

RESOLUTION NO. 2015-2041

**A RESOLUTION CONFIRMING THE ANNUAL SEWER SERVICE CHARGE
AND SUPPLEMENTAL SERVICE CHARGES FOR THE
LAS GALLINAS VALLEY SANITARY DISTRICT
FOR THE FISCAL YEAR 2015-16**

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

WHEREAS, the District did on June 11, 2015 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 2015-16 is \$748 per year starting on July 1, 2015 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 2015-16 and charge only \$734 instead of the previously approved \$748, 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 \$734 per sanitary unit shall be the rate for the fiscal year 2015-16;
2. The annual sanitary sewer service surcharge for the Marin Lagoon and Captains Cove areas will be as referenced above for the fiscal year 2015-16.

* * * * *

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 25, 2015, by the following vote of the members thereof:

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

NOES, Members: *None.*

ABSENT, Members: *None.*

ABSTAIN, Members: *None.*

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

APPROVE:

Rabi Elias, Board President



(seal)

New Hearing Date

Pursuant to Government Code §53756(d) • April 22, 2015

REVISED NOTICE TO PROPERTY OWNERS

June 11, 2015 Public Hearing on Changes to Sewer Service Charges

The Las Gallinas Valley Sanitary District will hold a public hearing on proposed changes to its sewer service charges on Thursday, June 11, 2015, at 6:00 PM at the District's treatment plant, 300 Smith Ranch Road, San Rafael, CA 94903. Proposed changes to the sewer service charges have been discussed at several public meetings and a study has been completed. The Board will take action on the proposed changes at the public hearing. A copy of the report is available for review at www.lgvsd.org and at the District Offices.

Rate Change Explained

On June 5, 2014, the District approved changes in its sewer rate methodology, which resulted in rate changes which are effective from July 1, 2014 through June 30, 2015.

The District is proposing a five-year sewer service charge increase plan to be effective on July 1, 2015. Funds from sewer service charges are used for all District services, including: maintenance, replacement and updating of aging sewer system facilities to meet new stringent regulatory requirements. Making critical improvements helps the District to protect public health, safeguard the environment, and avoid costly regulatory fines.

To cover the cost of critical services and upgrades, the District currently charges an annual sewer service charge of \$647 per year, per single family residence. The charges proposed for each of the next five years are

shown on the inside of this document.

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.

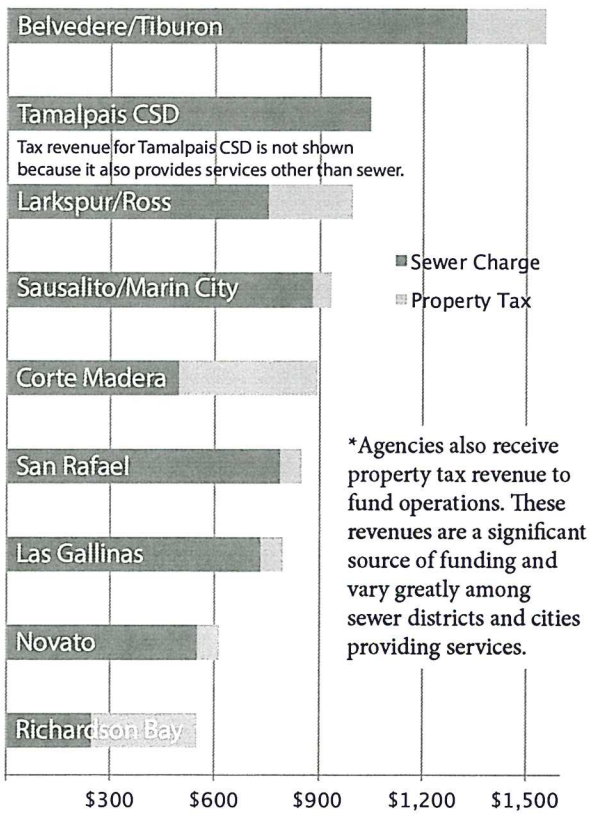
The District has a lengthy track record of excellent service to its customers, consistently low rates compared to other agencies, effective and safe operations, and a continuing commitment to protecting the environment. Additional funding from a sewer service charge increase is required so that the District can continue this success into the next decade and beyond, by maintaining, repairing, upgrading, and rehabilitating its systems to address changes in the components of wastewater, aging facilities, and new regulations.

Join us for a public tour!

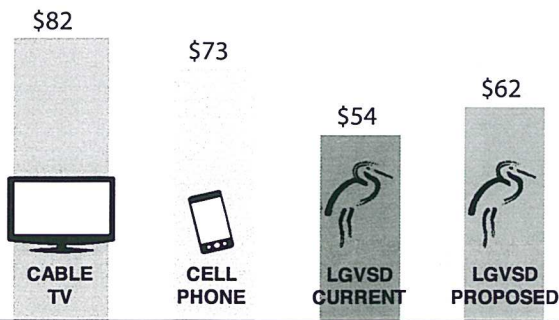
You're invited to a public tour of the LGVSD Treatment Plant. Learn about District services and the wastewater treatment process on Thursday, June 11, 2015, 4:30 PM, just before the Public Hearing. Please RSVP by June 9 to 415-472-1734.

LGVSD Rates* Remain Below County Average

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



Monthly Bill Comparisons



Sources: FCC, JD Powers

Aging Facilities, Changes in Wastewater Components, and New Regulations Require Ongoing Investment

There are several key areas where additional funding from proposed rate increases will be applied, including:

- Sewage Treatment Plant: \$33 million dollar replacement of obsolete and failing treatment facilities.
- Sewer Pipeline Collection System: Rehabilitate sewer and lower lateral pipelines; increase capacity of sewer mains for wet weather/high flow events and address other wet weather capacity issues; continued funding for the Sewer Lateral Rehab Assistance Program.
- Pump Stations/Force Mains: Rehabilitate pump stations; improve force mains.
- Reclamation Area: Improve/increase maintenance of the District's Reclamation Area, including levees and public trails; maintenance of Miller Creek for District facilities flood protection.
- General Upgrades and Repairs: Proactively maintain all areas to avoid equipment failure, make emergency repairs, and replace vehicles and equipment.

In addition to proposed increases in residential sewer service charges, the changes will also affect "connection fees," which are the one-time fees paid by developers/builders of new houses/buildings. These fees represent new users' "fair share" of the capital costs which have been incurred to build out the sewer system to its present state.

Summary of Proposed Las Gallinas Valley Sanitary District Sewer Service Charges for July 1, 2015 Through June 30, 2020

Proposed Residential Charges: Single-family homes or residential units such as condominiums and mobile homes – Annual Sewer Service Charge Rate per living unit. Multi-family residential units such as apartments – 90% of the Annual Sewer Service Charge Rate per living unit.

Current Rate: \$647 per year

Proposed Rate:

2015/16 - \$748 per year, increase of \$101

2016/17 - \$835 per year, increase of \$87

2017/18 - \$868 per year, increase of \$33

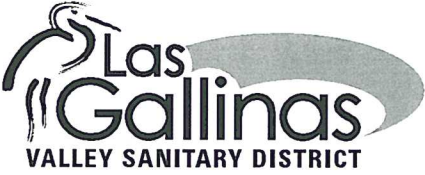
2018/19 - \$898 per year, increase of \$30

2019/20 - \$927 per year, increase of \$29

Proposed Non-Residential Sewer Service Charges:

Rates for non-residential customers are proportional to the rise in residential rates. Rates are calculated individually for each type of non-residential use, based on water usage and a strength factor, which is an average cost to treat wastewater from a particular type of non-residential customer.

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	



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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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*

**Our Environmental
Commitment**

- Won Statewide Award in 2012
for Public Education and Outreach
- Collection System of the Year
Three-County Area, 2008, 2010, 2012
- Excellence in Financial Reporting,
Certificate of Achievement, 2014
- 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 11, 2015 at 6:00 PM. 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 11, 2015 at 6:00 PM in the Recycled Water Building at the District's treatment plant, 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).