
3) Cal OES Notification of Obligation

Landslide before debris removal

CMSA RESOLUTION NO. 317

STATE OF CALIFORNIA
GOVERNOR'S OFFICE OF EMERGENCY SERVICES
Cal OES 130

Cal OES ID No: _____

DESIGNATION OF APPLICANT'S AGENT RESOLUTION FOR NON-STATE AGENCIES

BE IT RESOLVED BY THE Board of Commissioners (Governing Body) OF THE Central Marin Sanitation Agency (Name of Applicant)

THAT General Manager (Title of Authorized Agent), OR

_____ (Title of Authorized Agent), OR

_____ (Title of Authorized Agent)

is hereby authorized to execute for and on behalf of the Central Marin Sanitation Agency (Name of Applicant), a public entity established under the laws of the State of California, this application and to file it with the California Governor's Office of Emergency Services for the purpose of obtaining certain federal financial assistance under Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act.

THAT the Central Marin Sanitation Agency (Name of Applicant), a public entity established under the laws of the State of California, hereby authorizes its agent(s) to provide to the Governor's Office of Emergency Services for all matters pertaining to such state disaster assistance the assurances and agreements required.

Please check the appropriate box below:

☒ This is a universal resolution and is effective for all open and future disasters up to three (3) years following the date of approval below.

☐ This is a disaster specific resolution and is effective for only disaster number(s) _____

Passed and approved this 14th day of November, 2017

Diane Furst, Board Chair
(Name and Title of Governing Body Representative)

Thomas Gaffney, Board Vice Chair
(Name and Title of Governing Body Representative)

_____
(Name and Title of Governing Body Representative)

CERTIFICATION

I, Kate Brouillet (Name), duly appointed Recording Secretary (Title) of Central Marin Sanitation Agency (Name of Applicant), do hereby certify that the above is a true and correct copy of a Resolution passed and approved by the Board of Commissioners (Governing Body) of the Central Marin Sanitation Agency (Name of Applicant) on the 14th day of November, 2017.

_____ (Signature)

_____ (Title)

STATE OF CALIFORNIA
GOVERNOR'S OFFICE OF EMERGENCY SERVICES
Cal OES 130 - Instructions

Cal OES Form 130 Instructions

A Designation of Applicant's Agent Resolution for Non-State Agencies is required of all Applicants to be eligible to receive funding. A new resolution must be submitted if a previously submitted Resolution is older than three (3) years from the last date of approval, is invalid or has not been submitted.

When completing the Cal OES Form 130, Applicants should fill in the blanks on page 1. The blanks are to be filled in as follows:

Resolution Section:

Governing Body: This is the group responsible for appointing and approving the Authorized Agents.
Examples include: Board of Directors, City Council, Board of Supervisors, Board of Education, etc.

Name of Applicant: The public entity established under the laws of the State of California. Examples include: School District, Office of Education, City, County or Non-profit agency that has applied for the grant, such as: City of San Diego, Sacramento County, Burbank Unified School District, Napa County Office of Education, University Southern California.

Authorized Agent: These are the individuals that are authorized by the Governing Body to engage with the Federal Emergency Management Agency and the Governor's Office of Emergency Services regarding grants applied for by the Applicant. There are two ways of completing this section:

1. Titles Only: If the Governing Body so chooses, the titles of the Authorized Agents would be entered here, not their names. This allows the document to remain valid (for 3 years) if an Authorized Agent leaves the position and is replaced by another individual in the same title. If "Titles Only" is the chosen method, this document must be accompanied by a cover letter naming the Authorized Agents by name and title. This cover letter can be completed by any authorized person within the agency and does not require the Governing Body's signature.

2. Names and Titles: If the Governing Body so chooses, the names **and** titles of the Authorized Agents would be listed. A new Cal OES Form 130 will be required if any of the Authorized Agents are replaced, leave the position listed on the document or their title changes.

Governing Body Representative: These are the names and titles of the approving Board Members.
Examples include: Chairman of the Board, Director, Superintendent, etc. The names and titles **cannot** be one of the designated Authorized Agents, and a minimum of two or more approving board members need to be listed.

Certification Section:

Name and Title: This is the individual that was in attendance and recorded the Resolution creation and approval.
Examples include: City Clerk, Secretary to the Board of Directors, County Clerk, etc. This person **cannot** be one of the designated Authorized Agents or Approving Board Member (if a person holds two positions such as City Manager and Secretary to the Board and the City Manager is to be listed as an Authorized Agent, then the same person holding the Secretary position would sign the document as Secretary to the Board (not City Manager) to eliminate "Self Certification."

STATE OF CALIFORNIA
GOVERNOR'S OFFICE OF EMERGENCY SERVICES
Cal OES 89

Disaster No: FEMA-4308-DR-CA

Cal OES ID No: 041-91004

DUNS No: 198460461

PROJECT ASSURANCES FOR FEDERAL ASSISTANCE

SUBRECIPIENT'S NAME: Central Marin Sanitation Agency
(Name of Organization)

ADDRESS: 1301 Andersen Drive

CITY: San Rafael STATE: CA ZIP CODE: 94910

TELEPHONE: 415-459-1455 FAX NUMBER: 415-459-3971

AUTHORIZED AGENT: Jason Dow TITLE: General Manager

EMAIL ADDRESS: jdow@cmsa.us

ASSURANCES – CONSTRUCTION PROGRAMS

Note: Certain of these assurances may not be applicable to all of your projects. If you have questions, please contact the California Governor's Office of Emergency Services. Further, certain federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the subrecipient named above:

1. Has the legal authority to apply for federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-federal share of project costs) to ensure proper planning, management, and completion of the project described in this application.

2. Will give the awarding agency, the Comptroller General of the Unites States, Federal Office of Inspector General 2 CFR 200.336, and if appropriate, the state, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

3. Will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the federal interest in the title of real property in accordance with awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with federal assistance funds to assure nondiscrimination during the useful life of the project.

4. Will comply with the requirements of the assistance-awarding agency with regard to the drafting, review and approval of construction plans and specifications.

5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or state.

6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.

7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gains.

8. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4801 et seq.), which prohibits the use of lead based pain in construction or rehabilitation of residence structures.

9. Will comply with all federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L 88-352) which prohibits discrimination on the basis of race, color, or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C §§ 1681-1683 and 1685-1686) which prohibits discrimination on the basis of sex; (c) Section 504 of the rehabilitation Act of 1973, as amended (29 U.S.C. § 794) which prohibit discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101-6107) which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 93-255) as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616) as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§ 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-3 and 290 ee-3) as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental, or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) which may apply to the application.

10. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provides for fair and equitable treatment of persons displaced or whose property is acquired as a result of federal and federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of federal participation in purchases.

11. Will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is $5,000 or more.

12. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.O 91-190) and Executive Order (E0) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved state management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§ 1451 et seq.); (f) conformity of federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. § 7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended, (P.L. 93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.O. 93-205).

13. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§ 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

14. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470), EO 11593 (identification and preservation of historic properties), and the Archeological and Historic Preservation Act of 1974 (16 U.S.C. 469a-1 et seq.).

15. Will comply with Standardized Emergency Management (SEMS) requirements as stated in the California Emergency Services Act, Government Code, Chapter 7 of Division 1 of Title 2, Section 8607.1(e) and CCR Title 19, Sections 2445, 2446, 2447, and 2448.

16. Subrecipients expending $750,000 or more in federal grant funds annually are required to secure an audit pursuant to OMB Uniform Guidance 2 CFR Part 200, Subpart F. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996.

17. Will disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with §200.112.

18. Will comply with all applicable requirements of all other federal laws, Executive Orders, regulations and policies governing this program.

19. Has requested through the State of California, federal financial assistance to be used to perform eligible work approved in the subrecipient application for federal assistance. Will, after the receipt of federal financial assistance, through the State of California, agree to the following:

    a. The state warrant covering federal financial assistance will be deposited in a special and separate account, and will be used to pay only eligible costs for projects described above;

    b. To return to the State of California such part of the funds so reimbursed pursuant to the above numbered application, which are excess to the approved actual expenditures as accepted by final audit of the federal or state government.

    c. In the event the approved amount of the above numbered project application is reduced, the reimbursement applicable to the amount of the reduction will be promptly refunded to the State of California.

20. The non-Federal entity for a Federal award must disclose, in a timely manner, in writing to the Federal awarding agency or pass-through entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award §200.113. Failure to make required disclosures can result in any of the remedies described in §200.338 Remedies for noncompliance, including suspension or debarment.

21. Will not make any award or permit any award (subaward or contract) to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549 and 12689, "Debarment and Suspension."

"I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized by the above named subrecipient to enter into this agreement for and on behalf of the said subrecipient, and by my signature do bind the subrecipient to the terms thereof."

PRINTED NAME

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL

General Manager

TITLE DATE

ATTACHMENT 3

EDMUND G. BROWN JR.
GOVERNOR

MARK S. GHILARDUCCI
DIRECTOR

Cal OES
GOVERNOR'S OFFICE
OF EMERGENCY SERVICES

October 23, 2017

CENTRAL MARIN SANITATION AGENCY
OCT 27 2017
1301 ANDERSEN DRIVE
SAN RAFAEL, CA 94901

Jason Dow
General Manager
Central Marin Sanitation Agency
1301 Andersen Drive
San Rafael, California 94901

Subject: Notification of Obligation
Public Assistance and CDAA Grant Programs
FEMA-4308-DR-CA, Cal OES ID: 041-91004

Dear Mr. Dow:

Obligation Notification The California Governor's Office of Emergency Services has attached the Grant Summary and the Project Application Summary for Federal Package #38, and the Exhibit C for State Supplement #0. Please see the table below for further obligation details.

Obligation Details	Package/Supplement Obligation Amount	Cumulative Amount Obligated
Federal-Public Assistance	$28,381	$28,381
State-California Disaster Assistance Act (CDAA)	$7,805	$7,805
Total	**$36,186**	**$36,186**

Payment Process For this disaster, funds will be paid in accordance with the following disbursement table:

Project Status	Federal Funds Disbursement Process	State Funds Disbursement Process
Small Projects less than 100% complete	Automatic advance of federal share and administrative allowance	Automatic advance of state share and administrative allowance. Retention held until 100% complete
Small Projects 100% complete	Automatic payment of federal share and administrative allowance	Automatic payment of state share and administrative allowance
Large Projects less than 100% complete	Advance administrative allowance only. All other funds (less retention) will be paid on a reimbursement basis	Advance administrative allowance only. All other funds (less retention) will be paid on a reimbursement basis
Large Projects 100% complete	Automatic payment of federal share and administrative allowance for entire project	Automatic payment of state share and administrative allowance

3650 SCHRIEVER AVENUE • MATHER, CA 95655
GRANTS PROCESSING UNIT
(916) 845-8110 • (916) 636-3880 FAX

Payment Process-Continued

For this particular Package/Supplement, payment will be automatically disbursed as follows:

Payment Details	Amount Automatically Paid
Federal-Public Assistance	$0
State-CDAA	$0
Total	**$0**

For those large projects with a work completion of less than 100 percent, a Large Project Reimbursement Request form has also been included with this Package/Supplement.

Federal and State funds will be issued separately by the State Controller's Office. Please be advised that state warrants have a one-year period of negotiability.

Required Documents

In order to receive funds, the following forms must be on file with our office:

Form	Received by Cal OES?
Project Application for Federal Assistance (OES 89)	No
Designation of Applicants Agent Resolution (OES 130)	No
Payee Data Record (STD. 204) - Private non profit organizations only	N/A

Your account has been placed on hold. Please contact Grants Processing Unit for further assistance.

Program Requirements-General

As a requirement of this program, a special fund for the deposit of the state warrant must be established upon receipt of any advance funding. Under no circumstances are expenditures to be made for any damages other than those approved in this application. Any funds received in excess of current needs or approved amounts, or those found owed as a result of an audit or final inspection, must be refunded to the State within 30 days upon receipt of an invoice from the California Governor's Office of Emergency Services.

Federal Program Audit Requirements

As a recipient of federal funds, your organization is subject to the Federal Single Audit Act of 1984 and the Single Audit Act Amendments of 1996. Part of your report requirements under the Act and Amendments include the preparation of a Schedule of Expenditures of Federal awards. The following information is provided to assist in the accurate completion of the Schedule:

Federal Program Audit Requirements-Continued	Federal Grantor Agency	U.S. Department of Homeland Security - Federal Emergency Management Agency
	Pass-Through Agency	California Governor's Office of Emergency Services
	Program Title	Public Assistance Grants
	Federal CFDA Number	97.036
	Pass-Through Grantor's Number	FEMA-4308-DR-CA, Cal OES ID: 041-91004

Appeal Process

Please compare the enclosed obligated Project Worksheet(s) (PW) with your copy of the original PW(s). In accordance with Title 44 Code of Federal Regulations, Section 206.206(a), if you disagree with FEMA's obligated amount(s) or scope of work for the Version 0 PW(s) addressed in this Package, you must appeal FEMA's determination within 60 days from receipt of this letter. The appeal must contain documented justification supporting your position and be addressed to the Assistant Director of Recovery. Please submit your letter of appeal to the following mailing address:

California Governor's Office of Emergency Services
Recovery Division, Public Assistance
3650 Schriever Avenue
Mather, California 95655

Please note, for all other PW versions, you will receive notification under separate cover from Cal OES's Public Assistance Section.

Questions and Inquiries

For appeal assistance, contact Public Assistance at (916) 845-8200. For assistance regarding this letter, contact the Grants Processing Unit's main line at (916) 845-8110.

GRANTS PROCESSING UNIT

Enclosures
c: Disaster Recovery Manager, FEMA
Applicant's Federal File
Applicant's State File

Central Marin Sanitation Agency

BOARD MEMORANDUM

November 9, 2017

To: CMSA Commissioners and Alternates

From: Jason Dow, General Manager JD

Subject: Secondary Clarifier Pipe Corrosion Repair

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

Summary: In early October 2017, an important unplanned pipeline corrosion repair project was successfully completed. Due to the significance and timeliness of the repair work, I intended to give the Board a brief presentation on it at the October Board meeting during the General Manager/Commissioner oral report item. For a couple reasons, the Board agreed to postpone the presentation to the November meeting and include it as a regular business item.

Discussion: CMSA has four secondary clarifiers, and during the dry weather season three clarifiers are in use and the fourth is rotated out of service for its annual preventative and any corrective maintenance. Each clarifier has three pipelines that drain and transfer materials out of it, a 12" tank drain, 12" return activated sludge (RAS) line, and 6" waste activated sludge (WAS) line. These pipelines are embedded in the clarifier's concrete floor, and after leaving the clarifier they enter an underground pump room located between the four clarifiers.

During the recent condition assessment field work for the 2017 Facilities Master Plan, Carollo Engineers identified piping for secondary clarifier #3 that should receive further evaluation and potential rehabilitation. Staff subsequently engaged a corrosion engineer, V&A Consulting, to perform the corrosion evaluation and measure each pipeline's wall thickness. V&A discovered that sections of the clarifier's drain, RAS, and WAS pipelines were in very poor condition and needed immediate repair. These short piping sections were below floor level in a narrow sump, in the corner of the pump room, and covered by a floor grating. Pacific Infrastructure, a general contractor that had worked on several past Agency construction projects, designed and constructed the repairs. The field repair work was completed for $34,588.

V&A also evaluated clarifier #1, #2, #4's drain, RAS, and WAS piping, and reported each was in good condition and did not need any rehabilitation work.

Attachment:

- Secondary Clarifier #3 Pipe Corrosion Repair presentation

Secondary Clarifier No. 3 – Pipe Corrosion Repair

Secondary Clarifiers

Secondary Clarifier Pump Room (RAS/WAS)

Secondary Clarifier No. 3 – Pipe Corrosion Repair

Corrosion was found on the 12" Return Activated Sludge (RAS), 12" Tank Drain (TD), and 6" Waste Activated Sludge (WAS) pipes at a corner sump

Pipes showed severe corrosion and minor leakage. The circled area is where only the mortar lining remained.

Secondary Clarifier No. 3 – Pipe Corrosion Repair

Only a thin metal wall thickness remained.

Corroded pipe flanges and flexible couplings were cut out and removed

Secondary Clarifier No. 3 – Pipe Corrosion Repair

New flexible couplings and seismic restraints

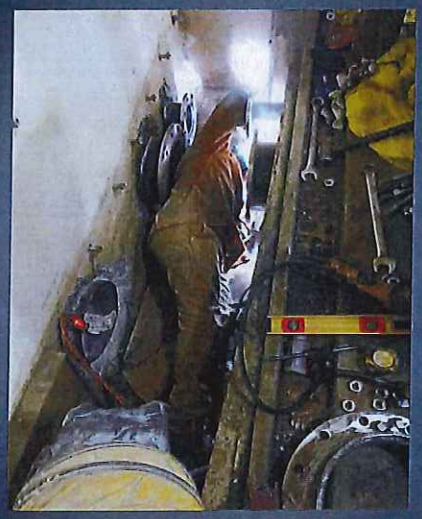
New steel pipe, flanges, and connecting half-radius spools

Secondary Clarifier No. 3 – Pipe Corrosion Repair

Contractor staging to perform pipe repairs

Field welding new steel pipes and flanges

Secondary Clarifier No. 3 – Pipe Corrosion Repair



Field welding new flange couplings in a tight working space

Applied new cement-mortar liner onto the steel pipe

Secondary Clarifier No. 3 – Pipe Corrosion Repair

Installed new pipes and flexible couplings

Completion of pipes repair with new pipe flanges, flexible couplings, grout, and protective coating

Secondary Clarifier No. 3 – Pipe Corrosion Repair

- Scope & Schedule:
  - Discovered the problem and initialized the work on July 28
  - Hired corrosion consultant, V&A Consulting Engineers, to perform ultrasonic thickness testing on August 2
  - Executed an Agreement with Pacific Infrastructure Corp. to repair the pipes on August 17
  - Several week lead time for delivery of repair materials
  - Field work to repair the corroded pipes between September 25 and October 2
  - Secondary clarifier returned to service
- Project Cost: $34,588 (no change orders)

Central Marin Sanitation Agency

BOARD MEMORANDUM

November 9, 2017

To: CMSA Commissioners and Alternates

From: Amy Hwang, Assistant Engineer

Approved: Jason Dow, General Manager JD

Subject: Construction Progress Update for the Maintenance Facility Modifications Project

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

Summary: In March 2017, the Board awarded a construction contract for the Maintenance Facilities Modification Project (Project) to Buhler Commercial (Contractor) for a bid of $1,015,000. The Project's scope of work includes modifications to the Maintenance Building to create office spaces, enclosing the open side of the Maintenance Building for storage, and construction of a new storage building adjacent to the Maintenance Annex. Grading improvements between the Administration Building and the Maintenance Building for better access that meets ADA requirements are also included in the Project. Construction activities are mostly complete for all of the project components and full completion is expected in by the end of the year.

Discussion: The Project's Notice to Proceed was issued on April 3, 2017 and Contractor began demolition in mid-April. Below is a detailed description of the three different project components and their current status.

- *New Storage Building*: A single story, pre-fabricated metal building with an area of 1,000 square feet was constructed next to the Maintenance Annex, at the east end of the Agency's property. The existing, unimproved area was cleared of gravel and vegetation, excavated, and filled with compacted, engineered subgrade. The storage shed was built on top of a 16-inch thick concrete foundation slab with a 6-inch thick concrete approach slab. The metal building frame and siding were fully constructed within two weeks of the materials being delivered to the site. There are two vehicle openings that can support roll down doors in the future and a side door for personnel access. A new 4-inch fire main and fire sprinkler system were also constructed for the storage shed.

  The exact location of existing plant process piping near the Maintenance Annex was unknown and required the Contractor to carefully dig the fire pipeline trench. While the

Contractor did damage some existing pipes during excavation, repairs were quickly enacted and staff took the opportunity to mark the exact location of all pipes. The storage shed construction is complete, including City of San Rafael (City) fire and building department inspections. CMSA will take occupancy after the City inspections of the Maintenance Building renovations are completed in mid-November.

- *Maintenance Building Renovation*: Renovations were made to both ends (office side and shop side) of the existing maintenance building. New internal walls and stairways were built to increase office space for maintenance and technical services staff. The first floor of the office side includes three supervisor offices and an open office area with seven work stations. The mezzanine level has desk space for up to seven more work stations for use by mechanical technicians and utility workers. On the shop side, new external walls were built to create approximately 400 square feet of additional storage space. The enclosed space created two separate storage areas at the mezzanine level, each accessible by alternating tread stairs. Existing restrooms were remodeled to create a single use, accessible restroom as well as a janitor's closet. Additional HVAC equipment units were installed to provide heating and air conditioning for the office side and only heating for the shop side. All of the new lighting and receptacles have also been installed with occupancy sensors in accordance with California Title 24 Energy Standards. Installation of new gutters and downspouts for the maintenance building will be completed mid-November. With the exception of the gutters/downspouts work, the maintenance building will be ready for occupancy as soon as the punch list items are addressed and City inspections are completed.

- *Grading Improvements*: Due to significant soil settlement, the existing pathway between the Maintenance and Administration Buildings did not meet ADA accessibility standards. The existing path was completely removed and a new accessible path was constructed. The path includes repaving, regrading, sloped walks meeting ADA standards, and concrete stairs in two locations. Due to the large amount of concrete needed to regrade the walkway, the Contractor divided the improvement area into 11 sections to have smaller, more manageable concrete pours. The Contractor has landscaping and minor cleanup work remaining. A City inspection is required to verify that the pathway meets ADA standards.

Five Contract Change Orders (CCOs) have been issued so far for this Project, which address 15 individual Contract Change Requests (CCRs) that have been negotiated and accepted by CMSA. While no significant changes to the scope of work were made, the CCRs were issued to clarify inconsistencies in the contract documents. The total cost for all five CCOs is $33,387.04, which is 3.29% of the original contract price. The revised total contract cost so far is $1,048,387.04.

Attachment:

- Construction Progress Update Presentation

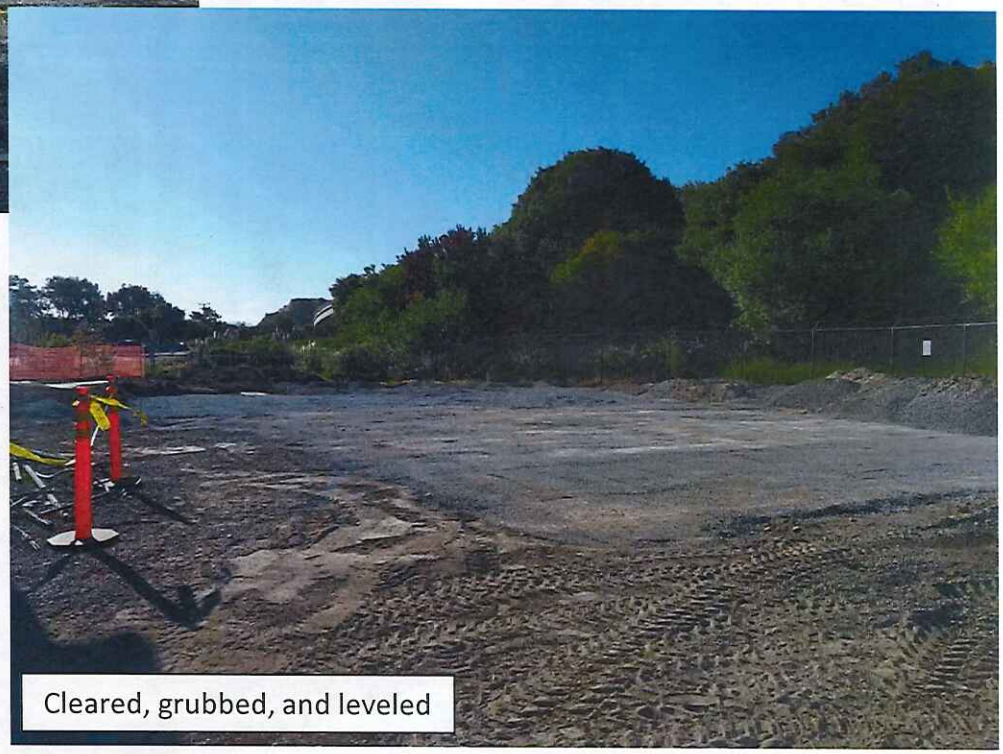
Central Marin Sanitation Agency

Maintenance Facility Modifications Project

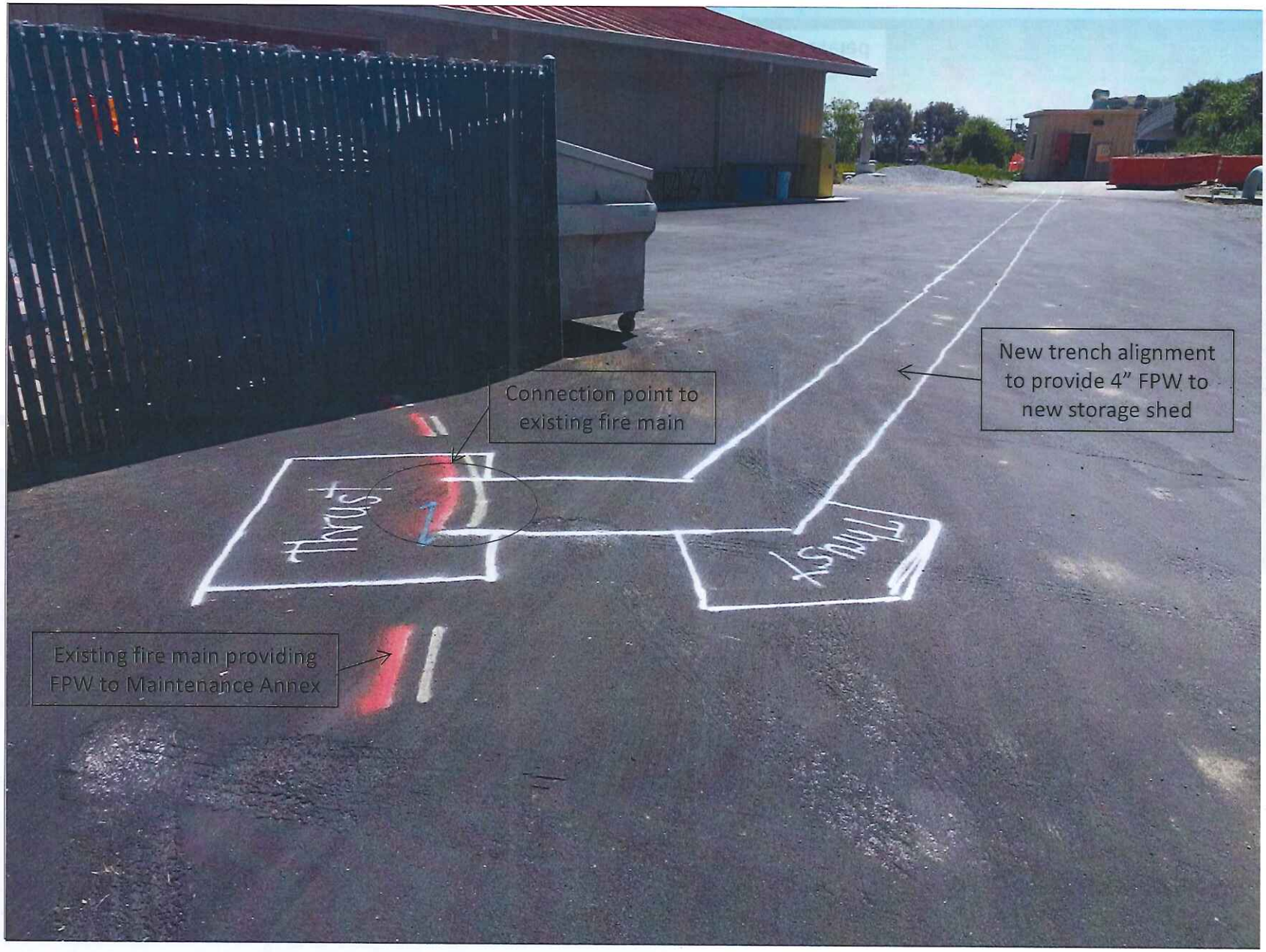
Construction Progress Update

November 14, 2017

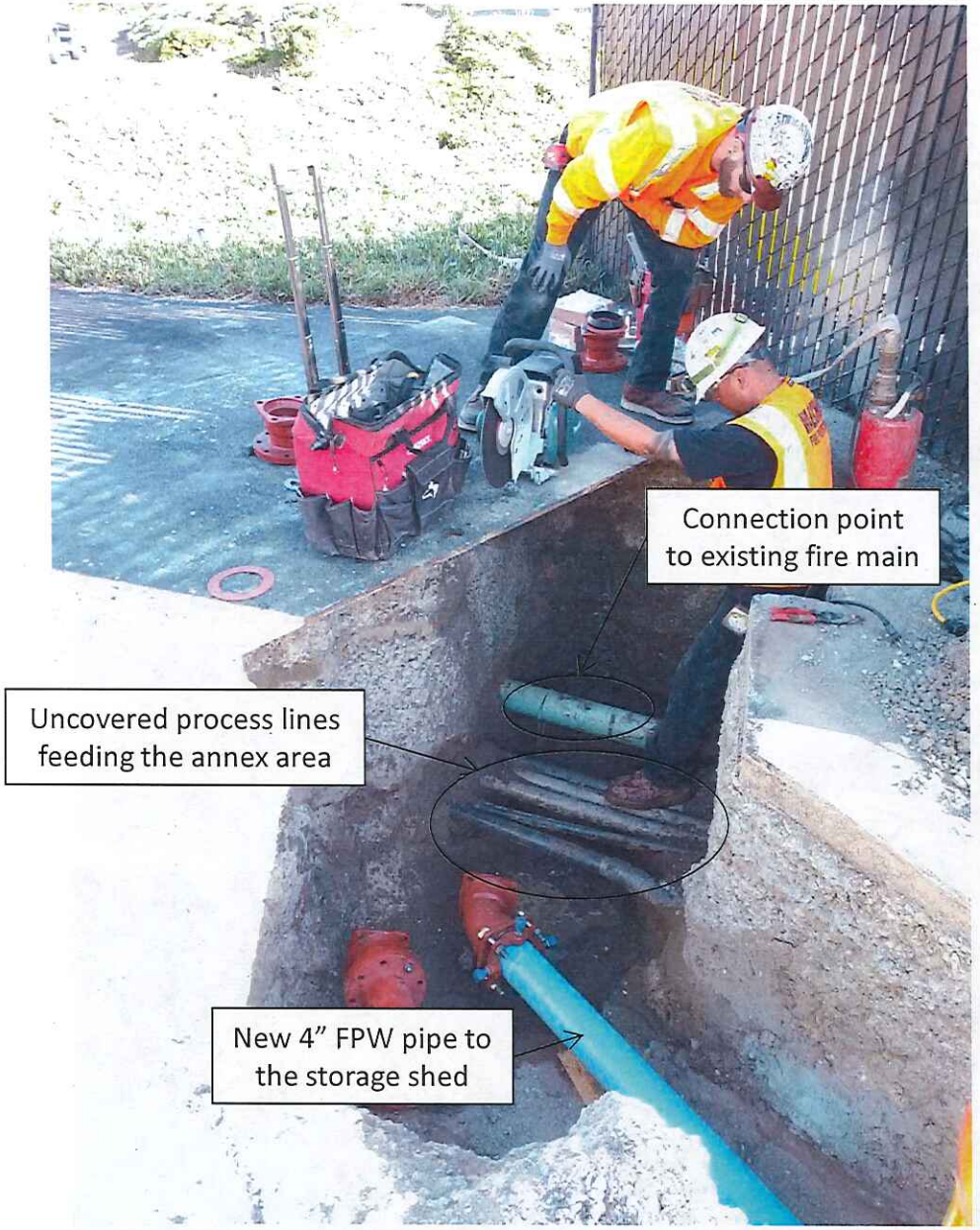
New Storage Shed



Area for New Storage Shed



New Trench for 4" Fire Protection Water (FPW) Main

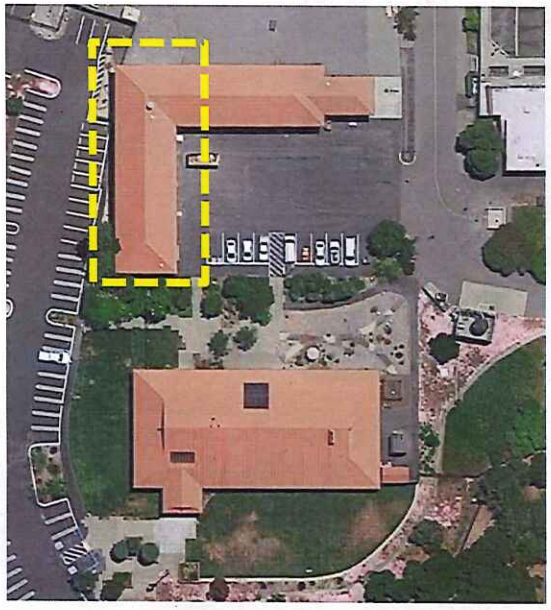


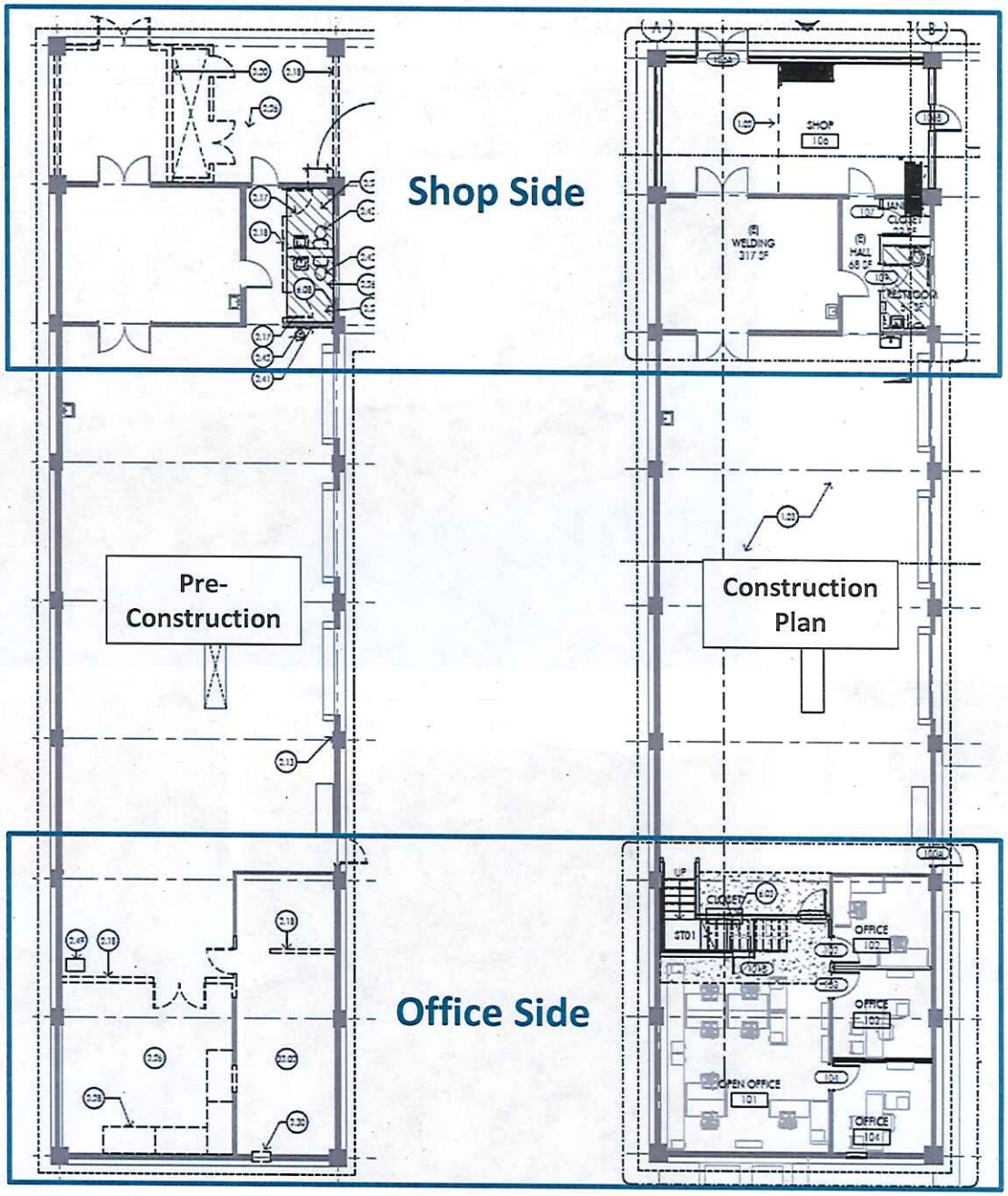
Connection to Existing FPW Line

Foundation Slab and Approach Slab Concrete Pours

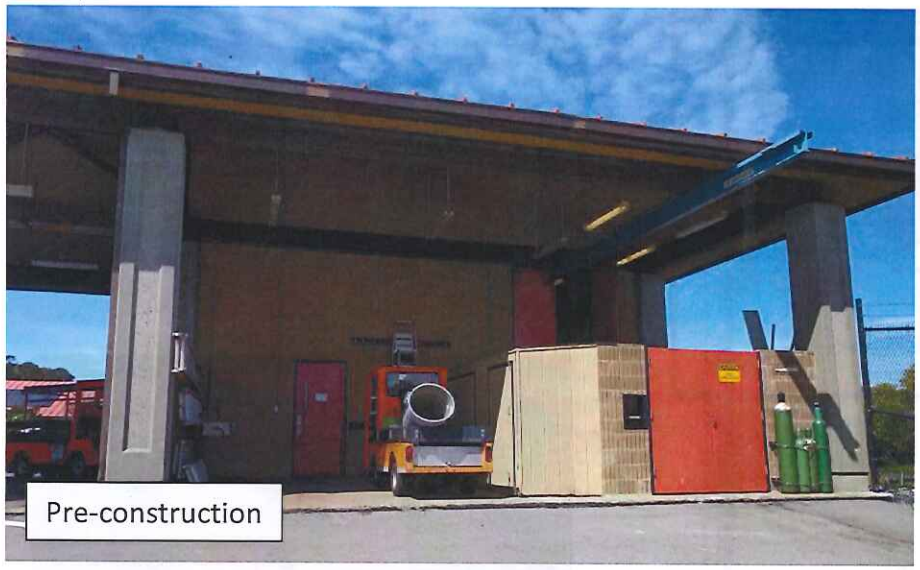
Storage Shed Construction

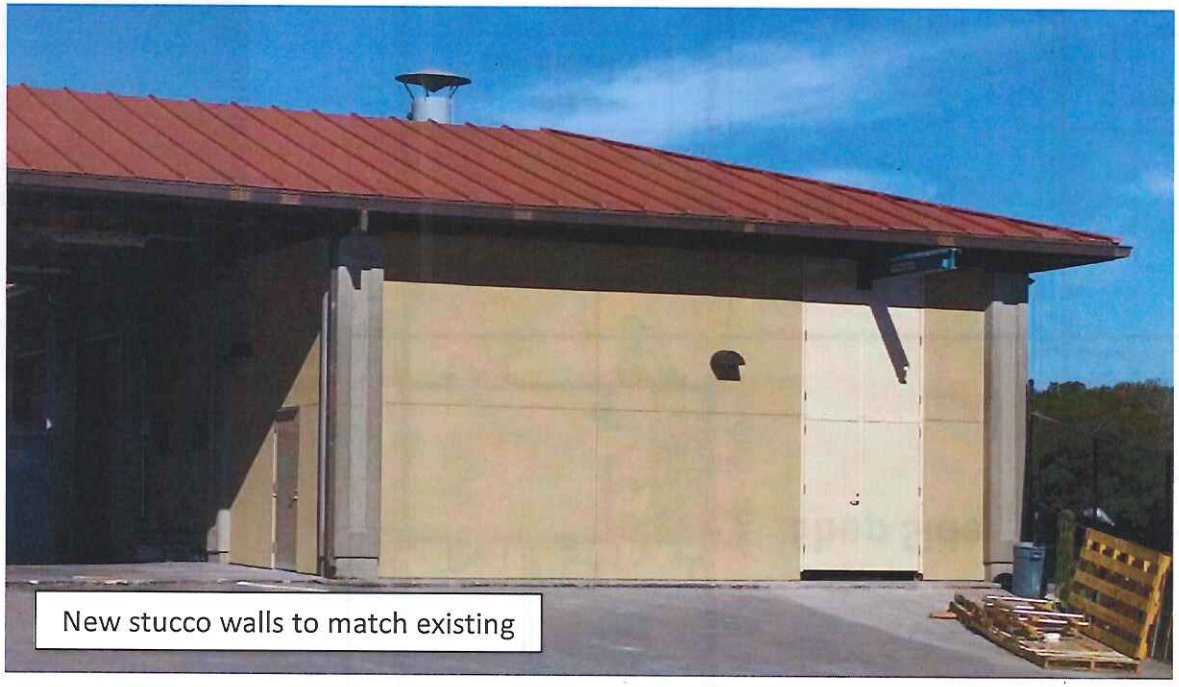
Maintenance Building Renovation





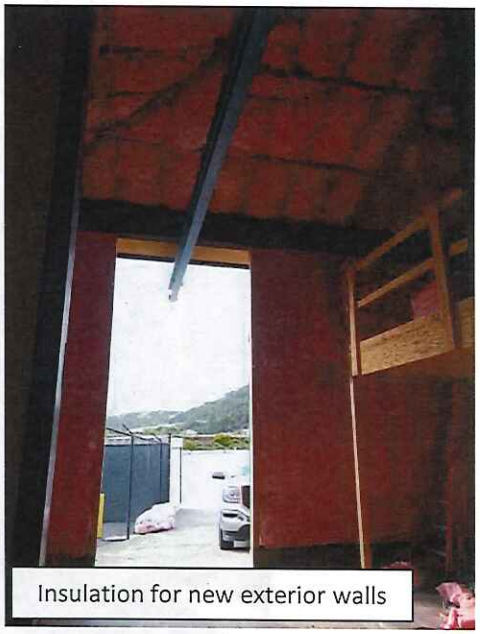
1st Floor Plan View of the Maintenance Building



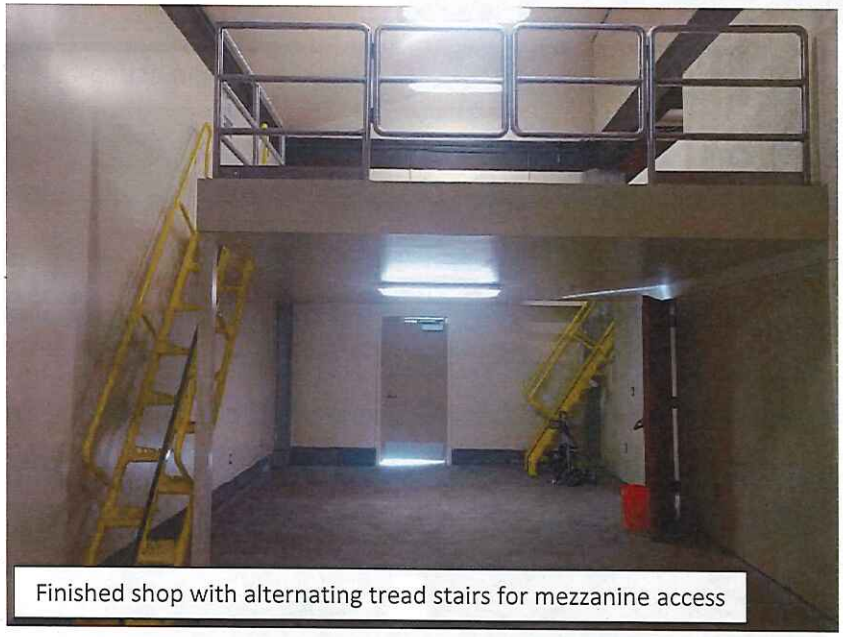


Newly Enclosed Shop of the Maintenance Building – **Exterior View**

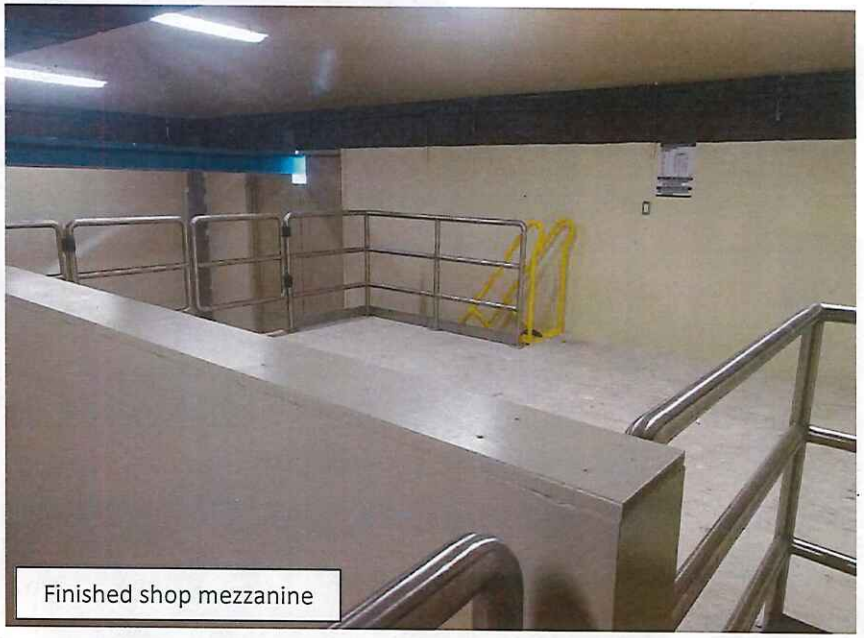
Exterior wall and mezzanine framing



Insulation for new exterior walls



Finished shop with alternating tread stairs for mezzanine access



Finished shop mezzanine

Newly Enclosed Shop of the Maintenance Building – **Interior View**


Pre-construction

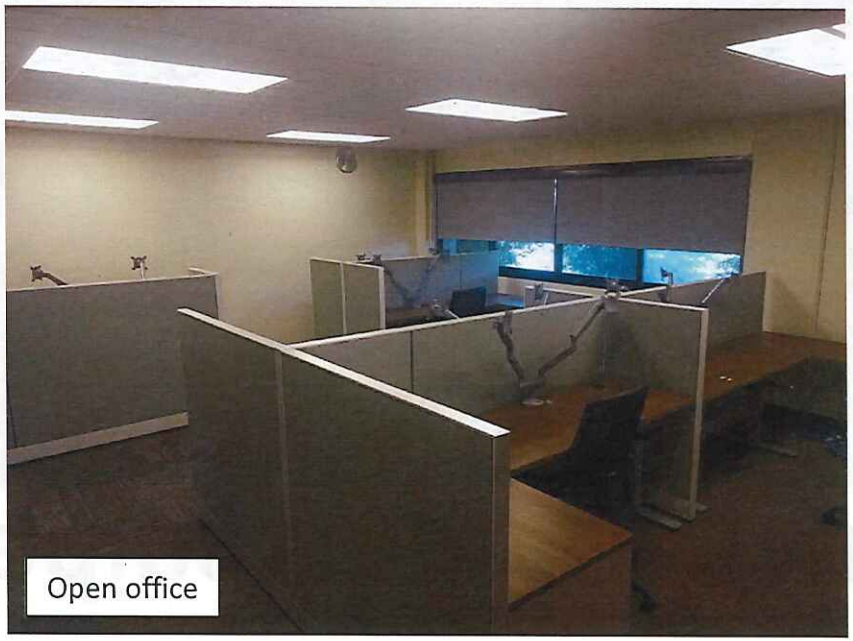

Office mezzanine framing


Finished office side

Office Side of the Maintenance Building

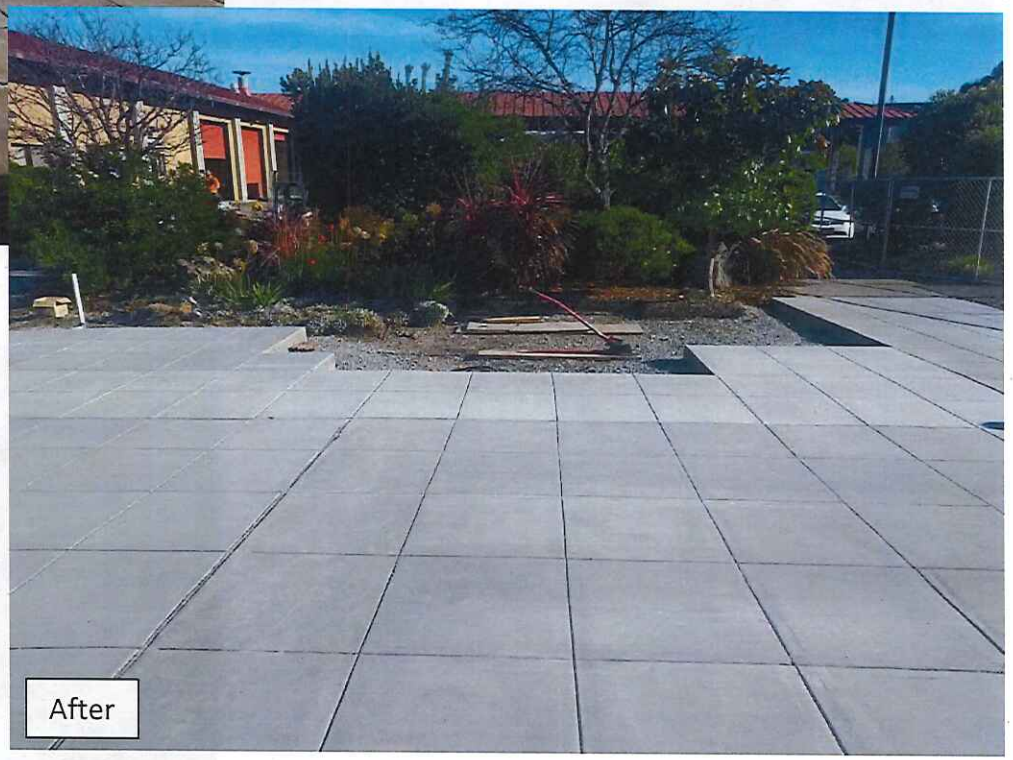

Mechanics' office


Private office


Open office

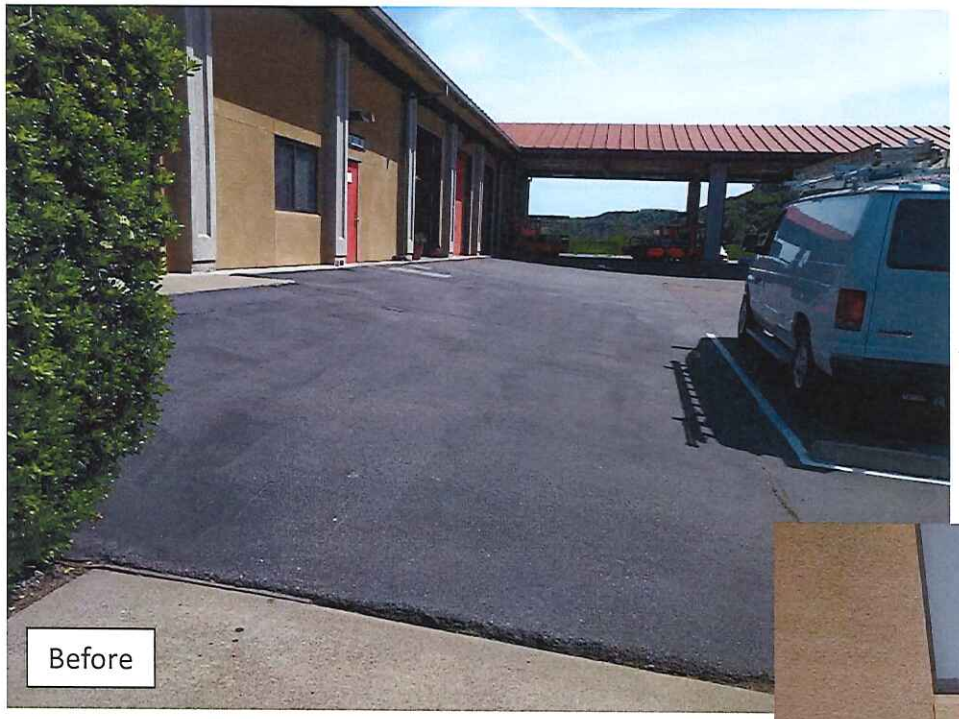
Office Areas

Grading Improvements



Facing East, Towards Maintenance Building

Facing West, Towards Administration Building



Ramp Access to Maintenance Building

Central Marin Sanitation Agency

BOARD MEMORANDUM

November 9, 2017

To: CMSA Commissioners and Alternates

From: Jason Dow, General Manager JD

Subject: Reschedule December 2017 Board Meeting

Recommendation: Consider rescheduling the December 12, 2017 Board meeting.

Summary: Legal Counsel Govi and the Agency's managers regularly attend the annual California Public Employer Labor Relations Association (CalPELRA) conference, which is comprised of training sessions on employment law, human resources, and labor relations topics. Typically, this annual conference is held in November; however, this year, the conference will be during the first week of December, 12/5 -12/8, and complicates preparing the December 12 Board meeting agenda.

Staff proposes rescheduling the December Board meeting to provide staff with a couple more days to prepare the meeting agenda. Kate and I contacted Board members to check their December schedules for a potential rescheduled meeting, and of the Board members we spoke with, all are available on Wednesday, 12/13.

Currently, the December agenda includes the following consent calendar and business items:

- November meeting minutes, Treasurer's and investment reports (consent)
- November performance metric and process/NPDES reports (consent)
- Board member attendance at the CASA Winter Conference (consent)
- Revised Personnel Policy – Performance and Merit Evaluations (consent)
- Acceptance of Maintenance Building Modification Project construction contract (consent)
- CalPERS EMPC reporting resolutions
- Acceptance of FY17 Comprehensive and Popular Financial Reports