

RESOLUTION NO. 2017-2096

**A RESOLUTION CONFIRMING THE ANNUAL SEWER SERVICE CHARGE
AND SUPPLEMENTAL SERVICE CHARGES FOR THE
LAS GALLINAS VALLEY SANITARY DISTRICT
FOR THE FISCAL YEAR 2017-18**

RESOLVED, by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, as follows:

WHEREAS, the District did on June 8, 2017 have a Public Hearing on the Proposed Increase in Sewer Service Charges and,

WHEREAS, the Board did on June 11, 2015 adopt Ordinance No. 166, which adopted the annual rate increases as outlined in the Proposition 218 Notification, a copy of which is attached as Exhibit A and incorporated into this resolution and,

WHEREAS, the Board pursuant to the adoption of Ordinance No. 166 desires to affirm that the maximum annual sewer service charge for the fiscal year 2017-18 is \$868 per year starting on July 1, 2017 as indicated in the Proposition 218 Notification referred to above and,

WHEREAS, the Board has carefully considered every avenue to reduce increases in the annual sewer service charge while continuing to adequately fund capital projects and operations and maintenance expenses and had determined that due to reductions in operating and maintenance expenses it can reduce the proposed increase in the annual sewer service charge for the fiscal year 2017-18 and charge \$867 instead of the previously approved \$868, and

WHEREAS, the Board finds that the annual sewer service charge is supported by evidence in the study it commissioned by its consultant and the charge meets the legal requirements of the California Constitution, Article XIII D, § 6 and Government Code §§ 53750 et seq., and

WHEREAS, on June 4, 2009, the Board approved Ordinance No. 142, An Ordinance Amending Title 5, Chapter 2, of the Ordinance Code of the Las Gallinas Valley Sanitary District, Regarding the Marin Lagoon Sewer Service Surcharge that the following sanitary sewer service surcharge, in addition to the annual sewer service charge, shall be:

Marin Lagoon Homeowners Association \$110 per annum, and

WHEREAS, on June 4, 2009, the Board approved Ordinance No.143, An Ordinance Adding Title 5, Chapter 3, of the Ordinance Code of the Las Gallinas Valley Sanitary District, Regarding the Captains Cove Sewer Service Surcharge that the following sanitary sewer service surcharge, in addition to the annual sewer service charge, shall be:

Captains Cove Homeowners Association \$100 per annum,

NOW THEREFORE, THE SANITARY BOARD OF THE LAS GALLINAS VALLEY SANITARY DISTRICT, MARIN COUNTY, CALIFORNIA, HEREBY RESOLVES THAT,

1. The annual sewer service charge of \$867 per sanitary unit shall be the rate for the fiscal year 2017-18;
2. The annual sanitary sewer service surcharge for the Marin Lagoon and Captains Cove areas will be as referenced above for the fiscal year 2017-18.

* * * * *

I hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly passed and adopted by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, at a meeting thereof held on June 8, 2017, by the following vote of the members thereof:

AYES, and in favor thereof, Members: *Clark, Elias, Greenfield, Murray, Schurman.*

NOES, Members: *None.*

ABSENT, Members: *None.*

ABSTAIN, Members: *None.*



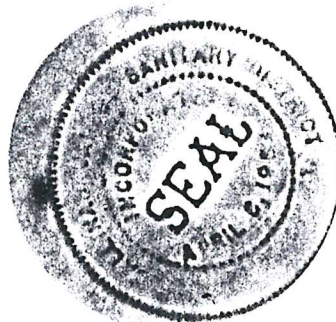
Teresa L. Lerch, District Secretary,
Las Gallinas Valley Sanitary District

APPROVE:



Russ Greenfield, Board President

(seal)



April 20, 2017

Pursuant to Government Code §53756(d)
NOTICE TO PROPERTY OWNERS

June 8, 2017 Public Hearing on Sewer Service Charge Increase

The District will hold a public hearing on its budget and sewer rates on Thursday, June 8, 2017, at 4:30 PM at the District's office, 300 Smith Ranch Road, San Rafael, CA 94903.

In 2015, a plan was approved that detailed sewer service charges through 2019-20. The 2017-2018 increase will be reviewed by the Board for approval at the public hearing.

Rate Change Explained

On June 11, 2015, the District approved a five-year sewer service charge increase plan at a public hearing in conformance with the requirements of Proposition 218. The rate increase took effect on July 1, 2015.

Funds from sewer service charges are used for all District services, including: maintenance, replacement and updating aging sewer system facilities to meet new stringent regulatory requirements. Making critical improvements helps the District avoid costly regulatory fines, protects public health, and safeguards the environment.

To cover the cost of critical services and upgrades, the District has approved increasing the rate from \$835 to \$868 per year per sanitary unit.

How the District Keeps Costs Down

The District maintains a small staff and proactively plans for and makes responsible investments in infrastructure and improvements. Good compliance with regulatory requirements has helped the District avoid costly fines that have been imposed on many other sanitary agencies.

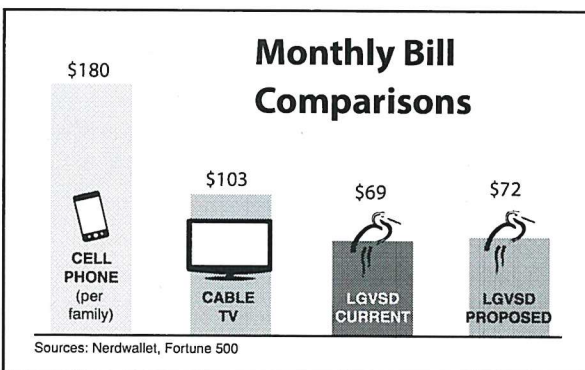
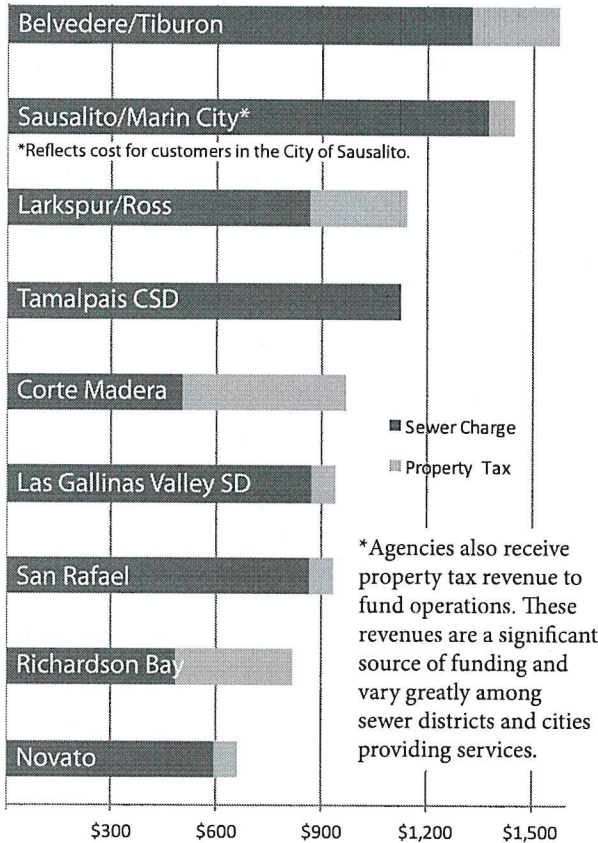
How the Funds are Being Used

While the majority of the funding is being reserved for the expansion and upgrade of the treatment plant (\$40 million), LGVSD has completed, or is working on, the following projects to date:

- Rehabilitating sewer and lower lateral pipelines (\$2 million); increasing capacity of sewer mains for high flow events.
- Rehabilitating pump stations and improving force mains.
- Proactively maintaining all areas to avoid equipment failure, make emergency repairs, and replace vehicles and equipment.
- A Biogas Energy Recovery System which is replacing a 20 year old methane fueled generator. This project will also clean the methane to CNG (compressed natural gas) quality to fuel the District's new CNG sewer maintenance truck.
- Rehabilitate the primary digester to improve solids decomposition and increase methane production for power generation and vehicle fuel.

LGVSD Rates* Remain Below County Average

The District's annual rates are among the lowest in the region, and even with the proposed increases are expected to remain below average.



Moving Forward on the Treatment Plant Upgrade

In order to address critical issues (aging infrastructure, changes in wastewater content, and new regulations), the District is embarking on one of the largest projects in the District's history with the Treatment Plant upgrade. It is expected to start in late 2017. When complete, LGVSD will be able to deliver full secondary biological treatment capacity for flows up to 18 million gallons per day (MGD), provide short-term storage for flows of 18 to 25 MGD, and raise the elevation of the secondary treatment facilities to make the plant more resilient against flooding and the impacts of sea level rise.

The design for the new Operations and Control Center is also underway, as part of the more broad treatment plant upgrade. The plans address general safety concerns, operational issues and sea level rise, but also use innovative and cost-effective ways to build the new structure. The Center will be built into the hillside, eliminating the need to construct a large retaining wall, thus generating significant cost savings.

In addition, the District recently signed an agreement with Marin Municipal Water District (MMWD) to expand the LGVSD 2012 Recycled Water Treatment Facility. The expanded facility will replace the existing MMWD facility which has reached the end of its useful life, allowing LGVSD to operate a single recycled water treatment plant. The expansion will improve efficiency and lower the cost to produce recycled water. It is more cost effective than upgrading the MMWD facility.

Summary of Las Gallinas Valley Sanitary District Sewer Service Charges for July 1, 2017 through June 30, 2018

This is the third year in an approved five-year program of rate changes. The amount and method for calculating charges for various classes of customer are outlined below.

Residential Rates Beginning July 1, 2017

Residential Rates: The annual sewer service charge for single family homes or similar residential units such as condominiums and mobile homes will be set at an amount of no more than \$868 per living unit for the fiscal year beginning July 1, 2017. Multi-family residential units such as apartments are charged 90% of the annual sewer service charge.

Non-Residential Rates Beginning July 1, 2017

Non-Residential Rates: The rates for non-residential customers are proportional to the rise in residential rates. Rates are calculated individually for each type of non-residential use as described below.

User Classes	Rate Calculation	Water Use Calculation
Domestic strength users: Commercial, office buildings, retail, churches, halls, public agencies, laundromats, service stations, medical offices, hospitals, convalescent/nursing homes, barber/beauty shops, and car washes	The annual sewer service charge rate times the average summer and winter water use times a strength factor of: 1.0	To calculate water use, the District obtains the average of winter and summer water usage for each non-residential customer from the Marin Municipal Water District. This data is then converted to a sanitary sewer unit by dividing by 16 CCF for a bi-monthly billing period. Water used solely for irrigation and recycled water that is not used for purposes that enter the sewer system, i.e. water not used for toilet flushing, laundry, commercial car washes, etc., is excluded from the calculation.
High strength users: Bakeries	3.2	
Markets with disposals	2.6	
Restaurants/Cafes	2.4	
Mortuaries, mixed uses/other, hotels with restaurants	2.0	
Industrial and other high-strength users	Contact the District for assistance	
Schools without showers or cafeteria facilities	0.01 times the annual sewer service charge rate per average daily attendance for students, faculty and employees	
Schools with showers or cafeteria facilities	0.02 times the annual sewer service charge rate per average daily attendance for students, faculty and employees	



300 Smith Ranch Road
San Rafael, CA 94903

Board of Directors

Megan Clark
Rabi Elias
Russell R. Greenfield
Craig K. Murray
Judy Schriebman

District Administration

Mark R. Williams, *General Manager*

Exhibit A

Because of legal noticing requirements, you may receive more than one copy of this notice. This notice applies to all properties receiving service from Las Gallinas Valley Sanitary District.

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**Our Commitment
to Excellence**

**Public Education and Outreach Award
Three-County Area
2012, 2013, 2014, 2015, 2016**

**Collection System of the Year
Three-County Area
2008, 2010, 2012, 2016**

**Excellence in Financial Reporting,
Certificate of Achievement, 2016**

**District Transparency Certificate of
Excellence by the Special District
Leadership Foundation**

To Protest the Proposed Changes

Protests against the proposed changes in the sewer service charges must be submitted in writing, must identify the owner(s) of the property or properties for which the protest is entered, and be signed by the property owner. They must be submitted to the District before the end of the public hearing to be held on June 8, 2017 at 4:30 P.M. If written protests against the proposed changes to the sewer rate methodology are presented by a majority of owners of affected parcels, the District will not approve the sewer service charge increases.

ATTEND THE RATE HEARING: June 8, 2017 at 4:30 P.M at the District's office
300 Smith Ranch Road, San Rafael, CA 94903

WEB: www.lgvsd.org **PHONE:** 415-472-1734 **EMAIL:** info@lgvsd.org

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.

This notice is being sent pursuant to Government Code § 53756(d). • *Printed on recycled paper using soy ink.*