



101 Lucas Valley Road, Suite 300
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MANAGEMENT TEAM
General Manager, Curtis Paxton
Plant Operations, Mel Liebmann
Collections/Safety/Maintenance, Greg Pease
Engineering, Michael P. Cortez
Administrative Services, Dale McDonald

DISTRICT BOARD
Megan Clark
Ronald Ford
Craig K. Murray
Gary E. Robards
Crystal J. Yezman

The Mission of the Las Gallinas Valley Sanitary District is to protect public health and our environment, providing effective wastewater collection, treatment, and resource recovery.

BOARD MEETING AGENDA

October 5, 2023

MATERIALS RELATED TO ITEMS ON THIS AGENDA ARE AVAILABLE FOR PUBLIC INSPECTION DURING NORMAL BUSINESS HOURS AT THE DISTRICT OFFICE, 101 LUCAS VALLEY ROAD, SUITE 300, SAN RAFAEL, OR ON THE DISTRICT WEBSITE WWW.LGVSD.ORG

Estimated Time

CLOSED SESSION:

- 4:30 PM A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION – GENERAL MANAGER:** pursuant to Government Code Section 54957.

OPEN SESSION:

5:00 PM 1. PUBLIC COMMENT

This portion of the meeting is reserved for people desiring to address the Board on matters not on the agenda and within the jurisdiction of the Las Gallinas Valley Sanitary District. Presentations are generally limited to three minutes. All matters requiring a response will be referred to staff for reply in writing and/or placed on a future meeting agenda. Please contact the General Manager before the meeting.

5:05 PM 2. CONSENT CALENDAR:

These items are considered routine and will be enacted, approved or adopted by one motion unless a request for removal for discussion or explanation is received from the staff or the Board.

- A. Approve the Board Minutes for September 21, 2023
- B. Approve the Warrant List for October 5, 2023
- C. Approve Award of Contract for John Duckett Force Main Access Structures
- D. Approve Award of Contract for Secondary Effluent Line Modification
- E. Approve Award of Contract for Design Services for Captain’s Cove and Marin Lagoon Pump Station Control Panel and ATS Improvements

Possible expenditure of funds: Yes, Item B through E

Staff recommendation: Adopt Consent Calendar – Items A through E.


- 5:15 PM 3. INFORMATION ITEMS:**
STAFF/CONSULTANT REPORTS:
1. Other Post-Employment Benefits (OPEB) Actuarial Consulting Valuation Report – written
 2. General Manager’s Report – verbal
 3. Status of SB 1383 Compliance and Enforcement – written
- 6:00 PM 4. BOARD MEMBER REPORTS:**
1. CLARK
 - a. NBWA Board Committee, 2023 Operations Control Center Ad Hoc Committee, Other Reports
 2. FORD
 - a. NBWRA, 2023 Operations Control Center Ad Hoc Committee, 2023 McInnis Marsh Ad Hoc Committee, 2023 Fleet Management Ad Hoc Committee, 2023 GM Evaluation Ad Hoc Committee, 2023 San Francisco Bay Trail Ad Hoc Committee, Other Reports
 3. MURRAY
 - a. Marin LAFCO, 2023 Biosolids Ad Hoc Committee, CASA Energy Committee, 2023 Development Ad Hoc Committee, 2023 San Francisco Bay Trail Ad Hoc Committee, Other Reports
 4. ROBARDS
 - a. Gallinas Watershed Council/Miller Creek, 2023 Engineering Ad Hoc Committee re: STPURWE, 2023 McInnis Marsh Ad Hoc Committee, 2023 Development Ad Hoc Committee, 2023 GM Evaluation Ad Hoc Committee, Other Reports
 5. YEZMAN
 - a. Flood Zone 7, CSRMA, 2023 Ad Hoc Engineering Committee re: STPURWE, Marin Special Districts, 2023 Biosolids Ad Hoc Committee, Other Reports
- 6:10 PM 5. BOARD REQUESTS:**
- A. Board Meeting Attendance Requests – Verbal
 - B. Board Agenda Item Requests – Verbal
- 6:15 PM 6. VARIOUS INDUSTRY RELATED ARTICLES**
- 6:20 PM 7. ADJOURNMENT**

FUTURE BOARD MEETING DATES: OCTOBER 19 AND NOVEMBER 2, 2023

AGENDA APPROVED:	Megan Clark, President	Patrick Richardson, Legal Counsel
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CERTIFICATION: I, Teresa Lerch, Board Secretary of the Las Gallinas Valley Sanitary District, hereby declare under penalty of perjury that on or before October 2, 2023 4:30 p.m., I posted the Agenda for the Board Meeting of said Board to be held on October 5, 2023, at the District Office, located at 101 Lucas Valley Road, Suite 300, San Rafael, CA.

DATED: September 27, 2023



Teresa L. Lerch
Board Secretary

The Board of the Las Gallinas Valley Sanitary District meets regularly on the first and third Thursday of each month. The District may also schedule additional special meetings for the purpose of completing unfinished business and/or study sessions. Regular meetings are held at the District Office, 101 Lucas Valley Road, Suite 300, San Rafael, CA.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District at (415) 472-1734 at least 24 hours prior to the meeting. Notification prior to the meeting will enable the District to make reasonable accommodation to help ensure accessibility to this meeting.

AGENDA ITEM A

10/5/2023

CLOSED SESSION

- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

AGENDA ITEM 1

10/5/2023

PUBLIC COMMENT

This portion of the meeting is reserved for persons desiring to address the Board on matters not on the agenda and within the jurisdiction of the Las Gallinas Valley Sanitary District. Presentations are generally limited to three minutes. All matters requiring a response will be referred to staff for reply in writing and/or placed on a future meeting agenda. Please contact the General Manager before the meeting.

MEETING MINUTES OF SEPTEMBER 21, 2023

THE BOARD OF DIRECTORS AND STAFF OF THE LAS GALLINAS VALLEY SANITARY DISTRICT MET IN OPEN SESSION ON SEPTEMBER 21, 2023 AT 4:31 PM AT THE DISTRICT OFFICE, 101 LUCAS VALLEY ROAD, SUITE 300 CONFERENCE ROOM, SAN RAFAEL, CA. 94903

BOARD MEMBERS PRESENT: Megan Clark, Ron Ford, Craig Murray, Gary Robards and Crystal Yezman.

BOARD MEMBERS ABSENT: None

STAFF PRESENT: Curtis Paxton, General Manager; Teresa Lerch, Board Secretary; Dale McDonald, District Treasurer.

OTHERS PRESENT: Patrick Richardson, District Counsel; Richard Blut, Regional Government Services

ANNOUNCEMENT: President Clark announced that the agenda had been posted as evidenced by the certification on file in accordance with the law.

PUBLIC COMMENT: None.

CLOSED SESSION:

ACTION:

THE BOARD OF DIRECTORS OF THE LAS GALLINAS VALLEY SANITARY DISTRICT ADJOURNED TO CLOSED SESSION ON SEPTEMBER 21, 2023, AT 4:32 PM AT THE DISTRICT OFFICE, 101 LUCAS VALLEY ROAD, SUITE 300, CONFERENCE ROOM, SAN RAFAEL, CALIFORNIA.

Lerch, McDonald and Paxton left the meeting at 4:32 pm.

PUBLIC EMPLOYEE PERFORMANCE EVALUATION - GENERAL MANAGER – pursuant to Government Code Section 54957.

ADJOURNMENT:

ACTION:

The Board of Directors of the Las Gallinas Valley Sanitary District reconvened the Regular Session on September 21, 2023 at 4:54 pm.

BOARD MEMBERS PRESENT: Megan Clark, Ron Ford, Craig Murray, Gary Robards, Crystal Yezman.

STAFF PRESENT: Curtis Paxton, General Manager, Teresa Lerch, Board Secretary; Dale McDonald, District Treasurer;

OTHERS PRESENT: Patrick Richardson, District Counsel;

PUBLIC COMMENT: None.

REPORT ON CLOSED SESSION: President Clark reported that there were no reportable actions in Closed Session.

1. CONSENT CALENDAR:

These items are considered routine and will be enacted, approved or adopted by one motion unless a request for removal for discussion or explanation is received from the staff or the Board.

- A. Approve the Board Minutes for September 7, 2023
- B. Approve the Warrant List for September 21, 2023
- C. Approve Board Compensation for August 2023
- D. Approve Clark request to attend the WateReuse California Conference November 5-8 in Indian Wells, CA
- E. Approve Yezman request to attend the WateReuse California Conference November 5-8 in Indian Wells, CA
- F. Approve Yezman request to attend the State Water Resources Control Board Public Hearing on Proposed DPR Regulations September 7, 2023
- G. Approve Yezman request to attend the River Otter Ecology Project Sail the Bay meeting on October 28, 2023
- H. Approve Annual Reimbursement Report for Board Members and Staff
- I. Approve Request by Board member, Craig Murray, to remotely attend the Regular Meeting of the Board scheduled for October 19, 2023, due to "Just Cause" pursuant to Gov. Code Sec 54953 (f)(2)(A) (i).

Items 1A and 1G were pulled for discussion.

ACTION:

Board approved (M/S Ford/Robards (4-0-0-1) the Consent Calendar 1G.

- AYES: Clark, Ford, Robards and Yezman
NOES: None.
ABSENT: None.
ABSTAIN: Murray.

ACTION:

Board approved (M/S Murray/Ford 5-0-0-0) the Consent Calendar items 1A through F, H and I with name corrections to item 1A.

- AYES: Clark, Ford, Murray, Robards and Yezman
NOES: None.
ABSENT: None.
ABSTAIN: None.

2. INFORMATION ITEMS:

STAFF / CONSULTANT REPORTS:

1. General Manager's Report – Paxton reported.
2. Administration Department Report – McDonald reported.
3. Quarterly Treasurer's Report & Financial Reports as of June 30, 2023 – McDonald reported.
4. Annual Review of Investment Policy F-70 – McDonald reported.

3. BOARD REPORTS

1. CLARK
 - a. NBWA Board Committee – no report
 - b. 2023 Operations Control Center Ad Hoc Committee – no report
 - c. Other Reports– none
2. FORD
 - a. NBWRA – no report

- b. 2023 Operations Control Center Ad Hoc Committee – no report
 - c. 2023 GM Evaluation Ad Hoc Committee – no report
 - d. 2023 McInnis Marsh Ad Hoc Committee – no report
 - e. 2023 Fleet Management Ad Hoc Committee – no report
 - f. 2023 SF Bay Trail Ad Hoc Committee – verbal report
 - g. Other Reports – none
3. MURRAY
- a. Marin LAFCO – verbal report
 - b. CASA Energy Committee –no report
 - c. 2023 Biosolids Ad Hoc Committee – no report
 - d. 2023 Development Ad Hoc Committee – no report
 - e. 2023 SF Bay Trail Ad Hoc Committee – verbal report
 - f. Other Reports – Safe Routes to Schools – verbal report
4. ROBARDS
- a. Gallinas Watershed Council/Miller Creek – no report
 - b. 2023 STPURWE Engineering Ad Hoc Committee – no report
 - c. 2023 McInnis Marsh Ad Hoc Committee – no report
 - d. 2023 Development Ad Hoc Committee – no report
 - e. 2023 GM Evaluation Ad Hoc Committee –no report
 - f. Other Reports – none
5. YEZMAN
- a. Flood Zone 7– no report
 - b. CSRMA – no report
 - c. Marin Special District Association – no report
 - d. 2023 STPURWE Engineering Ad Hoc Committee – no report.
 - e. 2023 Biosolids Ad Hoc Committee – no report
 - f. Other Reports– none

4. BOARD REQUESTS:

- A. Board Meeting Attendance Requests - none
- B. Board Agenda Item Requests - none

5. MISCELLANEOUS DISTRICT CORRESPONDENCE

Discussion ensued.

6. ADJOURNMENT:

ACTION:

The board approved (M/S Yezman/Ford 5-0-0-0) the adjournment of the meeting at 6:15 PM.

- AYES: Clark, Ford, Murray, Robards and Yezman.
- NOES: None.
- ABSENT: None.
- ABSTAIN: None.

The next Board Meeting is scheduled for October 5, 2023 at 4:30 pm at the District office.

ATTEST:

Teresa Lerch, Board Secretary

APPROVED:

Craig K. Murray, Vice-President

Report Criteria:

- Detail report.
- Invoices with totals above \$0.00 included.
- Only unpaid invoices included.

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
Aramark Uniform Service								
250	Aramark Uniform Service	5080302149	Laundry Service week ending 9/1	09/19/2023	124.22	.00		
250	Aramark Uniform Service	5080302149	Laundry Service weekending 9/17	09/19/2023	124.22	.00		
Total Aramark Uniform Service:					248.44	.00		
Aries Industries, Inc.								
260	Aries Industries, Inc.	424677	Solenoid Assembly for Collection	09/25/2023	153.86	.00		
Total Aries Industries, Inc.:					153.86	.00		
Buckles-Smith Electric Co.								
455	Buckles-Smith Electric Co.	3289547-01	TechConnect Software Support R	09/19/2023	7,648.90	.00		
455	Buckles-Smith Electric Co.	3289547-01	TechConnect Software Support R	09/19/2023	7,648.91	.00		
Total Buckles-Smith Electric Co.:					15,297.81	.00		
CalNet								
2935	CalNet	20563144	Phone Lines at Pump Station	09/20/2023	304.86	.00		
Total CalNet:					304.86	.00		
CalPERS 457 Plan Deferred Comp								
555	CalPERS 457 Plan Deferred Co	PAYDATE 9/22	457 Deferred Comp Paydate 9/22	09/22/2023	8,291.84	.00		
Total CalPERS 457 Plan Deferred Comp:					8,291.84	.00		
CALPERS Health								
565	CALPERS Health	17293239	Retiree Admin Fee	09/14/2023	40.90	.00		
565	CALPERS Health	17293239	Admin Fee Active	09/14/2023	159.25	.00		
565	CALPERS Health	17293239	Employer Share- Retired Premiu	09/14/2023	1,359.00	.00		
565	CALPERS Health	17293239	Employer Share- Retired Premiu	09/14/2023	151.00	.00		
565	CALPERS Health	17293239	Employer Share Retired Premium	09/14/2023	1,510.00	.00		
565	CALPERS Health	17293239	Health Premium- Oct	09/14/2023	9,002.58	.00		
565	CALPERS Health	17293239	Health Premium-Oct	09/14/2023	5,116.94	.00		
565	CALPERS Health	17293239	Health Premium- Oct	09/14/2023	9,320.14	.00		
565	CALPERS Health	17293239	Health Premium- Oct	09/14/2023	8,123.78	.00		
565	CALPERS Health	17293239	Health Premium- Oct	09/14/2023	2,113.86	.00		
565	CALPERS Health	17293239	Health Premium- Oct	09/14/2023	16,087.40	.00		
Total CALPERS Health:					52,984.85	.00		
CALPERS Retirement								
575	CALPERS Retirement	PAYDATE 9/22	EE & ER Retirement- Paydate 9/2	09/22/2023	5,742.65	.00		
575	CALPERS Retirement	PAYDATE 9/22	EE & ER Retirement- Paydate 9/2	09/22/2023	5,771.29	.00		
575	CALPERS Retirement	PAYDATE 9/22	EE & ER Retirement- Paydate 9/2	09/22/2023	9,634.99	.00		
575	CALPERS Retirement	PAYDATE 9/22	EE & ER Retirement- Paydate 9/2	09/22/2023	4,487.44	.00		
575	CALPERS Retirement	PAYDATE 9/22	EE & ER Retirement- Paydate 9/2	09/22/2023	2,094.38	.00		
575	CALPERS Retirement	PAYDATE 9/22	EE & ER Retirement- Paydate 9/2	09/22/2023	12,352.72	.00		
Total CALPERS Retirement:					40,083.47	.00		

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
CATS4U								
625	CATS4U	6917	Digester Gas Line Replacement	09/22/2023	58,194.00	.00		
Total CATS4U:					58,194.00	.00		
Comet Building Maintenance								
715	Comet Building Maintenance	169965	Janitorial Maintenance	09/21/2023	1,620.00	.00		
715	Comet Building Maintenance	169965	Janitorial Supplies	09/21/2023	399.02	.00		
Total Comet Building Maintenance:					2,019.02	.00		
Direct Dental Administrators, LLC								
925	Direct Dental Administrators, LLC	D20230922-28	Dental Payment	09/18/2023	78.31	.00		
925	Direct Dental Administrators, LLC	D20230922-28	Dental Payment	09/18/2023	154.40	.00		
925	Direct Dental Administrators, LLC	D20230922-28	Dental Payment	09/18/2023	1,610.56	.00		
925	Direct Dental Administrators, LLC	D20230922-28	Dental Payment	09/18/2023	226.00	.00		
Total Direct Dental Administrators, LLC:					2,069.27	.00		
Fastenal Company								
1080	Fastenal Company	CAPET67008	Bulk Stock	09/18/2023	342.42	.00		
Total Fastenal Company:					342.42	.00		
Freyer & Laureta, Inc								
1150	Freyer & Laureta, Inc	23-501	Design of Terra Linda FM Access	09/26/2023	875.00	.00		
Total Freyer & Laureta, Inc:					875.00	.00		
Gardeners Guild								
1180	Gardeners Guild	114263	Irrigation Maintenance	09/21/2023	830.00	.00		
Total Gardeners Guild:					830.00	.00		
Grainger								
1235	Grainger	9838015478	Manual Motor Starter,Magentic Co	09/14/2023	750.53	.00		
1235	Grainger	9849877668	Misc. Supplies	09/25/2023	134.70	.00		
1235	Grainger	9849906996	Submersibile Sump Pump	09/25/2023	291.44	.00		
1235	Grainger	9849910915	Barbed Hose Fitting	09/25/2023	160.43	.00		
Total Grainger:					1,337.10	.00		
Hach Company								
1260	Hach Company	13738019	Assay Flow Cell	09/14/2023	1,297.89	.00		
Total Hach Company:					1,297.89	.00		
HASA Inc.								
3055	HASA Inc.	915050	Chemicals- Hypochlorite	09/19/2023	13,954.47	.00		
3055	HASA Inc.	918809	Chemicals- Hypochlorite	09/13/2023	14,466.30	.00		
3055	HASA Inc.	921284	Chemicals- Hypochlorite	09/25/2023	14,475.72	.00		
Total HASA Inc.:					42,896.49	.00		
Hazen and Sawyer								
1295	Hazen and Sawyer	20148-005-10A	Collections System Hydraulic Mod	09/22/2023	300.00	.00		

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
Total Hazen and Sawyer:						300.00	.00	
Jackson's Hardware, Inc.								
1385	Jackson's Hardware, Inc.	138788	Misc. Supplies	09/19/2023	45.40	.00		
1385	Jackson's Hardware, Inc.	138903	Bulk Supplies	09/20/2320	232.47	.00		
1385	Jackson's Hardware, Inc.	139265	Ladder, Rope	09/26/2023	317.16	.00		
Total Jackson's Hardware, Inc.:						595.03	.00	
Kerry Lemos Electrical								
3065	Kerry Lemos Electrical	134	Replace Cameras and add 3 WiFi	08/11/2023	1,803.53	.00		
Total Kerry Lemos Electrical:						1,803.53	.00	
Marin Ace								
1560	Marin Ace	68713	Hose Barb & Clamp	09/22/2023	19.62	.00		
1560	Marin Ace	68738	Insect Killer	09/25/2023	39.31	.00		
1560	Marin Ace	68747	Vinyl Tube	09/25/2023	6.49	.00		
Total Marin Ace:						65.42	.00	
McMaster-Carr								
1640	McMaster-Carr	14495335	Hex Nut	09/19/2023	16.94	.00		
Total McMaster-Carr:						16.94	.00	
Novato Builders Supply Inc.								
1810	Novato Builders Supply Inc.	2309-006078	Plywood	09/20/2023	112.44	.00		
Total Novato Builders Supply Inc.:						112.44	.00	
Orion Protection Services Group, Inc.								
1860	Orion Protection Services Group, I	12252	Nightly Patrol- Smith Ranch	09/18/2023	369.61	.00		
Total Orion Protection Services Group, Inc.:						369.61	.00	
Platt Electric Supply								
1995	Platt Electric Supply	4K25501	Cable	09/14/2023	65.33	.00		
Total Platt Electric Supply:						65.33	.00	
Regional Government Services								
2090	Regional Government Services	15526	Master Agreement - Finance MGN	08/31/2023	10,560.38	.00		
Total Regional Government Services:						10,560.38	.00	
Safety Plus, Inc								
2285	Safety Plus, Inc	127399	Safety Plus Web Training System	09/20/2023	5,760.00	.00		
Total Safety Plus, Inc:						5,760.00	.00	
United Site Services								
2650	United Site Services	INV-02025589	Porta Potties at plant	09/16/2023	692.43	.00		
Total United Site Services:						692.43	.00	

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
Vision Service Plan								
2720	Vision Service Plan	818847030	Vision Payment	09/19/2023	108.45	.00		
2720	Vision Service Plan	818847030	Vision Payment	09/19/2023	108.45	.00		
2720	Vision Service Plan	818847030	Vision Payment	09/19/2023	65.07	.00		
2720	Vision Service Plan	818847030	Vision Payment	09/19/2023	151.83	.00		
2720	Vision Service Plan	818847030	Vision Payment	09/19/2023	86.76	.00		
2720	Vision Service Plan	818847030	Vision Payment	09/19/2023	43.38	.00		
Total Vision Service Plan:					563.94	.00		
WEX Health, Inc.								
2780	WEX Health, Inc.	1801009-IN	FSA Administration	09/26/2023	50.00	.00		
Total WEX Health, Inc.:					50.00	.00		
Grand Totals:					248,181.37	.00		

Board Member: _____

General Manager: _____

Finance Manager: _____

Report Criteria:

- Detail report.
- Invoices with totals above \$0.00 included.
- Only unpaid invoices included.



Item Number _____ 2C _____

GM Review _____ CP _____

Agenda Summary Report

To: Board of Directors
From: Michael P. Cortez, PE, District Engineer
 (415) 526-1518; mcortez@lqvsd.org
Mtg. Date: October 5, 2023
Re: Award of Contract for John Duckett Force Main Access Structures to Corcus Construction
Item Type: Consent Action _____ Information _____ Other _____
Standard Contract: Yes No _____ (See attached) Not Applicable _____

STAFF RECOMMENDATION

Board to approve the award of contract to Corcus Construction Inc. for the John Duckett Force Main Access Structures project in the amount of \$399,733.

BACKGROUND

On August 24, 2023, the District opened bids for the John Duckett Force Main Access Structures project. Corcus Construction of San Francisco is the sole bidder at \$1,243,560 with an alternate bid price of \$496,360. Staff evaluated the bids and after clarifications and waiving bid irregularities, agreed with Corcus Construction to reduce the bid alternate price to \$399,733. The alternate bid consists of deleting eight (8) 60-inch diameter CCTV inspection manholes, which staff feels could be removed without significantly impacting the overall project objective and would allow the cost to be within the CIP budget. The work experience and qualifications Corcus Construction submitted with the bid indicate that it is a responsive and responsible bidder.

The project provides for the installation of two (2) 60-inch diameter precast concrete access manholes near each end of the existing approximately 3,000 lineal feet of 20-inch diameter HDPE force main for cleaning and inspection purposes, which would be the first time since installation in the 1980s. The objective is to start performing routine cleaning and inspection as part of the District's overall goal to maintain collection system assets in compliance with regulatory requirements to prevent potential sanitary sewer overflows (SSOs). Studies show that HDPE has a useful life of 50 years; however, proper maintenance could extend the lifespan up to 100 years.

Also included in the project are potholing to locate select sections of the force main to assist staff with Underground Service Alert (USA) markings, and comprehensive bypass pumping to ensure no sewage overflows would occur during construction.

Staff recommends awarding the contract to Corcus Construction for the two (2) concrete cleanout access manholes for \$399,733. The contract amount is consistent with the current CIP project budget allocation of \$380,000 for FY 2023-24.

PREVIOUS BOARD ACTION

N/A

FISCAL IMPACT

\$399,733

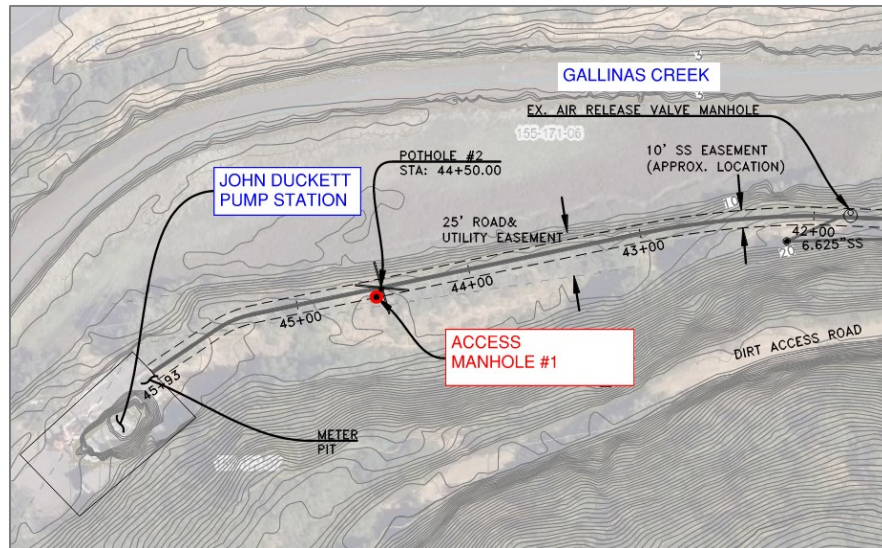


Figure 1. Location Map for Access Manhole #1

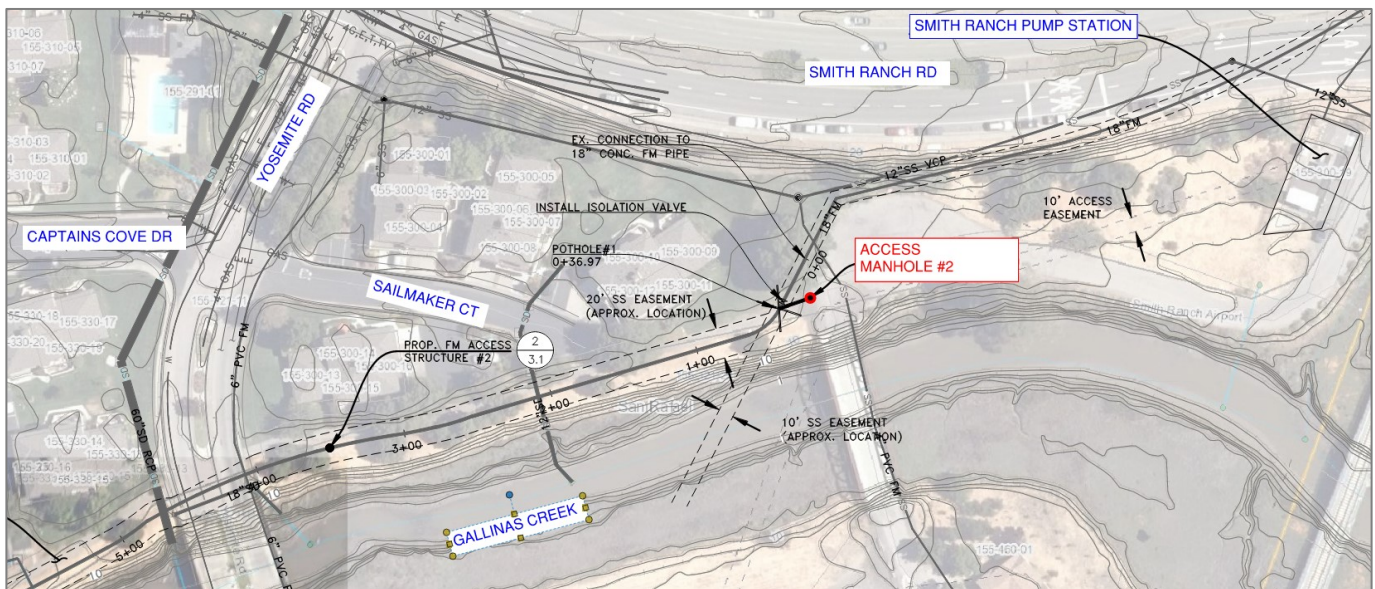


Figure 2. Location Map for Access Manhole #2



Item Number _____ 2D _____

GM Review _____ CP _____

Agenda Summary Report

To: Board of Directors
From: Michael P. Cortez, PE, District Engineer
 (415) 526-1518; mcortez@lqvsd.org
Mtg. Date: October 5, 2023
Re: Award of Contract to CATS4U, Inc. for Secondary Effluent Line Modification
Item Type: Consent Action _____ Information _____ Other _____
Standard Contract: Yes No _____ (See attached) Not Applicable _____

STAFF RECOMMENDATION

Board to approve the award of contract to CATS4U, Inc. for the Secondary Effluent Line Modification project in the amount of \$1,022,391.

BACKGROUND

During the last major storm events, District staff had to limit the flows through the new secondary clarifiers due to an undersized downstream 24" secondary effluent line between the clarifiers and the chlorine disinfection system. This resulted in blending of primary effluent to the Miller Creek outfall. The under sizing was predicated on minimizing potential overflowing of the chlorine disinfection system due to the deletion of the UV disinfection system, which has more than twice the hydraulic capacity of the existing disinfection system. District staff's testing and observation of the water surface elevations between the clarifiers and disinfection system during the last major storm events suggested that a parallel line with an adjustable flow control valve would eliminate the risk of overflowing the disinfection system and could significantly reduce, if not eliminate, blending.

The project consists of two phases. Phase 1 provides for initial installation of a new 36" line to augment the existing 24" line on an as-needed basis during wet weather. Staff will continue to observe the water surface elevations during upcoming storm events and will implement Phase 2 if the 36" line installed in Phase 1 does not provide adequate capacity. As an alternate bid item, Phase 2 would directly replace the existing undersized 24" line with a 42" line. Both 42" and 36" lines will become permanent until the District installs the new UV disinfection system.

Aqua Engineering prepared the plans and specifications for inclusion in the bidding documents by District staff. The District opened bids on September 20, 2023 and CATS4U, Inc. is the apparent low bidder. Staff has evaluated all three bids and found that CATS4U is a responsive and responsible bidder. Bid summary is as follows:

<u>Bidder</u>	<u>Phase 1</u>	<u>Phase 2</u>	<u>Total</u>
1. CATS4U, Inc. (Healdsburg)	\$423,182	\$599,209	\$1,022,391*
2. Corcus Construction (San Francisco)	\$567,898	\$670,000	\$1,237,898
3. Maggiora & Ghilotti, Inc. (San Rafael)	\$779,500	\$915,000	\$1,694,500

* - Apparent low bidder.

The low bid price is within the current FY 2023-24 CIP project budget for the Secondary Treatment Plant Upgrade & Recycled Water Expansion, of which a portion of the budget would be used to fund this project.

Aqua provided support during bid phase and will continue providing support during construction using the remaining balance of the contract for the TWAS Enclosure and Sludge Basin and Reception Pad, which the District postponed indefinitely.

PREVIOUS BOARD ACTION

N/A

ENVIRONMENTAL REVIEW

N/A

FISCAL IMPACT

\$1,022,391

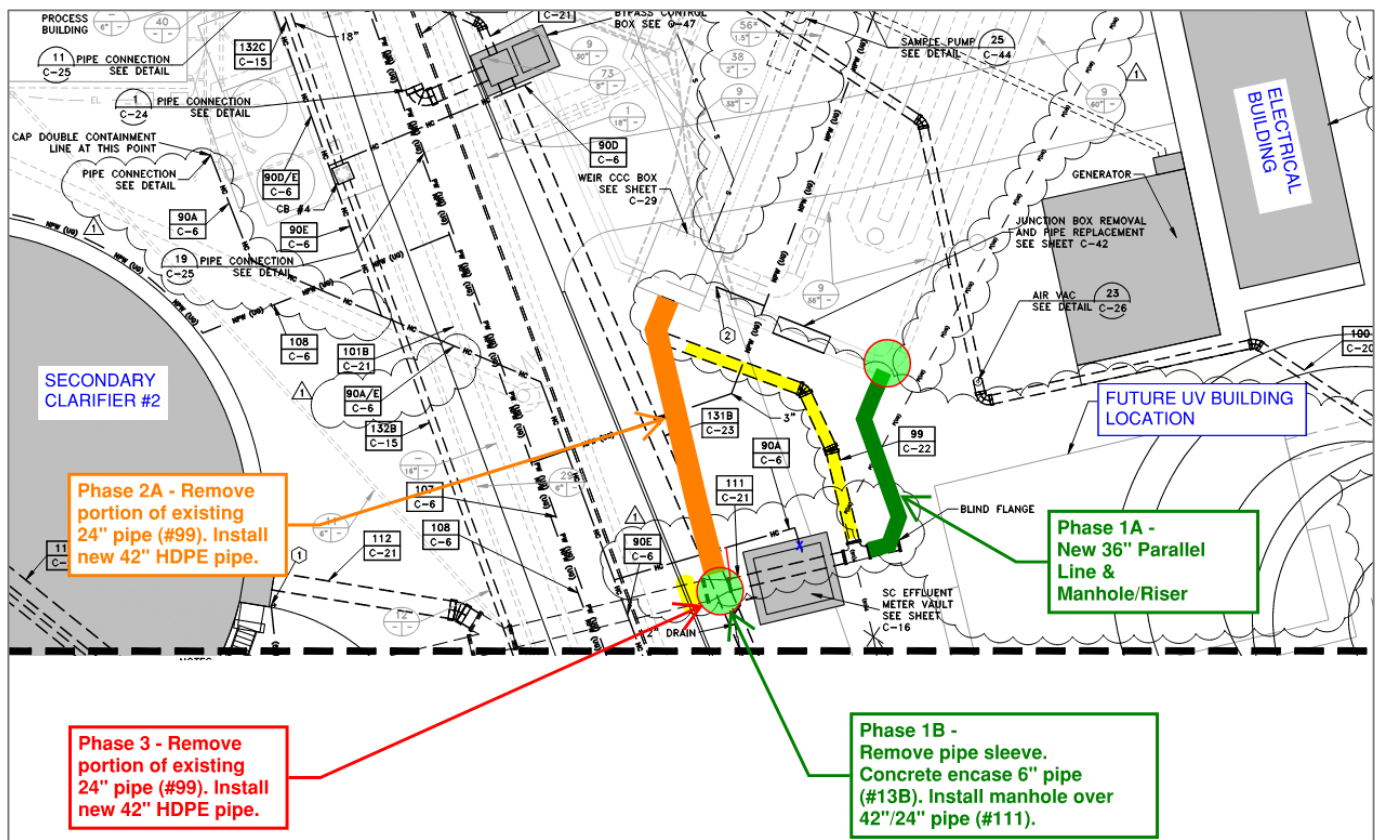


Figure 1. Site Map



Item Number _____ 2E _____

GM Review _____ CP _____

Agenda Summary Report

To: Board of Directors
From: Michael P. Cortez, PE, District Engineer
 (415) 526-1518; mcortez@lqvsd.org
Mtg. Date: October 5, 2023
Re: Award of Contract for Design Services to Freyer & Laureta
 Captains Cove and Marin Lagoon Pump Station Control Panel and ATS
 Improvements
Item Type: Consent Action _____ Information _____ Other _____
Standard Contract: Yes No _____ (See attached) Not Applicable _____

STAFF RECOMMENDATION

Board to award contract for Engineering Design Services for Captains Cove and Marin Lagoon Pump Station Control Panel and ATS Improvements to Freyer & Laureta, Inc. in the amount of \$79,500.

BACKGROUND

In response to staff’s request, Freyer & Laureta (F&L) submitted a proposal to prepare plans and specifications for the replacement of control panels and automatic transfer switches (ATS) for six Captains Cove Pump Stations and eight of the nine Marin Lagoon Pump Stations. The control panels consisting of discrete components installed in the 1980s have exceeded their useful life. Similarly, the switches to transfer between PG&E utility power and portable generators are manually operated and have become obsolete. The objective is to install currently available control panels and ATS that are more reliable and compact for ease of maintenance. Marin Lagoon Pump Station #1 was upgraded in 2022.

F&L is one of two on-call engineering consultants for the District and they are the design engineer for the on-going overall pump station site lighting project and Smith Ranch Pump Station electrical upgrades, including emergency bypass pumping analysis & emergency response plan for all pump stations.

The project is a component of the Electrical System VFD Upgrade and SCADA Integration for Pump Stations shown in the FY 2023-24 CIP project list with a budget of \$500,000.

PREVIOUS BOARD ACTION

N/A

ENVIRONMENTAL REVIEW

N/A

FISCAL IMPACT

\$79,500



Figure 1. Location Map

August 28, 2023

Mr. Mike Cortez, P.E.
District Engineer
Las Gallinas Valley Sanitary District
101 Lucas Valley Rd, Suite 300
San Rafael, CA 94903

RE: Proposal to Provide Engineering Design Services
Captains Cove and Marin Lagoon Pump Station Control Panel and ATS Improvements
San Rafael, California

Dear Mr. Cortez,

Freyer & Laureta, Inc. (F&L) with HydroScience Engineers, Inc. (HSE) is pleased to submit this proposal to the Las Gallinas Valley Sanitary District (LGVSD) to provide professional engineering design services to replace the existing control panels and perform automatic transfer switch (ATS) improvements at all six Captains Cove Pump Stations and eight of the nine Marin Lagoon Pump Stations. Marin Lagoon Pump Station No. 1 had been previously improved, and no further improvements are required.

Scope of Work

F&L proposes the following scope of services:

Task 1: Project Management and Coordination

F&L will provide overall project management and coordination for the project including serving as the primary point of contact for LGVSD. The proposed tasks include:

- Project coordination, monitoring, and administration;
- Attend project kickoff meeting;
- Oversee project staffing;
- Monitor task budgets and project schedule; and
- Prepare monthly progress and cost summaries report, and invoices.

Deliverables

- Kickoff meeting agenda and minutes
- Monthly invoices

Task 2: Detailed Design and Bid Support

The F&L team will perform the following tasks:

- Perform site visit to the six Captains Cove and eight Marin Lagoon pump stations;
- Attend two virtual coordination meetings with LGVSD during design;

Headquarters

150 Executive Park Blvd, Ste 4200
San Francisco, CA 94134
(415) 534-7070

North Bay Office

505 San Marin Dr, Ste A220
Novato, CA 94945
(415) 534-7070

East Bay Office

825 Washington Street, Ste 237
Oakland, CA 94607
(510) 937-2310

South Bay Office

20863 Stevens Creek Blvd, Ste 400
Cupertino, CA 95014
(408) 516-1090

- Prepare Electrical, Instrumentation, and Control plans and specifications for public bidding that address the following items:
 - Replace the existing variable frequency drive (VFD) control panels at Captains Cove and Marin Lagoon with a prefabricated single (Captains Cove) or duplex (Marin Lagoon) control panels similar to model Primex 331-SV;
 - Replace existing Manual Transfer Switches (MTS) with Automatic Transfer Switches (ATS);
 - Address phasing around existing operations in our specifications and drawing notes;
- Prepare 50% design submittal plans and technical specifications including opinion of probable construction cost (OPC);
- Prepare for and facilitate a 50% design submittal review meeting including preparing agenda and minutes;
- Prepare 100% design submittal plans and technical specifications including update to OPC;
- Prepare for and facilitate a 100% design submittal review meeting including preparing agenda and minutes;
- Provide bid support services as follows:
 - Prepare one bid addendum.
 - Review and respond to bidder questions.

Deliverables

- 1. 50% design submittal including drawings, technical specifications, and OPC
- 2. 100% design submittal including drawings, technical specifications, and OPC
- 3. One bid addendum

Assumptions

The Scope of Work presented above is based on the following key assumptions:

- The Captains Cove and Marin Lagoon Pump Station improvements will be presented in a single bid package. The F&L team can provide an additional services proposal to prepare two bid packages if requested by LGVWD.
- All meetings will be virtual.
- LGVSD will provide all comments in writing to the F&L team that have already been consolidated between all LGVSD staff.

Exclusions

The Scope of Work presented above does not include the following items:

- Boundary and topographic survey
- Three-dimensional renderings
- Construction staking
- Geotechnical engineering and investigation
- Utility potholing
- Construction Administration and Inspection
- Corrosion Protection Design
- Permit fees



Proposed Schedule

F&L will complete the Scope of Work on a mutually agreeable schedule.

Proposed Budget

F&L proposes to provide our services on a time and materials basis in accordance with the Charge Rate Schedule dated January 1, 2023 with a not-to-exceed fee of **\$79,500**. The proposed budget for each task are presented with detailed assumptions presented in Table 1.

Thank you for the opportunity to present this proposal to the City. Please contact me at (650) 619-3226 or tarantino@freyerlaureta.com with any questions or comments.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Jeffrey J. Tarantino', written over a faint circular stamp or watermark.

**Jeffrey J. Tarantino, P.E., Executive Vice President
FREYER & LAURETA, INC.**

TABLE 1
BUDGET ESTIMATE FOR ENGINEERING DESIGN SERVICES
Marin Lagoon & Captains Cove Lift Station Control Panel and ATS Improvements
Las Gallinas Valley Sanitary District, San Rafael, California

TASKS	ESTIMATED LABOR (Hours) (1)											TOTAL LABOR COST (\$)	OTHER DIRECT COSTS				ESTIMATED COST (2)	
	F&L						Hydroscience						UNIT	QNTY	UNIT COST (\$)	10% MARKUP (\$)	TOTAL COST PER ITEM (\$)	SUB TOTALS (\$)
	Clerical	Ioana Taropa	Mark Quito	Eric Biland	Jeffrey J. Tarantino	Richard Laureta	Drafting	Mike Hernandez	Mark Dudley	Thin Le	Bill Slenter							
	100	155	185	225	250	250	165	224	253	294	317							
Task 1: Project Management																		
Prepare monthly invoices and progress reports	8				4				2	2		\$3,021					\$3,021	
Kick off Meeting and Site Visit					2			9	9			\$5,420					\$5,420	
General Project Management					4				8	8		\$5,884					\$5,884	
Subtotal Labor Hours - Task 1	8				10			9	19	10		\$14,325	Estimated Cost - Task 1				\$14,300	
Task 2: Detailed Design and Bid Support																		
50% Design Submittal		8	4	2	1		16		43	21		\$22,367					\$22,367	
50% Design Review Meeting					2				2	2		\$1,593					\$1,593	
Draft 100% Design Submittal		8	4	2	1		10		45	20		\$21,589					\$21,589	
Draft 100% Design Review Meeting					2				2	2		\$1,593					\$1,593	
Final 100% Design Submittal		4	2				4		8	4		\$4,849					\$4,849	
Bid Support		8	4						8	4		\$5,179					\$5,179	
QA/QC for Submittals				4		4				12	8	\$7,959					\$7,959	
Subtotal Labor Hours - Task 2		28	14	8	6	4	30		108	65	8	\$65,129	Estimated Cost - Task 2				\$65,100	
Total	8	28	14	8	16	4	30		117	84	18	\$79,454	Total				\$79,500	

Notes to Table:

- (1) Billing rates for subconsultants includes 10% markup.
- (2) Estimated costs are rounded to the nearest \$100.
- (3) Level of effort presented above based on assumptions listed in Scope of Work.

CHARGE RATE SCHEDULE

Professional & Technical Services of Freyer & Laureta, Inc. staff are provided on a fixed fee or an hourly rate basis as follows:

Fixed Fee

Where a definitive scope of work can be established, many of our clients prefer that a specific fee be agreed upon in advance. Billings are submitted monthly based upon percent complete as of the last accounting day of the month.

Hourly Rate

Applicable to Plan Preparation, Design, and Report services where the scope of work must remain open, Freyer & Laureta, Inc. utilizes the following hourly charge rate basis for billing purposes.

Consulting Category	2023 Rate
Production Aide - Clerical	\$100.00
Drafter I - Technical Typist - SurveyTech II	\$105.00
Drafter II - Word Processor	\$110.00
Engineering Tech I - Drafter III	\$125.00
Staff Engineer I - Engineering Tech II - SurveyTech III	\$145.00
Staff Engineer II - Engineering Tech III - SurveyTech IV	\$150.00
Staff Engineer III - Senior Engineering Tech	\$155.00
Staff Engineer IV - Survey Tech V - Construction Inspector	\$170.00
Associate Engineer - Associate Surveyor (L.L.S.)	\$185.00
Senior Engineer - Construction Manager	\$195.00
Senior Construction Inspector	\$195.00
Project Manager - Principal Surveyor (L.L.S.)	\$210.00
Senior Project Manager - Principal Surveyor (L.L.S.)	\$225.00
Associate Principal	\$235.00
Principal	\$250.00
Forensic Engineering	\$340.00
Deposition & Court Appearance	\$425.00
Subconsultant, Reproduction, Printing, Travel, Mailing & Delivery - Cost plus 10%	

Interest Charge - Billings are due and payable within 30 days. A monthly interest charge equal to the Federal Discount Rate plus 5% will be applied on the next billing beyond the 30-day payment period.

The foregoing Charge Rate Schedule is incorporated into the Agreement for the Services of Freyer & Laureta, Inc. and may be updated annually.



Item Number 3.1

GM Review CP

Agenda Summary Report

To: Board of Directors
From: Dale McDonald, Administrative Services Manager 
(415) 526-1519 dmcdonald@lqvsd.org
Meeting Date: October 5, 2023
Re: Other Post-Employment Benefits (OPEB) Actuarial Consulting Valuation Report

Item Type: Consent Action Information Other
Standard Contract: Yes No (See attached) Not Applicable

STAFF RECOMMENDATION

Receive OPEB Actuarial Valuation Report from Foster & Foster on the District’s retiree healthcare plan and have discussion on funding.

BACKGROUND

The Las Gallinas Valley Sanitary District (District) is required to obtain an Other Post-Employment Benefits (OPEB) valuation report on the District’s retiree healthcare plan at least on a biennial basis. Foster & Foster, formally Bartel Associates, completed the District’s June 30, 2020 valuation in 2021. The District again contracted with Foster & Foster to perform actuarial valuation services for the District required to meet this year’s reporting requirements, including the June 30, 2022 valuation. The work included:

- OPEB Valuation Report with June 30, 2022 Funding Status
- 2023-24 and 2024-25 Recommended OPEB Contributions
- California Employers’ Retiree Benefit Trust (CERBT) Valuation Packet Renewal
- 2022-23 Governmental Accounting Standards Board Statement (GASBS) 75 Report
- Consulting Valuation Report for Funding Discussion (*being presented today*)

CERBT Valuation Packet

The California Employers’ Retiree Benefit Trust (CERBT) Fund is a Section 115 trust fund dedicated to prefunding Other Post-Employment Benefits (OPEB) for all eligible California public agencies. CERBT has a fiduciary responsibility for financial reporting in accordance with the Governmental Accounting Standards Board Statement (GASBS) No. 74. The District participates in the fund and is required to submit its OPEB valuation report at least every two years along with its CERBT Valuation Packet renewal, which was done on June 30, 2023.

The District remains in CERBT Asset Allocation Strategy 2. The long-term expected rate of return for this strategy is 5.5% and the expected volatility (standard deviation) is 9.9%. The District chose to fund 100% of the Actuarially Determined Contribution (ADC) as determined in our OPEB valuation report completed by Foster & Foster.



GASBS 75 Accounting Report

For defined benefit OPEB, the GASBS 75 accounting report provides financial information required to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. The report was completed on August 2, 2023. The data in the report will be incorporated into the Required Supplemental Information section in the District's 2022-23 audit currently underway.

Consulting Valuation Report

In addition to the basic valuation elements used to create the OPEB report, Foster & Foster was asked to develop a funding report for use in a discussion centering around management of the District's OPEB liability. The attached report, dated August 24, 2023, provides the following information:

1. Illustration of alternative funding strategies (*if applicable*)
2. Illustration of implied subsidy
3. 10-year projection of contributions
4. Statistical comparison of District results with other Foster & Foster OPEB valuations
5. Detailed participant statistics, including summary of healthcare plan and coverage elections; and
6. Summary of upcoming CalPERS issues.

Tak Frazita and Drew Ballard of Foster & Foster will lead the discussion on OPEB funding and answer questions from the Board on the funded report of the District's retiree healthcare plan.

PREVIOUS BOARD ACTION

None

ENVIRONMENTAL REVIEW

N/A

FISCAL IMPACT

No impact for receiving the report.



**Las Gallinas Valley Sanitary District
Retiree Healthcare Plan**



**June 30, 2022 Actuarial Valuation
For Fiscal Years 2023/24 and 2024/25 Funding
(Updated for Funding Discussion)**

August 24, 2023

Foster & Foster, Inc.

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**Las Gallinas Valley Sanitation District
Retiree Healthcare Plan
June 30, 2022 Actuarial Valuation**

The purpose of this report is to present the funded status of the Las Gallinas Valley Sanitary District’s Retiree Healthcare Plan as of June 30, 2022 and recommend employer contributions for fiscal years 2023/24 and 2024/25.

The District provides medical benefits to its eligible retirees through CalPERS Health Program (PEMHCA). The District pays the PEMHCA minimum (\$149.00/month in 2022, \$151.00/month in 2023, and \$157.00/month in 2024) for its retirees and provides additional retiree health payments to retirees and dependents outside of PEMHCA depending on their hire and retirement dates.

In addition, the District incurs an “implicit subsidy” since the per capita healthcare costs (expected claims) are higher for pre-Medicare retirees than the premium charged by PEMHCA. Actuarial Standards of Practice No. 6 (ASOP 6) requires the implicit subsidy be valued for agencies participating in pooled plans such as PEMHCA.

Governmental Accounting Standards Board Statement No. 75 accounting information is provided in a separate report.

VALUATION RESULTS

Funded Status: The funded status of the plan is equal to the percentage of Actuarial Accrued Liability currently funded by Plan Assets. The following table summarizes the Plan’s funded status for the prior valuation and the current valuation:

	<u>June 30, 2020</u>	<u>June 30, 2022</u>
■ Actuarial Accrued Liability (AAL)		
• Actives (future retirees)	\$ 880,879	\$ 1,098,793
• Retirees	<u>1,801,122</u>	<u>1,783,971</u>
• Total	2,682,001	2,882,764
■ Plan Assets at market value	<u>1,642,036</u>	<u>1,983,610</u>
■ Unfunded AAL (UAAL)	1,039,965	899,154
■ Funded ratio (Assets/AAL)	61.2%	68.8%



Las Gallinas Valley Sanitary District Retiree Healthcare Plan

June 30, 2022 Actuarial Valuation

Page 2

Change in Unfunded AAL: While actuaries select actuarial assumptions to be our best estimate of future experience, actual experience will never exactly match those expectations. Following is a reconciliation of the change in the Plan's unfunded actuarial accrued liability over the 2-year period:

	<u>(Gain)/Loss</u>
■ 6/30/20 Unfunded Actuarial Accrued Liability	\$1,039,965
■ 6/30/22 Expected Unfunded Actuarial Accrued Liability	910,385
• Demographic experience primarily due to more terminations than expected and new retiree waiving coverage	(186,323)
• Retiree healthcare premiums lower than expected	(241,655)
• Changes in actuarial assumptions primarily lower discount rate and higher expected future healthcare costs	239,919
• Investment returns less than expected	176,828
■ 6/30/22 Unfunded Actuarial Accrued Liability	899,154

Market Value of Plan Assets: Plan assets are invested with CalPERS CERBT using investment Strategy 2. Following is a reconciliation of the market value of plan assets from June 30, 2020 through June 30, 2022:

	<u>2020/21</u>	<u>2021/22</u>
■ Market value (beginning of year)	\$1,642,036	\$ 2,115,536
• Contributions	139,560	151,190
• Disbursements	-	-
• Trust administrative expenses	(927)	(1,059)
• Investment expenses	(677)	(775)
• Net investment earnings	<u>335,543</u>	<u>(281,281)</u>
■ Market value (end of year)	2,115,536	1,983,610
■ Approximate return	19.5%	(12.9%)



Las Gallinas Valley Sanitary District Retiree Healthcare Plan

June 30, 2022 Actuarial Valuation

Page 3

Actuarially Determined Contribution (ADC): Actuarial funding policies generally do not require an agency to make up any shortfall (unfunded liability) immediately or take an immediate credit for any excess assets (surplus). Instead, the unfunded liability or surplus is amortized over time. An agency’s Actuarially Determined Contribution is simply the current employer Normal Cost plus an amortization of the unfunded liability or less an amortization of the excess assets. In other words, the contribution is the value of benefits earned during the year plus an amount to keep the plan on track for funding.

For the District’s June 30, 2022 valuation, we calculated the 2023/24 ADC as the Normal Cost plus an 16-year amortization (as a “level percentage of projected payroll” – payments escalating 2.75% per year) of the projected June 30, 2023 UAAL. This is the same methodology as in the last valuation. The Actuarially Determined Contribution is larger in this valuation primarily because the number of active members has grown from 21 to 26, an increase of 24%.

	<u>2023/24</u>	<u>2024/25</u>
■ Actuarially Determined Contribution (ADC)		
• Normal cost	\$214,452	\$217,762
• Estimated administrative expenses paid directly by employer or from Trust assets	1,759	1,939
• UAAL amortization	<u>73,752</u>	<u>75,780</u>
• Total	289,963	295,481
■ Projected payroll ¹	3,613,827	3,713,207
■ ADC as a percent of projected payroll	8.3%	8.4%

Recommended Trust Contribution: Employer contributions are the total amounts paid to the trust plus benefits or premiums, including the implicit subsidy, paid directly by the District. If the employer makes OPEB payments such as retiree premiums (benefit payments) or administrative expenses directly, those amounts should be subtracted from the ADC to determine the net trust contribution each year, as illustrated below.

	<u>2023/24</u>	<u>2024/25</u>
■ Actuarially Determined Contribution (ADC)	\$289,963	\$295,481
■ Estimated cash benefit payments ²	(118,763)	(132,300)
■ Implicit subsidy benefit payments	(31,834)	(36,749)
■ Estimated administrative fee paid directly by employer (PEMHCA)	<u>____(661)</u>	<u>____(707)</u>
■ Recommended net trust contribution	138,705	125,725

¹

² Table shows projected benefit payments and expenses, but actual amounts should be substituted.



Las Gallinas Valley Sanitary District Retiree Healthcare Plan
June 30, 2022 Actuarial Valuation
Page 4

Projected Benefit Payments: Following is a 10-year projection of benefit payments:

<u>Year</u>	<u>Cash Premiums Benefits</u>	<u>Implicit Subsidy</u>	<u>Total</u>
2023/24	\$118,763	\$31,834	\$150,597
2024/25	132,300	36,749	169,049
2025/26	149,027	44,517	193,544
2026/27	163,324	45,076	208,400
2027/28	171,467	43,590	215,057
2028/29	180,428	47,555	227,983
2029/30	181,592	41,651	223,243
2030/31	196,504	49,499	246,003
2031/32	207,998	52,968	260,966
2032/33	219,609	46,197	265,806



BASIC DEFINITIONS

Present Value of Benefits (PVB): When an actuary prepares an actuarial valuation, they first gather participant data (including active employees, former employees not in payment status, participants and beneficiaries in payment status) at the valuation date (for example June 30, 2022). Using this data and actuarial assumptions, the actuary projects future benefit payments. (The assumptions predict, among other things, when people will retire, terminate, die or become disabled, as well as what salary increases, general (and healthcare) inflation and investment return might be.) Those future benefit payments are discounted, using expected future investment return, back to the valuation date. This discounted present value is the plan's present value of benefits. It represents the amount the plan needs as of the valuation date to pay all future benefits – if all assumptions are met and no future contributions (employee or employer) are made. The District's June 30, 2022 retiree healthcare Present Value of Benefits is \$4,784,193 using a 5.75% discount rate, with \$1,783,971 of this for former employees who have already retired.

Actuarial Accrued Liability (AAL): This represents the portion of the present value of benefits that participants have earned (on an actuarial, not actual, basis) through the valuation date. The District's June 30, 2022 retiree healthcare Actuarial Accrued Liability is \$2,882,764 using a 5.75% discount rate, with \$1,783,971 of this for former employees who have already retired.

Plan Assets: This includes funds that have been segregated and restricted in a trust which can only be used to pay plan benefits. As of June 30, 2022, the District's plan assets are \$1,983,610.

Unfunded Actuarial Accrued Liability (UAAL): This is the difference between the Actuarial Accrued Liability and Plan Assets. This represents the amount of the Actuarial Accrued Liability that must still be funded. If the Plan Assets exceed the Actuarial Accrued Liability, the plan has Surplus Assets. As of June 30, 2022, the District has a liability of \$899,154 (\$2,882,764 AAL less \$1,983,610 Plan Assets).

Normal Cost (NC): The Normal Cost represents the portion of the present value of benefits expected to be earned (on an actuarial, not actual, basis) in the coming year. The District's 2023/24 retiree healthcare Normal Cost is \$214,452 (approximately 5.9% of payroll) using a 5.75% discount rate.

Actuarial Cost Method: This determines the method in which benefits are actuarially earned (allocated) to each year of service. It has no effect on the Present Value of Benefits, but has significant effect on the Actuarial Accrued Liability and Normal Cost. The District's June 30, 2022 retiree healthcare valuation was prepared using the Entry Age Normal cost method. Under the Entry Age Normal cost method, the Plan's Normal Cost is developed as a level percent of payroll throughout the participant's working lifetime.

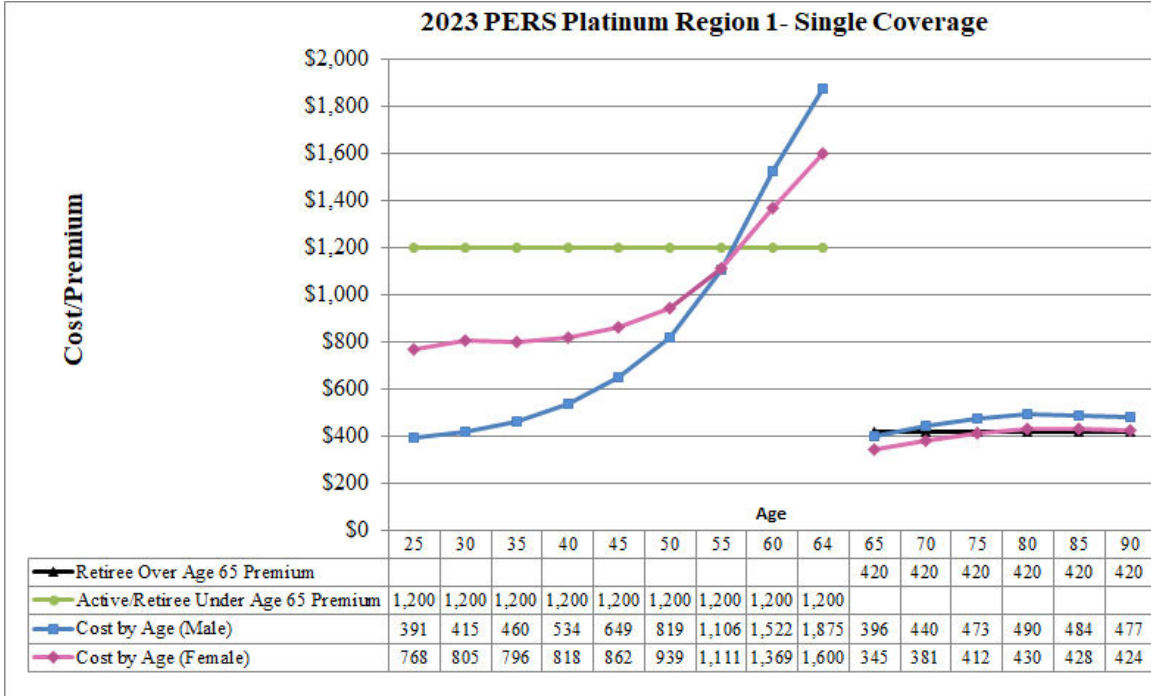
Implicit Subsidy: An implicit subsidy exists when the premium for pre-Medicare retirees is determined by aggregating their experience with active employees. Actuarial Standards of Practice require the implicit subsidy be included for community rated plans such as PEMHCA. We valued the implicit subsidy for the District's retiree healthcare plan.



Las Gallinas Valley Sanitary District Retiree Healthcare Plan
June 30, 2022 Actuarial Valuation
Page 6

Implicit Subsidy: An implicit subsidy exists when the premium for pre-Medicare retirees is determined by aggregating their experience with active employees. Actuarial Standards of Practice require the implicit subsidy be included for community rated plans such as PEMHCA. We valued the implicit subsidy for the District’s retiree healthcare plan.

The following chart illustrates PEMHCA premiums and expected costs by age for a sample plan.



ADDITIONAL VALUATION RESULTS

Breakdown of Valuation Results by Implicit Subsidy: The following chart shows the breakdown of the basic valuation results by cash benefit payments – future premium payments to be made to retirees – and the implicit subsidy – the value of additional benefits retirees will receive due to CalPERS blended premiums.

	<u>Cash Benefit Payments</u>	<u>Implicit Subsidy</u>	<u>Total</u>
■ Actuarial Accrued Liability as of June 30, 2022			
• Actives (future retirees)	\$ 883,508	\$ 215,284	\$ 1,098,793
• Retirees	<u>1,571,475</u>	<u>212,496</u>	<u>1,783,971</u>
• Total	2,454,983	427,780	2,882,764
■ Assets ³	<u>1,689,257</u>	<u>294,352</u>	<u>1,983,610</u>
■ Unfunded AAL	<u>765,726</u>	<u>133,428</u>	<u>899,154</u>
■ Normal cost for 2023/24	167,011	47,441	214,452
■ Expected benefit payments for 2023/24	118,763	31,834	150,597

³ Allocated in proportion to Actuarial Accrued Liability.



ADDITIONAL VALUATION RESULTS (CONTINUED)

Illustration of Valuation Results for Alternate Investment Strategy: The following chart illustrates the difference in the basic valuation results if the Plan's assets were invested with CERBT Strategy #1 or #3 instead of the current Strategy #2.

CERBT Fund Comparison – June 30, 2022

	<u>Strategy #1</u>	<u>Strategy #2 (current fund)</u>	<u>Strategy #3</u>
■ Assumed long term rate of return	6.25%	5.75%	5.25%
■ Present Value of Benefits – value of all future benefits for current employees and retirees	\$4,402,701	\$4,784,193	\$5,218,704
■ Funded Status at 6/30/2022			
• Actuarial Accrued Liability (AAL)	2,723,621	2,882,764	3,057,435
• Assets	<u>1,983,610</u>	<u>1,983,610</u>	<u>1,983,610</u>
• Unfunded Actuarial Accrued Liability (UAAL)	740,011	899,154	1,073,825
• Funded Ratio	72.8%	68.8%	64.9%
■ 2023/24 Actuarially Determined Contribution			
• Normal cost	196,929	214,452	234,059
• Estimated administrative expenses	1,759	1,759	1,759
• UAAL amortization over 16 years	<u>62,291</u>	<u>73,752</u>	<u>85,579</u>
• Actuarially Determined Contribution	260,980	289,963	321,398

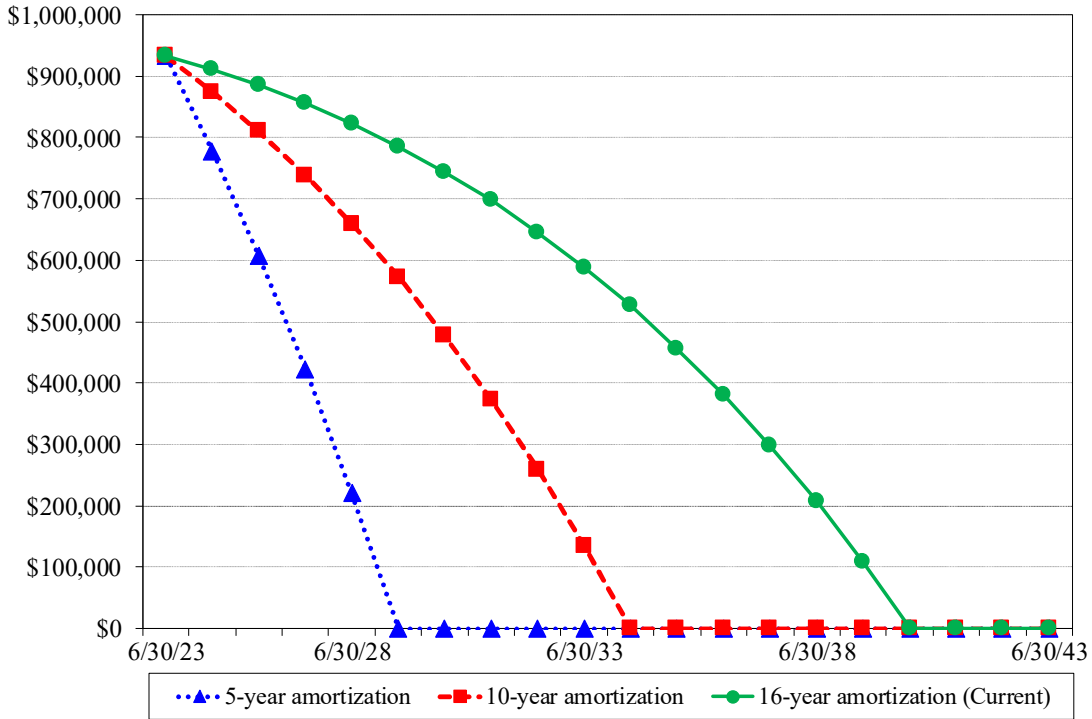
Illustration of Valuation Results for Alternate Amortization Periods: The following chart illustrates the difference in the basic valuation results if the Plan's assets were invested with an amortization period of 5, 10 and 16 (current) years. All amortization payments escalate 2.75% each year.

Amortization Period Comparison

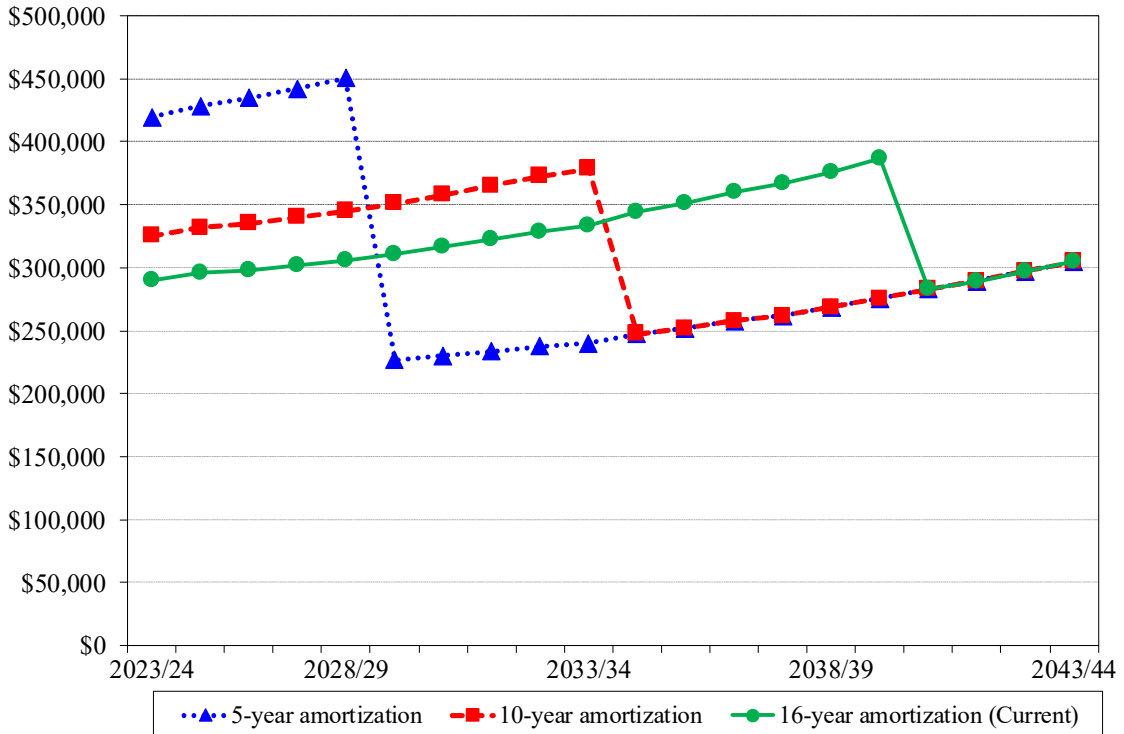
	<u>5-Year Amortization</u>	<u>10-Year Amortization</u>	<u>Current 16- Year Amortization</u>
■ 2023/24 Actuarially Determined Contribution			
• Normal cost	\$214,452	\$214,452	\$214,452
• Estimated administrative expenses	1,759	1,759	1,759
• UAAL amortization	<u>203,065</u>	<u>108,825</u>	<u>73,752</u>
• Actuarially Determined Contribution	419,276	325,036	289,963



Unfunded Liability Projection



Actuarially Determined Contribution (ADC) Projection



ADDITIONAL VALUATION RESULTS (CONTINUED)

Projection of Future Contributions: The following chart illustrates projected future benefit payments, both cash premium payments for retirees and the value of the implicit subsidy for the year which is credited as an employer contribution. The next column shows expected administrative fees, both for PEMHCA premiums and CERBT fees. Next is shown the additional employer payment to the trust in order for the total employer contribution to equal the year's Actuarially Determined Contribution (ADC). Finally, we show the projected payroll and the ADC as a percent of payroll.

This projection assumes that all actuarial assumptions, including investment return, are met exactly and that the headcount of active employees remains at its current level.

Projection of Future Contributions

<u>Fiscal Year</u>	<u>Cash Benefit Payments</u>	<u>Implicit Subsidy Payments</u>	<u>Adminis -trative Fees</u>	<u>Additional Trust Pre-Funding</u>	<u>Total Employer Contribution (Actuarially Determined Contribution)</u>	<u>Projected Payroll</u>	<u>Total Employer Contribution as a % of Payroll</u>
2023/24	\$118,763	\$31,834	\$661	\$138,705	\$289,963	\$3,613,827	8.0%
2024/25	132,300	36,749	707	125,725	295,481	3,713,207	8.0%
2025/26	149,027	44,517	769	103,654	297,967	3,815,321	7.8%
2026/27	163,324	45,076	825	92,595	301,820	3,920,242	7.7%
2027/28	171,467	43,590	877	90,062	305,996	4,028,049	7.6%
2028/29	180,428	47,555	943	81,784	310,710	4,138,820	7.5%
2029/30	181,592	41,651	963	92,076	316,282	4,252,638	7.4%
2030/31	196,504	49,499	1,026	75,446	322,475	4,369,585	7.4%
2031/32	207,998	52,968	1,067	66,876	328,909	4,489,749	7.3%
2032/33	219,609	46,197	1,082	66,781	333,669	4,613,217	7.2%



Comparison with Foster & Foster California Clients

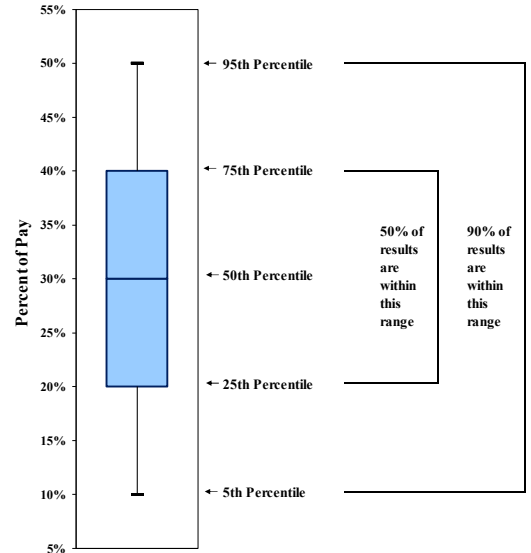
The following charts compare the District's plan costs with other Foster & Foster clients on a normalized basis, as a percent of payroll. The red diamond indicates the District.

Comparing Normal Cost (NC) indicates the value of benefits earned by current employees. The District's 75th percentile ranking means the OPEB benefits are relatively generous.

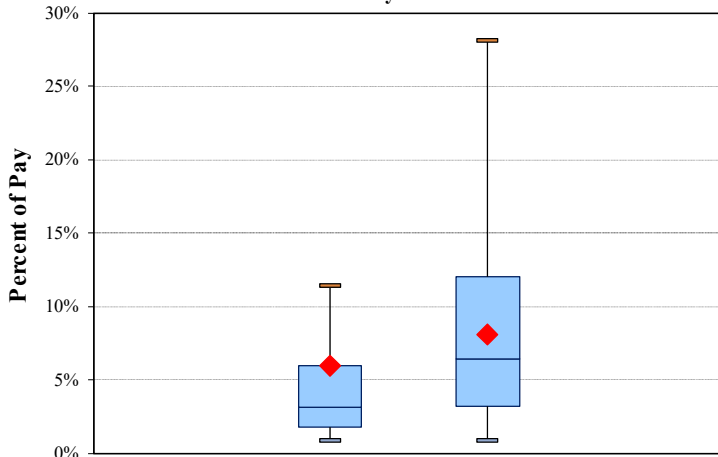
Comparing Actuarial Accrued Liability indicates the value of benefits for current employees plus retirees. The District's 45th percentile ranking is likely because retirees have the same benefits as current employees and not more generous benefits. It also indicates there are not yet more retirees than active employees.

Comparing ADC combines both the previous factors along with the current funding level. The ADC ranking lower than NC indicates the plan's funding is reducing future costs.

Foster & Foster California OPEB Database
Sample Percentile Graph



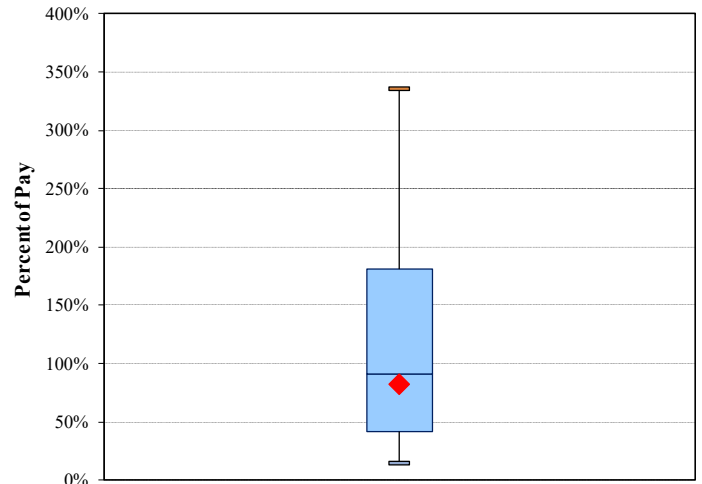
Foster & Foster California OPEB Database
Normal Cost & Actuarially Determined Contribution



	<u>NC</u>	<u>ADC</u>
95th Percentile	11.4%	28.0%
75th Percentile	6.0%	12.0%
50th Percentile	3.1%	6.4%
25th Percentile	1.8%	3.2%
5th Percentile	0.8%	0.8%

Percent of Pay (♦) 6.0% 8.0%
Percentile 75% 61%

Foster & Foster California OPEB Database
Actuarial Accrued Liability



	<u>Miscellaneous</u>
95th Percentile	335%
75th Percentile	181%
50th Percentile	92%
25th Percentile	42%
5th Percentile	14%

Percent of Pay (♦) 82%
Percentile 45%

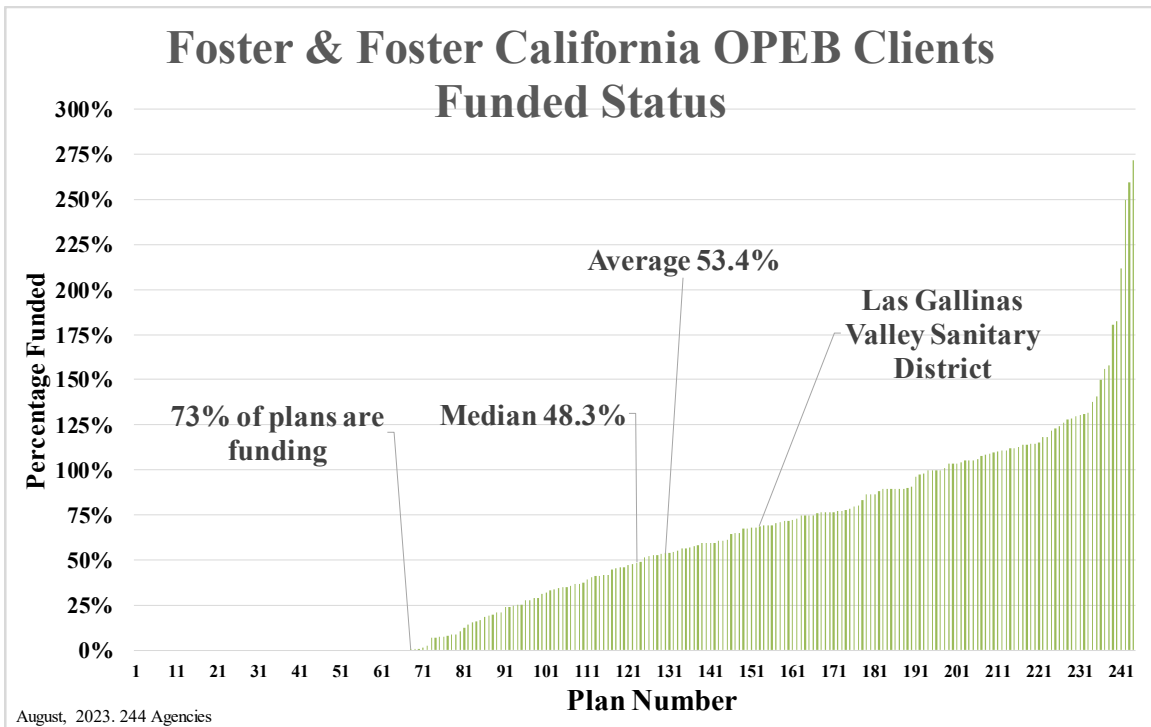
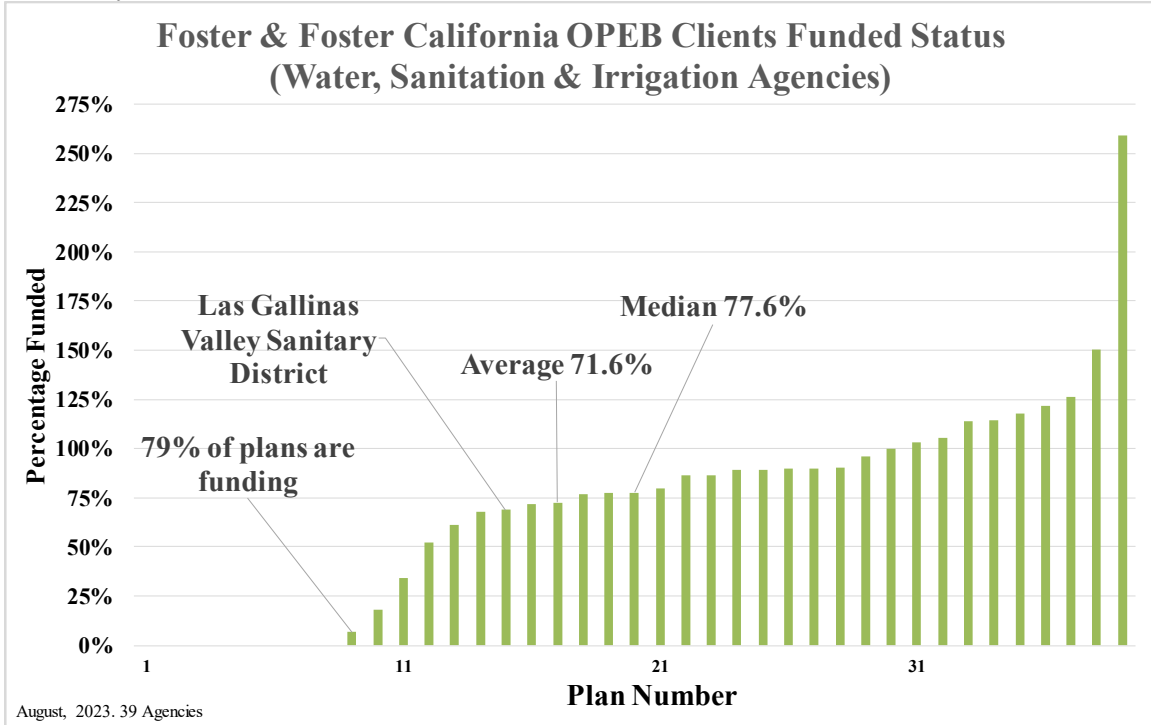
Discount Rate = 5.75%, Average Amortization Period = 16.0 Years

Discount Rate = 5.75%



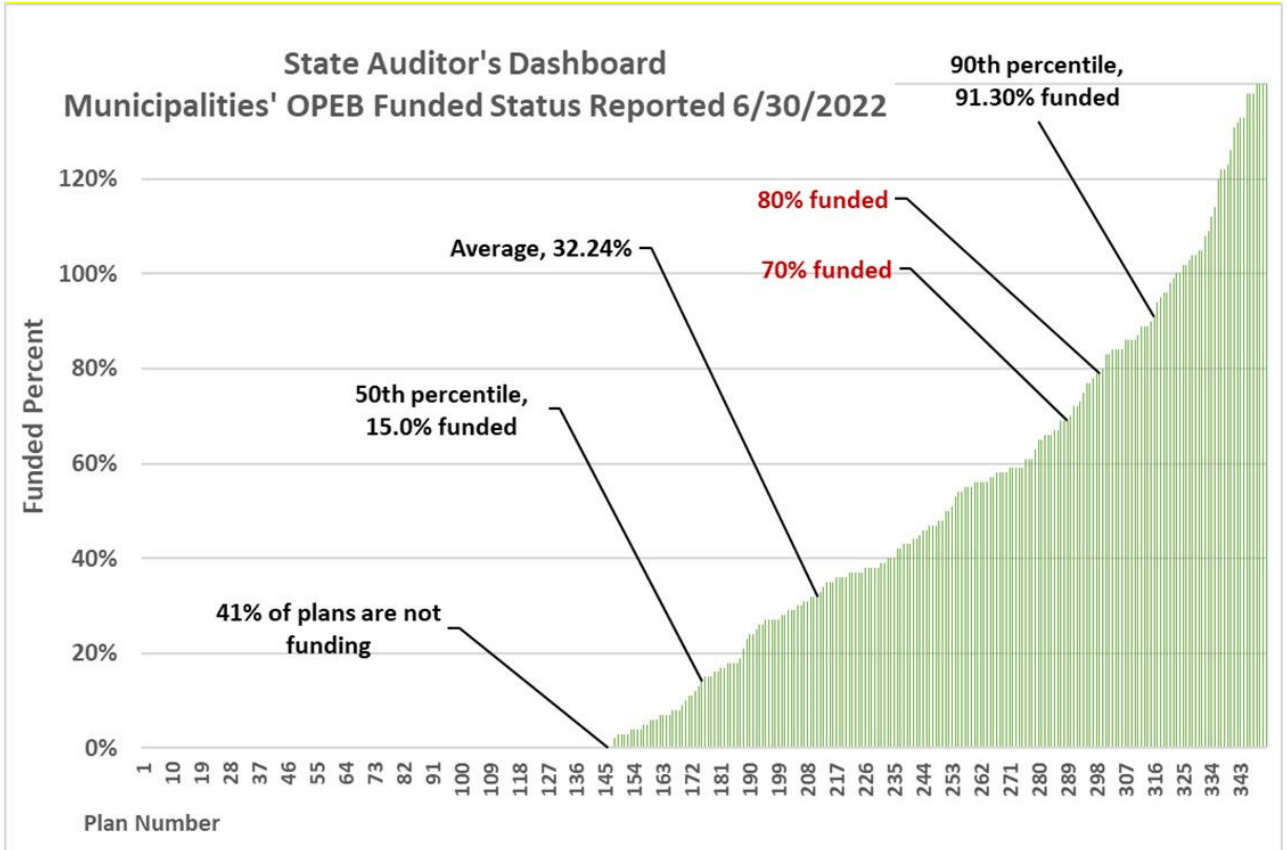
Comparison with Foster & Foster California Clients

The following charts illustrate the most-recently measured funded status of Foster & Foster’s California clients. Each green column denotes the funded ratio of one plan, with the plans ordered by funded ratio.



Comparison with California Municipalities

Foster and Foster has been talking with our clients for many years about the value of prefunding OPEB benefits. For comparison, the following chart is from data published by the California State Auditor, from 2022 financial reporting information for California Municipalities.



SUMMARY OF RETIREE HEALTHCARE BENEFITS

Benefit Summary									
<ul style="list-style-type: none"> ■ Eligibility 	<ul style="list-style-type: none"> ■ Service or disability retirement directly from the District under CalPERS 								
<ul style="list-style-type: none"> ■ Retiree Medical Benefit 	<ul style="list-style-type: none"> ■ District pays the PEMHCA minimum monthly amount through PEMHCA for all retirees electing coverage: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Year</th> <th style="text-align: center;">Employer Contribution</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2022</td> <td style="text-align: center;">\$ 149</td> </tr> <tr> <td style="text-align: center;">2023</td> <td style="text-align: center;">151</td> </tr> <tr> <td style="text-align: center;">2024</td> <td style="text-align: center;">157</td> </tr> </tbody> </table>	Year	Employer Contribution	2022	\$ 149	2023	151	2024	157
Year	Employer Contribution								
2022	\$ 149								
2023	151								
2024	157								
<ul style="list-style-type: none"> ■ Tier 1 	<ul style="list-style-type: none"> ■ Retired before January 1, 2003 ■ Tier 1 cap (may be used for spouse coverage if single premium is less than cap): <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;">Single</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2022</td> <td style="text-align: center;">\$ 927.66</td> </tr> <tr> <td style="text-align: center;">2023+</td> <td style="text-align: center;">Increased by 6% annually</td> </tr> </tbody> </table> <ul style="list-style-type: none"> ■ District reimburses retirees the smaller of Tier 1 cap and PEMHCA premium, minus PEMHCA minimum 		Single	2022	\$ 927.66	2023+	Increased by 6% annually		
	Single								
2022	\$ 927.66								
2023+	Increased by 6% annually								
<ul style="list-style-type: none"> ■ Tier 2 	<ul style="list-style-type: none"> ■ Hired before January 1, 2003 and retired after January 1, 2003 ■ Cap equal to single State 100/90 formula: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;">Single</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2022</td> <td style="text-align: center;">\$ 816</td> </tr> <tr> <td style="text-align: center;">2023</td> <td style="text-align: center;">883</td> </tr> </tbody> </table> <ul style="list-style-type: none"> ■ District reimburses retirees the smaller of Tier 2 cap and single-party PEMHCA premium, minus PEMHCA minimum 		Single	2022	\$ 816	2023	883		
	Single								
2022	\$ 816								
2023	883								



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<p>■ Tier 3</p>	<p>■ Hired after January 1, 2003 and hired before July 1, 2014</p> <p>■ Cap equal to State 100/90 formula:</p> <table border="1" data-bbox="592 325 1286 457"> <thead> <tr> <th></th> <th>Single</th> <th>Dual</th> <th>Family</th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>\$ 816</td> <td>\$ 1,548</td> <td>\$ 1,983</td> </tr> <tr> <td>2023</td> <td>883</td> <td>1,699</td> <td>2,124</td> </tr> </tbody> </table> <p>■ Vesting schedule applied:</p> <table border="1" data-bbox="592 504 1286 699"> <thead> <tr> <th>CalPERS Service</th> <th>Vested Percent</th> </tr> </thead> <tbody> <tr> <td>< 10</td> <td>0%</td> </tr> <tr> <td>10</td> <td>50%</td> </tr> <tr> <td>↓</td> <td>↓</td> </tr> <tr> <td>≥ 20</td> <td>100%</td> </tr> </tbody> </table> <ul style="list-style-type: none"> ● Minimum 5 years District service ● 100% vested if disability retirement <p>■ Vesting with 20 years District service</p> <p>■ District reimburses retirees the smaller of (a) Tier 3 cap for coverage elected multiplied by the vesting percent and (b) actual PEMHCA premium, minus PEMHCA minimum</p>		Single	Dual	Family	2022	\$ 816	\$ 1,548	\$ 1,983	2023	883	1,699	2,124	CalPERS Service	Vested Percent	< 10	0%	10	50%	↓	↓	≥ 20	100%
	Single	Dual	Family																				
2022	\$ 816	\$ 1,548	\$ 1,983																				
2023	883	1,699	2,124																				
CalPERS Service	Vested Percent																						
< 10	0%																						
10	50%																						
↓	↓																						
≥ 20	100%																						
<p>■ Tier 4</p>	<p>■ Hired after July 1, 2014</p> <p>■ Cap equal to single State 100/90 formula:</p> <table border="1" data-bbox="592 1029 885 1155"> <thead> <tr> <th></th> <th>Single</th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>\$ 816</td> </tr> <tr> <td>2023</td> <td>883</td> </tr> </tbody> </table> <p>■ Vesting schedule applied:</p> <table border="1" data-bbox="592 1207 1286 1402"> <thead> <tr> <th>CalPERS Service</th> <th>Vested Percent</th> </tr> </thead> <tbody> <tr> <td>< 10</td> <td>0%</td> </tr> <tr> <td>10</td> <td>50%</td> </tr> <tr> <td>↓</td> <td>↓</td> </tr> <tr> <td>≥ 20</td> <td>100%</td> </tr> </tbody> </table> <ul style="list-style-type: none"> ● Minimum 5 years District service ● 100% vested if disability retirement <p>■ Vesting with 20 years District service</p> <p>■ District reimburses retirees the smaller of (a) Tier 4 cap times vesting percent and (b) actual PEMHCA premium, minus PEMHCA minimum</p>		Single	2022	\$ 816	2023	883	CalPERS Service	Vested Percent	< 10	0%	10	50%	↓	↓	≥ 20	100%						
	Single																						
2022	\$ 816																						
2023	883																						
CalPERS Service	Vested Percent																						
< 10	0%																						
10	50%																						
↓	↓																						
≥ 20	100%																						
<p>■ Surviving Spouse Benefit</p>	<p>■ Available to surviving spouses of retirees who elect a joint pension annuity payment at retirement</p> <p>■ Tier 2 and 4 surviving spouses : PEMHCA Minimum only</p> <p>■ Tier 1 and 3 surviving spouses: same benefit as retiree</p>																						
<p>■ Dental, Vision, Life Insurance, & Medicare Part B</p>	<p>■ None</p>																						



2022 PEMHCA Monthly Medical Premiums
Region 1

Medical Plan	Non Medicare Eligible			Medicare Eligible		
	Single	2-Party	Family	Single	2-Party	Family
Anthem Select	\$1,015.81	\$2,031.62	\$2,641.11	\$360.19	\$720.38	\$1,080.57
Anthem Traditional	1,304.00	2,608.00	3,390.40	360.19	720.38	1,080.57
Blue Shield Access+	1,116.01	2,232.02	2,901.63	353.11	706.22	1,059.33
Blue Shield Trio	898.54	1,797.08	2,336.20	353.11	706.22	1,059.33
Health Net SmartCare	1,153.00	2,306.00	2,997.80	n/a	n/a	n/a
Kaiser	857.06	1,714.23	2,228.36	302.53	605.06	907.59
UnitedHealthcare Alliance	1,020.28	2,040.56	2,652.73	n/a	n/a	n/a
UnitedHealthcare MA	n/a	n/a	n/a	294.65	589.30	883.95
UnitedHealthcare MA Edge	n/a	n/a	n/a	347.21	694.42	1,041.63
Western Health Advantage	741.26	1,482.52	1,927.28	314.94	629.88	944.82
Anthem EPO Del Norte	1,057.01	2,114.02	2,748.23	n/a	n/a	n/a
PERS Gold	701.23	1,402.46	1,823.20	377.41	754.82	1,132.23
PERS Platinum	1,057.01	2,114.02	2,748.23	381.94	763.88	1,145.82

2023 PEMHCA Monthly Medical Premiums
Region 1

Medical Plan	Non Medicare Eligible			Medicare Eligible		
	Single	2-Party	Family	Single	2-Party	Family
Anthem Select	\$1,128.83	\$2,257.66	\$2,934.96	\$413.59	\$827.18	\$1,240.77
Anthem Traditional	1,210.71	2,421.42	3,147.85	413.59	827.18	1,240.77
Blue Shield Access+	1,035.21	2,070.42	2,691.55	361.90	723.80	1,085.70
Blue Shield Trio	888.94	1,777.88	2,311.24	361.90	723.80	1,085.70
Health Net SmartCare	1,174.50	2,349.00	3,053.70	n/a	n/a	n/a
Kaiser	913.74	1,827.48	2,375.72	n/a	n/a	n/a
Kaiser Senior Advantage	n/a	n/a	n/a	283.25	566.50	849.75
Kaiser Senior Advantage Summit	n/a	n/a	n/a	336.29	672.58	1,008.87
UnitedHealthcare Alliance	1,044.07	2,088.14	2,714.58	n/a	n/a	n/a
UnitedHealthcare MA	n/a	n/a	n/a	299.68	599.36	899.04
UnitedHealthcare MA Edge	n/a	n/a	n/a	357.70	715.40	1,073.10
Western Health Advantage	760.17	1,520.34	1,976.44	331.11	662.22	993.33
Anthem EPO Del Norte	1,200.12	2,400.24	3,120.31	n/a	n/a	n/a
PERS Gold	825.61	1,651.22	2,146.59	392.71	785.42	1,178.13
PERS Platinum	1,200.12	2,400.24	3,120.31	420.02	840.04	1,260.06



ACTUARIAL METHODS AND ASSUMPTIONS

Actuarial Methods

The actuarial cost method used for this valuation is the Entry Age Normal (“EAN”) cost method. Under the EAN cost method, the Normal Cost for each participant is determined as a level percent of payroll throughout the participant’s working career. This cost method complies with the requirements of the GASB statements.

Assets are valued at Market Value of Assets.

The projected June 30, 2023 Unfunded Actuarial Accrued Liability was amortized as a level percent of payroll (2.75% annual increase in payments) over a fixed, closed 16-year period. Individual UAAL bases are not maintained.

The Plan is assumed to be ongoing for cost purposes. This does not imply that an obligation to continue the Plan exists.

The implicit subsidy was calculated in compliance with Actuarial Standards of Practice (ASOP) No. 6 and its associated Practice Note.

Actuarial Assumptions

An actuary must follow current actuarial standards of practice, which generally call for explicit assumptions - meaning each individual assumption is reasonable and appropriate.

Actuarial Assumption	June 30, 2020 Valuation	June 30, 2022 Valuation
■ Discount Rate	■ 6.25% - Expected long term rate of return for CERBT Strategy 2	■ 5.75% - Expected long term rate of return for CERBT Strategy 2
■ General Inflation	■ 2.75% per year	■ 2.50% per year
■ Aggregate Payroll Increases	■ 3.00% per year ■ Used to amortize Unfunded AAL	■ 2.75% per year ■ Used to amortize Unfunded AAL
■ Merit and Longevity Pay Increases	■ Rates from CalPERS 1997-2015 Experience Study	■ Rates from CalPERS 2000-2019 Experience Study
■ Mortality, Termination, Disability	■ Rates from CalPERS 1997-2015 Experience Study ■ Mortality projected fully generational with Scale MP-2020	■ Rates from CalPERS 2000-2019 Experience Study ■ Mortality projected fully generational with Scale MP-2021
■ Service Retirement	■ Rates from CalPERS 1997-2015 Experience Study	■ Rates from CalPERS 2000-2019 Experience Study
■ Medical Plan at Retirement	■ Same as current election	■ Same as current election ■ Kaiser for employees waiving coverage



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Actuarial Assumption	June 30, 2020 Valuation	June 30, 2022 Valuation		
<p>■ Medical Trend (annual increase in healthcare costs for all reasons except aging)</p>	<p><u>Increase from Prior Year</u></p> <p><u>Non-Medicare</u> <u>Kaiser</u> <u>Other</u></p> <p>Year</p>	<p><u>Increase from Prior Year</u></p> <p><u>Non-Medicare</u> <u>Kaiser</u> <u>Other</u></p> <p>Year</p>		
	2020	Actual Premiums	2020	n/a
	2021	Actual Premiums	2021	n/a
	2022	7.00% 6.10% 5.00%	2022	Actual Premiums
	2023	6.75% 5.90% 4.85%	2023	Actual Premiums
	2024	6.50% 5.70% 4.70%	2024	8.50% 6.25% 7.50%
	2025	6.25% 5.50% 4.60%	2025	8.50% 6.25% 7.50%
	2026	6.00% 5.30% 4.50%	2026	7.90% 5.65% 6.90%
	2027	5.80% 5.15% 4.45%	2027	7.35% 5.45% 6.50%
	2028	5.60% 5.00% 4.40%	2028	6.75% 5.25% 6.10%
	2029	5.40% 4.85% 4.35%	2029	6.20% 5.05% 5.70%
	2030	5.20% 4.70% 4.30%	2030	5.60% 4.85% 5.25%
	2031-2035	5.05% 4.60% 4.25%	2031	5.05% 4.65% 4.85%
	2036-2045	4.90% 4.50% 4.20%	2032-38	4.45% 4.45% 4.45%
	2046-2055	4.75% 4.45% 4.15%	2039-40	4.35% 4.35% 4.35%
2056-2065	4.60% 4.40% 4.10%	2041	4.30% 4.30% 4.30%	
2066-2075	4.30% 4.20% 4.05%	↓	↓	
2076+	4.00% 4.00% 4.00%	2076+	3.45% 3.45% 3.45%	
<p>■ Participation at Retirement</p>	<p>■ Eligible for amounts larger than PEMHCA minimum: 100% will participate</p> <p>■ Eligible for PEMHCA minimum only: 50% will participate.</p>	<p>■ Same</p>		
<p>■ PEMHCA Minimum Increases</p>	<p>■ 4.25% increase per year after 2023</p>	<p>■ 3.50% increase per year after 2024</p>		
<p>■ Waived Retiree Re-election</p>	<p>■ No retirees currently waiving coverage are expected to elect coverage in the future</p>	<p>■ Same</p>		
<p>■ Administrative Expenses</p>	<p>■ Included in ADC, not in liabilities</p> <p>■ CERBT: 0.05% of beginning of year market value of assets</p> <p>■ PEMHCA: 0.25% of retiree premiums</p>	<p>■ Included in ADC, not in liabilities</p> <p>■ CERBT: 0.05% of beginning of year market value of assets</p> <p>■ PEMHCA: 0.33% of retiree premiums</p>		
<p>■ Spousal Coverage at Retirement</p>	<p>■ 80% of future retirees cover spouse at retirement</p> <p>■ Current retirees retain their current coverage election</p>	<p>■ Same</p>		
<p>■ Surviving Spouse Participation</p>	<p>■ 100% of surviving spouses of covered retirees elect to continue healthcare coverage</p>	<p>■ Same</p>		



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Actuarial Assumption	June 30, 2020 Valuation	June 30, 2022 Valuation
<ul style="list-style-type: none"> Family Coverage at Retirement 	<ul style="list-style-type: none"> Future retirees: 0% of new retirees elect family coverage at retirement Current retirees: Same as current election, until age 65 No implicit subsidy valued for dependents 	<ul style="list-style-type: none"> Same
<ul style="list-style-type: none"> Medicare Eligibility 	<ul style="list-style-type: none"> 100% of current and future retirees eligible for Medicare at age 65 	<ul style="list-style-type: none"> Same
<ul style="list-style-type: none"> CalPERS Service (for decrements only) 	<ul style="list-style-type: none"> Actual years of CalPERS service as reported by CalPERS 	<ul style="list-style-type: none"> Same
<ul style="list-style-type: none"> Age-related Claims Costs for Medicare Advantage Plans 	<ul style="list-style-type: none"> Due to age-risk adjusted federal subsidies, no age-based claims costs were included for Medicare Advantage plans 	<ul style="list-style-type: none"> Same

Actuarial Assumption	June 30, 2022 Valuation																																																																																																											
<ul style="list-style-type: none"> Medical Claims Costs 2023 	<ul style="list-style-type: none"> Sample estimated monthly claims costs (Region 1) <table border="1"> <thead> <tr> <th rowspan="2"><u>Age</u></th> <th colspan="2"><u>Health Net SmartCare</u></th> <th colspan="2"><u>Kaiser</u></th> <th colspan="2"><u>Western Health Adv.</u></th> <th colspan="2"><u>PERS Platinum</u></th> </tr> <tr> <th><u>M</u></th> <th><u>F</u></th> <th><u>M</u></th> <th><u>F</u></th> <th><u>M</u></th> <th><u>F</u></th> <th><u>M</u></th> <th><u>F</u></th> </tr> </thead> <tbody> <tr> <td>25</td> <td>\$443</td> <td>\$842</td> <td>\$371</td> <td>\$705</td> <td>\$292</td> <td>\$556</td> <td>\$391</td> <td>\$768</td> </tr> <tr> <td>35</td> <td>518</td> <td>871</td> <td>434</td> <td>728</td> <td>342</td> <td>575</td> <td>460</td> <td>796</td> </tr> <tr> <td>45</td> <td>718</td> <td>938</td> <td>601</td> <td>785</td> <td>474</td> <td>620</td> <td>649</td> <td>862</td> </tr> <tr> <td>55</td> <td>1,188</td> <td>1,191</td> <td>993</td> <td>996</td> <td>785</td> <td>787</td> <td>1,106</td> <td>1,111</td> </tr> <tr> <td>60</td> <td>1,607</td> <td>1,453</td> <td>1,344</td> <td>1,215</td> <td>1,062</td> <td>960</td> <td>1,522</td> <td>1,369</td> </tr> <tr> <td>64</td> <td>1,970</td> <td>1,691</td> <td>1,647</td> <td>1,414</td> <td>1,301</td> <td>1,117</td> <td>1,875</td> <td>1,600</td> </tr> <tr> <td colspan="9" style="text-align:center"><u>Medicare Eligible</u></td> </tr> <tr> <td>65</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> <td>396</td> <td>345</td> </tr> <tr> <td>75</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> <td>473</td> <td>412</td> </tr> <tr> <td>85</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> <td>484</td> <td>428</td> </tr> </tbody> </table> 	<u>Age</u>	<u>Health Net SmartCare</u>		<u>Kaiser</u>		<u>Western Health Adv.</u>		<u>PERS Platinum</u>		<u>M</u>	<u>F</u>	<u>M</u>	<u>F</u>	<u>M</u>	<u>F</u>	<u>M</u>	<u>F</u>	25	\$443	\$842	\$371	\$705	\$292	\$556	\$391	\$768	35	518	871	434	728	342	575	460	796	45	718	938	601	785	474	620	649	862	55	1,188	1,191	993	996	785	787	1,106	1,111	60	1,607	1,453	1,344	1,215	1,062	960	1,522	1,369	64	1,970	1,691	1,647	1,414	1,301	1,117	1,875	1,600	<u>Medicare Eligible</u>									65	n/a	n/a	n/a	n/a	n/a	n/a	396	345	75	n/a	n/a	n/a	n/a	n/a	n/a	473	412	85	n/a	n/a	n/a	n/a	n/a	n/a	484	428
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<ul style="list-style-type: none"> Actuarial Models 	<ul style="list-style-type: none"> Our valuation was performed using and relying on ProVal, an actuarial model leased from Wintech. Our use of ProVal is consistent with its intended purpose. We have reviewed and understand ProVal and its operation, sensitivities and dependencies. 																																																																																																											



Actuarial Assumption	June 30, 2022 Valuation
<ul style="list-style-type: none"> ■ Data Quality 	<ul style="list-style-type: none"> ■ Our valuation used census data provided by the District and CalPERS OPEB data extract. We reviewed the data for reasonableness and resolved any questions with the District. As far as we know there is nothing in the census data which would cause the results of the valuation to be unreliable.
<ul style="list-style-type: none"> ■ Basis for Assumptions 	<ul style="list-style-type: none"> ■ No experience study performed for this Plan ■ CalPERS 2000 to 2019 Experience Study was used ■ Mortality improvement based on Society of Actuaries table ■ Inflation based on the Plan’s very long time horizon ■ Medical trends were based on expectations over the short term blended into long term medical trends developed using the Society of Actuaries’ Getzen Model of Long-Run Medical Cost Trends ■ Age-based claims costs were developed by Axene Health Partners based on demographic data provided by CalPERS, Axene’s proprietary AHP Cost Model, and Society of Actuaries studies. ■ Participation and coverage based in part on Plan experience ■ Capital market assumptions based on 2021 Foster & Foster stochastic analysis, taking into account capital market assumptions of investment advisory firms

Analysis of Expected Long Term Rate of Return on Plan Assets

CERBT Investment Options

2022 CERBT Asset Allocation (approved by CalPERS Board March 14, 2022)

	Strategy 1	Strategy 2	Strategy 3
Global Equity	49%	34%	23%
Fixed Income	23%	41%	51%
TIPS	5%	5%	9%
Commodities	3%	3%	3%
REITs	<u>20%</u>	<u>17%</u>	<u>14%</u>
Total	100%	100%	100%

Foster & Foster calculated the expected long-term rate of return by using stochastic model (or “Monte Carlo” simulations) of the geometric average return over 20 years using 5,000 trials. The capital market assumptions are based on 8 independent Investment Advisors’ 2021 10-year Capital Market Assumptions and where available, the investment advisors’ long-term trends. In addition, our model used a 2.5% inflation assumption. The result of our model is as follows, with the returns representing the median return.

	Strategy 1	Strategy 2	Strategy 3
Expected long term rate of return	6.25%	5.75%	5.25%



SUMMARY OF PARTICIPANT DATA

Participant Statistics

Statistic	June 30, 2022		June 30, 2020	
	Actives	Retirees	Actives	Retirees
■ Count				
● < Age 65	26	6	21	5
● ≥ Age 65	-	<u>17</u>	-	<u>17</u>
● Total	26	23	21	22
■ Average Age	46.8	72.1	45.2	70.9
■ Average District Service	5.6	n/a	5.7	n/a
■ Average Retirement Age ⁴	n/a	58.2	n/a	58.0

Active Participant Statistics by Tier
 June 30, 2022

Statistic	Tier 1	Tier 2	Tier 3	Tier 4	Total
■ Count					
● < Age 65	-	1	5	20	26
● ≥ Age 65	-	-	-	-	-
● Total	-	1	5	20	26
■ Average Age	n/a	43.4	51.4	45.8	46.8
■ Average District Service	n/a	19.7	11.4	3.5	5.6

Retiree Participant Statistics by Tier
 June 30, 2022

Statistic	Tier 1	Tier 2	Tier 3	Tier 4	Total
■ Count					
● < Age 65	-	2	4	-	6
● ≥ Age 65	<u>8</u>	<u>5</u>	<u>3</u>	<u>1</u>	<u>17</u>
● Total	8	7	7	1	23
■ Average Age	81.1	68.4	65.6	70.2	72.1
■ Average Retirement Age ⁴	56.2	58.1	57.7	68.1	58.2

⁴ Includes service retirees only in average.



Current Active Members

Age	District Service							Total
	Under 1	1-4	5-9	10-14	15-19	20-24	Over 25	
Under 25	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-
30-34	-	3	2	-	-	-	-	5
35-39	-	2	1	-	-	-	-	3
40-44	2	1	1	-	1	-	-	5
45-49	-	-	2	-	-	-	-	2
50-54	-	2	1	-	-	-	-	3
55-59	1	1	1	1	-	-	-	4
60-64	1	1	1	-	1	-	-	4
Over 65	-	-	-	-	-	-	-	-
Total	4	10	9	1	2	-	-	26

Current Retirees

Age	Single	2-Party	Family	Waived	Total
Under 50	-	-	-	-	-
50-54	-	-	-	-	-
55-59	1	2	-	-	3
60-64	-	2	-	1	3
65-69	2	3	-	-	5
70-74	1	1	-	1	3
75-79	3	2	-	-	5
80-84	-	1	-	-	1
Over 85	3	-	-	-	3
Total	10	11	-	2	23



Current Active Employee Medical Coverage

Medical Plan	Single	2-Party	Family	Waived	Total
Health Net SmartCare	1	-	-	-	1
Kaiser	7	2	10	-	19
Western Health Advantage	-	1	-	-	1
PERS Platinum	2	2	-	-	4
Waived	-	-	-	1	1
Total	10	5	10	1	26

Current Retiree Medical Coverage (Under Age 65)

Medical Plan	Single	2-Party	Family	Waived	Total
Kaiser	1	1	-	-	2
PERS Platinum	-	3	-	-	3
Waived	-	-	-	1	1
Total	1	4	-	1	6

Current Retiree Medical Coverage (Over Age 65)

Medical Plan	Single	2-Party	Family	Waived	Total
Kaiser	6	3	-	-	9
UnitedHealthcare	1	2	-	-	3
PERS Platinum	2	2	-	-	4
Waived	-	-	-	1	1
Total	9	7	-	1	17



ACTUARIAL CERTIFICATION

This report presents the Las Gallinas Valley Sanitary District Retiree Healthcare Plan (“Plan”) June 30, 2022 actuarial valuation. The purpose of this valuation is to:

- Determine the Plan’s June 30, 2022 Funded Status, and
- Calculate the 2023/24 and 2024/25 Actuarially Determined Contributions.

The report provides information intended for plan funding, but may not be appropriate for other purposes. Information provided in this report may be useful to the District for the Plan’s financial management. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as: plan experience differing from that anticipated by the assumptions; changes in assumptions; changes expected as part of the natural progression of the plan; and changes in plan provisions or applicable law. Actuarial models necessarily rely on the use of estimates and are sensitive to changes. Small variations in estimates may lead to significant changes in actuarial measurements. Due to the limited scope of this assignment, we did not perform an analysis of the potential range of such measurements.

The valuation is based on Plan provisions, participant data, and asset information provided by the District as summarized in this report, which we relied on and did not audit. We reviewed the participant data for reasonableness.

The project team preparing this report includes Mary Elizabeth Redding, Tak Frazita, and Nathan Hinojosa.

To the best of our knowledge, this report is complete and accurate and has been conducted using generally accepted actuarial principles and practices. As members of the American Academy of Actuaries meeting the Academy Qualification Standards, we certify the actuarial results and opinions herein.

Respectfully submitted,



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Foster & Foster, Inc.
mary.beth.redding@foster-foster.com



Tak Frazita, FSA, MAAA, EA
Foster & Foster, Inc.
tak.frazita@foster-foster.com



10/5/2023

General Manager Report


- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation



Item Number _____ 3.3 _____

GM Review _____ CP _____

Agenda Summary Report

To: Board of Directors
From: Dale McDonald, Administrative Services Manager 
(415) 526-1519 dmcdonald@lqvsd.org
Meeting Date: October 5, 2023
Re: Status of SB 1383 Compliance and Enforcement

Item Type: Consent _____ Action _____ Information X Other _____
Standard Contract: Yes _____ No _____ (See attached) Not Applicable X .

STAFF RECOMMENDATION

Board to receive report on the status of Las Gallinas Valley Sanitary District’s (“District”) compliance with SB 1383 and the next steps on enforcement.

BACKGROUND

In 2014, recognizing the negative impacts of organic materials decomposing in landfills on climate change, the State of California enacted Assembly Bill (AB) 1826 mandating that businesses with certain thresholds of refuse disposal compost their organic materials. Beginning in 2022, SB 1383, enacted in 2017, required all residents and businesses to divert their organic waste and recover edible food. SB 1383 places new requirements on local governments to implement, monitor and enforce participation in organic waste recycling programs.

The California Department of Resources Recycling and Recovery (CalRecycle), is responsible for oversight, evaluating compliance, and enforcing the requirements of SB 1383 on jurisdictions.

In 2022, the District adopted Ordinance 189 which established mandates for organics recycling by waste generators within our jurisdiction, and provided for penalties and documentation, which is required by the law. New waste disposal requirements were placed on residents and businesses within the District. Marin Sanitary Service, the franchise hauler serving the District, has been able to implement many of the requirements of SB 1383. Compliance review and the processing of waiver requests by multi-family and commercial businesses are handled by Marin Sanitary Service.

The actual enforcement of provisions of SB 1383, not required to be implemented until January 2024, has been the most difficult for special districts to implement. Most special districts do not have enforcement staff, administration, procedures, or infrastructure to undertake the required enforcement of minor offenses identified in SB 1383. Staff has been in communication with CalRecycle, Marin County Environmental Health Services, City of San Rafael Community Development Department, and Zero Waste Marin to look for alternatives and/or partnerships for addressing the enforcement requirements of SB 1383.



The most promising discussions have been with Zero Waste Marin (ZWM), a Joint Powers Authority comprised of representatives from the county, cities, and towns within Marin. A group of special districts collectively asked ZWM to explore providing assistance with enforcement and inspection requirements of SB 1383.

ZWM Executive Director Kimberly Scheibly met with special district representatives on September 12, 2023 to continue the discussion on compliance and enforcement. Highlights from the meeting were:

- The State of California’s goal of reduction, reuse, and recycling of California resources to lessen the impact on the environment is only expected to grow.
- CalRecycle is expected to reach out to jurisdictions that are not in compliance with enforcement requirements of SB 1383 after the January 1, 2024 deadline.
- Marin County recently created a position for ZWM to help with SB 1383 compliance. The County is in the process of hiring for the position.
- Director Scheibly is in discussions with the Marin County Community Development Agency (CDA) regarding enforcement which could be a combination of staff from Environmental Health and Code Enforcement (both divisions are under CDA) for the ZWM member agencies.
- Special districts are not a member agenda of ZWM but the structure being investigated may allow for special districts to enter into a Memorandum of Understanding (MOU) with ZWM or County for the needed services.
- ZWM grants may not be available to help fund the services needed by the special districts. Special districts will need to fund enforcement through existing franchise fees or seek reimbursement through CalRecycle SB 1383 Local Assistance grants.

Staff will continue to participate in discussions with ZWM, CalRecycle, and Marin Sanitary Service to determine what best meet the needs of the District regarding SB 1383 compliance and enforcement.

PREVIOUS BOARD ACTION

On March 17, 2022, the Board passed Ordinance No. 189 entitled An Ordinance Amending Chapter 1, Title 4 an Ordinance Regulating Solid Waste, Recyclable and Organic Materials, and The Collection, Removal and Disposal Thereof.

ENVIRONMENTAL REVIEW

N/A

FISCAL IMPACT

No cost in receiving the report.

10/5/2023

BOARD MEMBER REPORTS

CLARK

NBWA Board Committee, 2023 Operations Control Center Ad Hoc Committee, Other Reports

FORD

NBWRA, 2023 Operations Control Center Ad Hoc Committee, 2023 GM Evaluation Ad Hoc Committee, 2023 McInnis Marsh Ad Hoc Committee, 2023 Fleet Management Ad Hoc Committee, 2023 SF Bay Trail Ad Hoc Committee, Other Reports

MURRAY

Marin LAFCO, CASA Energy Committee, 2023 Biosolids Ad Hoc Committee, 2023 Development Ad Hoc Committee, 2023 SF Trail Ad Hoc Committee, Other Reports

ROBARDS

Gallinas Watershed Council/Miller Creek, 2023 Engineering Ad Hoc Committee re: STPURWE, 2023 McInnis Marsh Ad Hoc Committee, 2023 GM Evaluation Ad Hoc Committee, 2023 Development Ad Hoc Committee, Other Reports

YEZMAN

Flood Zone 7, CSRMA, Marin Special Districts Association, 2023 Ad Hoc Engineering Sub-Committee re: STPURWE, 2022 Biosolids Ad Hoc Committee, Other Reports



BOARD MEMBER MEETING ATTENDANCE REQUEST

Date: _____ Name: _____

I would like to attend the _____ Meeting
of _____

To be held on the _____ day of _____ from _____ a.m. / p.m. to
_____ day of _____ from _____ a.m. / p.m.

Location of meeting: _____

Actual meeting date(s): _____

Meeting Type: (In person/Webinar/Conference) _____

Purpose of Meeting: _____

Meeting relevance to District: _____

Request assistance from Board Secretary to register for Conference: YES NO

Frequency of Meeting: _____

Estimated Costs of Travel (if applicable): _____

Date submitted to Board Secretary: _____

Board approval obtained on Date: _____

Please submit this form to the Board Secretary no later than 1 week prior to the Board Meeting.

10/5/2023

BOARD AGENDA ITEM REQUESTS

Agenda Item 5B

- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

Agenda Item 6
Date October 5, 2023

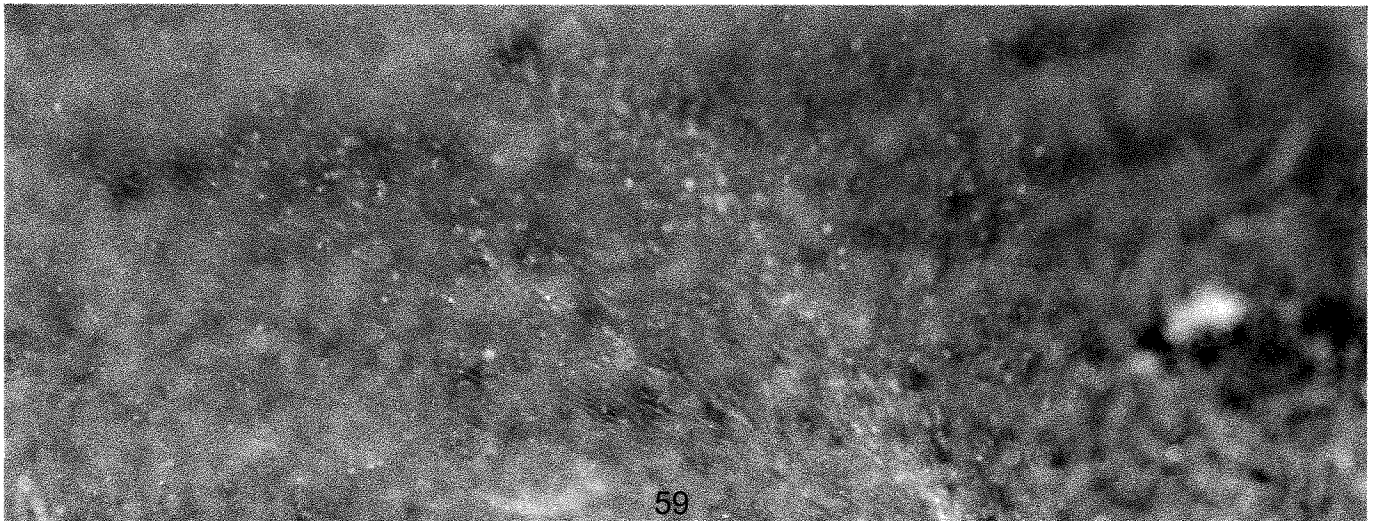
PERMANENT PROHIBITION

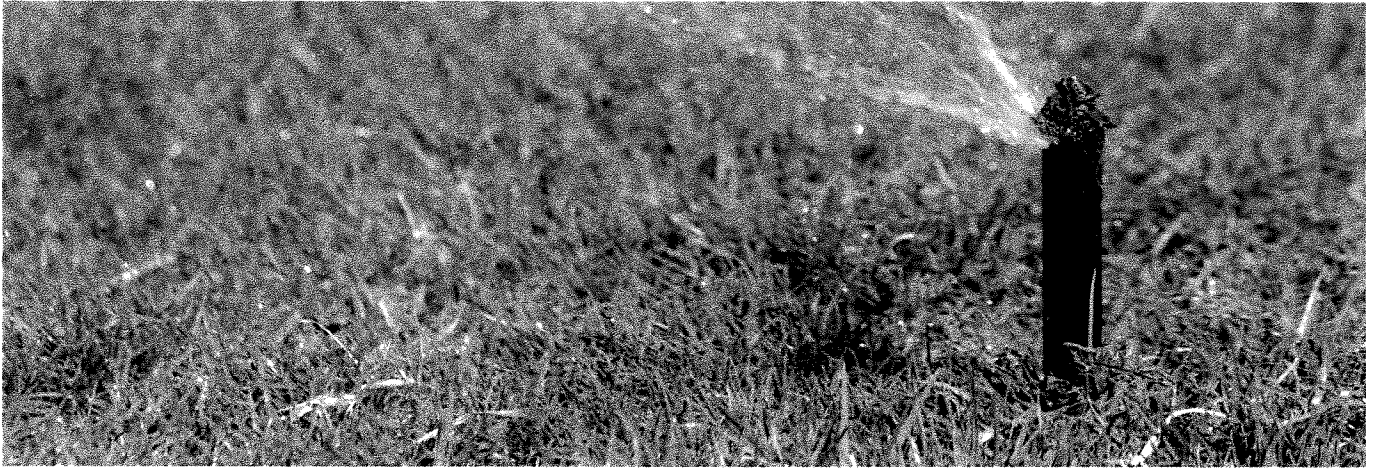
Newsom mulls water ban on some decorative lawns

Bill on his desk would affect medians, businesses



Grassy areas line walkways at the Del Prado Shopping Center in Novato. If signed by Gov. Gavin Newsom, a new bill would prohibit businesses from watering decorative lawns with potable water, but recycled water would be allowed. PHOTOS BY ALAN DEP — MARIN INDEPENDENT JOURNAL





A sprinkler irrigates a lawn at a park in Novato.

BY WILL HOUSTON

WHOUSTON@MARINIJ.COM

A state bill on the verge of becoming law would ban the use of drinking water to irrigate decorative grass, a mandate endorsed by Marin leaders who are already largely prepared for it.

Assembly Bill 1572, which has made its way to Gov. Gavin Newsom's desk, would involve the kind of grassy areas in street medians, business parks and city sidewalks. Decorative grass could still be irrigated with recycled water.

The restrictions proposed under were first implemented by the state as temporary provisions during the recent three-year drought. The rules are set to expire in June. The bill would make these rules a permanent way of life in California.

Violations would carry fines of \$500. The regulations do not apply to "functional" turf at places such as parks, playgrounds, cemeteries and athletic fields as well as residential turf at homes and apartment buildings.

The rules would be phased in starting from Jan. 1, 2027, to Jan. 1, 2031, depending on the type of property.

Marin County water suppliers have already implemented their own regulations on functional turf, and some have been in effect for over a decade.

Monty Schmitt, board president of the Marin Municipal Water District, supports the legislation. He said it is a signal that California and its residents must be prepared for a different future where climate change is expected to cause both more intense rainy seasons and prolonged droughts.

"In the last decade, we've been through two extreme droughts that have really shaken our understanding of what water supply reliability looks like in this modern time and the things we need to do to be prepared," Schmitt said. "I think taking that new perspective is wise because I think it's going to serve us into the future."

In 2022, the Marin Municipal Water District, which serves the southern and central parts of the county, banned the installation of new decorative grass, even if it would be watered with recycled water. The prohibition applies to any project installing an aggregate turf area of more than 500 square feet and landscape rehabilitation projects on 1,000 square feet or more of turf.

The North Marin Water District, which serves the greater Novato area and parts of western Marin, has banned the installation of new ornamental turf since 2006. The agency still allows decorative turf if it is watered with recycled water. The agency is exploring potential ways to have property owners replace decorative lawns with low-water landscaping.

“We still probably need to help incentivize the replacement of it,” said Ryan Grisso, the district’s water conservation coordinator. “We feel like we have the options coming up. I don’t know the timeline but we’ve known this is coming.”

Critics, however, say new lawn limitations don’t reflect the size of California, which has different water sources and weather conditions from Eureka to Palm Springs.

“This was something that was meant for an emergency when we were in the midst of a drought,” said Assemblymember James Gallagher, a Republican in a district north of Sacramento. “That’s not always the case. To make it a permanent part of our law I don’t think is the right approach.”

Gallagher said California should leave most water decisions, particularly in nondrought years, up to local officials. He also said state leaders like Newsom have not done enough to build new reservoirs and increase water storage.

Marin’s state representatives, Assemblyman Damon Connolly and Sen. Mike McGuire, both Democrats, voted in support of the legislation.

“Water conservation is a key factor in California’s climate strategy, and I am proud to have supported a bill that reflects this necessity,” Connolly wrote in an email. “AB 1572 keeps these protections in place by regulating decorative irrigation, and is a progressive effort to combat the effects of the recent drought in the North Bay.”

Several major business groups, including the California Chamber of Commerce, at first opposed the bill but dropped their opposition after lawmakers included amendments such as removing apartment complexes from the restrictions and adding a phased implementation.

“Most of the large properties are already doing this stuff,” said Matthew Hargrove, president and chief executive officer of the California Business Properties Association. “Well-managed properties try to be energy efficient and water efficient. Just like with energy, water is a big expense. It’s a cost issue for us.”

The state and local communities have also driven the transition to drought-tolerant landscaping by adopting water conservation policies for new construction projects.

Rick Wells, president of the Marin Builders Association, which represents the local construction industry, said both residential and commercial projects are now using more water-conscious planning and landscaping techniques.

“Newer ‘smart’ irrigation systems, equipment and practices are more efficient than ever,” Wells wrote in an email. “Additionally, the integration of water reuse and recapture systems are becoming more and more common as part of larger landscaping projects.”

The Bay Area News Group contributed to this report.

EDITORIAL

Santa Venetia berms should be built to last

There's no debate whether flooding is a serious risk for Santa Venetia residents.

Over the years, there's been plenty of debate over long-term plans for protecting the low-lying neighborhood from flooding and who should pay for it.

Meanwhile, the county has started work on repairing sections of the timber-reinforced earth berm that is now protecting the area. The berm, which was installed by the county following damaging flooding in 1982 and 1983, has been in place for nearly 40 years.

The wall, stretching from Meadow Drive to Vendola Drive, is deteriorating. The county is spending \$300,000 to repair it. The plan is to finish the work by the end of October, in time to upgrade protection before the rainy season.

The timing couldn't be better because the federal Climate Prediction Center is predicting a 95% chance that El Niño weather patterns will continue through winter, January to March, and it will most likely be strong, as opposed to weak or moderate.

That likely means a wetter than normal winter, which is good news for our reservoirs, but not as welcome when it comes to potential flooding.

That property owners in the area have granted the county-hired crews access to make the needed repairs is an important recognition of the threat.

The county had planned an even more extensive round of repairs, actually rebuilding the berms, but the estimated cost doubled to \$12 million by the time the county was ready to get bids for the work.

Now the long-term focus has turned from replacing the wood-braced berm into a composite sheet pile floodwall — 1.5 miles along 111 properties backing onto Gallinas Creek — offering greater protection and not requiring nearly as much yearly maintenance.

The estimated cost for that plan is \$15.4 million.

That plan is now undergoing environmental analysis, while the county is seeking possible grants for the work.

A 2021 proposal for a seven-year \$297-per-year parcel tax on 600 parcels to contribute more than \$1 million toward replacing the berm was turned down by Santa Venetia voters, narrowly falling short of the two-thirds majority vote required for passage.

Even if the tax measure had passed, additional funding would have been required.

The county, which was sued for residents' losses due to flooding in the early '80s, has a responsibility to keep the existing berm, flood-control pumps and drainage systems in good repair.

The lawsuits charged that the county had not done enough to protect the area.

The work is now underway and it, as well as past years' repairs, have been aimed at providing ongoing protection. However, it is far short of an effective response to the long-term threat of climate change and sea level rise.

Construction activity of the current repairs should serve as a reminder to area residents and property owners that those berms do not provide the estimated 100-year protection that the county's long-term proposal could provide.

County Supervisor Mary Sackett, whose supervisorial district includes Santa Venetia, has inherited the challenge, one that has eluded four of her predecessors. Building state, federal and regional grants and financial and political support from area voters should be among her top priorities.

Having worked with Supervisor Damon Connolly before winning the job in 2022 gives her a leg up in succeeding on those fronts and providing the long-term protection the neighborhood really needs.

MARIN VOICE

Increasing use of recycled water raises many questions

By Lucy Wong Ryniejski

In 2021, Marin County was within 200 days of running out of water.

That scenario, officials said, prompted a flurry of conversations on how the county will achieve sustainability once the drought returns.

“We are having conversations in the community about how this last drought was extremely scary. It felt like a close call,” said Eli Beckman, vice mayor of Corte Madera and Central Marin Sanitation Agency board member.

“What will we do if it happens again and it is even worse?”

With over 7 million residents in nine counties, each part of the Bay Area is preparing for the next drought, which could last two years or more. Meanwhile, each day, Marin residents dump 6 million to 8 million gallons of potentially reusable wastewater into the bay, according to Beckman.

Now, officials in the county are reimagining if, and how, residents should get more water through water recycling.

Marin County is one of the few counties in California already utilizing nonpotable recycled water — and has been since the 1980s. Water recycling uses treated wastewater suitable for uses depending on its level of purification. For many countries like Australia and Singapore, and even major cities like Atlanta and the Colorado town of Aurora, water recycling is already standard practice.

In 2022, Gov. Gavin Newsom called for a 60% increase in water recycling by 2040. Between regulations, funding, feasibility studies and getting everyone on board, potable and nonpotable recycled water could take nearly a decade to become directly accessible to the public, according to officials.

One of the major concerns is the price tag. Recycled water could run two to three times the cost of reservoir water and upward of \$20 million to install a recycled water system, according to the Marin Municipal Water District. The cost for running pipe alone is \$3 million a mile for potable or nonpotable water. New installations are more complicated for Marin County, with infrastructure up to 130 years old.

Without adequate funding from state or federal levels, Noel Studley, cross connection specialist at MMWD, finds water recycling infeasible.

“When we evaluate it in terms of other water supplies, it is just not cost-effective,” Studley said. “This is a problem many agencies run into.”

If the project were to become a reality, funding would likely be a combination approach: a possibly climate-related bond, taxes, fees or grants, among others.

“We know the challenge, and we can utilize a variety of tools to ensure clean, reliable, affordable water supply for Californians,” said Assemblymember Damon Connolly (D-San Rafael).

Another concern is a potential “yuck” factor around drinking recycled water and questions about safety, Connolly said.

“Wastewater for human consumption is controversial,” Connolly said. “As a society, we have always viewed water as a single-use commodity. Much of it will also depend on how the regulations play out, but I am certainly open to it.”

To implement drinkable recycled water systems, California needs to finalize safe potable water criteria “with a strong body of science,” which should happen in the next year, Connolly added.

While MMWD handles the water coming out of the tap, the Central Marin Sanitation Agency deals with the wastewater flowing down the drain.

At CMSA, ideas of expanding wastewater recycling are in preliminary discussion. With direct potable reuse of water, tap water would cycle from the drain to a sanitation facility for filtration and then back to the tap.

“We are at the stage where we are exploring. Is this even a possibility? What would it cost? Who do we partner with to make it happen?” Beckman said. “There are many big unknowns right now.”

He added, “Nobody is trying to put the cart before the horse. But it is essential to keep people open-minded and examine it seriously as an option.”

Redwood High School student Lucy Wong Ryniejski is a reporter with JCal, a collaboration between the Asian American Journalists Association and CalMatters.org to immerse high school students in California’s news industry.