



Central Marin Sanitation Agency

COMMISSION REGULAR MEETING AGENDA

December 10, 2024

Hybrid Meeting

6:00 p.m.

NOTE: This is a Hybrid Board meeting and will be held in-person in the Board Room of the Central Marin Sanitation Agency located at 1301 Andersen Drive, San Rafael CA 94901 and via Zoom®.

If you would like to participate via Zoom, click the link below or copy and paste the address into your browser. You may also phone-in at the number below.

Join Zoom Meeting

Online:

<https://us06web.zoom.us/j/83773672522>

Phone in:

+1 253 215 8782

Meeting ID:

837 7367 2522

Public Comment: Members of the public may directly address the Board on any item appearing on the Agenda. They may address the Board when the item is called by the Board Chair and he/she indicates it is the time for the public to speak to the agenda item. Public comments can also be submitted via email to the Recording Secretary at telam@cmsa.us.

The public comment period opens when the agenda is posted online and will close two hours prior to the start of the meeting. Include your name and the item you'd like to provide written comment on. Written comments submitted will be shared with the Board before the meeting, summarized during the Open Period for Public Participation, and included in the meeting proceedings.

To provide comments virtually during the meeting:

- If in the Zoom teleconference, use the “raise hand” feature. The Host will notify and unmute you when it is your turn to speak.
- If on a phone, press *9 (“star + 9”), and the Host will notify and unmute you when it is your turn to speak.

If you experience an issue providing comments in the meeting, please email those comments to the Recording Secretary at telam@cmsa.us.

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AGENDA

1. **6:00 p.m.: Call Meeting to Order**

2. **Pledge of Allegiance**

3. **Roll Call**

4. **Agenda Review & Approval**

5. **Open Period for Public Participation**

Open time for public expression, up to two minutes per speaker, on items within CMSA’s jurisdiction and not on the Board of Commissioners’ agenda. The Board will not discuss or take action during open time, but Board members may briefly respond to statements made or questions proposed by the public, ask for clarification from staff, refer the matter to staff, or request staff to report back to the body at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.

6. **Consent Calendar**

a)	Minutes – Regular Board Meeting, November 7, 2024
b)	Treasurer’s Report – November 2024
c)	November 2024 NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report
d)	Performance Metric Report – November 2024
e)	Sole Source Specifying Eaton Motor Control Center Components
f)	California Association of Sanitation Agencies 2025 Winter Conference
g)	Technical Services Manager/Assistant General Manager Job Description
h)	Revised Disposal of Surplus Assets Policy

7. **FY24 Annual Comprehensive and Popular Financial Reports**

Recommendation: Accept the FY24 Annual Comprehensive and Popular Financial Reports, as presented or with Board comments and/or revisions.

8. **Legal Counsel Attendance at Board Meetings**

Recommendation: Discuss options for legal counsel to attend Board meetings and provide direction to staff.

9. **Outfall Interior Solids Removal Services – Project Completion**

Recommendation: Accept the Outfall Interior Solids Removal Services Contract as complete and authorize the General Manager to file the Notice of Completion with Marin County.

10. **Authorization to Bid the FY25 Parking Lot Rehabilitation Project**
Recommendation: : Adopt the construction contract documents for the Parking Lot Rehabilitation Project and authorize advertising the Project for public bidding.
11. **November 2024 Informational Items**
Recommendation: Informational, provide comments or direction to the General Manager, as appropriate.
12. **North Bay Watershed Association (NBWA) Report***
13. **Oral Reports by Commissioners***
14. **Oral Reports by General Manager***
15. **Items for Next/Future Agendas**
16. **Next Scheduled Regular Meeting**
Tuesday, January 14, 2025 at 6:00 p.m.

*Information not furnished with Agenda

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



Central Marin Sanitation Agency

COMMISSION SPECIAL MEETING MINUTES November 07, 2024 Via Hybrid Meeting

NOTE: The minutes are an official record of the Board meeting. There are also official audio and video recordings available on the Agency's website at www.cmsa.us. The time stamps on these minutes refer to the items' start times on the video recording of the meeting.

Please contact CMSA at 415-459-1455 for information about receiving a copy of these records.

1. Call Meeting to Order

2. Pledge of Allegiance

Chair Beckman called the meeting to order at 5:30 p.m. A quorum was present.

3. Roll Call

00:00:26

Present: Commissioners Eli Beckman , Dean DiGiovanni, Doug Kelly, Mary Sylla, and Alan Zahradnik.

Absent: Maribeth Bushey

Staff Present: Jason Dow, General Manager; Corey Spray, Administrative Services Manager; Nick Talbot, Treatment Plant Manager; Peter Kistenmacher, Technical Services Manager; and Tiffany Elam, Recording Secretary

Public Present: CMSA General Council, Brandon Halter; Michael Colantuono, RVSD Attorney; and Felicia Newhouse

4. Adjourn to Closed Session - Conference Legal Counsel – Anticipated Litigation

00:00:39

Significant exposure to litigation pursuant to California Government Code Section 54956.9(d)(2).

5. Reconvene in Open Session

00:01:02

No action was taken by the Board.

6. Open Period for Public Participation

00:01:11

There were no comments from members of the public.

7. Agenda Review & Approval

00:01:49

Agenda approved.

8. Open Period for Public Participation

00:02:00

There were no comments from members of the public.

9. Consent Calendar

00:02:15

a)	Minutes – Regular Board Meeting, October 8, 2024
b)	Treasurer’s Report – October 2024
c)	October 2024 NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report
d)	Performance Metric Report – October 2024
e)	Sole Source Specify Equipment for Grit Classifier Project
f)	FY24 Capacity Charge Schedule
g)	GM Contract amendment #5
h)	FY25 First Quarter Budget Status Report
i)	Aeration Tank No. 1 & No. 4 Effluent Channel Slide Gate Replacements

Sylla stated Michael Colantuono’s name was spelled incorrectly in the minutes.

Agency staff stated they would update the minutes to the correct spelling.

Comments from the Public

There were no comments from members of the public.

ACTION:	Commissioner Kelly moved to approve items 6a to 6i; second, Commissioner Sylla.
DIRECTION:	
VOTE:	The item was passed unanimously.
AYES:	Beckman , DiGiovanni, Kelly, Sylla, Zahradnik
NAYS:	None
ABSTAIN:	None

10. FY24 Audit Presentation

00:03:42

GM Dow introduced Administrative Services Manager, Corey Spray to discuss the Audit Presentation.

ASM Spray discussed several fiscal year highlights from page 76 from the board agenda, stating cash reserves increased by \$800,000, the Pension Trust increased by \$600,000, the Agency is making bond debt service payments; the net pension liability funding increased to 88%, and the net OPEB liability increased, noting the Agency had a funding plan which would significantly decrease costs by 2039. ASM Spray introduced the Agency’s Independent Financial Auditor, David Alvey, CPA with Maze and Associates.

Mr. Alvey provided the Board with a power point presentation on the audit process, which he stated was completed in two sections, with the first being the interim audit which focuses on the internal controls and checks and balances and the second being field work where the agencies

balances were reviewed and substantiated. Stating the Agency received a ‘Clean Audit Opinion’ which is the highest level of assurance a CPA could provide an Agency. Mr. Alvey noted page 122 and 123 of the agenda packet stating Agency assets increased by 1.4 million, liabilities decreased by 2.7 million, revenue increased by 1.3 million, and expenses increased due to the pension and OBEB liabilities. Mr. Alvey stated overall the Agency had a strong financial position as it has increased its reserves and is paying down debt in a timely manner.

The Board asked clarifying questions regarding the Agencies net position.

Mr. Alvey provided a summary of the Management Letter which showed no material weaknesses, no significant deficiency, no unusual transactions or management assumptions.

The Board expressed their thanks to Agency staff for their work on the audit.

Comments from the Public

There were no comments from members of the public.

ACTION:	Commissioner Sylla moved to accept the Agency’s FY24 audited financial statements; second, Commissioner DiGiovanni.	
DIRECTION:	None	
VOTE:	The item was passed unanimously.	
	AYES:	Beckman , DiGiovanni, Kelly, Sylla, Zahradnik
	NAYS:	None
	ABSTAIN:	None

11. San Quentin Pump Station Auger Grinder Screen Procurement

000:17:00

GM Dow provided the background of the 2020 Wastewater Service Agreement between CMSA and CDCR which allocated \$1.1 million for asset management projects over the agreement's five-year term. GM Dow stated the Agency completed several large asset management projects and CDCR requested Agency staff to identify and recommend projects for the remaining allocated funds of \$337,000 for additional work. The agency provided CDCR their recommendations, all were approved, and the first project is to replace the auger grinder screen as the previous system was installed over 20 years ago.

The Board asked clarifying questions regarding Agency reimbursement by CDCR.

GM Dow stated CDCR would reimburse the Agency for all expenses on the project and other minor projects on the approved project list.

Comments from the Public

There were no comments from members of the public.

ACTION:	Commissioner Kelly moved to authorize the General Manager to purchase a JWC Auger Monster grinder screen system, not to exceed \$138,084; second, Commissioner Sylla.	
DIRECTION:	None	

VOTE:	The item was passed unanimously.	
	AYES:	Beckman , DiGiovanni, Kelly, Sylla, Zahradnik
	NAYS:	None
	ABSTAIN:	None

12. Revised OPEB Funding Plan

000:12:57

GM Dow provided the Board with the history of the OPEB Trust Fund, which was started in 2010, and the annual OPEB funding plan. GM Dow stated the goal of the funding plan is to have all Agency retiree medical expenses be funded completely by the plan by 2039. The Finance Committee reviewed three updated funding plans, and recommend the Agency fund the plan starting next year and increase the retiree medical expense reimbursement rate from 75% to 80% for all succeeding years, with no current year contribution.

The Board asked clarifying questions regarding the contribution start year.

GM Dow concurred.

Commissioner Kelly thanked the Finance Committee for their work.

Comments from the Public

There were no comments from members of the public.

ACTION:	Commissioner Sylla moved to approve the revised OPEB Funding Plan; second, Commissioner DiGiovanni.	
DIRECTION:	None	
VOTE:	The item was passed unanimously.	
	AYES:	Beckman , DiGiovanni, Kelly, Sylla, Zahradnik
	NAYS:	None
	ABSTAIN:	None

13. Renaming the Ad Hoc Committee

00:27:21

GM Dow stated Commissioner Sylla sent an email requesting the renaming of the Ad-hoc committee and gave the floor to Commissioner Sylla to present.

Commissioner Sylla stated, she believed the current title of the ad hoc committee did not reflect the scope in which the committee is moving towards based on her conversations with SRSD board members and others. Noting that she met with San Rafael Mayor Kate Collin regarding this issue and changing the committee scope and name, and it did not seem problematic.

Chair Beckman stated he was fine with renaming the committee and noted that the ad hoc committee affirmed its current scope of work as established by the CMSA Board at their meeting on November 6, 2024. Noting that the name change suggested a broader scope of work than what the committee was working on, but he was fine with a name change.

Commissioner Sylla asked Commissioner Beckman to provide the current scope of the committee. Chair Beckman stated overseeing and guiding the process of developing a proposed service agreement for SRSD, which includes bringing in a consultant to advise.

Commissioner DiGiovanni clarified the scope of work did not specifically state using a consultant, but the committee is bringing in a consultant who would review the white paper and utilize what was applicable and incorporate it into the draft agreement. Noting the committee’s mission did not change.

Commissioner Sylla asked if the scope of work included considerations for other alternatives as there was no background as to why this contract was chosen by SRSD to address their personnel issues.

Commissioner Beckman clarified the consultant’s scope of work would include a high-level review of the evaluation background.

Commissioner Sylla asked if that would include potential alternatives as she believed this was one of the reasons the consultant was being brought in.

Chair Beckman stated that would not be a part of the consultant’s scope of work. Noting the Boards job was to develop a service agreement and determine if they want to approve it, not to determine if it was the best option for SRSD to choose.

Commissioner Sylla stated the functional consolidation that would take place by managing this contract would make it unworkable and the shared costs would be un-trackable, and the Board should think about that as Agency representatives.

Comments from the Public

There were no comments from members of the public.

ACTION:	Commissioner Sylla moved to approve renaming the Ad Hoc Committee to the Committee of CMSA JPA member representatives to consider the JPA's Organization Development Future; second, Commissioner Kelly.	
DIRECTION:	None	
VOTE:	The item was passed by a vote of 3 to 2.	
	AYES:	Beckman , Kelly, Sylla
	NAYS:	DiGiovanni, Zahradnik
	ABSTAIN:	None

14. RVSD October 23, 2024, Letter

00:34:30

GM Dow stated Commissioner Sylla asked for the letter to be placed on the Agenda and gave the floor to Commissioner Sylla to present.

Commissioner Sylla stated the white paper written by an RVSD consultant showed that JPA’s that succeed receive similar services and the contract being discussed will mean SRSD will receive enhanced services, noting that SD2 receives these services as well but the size of the contracts are

different. Commissioner Sylla pointed out that SRSD and RVSD each contribute 40%, 6-to-7-million-dollar range, in treatment plant revenues, with SD2 at 10%, 1.5 million. Noting that the balance sat between RVSD and SRSD and there would be an imbalance if SRSD brought their employees over. Noting the potential threat of cross-subsidies, changes over time, issues with tracking and merging of staff, with the contract making SRSD a customer of the Agency and an owner of CMSA by sitting on the board which would create a conflict of interest.

GM Dow clarified that the JPA did not state that the members are owners of CMSA.

Sylla stated the white paper pointed out SRSD had labor and employment issues and questioned why the JPA should take on these issues. Stating no information has been provided with any information as to how this would be solved by bringing staff over to CMSA, which could become legacy problems. Commissioner Sylla also noted the potential opportunity costs, if SRSD staff/new building were placed on Agency property, which would take away space to build for JPA nutrient removal purposes. Commissioner Sylla stated the potential loss of GM time and attention to detail for the service of the JPA may be a lost opportunity cost.

Mr. Colantuono stated the paper was prepared by a retired city manager, who was tasked with providing the Board with an experienced managers perspective with this merger, which represents RVSD's concerns. With the purpose of keeping JPA members collaborating with elected officials and not with lawyers, Mr. Colantuono advised the Board that all concerns should be heard in order to meet an outcome that meets everyone's needs and suggests the white paper be viewed in the spirit of collaboration and looked forward to further dialogue.

Commissioner DiGiovanni stated he appreciated the preparation of the white paper and was committed to looking out for the best interest of the JPA and the Agency.

Commissioner Zahradnik stated he appreciated the concerns that were raised by the white paper and agreed it was right to raise such concerns, noting he would be weighing the pros and cons on behalf of the Agency. Stating that as he did not sit on the ad hoc committee, he believed they should continue moving forward, as comments and concerns are being received and appear to be being addressed by the committee. Commissioner Zahradnik stated he was satisfied with the process and hopes they will all continue to work together to come to an agreement.

Chair Beckman appreciated RVSD sharing the white paper and believed it would be a helpful roadmap of questions and concerns to be considered and agreed with Mr. Colantuono to take all questions into account. Noting he believed the white paper missed a couple foundational points stating GM Dow would not take direction from SRSD and would only take direction from the Agency Board. Noting if the contract was approved the Agency would be agreeing to a new scope of work and therefore staffing up accordingly to take on that said scope of work. Chair Beckman stated he believed the white paper was a good tool to help guide the development of a thoroughly developed proposal to make sure as many of the questions they can think of collectively would be answered.

Commissioner Sylla asked clarifying questions regarding SRSD staff transition to CMSA and if SRSD staff would be required to interview or if they would receive guaranteed jobs.

GM Dow stated the current vision would be for the sixteen SRSD employees to resign, and the same day be hired by the Agency with all SRSD staff going through the standard hiring process

which includes background checks, medical evaluation, functional capacity test prior to being provided an employment agreement.

Commissioner Sylla asked if they would all be guaranteed jobs regardless of potential performance issues noting that there are morale issues and wanted to know why the Agency would not interview employees and post the positions.

GM Dow clarified the Agency would discuss staff performance with the SRSD manager and key staff regarding any issues.

Chair Beckman stated this was a key area that needs to be flushed out but there is currently not an answer for that right now.

Commissioner Sylla pointed out that this was an issue the white paper pointed out that SRSD is having recruitment and retention issues, and this contract was the issue, but we do not have any evidence that this would solve that problem.

Commissioner Kelly stated he appreciated everyone's input and noted the RVSD board did not think this contract was going in the right direction.

Comments from the Public

There were no comments from members of the public.

- | | |
|--|-----------------|
| 15. October 2024 Informational Items | 00:51:38 |
| ACTION: This item was informational no action was taken. | |
| 16. North Bay Watershed Association (NBWA) Report | 00:51:59 |
| Nothing to report. | |
| 17. Oral Reports by Commissioners | 00:52:24 |
| Nothing to report. | |
| 18. Oral Reports by General Manager | 00:52:30 |
| GM Dow referred to his handout and reported: | |
| <ul style="list-style-type: none">• Summary of Ad hoc SRSD Contract Development work expenses.• Status of Tidal Marin work on the outfall and they have cleaned out two thirds of the diffuser section. | |
| 19. Items for Next/Future Agendas | 00:54:22 |
| Nothing stated. | |
| 20. Adjourn to Closed Session - Public Employee Performance Evaluation | 00:54:28 |
| PUBLIC EMPLOYEE PERFORMANCE EVALUATION | |
| Title: General Manager California | |
| Government Code Section 54957 | |

21. Reconvene in Open Session

Chair Beckman reported the Board approved General Managers annual workplan.

22. Next Scheduled Meeting

The Board has scheduled a Regular meeting for Tuesday, December 10, 2024 at 6:00 p.m.

Chair Beckman adjourned the meeting at 7:25 p.m.

Respectfully submitted,

Tiffany Elam, Recording Secretary

Mary Sylla, Secretary

DRAFT

TREASURER'S REPORT
As of the Month Ended November 30, 2024

Description	Account Type	Book Value	Market Value (1)	% Portfolio	Budget / Proj Year End
Cash and Investments:					
WestAmerica Bank (See Schedule 1 for Account Activity)	Operating Acct	\$ 498,742.59	\$ 498,742.59		
US Bank 2015 & 2020 Revenue Bonds (Restricted)	Debt Serv Acct	9,339.13	9,339.13		
US Bank 2022 Pension Oblig Bonds (Restricted)	Debt Serv Acct	1,002.68	1,002.68		
Keenan Benefit Trust (Restricted)	Pension Stab Trust	949,742.72	949,742.72		
CAMP Cash Reserve Pool: 4.87%	Investment Acct	429,116.43	429,116.43		
Local Agency Investment Fund (LAIF): 4.518%	Investment Acct	19,944,411.85	19,944,411.85		
Total cash and investments		\$ 21,832,355.40	\$ 21,832,355.40	100.0%	
Designations of Cash and Investments:					
Current Operating Fund (2)		1,000,000.00	1,000,000.00	4.6%	
Debt Service Accounts (Restricted)		10,341.81	10,341.81	0.0%	
Employee Benefit Trust (Restricted)		949,742.72	949,742.72	4.4%	
Capital Reserves (Restricted) (3) - See Schedule 2		1,130,587.19	1,130,587.19	5.2%	1,125,100
Operating Reserve (Unrestricted) (4)		4,302,500.00	4,302,500.00	19.7%	4,302,500
Capital Reserves (Unrestricted) (5) - See Schedule 2		13,939,183.68	13,939,183.68	63.8%	7,713,280
Contingency and Emergency Reserve (Unrestricted)		500,000.00	500,000.00	2.3%	500,000
Total designations of cash and investments		\$ 21,832,355.40	\$ 21,832,355.40	100.0%	

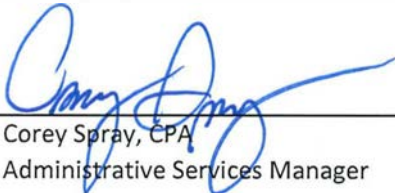
NOTES:

- (1) Market values are per the fiscal agent's respective monthly statements
(2) Current operating fund is the residual of the other designations
(3) Includes capacity charges and debt service coverage

- (4) Operating reserves calculated at 25% operating budget
(5) Includes capital fee

Statement of Compliance

The above portfolio of investments is in compliance with the Agency's investments policy, adopted annually, and California Code Section 53601, authorized investments, and 53646, investments policy. In addition, the Agency does have the financial ability to meet its cash flow requirements for the next six months.


Corey Spray, CPA
Administrative Services Manager

Central Marin Sanitation Agency
Schedule 1 - Operating Account Activity Schedule
For the Month of November 2024

Beginning Balance at November 1, 2024	\$ 1,010,520.94
 <i><u>Cash Receipts (Deposits into Westamerica):</u></i>	
Transfers from LAIF	\$ 1,000,000.00
Capacity Charges: (SD#2: 10 fixtures)	4,913.40
Permit and Inspection Fees	3,213.00
LGVSD - FOG & Pollution Prevention (FY25 1Q Jul-Sep)	1,847.38
RVSD - FOG Program (FY25 1Q Jul-Sep)	2,789.83
SRSD - FOG Program (FY25 1Q: Jul-Sep)	2,353.74
TCSD - FOG Program (FY25 1Q: Jul-Sep)	1,006.60
Revenue from Septage Haulers & RVs	3,732.40
Revenue from Organic Waste Programs	8,114.60
Health & Safety Program Revenue (NSD: FY25 2Q Salary/Benefits)	31,390.12
County-wide Public Education Program (FY24 4Q: LGVSD, NSD, SASM, SD#5, SMCSO)	2,599.96
SQSP Wastewater Services Contract (FY25 September)	137,991.68
SQ Village Operations & Maintenance Contract (FY25 September)	949.02
Marin Airporter Property Use (FY25 November)	6,125.25
Revenue from NBWA Treasury Services	3,770.13
Interest Income: Westamerica Bank Sweep Account	909.83
Bank reconciliation period posting adjustment	246.21
Voided check(s)	49.50
	\$ 1,213,602.08
 <i><u>Cash Disbursements (Withdrawals from Westamerica):</u></i>	
November 2024 Operating account disbursements register (see Schedule 1a)	\$ 1,051,180.32
Regular Payroll paid 11/01/24	169,305.93
Regular Payroll paid 11/15/24	181,680.27
Regular Payroll paid 11/29/24	169,640.15
Board compensation reported as full stipend on Disbursement Register (paid November payroll)	(1,575.00)
Final Separation Pay (1)	14,197.42
Transfers to EFTPS Federal Payroll Taxes (11/01, 11/15, 11/29)	138,864.00
November bank reconciliation adjustment	1,476.43
Bank and Credit Card Fees	610.91
	\$ 1,725,380.43
Total Cash Disbursements	\$ 1,725,380.43
Ending balance at November 30, 2024	\$ 498,742.59

Central Marin Sanitation Agency
Schedule 1a - Operating Account Disbursements Register
For the Month of NOVEMBER 2024

Number	Date	Vendor/Payee	Amount	Description
2026034	09/30/2024			Last check from prior month's register
2026035	11/01/2024	California State Disbursement	348.92	Garnishment for pay date 11/1/2024
2026036	11/01/2024	California State Disbursement	685.50	Garnishment for pay date 11/1/2024
2026037	11/01/2024	Byron Jones	167.79	Reimbursement for retiree health benefits
2026038	11/01/2024	Chris Finton	864.41	Reimbursement for retiree health benefits
2026039	11/01/2024	Jean St.Louis	864.41	Reimbursement for retiree health benefits
2026040	11/01/2024	Phillip Frye	167.79	Reimbursement for retiree health benefits
2026041	11/01/2024	EDIS	25,765.07	Dental replenishment and monthly fee, November 2024
2026042	11/01/2024	Aurora Alexander	230.00	Employee Reimbursement: Operator Grade III examination fee reimbursement
2026043	11/01/2024	Jason Dow	301.00	Employee Per Diem: CALPELRA conference
2026044	11/01/2024	Scott Hayes	550.00	Employee Reimbursement: Wastewater Operator test
2026045	11/01/2024	Mark Koekemoer	301.00	Employee Per Diem: CALPELRA conference
2026046	11/01/2024	Nicholas Talbot	301.00	Employee Per Diem: CALPELRA conference
2026047	11/01/2024	Peter Kistenmacher	301.00	Employee Per Diem: CALPELRA conference
2026048	11/01/2024	Dustin Rice	24.00	Employee overtime time meal reimbursement for unscheduled OT
2026049	11/05/2024	CASA	19,100.00	Membership renewal through December, 2025
2026050	11/05/2024	Kemira	17,219.38	Ferric chloride (1 delivery)
2026051	11/05/2024	Lystek International LTD	12,371.10	Biosolids beneficial reuse fee, September 2024
2026052	11/05/2024	Marin Resource Recovery Center	210.00	Trash disposal (1 invoice)
2026053	11/05/2024	Marin Water	4,164.33	Water service (4 invoices), 08/13-10/14/2024
2026054	11/05/2024	PG&E	16,638.26	Electricity service, 9/18-10/16/2024 (2 Invoices)
2026055	11/05/2024	Shamrock Building Materials	107.75	Propane
2026056	11/05/2024	Staples	272.20	Office supplies
2026057	11/05/2024	Thatcher Company of California, Inc.	8,731.00	Sodium bisulfite (1 delivery)
2026058	11/05/2024	Two Rivers Terminal LLC	24,813.96	Nitrate (2 deliveries)
2026059	11/05/2024	UBEO Business Services	1,301.94	Usage payment for three printer/copiers, 7/17-10/16/2024
2026060	11/05/2024	Univar USA Inc	50,924.01	Sodium hypochlorite (3 deliveries)
2026061	11/05/2024	USP Technologies	71,332.39	Hydrogen Peroxide (8 invoice)
2026062	11/06/2024	Automation Direct Co., Inc.	73.74	Electrical contactor and relay
2026063	11/06/2024	Constellation Energy Corporation	1,248.25	Natural gas supply, September 2024
2026064	11/06/2024	Don & Wolf Associates Inc	83.74	Testo analyzer filters
2026065	11/06/2024	Downey Brand LLP	288.75	Legal Services: Real Estate Law, September 2024
2026066	11/06/2024	Fastenal Company	464.04	LOTO locks
2026067	11/06/2024	Hagel Supply Co.	262.52	Janitorial supplies
2026068	11/06/2024	Water Components & Bldg. Supp.	48.13	PVC fitting and pipe plug
2026069	11/06/2024	Black & Veatch	10,949.00	Prof Svcs: Design - Centrifuge Dewatering Improvements Project, 08/31-09/20/2024 (Payment #14)
2026070	11/06/2024	Blue Sky Environment, Inc.	32,850.00	Jenbacher emissions testing services
2026071	11/06/2024	Clipper Controls	9,439.56	Laboratory sample refrigeration (2 invoices)
2026072	11/06/2024	Don & Wolf Associates Inc	2,519.36	Methane sensor
2026073	11/06/2024	Dotto Glass Inc	3,496.00	Skylights for Headworks building
2026074	11/06/2024	Flo-Line Technology	8,131.27	Ferric pump rebuild kit
2026075	11/06/2024	Frank A. Olsen Co	925.35	Electrical circuit board
2026076	11/06/2024	Grainger	3,407.76	Plant pump replacement
2026077	11/06/2024	Hach Company	15,543.84	COD digestion vials, silicone pump tubing, effluent turbidity meter, inline ammonia monitoring (5 invoices)
2026078	11/06/2024	Hagel Supply Co.	544.05	Janitorial supplies
2026079	11/06/2024	International Accreditation Service, inc	7,500.00	ELAP Third party assessment
2026080	11/06/2024	Kone Inc	1,361.96	Elevator repairs, October 2024
2026081	11/06/2024	Linde Gas and Equipment	578.32	Nitrogen gas
2026082	11/06/2024	Maze & Associates	2,050.00	Professional Services: FY24 Audit (final payment)
2026083	11/06/2024	Mettler Toledo LLC	879.05	Analytical balance annual service
2026084	11/06/2024	Rock Steady Juggling	3,000.00	Public Ed Program: Presentation for two schools (Note B)
2026085	11/06/2024	Ross Valley Sanitary District	9,864.84	Public Ed ads on Comcast 11/2023-11/2024 (Note B)
2026086	11/06/2024	State Water Resources Control Board	1,950.00	ELAP amendment of accreditation application
2026087	11/12/2024	Grainger	1,199.93	Centrifuge belt, fuse puller, pressure gauge, welding torch tip, face shield, tool bit holder, shelves, motor start capictor, safety supplies (10 invoices)
2026088	11/12/2024	GSE Construction Company Inc.	10,394.97	Organic waste receiving station hatch widening project (final payment)

Number	Date	Vendor/Payee	Amount	Description
2026089	11/12/2024	Horizon Dist. Inc	936.01	Groundskeeping supplies: Herbicide, fertilizer, sprinklers, chainsaw chain (4 invoices)
2026090	11/12/2024	Jackson's Hardware	522.99	Misc. hardware supplies, October 2024
2026091	11/12/2024	Marin Color Service	482.96	Paint and painting supplies, October 2024
2026092	11/12/2024	Mary Jo Ramey	59.97	Employee purchase reimbursement: Mill Valley Trunk or Treat (Note B)
2026093	11/12/2024	Staples	64.99	Office supply: Laboratory labeler
2026094	11/12/2024	State Water Resources Ctrl Brd	44.00	Certification renewal, 1 employee
2026095	11/15/2024	California State Disbursement	685.50	Garnishment for pay date 11/15/2024
2026096	11/15/2024	California State Disbursement	348.92	Garnishment for pay date 11/15/2024
2026097	11/19/2024	Home Depot Credit Services	2,383.03	Maintenance parts and supplies, July-October 2023
2026098	11/19/2024	Caltest Analytical Laboratory	4,781.35	NPDES Permit sample analyses, July 2024
2026099	11/19/2024	Certified Laboratories	2,088.28	Corrosion inhibitor
2026100	11/19/2024	ERA, A Waters Company	410.59	Wastewater coliform microbe sample kit
2026101	11/19/2024	Graybar	1,083.40	Electrical conduit SD-2 meter vault
2026102	11/19/2024	Harrington Industrial Plastics	2,337.85	Biotower odor mister, pulsation dampener (2 invoices)
2026103	11/19/2024	Inductive Automation	8,028.00	Annual ignition SCADA support and maintenance
2026104	11/19/2024	Manco	11,649.13	Electrical equipment, RAS pump
2026105	11/19/2024	Motion Industries, Inc.	2,181.71	Hydraulic cylinder
2026106	11/19/2024	Nickell Fire Protection Inc	855.00	Fire sprinkler system inspection
2026107	11/19/2024	Northeast-Western	5,118.35	Valve monitoring device, LTSA Jenbacher preventive maintenance:
2026108	11/19/2024	Rockwell Solutions	9,539.27	TWAS pump rebuild kit
2026109	11/19/2024	Ronald C Nerviani	620.00	Annual backflow device testing
2026110	11/19/2024	Shields, Harper & Co.	896.94	Leak sensor
2026111	11/19/2024	Sta-Clean Services Inc	11,400.00	Janitorial service, August-October 2024
2026112	11/19/2024	Top Line Engineers Inc	17,200.00	Concrete repair and grout injection (final payment)
2026113	11/20/2024	VWR International	2,773.62	Laboratory supplies, October-November, 2024
2026114	11/21/2024	A and S Landscape Materials, Inc	86.85	Groundskeeping supplies
2026115	11/21/2024	Alameda Electrical Dist Inc	258.58	Electrical conduit
2026116	11/21/2024	Aleshire & Wynder LLP	1,620.69	Legal Services: Employment Law, October 2024
2026117	11/21/2024	Anchor Scientific Inc	66.65	SD2 PS parts: float (Note B)
2026118	11/21/2024	AT&T Corp	187.83	Monthly internet fee, November 2024
2026119	11/21/2024	Automation Direct Co., Inc.	156.23	Electrical power supply outfall, basic PLC (2 invoices)
2026120	11/21/2024	BWS Distributors, Inc.	276.85	Oxygen and LEL sensor
2026121	11/21/2024	Comcast	212.98	Internet service back-up, 14/04-12/03/2024
2026122	11/21/2024	Grainger	1,910.71	Safety supplies, Draeger H2S tubes, Hardware nozzle, air line fittings, SD2 electrical fitting and couplings (Note B), and maintenance supplies, November 2024
2026123	11/21/2024	Graybar	183.05	SD2 PS parts: electrical fitting (Note B)
2026124	11/21/2024	Harrington Industrial Plastics	157.75	Ball valve
2026125	11/21/2024	Horizon Dist. Inc	18.40	Groundskeeping irrigation pipe fitting
2026126	11/21/2024	Ken Grady Co., Inc.	481.71	CL2 electrolyte
2026127	11/21/2024	Kone Inc	202.71	Elevator monthly maintenance, November 2024
2026128	11/21/2024	Mancomm OSHA	205.72	RAS VFD Keypad
2026129	11/21/2024	Marin County Tax Collector	460.25	Legal Services: Employment Law, July-September 2024
2026130	11/21/2024	Marin Resource Recovery Center	260.00	Trash disposal (1 invoice)
2026131	11/21/2024	Marin Sanitary Service - 0004321	1,219.75	Recycling disposal, October 2024
2026132	11/21/2024	Marin Sanitary Service - 0027511	6,800.08	Grit box disposal, October 2024
2026133	11/21/2024	Motion Industries, Inc.	337.20	Bearings and oil seals
2026134	11/21/2024	Northern Tool & Equipment	43.69	Annual membership fee
2026135	11/21/2024	Occupational Health Centers of California, A Medical Corporation	498.00	Hearing tests (5 employees, 1 employee (Note B))
2026136	11/21/2024	PG&E	160.15	Renewable energy expansion, November 2024
2026137	11/21/2024	Platt	474.81	Unistrut supplies
2026138	11/21/2024	Progent Corporation	99.95	IT support, November 2024
2026139	11/21/2024	Rexel	71.23	SD2 parts: explosion proof fitting (Note B)
2026140	11/21/2024	Rubenstein Supply Co.	194.31	SQPS supplies: Drain pipe plumbing (Note B)
2026141	11/21/2024	Two Rivers Terminal LLC	12,379.16	Nitrate (1 delivery)
2026142	11/21/2024	Univar USA Inc	17,007.57	Sodium hypochlorite (1 delivery)
2026143	11/21/2024	USP Technologies	27,737.38	Hydrogen Peroxide (4 invoice)
2026144	11/21/2024	Waste Management	13,090.47	Biosolids disposal, October 2024
2026145	11/21/2024	Wells Fargo Vendor	757.22	Lease payment for 3 printers, 11/20-12/19/2024
2026146	11/21/2024	Western Exterminator Co. Inc.	546.43	Pest control (2 invoices)
2026147	11/22/2024	VWR International	14,005.25	Laboratory supplies, May-July, 2024
2026148	11/22/2024	**Void**	-	VOID
2026149	11/25/2024	Quality Assurance Solutions	700.00	ELAP support

Number	Date	Vendor/Payee	Amount	Description
2026150	11/25/2024	State Water Resources Control Board	5,525.00	ELAP renewal application
2026151	11/29/2024	California State Disbursement	348.92	Garnishment for pay date 11/29/2024
2026152	11/29/2024	California State Disbursement	685.50	Garnishment for pay date 11/29/2024
TOTAL - CHECKS			583,033.53	

Payments by ACH:

Date	Vendor/Payee	Amount	Description
11/22/2024	Amazon	1,407.15	PC barcode scanner, phone, WiFi access point, IT workstation RAM
11/01/2024	Cal Public Employee Retirement	86,493.80	Medical insurance for November 2024
11/01/2024	CalPERS	46,658.60	Retirement pension contribution: Agency and employees, PPE 10/26/2024 (Note C)
11/15/2024	CalPERS	46,785.75	Retirement pension contribution: Agency and employees, PPE 11/09/2024 (Note C)
11/29/2024	CalPERS	47,754.03	Retirement pension contribution: Agency and employees, PPE 11/23/2024 (Note C)
11/20/2024	Carollo Engineers, Inc.	65,178.42	Prof Svcs: Design - Grit Classifiers Replacement Project (payment #14), Nutrient Removal Alternatives Evaluation (payment #1)
11/01/2024	Employment Development Department	16,023.81	State and SDI Taxes, PPE 10/26/2024
11/15/2024	Employment Development Department	18,017.18	State and SDI Taxes, PPE 11/09/2024
11/29/2024	Employment Development Department	19,098.80	State and SDI Taxes, PPE 11/23/2024
11/22/2024	IEDA, Inc.	994.52	Labor relations consulting, November 2024
11/01/2024	Lincoln Financial Group	3,086.51	Life insurance, November 2024
11/01/2024	MissionSquare Retirement Trust-457	1,550.00	Deferred compensation contributions, PPE 10/26/2024 (Note A)
11/15/2024	MissionSquare Retirement Trust-457	1,550.00	Deferred compensation contributions, PPE 11/09/2024 (Note A)
11/29/2024	MissionSquare Retirement Trust-457	1,550.00	Deferred compensation contributions, PPE 11/23/2024 (Note A)
11/01/2024	Nationwide Retirement	30,201.05	Deferred compensation contributions, PPE 10/26/2024 (Note A)
11/15/2024	Nationwide Retirement	30,204.34	Deferred compensation contributions, PPE 11/09/2024 (Note A)
11/29/2024	Nationwide Retirement	30,284.99	Deferred compensation contributions, PPE 11/23/2024 (Note A)
11/01/2024	Navia Benefit Solutions	780.78	Flexible spending account, PPE 10/26/2024
11/15/2024	Navia Benefit Solutions	780.78	Flexible spending account, PPE 11/09/2024
11/29/24	Navia Benefit Solutions	780.78	Flexible spending account, PPE 11/23/2024
11/29/2024	Navia Benefit Solutions	200.00	Monthly fee
11/01/2024	Public Agency Retirement Svcs	155.62	Retirement pension contribution: Part-time employees, PPE 10/26/2024
11/15/2024	Public Agency Retirement Svcs	285.18	Retirement pension contribution: Part-time employees, PPE 11/09/2024
11/29/2024	Public Agency Retirement Svcs	75.42	Retirement pension contribution: Part-time employees, PPE 11/23/2024
11/04/2024	Retiree Medical Benefits	11,206.31	Reimbursement for retiree health benefits, November 2024
11/01/2024	SEIU Local 1021	1,214.47	Union dues, PPE 10/29/2024
11/15/2024	SEIU Local 1021	1,214.47	Union dues, PPE 11/09/2024
11/29/2024	SEIU Local 1021	1,253.49	Union dues, PPE 11/23/2024
11/01/2024	Vision Service Plan (CA)	1,785.54	Vision insurance, November 2024
TOTAL - ACH		466,571.79	

Board Member Compensation:

Date	Vendor/Payee	Amount	Description
11/15/2024	Eli Beckman	450.00	Stipend for 11/06/2024 Ad-Hoc SRSD Service Contract Development Committee meeting and 11/07/2024 CMSA Commission Special meeting
11/15/2024	Dean DiGiovanni	450.00	Stipend for 11/06/2024 Ad-Hoc SRSD Service Contract Development Committee meeting and 11/07/2024 CMSA Commission Special meeting
11/15/2024	Thomas Gaffney	225.00	Stipend for 11/06/2024 Ad-Hoc SRSD Service Contract Development Committee meeting
11/15/2024	Douglas Kelly	225.00	Stipend for 11/07/2024 CMSA Commission Special meeting
11/15/2024	Mary Sylla	225.00	Stipend for 11/07/2024 CMSA Commission Special meeting
TOTAL - BOARD MEMBER COMPENSATION		1,575.00	

GRAND TOTAL	1,051,180.32
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Notes:

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

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

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

**CENTRAL MARIN SANITATION AGENCY
SCHEDULE 2 - CAPITAL RESERVES ACTIVITY SCHEDULE**

Year-to-Date as of the Month Ended November 30, 2024

	Monthly Amounts Received (Used)	YTD Amounts Received (Used)
Restricted Capital Reserves Sources and Uses		
Capacity charges revenue	\$ 4,913	\$ 258,861
Debt coverage collection revenue	6,367	952,564
Total restricted capital reserve funding sources	11,280	1,211,426
Capacity charges usage for capital (1st)	(4,913)	(258,861)
Debt coverage usage for capital (2nd)	(20,763)	(947,229)
Total restricted capital reserve uses	(25,677)	(1,206,091)
Net change		5,335
Balance - beg of year		1,125,252
Balance - end of month/year		\$ 1,130,587
Unrestricted Capital Reserves Sources and Uses		
Capital fee revenue	\$ -	\$ 433,263
Cal Recycle grant proceeds received	-	761,195
Unrestricted operating-reserve-transfer-in	-	-
Total unrestricted capital reserve funding sources	-	1,194,457
Capital fee usage to fund CIP (3rd)	-	-
Unrestricted capital reserve draw (4th)	-	-
Unrestricted operating-reserve-transfer-out	(2,356,752)	(2,356,752)
Total unrestricted capital reserve uses	(2,356,752)	(2,356,752)
Net change		(1,162,295)
Balance - beg of year		15,101,478
Balance - end of month/year		\$ 13,939,184
Total capital reserve balances		\$ 15,069,771
Total approved CIP budget		\$ 10,128,450
Total CIP funded from capital reserve sources		(1,206,091)
Total approved capital budget remaining		\$ 8,922,360



BOARD MEMORANDUM

December 5, 2024

To: CMSA Commissioners and Alternates

From: Nicholas Talbot, Treatment Plant Manager

Approved: Jason Dow, General Manager

Subject: **November 2024 NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report**

Recommendation: Accept the November 2024 NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report.

I. NPDES Permit Compliance

NPDES permit testing for November demonstrated the CMSA treatment plant effluent was in compliance with all permit limits. The Monthly Compliance Summary Table shows the results by permitted parameter, the sample's frequency, the sample results, and the permit limit. CMSA's NPDES permit specifies monitoring the six-week rolling geometric mean of enterococcus bacteria which shall be calculated weekly. The rolling enterococcus geometric mean was 11.7 MPN, which is significantly lower than the permit limit of 255 MPN. The average ammonia concentration for the month was 38.1 mg/L, which is less than CMSA's monthly limit of 60 mg/L.

II. Influent and Effluent Flows

In November, San Rafael experienced several days of rainfall, as recorded by the Agency's on-site rain gauge. Notably, from November 20 to 22, a "Bomb Cyclone Atmospheric River" passed through the region, delivering 5.12 inches of rain over three consecutive days. This triggered one 30.44 MG blending event, which began on November 21 and concluded on November 23. Blended effluent met all NPDES permitted compliance parameters. Table 1 summarizes CMSA's daily influent and effluent flows, while Table 2 on the following page provides the daily average and total monthly influent flows at the CMSA treatment plant and from its satellite collection agencies. Table 3 denotes the CMSA treatment plant and each satellite collection agency's total and peak wet weather flows.

Table 1: CMSA Influent and Effluent Flow Summary

Flow Location	Daily Maximum	Hourly Maximum	5 Minute Maximum	Daily Average
Influent	50.4 MG	90.2 MG	98.0 MG	13.3 MG
Effluent	49.7 MG	86.8 MG	93.4 MG	11.3 MG

Table 2: Satellite Collection Agency and Total Flow Summary

Flow Type	SRSD	RVSD	SD2	San Quentin	CMSA Totals
Average Daily (MGD)	5.38 MGD	5.75 MGD	1.47 MGD	0.70 MGD	13.3 MGD
Total for Month (MG)	161.3 MG	172.5 MG	44.1 MG	20.8 MG	398.7 MG
Percent of Flow	40.5%	43.3%	11.0%	5.2%	100%

Table 3: CMSA and Collection System Agency Wet Weather Flows

Wet Weather Flow	SRSD	RVSD	SD2	San Quentin	CMSA Totals
11/22 Total Day's Flow	23.19 MGD	20.50 MGD	4.75 MGD	1.99 MGD	50.43 MGD
Peak Influent Flow Rate	44.93 MG	53.75 MG	10.41 MG	4.39 MG	97.64 MG

III. Treatment Process

In November, the Operations and Maintenance teams implemented several strategic initiatives to enhance plant performance and maintain regulatory compliance. As part of the Primary Clarifier Test Plan, Total Suspended Solids (TSS) probes were installed on the influent and effluent of Primary Clarifier No. 1 to assess the effectiveness of new baffles in improving TSS removal efficiency. Additionally, ammonia and nitrate probes were installed at the aeration tanks influent to measure for Total Inorganic Nitrogen (TIN) removal. In the near future, probes will be installed on the aeration tanks effluent to measure TIN removal. In anticipation of a forecasted atmospheric river event, the Operations team executed wet weather procedures to ensure the facility's readiness. Chemical storage tanks were replenished, and all Sodium Bisulfite and Sodium Hypochlorite pumps underwent functionality testing. Chlorine contact tanks No. 5 and No. 6, aeration tanks No. 1 and No. 4, and secondary clarifier No. 4 were brought online to accommodate elevated hydraulic loads and sustain treatment performance. The hydrogen peroxide odor control systems were secured in response to declining sulfide levels. These proactive measures enabled the facility to effectively manage the wet weather event while maintaining operational efficiency and full compliance with regulatory standards.

The Mixed Liquor Suspended Solids inventory averaged 824 mg/l, which aligned with the target Mean Cell Residence Time of 3.0 days.

Graph #3 shows the enterococcus MPN, which represents the effectiveness of the disinfection system. The enterococcus rolling average in November was 11.7 MPN/100mL, below the Agency's KPI average of 35 MPN and below the permit limit of 255 MPN.

Graph #4 shows the TSS, a good indicator of effluent quality. The TSS monthly average was 6.7 mg/l, which is 44.6% of the Agency's KPI of 15 mg/l and 22.3% of the permit's monthly average limit of 30 mg/l.

IV. Maintenance Activities

In November, the cogeneration systems supplied 98.4% of the Agency's power, with MCE providing the remainder (Graph #8). Maintenance completed the 16,600-hour service on the Jenbacher cogeneration engine, including valve adjustments, spark plug cleaning, and air filter replacements. In partnership with GSE and WES contractors, the Jenbacher SCR catalytic converter exhaust system was replaced. This new unit is performing significantly better, reducing NOx emissions and lowering urea dosing requirements. Preventive maintenance was performed across various facility areas, including testing

safety exhaust fans, pumps, blowers, grit classifiers, sludge grinders, and wet weather equipment. Pond Influent Gate 9.4 was inspected and adjusted to reduce leakage, with full replacement scheduled for FY25. Wet weather preparations included staging portable generators at pump stations, refueling emergency generators, and equipping the crane truck with a towable generator for rapid response. Staff also contributed to the review of the Source Test Emission Report submitted to the Bay Area Air Quality Management District (BAAQMD) for the Waukesha cogeneration engine, ensuring compliance with permit regulations and supporting CMSA's commitment to air quality standards.

Attachment:

- November 2024 NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report

NPDES Permit Compliance, Treatment Process, and Maintenance Activities Report

November 2024

Replacement of SCR Catalytic Converter Exhaust System on the Jenbacher Cogeneration Engine



Monthly Compliance Summary Table
Central Marin Sanitation Agency
November, 2024
Final Effluent Monitoring

Parameter	Limit Type	NPDES Monitoring Frequency	CMSA Monitoring Frequency	Results	Units	Limit
Carbonaceous Biochemical Oxygen Demand (cBOD)	Weekly Average	1/Week	3/Week	8.4	mg/L	Maximum 40
	Monthly Average	1/Week	3/Week	5.7	mg/L	Maximum 25
cBOD Removal	Monthly Average	1/Week	3/Week	96	%	Minimum 85
Total Suspended Solids (TSS)	Weekly Average	2/Week	3/Week	8.0	mg/L	Maximum 45
	Monthly Average	2/Week	3/Week	6.7	mg/L	Maximum 30
TSS Removal	Monthly Average	2/Week	3/Week	96	%	Minimum 85
Chlorine Residual	Hourly Maximum	Continuous	Continuous	ND	mg/L	Maximum 0.56
Ammonia	Monthly Average	2/Month	1/Week	38.1	mg/L	Maximum 60
	Daily Maximum	2/Month	1/Week	44.5	mg/L	Maximum 120
pH	Instantaneous	Continuous	Continuous	6.4	SU	Minimum 6
	Instantaneous	Continuous	Continuous	7.4	SU	Maximum 9
Bacteriological Analysis						
Enterococcus	6-Week Geomean	2/Week	3/Week	11.7	MPN/100mL	Maximum 255
	10% Maximum	2/Week	3/Week	18.7	MPN/100mL	Maximum 1,055
Metals Analysis						
Copper	Daily Maximum	Monthly	Monthly	15.0	ug/L	Maximum 84
	Monthly Average	Monthly	Monthly	15.0	ug/L	Maximum 48
Cyanide	Daily Maximum	Monthly	Monthly	ND	ug/L	Maximum 37
	Monthly Average	Monthly	Monthly	ND	ug/L	Maximum 21
Semiannual and Quarterly Analysis						
Mercury	Weekly Average	Quarterly	Quarterly	0.0057	ug/L	Maximum 0.072
	Monthly Average	Quarterly	Quarterly	0.0057	ug/L	Maximum 0.066
	Annual Load	Quarterly	Quarterly	0.02	kg/yr	Maximum 0.11
Chronic Toxicity	Pass/Fail	Semiannual	Semiannual		Pass/Fail	Pass Minimum
	Effect	Semiannual	Semiannual		%	50% Maximum
	Survival	Semiannual	Semiannual		%	50% Maximum
Permit Analysis						
Dioxin - TEQ Sum	Daily Maximum	1/Permit	1/Permit	*	ug/L	Maximum 2.8E-08
	Monthly Average	1/Permit	1/Permit	*	ug/L	Maximum 1.4E-08
PCB Aroclor Sum	Sum	1/Permit	1/Permit	*	ug/L	Maximum 0.012

* Monitoring Not Required This Month ND = None Detected X = Data not available at report time J = Detected but not Quantified

Glossary of Terms

NPDES Permit Compliance Summary Table

- **Ammonia:** We analyze the final effluent for ammonia due to its toxicity to aquatic organisms and potential for providing nutrients to algae in the San Francisco Bay. The permit has a maximum daily limit of 110 mg/L and a monthly average limit of 60 mg/L.
- **Carbonaceous Biochemical Oxygen Demand (cBOD):** The amount of dissolved oxygen needed by microorganisms (biomass) to reduce organic material in the effluent. Effluent permit limits require removal of 85% influent cBOD, a monthly average of concentration of less than 25 mg/L cBOD and a weekly average concentration of less than 40 mg/L.
- **Chlorine Residual:** The secondary effluent is disinfected with hypochlorite (chlorine), and then the residual chlorine is neutralized with sodium bisulfite to protect the Bay environment. The final effluent chlorine residual hourly average limit is 0.56 mg/L, which is monitored continuously.
- **Chronic Bioassay:** A 7-day test of *Mysida* shrimp's exposure to final effluent in a static renewed tank to determine their survivability. The permit requires that we maintain a less than a 50 percent survival effect.
- **Copper:** Our permit requires monitoring of the final effluent for a variety of different metals and has limits for Copper and Mercury. The Copper monthly average limit is 48 ug/L, and the daily maximum limit is 84 ug/L. The remaining metals are monitored only.
- **Cyanide:** A byproduct of potential source control activities and is also a by-product of the disinfection process, and our permit requires monthly sampling and analysis. The Cyanide monthly average limit is 21 ug/L, and the daily maximum limit is 37 ug/L.
- **Dioxin:** Our permit requires monitoring of 17 dioxin-like compounds once per permit cycle. It has a limit for the weighted sum of these 17 dioxin compounds, referred to as the Dioxin Toxic Equivalency (TEQ). The Dioxin TEQ monthly average limit is 0.014 pg/L and daily maximum limit is 0.028 pg/L.
- **Enterococcus:** Enterococcus bacteria are the indicator organisms for the determination of the effectiveness of the disinfection process. The Enterococcus six-week rolling geometric mean limit is 255 MPN/100mL and the Enterococcus 10 percent monthly maximum limit is 1,055 MPN/100mL.
- **pH:** pH is a measurement of acidity, with pH 7.0 being neutral and higher pH values being basic and lower pH values being acidic. Our effluent pH must stay within the range of 6.0 to 9.0, which we monitor continuously.
- **Mercury:** Our permit requires monitoring of the final effluent for a variety of different metals, and has limits for Copper and Mercury. The Mercury monthly average limit is 0.066 ug/L, the weekly average limit is 0.072 ug/L, and the annual average loading limit is 0.11 kg/yr. The remaining metals are monitored only.
- **Total Suspended Solids (TSS):** Measurement of suspended solids in the effluent. Our permit requires removal at least 85% of the influent TSS, and that the effluent limit is less than 45 mg/L as a weekly average and less than 30 mg/L as a monthly average.

EXECUTIVE SUMMARY PROCESS PERFORMANCE DATA
November 2024

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

PRIMARY CLARIFIER PERFORMANCE

Total Suspended Solids (TSS) in:	178.8	mg/l	<i>Expected removal efficiencies as outlined in Metcalf & Eddy Wastewater Engineering Manual.</i>
TSS out:	85.9	mg/l	
Percent Removal Achieved:	51.9	%	Design 50-70% Removal
Total Biochemical Oxygen Demand (BOD) in:	200.0	mg/l	
BOD out:	153.7	mg/l	
Percent Removal Achieved:	23.2	%	Design 25-40% Removal
Plant Influent Flows:	13.3	MGD	

SECONDARY SYSTEM PERFORMANCE
AERATION TANKS/ACTIVATED SLUDGE

Dissolved Oxygen set point:	2.3	mg/l
MLSS:	824	mg/l
MCRT:	3.0	Days
SVI:	106	

SECONDARY CLARIFIERS

WAS concentration:	5,913	mg/l
TSS out:	7.9	mg/l
Secondary System TSS Removal	90.8	%

FINAL EFFLUENT

Effluent TSS for the month:	6.7	mg/l	(Maximum Limit: 30mg/l)
Week #1 weekly average	5.7	mg/l	(Maximum Limit: 45mg/l)
Week #2 weekly average	8.0	mg/l	"
Week #3 weekly average	6.0	mg/l	"
Week #4 weekly average	8.0	mg/l	"
Week #5 weekly average	6.0	mg/l	"
Monthly average TSS removal efficiency through the plant:	96.0	%	(Minimum Limit: 85%)

Effluent CBOD:	5.7	mg/l	(Maximum Limit: 25mg/l)
Week #1 weekly average	6.3	mg/l	(Maximum Limit: 40mg/l)
Week #2 weekly average	5.5	mg/l	"
Week #3 weekly average	6.5	mg/l	"
Week #4 weekly average	8.4	mg/l	"
Week #5 weekly average	2.0	mg/l	"
Monthly average CBOD removal efficiency through the plant:	96.0	%	(Minimum Limit: 85%)

Disinfection Dosing Rate:	2.5	mg/l	monthly average
Ammonia Monthly Average:	38.1	mg/l	(Maximum 120)
Enterococcus six-week Geometric Mean:	11.7	MPN	(Maximum 255)
Enterococcus 10% Maximum:	18.7	MPN	(Maximum 1,055 MPN)
Effluent pH for the month:	Min	6.4	(Min 6.0)
	Max	7.4	(Max 9.0)

DIGESTER TREATMENT

Thickened Waste Concentration from the RDT:	6.37	%
Volatile Solids destroyed:	81.1	%
Cubic feet of biogas produced:	8,509,510 (Total) 283,650 (Daily Average)	
Temperature of the digesters:	101.8	Degrees Fahrenheit

EXECUTIVE SUMMARY PROCESS PERFORMANCE DATA
November 2024

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

DEWATERING

Centrifuge feed concentration:	2.2	%
Biosolids concentration:	26.1	%
TSS of the centrate:	154	mg/l
Centrifuge solids capture:	99.41	%
Polymer use per dry ton of biosolids:	17.72	#/dry ton
Polymer feed rate per run:	3.09	gpm
Concentration of the polymer batches:	0.328	%
Sludge feed rate per run:	52.6	gpm

Comments:

The treatment plant performed well, and all online equipment operated without incident.

Graph #1:

Depicts the total influent flow (from all collection agencies) entering the treatment plant.

The red graph line represents total influent flows; and the blue bars depict the CMSA rain gauge recordings for the month.

Graph #2:

Depicts individual collection agency flows.

The Y-axis is in the flow range of 0-30 MGD.

Graph #3:

Depicts the enterococcus most probable number (MPN) results which are an indication of the performance of the disinfection system.

The enterococcus average for the month was well below the Agency KPI of 35 MPN and permit limit of 255 MPN.

Graph #4:

Depicts the total suspended solids in the effluent.

Our monthly average was 6.7 mg/l versus our KPI of 15 mg/l and permit monthly average limit of 30 mg/l. The effluent suspended solids remained below the Agency KPI for the entire month.

Graph #5:

Depicts the effluent CBOD which is measuring the oxygen demand of the wastewater.

The effluent CBOD average was 5.7 mg/l, below our NPDES limits of 40 mg/l weekly and 25 mg/l for the month. The effluent CBOD remained below the Agency KPI of 15 mg/l for the entire month.

Graph #6:

Depicts the degree to which the biosolids have been dewatered.

Our biosolids % concentration met or exceeded our KPI of 25% for most of the month. On two days, November 13 and 23, the biosolids were below KPI with results of 24.7% and 24.9%. The Operations department is currently training three new staff members on centrifuge operation. No dewatering operations were conducted on three days in November.

Graph #7:

Depicts the amount of biogas that is produced in the digesters, measured by a flow meter, and then used to produce electricity.

Biogas production in November averaged 283,650 cubic feet per day, above our monthly KPI of 200,000 cubic feet per day.

Graph #8:

This graph depicts the amount of energy produced through cogeneration versus the energy purchased from MCE for Agency operations, and the green line represents power exported to the grid. The Agency exported 61,320 kWh in November.

Glossary of Terms Process Performance Data Sheet

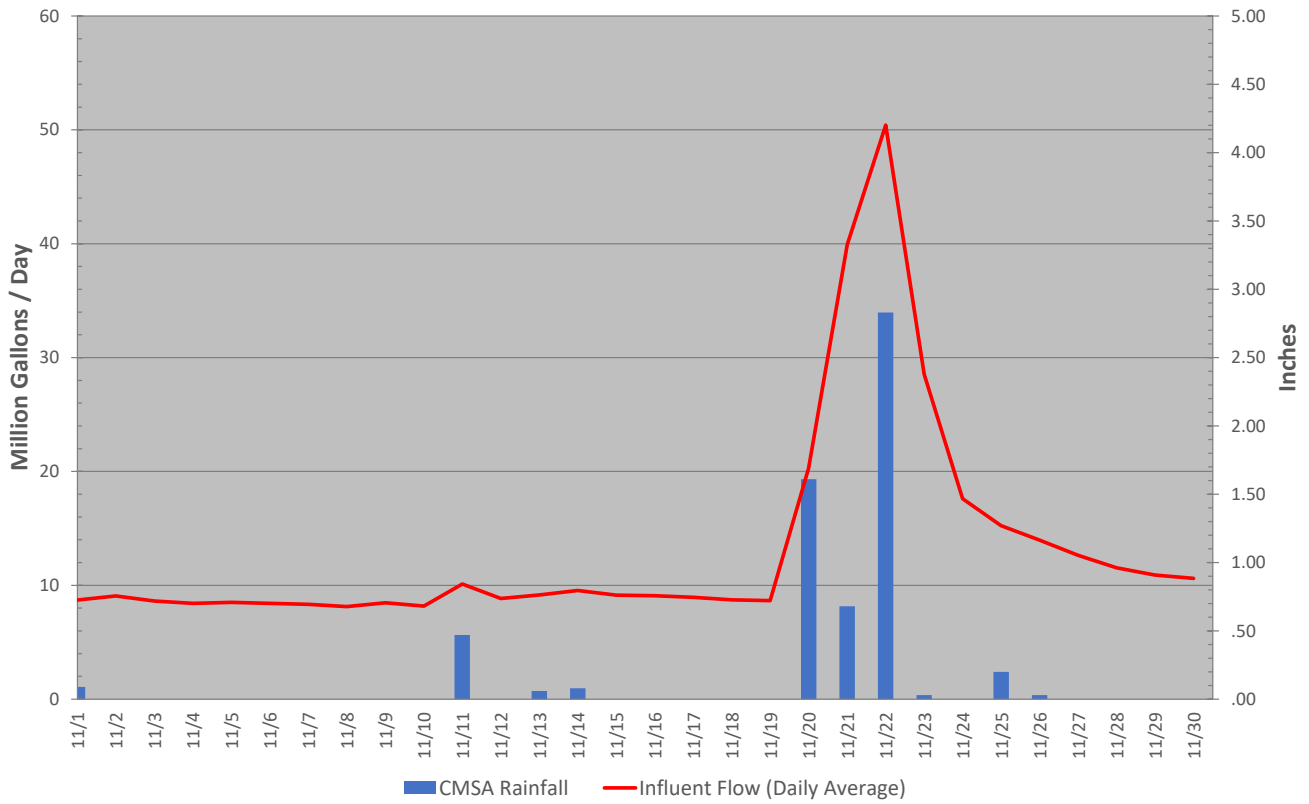
- **Aeration Tanks:** A biological process that takes place after the biotowers, where biomass (microorganisms) is mixed with the wastewater to feed on dissolved and suspended organic material. High speed blowers are used to provide compressed air to mix the tank contents.
- **Anaerobic Digesters:** In the anaerobic digestion process, organic material removed in the primary and secondary clarifiers is digested by anaerobic bacteria. The end products are methane, carbon dioxide, water, stabilized organic matter, and some inorganic material.
- **Biosolids:** Anaerobically digested solids that are removed from the two digesters, dewatered, and then beneficially reused. Beneficial reuse may include landfill alternate daily cover (ADC), land application in the summer as a soil amendment and fertilizer, or converted into a liquid fertilizer for agricultural applications.
- **Biotower:** A biological treatment process, occurring after the primary clarifiers and before the aeration tanks, in which the wastewater trickles over a biomass-covered media. The biomass feeds on the dissolved and suspended solids in the wastewater.
- **Centrifuge:** Process equipment used to dewater biosolids prior to beneficial reuse.
- **Cogeneration System:** A system comprised of a dual-fuel engine coupled to an electric generator that is used to produce energy to power the Agency facilities. Fuels the system uses are methane biogas produced in the anaerobic digesters and, when biogas is not available, purchased natural gas. As well as generating electricity, the system supplies heat for plant processes and building heating.
- **Chlorine Contact Tanks (CCTs):** The final treatment process is disinfection and de-chlorination. The CCTs allow contact time for injected chlorine solution to disinfect the wastewater. Sodium bisulfite, the de-chlorination chemical, is introduced at the end of the CCTs to neutralize any residual chlorine to protect the San Francisco Bay environment.
- **Rotary Drum Thickener (RDT):** Waste activated sludge removed from the secondary clarifiers is thickened in rotary drum thickeners before being transported to the anaerobic digesters. Thickening removes some of the sludge's water content, to decrease hydraulic loading to the digesters.
- **Final Effluent:** After all the treatment processes are completed, the final effluent is discharged into to central San Francisco Bay through a 10,000-foot-long deep-water outfall.
- **Mean Cell Residence Time (MCRT):** An expression of the average time that a microorganism will spend in the secondary treatment system.
- **Mixed Liquor Suspended Solids (MLSS):** The liquid in the aeration tanks is called MLSS and is a combination of water, solids, and microbes. Suspended solids in the MLSS measured in milligrams per liter (mg/l).

- **Most Probable Number (MPN):** Concentrations, or number of colonies, of total coliform bacteria are reported as the “most probable number.” The MPN is not the absolute count of the bacteria but a statistical estimate of their concentration.
- **Polymer:** Polymer is added to digested sludge prior to dewatering to improve solids coagulation and water separation.
- **Primary Clarifier:** A physical (as opposed to biological) treatment process where solids that settle or float are removed and sent to the digesters for further processing.
- **Return Activated Sludge (RAS):** The purpose of returning activated sludge (biomass) to the aeration tanks is to maintain a sufficient concentration of microbes to consume the wastewater’s dissolved solids.
- **Secondary Clarifiers:** Provides settling for the biomass after aeration. Most of the settled biomass is returned to the aeration tank as return activated sludge (RAS) and some is sent to the RDT unit as waste activated sludge.
- **Sludge Volume Index (SVI):** This is a calculation used to indicate the settling ability of the biomass in the secondary clarifiers.
- **Thickened Waste Activated Sludge (TWAS):** Waste activated sludge is thickened in the RDTs, and then the TWAS product is pumped to the digester for processing.
- **Volatile Solids:** Organic content of the wastewater suspended solids.
- **Waste Activated Sludge (WAS):** Biomass that is removed from the secondary clarifiers pumped to the RDTs for thickening.

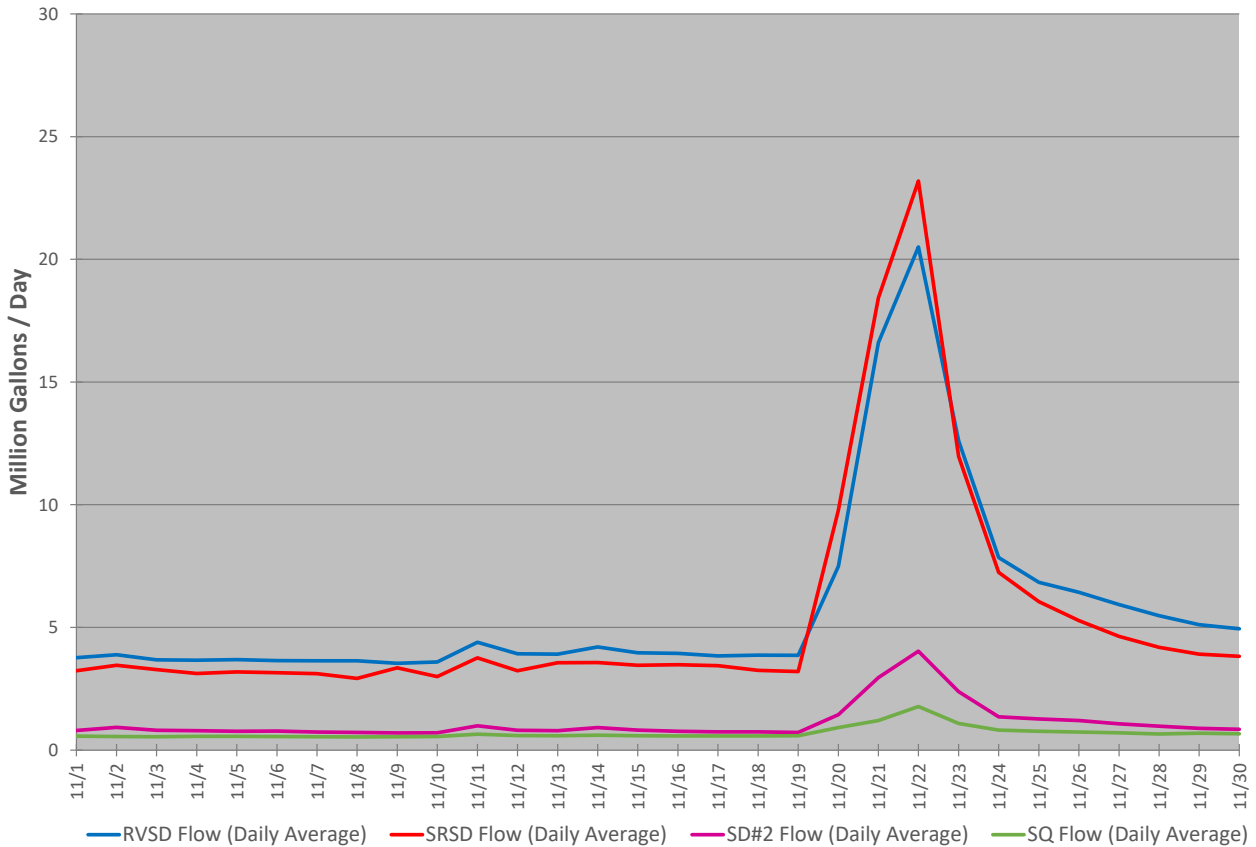
Units of Measurement

- kg/month (Kilograms per Month): 1 kilogram = 2.205 lbs.
- KPI (Key Performance Indicators): The Agency’s process performance goals.
- Kwh (Kilowatt Hours): A unit of electric power equal to using 1 Kw for 1 hour.
- Milligrams per Liter (mg/L): A measure of the concentration by weight of a substance per unit volume. For practical purposes, one mg/L is equal to one part per million (ppm).
- MPN/100mL (Most Probable Number per 100 milliliters): Statistical estimate of a number per 100 milliliters of a given solution.
- Percent by Mass (% by mass): A measure of the combined mass of a solute + solvent.
- Percent by Volume (% by vol): A measure of the volume of a solution.
- ug/L (Micrograms per Liter of Solution): Mass per unit volume.

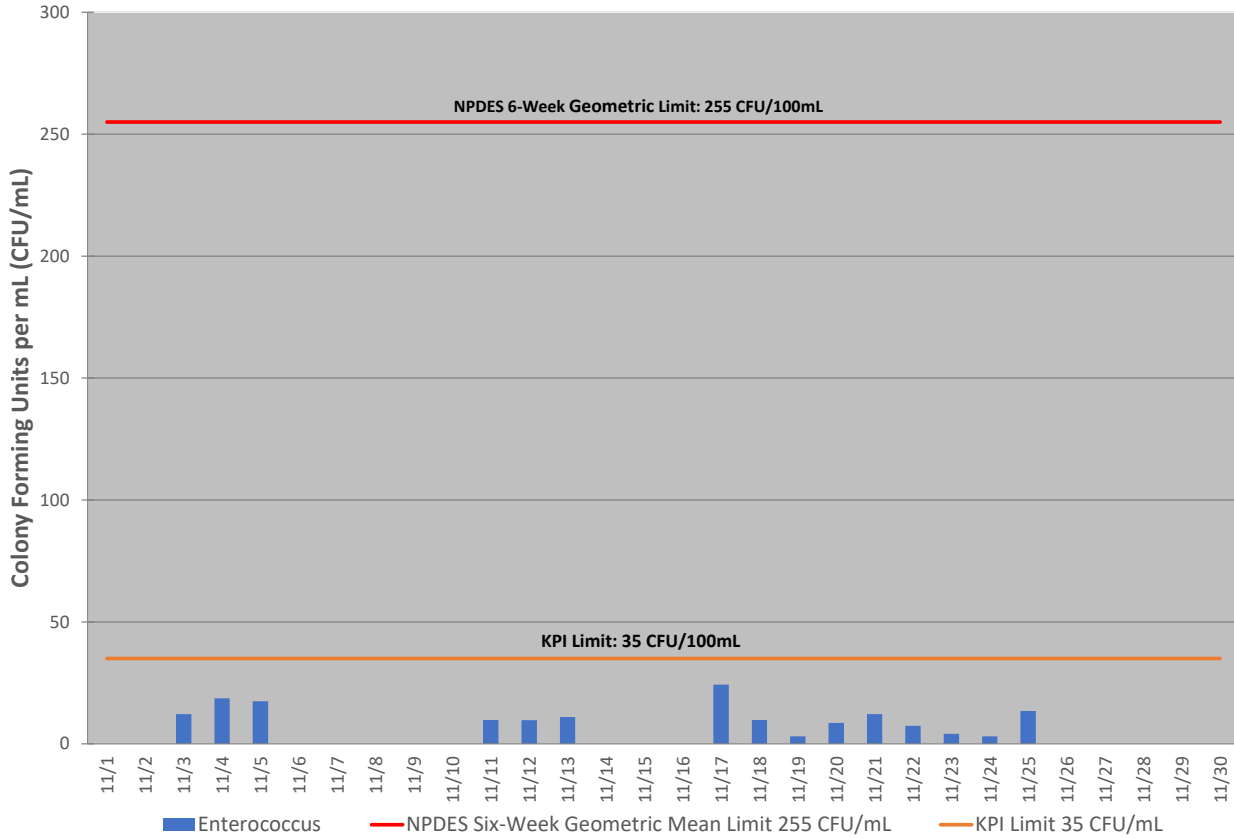
Graph #1: CMSA Influent Flow and Rainfall



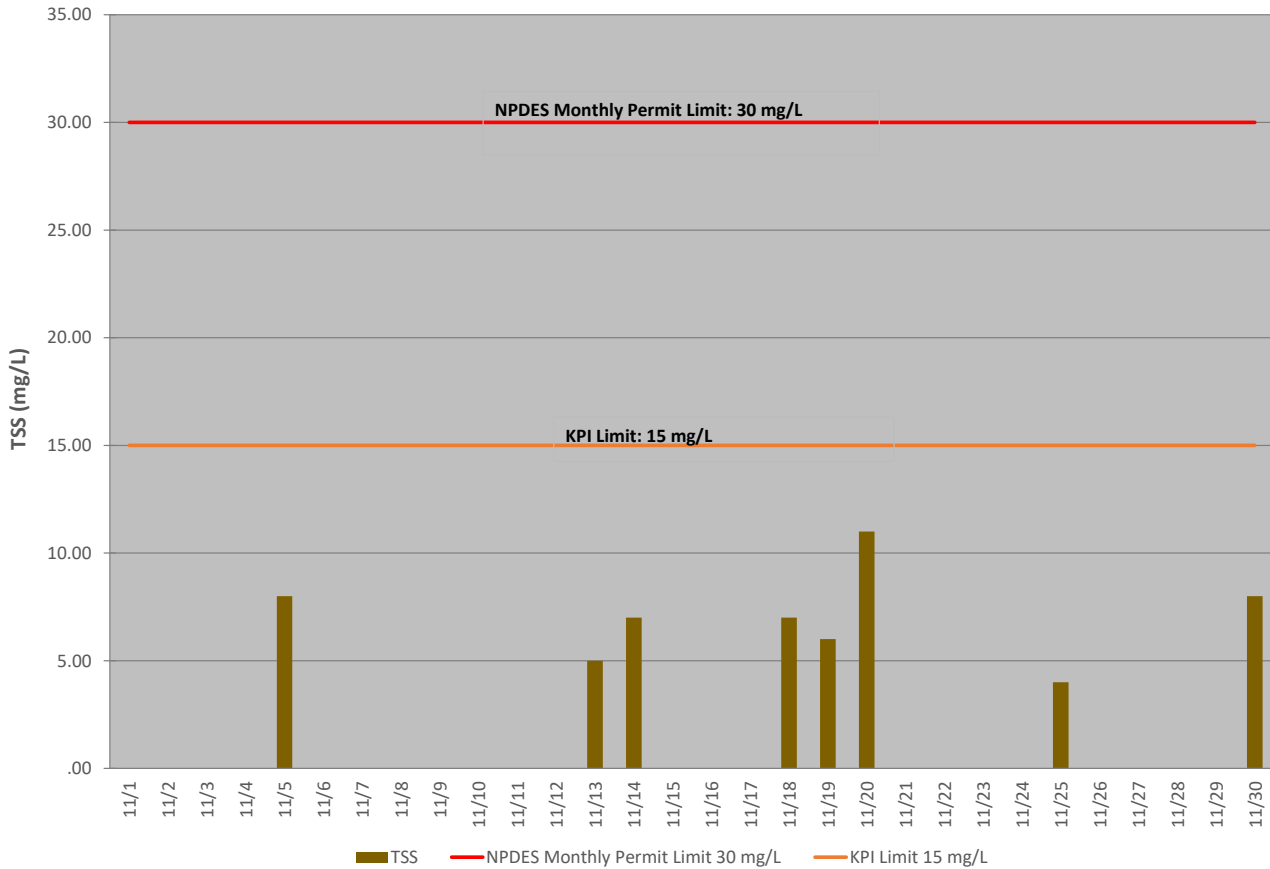
Graph #2: Collection System Influent Flows



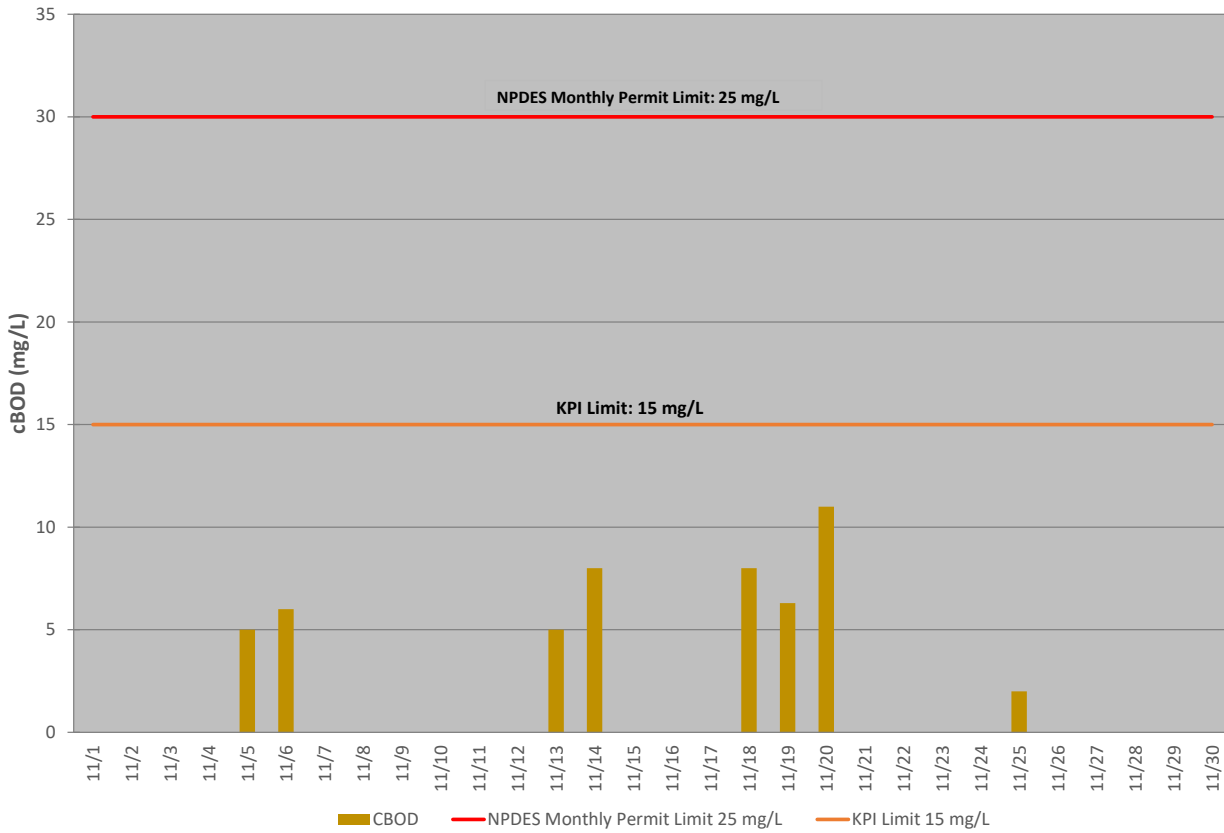
Graph #3: Enterococcus



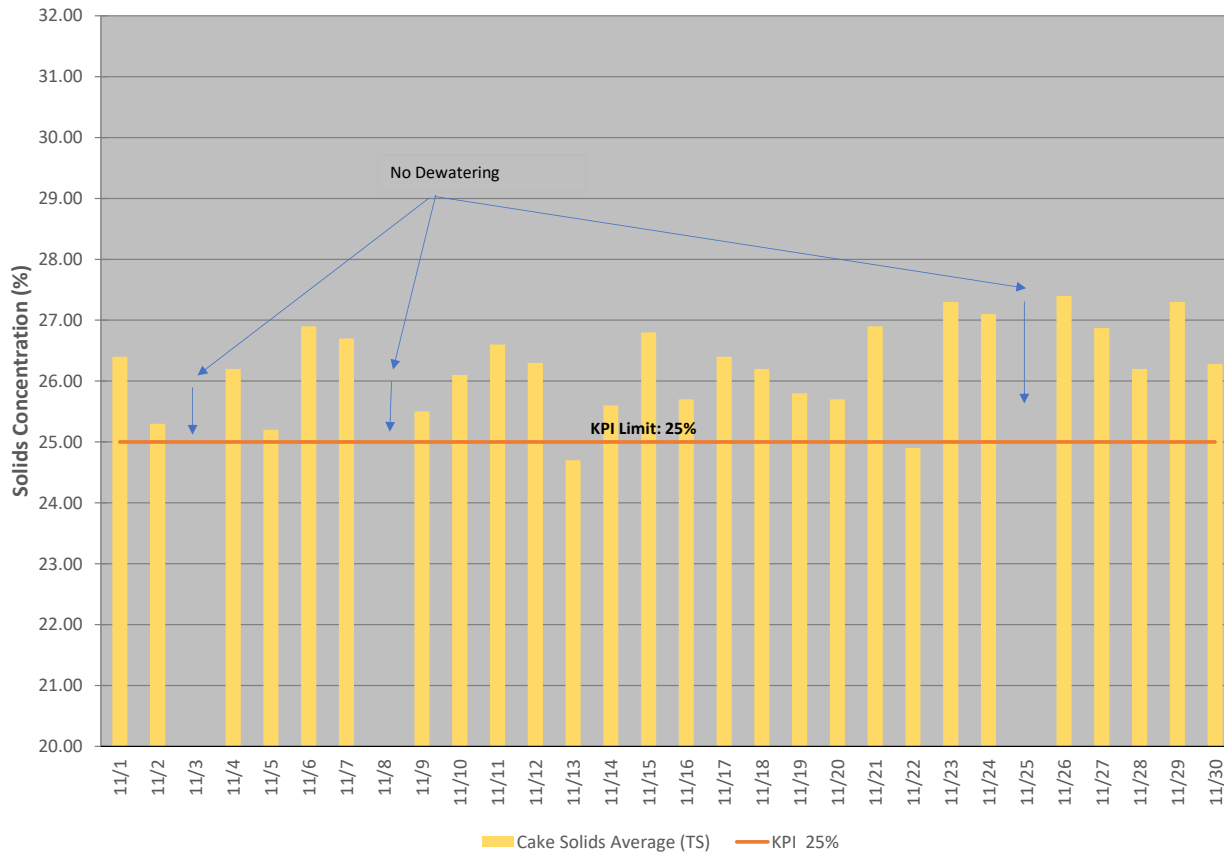
Graph #4: Final Effluent Total Suspended Solids



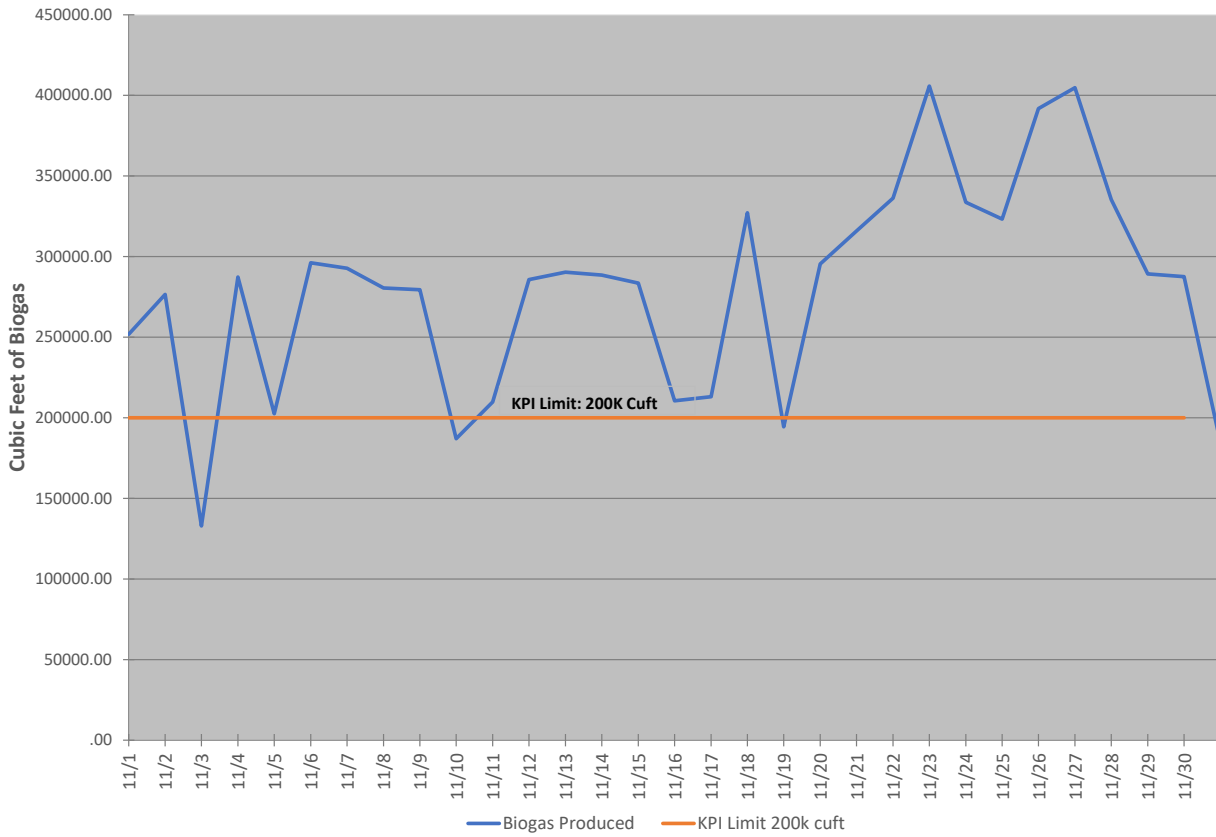
Graph #5: Carbonaceous Biochemical Oxygen Demand (cBOD)



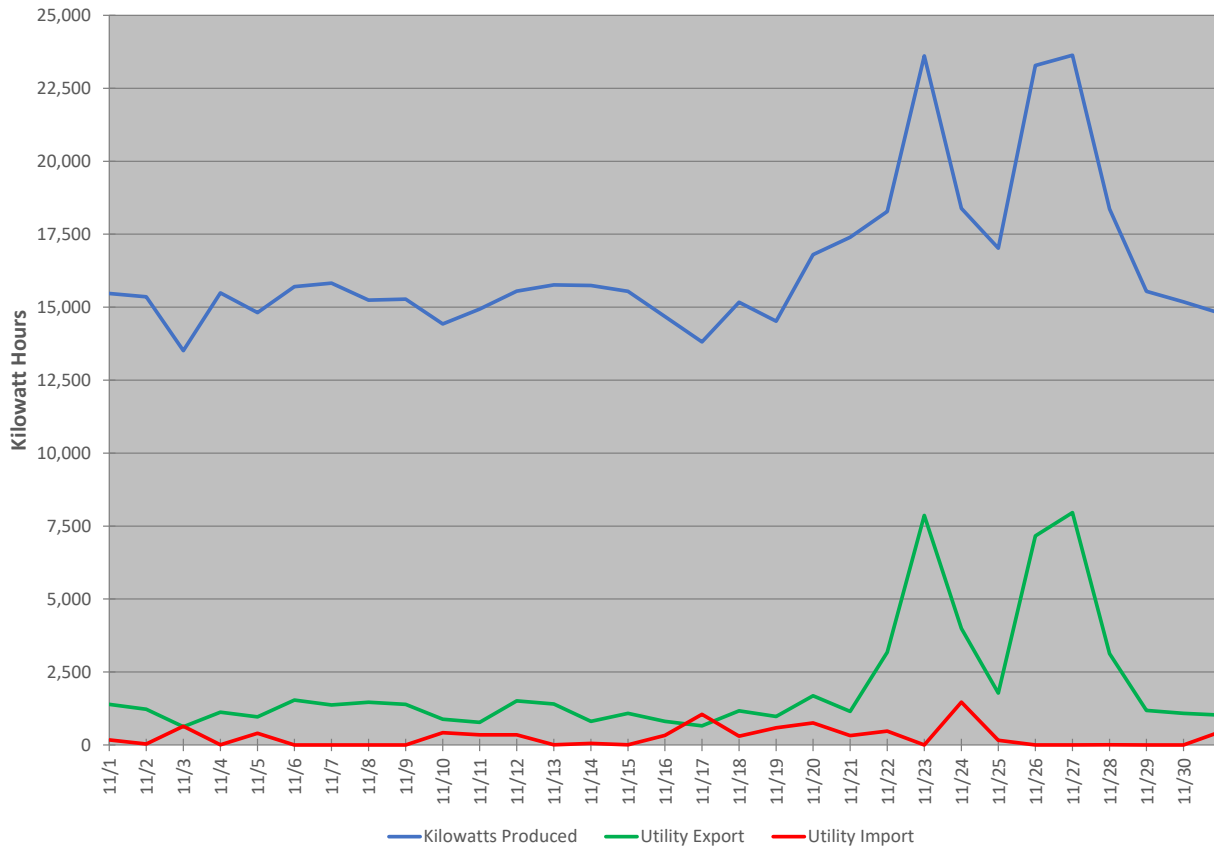
Graph #6: Biosolids Solids Concentration



Graph #7: Biogas Production



Graph #8: Power Distribution





BOARD MEMORANDUM

December 5, 2024

To: CMSA Commissioners and Alternates

From: Jason Dow, General Manager

Subject: Performance Metric Reports – November 2024

Recommendation: Accept the November 2024 Performance Metric Reports.

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

Table I – Treatment/Process Metrics

During the multi-day storm in mid-November, all treatment facilities were brought on-line and influent flows peaked at 98 MGD. As influent flows subsided after the rain, several treatment process tanks were drained and cleaned. Copper removal (Item 4) was lower than the target range, and well within permit limits.

Table II – Employee Metrics

Training over the month included Confined Space safety training for fifteen operations and maintenance staff; various Liebert Cassidy Whitmore employment law training webinars for supervisors, in-person Gratitude Wellness training by our Employee Assistance Provider that was attended by twelve employees; vendor provided variable frequency drive training for Electrical/Instrumentation and IT staff; and internal invoice production training using the Tyler financial software for Environmental Services Analysts.

All management staff attended the annual California Public Employer Labor Relations Association conference in Monterey.

Table III – Public Outreach

Two odor notifications were posted to the Agency website in November, and there were no public odor complaints. The notifications were for a draining process tanks after the mid-November rain events as influent flows subsided.

Monthly public education events may include staff attendance at public outreach events, school classroom and/or juggler show presentations, and Agency tours, as presented below.

Public Outreach Events

There were not any public education events in November.

School Events – Juggler Show Presentations and Classroom Events

Rock Steady Juggling provides elementary school outreach presentations.

Date	School	Attendees
11/19	Our Lady of Loretto Elementary School in Novato	235

CMSA Tours

There were not any public education events in November.

Table IV – Environmental and Regulatory Compliance Metrics

There were no final effluent or air permit exceedances during the month. Environmental Service Analysts focused on annual dental inspections in the service area (Item 7).

Attachment:

- November 2024 Performance Metric Report

TABLE I - TREATMENT/PROCESS METRICS

Metric	Definition	Measurement	Range/Target/Goal
1) Wastewater Treated	Volume of wastewater influent treated in million gallons (Mg); <i>Year to date in billion gallons (Bg)</i>	398.7 Mg; 4.17 Bg	165 – 820 Mg/month
2) Recycled Water Use	Volume of recycled water produced and used on-site, in million gallons (Mg) Volume delivered at the truck fill station, in thousand gallons (Kg)	28.2 Mg 16.0 Kg	25 - 40 Mg variable
3) Biosolids Reuse	Reuse at the Redwood Landfill, in wet tons (wt) Fertilizer and soil amendment at land application sites, in wet tons (wt) Bio-Fertilizer production at the Lystek facility, in wet tons (wt)	245 wt 0 wt 175 wt	360 – 665 wt
4) Conventional Pollutant Removal	Removal of the conventional NPDES pollutants - Total Suspended Solids (TSS) and Biological Oxygen Demand (BOD) a. tons of TSS removed; % TSS removal b. tons of BOD removed; % BOD removal	259.5 tons; 96% 231.0 tons; 96%	> 85% > 85%
5) Priority Pollutants Removal	Diversion of priority NPDES metals from discharge to the San Francisco Bay: a. % Mercury, for current quarter b. % Copper	91 % 64 %	88 – 99% 75 – 90%
6) Total Inorganic Nitrogen	Total Inorganic Nitrogen in final effluent (Permitted May – September) a. % of Monthly Total Limit b. May – September rolling monthly average	85 % 1,107 kg	<100% <1300 kg
7) Biogas Production	Biogas generated in our anaerobic digesters, in million cubic feet (Mft ³) Natural gas equivalent of the biogas, in million cubic feet (Mft ³)	8.51 Mft ³ 5.45 Mft ³	7.0 - 10.5 Mft ³ 4.5 - 6.7 Mft ³
8) Power Produced	Power produced from cogeneration of biogas and purchased natural gas - in kilowatt hours. (kWh) Power produced from cogeneration of biogas and delivered to the MCE Cogeneration system runtime on biogas, <i>in hours (hrs.); % time during month</i> Agency power demand supplied by renewable power, % Cogeneration system uptime, <i>in hours; % time during month</i> Biogas value (natural gas cost equivalent).	494,173 kWh 61,319 kWh 635.84 hrs; 88.3% 95.0% 716.32 hrs; 99.5% \$30,792	380 - 480,000 kWh 40,000 - 70,000 kWh 600 hrs; 80% 80 - 100% 650 hrs; 87% \$30,000 - \$60,000
9) Efficiency	The cost to operate and maintain the treatment facilities per million gallons of wastewater treated, in dollars per million gallons. (\$/Mg) Energy used, kilowatt hours, per million gallons treated. (kWh/Mg)	\$2,772/Mg 1,259 kWh/Mg	\$2,500 - \$5,400/Mg (wet - dry) 670 - 2,400 kWh/Mg

CMSA CY24 PERFORMANCE METRICS – November 2024

Table II – EMPLOYEE METRICS

Metric	Definition	Measurement	Target/Goal
1) Employee Training	Hours of internal training – safety, virtual, project, vendor, etc. Hours of external training – employment law, technical, regulatory, etc.	Internal = 44 External = 132	variable
2) Work Orders	Preventative maintenance (PM) labor hours Planned corrective maintenance (CM) labor hours; % of CM+UCM hrs. Unplanned corrective maintenance (UCM) labor hours; % of CM+PM hrs. Ratio of PM to total corrective maintenance (CM + UCM);	911.50 hrs 797.25 hrs (97.4%) 21.5 hrs (2.6%) 0.90	800 - 1,100 hrs ≥ 70% total CM hrs ≤ 30% total hours ≥ 0.45
3) Overtime Worked	Monthly hours of overtime worked; <i>Year to date hours of overtime</i> % of regular hours worked; % <i>Year to date</i>	124 hrs; (1,505 hrs) 1.6%; (1.7%)	< 5%
4) Internship Program	Number of high school and college student interns work hours; <i>Year to date hours</i>	0 hrs; (1,829 hrs)	Variable

Table III- PUBLIC OUTREACH

Metric	Definition	Measurement	Target/Goal
1) Public Education Events	Attendance at public education outreach events; # of booth visitors; (YTD)	0; (3,024)	3,000/year
2) School Events	Participation or sponsorship in school outreach events; attendees; (YTD)	235; (2,836)	variable
3) Agency Tours	Tours given to students and the public; # of people, (YTD)	0; (433)	variable
4) Odor Notifications	Number of odor alerts posted to the Agency website	2	1-10
5) Odor Complaints	Number of odor complaints received from the public	0	0

CMSA CY24 PERFORMANCE METRICS – November 2024

Table IV - ENVIRONMENTAL AND REGULATORY COMPLIANCE METRICS

Metric	Definition	Measurement	Range/Target/Goal
1) Permit Exceedances	# of NPDES permit exceedances # of BAAQMD permit exceedances	0 0	0 0
2) Regulatory Analyses	# of analyses by the CMSA laboratory for NPDES, stormwater, and biosolids regulatory compliance monitoring and reporting.	277	200-500
3) Process Control Analyses	# of analyses by the CMSA laboratory for process control monitoring	559	400-900
4) Contract Laboratory Analyses	# of analyses by contract laboratories for regulatory compliance reporting, and source control program monitoring.	41	25-150
5) Quality Control Testing	# of CMSA performed laboratory analyses for QA/QC purposes.	907	500-1,500
6) Water Quality Sample Analyses	# of ammonia, total and fecal coliform, enterococcus, and/or sulfide analyses performed for the CMSA member agencies, and occasionally source control monitoring analyses.	64	50-500
7) Source Control Inspections	Inspections of industrial and commercial businesses in the Agency’s and LGVSD’s source control programs and Novato Sanitary District’s Mercury Reduction Program – 188 businesses and 97 dental offices.	56	10-30
8) FOG Program Inspections	Inspections of food service establishments (FSEs) in the Almonte, TCSD, SD2, RVSD, SRSD, and LGVSD service areas – approx. 343 FSEs are regulated.	4	30 – 50
9) Permits Issued/Renewed	Permits issued for the source control programs – pretreatment, pollution prevention, food service establishments, and ground water discharge.	38	variable



BOARD MEMORANDUM

December 5, 2024

To: CMSA Commissioners and Alternates

From: Joyce Cheung, Senior Engineer

Approved: Peter Kistenmacher, Technical Services Manager
Jason Dow, General Manager

Subject: Sole Source Specifying Eaton Motor Control Center Components

Recommendations: Approve the sole source specification of Eaton motor control center components for the Grit Classifiers Replacement Project.

Discussion: The Grit Classifiers Replacement Project (Project) includes installation of new grit washers and grit pumps, and the replacement of electrical components in the Headworks Building Motor Control Centers (MCC) to operate the new equipment. The new MCC components include motor starter buckets and circuit breaker feeder units that tie into the existing Eaton MCCs. Only Eaton components would readily fit into an existing Eaton MCC and match existing components already installed. Therefore, staff is seeking authorization to sole source specify Eaton MCC components in the Project's technical specifications.

Public Contract Code (PCC) Section 3400 allows sole sourcing equipment in contract specifications if they are "to match existing products in use on the particular public work". Sole source specification for Eaton components was approved by the Board in the past for the Cogeneration System Installation Project in September 2019, and for the Liquid Organic Waste Receiving & Biogas Treatment Upgrades Project in July 2022.

Fiscal Impact: The Agency's FY25 Capital Improvement Program allocates \$1,842,000 for the Project. Procurement of the Eaton motor control center components will be by the general contractor during construction and the cost will be included in the contractor's bid proposal.

Alignment with Strategic Plan: This Project aligns with the Agency's FY25 Business Plan to support Goal 1 – Objective 1.3 as shown below.

Goal One: CMSA will effectively operate and maintain its treatment facilities in compliance with changing regulations

Objective 1.3: Deliver critical and high priority Agency capital projects

Action: Finish New Grit Washers Project design and begin construction

BOARD MEMORANDUM

December 5, 2024

To: CMSA Commissioners and Alternates

From: Jason Dow, General Manager

Subject: **California Association of Sanitation Agencies 2025 Winter Conference**

Recommendation: Authorize interested Board members to attend the California Association of Sanitation Agencies (CASA) 2025 Winter Conference in Palm Springs.

Summary: The CASA 2025 Winter Conference is being held at the Hilton in Palm Springs from Wednesday, January 29 through Friday, January 31, 2025. The conference is titled “The Times they are A-Changin”, and its preliminary program is attached. On Wednesday morning (1/29), prior to the start of the conference, the California Sanitation Risk Management Association (CSRMA) will give a half-day training seminar, and its agenda is also attached.

The Board’s Reimbursement Policy for Travel/Expenses for Agency Officials (Policy No. 4) states that; “Commissioners must receive prior Board approval for attendance at conferences, trainings, or meetings that require overnight travel”. Staff recommends that the Board authorize its Commissioners’ attendance at the upcoming CASA 2025 Winter Conference. If approved, Commissioners can request per diem advance and travel/expense reimbursement forms from staff. Additionally, staff can assist with making conference and travel arrangements.

Attachments:

1. CASA 2025 Winter Conference Preliminary Program
2. CSRMA Training Seminar Agenda

Winter Conference 2025
The Times They Are A-Changin'
Preliminary Program (10/23/24)
Subject to Change

Tuesday, January 28

4:00 p.m. – 6:00 p.m. CSRMA Executive Board Meeting

Wednesday, January 29

7:00 a.m. – 12:00 p.m. CSRMA Training Seminar (Separate Registration Required) (Horizon)

9:00 a.m. – 5:00 p.m. Registration

9:00 a.m. – 10:00 a.m. CASA Education Foundation Board Meeting (Tapestry)

10:00 a.m. – 11:00 a.m. CASA Board of Directors Meeting (Tapestry)

11:00 a.m. – 12:00 p.m. Women's Networking Meeting (Plaza A)

12:00 p.m. – 1:30 p.m. Associates Committee Meeting (Palm Canyon AB)

12:00 p.m. – 1:30 p.m. Lunch on Your Own

12:30 p.m. – 4:00 p.m. East Valley Sterling Natural Resource Center Tour (Offsite)

1:00 p.m. – 2:00 p.m. CSRMA Board of Directors Meeting (Horizon)

1:30 p.m. – 4:00 p.m. Concurrent Sessions

Plaza B	Plaza C	Plaza D
ACE Hot Topics and Primers	Communications Panel	Nutrient Panel
Asset Management	Advanced Tech	RWG Working Session

1:30 p.m. – 2:30 p.m. Track 1A, 2A, 3A

2:30 p.m. – 3:00 p.m. Break

3:00 p.m. – 4:00 p.m. Track 1B, 2B, 3B

4:00 p.m. – 5:00 p.m. Federal Legislative Meeting (Palm Canyon AB)

4:00 p.m. – 5:00 p.m. LEAD Mentor/Mentee Meeting (Tapestry)

5:30 p.m. – 7:00 p.m. Welcome Reception and Greg Kester Celebration (Poolside)

Thursday, January 30

8:00 a.m. – 9:30 a.m. Breakfast

7:30 a.m. – 4:30 p.m. Registration

- 8:00 a.m. – 9:00 a.m. Statewide Biosolids Meeting (Palm Canyon AB)
- 9:15 a.m. – 11:45 a.m. **Morning Sessions (Horizon Ballroom)**
- 9:15 a.m. – 9:30 a.m. Welcome Address
- 9:30 a.m. – 11:30 a.m. HAL and You: A Morning of Artificial Intelligence at Clean Water Agencies
- 11:30 a.m. – 12:00 p.m. Networking Break
- 12:00 p.m. – 1:30 p.m. **Luncheon**
Honoring Greg Kester
Recognizing Bill Teague
CEF Presentation
Jessica and Eric/Sarah Fed and State Updates
- 1:30 p.m. – 1:45 p.m. Networking Break
- 1:45 p.m. – 3:45 p.m. **Afternoon Sessions (Horizon Ballroom)**
- 1:45 p.m. – 2:30 p.m. **Renewable Energy Generation Panel**
- 2:30 p.m. – 3:45 p.m. **Cutting Edge Research Panel**
- 4:00 p.m. – 5:00 p.m. **Engineering and Research Group Meeting (Palm Canyon AB)**
- 4:00 p.m. – 5:00 p.m. **Communications Committee Meeting (Tapestry)**
- 5:30 p.m. – 7:00 p.m. **Joint Reception** with NACWA (Westin Rancho Mirage)

Friday, January 31

- 8:00 a.m. – 11:00 a.m. **Registration**
- 8:00 a.m. – 9:30 a.m. Breakfast
- 8:00 a.m. – 9:15 a.m. State Legislative Committee Meeting (Palm Canyon AB)
- 9:15 a.m. – 10:45 a.m. Closing Session (Horizon Ballroom)
- 9:15 – 9:45 a.m. Closing Speaker:
- 9:45 – 10:30 a.m. Closing Speaker:
- 10:30 – 10:45 a.m. Vice President's Closing Remarks
- 11:00 a.m. – 1:00 p.m. General Managers Meeting (Tapestry)



CSRMA Risk Management Seminar at January 2025 CASA Conference

January 29, 2025 - Hilton Palm Springs

Date: January 29, 2025

Time: 8:00am to 12:00noon

Location: Hilton Palm Springs, 400 East Tahquitz Canyon Way Palm Springs CA

Checkin and hot buffet breakfast begins at 7:00am.

TIME	TOPIC
-------------	--------------

7-8am CATERED BREAKFAST (*Breakfast ends promptly at 8am*)

Wildfire Property Risk Mitigation for Agencies that Own and/or Operate Exposed Facilities

Does your agency have facilities in remote locations? Are facilities safe from wildfire risk even if they are not in remote areas? What is a “WUI” (Wildland-Urban Interface)? What should be included in a comprehensive wildfire risk assessment? What are the common wildfire risk mitigation measures, and how easy are they to implement?

8-850am

Attendees will gain a thorough understanding of the most common wildfire risk characteristics, how to identify and mitigate these risks, the costs associated with mitigation, the financial and operational costs of potential losses, and the consequential impacts on future insurance terms and conditions.

This session is essential for agency representatives responsible for risk management, insurance, loss control, facility management, and budgeting.

Dan Delac
Fireline Defense, LLC

850-9am

BREAK

Verbal Judo for Public Agencies

**9-12pm
(with
breaks)**

Discover a new, gentle approach to maintaining control in challenging situations without causing stress, frustration, or ongoing conflict, for both internal and external communications. The Verbal Judo program emphasizes treating everyone with dignity and respect, ensuring positive outcomes for all parties involved. Unlike any other de-escalation training available today, Verbal Judo teaches "The Gentle Art of Persuasion."

Participants will learn techniques to manage situations calmly and effectively, fostering an environment of mutual respect and cooperation. This session will equip you with the skills to de-escalate conflicts smoothly and ensure that everyone wins.

Kevin Price
Verbal Judo Institute

Click here to see who has already registered: [Registrant List](#)

(NOTE: It may take up to 30 minutes for names to appear on the list after they have been registered.)



BOARD MEMORANDUM

December 5, 2024

To: CMSA Commissioners and Alternates**From:** Jason Dow, General Manager**Subject:** **Technical Services Manager/Assistant General Manager Job Description**

Recommendation: Approve the Technical Services Manager/Assistant General Manager job description and compensation range.

Discussion: On several occasions in the past, the Board suggested the creation of an Assistant General Manager (AGM) classification to serve as acting General Manager (GM) when I was on vacation or an extended leave. For specific reasons, as explained to the Board during each of those discussions, the AGM position wasn't created. Instead, I designated a senior manager to serve as acting GM. Recently, due to the retirement of the Administrative Services Manager and Treatment Plan Manager, and the continued leadership development of the Technical Services Manager, I believe the Agency is in a sound position to create the AGM classification. As I recently reported to the Board, I have modified the Technical Services Manager (TSM) job description with additional management, leadership, financial, and human resources job functions that are necessary to serve as an AGM. Attached is the marked-up version of the new TSM/AGM job description.

The proposed compensation range for the new classification is \$20,102 - \$24,435 per month. The top step of the range is approximately 10.7% greater than the top step of the TSM and 14% below the GM compensation. The range was determined using AGM compensation relative to the GM compensation at our comparator organization that have AGM classifications as well as those at Novato Sanitary District and Ross Valley Sanitary District.

Fiscal Impact: If approved by the Board, I will appoint the TSM into the new TPM/AGM classification at the beginning of 2025, and the individual will receive a 6.2% compensation increase and will have the opportunity for an additional 5% increase at their anniversary date. The FY24 budget impact is \$15,680 and will be funded by the Technical Services operating budget.

Attachment:

- Technical Services Manager/Assistant General Manager job description

Central Marin Sanitation Agency
 1301 Andersen Drive
 San Rafael, CA 94901
 415.459.1455 FAX: 415.459.3971

TECHNICAL SERVICES MANAGER/ASSISTANT GENERAL MANAGER

SUMMARY

Under direction from the General Manager, manages the day-to-day operations of the Technical Services Department; **serves as Assistant General Manager in the absence of the General Manager**; manages the Agency's Capital Improvement Program, and various engineering and asset management projects and programs from evaluation through design and construction; serves as Agency Engineer when working with internal and external stakeholders; oversees the function and activities of the Agency's environmental laboratory; ~~manages the Agency's pretreatment and pollution prevention programs,~~ and source control ~~contract services programs;~~ ~~advises on wastewater process control issues;~~ ~~provides engineering and technical advice and support to Agency staff;~~ and performs other duties as required.

DUTIES AND RESPONSIBILITIES

Duties include, but are not limited to the following:

Management

- Manages day-to-day operation of the Technical Services Department, including supervision of subordinate employees, and development and management of the operating budgets.
- Schedules, evaluates, coaches, and trains employees on professional standards and Agency policies and procedures.
- **Under general direction and as part of the Executive Team, assists the GM with planning, administering, implementing, and managing key organizational functions and activities.**
- **Assists the GM in managing and directing the day-to-day activities to achieve overall successful performance of the Agency and provides leadership to the organization.**
- **In concert with the GM, provides technical information and assistance to the Board of Commissioners and attends Board meetings. Performs the functions of the GM in the GM's absence.**
- **Oversees coordination between the Agency's Technical Services, Operations, and Maintenance departments with respect to planned activities, construction scheduling, resourcing activities, and review of both design and operational documentation.**
- **Assist GM with various employment law/contract claim related legal matters.**
- **Assists the GM with long-term financial and capital planning, budget development, issuing of revenue bonds, long-term financial forecast, and rate-setting processes.**
- ~~As requested by the General Manager, makes presentations to the Board of Commissioners and other stakeholder groups.~~
- ~~Seeks opportunities to obtain grant funding for Agency projects, monitors state and local agencies for issues that could affect capital projects, environmental compliance, and Agency planning.~~
- ~~Coordinates activities of the laboratory and environmental compliance programs with internal and external stakeholders.~~
- Advises on wastewater process control matters to evaluate and improve operational efficiency.
- Manages procurement contract administration to ensure Agency procedures for issuing and managing contracts are uniformly applied.
- Prepares effective technical, statistical, written and narrative reports and correspondence; ensures proper maintenance of records. Provides QA/QC review of documents prepared for or by other departments.
- Responds to stakeholder complaints and proactively assists in solving problems related to Agency projects and

programs.

- ~~Serves as the acting General Manager, as requested by the General Manager, or by the Board Chair in the absence of the General Manager.~~

Engineering

- Develops, monitors, and manages the Agency's 10-Year Capital Improvement Program.
- Acts as Agency Engineer, representing CMSA's interests in meetings with a variety of stakeholders, including developing, awarding, and administering cooperative multi-agency contracts or projects.
- Manages the design and construction of capital improvement projects and other Agency projects.
- Oversees and implements processes for selecting consultants to assist the Agency in studies, design, and construction related services.
- ~~Collaborates with stakeholders to plan, design, and expand the Agency's recycled water system.~~
- ~~Provide functional oversight of all aspects of CMSA's Agency's Power Delivery and Air Permitting Programs~~
- Serves as project manager and/or construction manager for technical studies and capital improvement projects from planning to completion of construction including preparation of cost estimates.
- ~~Analyzes and researches new technologies, products, equipment, codes, and regulations. Confers with vendors and consultants regarding systems and technologies, and recommends improvements to facilities, equipment, and operational procedures.~~
- Participates in the Agency's asset management program and provides support services as requested.

Environmental Services

- Manages and coordinates the Agency's laboratory and environmental compliance programs, ensuring that regulatory reporting and compliance requirements are met.
- ~~Oversees the administration~~ of service contracts with local public agencies for pollution prevention, mercury source control, and FOG source control programs, and stormwater enforcement.
- Directs all aspects of the Agency's environmental compliance program including industrial waste inspections, permitting, and enforcement of requirements.
- ~~Manages Oversees~~ the biosolids ~~management land application and landfill monitoring, reporting, and compliance~~ programs.
- ~~Coordinates the below and above ground storage tank environmental compliance programs for gasoline and diesel fuel.~~
- Coordinates the Agency's plan review process for improvements to restaurants, industrial facilities, and auto related industries to determine compliance with Agency regulations.

SUPERVISORY RESPONSIBILITIES

Supervises subordinate Technical Services Department staff. Carries out management responsibilities in accordance with Agency policies and procedures, as well as and applicable labor, regulatory and safety laws. Responsibilities include interviewing, preparing hiring recommendations, and training employees; planning and assigning staff coverage and directing work; tracking and authorizing time sheets; establishing staff work expectations, performance goals, and work plans; evaluating employee performance; disciplining employees; investigating, addressing, and resolving personnel complaints and related problems.

QUALIFICATIONS

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required.

Education and/or Experience

Equivalent of a Bachelor's degree (B.S.) from four-year ABET-accredited college with major coursework in Civil, Mechanical, Environmental, or Sanitary Engineering. Graduate degree in Environmental/Civil Engineering desirable. Minimum of five years of professional level engineering

experience in a water, wastewater, or environmental related setting at the senior engineering level is preferred.

Interpersonal Skills

Ability to work cohesively in a team setting; ability to interact with others (co-workers, supervisors, subordinates, vendors, and members of the public) in a professional manner; to accept constructive criticism from supervisors, peers, and subordinate employees; to recognize the need for, and to seek assistance or clarification as needed; to work independently; to handle work-related stress in a professional manner; to prioritize assignments and meet deadlines; successfully balance life demands with work demands; to arrive at work as scheduled and to work the hours as agreed upon and scheduled.

Language Skills

Ability to read, analyze, and interpret the most complex documents. Ability to respond effectively to the most sensitive inquiries or complaints. Ability to write reports, correspondence, and procedures. Ability to effectively present information in a variety of settings, and respond to questions from staff, other department managers, customers, the public, contractors, consultants, and technical

Mathematical Skills

Ability to carry out complex Civil and/or Environmental Engineering calculations involving advanced mathematical concepts such as exponents, logarithms, quadratic equations, permutations, geometry and trigonometry, frequency distributions, and determination of test reliability and validity.

Reasoning Ability

Ability to define problems, collect data, establish facts, and draw valid conclusions; to interpret an extensive variety of technical information in mathematical or diagram form and deal with a variety of abstract and concrete variables; to apply principles of logical or scientific thinking to a wide range of intellectual and practical problems; ability to deal with verbal and nonverbal symbolism such as formulas and graphs.

CERTIFICATES, LICENSES, REGISTRATIONS

Must be registered as a Professional Engineer in the State of California. Failure to maintain this registration may result in loss of employment.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job.

While performing the duties of this job, the employee is regularly required to talk or hear in person, on the telephone, or on the radio. The employee is frequently required to walk, to use hands to finger, handle, or feel, and to sit. The employee is occasionally required to stand, to reach with hands and arms, to climb or balance, and to stoop, kneel, crouch, or crawl.

The employee must lift and/or move up to 25 pounds above the head, and up to 50 pounds to waist height. Specific vision ability required by this job includes the ability to see clearly at 20 inches or less, at 20 feet or more, to judge distances and spatial relationships to see objects where and as they actually are, and to adjust the eye to bring an object into sharp focus.

Examples of the physical demands for this position, including their activity and duration, are available from Administration.

WORK ENVIRONMENT

While performing the essential functions of this job, the employee is occasionally exposed to wet and/or humid conditions, outdoor weather conditions, moving mechanical parts, fumes or airborne particles, toxic or caustic chemicals, the risk of electrical shock, or to vibration. The noise level in the work environment is

usually moderate, with occasional exposure to loud equipment.

SPECIAL REQUIREMENTS

There are no special requirements for this job.

RIGHT TO WORK DOCUMENTATION

Before being hired, all new employees will be required to show documentation as proof of authorization to work in the United States.

Job Title: Technical Services Manager/**Assistant General Manager**
Department: Technical Services
Reports To: General Manager
FLSA Status: Exempt
Revision Date: **December 2024**

**BOARD MEMORANDUM**

December 5, 2024

To: CMSA Commissioners and Alternates

From: Jason Dow, General Manager

Subject: Revised Disposal of Surplus Assets Policy

Recommendation: Approve the revised Administrative Policy #3: Disposal of Surplus Assets.

Discussion: CMSA has Personnel, Financial, Administrative, and Safety Policy Manuals, and management staff periodically review and revise policies and procedures in each manual. In November, staff began the process to review and update the Administrative Policy Manual which is comprised of 51 general, financial, human resources, contract administration, safety, security, and information technology policies and procedures. Several of the policies are Board approved, and staff plan to bring these individually to Board meetings over the next several months, after they are updated by staff, for consideration of approval. The first of these policies is Administrative Policy #3: Disposal of Surplus Assets. There were only minor editorial revisions to the policy.

Attachment:

- Administrative Policy #3: Disposal of Surplus Assets

POLICY/PROCEDURE #:	3
SECTION:	ADMINISTRATIVE – GENERAL
SUBJECT:	Disposal of Surplus Assets
DATE:	12/3/2024 <i>(Board Approved)</i>

POLICY

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

PROCEDURE

Agency assets will be determined to be surplus by department. Department Managers will estimate the value of the asset to be declared surplus and provide a recommendation to the General Manager on the manner to dispose of the assets, including process and method, and the advertising approach. The recommendation will be submitted on the Agency's Disposal of Surplus Assets Form, located at S:\Lib - Forms and Templates\STAFF FORMS

- I. Advertising—The Department Manager will review options for advertising, including advertising in print media or listing on websites. The most appropriate method will be determined using factors such as asset value, advertisement costs, desired audience, and breadth of advertisement.
- II. Disposal Methods—The disposal method may include sale to the highest bidder after sealed proposals are opened, donation to a local non-profit organization, or discarding or recycling with other solid waste. Department Managers will determine and recommend the most appropriate disposal method for each asset.

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

- III. Authorization—The Board of Commissioners shall approve disposal for any item whose current value is \$7,500 or greater. The General Manager shall approve disposal of any item valued less than \$7,500.
- IV. Reporting—After an asset has been sold, donated, or disposed, the Department Manager will ensure the asset information is updated in the Agency's fixed asset schedule and asset management program.
- V. All funds realized from the sale of surplus assets will be deposited in the Agency's general operating account.



BOARD MEMORANDUM

December 5, 2024

To: CMSA Commissioners and Alternates

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

Subject: **FY24 Annual Comprehensive and Popular Financial Reports**

Recommendation: Accept the FY24 Annual Comprehensive and Popular Financial Reports, as presented or with Board comments and/or revisions.

Discussion: The Agency's FY24 Annual Comprehensive Financial Report (ACFR) and Popular Annual Financial Report (PAFR) are enclosed for your review, comment, and acceptance. Staff will incorporate any Board comments or revisions into the final ACFR and PAFR and submit them to the Government Finance Officers Association (GFOA) before December 31, 2024.

The ACFR consists of three sections: Introduction, Financial, and Statistical. The Introduction section summarizes Agency programs, projects, and services. The Financial section contains the audited financial statements that were accepted at the November Board meeting. The Statistical section presents financial and operational trend information over a multi-year period. The Agency also prepares a PAFR, which condenses the ACFR's content into an easy-to-read presentation that highlights key Agency and financial information.

The Agency participates in the GFOA Certificate of Achievement and Outstanding Achievement award programs for its respective ACFR and PAFR. The Agency continues to meet the high standards of both programs and has received the Certificate of Achievement for Excellence in Financial Reporting award for the past 22 consecutive years and the Outstanding Achievement award for the past 14 consecutive years.

Alignment with Strategic Plan: Preparation of the ACFR and PAFR support *Goal Two – Objective 2.3* in the Agency's FY24 Business Plan as shown below:

Goal Two: CMSA will continually improve financial management practices to ensure transparency, financial sustainability, and sound fiscal principles.

Objective 2.3: Prepare transparent financial documents.

Action B: Prepare the Agency's ACFR, and submit to the GFOA for review.

Action C: Prepare the Agency's PAFR, and submit to the GFOA for review.

Enclosures: FY24 Annual Comprehensive Financial Report and Popular Annual Financial Report

BOARD MEMORANDUM

December 5, 2024

To: CMSA Commissioners and Alternates

From: Jason Dow, General Manager

Subject: **Legal Counsel Attendance at Board Meetings**

Recommendation: Discuss options for legal counsel to attend Board meetings and provide direction to staff.

Discussion: Chair Beckman and I recently discussed the history of CMSA general and special legal counsels attending Board meetings. Historically, general legal counsel has only attended Board meetings as requested by the Agency. Legal counsel has usually attended closed session meetings, except for labor relations negotiations which were attended by the Agency's labor relations consultant. Legal counsels' attendance has followed the Agency's past practice since 2002, when I was appointed General Manager.

I asked General Counsel Halter about his availability to regularly attend the monthly 6pm Board meetings, and he responded he would be generally available to attend virtually or in-person, and in the event, he was unavailable, he could arrange for attendance by another attorney in his office.

Assuming legal counsel attendance at closed session meetings continues, attendance at regular and special Board meeting are:

- 1) Attend all Board meetings virtually.
- 2) Attend all Board meetings virtually, unless requested to attend in person by the General Manager or Board Chair.
- 3) Attend specific meetings virtually or in-person as requested by General Manager or Board Chair.

Fiscal Impact: The hourly rate for the Agency's general legal counsel is \$271. Assuming three hours of time for meeting preparation and attendance, the per meeting cost is \$813. If legal counsel attends twelve Board meetings per year, the annual cost is \$9,756.



BOARD MEMORANDUM

December 5, 2024

To: CMSA Commissioners and Alternates

From: Jacky Wong, Associate Engineer

Approved: Peter Kistenmacher, Technical Services Manager
Jason Dow, General Manager

Subject: **Outfall Interior Solids Removal Services – Project Completion**

Recommendation: Accept the Outfall Interior Solids Removal Services Contract as complete and authorize the General Manager to file the Notice of Completion with Marin County.

Discussion: The Outfall Interior Solids Services Contract was awarded to Tidal Marine Construction in September 2024. Fieldwork began on October 15, 2024, with Tidal Marine deploying two work barges, a submersible pump, hoses, and diving equipment. The scope of work involved removing approximately 600 cubic yards of settled treated wastewater solids from the interior of the 7-foot-diameter outfall pipeline diffuser section by side-casting. The solids buildup extended from diffuser No. 75 at zero feet to diffuser No. 135 through 170, where a complete blockage was identified.

The work spanned approximately 20 days and was completed on November 19, 2024. A pumping hose was placed through diffuser No. 115 to facilitate the removal of solids by a diver inside the diffuser section. Despite intermittent delays caused by unfavorable wind and wave conditions, the work was completed on schedule, within budget, and without any change orders. Upon completion, Tidal Marine's diver inspected and videotaped approximately 1,100 linear feet of the diffuser section, confirming that the pipeline was properly cleaned.

CMSA staff observed the solids removal and side-casting processes on-site on several occasions, as documented in the attached field photographs.

Fiscal Impact: The Agency's FY25 capital budget allocates \$640,700 for routine annual underwater inspection and maintenance of the marine outfall diffuser section, and to remove the accumulated interior solids. The contract was awarded for \$548,840, leaving \$91,860 for the annual maintenance work. Over the past three years, the average cost for the annual maintenance work was \$63,072.

Project Photos:



Photo 1: CMSA Outfall Diffusers Section Location in San Francisco Bay

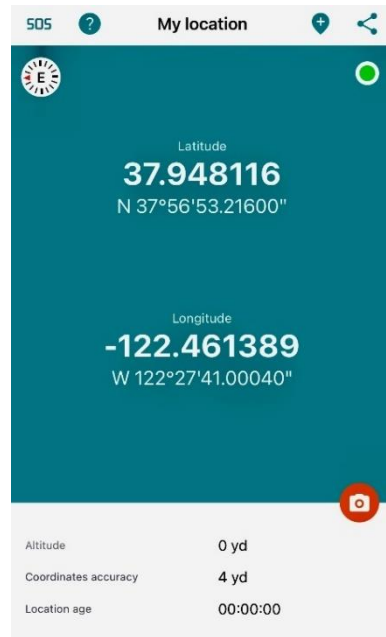


Photo 2: GPS Coordinates of CMSA Outfall Nearshore Access Manhole



Photo 3: Contractor's Barge Platform at Nearshore Access Manhole



Photo 4: Contractor's Barge Platform at Diffuser No. 115

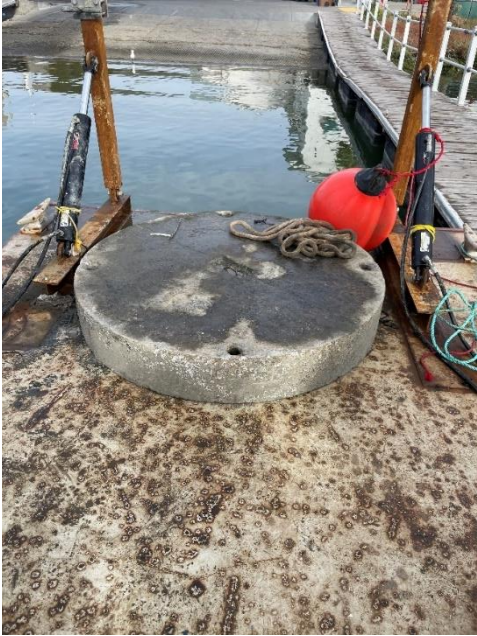


Photo 5: CMSA Outfall Nearshore Manhole Cover Removed



Photo 6: Temporary Cover for CMSA Nearshore Access Manhole



Photo 7: Diver Exiting the Nearshore Access Manhole



Photo 8: Barge Platform with Removed Duckbill Diffuser and Hoses



BOARD MEMORANDUM

December 5, 2024

To: CMSA Commissioners and Alternates

From: Jacky Wong, Associate Engineer

Approved: Peter Kistenmacher, Technical Services Manager
Jason Dow, General Manager

Subject: **Authorization to Bid the FY25 Parking Lot Rehabilitation Project**

Recommendation: Adopt the construction contract documents for the Parking Lot Rehabilitation Project and authorize advertising the Project for public bidding.

Discussion: Staff has prepared the construction contract documents for the Parking Lot Rehabilitation Project (Project), and they are ready to advertise for public bidding. The contract award recommendation will be presented to the Board in February, with the construction work likely to begin in late spring. The Project involves removing and replacing approximately 25,000 square feet of asphalt within the existing visitor and employee parking lot boundaries.

The parking lot pavement was originally constructed in the 1980s and received a 2-inch asphalt overlay in the late 1990s to extend its lifespan. Recent assessments have revealed that most of the pavement area has significantly deteriorated requiring a complete replacement to ensure the parking lot's long-term functionality and durability. Additionally, drainage slope deficiencies were noted during the recent storms requiring enhancements to improve drainage.

Fiscal Impact: The Agency's FY25 Capital Improvement Program allocates \$193,600 for the Project. That cost estimate was developed two years ago based on an estimated scope of work at that time. Staff recently completed a more detailed evaluation of the parking lot condition and identified additional asphalt deterioration, leading to an enhanced scope of work. Additionally, actual project construction unit costs from a large pavement repair project completed in FY24 highlighted significant increases in paving costs in recent years.

Due to the enhanced scope of work and higher unit costs, staff now estimates the Project will cost approximately \$380,000. To address the \$186,400 shortfall, staff will transfer available funds from various accounts in the FY25 Capital budget.

Environmental Review: This Project qualifies for the CEQA "Common Sense Exemption," which states under Section 15061(b)(3) of CEQA: "A project is exempt from CEQA if the activity is

covered by the Common Sense Exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA." Projects that are proposed within existing CMSA facilities which comprise routine maintenance actions, such as maintenance and/or replacement, repair or upgrade of existing internal structures and equipment, would not generate any environmental effects and would therefore qualify for a Common Sense Exemption. Filing a Notice of Exemption with the County Clerk and the State Clearinghouse is not required.

Alignment with Strategic Plan: This Project aligns with the Agency's FY25 Business Plan to support Goal 1 - Objective 1.2 as shown below.

Objective 1.2: Manage the Agency's equipment and assets with CIP and maintenance programs.

**BOARD MEMORANDUM**

December 5, 2024

To: CMSA Commissioners and Alternates

From: Tiffany Elam, Administrative Specialist

Approved: Jason Dow, General Manager

Subject: November 2024 Informational Items

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

1. Letter dated November 26, 2024, to Ms. Kerry O’Conner, California Regional Water Quality Control Board
Re: Monthly Self-Monitoring Report (SMR) – October 2024
2. Letter dated October 9, 2024, to SEIU Local 1021
Re: Request for Information
3. Letter dated November 7, 2024, to SEIU Local 1021
Re: Response to Request for Information
4. Total Inorganic Nitrogen Levels – Monthly Update
Re: December 2024
5. Ode to TSD
Re: Poem



November 26, 2024

California Regional Water Quality Control Board
San Francisco Bay Region
Ms. Kerry O' Conner, Water Resource Control Engineer
1515 Clay Street, Suite 1400
Oakland, CA 94612

Subject: Monthly Self-Monitoring Report (SMR) – October 2024

Dear Ms. O' Conner,

The SMR for the Central Marin Sanitation Agency (CMSA) treatment plant has been submitted using the eSMR /California Integrated Water Quality System (CIWQS). This SMR conforms to CMSA's NPDES Permit Order #R2-2023-006, the Nutrient Watershed Permit Order #R2-2024-0013, the Mercury and PCBs Permit Order #R2-2022-0038, the Amendment of Monitoring and Reporting Requirements and Amendment of Alternate Monitoring and Reporting Program Permit Order #R2-2021-0028, and the Amendment Update to Total Residual Chlorine and Oil and Grease Requirement Permit Order R2-2023-0023.

Violations

There are no reportable NPDES Permit violation(s) for this reporting period.

Blending Events

The CMSA treatment facility did not exceed the maximum secondary capacity of 30 MGD during this reporting period.

Data Validation

All regulatory daily, weekly, and monthly quality control calibrations/checks conducted during the month of October met established quality assurance acceptance criteria, except those data results indicated within the attached analytical reports.

Summary

If there are any questions, please contact me at (415) 459-1455, extension 101. Quality assurance data are available for all test results cited in this report. Values reported are measured values and each are subject to analytical variability.. CMSA reserves the right to question data in an enforcement proceeding.

I certify under penalty of law that this document and all attachments are prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gathered and evaluated the information submitted. Based on my inquiry of the person or persons who managed the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and

belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for known violations (40 CFR 122.22(d)).

Sincerely,



Nick Talbot
Treatment Plant Manager

October 9, 2024

Central Marin Sanitation Agency

Attn: Jason Dow, General Manager

Re: Request for Information

SEIU Local 1021 requests the following information for the purpose of representing our members.

1. The actual current vacancy rate for positions in all bargaining units, and for the vacant positions in the SEIU-represented bargaining unit, broken out by department and job classification.
2. Rate of attrition over the past five fiscal years, broken out by department and classification in the SEIU-represented bargaining unit. Please include the date of hire and job classification of separated employees over this time, along with reason for separation.
3. Any analysis or reports of recruitment, retention, or salary surveys from the past five years.
4. The percent of all Agency workers who live in Marin County, along with the percent of SEIU-represented workers who live in Marin County.
5. A copy of the fund balance sheet, including all known accounts for Agency on the date of response to this request.
6. The total dollar amount of payments to contractors for the current and past fiscal year. Please include the name of the contractor, the contract's dollar amount, a brief description of the services rendered (including whether these services were previously performed by Agency workers), term of the contract, if the contract was competitively bid, fees to the contractor related to the contract, and any CPI increase or cost escalator included in the contract.
7. For the past ten fiscal years, the total amount of dollars spent on contracted services as a percentage of total expenditures.
8. For the past ten fiscal years, the total number of budgeted temporary positions as a percentage of total budgeted positions.
9. The total amount of base pay/salary paid to the SEIU-represented bargaining unit for each of the last three fiscal years.



Theresa Rutherford
President

Mary Duncan
Secretary

Amos Eaton
Treasurer

Brandon Dawkins
VP of Organizing

Ramses Teon-Nichols
VP of Politics

Sandra Lewis
VP of Representation

Akbar Bibb
VP Region A (North Central)

Mary Sandberg
VP Region B (North Coast)

Yeon Park
VP Region C (East Bay)

Kristin Hardy
VP Region D (San Francisco)

Taffie Walter
VP Region E
(Amador/Calaveras/San Joaquin)

Executive Board

John Arantes
Julie Beardsley
Lucretia Bolin
Derrick Boutte
Lorraine Bowser
Charito Casanas
Nicole Christian
Kasha Clarke
Desiree Collins
Felipe Cuevas
Evelyn Curiel
Tina Diep
Geneva Haines
Elizabeth Harrison
Greg Marro
Todd Nosanow
Patricia Orey
Veronica Palacios
Alicia Ramirez
Maria Salazar-Colon
Sandy Sigala
Tina Tapia
Richard Thoele
Angel Valdez
Moises Vega
Sandra Wall

Executive Board & Budget & Finance Committee

Trevor Adams
Tazamisha Alexander
Monique Baca
Travis Balzarini
Rhea Davis
Karla Faucett
Cynthia Landry
Harold Powell

10. In electronic (Excel) format, race/ethnicity, gender and age data for all SEIU-represented employees and, separately, for all employees Agency-wide, for each of the following categories:
 - a. Department.
 - b. Job class
 - c. Exempt/Non-Exempt categories
 - d. Current hourly wage.
11. A total count of SEIU-represented budgeted and filled positions, including department and job classification, for each of the past 10 years. If it is not possible to provide 10 years of data, please provide as far back as possible.

This information is requested pursuant to the Meyers Milias Brown Act, the California Public Records Act, Government Code Section 6250 et seq, and all other applicable laws and regulations. Please provide the requested information as soon as practicable, and in electronic format wherever possible. Please also indicate the source of the information provided in response to this request.

Sincerely,

Joel Evans-Fudem
SEIU Local 1021
Field Representative

**CENTRAL MARIN
SANITATION AGENCY**Jason R. Dow P.E.
General Manager

1301 Andersen Drive, San Rafael, CA 94901-5339

Phone (415) 459-1455

Fax (415) 459-3971

www.cmsa.us

November 7, 2024

Joel Evans-Fudem
Field Representative
SEIU Local 1021**Via Email Delivery****Subject: Response to Your Request for Information**

Hi Joel:

I wanted to provide you with the Agency's initial response to your request for information under the Public Records Act ("PRA") and with respect to the Union's representation obligations under the MMBA, which you emailed to me on October 28, 2024. The numbers below refer to the numbered requests in your letter.

1. Under the MMBA: the Agency objects to this request to the extent it seeks vacancy information pertaining to positions outside of the bargaining unit ("BU") represented by SEIU. Such information has no relevance to SEIU's duty to represent BU employees. The Agency will re-evaluate its response if SEIU explains the relevance of information requested for employees outside of the BU.

Under the PRA, there is no record in existence that responds to this request.

Notwithstanding the above, the Agency responds that there are zero vacancies in the BU positions.

2. Under the MMBA, the Agency responds that the attrition information is equally available to SEIU because the Agency provides to the Union, once every three months, a list of current BU employees and their contact information and job classification (the "Employee List"). As such, SEIU can do its own analysis from the Employee Lists already provided. The Agency objects to providing the reasons underlying employee separations from the Agency because of employee privacy interests. The Agency is willing to meet and confer with SEIU concerning measures to protect these privacy interests.

Under the PRA, the information is exempt from production based on employee privacy interests, and because the privacy interests outweigh the public interest in disclosure of the records. In any event, there is no record in existence that responds to this request.

3. Under the MMBA, the Agency objects on grounds of relevance to providing any information related to employees outside the BU. If SEIU explains the relevance of the request for this information, the Agency will re-evaluate its response. Moreover, there is no obligation under the MMBA to provide the Agency's analyses/ thought-processes. Notwithstanding and without waiving those objections, the only time the Agency conducts a salary survey is in preparation for negotiating a new MOU. The most recent such survey the Agency conducted was in 2022, and the survey was provided to the Union at that time.

Under the PRA, the only responsive record in existence is the 2022 salary survey, which was already provided to SEIU.

4. Under the MMBA, the Agency objects to the relevance of the request to the extent it seeks information related to employees outside the BU. If SEIU explains the relevance of such information, the Agency will re-evaluate its response. As to the information pertaining to BU employees, the information is equally available to SEIU. SEIU can do its own analysis by reviewing the Employee Lists provided periodically by the Agency.

Under the PRA, there is no record in existence that responds to this request.

5. Under both the MMBA and PRA, the Agency objects that the request for a "fund balance sheet" is unclear. Please provide clarification as to what document or information the Union is requesting.

To the extent the Union seeks the Agency's financial information such as revenue, expenses, and check disbursements, that information is publicly-accessible in the monthly treasurer's report ("Treasurer's Report"), located in the consent calendar section of the Board packet that is available on the Agency's website [www.cmsa.us].

6. Under the MMBA, the Agency objects that this request has no relevance to SEIU's representation of its members, and that it is overly-broad. If SEIU explains the relevance of the requested information, the Agency will re-evaluate its response.

Under the PRA, there is no record in existence that responds to this request.

7. Under the MMBA, the Agency objects that this request has no relevance to SEIU's representation of the BU. In addition, the request for ten fiscal years of information is overly broad and appears to seek information that is not relevant to SEIU's representation of the BU. If SEIU explains the relevance of the requested information, the Agency will re-evaluate its response.

To the extent that SEIU establishes the relevance of the requested information, the Agency is willing to meet and confer with SEIU concerning sharing the cost of providing the information and/or other measures to reduce the cost

Under the PRA, there is no record in existence that responds to this request, but the SEIU may be able to do its own analysis by reviewing the Treasurer's Reports.

8. Under the MMBA, the Agency objects that this request has no relevance to SEIU's representation of the BU. In addition, the request for ten fiscal years of information is overly broad and appears to seek information that is not relevant to SEIU's representation of the BU. If SEIU explains the relevance of the requested information, the Agency will re-evaluate its response.

Under the PRA, there is no record in existence that responds to this request.

Notwithstanding the above, the Agency responds that it does not hire temporary employees for BU positions.

9. Under the MMBA, the Agency will generate a document that responds to this request, and will provide it to you.

Under the PRA, there is no record currently in existence that responds to this request.

10. Under the MMBA, the Agency objects that this request has no relevance, especially as to those employees outside the BU. If SEIU explains the relevance of the requested information, the Agency will re-evaluate its response. Please see the Employee Lists already provided by the Agency which identify much of the requested information for BU employees.

Under the PRA, there is no record in existence that responds to this request.

11. Under the MMBA, the Agency objects that this request is overly-broad and has no relevance to SEIU's duty of representation of BU employees. If SEIU explains the relevance of the requested information and the ten-year scope of the request, the Agency will re-evaluate its response.

Under the PRA, the Agency periodically prepares organization charts of Agency positions. It will provide to you those charts still in existence.

If you wish to meet and confer about any of the Agency's positions discussed above, or to provide further clarification about any of SEIU's requests, I would be happy to schedule some time to discuss. Please let me know.

Sincerely,


Jason Dow
General Manager

Nutrient Removal Alternatives Evaluation & Facilities Plan Project

The Project consists of evaluating alternatives for interim (2024 -2034) and permanent (post 2034) nutrient removal from CMSA's effluent. The work includes wastewater sampling, process modeling, developing screenings criteria, evaluating interim and permanent nutrient removal options, evaluating funding options, evaluating the nutrient/energy/solids nexus, and completing a Facilities Plan and Final Report for the selected nutrient removal alternative.



DECEMBER 2024 UPDATE

Budget \$1.0 M	Spent \$0.079 M	Remaining \$0.921 M
--------------------------	---------------------------	-------------------------------

Completed Tasks	Completion Date
Kickoff Meeting	September 10, 2024
2-Week Wastewater Sampling	Sept - Oct 2024
Interim Optimizations Workshop 1	October 2, 2024
Procured & Installed Ammonia and Nitrate Probes	November 28, 2024
Staff Training at Nutrient Technology Events	Sept - Nov 2024
Interim Optimizations Workshop 2	November 18, 2024

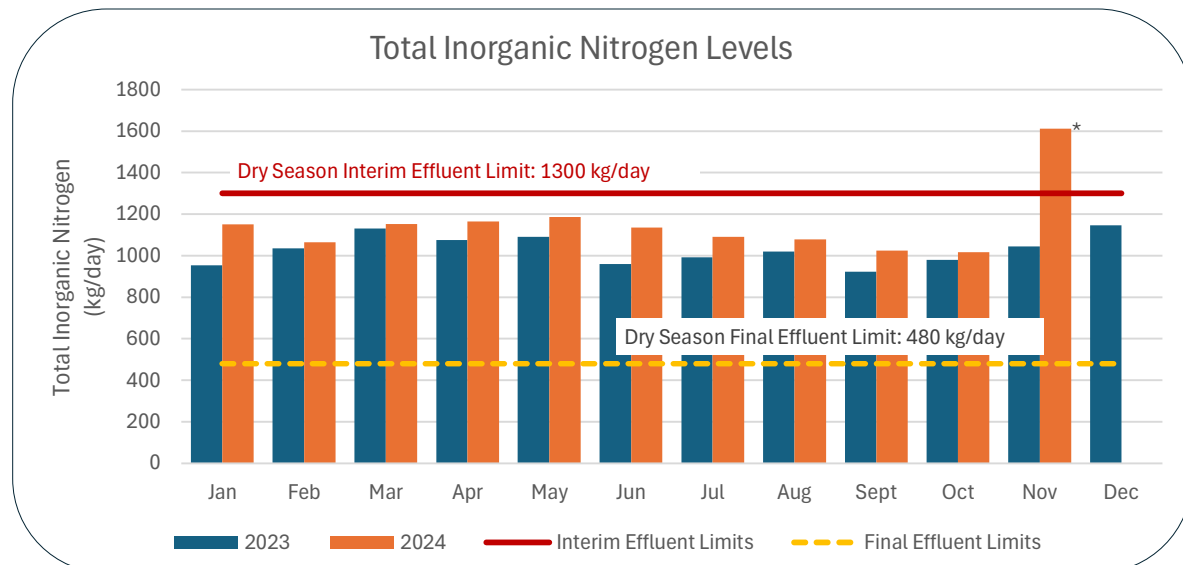
Remaining Tasks	Target Completion Date
Diffuser/Blower Evaluation	Dec/Jan 2025
Process Modelling	Dec/Jan 2025
Screenings & Evaluation Criteria Development	Dec/Jan 2025
Solids Loading/Energy/Nutrient Nexus	Dec/Jan 2025
Funding Opportunity Evaluation	Jan 2025
Alternatives Evaluation	Feb-Mar 2025
Facilities Plan	Apr-May 2025
Final Report and Board Presentation	Jun/Jul 2025



Spending Summary

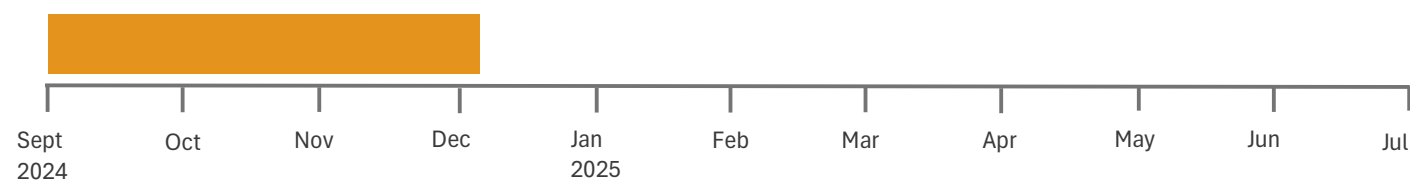


- Real-time Ammonia and Nitrate Probes: \$8k
- 2-week Sampling (Supplies): \$9k
- 2-week Sampling (Outsource Cost): \$25k
- 2-week Sampling (Staff Overtime): \$1k
- Carollo/Hazen Consulting Fees: \$34k



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

Project Schedule



Special Notes

- Carollo/Hazen is preparing a proposal for additional diffuser/blower evaluations
- A detailed biotower condition assessment will be considered in 2025
- Kennedy/ Jenks is beginning a facilities seismic study on select process treatment tanks, and will provide structural considerations for new nutrient removal facilities.
- The MASS Managers Group received a presentation from Hazen on nutrient credit trading and lessons learned from the East Coast.



ODE TO TSD

*IN THE BOWELS OF THE TOWN, WHERE DARKNESS RESIDES,
TSD WORKERS TOIL, WHERE THE WASTE SLIPS AND SLIDES.
THROUGH MANHOLES AND PIPES, THEY NAVIGATE WITH CARE,
UNSEEN HEROES, WITH A HEAVY BURDEN TO BEAR.*

*IN THE MUCK AND THE GRIME, THEY FIND THEIR WAY,
FACING WEIGHTY CHALLENGES, DAY AFTER DAY.
WITH RUBBER GLOVES AND TOOLS IN HAND,
THEY WORK TIRELESSLY TO STAY UP WITH THE DEMAND.*

*GRATITUDE FLOWS FROM CUSTOMERS UNSEEN,
TO THOSE WHO DWELL IN THE SUBTERRANEAN STREAM.
THEY TACKLE THE MESS, WITHOUT A FROWN,
DONNING THEIR HARDHAT LIKE A SILENT CROWN.*

*THROUGH THE SEWER'S LABYRINTH, THEY STRAY,
ENSURING TRUCKEE'S HOMES HAVE A CLEAN WAY TO T-TSA.
THEIR EFFORTS UNNOTICED, THEIR WORK OFTEN UNSEEN,
YET THE TOWN OWES ITS HEALTH TO TSD'S UNDERGROUND
TEAM.*

*SO HERE'S TO THE SEWER WORKERS, BENEATH OUR FEET,
WITH GRATITUDE AND RESPECT, OUR PRAISES REPEAT.
FOR IN THE SHADOWS, WHERE FEW EYES MAY GLEAN,
TSD KEEPS IT FLOWING, ENSURING OUR TOWN STAYS CLEAN.*

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JULY 1, 2023 – JUNE 30, 2024

DRAFT



CENTRAL MARIN SANITATION AGENCY



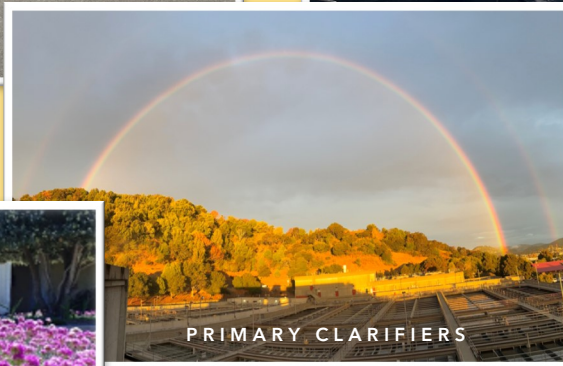
ROTATING DRUM THICKENERS (RDT)



AERATION TANK & DIGESTORS



NUEROS AERATION BLOWER



PRIMARY CLARIFIERS



ADMINISTRATIVE OFFICE



ORGANIC WASTE RECEIVING FACILITY (OWRF)



SECONDARY CLARIFIERS

Central Marin Sanitation Agency
ANNUAL COMPREHENSIVE FINANCIAL REPORT
July 1, 2023 – June 30, 2024



1301 Andersen Drive, San Rafael CA 94901
Corey Spray, Treasurer/Controller/Administrative Services Manager
Prepared by the Administration Department staff

www.cmsa.us/finance

**CENTRAL MARIN SANITATION AGENCY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR FISCAL YEAR JULY 1, 2023 THROUGH JUNE 30, 2024**

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INTRODUCTORY SECTION



December 10, 2024

Honorable Board of Commissioners and
Customers of the Central Marin Sanitation Agency
San Rafael, California

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Central Marin Sanitation Agency (CMSA) for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. This was the twenty-second consecutive year that CMSA has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a one-year period only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

We are pleased to present CMSA's ACFR for the fiscal year ended June 30, 2024. This report provides an overview of the Agency's financial activities during the past fiscal year and has been prepared by CMSA staff for the benefit of the Board of Commissioners and other stakeholders who may have interest in the financial position and operations of the Agency. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, rests with the Agency. CMSA's Management is responsible for the contents of the ACFR, and to the best of our knowledge and belief, the enclosed information is accurate in all material respects, and is reported in a manner designed to present fairly the financial position and results of operations of CMSA. All disclosures necessary to enable the reader to gain an understanding of CMSA's enterprise activities have been included.

California statutes require that CMSA report on its financial position and results of operations on an annual basis. This report contains the Agency's financial statements which have been audited by an independent accounting firm and have been accepted by the Agency's Board of Commissioners. CMSA's independent auditor, Maze & Associates Accounting Corporation, concluded that the Agency's financial statements present the financial position of CMSA fairly and in accordance with accounting principles generally accepted in the United States of America. The independent auditor's report is located at the front of the financial section of this report.

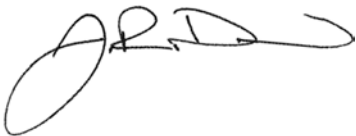
Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The reporting entity for CMSA is defined as a legally separate stand-alone governmental entity that is not financially accountable for any component unit or any other organization. Financial activity for the Agency is accounted for and reported as though it were a primary government in accordance with government accounting standards. The ACFR is presented in three sections, introductory, financial, and statistical, as summarized below.

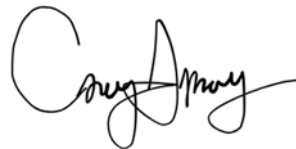
- *Introductory Section:* includes discussions of Board-approved major initiatives related to Agency capital projects, major asset management and maintenance activities, programs, policies, and financial operations. It also includes an informational profile of the Agency and its service area, an organizational chart, as well as a listing of Agency officials.
- *Financial Section:* comprises the Independent Auditor’s Report and the basic financial statements, which includes MD&A, financial statements, accompanying notes to the financial statements, and required supplementary information. The MD&A contains condensed financial statements and statement analyses, including an explanation of variations between fiscal years. The required supplementary information contains information in connection with the Agency’s pension and other post-employment benefit plans.
- *Statistical Section:* provides historical data on Agency finances, staffing, and operations, and service area demographics generally presented on a 10-year basis.

In submitting the ACFR, we express sincere appreciation to the Board of Commissioners for their ongoing oversight of the financial and operational activities of the Agency, as well as their continued support of Agency staff. We also thank Agency staff for their ideas and contributions. Special acknowledgement is given to the Administrative and Finance staff for their efforts in preparing this report.

Sincerely,



Jason R. Dow, PE
General Manager

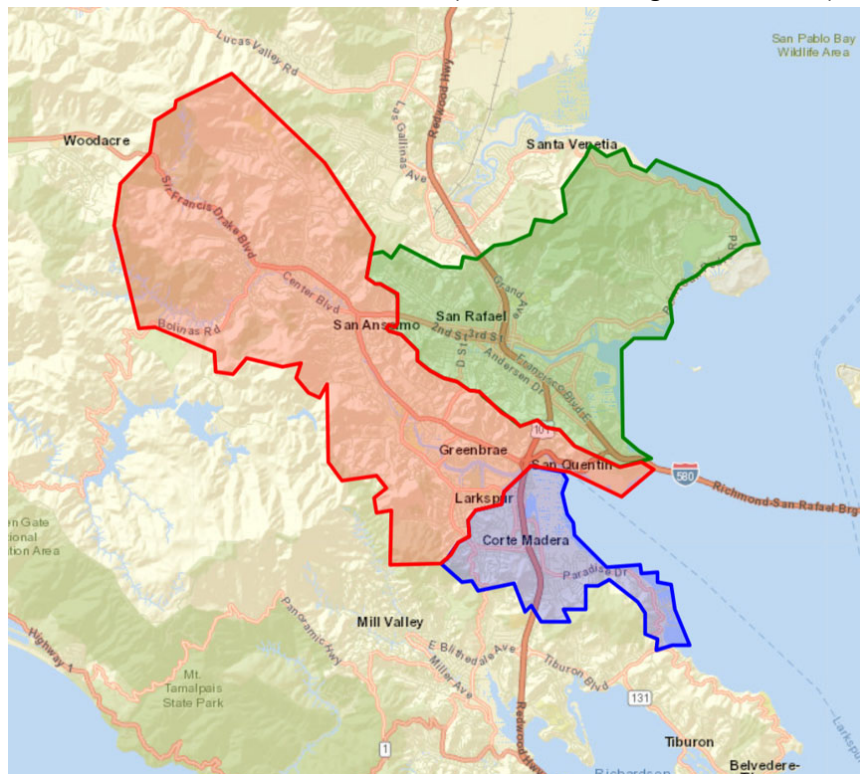


Corey Spray, CPA
Administrative Services Manager

LOCATION AND SERVICE AREA

Central Marin Sanitation Agency (CMSA) is a regional wastewater treatment agency that serves residents, businesses and institutions located in central Marin County. The Agency is in San Rafael, California, adjacent to the Richmond-San Rafael Bridge. The CMSA service area is approximately 43.5 square miles, and includes the Towns of Corte Madera, San Anselmo, Fairfax, and Ross, portions of the City of San Rafael, City of Larkspur, San Quentin State Prison (SQSP), and the unincorporated areas within San Rafael, the Tiburon peninsula, Ross Valley, and San Quentin Village (SQV). The April 2020 census reported Marin County has a total population of 262,321. For the Fiscal Year 2023-2024 (FY24), the Agency provided services to an approximate population of 105,040 or 51,812 equivalent dwelling units (EDUs).

The shaded areas show the location of CMSA service area (RVSD: red, SRSD: green, SD2: blue).



Population of Cities, Towns, and Correctional Facilities in the CMSA Service Area*

City of San Rafael (Approximately 2/3 of the city's population)	41,157
City of Larkspur	12,589
Town of San Anselmo	12,498
Town of Corte Madera	9,947
Town of Fairfax	7,417
Unincorporated CMSA Service Area (SQV, Greenbrae, Tiburon Peninsula)	6,524
Kentfield	6,808
San Quentin State Prison	3,361
Sleepy Hollow	2,401
Town of Ross	2,338

*Sources: United States Census Bureau State and County Quick Facts (2020 Census & 2023 estimates), Bureau of Economic Analysis; unitedstateszipcodes.org; San Quentin State Prison 2024 SB601 Report

ORGANIZATION AND BUSINESS

In the 1970's, central Marin County had four small wastewater treatment plants whose operations were not able to meet the stringent requirements of the 1972 Clean Water Act. Four local agencies that provided wastewater services in the area, San Rafael Sanitation District (SRSD), Ross Valley Sanitary District (RVSD), Sanitary District No. 2 of Marin County (SD2), and the City of Larkspur (Larkspur) entered into a joint powers agreement (JPA) in October 1979 to create a separate governmental entity, the Central Marin Sanitation Agency, to oversee the construction and operation of a regional wastewater treatment facility. SQSP, which represents the largest single customer of wastewater treatment services in the combined service area, opted not to join the JPA, but rather to contract for wastewater services. The treatment facility was constructed at a cost of \$84 million and was funded by federal (75%) and state (12.5%) clean water grants, as well as local shares (12.5%) from the local wastewater agencies and SQSP. Larkspur's wastewater service area was annexed by RVSD in 1993, and Larkspur later withdrew from the JPA in January 2020.

The Agency's governing body, a Board of Commissioners (Board), consists of individuals appointed by the JPA member agencies. SRSD and RVSD each have two members on the Commission while SD2 has one member. The five-member Board sets policy for the Agency. The Board appoints the General Manager and Treasurer/Controller who serve at the pleasure of the Board. The General Manager is the chief administrative officer responsible for the Agency's day-to-day operations and long-term planning in accordance with the Board's policies and approved budget. The Treasurer/Controller is charged with overall financial responsibility in accordance with established Agency policies.

The CMSA wastewater treatment facility began operations in January 1985. The treated wastewater discharged into the central San Francisco Bay as clean effluent consistently exceeds all federal, state, and regional regulatory requirements. Since its inception, CMSA has successfully carried out its mission of protecting public health and the environment through the planning, administration, and coordination of wastewater and biosolids treatment, disposal, and reuse for central Marin County. CMSA also provides other services to benefit its customers and the environment, including (1) participating in federal pretreatment and regional pollution prevention programs, (2) providing wastewater collection system maintenance, source control, and other services under contract to local agencies, (3) managing an award winning comprehensive countywide public education program, (4) serving as the lead agency for administering a comprehensive safety program with another wastewater agency in the county, and (5) providing recycled water and renewable energy.

CMSA's wastewater treatment process consists of (1) screening and grit removal, followed by (2) primary and secondary treatment processing, then (3) the clean wastewater is disinfected and dechlorinated before (4) being discharged into San Francisco Bay. In FY10, CMSA completed the Wet Weather Improvement Program that increased the Agency's hydraulic and processing capacity from 90 million gallons per day (MGD) to over 125 MGD, and discharge capacity to over 155 MGD. The treatment facility also produces nearly all of its own electrical and heating needs using a cogeneration system fueled by biogas gas that is produced by the treatment plants' two anaerobic digesters.

ECONOMIC CONDITION AND OUTLOOK

Marin County has a total population of 262,321 with a growth rate of less than one percent annually. The county’s residents continue to have California’s and the United State’s highest per capita income of \$171,177 per household according to the most recent 2022 data reported by the Bureau of Economic Analysis. The population growth rate and per capital household income in the CMSA service area mirrors that of the County.

Marin’s 3.7% average unemployment rate is one of the lowest rates in California and remained just below national levels (3.8%) at the end of FY24. Seven of the top ten employers as measured by the number of employees in the CMSA service area are governmental entities.

Ten of the Largest Employers & Number of Employees in CMSA Service Area

1. BioMarin	1,700	6. San Rafael City Schools	561
2. MarinHealth Medical Center	1,650	7. Tamalpais Union High School District	531
3. San Quentin State Prison	1,468	8. College of Marin	512
4. Dominican University	1,033	9. Restoration Hardware	500
5. Golden Gate Transit	853	10. City of San Rafael	416

The local housing market continued to decrease through December 2023 as buyers responded to higher mortgage interest rates. The annual mean/median sale price for a home in Marin as reported by the Marin County Assessor Office for the year ending December 31, 2023 was \$1,785,933/\$1,376,500 for a mean home living area of 1,957 square feet, compared to \$1,909,245/\$1,500,000 and 1,997 square feet reported in December 2022. The downward trend reversed somewhat through June 2024, where the county reported \$1,819,740/\$1,497,500 for mean/median sales data statistics and a mean home living area of 2,012 square feet.

The Agency’s revenue structure is based on fee for service. The Agency invoices for service charges quarterly and the member agencies in turn remit the revenue to CMSA. Sewer system capacity charges are remitted upon connection of new or expansion of existing service to the wastewater system. In accordance with the JPA agreement, member agencies are responsible for billing and collection of sewer service charges from property owners in their service area. Member agencies place service charges on the Marin County Tax Bill, and the County collects from property owners through the property tax collection system, then remits the collected revenue to JPA member agencies who in turn remit service charge revenues to CMSA.

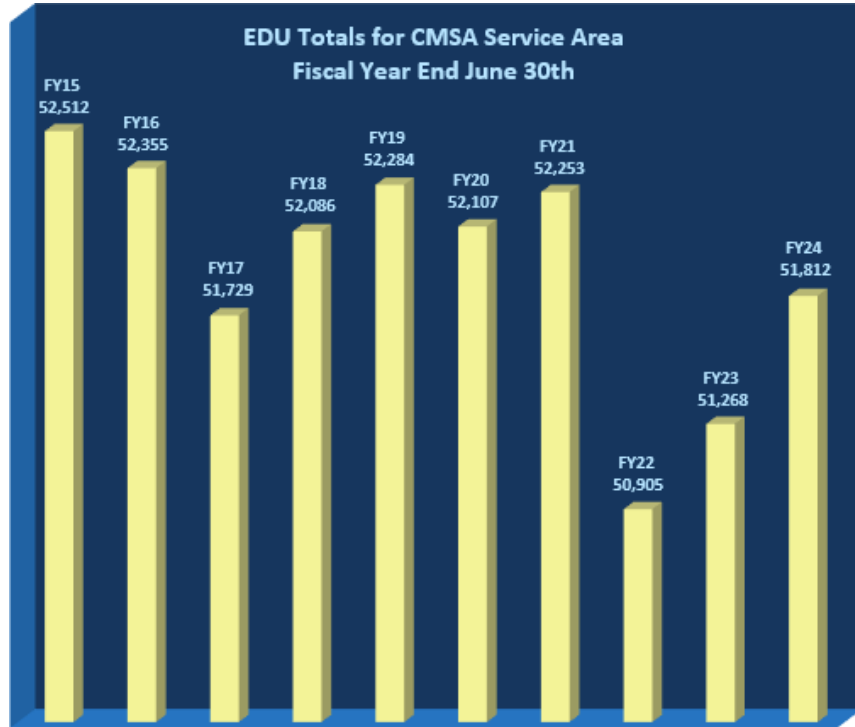
EDU Count by Connection Types for FY24

(Source: Property Tax Reports, County of Marin)

	San Rafael Sanitation District	Ross Valley Sanitary District	Sanitary District #2	San Quentin State Prison	TOTAL
Residential	15,742	18,216	4,654	N/A	38,612
Commercial	3,436	3,240	1,407	N/A	8,083
Institutional (1)	164	851	96	N/A	1,111
Correctional				4,005	4,005
TOTALS	19,342	22,308	6,157	4,005	51,812

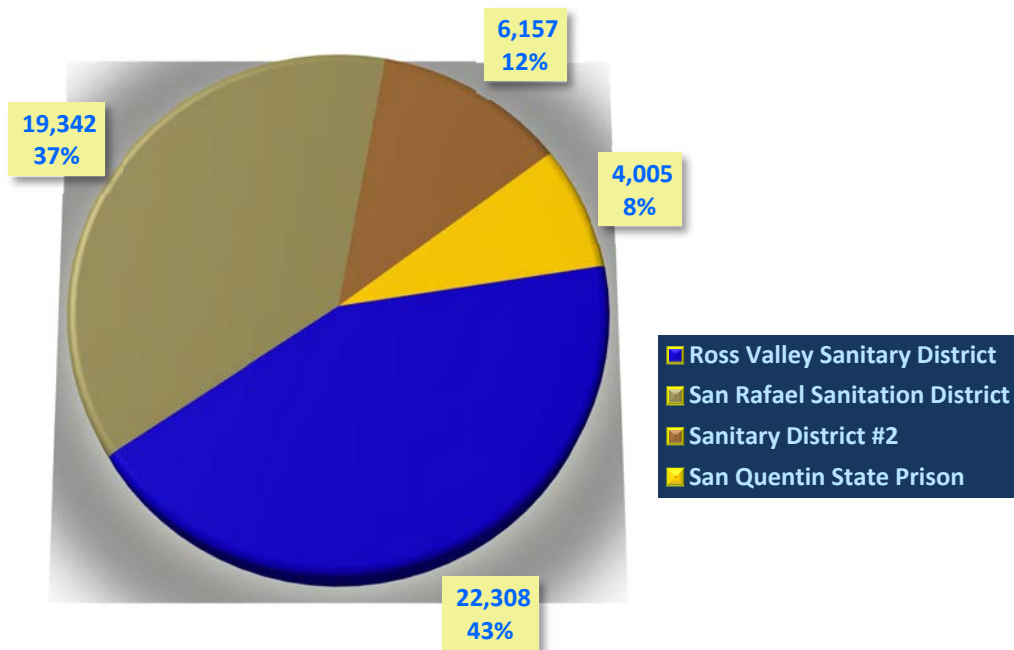
(1) Governmental entities such as federal, state, county, cities, and special districts are property tax exempt and are billed separately. EDU counts for these institutions are not included in county property tax reports and are reported separately by each JPA member.

ECONOMIC CONDITION AND OUTLOOK (Continued)



Sewer service connections in the service area are primarily residential, and the reported EDU is a number that remains relatively stable, as new development in the service area is minimal. Commercial customer EDU counts are determined by measured winter water use, with fluctuations from year to year being due to variable water usage by commercial properties. As seen above, there was a noticeable EDU count decrease in FY22 after two extremely dry winters.

51,812 Total EDU by JPA Members and San Quentin as a Percentage of Total EDUs for FY24



AWARDS AND RECOGNITIONS

Certificate of Achievement for Excellence in Financial Reporting: CMSA was recognized by the GFOA with the Certificate of Achievement for the Agency's FY23 Annual Comprehensive Financial Report (ACFR) and the Finance Department was presented the Award of Financial Reporting Achievement for being primarily responsible for achievement of the Certificate. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a governmental entity. This marks the twenty-second consecutive year that the Agency's ACFR has met the high standards of the GFOA for governmental accounting and financial reporting. The Agency continually strives to comply with GFOA guidelines and recommendations, and all financial documents, including the Budget, Annual Financial Statements, Annual Reports, monthly Treasurer's Reports, and Quarterly Budget Status Reports are transparent representations of the Agency's financial operations. Each of the reports are presented to the Board for review and acceptance and posted on the Agency's website (www.cmsa.us/finance/documents) or as part of the Board Agenda Packets (www.cmsa.us/board/agendas-and-minutes).

Outstanding Achievement in Popular Annual Financial Reporting: The Agency's Popular Annual Financial Report (PAFR) for FY23 was recognized by the GFOA and received an outstanding achievement award. The PAFR award is a prestigious national award acknowledging conformance with the highest standards of preparation for state and local government popular financial reports. The PAFR is specifically designed to be readily accessible and easily understandable to the public and other interested parties who do not have a background in public finance. FY23 marks the fourteenth consecutive year that the Agency's PAFR has met the high standards of the GFOA for governmental accounting and financial reporting.

Distinguished Budget Presentation Award: The Agency's Adopted Biennial Budget for FY24 and FY25 received the distinguished budget presentation award by the GFOA. The award is the highest form of recognition in governmental budgeting and its attainment represents a significant accomplishment by a governmental entity. The GFOA encourages public agencies to prepare budget documents that fully explain the agency's business, are transparent, and are specifically designed to be readily accessible and easily understandable to the public and other interested parties. In attaining this award, the Agency's budget was deemed to be proficient as a policy document, financial plan, operational guide, and communication device. The FY24 and FY25 Biennial Budget marked the eleventh year that the Agency's budget has met the high standards of the GFOA for annual and biennial budget reporting documents.

National Association of Clean Water Agencies (NACWA) "Platinum" Peak Performance Award: NACWA represents the interests of and advocates at the federal level for the country's wastewater organizations. Members of NACWA provide wastewater treatment services to over 129 million people in the United States and are true environmental practitioners that

MAJOR INITIATIVES (Continued)

collectively manage more than 18 billion gallons of wastewater each day. NACWA maintains a key role in the development of environmental legislation and works closely with federal regulatory agencies in the implementation of environmental regulations and programs. NACWA presents annual recognition to high performing wastewater utilities through its *Peak Performance Awards* program.

For the 2023 calendar year, CMSA received the NACWA “Platinum - 6” Peak Performance Award. This award recognizes the achievement of full compliance with NPDES permit discharge requirements for six consecutive years. This was a significant achievement for the Agency and its staff!

Regional CWEA Staff Awards: Several CMSA staff members were also recognized by the CWEA Redwood Empire Section and received awards in their respective disciplines:

- Operator of the Year – Mike Silva
- Electrical/Instrumentation Person of the Year – Tony Drady
- Murray McKinnie Award (Operator-in-Training) – Cody Leveque

Regional CWEA Awards: For 2023, the Agency was recognized by the CWEA Redwood Empire Section and received an award for the following achievement:

- Community Engagement and Outreach Program of the Year

STRATEGIC PLAN

The Agency’s 5-Year Strategic Plan (SP) for the fiscal years ending June 30, 2022 to 2026 was adopted by the Board in July 2021. FY24 marked the end of the third year of the current five-year plan. The SP is a guide to direct the Agency in charting a strategic path to effectively maintain and improve its operations and services. CMSA’s SP has been constructed to set priorities, focus energy and resources, and guide fundamental decisions and actions that will shape the Agency for five years, in one-year increments.

The SP contains Vision, Mission, and Values statements, and six strategic Goals to achieve each statement. Annually, staff prepares a Business Plan with associated Strategic Objectives and Actions to undertake in support of the Board adopted Mission, Vision, Values, and Goals. The Agency’s budget is closely aligned with the annual Business Plan, as funding for its Actions were included in budget development and the adopted FY24-FY25 budget.

Plan Development: The Agency maintains a standing committee, known as the Agency Strategic Planning Committee (ASPC), to oversee the implementation of annual Business Plan activities, and to develop a new plan each fiscal year. The FY24 Business Plan had 58 Strategic Actions, of

MAJOR INITIATIVES (Continued)

which 45 were completed, 8 were ongoing (having no definable end date or are recurring), and 5 were delayed for various reasons.

The FY25 Business Plan was approved by the Board at the beginning of the fiscal year, July 2024. It includes 61 Actions to further its 19 Objectives. Noteworthy actions are:

- Evaluate facility operations without a dry weather graveyard shift.
- Commission a Facilities Structures Seismic Study.
- Complete replacement of the Chlorine Contact tank gates, deck, and wall coating.
- Evaluate the RV Interceptor Hydrogen Peroxide access/feed options for the Oak Hill Apartments Development.
- Select a nutrient removal system for the predesign phase of the Nutrient Removal Project.
- Finish New Grit Washers Project design and begin construction.
- Finish Dewatering System Replacement Project design and begin construction.
- Rehabilitate Primary Clarifier No. 1 and begin rehabilitation of Primary Clarifier No. 2.
- Revise the Fee Ordinance for Vector truck acceptance criteria and fees.
- Automate invoicing of source control program permits.
- Complete competitive evaluation of deferred compensation plan provider(s).
- Evaluate banking services relationship for potentially new or added services.
- Optimize operation of the organic waste receiving facilities and the cogeneration system to consistently be energy positive.
- Obtain Inflation Reduction Act funding for the Cogeneration System Improvement Project.
- Request proposals for natural gas procurement services.
- Evaluate the proposed nutrient removal alternatives for energy consumption.
- Finish the Sodium Bisulfite Reduction Study.
- Complete the Sentry Loading Study for influent and aeration tank organic loading monitoring.
- Support CalRecycle's co-digestion efforts by coordinating with Republic Services to deliver organics.
- Support SRSD service contract development and evaluation.
- Serve as North Bay Watershed Association Treasurer.
- Enhance exposure to cross-department activities through targeted ASPC departmental information sessions.

MAJOR INITIATIVES (Continued)

- Complete Job Hazard Assessment Program with the Maintenance Department.
- Develop a Workplace Violence Prevention Plan.
- Continue Programmable logic Controller support training plan for Electrical/Instrumentation staff.

The current SP and its annual business plans may be found at www.cmsa.us/documents/administrative.

SUCCESSION PLANNING

CMSA conducts succession planning each year to ensure the Agency can fulfill its mission and core values with the appropriate staff resources. To this end, the Board has authorized various activities in support of succession planning, including the creation of special positions for limited duration, the creation of temporary positions for mentoring and coaching by retiring employees, and the overstaffing of certain classifications for training and transitioning prior to an employee's retirement.

The annual update occurs by analyzing the age and length of service of each member of the workforce, and informally discussing with employees who meet the California Public Employees Retirement System (CalPERS) criteria, at least age 50 and greater than five years of total CalPERS service, about their retirement plans. The results of this annual update are also incorporated into the Agency's long-term financial forecast model and business plan. CMSA's workforce characteristics as of the end of FY24 were as follows:

- 48 authorized positions
- Average age is 42.7 years
- Average length of service is 6.83 years
- 11 employees with over 10 years of service
- 16.3% of current employees meet the requirements for retirement from CalPERS

The Agency completed successful recruitments for fourteen new employees during FY24. These staff members were hired to fill vacancies in various classifications, including the Treatment Plant Manager, Administrative Services Manager, one Administrative Specialist, one Accounting Technician, two Operators-in-Training, four Operators, two Electrical and Instrumentation Technicians, one Mechanical Technician, and one Laboratory Analyst.

The Board approved an Operations Succession Plan in December 2023 to provide opportunities of advancement within the department while preparing for the retirement of the Treatment Plant Manager and Operations Supervisor. The Plan consisted of creating temporary supervisor, assistant supervisor, and lead operator positions, selecting and appointing individuals into the three positions, providing training, and monitoring performance. All three staff did well in their

MAJOR INITIATIVES (Continued)

6-month temporary roles and were promoted into the regular positions, and the vacancies created by the two retirements were filled with new operators-in-training.

THE JOINT POWERS AGREEMENT – A CHANGING DOCUMENT

CMSA was formed by a Joint Powers Agreement in 1979 with an original expiration date of 2020. Since its inception, the JPA has been amended eight times. Five of the amendments were made prior to 1990, to either clarify or update provisions after CMSA began receiving the construction cost reimbursements from the Environmental Protection Agency and State Water Board. An amendment in 2006 extended the JPA term to 2031 to align with the term of a 2006 revenue bond issuance.

Significant revisions were identified in 2017, after the managers of CMSA and each JPA member agency completed a thorough review process where they determined that many of its provisions were outdated or not applicable, and others had been superseded by CMSA Board-adopted financial and personnel policies. Over the course of six months, the JPA's 26 sections were revised with each completed section being presented and accepted by each respective agency board member. Lastly, after all the revised sections were accepted, supporting attachments prepared, and a legal review of the final draft document completed, the revised 2018 JPA was adopted by the JPA member agencies. It accurately reflected the current state of CMSA's business and service delivery.

In late 2018, the Larkspur City Council approved withdrawing from the JPA. The JPA managers subsequently prepared a withdrawal agreement and revised the JPA to reflect Larkspur's withdrawal and the reduced number of CMSA Commissioners. Both agreements were approved by the JPA member agencies in January 2020.

The CMSA and JPA managers meet at least monthly to maintain their exceptional working relationships, share information on their respective businesses, projects, and initiatives, and to plan and implement cooperative activities. Additionally, CMSA General Manager regularly seeks JPA managers' thoughts and feedback on CMSA revenue programs and debt issuances.

MAJOR CAPITAL PROJECTS

Below is a summary of the major capital projects that were completed or underway during FY24.

Liquid Organic Waste Project Construction: The Agency's organic waste receiving facility (OWRF) was originally constructed in 2014 with a below-grade storage tank that accepts various organic waste material, such as food waste and fats, oils, and grease (FOG). These materials are mixed and then pumped to the digesters to generate biogas for use as fuel in a cogeneration engine to produce renewable power. Since most organic material is delivered on weekday

MAJOR INITIATIVES (Continued)

mornings, the tank fills up quickly, and the Agency would need to turn away FOG haulers that arrive later in the day. As a result, there can be a shortage of organic material during nighttime and weekend hours, or when the storage tank is taken offline for maintenance, which then may require CMSA to purchase natural gas to fuel the cogeneration engine.

To maximize tipping fee revenues, biogas production, and renewable power generation, construction of an additional above-ground liquid organic waste storage facility was initiated in FY23 and carried on throughout FY24. A separate component of this project was to install two new biogas chillers and a heat exchanger to replace the single aging gas conditioning unit required for cleaning biogas. The Agency was awarded \$2.5 million from CalRecycle's Co-Digestion Grant Program in September 2022 to help fund the project, and the Agency selected and hired GSE Construction in November 2022 to build the project.

To accommodate additional food waste haulers with different truck sizes, the old OWRF hatch was replaced with a wider hatch door in April 2024. In May, a 20-ton food waste delivery from Republic Services was successfully offloaded into the OWRF using the wider hatch door. Construction was completed in May 2024 and the facility was successfully placed into operation. A total of \$2,319,480 in grant reimbursements have been received to date, and the remainder of the grant reimbursements will be received by the end of FY25.



Completed Liquid Organic Waste Receiving Facility



Installation of a New Cogeneration System: Since FY19, staff have been working on the planning and design for the installation of a new cogeneration system. To expedite delivery of the cogeneration system and reduce the construction duration, the Agency decided to prepurchase the major equipment in FY21, whereby CMSA selected and purchased the cogeneration equipment along with completing the final design work. The new cogeneration system was delivered in August 2020, the final design was completed in parallel, a general contractor was selected, and construction began in December 2020. Significant construction progress was made throughout the remainder of FY21 and FY22, including installation of the new engine and associated electrical and mechanical equipment, and installation of new air supply fans and engine exhaust treatment systems on the roof of the Solids Handling Building. The commissioning/start-up process for the various systems began in the summer of 2022 and

MAJOR INITIATIVES (Continued)

was substantially completed in early 2023. However, a few remaining commissioning items related to exhaust temperatures and system controls were taking longer than expected to troubleshoot, and were completed in November 2024. During its commissioning period, the engine has been under successful routine operation, powering and heating CMSA facilities and frequently exporting substantial amounts of excess renewable power into the local electricity grid. In FY24, CMSA also contracted with a specialty consulting firm to prepare an application for Inflation Reduction Act Funding for the new cogeneration system. Funding, if approved by the Internal Revenue Service, will be received in FY25 or FY26.



New cogeneration engine

Design of Replacement Centrifuges: The current centrifuges installed in 2002 are reaching the end of their useful life, and the Agency's 2018 Facilities Master Plan recommended replacing the units with centrifuges that have larger capacity to handle the increase in biosolids related to increased delivery of organic waste. Black & Veatch (BV) was retained in February 2023 to provide engineering design services to replace the three sludge dewatering centrifuges. BV developed a 3D model of the existing building conditions, and in FY24, the model was used to develop conceptual designs to evaluate layout options and constraints. Staff and BV had a pre-design workshop in March to review layout considerations and centrifuge features. Based on flow capacity and available physical space in the centrifuge room, the team narrowed the centrifuge selections to two manufacturers. Staff coordinated with BV to develop the procurement specifications and solicited quotes. The selection and the pre-purchase agreement of the three replacement centrifuges was executed at the start of FY25. The design work will continue into FY25, and is expected to be completed in Spring 2025, with construction planned to start in mid-2025.

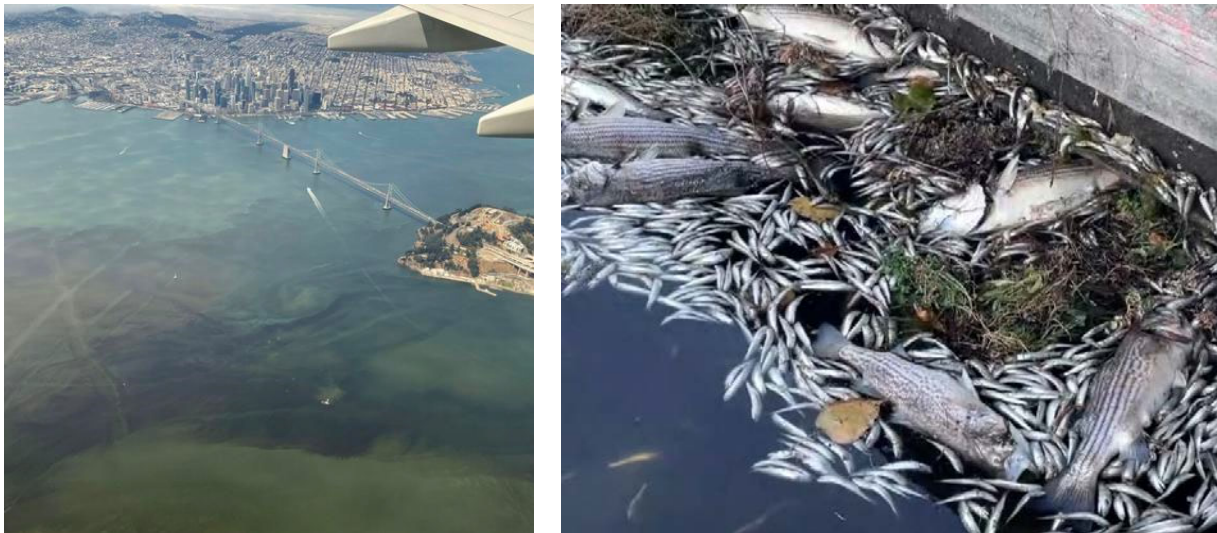
MAJOR INITIATIVES (Continued)



Existing Centrifuges (left) and 3D Model of the centrifuge room with the new centrifuges (right)

Nutrient Removal Program: San Francisco Bay Regional Water Board (RWB) adopted a Nutrient Watershed Permit (Permit) in July 2024 to address the large harmful algal blooms that resulted in significant fish kills over the past few summers. The permit has interim and final limits, and compliance with the interim limits will be required starting in October 2024, and compliance with the final limits will be required by 2034. The final limits will require an approximately 60 percent reduction in CMSA’s nutrient loading to the bay, which will necessitate the construction of significant infrastructure improvements and new facilities on CMSA’s site. In anticipation of the final Permit, CMSA developed a Request-for-Proposal (RFP) document and issued it to ten interested consulting firms in April 2024. The RFP is for the first phase of CMSA’s Nutrient Removal Program and includes consultant services for a Nutrient Removal Alternatives Evaluation and Facilities Plan.

During FY24, CMSA met with the proposers to share background information about CMSA’s facility and answered questions about the RFP. Four proposals were received and evaluated in early FY25, and the winning proposer is tasked to complete work by the end of FY25, culminating with recommending a final preferred alternative to CMSA’s Board for approval. Thereafter, CMSA anticipates completing the pre-design and final design of the preferred alternatives in FY26-28 and begin construction in subsequent years.



Pictures of algae bloom near treasure island & resulting fish kills

MAJOR INITIATIVES (Continued)

Hillside Repairs: The Agency owns and maintains the hillside along Andersen Drive, which is located across the street from the treatment plant property. Due to limited access, the area surrounding storm drain channels and catch basins have become overgrown over the years with vegetation and became filled with packed soil such that it obstructed drainage. Heavy rains in January 2023 resulted in several landslides, and a geotechnical engineer was retained to design retaining walls and repair details for damaged areas.

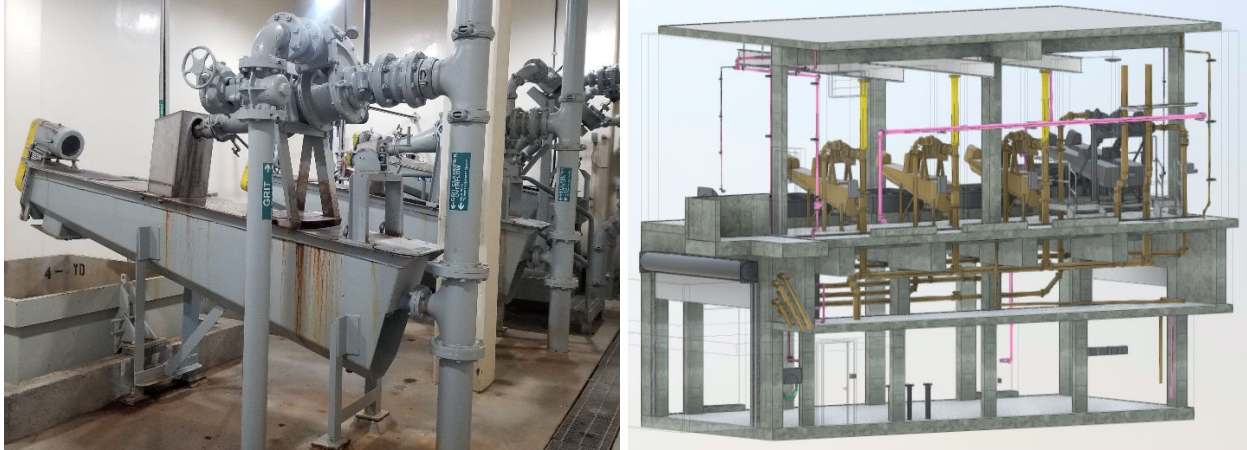
Two separate contractors were hired to maintain and construct improvements on Andersen Hillside. The first cleared the vegetation and sealed several cracks along the channel, and the second performed earthwork including grading, compaction, filling erosion gullies, and installing a retaining wall to stabilize areas that were damaged due to heavy rains. Both projects were completed in early 2024.



V-ditch Maintenance (left) and New Retaining Wall (right)

Grit Classifiers Replacement Design and Prepurchase: The Agency's five grit pumps and grit classifiers transport and dewater grit from the plant influent wastewater. The equipment was installed in the mid-90's, operate in a very corrosive and erosive environment, perform relatively poorly in terms of separating organics from grit, and have reached the end of their useful life. An engineering firm was retained in FY24 to evaluate replacing the aging classifiers in-kind versus installing a modern high-efficiency grit washer system that effectively removes almost all the organic materials from the grit. Based on site visits and an evaluation, the Agency decided to replace three classifiers with two new high-efficiency grit washers. The project team evaluated several washer layouts, and the engineer began developing the detailed design documents. Because the new grit washers will be installed in the current grit handling room, detailed coordination is required to minimize conflicts between the new and existing structural, electrical, and mechanical equipment. To aid in this effort, a 3D model was prepared and will be used to develop the new grit washer layout. The final design is expected to be completed in December 2024 and construction to begin in March 2025. The Board approved the pre-purchase of the two grit washers, and it is expected that the units will be delivered by the time construction commences.

MAJOR INITIATIVES (Continued)



Existing Grit Classifiers (left) and 3D Model of Current Grit Classifier Room (right)

CENTRAL MARIN ORGANIC WASTE PROGRAM

CMSA's organic waste program is comprised of the innovative and successful Central Marin Food-to-Energy (F2E) program and a separate program where CMSA receives and processes fats, oils, and grease (FOG) from private haulers, as well as occasional food waste deliveries from other solid waste collection partners.

F2E was launched in January 2014, with Marin Sanitary Service (MSS) collecting pre-consumer food waste from restaurants, markets, and other similar businesses in their service area. Collected food waste is processed at MSS's local transfer station, which is approximately one-half mile from CMSA. Processing involves the removal of contaminants such as utensils, plastic material, bones, melon rinds, metal objects, and similar items, followed by grinding the food waste into small particles. A special delivery truck then transports the cleaned processed food waste to CMSA, where it is dumped into an underground tank, mixed with FOG and other liquid organic wastes, and then injected into the treatment plant's anaerobic digesters.

Once in the digesters, the organic waste mixture is co-digested with wastewater solids to produce additional biogas, a form of methane gas that is used as fuel in the Agency's power generation system. CMSA historically operated the system on biogas fuel approximately seven hours a day, producing all the Agency's energy needs during that time. The additional biogas generated from the organic waste program materials enables the Agency to run the generator much longer; a near future goal is to achieve full energy self-sufficiency and continuously deliver renewable power off-site. This goal was achieved for several months in FY24, during which time CMSA produced more renewable power than it consumed with the excess being exported to the grid for sale.

Consistently attaining self-sufficiency would eliminate the need for the Agency to purchase natural gas, an alternate fuel source, and electricity from outside sources. CMSA aims to consistently attain self-sufficiency in FY25.

MAJOR INITIATIVES (Continued)

This collaborative and successful public-private partnership with MSS has created a program that achieves benefits both for the environment and CMSA, including diversion of food waste from the local landfill, reduction of regional greenhouse gas emissions, reduced truck traffic on the freeway and local roads, and additional energy production at CMSA. MSS has currently enrolled over 202 businesses that generate food waste. CMSA receives a tipping fee for each ton of food waste and gallon of liquid organic waste delivered, both of which assist in stabilizing wastewater service fees. Additionally, due to a new advanced pre-processing system installed at MSS in FY23, MSS now consistently receives expired packaged food waste materials from grocery distributors. About four trucks a month of unpacked food waste were delivered to CMSA by the end of FY24. During FY24, CMSA signed an agreement with Sustainable Organics Solutions (SOS), an organic waste processor in Santa Clara County. SOS operates a similar pre-processing system as MSS and has been delivering an average of one truck a week by the end of FY24.

Below is a summary of several noteworthy organic waste program activities and developments in FY24.

- Organic waste deliveries included: an average of approximately 6.9 tons of food waste per day from MSS, approximately 13,449 gallons of FOG per day (except Saturday & Sundays), a total of 302 tons of pre-processed food waste slurry from SOS and 353 tons of depackaged food waste from MSS.
- The mixture of food waste, FOG, and other organic materials produced enough additional biogas to run the energy generation system up to an average 19.3 hours per day, and 24 hours per day multiple weeks during the year.
- CMSA executed longer-term delivery agreements with SOS.
- CMSA executed a similar long-term delivery agreement with the City of Sunnyvale in early FY25.
- CMSA successfully commissioned the new Liquid Organic Waste Storage Tank Project (See Capital Projects Description) in FY24.

POWER DELIVERY PROGRAM

CMSA's power delivery program has been underway for several years and aims to utilize the Agency's excess digester capacity to accept additional organic waste materials to significantly increase biogas generation. In the spring of 2019, CMSA received official permission from the local utility, PG&E, to export excess power to its electrical grid, and from FY21 through FY24 significant amounts of renewable power were exported and sold to Marin Clean Energy (MCE) through an existing Power Purchase Agreement.

MAJOR INITIATIVES (Continued)



Main switchgear.



Power export meter to track energy being sold to MCE.

In FY24 CMSA's Power Delivery Program achieved the following major milestones:

- Exported and sold 895,000 kilowatt hours of electricity to MCE.
- Over the entire FY24, the electricity produced from biogas was approximately **98 percent** of the total electricity consumed by the facility.
- From January to June 2024, after increasing organic waste deliveries and optimizing the new cogeneration engine and new liquid organic waste storage tank, the electricity produced from biogas was approximately **104 percent** of the total electricity consumed by the facility.
- In FY25, CMSA expects to accept additional organic waste deliveries and optimize the power delivery program operations. As a result, CMSA estimates that the electricity produced from biogas will be approximately **120 to 140 percent** of the total electricity consumed by the facility. CMSA is aware of only one other wastewater treatment plant in the United States that consistently produces more electricity from biogas than the facility consumes.

WASTEWATER SERVICE AGREEMENTS FOR CMSA-PROVIDED SERVICES

CMSA provides various wastewater-related services to public agencies in Marin County through contractual agreements, offering benefits to both CMSA and the public agencies involved. These mutual partnerships allow the agencies to save costs by utilizing CMSA's specialized expertise, resources, and equipment rather than relying on external contractors or consultants. In turn, CMSA benefits from additional revenue, which helps lower wastewater service fees for its customers. The diverse nature of these services enhances CMSA staff engagement,

MAJOR INITIATIVES (Continued)

retention, and efficiency, fostering a work environment of improved productivity and job satisfaction. This positively impacts both CMSA and the agencies, benefiting end customers by maintaining efficient and effective wastewater services.

The services CMSA provides include monitoring, operating, and maintaining wastewater pump stations and force mains, managing a sewer collection system, and regulating commercial and industrial discharges into the sewer system. These services ensure compliance with NPDES permit requirements and state wastewater regulations, while safeguarding public health and protecting the environment.

CMSA's Strategic Plan and Business Plans support the provision of these services when resources permit, returning financial and organizational benefits for all parties involved. Highlights of noteworthy projects and activities from the past fiscal year reflect the success of these partnerships.

Sanitary District No. 2 of Marin: CMSA has maintained a service agreement with SD2 since April 1985, operating and maintaining SD2's 20 pump stations and providing limited maintenance to the district's force mains. Over the past year, the agreement has been reviewed and updated and was recently approved by both agencies governing boards. Below is a summary of the ongoing and completed asset management projects.

SD 2 engaged an engineering firm to conduct a comprehensive assessment of the condition the district's assets, which was finalized in FY23. Following the assessment, SD2 promptly initiated one of its key recommendations, hiring a civil engineering firm to design the rehabilitation of SD2's Paradise Pump Station. CMSA participated in the design phase of the project by facilitating access to the station for inspections, supplying original design drawings, providing detailed inventory of station assets, and reviewing and providing valuable feedback on the rehabilitation drawings and specifications. In 2024, the project entered the construction phase. CMSA currently participates in biweekly construction meetings, offering expertise in PLC programming, and ensuring the station operates efficiently throughout the rehabilitation work. The project is scheduled for completion tentatively by September 2025.

San Quentin State Prison: CMSA has administered a service agreement with the California Department of Corrections (CDCR) since 2012. Services include operating and maintaining San Quentin State Prison's main pump station and force main. The wastewater from this station is conveyed to CMSA's treatment facility for treatment and disposal of biosolids. Historically, San Quentin State Prison provided low security inmates to clean the pump station's wet well area; however, CDCR has transferred low security inmates to county jails or approved early releases. This reduced the availability of the inmate labor pool. Under the current 5-year service agreement, CDCR provides funds to CMSA for three limited-term Institutional Utility Laborers to perform wet well cleaning. When not assigned to CDCR, these employees contribute to custodial, groundskeeping, and light maintenance tasks at CMSA, ensuring operational efficiency for both entities.

San Quentin Village Sewer Maintenance District: In 2012, CMSA entered into a service agreement with the County of Marin to provide operation and maintenance services for the San Quentin Village’s sewer collection system and single pump station. CMSA’s services ensure the system operates efficiently and minimizes the risk of sewer overflows. CMSA’s expertise in pump station management contributes to the long-term reliability and functionality of the infrastructure.

ASSET MANAGEMENT PROGRAM AND RELATED PROJECTS

Major asset maintenance and replacement projects that were completed or in progress during FY24 are summarized below.

Sodium Hypochlorite and Sodium Bisulfite - Pump Rehabilitation

Sodium hypochlorite is used in wastewater treatment to disinfect effluent by eliminating pathogens, while sodium bisulfite is deployed to neutralize residual chlorine, protecting aquatic life in receiving waters. Seven sodium hypochlorite pumps and four sodium bisulfite pumps were refurbished by staff. Work consisted of installing new ball checks and diaphragms, and replacing lubricant. Staff also installed new digital pressure sensors on all sodium hypochlorite and sodium bisulfite pumping systems. These sensors will protect the pumps and associated equipment from under and over pressurization occurrences. Feedback data for the sensors was added to the process control system for monitoring and analysis, a feature that was unavailable with the pre-existing analog pressure sensors. Rebuilding the pumps for these chemicals was crucial for maintaining accurate dosing and ensuring reliable operation to adhere to discharge permits, preventing environmental violations, and supporting the plant's operational integrity.



Cummins Standby Generator Replacement

The Cummins standby generator has been providing emergency backup power since 1985. Last fiscal year, the unit was assessed and findings indicated that the engine was in good condition, had relatively low operating hours, but a small oil leak on the rear main seal had allowed oil to leak into the generator. Upon further inspection of the generator, the windings coating on the rotor was brittle and needed to be reapplied. Staff compared the cost to replace the coating versus replacing the generator, and determined the latter would be the



MAJOR INITIATIVES (Continued)

more cost effective repair approach. Staff collaborated with an electrical contractor to complete the removal of the old generator and the subsequent installation and coupling of the new unit to the existing engine. Staff then installed a new mounting plate onto the existing engine skid, which was necessary to provide adequate support for the new generator which has a slightly smaller footprint. Staff completed the wiring connections, conducted load testing, and verified generator alignment. The generator performed seamlessly without any issues, and has been returned to standby mode ready for reliable operation.

San Rafael Interceptor Shutdown and Flowmeter Installation

The 45-inch San Rafael Interceptor that was installed during original plant construction in 1985 was fitted with a single ultrasonic flowmeter. The flowmeter requires frequent maintenance, is past its useful life, and its manufacturer no longer supports it. To improve flow measurement



for this interceptor, a new multi-path flowmeter was procured and installed. Installation was done after midnight when flows into the plant were at their lowest and the interceptor was isolated and pumped down. Work was expected to take four consecutive overnight shutdowns but was completed in two nights thanks to the SRSD and CMSA staff having practiced for this high-risk shutdown.



Grit Pump Rehabilitation

Grit in the wastewater industry, is often a mixture of abrasive materials such as rocks, gravel, glass, and sand. Grit pumps, designed to remove these materials, incur heavy wear and tear and must be periodically refurbished to prevent failure. Grit pump No. 4, installed in 1985, was exhibiting signs of failure with limited inventory on the secondary parts market. Staff investigated the purchase of new pumps and found that replacements were very expensive due to supply chain issues. In response, staff removed the pump, disassembled it, and fabricated parts such as shafts and volutes to original equipment specifications and tolerances. Staff proceeded to rebuild the pump and prepare it for use. This in house process was one third the cost of purchasing a new pump.

Aeration Sluice Gate Replacement

Over the past several years, staff have systematically replaced original sluice gates throughout the treatment plant. In FY24, staff replaced six cast iron sluice gates in the Aeration Basin area with stainless steel units. These new gates are corrosion resistant, lightweight, and easy to adjust. Wear parts are fabricated locally and can be easily replaced, reducing operational downtime. Staff completed two separate confined space entries and utilized the Agency's Telehandler forklift to skillfully separate the original gates from their frames and channel walls. The new gates were mounted, adjusted, and tested for watertightness. The actuator controllers, which lower and raise the gates, were also reinstalled, calibrated, and tested for operational efficiency.



Originally installed cast iron sluice gate



Recently installed stainless steel sluice gate

Biogas Scrubber Media Replacement Prior to biogas being used as a fuel in the cogeneration engine, it required a level of cleaning to meet air quality emission standards. The first stage of the cleaning process was the removal of hydrogen sulfide gas (H₂S) utilizing media scrubbers. The media used in these scrubbers periodically required replacement as it was depleted, due to constant removal of H₂S in the biogas. This past year, a contractor was hired to perform the media removal and replacement. Work consisted of safely purging the scrubbers of methane, removing both vessel service ports, and completing a confined space entry to chip and vacuum out 22,000 pounds of spent media. Once the vessels were empty, new media was installed along with new filter elements to keep loose media from entering the biogas process piping. This



MAJOR INITIATIVES (Continued)

process took approximately two days to complete. The contractor hauled the spent media offsite, and the units were returned to service.

Primary Sludge Flowmeters Replacement

The primary sludge flowmeters, originally installed in 1984, have been replaced. These flow meters had become increasingly unreliable, necessitating additional maintenance efforts to keep them accurate. Staff performed calibration procedures, ensured accuracy, and tested functionality on the new flowmeters. The flowmeters have been integrated into the process control system, are actively reporting data, and have enhanced operational efficiency and reliability.



Jenbacher Cogeneration Engine Service

The 13,333-hour scheduled preventative maintenance service was successfully completed on the Jenbacher cogeneration engine. Technicians from the cogeneration system supplier had previously conducted the service and provided training to CMSA staff for future maintenance tasks. All maintenance required for this service, which included replacing oil, air, and natural gas filters, re-gapping spark plugs, adjusting intake valves, and conducting exhaust emission checks was performed in-house by staff, saving service costs for the Agency. Staff were also able to adjust emissions on the new system, based on previous training from the supplier, enhancing their capabilities in maintaining the equipment and reducing contractor costs.

Inline Sludge Grinder Cartridge Replacement

The Agency utilizes two anaerobic digesters to break down organic matter, to produce biogas for energy and reduce sludge volume for disposal. The sludge heating loop, which controls and maintains the optimal temperature in the anaerobic digesters, for effective organic break down, utilizes a sludge grinder to reduce the size of debris entering the digesters. Staff performed annual maintenance on the sludge grinder, replacing the grinder’s cutting cartridge due to operational wear and tear. Cutting cartridges macerate sand, hair, inorganic materials, and are designed to be removed and replaced periodically to preserve the overall life of the sludge grinder. Typically, staff replaces one cartridge per year, which is then exchanged and refurbished by the grinder system’s manufacturer.



Facility Door Replacement

There are over one hundred exterior doors on the Agency’s facility, and most are original from plant construction in 1985. Given their exposure to high humidity and corrosive environments, these doors have deteriorated over time. In response, CMSA initiated a multi-year project to systematically replace doors based on their condition. In FY23, the initiative saw the replacement of ten facility doors, followed by an additional ten doors in FY24. The process involved the removal of old doors and cutting the frames out from the concrete walls that supported them. Subsequently, new doors and frames were installed and painted to match the existing aesthetics. Five more doors are slated for replacement in FY25, further enhancing the infrastructure and functionality of CMSA's facilities.



Original Door



New Door

DISCHARGE PERMITS

The RWB approved reissuing the Agency's National Pollutant Discharge Elimination System (NPDES) permit at its May 10, 2023, meeting. The permit became effective on July 1, 2023, and has a five-year term. This NPDES permit contains all the regulatory requirements, limitations, and authorization for CMSA to discharge treated water into the San Francisco Bay. CMSA was able to successfully negotiate this new permit with treated wastewater effluent limits remaining relatively unchanged, while permit monitoring requirements were reduced. CMSA has been in full compliance with the new NPDES permit since it was issued.

On November 13, 2023, the RWB adopted the Amendment of Waste Discharge Requirements for Municipal Dischargers to update Total Residual Chlorine and Oil and Grease Requirements Permit. This permit removes the oil and grease monitoring requirement for CMSA and increases the Water Quality Based Effluent Limit for Chlorine Residual from 0.0 mg/L instantaneous maximum to 0.56 mg/L hourly average. The RWB concluded that this amendment will address the over-application of sodium bisulfite that results in extra operational cost, and can decrease dissolved oxygen concentrations and depress pH in the effluent and S.F. Bay.

Additionally, the RWB approved reissuing the third Nutrient Watershed Permit at its May 10, 2024, meeting. The permit became effective on October 1, 2024, and has a five-year term. This permit renewal resulted in the increase of nutrient monitoring requirements for CMSA, an interim Total Organic Nitrogen limit of 1,300 kg/day in 2024 and a reduction in the Total Organic Nitrogen limit to 480 kg/day in 2034. These changes have resulted in increased monitoring and project planning by CMSA staff under the Nutrient Removal Project to address operational requirements to meet these new and future requirements.

ENVIRONMENTAL COMPLIANCE PROGRAMS

The Agency's NPDES permit includes source control program requirements, a Federal Pretreatment Compliance Program, and a RWB Pollution Prevention Program. The purpose of each program is for the Agency to regulate businesses and industries that discharge water into the wastewater collection system so that they will not detrimentally affect CMSA treatment processes, biosolids quality, or the treated water that is discharged into San Francisco Bay or beneficially reused as recycled water. CMSA staff currently monitors 631 dischargers and conducts an annual comprehensive inspection of each to ensure their wastewater meets CMSA's local discharge limits, and other State and RWB regulatory requirements.

Mercury Reduction Program: The Mercury Watershed Permit, renewed and became effective on February 1, 2023, requires a reduction of mercury discharges from all controllable sources to the S.F. Bay. The permit's goal is to eventually, over decades, lower the mercury concentration in the Bay sediment and water by 20%. It specifically states that wastewater agencies must regulate dental offices using source control techniques, because dental amalgam (~ 50% mercury) used to fill cavities in teeth is the largest controllable source of mercury discharged to the sanitary sewer in unindustrialized areas. CMSA's Mercury Reduction Ordinance requires dental offices to install and maintain dental amalgam separators, and to properly handle and dispose of dental amalgam. Since then, all dentists within the CMSA service area have installed amalgam separators. During annual compliance inspections, Agency staff determines the amount of amalgam removed from the dental offices waste stream and reports that information to the RWB. In 2023, approximately 18.25 pounds of mercury were removed and properly disposed of.



Novato Sanitary District and Las Gallinas Valley Sanitary District Mercury Reduction Programs: Both districts have contracted with CMSA to administer dental amalgam programs in their respective service areas. These programs are similar to the program implemented at CMSA, which has been recognized for its outreach, annual compliance inspections, and comprehensive record keeping. Compliance inspections in 2023 indicated that all dental offices complied with program requirements and the programs were responsible for the removal of approximately 5.25 pounds of mercury in the Las Gallinas service area and 10.5 pounds in the Novato service area.

FOG Source Control Programs: CMSA has served in a consultative and contractual capacity to assist local wastewater agencies in the development, implementation, and ongoing administration of FOG source control programs within their service areas. The goal of the FOG program is to reduce sewer blockages and prevent sanitary sewer overflows caused when grease is discharged directly into sanitary sewers. When FOG is improperly disposed it can build up, and if unchecked over time, can harden, combine with sand, roots, and/or debris, and clog sewer pipelines.

MAJOR INITIATIVES (Continued)

Agencies that retain CMSA to manage and administer their FOG source control programs utilize our staff to perform required permitting, inspection, and enforcement activities for restaurants and markets. CMSA has developed and implemented FOG source control programs for the Las Gallinas Valley Sanitary District, San Rafael Sanitation District, Ross Valley Sanitary District, Sanitary District No. 2, Tamalpais Community Services District, and Almonte Sanitary District. All these programs include routine inspections, documentation of grease removal device cleaning, and requirements to install grease removal devices for new restaurants, those undergoing a remodel, or a change of ownership involving upgrades to the kitchen plumbing or fixtures. In calendar year 2023, CMSA staff conducted 409 inspections, documented 1,366 FOG pumping activities and renewed 120 FOG permits.



INSPECTIONS BY FEDERAL AND STATE REGULATORS

NPDES Permit Inspection: The RWB conducted inspections of the Agency’s treatment facilities, environmental laboratory, and its NPDES reporting files on January 10 and January 26, 2023. The final inspection results were issued and indicated that the CMSA facilities were well maintained and that NPDES reporting files were in order. Two findings were noted within the inspection report and corrective actions were implemented to address these findings.

NPDES Pretreatment Compliance Inspection: The RWB periodically conducts a Pretreatment Compliance Audit to verify the Agency’s compliance with requirements specified in the Federal Pretreatment Regulations and in CMSA’s NPDES permit. The last audit was in FY17, during which time the inspectors visited two industrial facilities that CMSA regulates and reviewed their respective records and procedures. The final inspection results recommended several revisions to the Agency’s Sewer Use Ordinance, which was subsequently revised and adopted by the CMSA Board in December 2018.

PUBLIC EDUCATION

CMSA is the lead agency in administering a county-wide public education program for the six Marin County wastewater agencies that have treatment plants. The program continues to be innovative in developing public outreach measures to educate the public about ways to reduce pollutant disposal into the sanitary sewer and stormwater systems. Public outreach activities for the past year are summarized below.

MAJOR INITIATIVES (Continued)

Public Outreach Events: The program continued to partner with the Ross Valley Sanitary District to run television ads on specific wastewater pollution prevention topics - wipes clog pipes, proper FOG disposal, and don't flush drugs. In 2023, these ads ran on Comcast. During the ad campaign, the ads were delivered 174,571 times within premium content and the target audience watched 139,409 (80%) of the ads in their entirety.

Outreach Events: The public education program has outreach booths at several public events each year. During these events, staff engage the public and answer questions regarding pollution prevention, wastewater treatment, recycled water, and other environmental issues. Staff also talk to local teachers and inform them of possible outreach activities including in class presentations and facility tours offered by the program member agencies. In 2023, the following outreach activity events were hosted by staff, in which 2,072 participants were engaged on key pollution prevention messages.

- Eggstravaganza Event
- Rotary Day of Service
- Marin County Fair
- Mill Valley Earth Day
- Farmer's Market
- Get Ready to Go 94920
- Coloma Pump Station Project Ribbon Cutting Ceremony

School Presentations and Performances: The public education program staff works with professional entertainers to produce the scripts for entertaining and educational school outreach shows. The shows address water and pollution issues in a simple, humorous manner suitable for kindergarten to sixth grade. In 2023, 3,893 students in Marin County received this presentation and performance.



WORKPLACE SAFETY INITIATIVES

Health & Safety Program: CMSA and the Novato Sanitary District partner in a collaborative Health & Safety Program. Under the general direction of the CMSA General Manager, the Health and Safety Department is managed by a Safety Manager, who is responsible for developing, coordinating, and overseeing implementation of a comprehensive occupational safety, health, and injury management program at both agencies.

The program's focus is to promote and assist each agency in developing and maintaining workplace safety programs, while managing employee injury/return-to-work initiatives. The

MAJOR INITIATIVES (Continued)

program includes providing employee safety training, developing, and maintaining safety policies and procedures, performing safety assessments of facilities and employee work practices, monitoring changes in Cal/OSHA safety regulations, and providing a variety of other safety services.

CMSA's safety program has received favorable reviews by the California Sanitation Risk Management Authority and regional and state-level awards the California Water Environment Association.

Safety Incentive Program: This Program is designed to enhance overall employee safety through active employee participation. The program acknowledges and awards points for employee contributions in several key aspects of a sound safety culture, including providing safety hazard alerts, safety improvement suggestions, leading "tailgate" safety training sessions, and participating in outside safety training activities such as webinars and conferences. Wellness points are awarded in recognition of doctor/dentist visits, vaccinations, and outside wellness topic training such as those offered via the Agency's Employee Assistance Program. Twice per fiscal year employees are awarded monetary awards for achieving specific point levels.

Program data for FY24 shows continued participation in tailgate training and formal safety communications. For example, initially under this program, the Agency averaged one tailgate session every two months, and included nominal employee participation. In FY24, CMSA employees led a total of 74 tailgates, an increase over the total held in FY23 (65). Sixteen valid safety hazard observations were submitted and addressed during the year, an increase over the 14 submitted the previous year.

The total incentive program points earned by each employee provides a fair indication of the level of participation in the program. The Agency saw participation from 34 employees in FY24, who qualified for a total of 52 monetary awards over two six-month award periods.

Safety Training: In addition to informal safety training tailgate sessions, the Agency provides continuous reinforcement of proper safety procedures with regular, formal safety training. This formal training, unless required or warranted more frequently, is refreshed every three years. For scheduling purposes, the required training is placed into a 48-month training calendar to accommodate 12-, 24- and 36-month renewal cycles, with make-up training provided on an ad hoc basis. In FY24, the Agency facilitated or conducted approximately 51 formal safety training sessions on approximately **30** separate classroom or web-based topics, including Bobcat Safe Use, Chemical Hazard Communication, Wastewater and Bloodborne Pathogen Safety, Fall Protection Equipment Roll-out, Body Mechanics, Workplace Violence Prevention, Confined Space Entry and Rescue Practice, COVID-19 Prevention, Overhead Cranes & Hoists, Electrical Hazard Awareness, Hazardous Energy Control/Lockout-Tagout, Fire Extinguisher Use, First Aid/CPR, Office Ergonomics, Hearing Conservation, Heat Illness Prevention, Forklift, Job Hazard Analysis, Mobile Truck Crane/Rigging Safety, Respiratory Protection/Wildfire Smoke Protection, Safety Culture Concepts, Safety Footwear, and Underground Utility Locator Training. In

MAJOR INITIATIVES (Continued)

addition, ten new employees required safety orientation trainings and additional sessions in lockout/tagout and confined space safety. Combined with tailgates, staff received approximately 983 cumulative safety training-hours.

Safety Committee: The Agency's Safety and Security Committee is made up of staff members from each department, and it meets monthly. The committee communicates safety and security events, issues, and information from and to their respective work groups. The committee exists to promote a safe and secure work environment through identification and evaluation of health and safety issues, physical issues, and IT security matters. Part of its efforts to support Agency staff includes making recommendations for hazard corrections and enhanced protective measures, as well as monitoring the implementation and effectiveness of safety programs.

Safety Communications: One of several methods used to communicate safety to all staff is a newsletter-style communication, known as the "Friday Safety Communique", which is distributed periodically. The communique covers current safety-related events and topics of interest including those published in the *Cal OSHA Reporter* and the *Safety Alert for Supervisors*. CMSA maintains subscriptions to both publications, which are posted periodically on a safety bulletin board in the employee lunchroom and summarized in the Communique. The Communique also provides reminders on all upcoming training events at CMSA.

Special Projects: CMSA hosted a Safety Culture Perception Survey with follow-up meetings, to gauge employees' perception of their own and their employer's attitudes and practices pertaining to maintaining a safe and healthy workplace. Resulting immediate workplace improvements included increasing the safety footwear stipend amount and adding protective glove storage dispenser locations throughout the treatment facilities. CMSA began the implementation of recommended system improvements, such as ensuring weekly department meetings include a standing agenda item to discuss safety concerns, managers encouraging increased self-reporting of "near miss" incidents at meetings, and ensuring that the communication loop is always closed with any employee who brings up a safety concern or observation.

CMSA began a project to review and update more than 500 existing energy control (a.k.a. "lockout-tagout") procedures. This year all procedures were installed in a new Smart SOP digital platform, and a plan to use the application to field verify all procedures has begun implementation.

In response to a newly promulgated Cal/OSHA standard, a Workplace Violence Prevention Program was developed, and training was provided to all employees.

Fall protection improvement plans started in FY23 were implemented in FY24, with the addition of personal tie-off anchors installed near equipment sump openings. Personal self-retracting lifeline devices for Maintenance and Operations staff were replaced with new, upgraded versions.

HUMAN RESOURCES, FINANCIAL MANAGEMENT, AND LONG-TERM FINANCIAL PLANNING

The Agency continues to take the initiative to refine and address its business practices and long-term financial stability for FY24 and beyond.

Student Internship Program: CMSA provides internship opportunities for students interested in the water or wastewater industry. Internships are an opportunity for students to gain exposure in a public sector environment and enhance their academic training. High school and college students, as well as students in Career Technical Education, a Regional Occupational Program, or similar programs are eligible, as are recent graduates. A department manager seeking an intern prepares a draft learning plan that includes how the student will benefit from the training and experience of the internship program assignments. The Agency has had several interns in the environmental laboratory and engineering work groups over the past year, and plans for additional interns in other departments.

Retired Annuitants: The Agency also supports the use of retired annuitants for special projects requiring unique expertise. Last year, four retired annuitants worked at the Agency. A long-time Electrical/Instrumentation Supervisor and an E/I Technician were hired for various electrical and control system projects, and to train newly hired electricians. A Utility Worker was hired to work on special landscape improvement projects, and an Administrative Specialist was covering maternity leave for the incumbent employee.

PARS for Non-Full-Time Employees: The Agency uses the Public Agency Retirement System (PARS) for its retirement contributions for interns, retired annuitants, and Board members. PARS replaces social security and provides more retirement options for these employee classifications. The cost of PARS is shared 50% between the employer and employee, and plan contributions are submitted to a 401K style retirement plan. The employee has the option at time of separation to withdraw all contributions, roll the contributions into another retirement plan, or purchase CalPERS service credit should the employee become a member of CalPERS.

Self-Insured Dental Plan: Starting July 2019, the Agency contracted with Employer Driven Insurance Services (E.D.I.S.), a third-party administrator, to manage its self-insured dental plan. The plan works like other traditional dental plans but allows for customization in the benefit offered. Each plan participant is allowed up to \$2,500 per year for themselves and their dependents. This arrangement makes the plan inexpensive compared to the Agency's prior plan, especially when adjusting the prior plan's total premium to the cost of managing E.D.I.S.

Financial System Software: In FY21, the Agency purchased a new financial system software from Tyler Technologies, Incode, to replace the aging existing system. The financial and personnel suites include general ledger, accounts receivable, cashiering, purchasing, accounts payable, payroll, personnel management, employee self-service, time and attendance, fixed assets, project accounting, and Tyler content manager modules. The new system is a significant time- and cost-saver for all users, and provides reporting for managers and supervisors, and accounting and support services for administrative staff.

MAJOR INITIATIVES (Continued)

In FY23, staff completed implementation of credit card payments taken over the counter, on CMSA's website, and by phone. Credit card payments allow customers and the public an easy and convenient way to pay small dollar fees and routine invoices. The customer account feature in Incode maintains a history of transactions and payments.

Staff has also completed implementation of project accounting to better track the Agency's large capital program financial activities and approved timesheet hours. Project accounting tracks revenues, expenses, and budget over a project's life that can exceed a single-year accounting cycle. Amounts are charged to categories that are more understandably displayed, and reporting can be used for internal purposes or provided to an outside party for grant or loan administration and reporting.

Policy and Procedure Review: CMSA executive staff reviews the Agency's Personnel, Financial, and Administrative Policies on a regular rotating basis. A financial policy review was completed in FY24, a personnel policy review in FY23, and an administrative policy review in FY22. Personnel policy revisions can take longer than administrative or financial policies, as they require legal review and involve a meet-and-confer process with the employee union. These reviews benefit the Agency by keeping up-to-date with changing laws, rules, and regulations, and updates in the use of the policies as they relate to practical work situations. The FY24 Financial Policy Manual review resulted in numerous non-substantive revisions that were approved by the CMSA Board of Commissioners.

Two-Year Budget: The Agency utilizes a two-year budget format that began with FY20 and FY21. The two-year budget saves considerable staff time, compared to preparing a budget every year. Mid-year and mid-cycle adjustments are utilized should actual and/or projected revenue or expenses change which would prompt a revision. With the two-year budget in place, Administration staff have more time for other tasks and projects in the spring of year-one. The FY24 and FY25 budgets were adopted by the Board in late FY23 with adjustments to the FY25 budget were approved in late FY24.

Future Revenue Planning: The Agency updates its 10-year financial forecast when preparing the biennial budget. The forecast is a long-term budgetary examination of Agency operations and capital revenues, operating expenses, capital costs, and reserve balances. It is the result of a collaborative process between Agency staff and the CMSA Board Finance Committee, and it provides a strategic perspective to guide the Board in making decisions on the direction for future revenues, funding, and uses of Agency reserves.

The Agency currently has a 5-year revenue plan in place through FY28, and its revenue figures were incorporated into the FY24 and FY25 budgets. Under the plan, operating revenue is funded by regional service charges to the JPA members, contract and program service fees, and other non-capital general funding sources. Operating expenditures escalate from the base year by estimated general increases for pro-forma annual reasonable costs. Capital expenses are

MAJOR INITIATIVES (Continued)

funded by sewer system capacity charges, a debt service coverage charge, a capital fee, and unrestricted capital reserves.

The plan adopted in FY23 stipulated 4% growth with 3.5% growth through FY28. The plan was then revised at the November 2023 Board meeting to have all service charge rates growing at 4.5% per year starting in FY25. This policy action was to stave off rising projected costs in the operating budget.

Managing Unfunded Obligations: The Agency issued pension obligation bonds in April 2022 in the principal amount of \$9,432,000 at an interest rate of 3.36% with a 15-year amortization to take advantage of low interest rates and reduce annual costs in connection with the annual unfunded actuarial accrued liability (UAAL) payment made to CalPERS. The Agency will continue to budget for the annual payments to CalPERS, and the difference between the bond debt service and the UAAL amounts will be sent to a Section 115 trust that can only be used for future pension-related purposes. This financial arrangement will provide flexibility and savings to the Agency while reducing the unfunded obligation with CalPERS.

Future Debt Planning: The Agency is planning in FY26 to issue revenue bonds in the amount of \$13 million to continue to finance portions of its 10-year CIP. The 10-year CIP consists of the projects from four areas: facility improvements, general equipment, liquids treatment equipment and systems, and solids treatment and energy generation equipment and systems. These areas call for recurring repair and replacement of equipment and systems, as well as construction of new or upgrading processes and systems. The 10-year CIP currently contains 48 separate projects with an estimated cost to implement of \$151.5 million.

The Agency's has a \$65 million placeholder in the CIP for the construction of nutrient removal treatment facilities to comply with a new regulatory requirement. As the project design develops and construction costs are estimated, the Agency will investigate various methods to finance the project, such as tax-exempt revenue bonds, State Water Board revolving fund loans, and Federal government water/wastewater infrastructure loans.

FINANCIAL INFORMATION

Accounting System and Budgeting Controls: The Agency's executive team is responsible for establishing and maintaining a system of internal controls over financial reporting. In fulfilling this responsibility, they make decisions to assess the expected benefits and related costs of control procedures. The objectives of the system are (1) to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and (2) to ensure that transactions are executed in accordance with management and Board authorization, and are properly recorded in accordance with generally accepted accounting principles of the United States of America (US GAAP). CMSA believes that its internal controls over financial reporting adequately address both goals.

CMSA accounts for its financial activities in a single enterprise fund proportionately charging for wastewater treatment services to its JPA members who charge full service wastewater collection and treatment fees to service connections within their respective service areas. The Agency's account structure, insofar as is practical, and in accordance with GAAP, follows the California State Controller's System of Accounts for a Waste Disposal Enterprise. This is a set of procedures that provides general accounting and reporting guidelines to be used by California Special Districts performing waste disposal enterprise activities.

The Agency's Board of Commissioners adopts a biennial budget to serve as the approved financial plan for each of the two fiscal years. Provisions within the JPA agreement authorize the Board to set the regional service charge to the JPA member agencies. Total revenues received by CMSA from the JPA members, as well as several other revenue sources, fund the Agency's annual operations, capital programs, and debt service. The budget is used as a key control device to ensure Board oversight for operations and capital expenditures, monitor expenses and project their progress. All operating and capital activities of the Agency are included in the approved biennial budget, along with a 10-year CIP and 10-year financial forecast model.

Financial Condition: The maintenance of adequate cash reserves is an essential element of the Agency's prudent financial management practices and is a key component of the Agency's sound financial position. An appropriate level of reserves ensures that resources are available for unforeseen emergencies, future capital improvement projects, and unanticipated revenue fluctuations. The Board has adopted a comprehensive reserve policy that includes specific guidance on reserve designations, funding levels, and the accumulation and uses for the established reserves. The accumulated balance in each reserve designation is reported in the monthly Treasurer's Reports to the Board and is available in the Board meeting Agenda Packet that is posted on the website at <http://www.cmsa.us/board/agendas-and-minutes>.

Cash Management: The Agency utilizes the services of Westamerica Bank, the Local Agency Investment Fund (LAIF), and the California Asset Management Program (CAMP) to manage its cash and cash equivalent assets. Westamerica Bank serves the Agency's general banking requirements in processing Agency receipts and disbursements. LAIF is a pooled investment

FINANCIAL INFORMATION (Continued)

fund, administered by the Office of the State Treasurer of California and available to California local government agencies. LAIF investments are considered liquid and provide competitive short-term rates.

Additionally, the Agency invests a portion of its budgeted reserves in CAMP, a JPA established in 1989 to provide professional investment services to public agencies at a reasonable cost. Specifically, CAMP offers its investors a money market trust for the investment of public funds.

Total interest income earned and recognized from these accounts during FY24 was \$904,937. The increase is attributable to an inflationary interest rate environment on pooled investments held in LAIF and CAMP.

Agency Funding: The Agency began its FY24 and FY25 two-year budget development process with the review of the funding requirements for salaries, benefits, materials, supplies, debt service, reserves, and capital project activities. It next assessed the different sources of revenues to fund those requirements.

Regional service charges to JPA members and the contract services revenues received for providing wastewater services to SQSP account for the two major sources of Agency revenues. These charges are set annually by the Board or through contractual agreement. Guided by a revenue management financial policy, the Agency allocates sewer service charges to each JPA member based on the three-year rolling average of their volume and strength of delivered wastewater. This methodology represents a measurable and fair assignment of treatment costs, using the cost-of-service principal as applied.

An EDU rate of \$108.11 was used to allocate debt service to each JPA member for FY24. Historic EDU rates for the last ten years are displayed in Schedule 8 of the Statistical Section. During FY24, the Agency received a total of \$13,941,551 for sewer service charges and \$5,626,258 for debt service.

Significant Non-Cash Transactions: While most financial transactions involve the receipt or payment of cash, some transactions known as accruals involve the recognition of revenue or expense on a different time-period than with the receipt or payment of cash. In FY24, the Agency recorded non-cash pension expense that was the result of CalPERS both recognizing and amortizing the pension obligation bond refunding. The amount and change is listed below:

Non-Cash Transactions	FY Ended June 30, 2024	Increase from FY23	Percent (Decrease)
GASB 68 non-cash pension accrual	\$4,899,629	\$3,216,901	191 %

FINANCIAL INFORMATION (Continued)

Operating & Non-Operating Revenues: The table below shows a summary of revenues by source in FY24 and compares dollar and percentage changes over FY23. The amounts shown in the table below differs from the audited Statement of Revenues and Expenses as it provides additional detail for revenues by source and excludes non-operating revenues.

Operating & Non-Operating Revenues	Fiscal Year Ended June 30, 2024	FY24 Percent of Total	Increase (Decrease) from FY23	Percent Increase (Decrease)
Regional Service Charge	\$ 13,941,551	60.0 %	\$ 774,549	5.9 %
Debt Service Charge	5,626,258	24.2 %	(26,281)	(0.5) %
Contract Maintenance Revenue	1,694,712	7.3 %	(162,177)	(8.7) %
Property Use & Energy Resource Revenue	134,955	0.6 %	10,561	8.5 %
Permit and Inspection Fees	85,650	0.2 %	(4,802)	(5.3) %
Source Control Program Revenues	96,291	0.4 %	(2,717)	(2.7) %
Revenue from Haulers & RV	411,939	1.8 %	114,397	38.4 %
Public Education & Safety Program	134,746	0.6 %	18,907	16.3 %
Interest and Investment Income	1,159,918	5.0 %	681,620	142.5 %
Total Revenues	22,242,576	100.0 %	1,394,749	6.4 %

Note: The above schedule is corrected to show receipt of grant proceeds as a capital contribution.

Total operating and non-operating revenues, excluding capital contributions, increased by \$1,394,749. Increases and decreases in each revenue category is summarized as follows:

- Regional service charges include a user fee and a capital fee. These charges increased 4% in total per a scheduled increase for FY24.
- Debt service charges include the principal and interest for the base debt service, plus a 25% debt coverage fee used for capital funding. Debt service charges slightly decreased due to declining balances on the 2015 and the 2020 Revenue Bonds.
- Contract maintenance revenues decreased \$162,177 due to completion of one-time extra work asset management projects for SQSP.
- Property use and energy resource revenues increased \$10,561 due to increased sales of excess renewable energy to Marin Clean Energy from acceptance of more organic waste.
- Revenue from haulers increased \$114,397 from receiving more septic and FOG waste.
- Public education and safety program revenues increased \$18,907 primarily from a normal cost-of-living adjustment on payroll costs for the Safety program.
- Interest and investment income increased \$681,620 primarily from larger interest earned by the Local Agency Investment Fund.

FINANCIAL INFORMATION (Continued)

Capital Contributions: The following schedule presents a summary of capital contributions in FY24, with a dollar and percentage comparison for changes over FY23.

Capital Contributions	Fiscal Year Ended June 30, 2024	FY24 Percent of Total	Increase (Decrease) from FY23	Percent Increase (Decrease)
Capacity charges	\$ 1,152,938	41.1 %	\$ 511,604	79.8 %
Grants	1,650,501	58.9 %	723,803	78.1 %
Total Capital Contributions	\$ 2,803,439	100.0 %	\$ 1,235,406	78.8 %

Note: The above schedule is corrected to show receipt of grant proceeds as a capital contribution.

Total capital contributions increased by \$1,235,406. Increases and decreases in each category is summarized as follows:

- Capacity charges increased \$511,604 due to increased construction activity from new residential, commercial or additional drainage fixture connections. These fees are collected by the JPA members and remitted to CMSA.
- Grants increased \$723,803 due to completion of the Liquid Organic Waste Removal rehabilitation capital project. Costs for this project are reimbursable under the CalRecycle grant program.

The California Government Code requires certain disclosures regarding capacity charges. The Code requires separate accounting of capacity charges and the application of interest to outstanding balances at year end. The Agency’s practice is to utilize capacity charges received on a first-in-first-out basis to finance capital projects during the fiscal year. No interest was posted to capacity charges and there was no outstanding balance of capacity charges at year end. Other required disclosures for FY24 are as follows:

- Total amount of capacity charges collected \$ 1,152,938

Listing of FY24 capital improvement projects for which capacity charges were applied:

- Secondary clarifier #2 rehabilitation \$ 546,505
- Primary clarifier #1 rehabilitation 542,282
- FY24 pavement repair project 64,151

FINANCIAL INFORMATION (Continued)

Expenses Related to General Operations: The following schedule presents a summary of general operating expenses, excluding non-operating expenses, capital assets, depreciation, and debt service expenses, for FY24. It also includes a comparison of dollar and percentage changes over FY23.

Operating Expenses	Fiscal Year Ended June 30, 2024	FY24 Percent of Total	Increase (Decrease) from FY23	Percent Increase (Decrease)
Salaries and Benefits	\$ 14,654,485	70.9 %	\$ 3,733,685	34.2 %
Biosolids Management	412,515	2.0 %	(27,450)	(6.2) %
Chemicals and Fuel	1,911,621	9.2 %	252,658	15.2 %
Repairs and Maintenance	1,753,981	8.5 %	1,089,128	163.8 %
Permit Testing and Monitoring	206,743	1.0 %	2,638	1.3 %
Insurance	570,090	2.8 %	159,655	38.9 %
Utilities and Telephone	427,641	2.1 %	(18,379)	(4.1) %
General and Administrative	737,774	3.6 %	(62,545)	(7.8) %
Total Operating Expenses	\$ 20,674,851	100.0 %	\$ 5,129,391	33.0 %

Total operating expenses increased by \$5,129,391 and are summarized as follows:

- Salaries and benefits increased \$3,733,685 from the prior year due to a 4.5% cost-of-living adjustment, a 9.8% increase of medical expenses, and a large non-cash accrued pension expense of approximately \$4,899,629.
- Biosolids management decreased \$27,450 due to the limited availability of the biosolids land application sites. Biosolids were instead delivered to the landfill which has lower transportation costs.
- Chemicals and fuel increased \$252,658 due to continued inflationary pressures and supply chain issues in the fiscal year.
- Repairs and maintenance increased \$1,089,128 due to the Agency performing more in-house routine repairs versus performing full replacement of machinery and equipment.
- Insurance increased \$159,655 due to continued cost pressures from both the property insurance and workers' compensation policies. The overall risk in property insurance policies increased because of recent natural disasters, property market values, and financial market turbulence. Similarly, the risk within the Agency's workers' compensation insurance policy increased because of more claims were being filed.
- Utilities and telephone costs decreased \$18,379 primarily due to the Agency generating the majority of the power it needs with only purchases of natural gas performed on an as needed basis.
- General and Administrative expenses decreased \$62,545 due to its Microsoft software license being on a three-year cycle and a lower number of conferences being attended.

FINANCIAL INFORMATION (Continued)

Revenue Bonds Assets and Liabilities: The Agency issued Refunding Revenue Bonds Series 2015 in the principal amount of \$49,310,000 at a premium of \$5,344,174 in an advance refunding to prepay the outstanding principal of 2006 Revenue Bonds, purchase a surety policy to replace the previous cash funded reserve, and pay certain costs of issuing the bonds. The Bonds are fully registered, with principal due annually on September 1, and interest payable semi-annually on March 1 and September 1 and bear an interest rate ranging from 2.5 to 5.0 percent. The bonds are callable at par anytime after September 1, 2025.

The Agency issued \$9,115,000 in Series 2020 Revenue Bonds during FY21 at a premium of \$215,574 and discount of \$70,982 with an interest rate ranging from 2.0 to 2.25 percent. The Bonds were used primarily for improvements to the Agency’s treatment facilities, for certain other maintenance projects to replace capital assets at end of their service life, and to make other capital improvements as approved by the Board of Commissioners. The Bonds are fully registered with principal due annually on September 1 and interest payable semi-annually on March 1 and September 1. The bonds are callable at par anytime on or after September 1, 2030.

Each JPA member is obligated to pay its share of the semi-annual debt service and 25% debt coverage payments to CMSA, pursuant to a Debt Service Payment Agreement between CMSA and the JPA members, and the Master Indenture between CMSA and the Bond Trustee. The allocation of the debt service payment and coverage to each member is based on the number of EDUs reported for the member’s service area. Debt Service Charges per EDU are fixed for each member’s service area for consistency beginning with FY18. Service Charge Revenue reflects the actual semi-annual debt service payments received from the JPA members and is based solely on 125% of the scheduled semi-annual debt payments to the bond holders.

The following schedule is a summary of debt service activities related to Refunding Revenue Bond Series 2015 and Revenue Bond Series 2020 for the fiscal year ended June 30, 2024.

	Fiscal Year Ended
Revenue Related to Debt Service	June 30, 2024
Service charge revenue - principal	\$ 3,175,000
Service charge revenue - interest	1,326,006
Service charge revenue - coverage	1,125,252
Service Charge Revenue: Debt Service	<u>\$ 5,626,258</u>
Outstanding Debt	
Current Maturity (due in one year)	3,325,000
Long-term debt (greater than one year)	<u>32,170,000</u>
Total Outstanding Debt	<u><u>\$35,495,000</u></u>

FINANCIAL INFORMATION (Continued)

Pension Obligation Bonds: On April 28, 2022, the Agency issued \$9,432,000 in private placement Series 2022 taxable Pension Obligation Bonds (POBs) with an interest rate of 3.36%. The POBs were used solely for reducing the Agency’s unfunded actuarial accrued pension liability (UAAL) by paying off a significant portion of the balance. The POBs are fully registered with principal due annually on September 1 and interest payable semi-annually on March 1 and September 1. The POBs are callable at par anytime on or after September 1, 2030.

	Fiscal Year Ended
	June 30, 2024
Expenditures Related to Debt Service	
Debt service expenditure - principal	\$ 130,000
Debt service expenditure - interest	309,154
Debt service expenditure: total	<u>\$ 439,154</u>
Outstanding Debt	
Current Maturity (due in one year)	248,000
Long-term debt (greater than one year)	<u>8,888,000</u>
Total Outstanding Debt	<u>\$ 9,136,000</u>

The POBs were set to pay off 98% of the UAAL with CalPERS. Funding for the POBs comes from the former annual scheduled UAAL payment with CalPERS. Annual POB debt service is lower than the scheduled annual UAAL payment. The Agency will continue to budget for the annual scheduled UAAL payment with the excess of the UAAL payment amount over the debt service payment amount contributed to a Section 115 pension trust. Monies accumulated in the trust currently in the amount of \$904,043 are accounted for as assets of the Agency and restricted net assets and may be used for pension benefit purposes only. The POB debt service is not separately invoiced to the JPA members with a coverage requirement like the 2015 and 2020 revenue bonds. The debt service is covered by the operating revenues collected. \$675,370 was contributed to the trust in FY24.

Capital Assets: The following schedule presents a summary of capital assets for the fiscal year ended June 30, 2024, with a dollar and percentage comparison for changes over FY23.

Capital Assets	Fiscal Year Ended June 30, 2024	Increase (Decrease) from FY23	Percent Increase (Decrease)
Plant and facilities at cost	\$180,624,865	\$1,090,970	0.6 %
Accumulated depreciation and amortization	(100,292,399)	(1,582,040)	1.6 %
Net Plant and Facility	\$ 80,332,466	\$ (458,685)	(0.5) %

The Agency’s investment in capital assets as of June 30, 2024 totaled \$80,332,466, net of accumulated depreciation. The investment in capital assets includes land and land improvements, construction-in-progress, wastewater treatment facilities, wastewater disposal

FINANCIAL INFORMATION (Continued)

facilities, general plant and administrative facilities, and right-of-use assets. During FY24, the Agency acquired \$4,798,568 in capital assets, transferred approximately \$4,489,955 from construction-in-progress into service, and recorded an additional amount of approximately \$4,113,017 for depreciation of capital assets in service. Depreciation expense increased by \$308,070, as there were more assets placed in service in FY24 versus FY23. Major capital asset transactions including amounts spent during the fiscal year include the following:

- Completed the FY24 Pavement Repair Project, \$284,541
- Completed the 2023 Andersen Hillside Slope Repairs, \$289,207
- Completed the Secondary Clarifier #2 Rehabilitation, \$546,505
- Completed the Biosolids Hopper Structural Repairs, \$236,588
- Completed the Liquid Organic Waste Facility project, \$3,126,471
- Ongoing capital costs for the Primary Clarifier #1 Rehabilitation, \$542,282
- Ongoing capital costs for the Centrifuge Replacement, \$177,536
- Ongoing capital costs for the Headworks Grit Classifiers Replacement, \$150,197
- Purchased and placed in service various pumps and wastewater facilities, \$217,055
- Purchased and placed in service various laboratory and general equipment, \$91,854
- Purchased and placed in service a new vehicle, \$32,481

Pension Benefits: Retirement costs have been under scrutiny in recent years due to increasing costs in connection with CalPERS and the financial performance of CalPERS. Total employer pension obligation has been reduced for new employees hired after January 1, 2013 under what is known as the Public Employees' Pension Reform Act (PEPRA). CalPERS is now essentially a two-tiered system for Classic members hired before January 1, 2013 and PEPRA members for those hired on or after January 1, 2013. CalPERS continues to revise its pension-related actuarial assumptions, such as the discount rate and life expectancy, among others, that often leads to increased employer contribution rates. Due to the sensitivity of rates and their relationship as a percentage of revenue, the Agency has elected to disclose this information on its website for transparency (See Table of CalPERS Pension Contributions as Percentage of Revenue at www.cmsa.us/finance/documents/). Approximately 71% of Agency employees were hired under the lower-cost PEPRA plan.

One of the requirements of a recent governmental accounting pronouncement, GASB 68, is to reflect a liability for total pension obligation on the face of the Statement of Net Position and for increases or decreases in the obligation to flow through the Statement of Revenues and Expenses and Changes in Net Position. Differences between the total change in obligation and actual cash paid are an accounting procedure known as accruals. For transparency, the Agency describes details of significant cash versus accrual items when they occur to ensure clarity for large changes in benefit expenses.

FINANCIAL INFORMATION (Continued)

<u>Fiscal Year</u>	<u>Base Pension Contributions</u>	<u>UAL Pension Contributions</u>	<u>Pension Accrued</u>	<u>Total Pension</u>
FY24	\$ 720,700	\$ 21,243	\$ 4,899,629	\$ 5,641,620
FY23	647,909	518,633	1,682,728	2,849,270
FY22	639,170	975,377	(669,921)	944,626
FY21	687,250	831,045	690,696	2,208,991
FY20	596,587	724,668	1,058,022	2,379,277
FY19	533,164	598,231	310,173	1,441,568
FY18	347,760	619,899	1,040,765	2,008,424
FY17	553,681	403,722	1,174,900	2,132,303
FY16	607,041	352,583	(256,509)	703,115
FY15	927,186	(1)	(731,956)	195,230
FY14	2,724,054	(1)	(2)	2,724,054

Note ¹ UAL pension contributions formerly included in employer base contributions rate.

Note ² Pension accruals became effective with GASB 68.

Other Post-Employment Benefits (OPEB): The Agency provides other post-employment benefits (OPEB) for eligible employees also on a two-tiered basis. Tier-1 employees hired before July 1, 2010 receive a fully paid lifetime medical insurance benefit for the employee only, while Tier-2 employees hired after July 1, 2010 may receive a lifetime medical insurance benefit, currently in the amount of \$157 per month and adjusted annually thereafter, with the remainder of the monthly insurance premium paid by the retiree. During active years, Tier-2 employees also receive an employer provided health reimbursement account (HRA) used to accumulate funding to pay for medical costs after retirement. The Agency contributes 1.5% of gross base salary to the HRA plan, that is not taxed as compensation, upon transfer to the trust, or upon receipt of benefits from the trust.

The Agency is subject to an accounting pronouncement known as GASB 75 that became effective in FY18 for its post-retirement health care plan. Like pensions, the total obligation for the OPEB plan, net of plan assets, will be reflected as a liability on the Statement of Net Position. The plan is approximately 63% funded with an unfunded liability remaining in the amount of \$1,819,874. Increases or decreases in the obligation will now flow through the Statement of Revenues and Expenses and Changes in Net Position and, if material, will be described in its two components of cash payments made as well as non-cash accruals recorded. For transparency, the Agency has also elected to post its OPEB actuarial valuation reports on the website at www.cmsa.us/finance/documents.

The Agency uses the California Employers' Retirement Benefit Trust (CERBT) to hold its plan assets for distribution to eligible retirees and beneficiaries. The table below reflects the Agency's retiree count, plan contributions, and total OPEB expense by year.

FINANCIAL INFORMATION (Continued)

<u>Fiscal Year</u>	<u>Number Retirees</u>	<u>OPEB Contributions</u>	<u>OPEB Accrued ⁽¹⁾</u>	<u>Total OPEB</u>
FY24	39	\$ 193,621	\$ 292,155	\$ 485,776
FY23	38	170,046	(29,583)	140,463
FY22	35	176,458	(195,119)	(18,661)
FY21	34	209,974	(50,917)	159,057
FY20	32	226,958	(39,025)	187,933
FY19	31	224,526	21,772	246,298
FY18	32	292,033	(38,862)	253,171
FY17	30	286,875	15,912	302,787
FY16	30	289,977	19,997	309,974
FY15	30	314,006	(1)	314,006
FY14	31	307,370	(1)	307,370

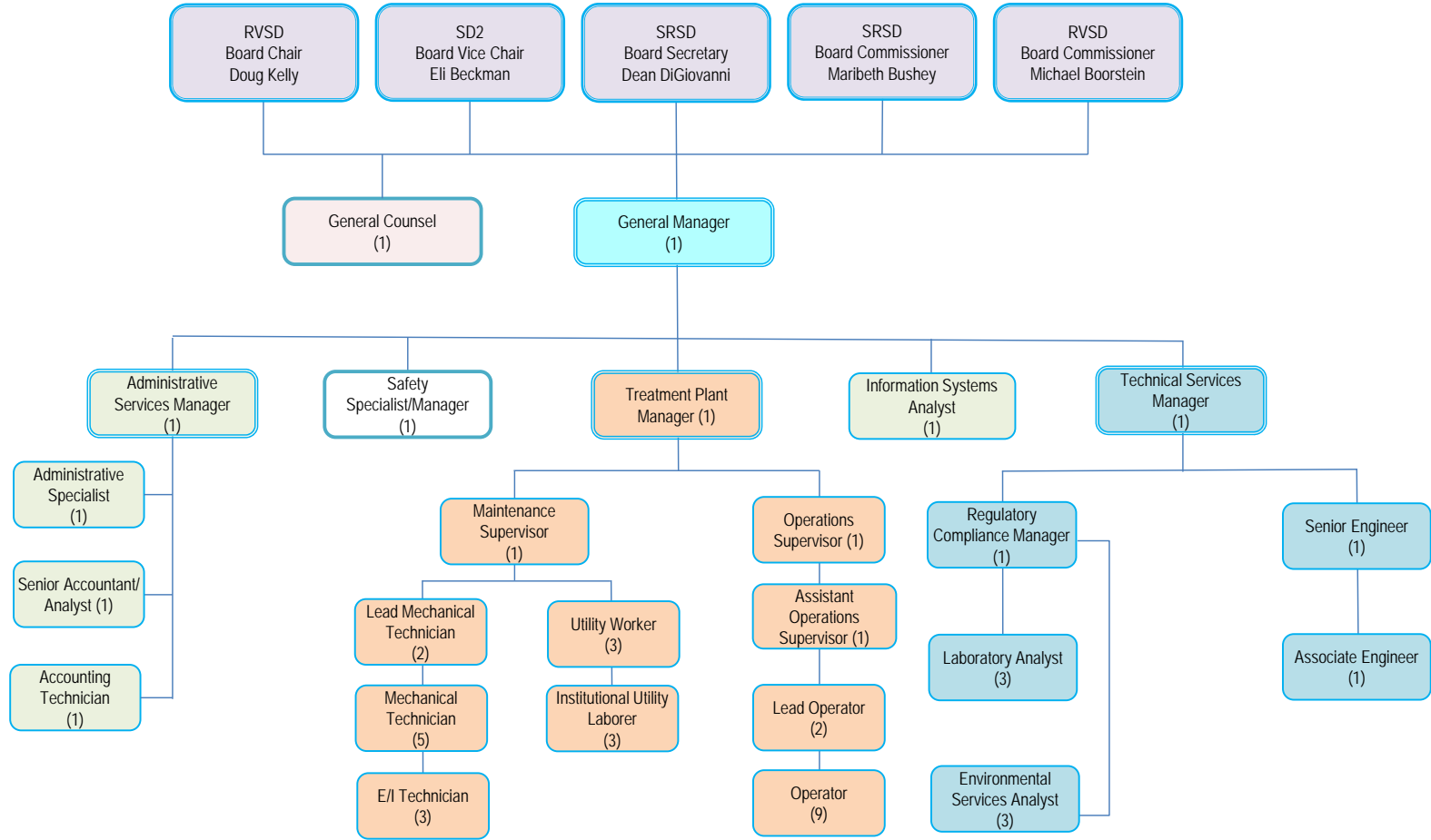
Note ¹ OPEB accruals became effective with GASB 43 later superseded by GASB 75.

Risk Management: The Agency maintains a comprehensive risk management program which encompasses risk retention and/or transfer, and risk reduction or avoidance. In the area of risk retention and/or transfer, the Agency transfers risk using insurance policies, while retaining a manageable portion of risk through deductibles. The Agency is a member of the California Sanitation Risk Management Authority, a JPA with 59-member wastewater agencies in the state, that was established for the operation of common risk management and loss prevention programs for its Workers' Compensation, general liability and auto liability, employment practice, and property insurance needs. Risk is transferred whenever possible using hold harmless (indemnification) clauses in all Agency-related contracts and agreements.

In the area of risk reduction or avoidance, the Agency utilizes a safety officer, a safety committee comprised of employees from different department and work groups, the cooperative Health & Safety Program, and outside risk management and safety consultants. Much attention is focused on safety at CMSA. Training is provided to educate employees on all aspects of workplace safety. It includes required Cal-OSHA safety training, and proper workplace performance procedures for everyday duties such as the proper usage of tools and machinery and safe driving programs for employees using Agency vehicles. Additional recognition is given to the safety committee and safety officer for their ongoing efforts to ensure workplace safety.

Independent Audit: State statutes require an annual audit by independent Certified Public Accountants. The accounting firm of Maze & Associates Accounting Corporation performed the audit of the Agency's FY24 financial statements. Maze & Associates Accounting Corporation specializes in governmental and non-profit audit engagements. In addition to meeting the requirements set forth in state statutes, the auditor also reviewed the Agency's financial policies and procedures, as well as the Agency's adherence to them in conducting financial transactions. The auditor's report on the general-purpose financial statements and accompanying notes are included in the financial section of this report.

CMSA ORGANIZATIONAL CHART



48 Full Time Equivalent Employees (FTE)
June 30, 2024

CMSA Authorized Staff Positions	FY22	FY23	FY24
ADMINISTRATION			
General Manager	1	1	1
Administrative Specialist (I-III)	1	1	1
Administrative Services Manager	1	1	1
Senior Accountant/Analyst	1	1	1
Accounting Technician	1	1	1
Information Systems Administrator	1	1	1
Total Administration	6	6	6
HEALTH & SAFETY			
Safety Specialist/Manager	1	1	1
Total Health & Safety	1	1	1
MAINTENANCE			
Treatment Plant Manager (0.5 FTE split with Operations)	0.5	0.5	0.5
Maintenance Supervisor	1	1	1
Assistant Maintenance Supervisor*	1	-	-
Maintenance Lead Worker	1	1	-
Lead Mechanical Technician	1	2	2
Mechanical Technician (I-III)	4	4	5
Utility Worker	3	3	3
Institutional Utility Laborer (Dedicated to SQSP)	3	3	3
Electrical/Instrumentation Tech (I-III)	3	3	3
Total Maintenance	17.5	17.5	17.5
OPERATIONS			
Treatment Plant Manager (0.5 FTE split with Maintenance)	0.5	0.5	0.5
Operations Supervisor	1	1	1
Assistant Operations Supervisor	1	1	1
Lead Operator	1	1	1
Operator (Trainee, I-III)	10	10	10
Total Operations	13.5	13.5	13.5
TECHNICAL SERVICES			
Technical Services Manager	1	1	1
Senior Engineer**	-	1	1
Associate Engineer	2	1	1
Regulatory Compliance Manager	1	1	1
Laboratory Analyst***	2	2	3
Environmental Services Analyst (I-II)	3	3	3
Total Technical Services	9	9	10
TOTAL AUTHORIZED STAFFED POSITIONS	47	47	48

* The Assistant Maintenance Supervisor position was replaced by a Lead Mechanical Technician during FY23

** An Associate Engineer was promoted in January 2023 to Senior Engineer

*** An additional Laboratory Analyst was approved during FY24



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California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO



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Executive Director

Christopher P. Morrill

Date: 8/29/2024

The audited financial statements are not published in the Annual Comprehensive Financial Report for the December Agenda, but will be published in the GFOA ACFR website version when submitted to the GFOA.

**The FY24 Financial Statements are available on the CMSA website:
<https://www.cmsa.us/finance/documents>**

**CENTRAL MARIN SANITATION AGENCY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

STATISTICAL SECTION

STATISTICAL SECTION

Overview

This part of the Agency's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Agency's overall financial health.

Contents	Page
Schedules 1-7: Financial Trends	
These schedules contain trend information to help the reader understand how the Agency's financial performance and well-being has changed over time.	
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These schedules contain information to help the reader assess the affordability of the Agency's current levels of outstanding debt, the Agency's ability to issue additional debt in the future, and Right-of-Use and Site Lease obligations.	
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These schedules contain service and infrastructure data to help the reader understand how the information in the Agency's financial report relates to the services the Agency provides and the core business activities it performs.	
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**Central Marin Sanitation Agency
Statement of Net Position**

Schedule 1

Fiscal Year Ending June 30

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Net Investment in Capital Assets	\$ 43,446,484	\$ 40,645,174	\$ 38,327,344	\$ 39,642,802	\$ 36,620,936 ⁽²⁾	\$ 36,596,279	\$ 36,596,025	\$ 36,400,782	\$ 36,022,116	\$ 38,085,361
Restricted for Pension Trust	904,096	207,961	19,357	-	-	-	-	-	-	-
Restricted for Revenue Bond Trust	1,300	-	-	-	-	-	-	-	-	-
Restricted for Pension Obligation Bond Trust	53	-	-	-	-	-	-	-	-	-
Unrestricted	5,837,308	10,249,248	10,946,561 ⁽¹⁾	7,101,708	6,428,473	7,048,782	5,623,608	6,218,578	7,438,757	7,259,794
Total Net Position	\$ 50,189,241	\$ 51,102,383	\$ 49,293,262	\$ 46,744,510	\$ 43,049,409	\$ 43,645,061	\$ 42,219,633	\$ 42,619,360	\$ 43,460,873	\$ 45,345,155

(1) The Agency corrected a FY22 ACFR presentation error.

(2) The Agency corrected a FY21 ACFR Schedule 1 presentation error related to a FY21 Audit prior period adjustment that should not have affected FY20.

Source: Central Marin Sanitation Agency Audited Financial Statements

Central Marin Sanitation Agency
Statement of Revenues, Expenses and Changes in Net Position

Schedule 2

Fiscal Year Ended June 30	Operating Revenues	Operating Expenses	Operating Income (Loss)	Non-operating Revenues (Expenses)	Capital Contributions - Capacity Charges	Federal and State Grant Proceeds	Change in Net Position	Beginning Net Position	Prior Period Adjustment	Ending Net Position
2024	\$ 22,163,569	\$ (25,568,134)	\$ (3,404,565)	\$ (400,171)	\$ 1,152,938	\$ 1,650,501	\$ (1,001,297)	\$ 51,102,383	\$ 88,155 (1)	\$ 50,189,241
2023	21,403,663	(20,130,669)	1,272,994	(1,031,907)	641,334	926,699	1,809,120	49,293,262	-	51,102,383
2022	20,865,949	(17,896,331)	2,969,618	(1,591,390)	1,171,130	55	2,549,413	46,744,510	(661) (2)	49,293,262
2021	19,851,438	(17,638,231)	2,213,207	(1,203,484)	1,592,633	-	2,602,356	43,049,409	1,092,745 (3)	46,744,510
2020	18,802,873	(17,825,011)	977,862	(2,084,679)	511,165		(595,652)	43,645,061		43,049,409
2019	17,901,670	(16,553,636)	1,348,034	(594,375)	671,769		1,425,428	42,219,633		43,645,061
2018	17,353,966	(16,351,993)	1,001,973	(1,223,633)	197,753		(23,907)	42,619,360	(375,820) (4)	42,219,633
2017	17,235,271	(16,793,252)	442,019	(1,613,611)	330,079		(841,513)	43,460,873	-	42,619,360
2016	16,495,058	(15,257,981)	1,237,077	(1,119,479)	162,705		280,303	45,345,155	(2,164,585) (5)	43,460,873
2015	17,000,940	(13,419,393)	3,581,547	(1,928,681)	415,845		2,068,711	50,554,474	(7,278,030) (6)	45,345,155

- (1) The Agency noted there was an error of capitalization of a capital asset in the prior year. This resulted in a prior period adjustment that increased beginning net position.
- (2) The Agency implemented GASB Statement No. 87 to report lease liabilities and to improve financial accounting for leases. This resulted in a prior period adjustment for FY21 which decreased beginning net position. See Note #2 GASB Statement No. 87, Leases.
- (3) The Agency prepared and recorded a prior period adjustment to partially restore the depreciated value of the 2005 cogeneration system replacement project. In 2019 the engine failed and was replaced, but the 2005 entire project value was depreciated.
- (4) The Agency restated beginning net position. There was a net decrease in net position as a result of implementing GASB Statement No. 75, Accounting and Reporting for Postemployment Benefits Other than Pensions (OPEB) and a correction of depreciation on fixed assets. The decrease was offset with an increased value of inventory resulting from a full retroactive inventory count and cost analysis.
- (5) During the FY17 audit, prior period adjustments were recorded which affected the FY16 financial statements. No reissuance of the FY16 audited financial statements was deemed necessary, however the adjustments have been reflected in this schedule for accurate comparison data and analysis.
- (6) The Agency implemented GASB No. 68 Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27 (Issued 06/12), as of July 1, 2014 which resulted in a prior period adjustment that reduced the beginning net position.

Source: Central Marin Sanitation Agency Audited Financial Statements

**Central Marin Sanitation Agency
Operating Revenue by Source**

Schedule 3

Fiscal Year Ended June 30	Service Charges	Contract Maintenance Revenue	Contract Safety and Public Education Program	Leasing Income (Marin Airporter)	Renewable Energy Sales	Wastewater Discharge Permit Fees	Source Control Fees	Waste Hauling Service Fees	COVID and Illegal Substance Sampling Fees	Total Other Operating Revenue	Total Operating Revenues
2024	\$ 19,567,809	\$ 1,694,712	\$ 134,745	\$ 108,666	\$ 63,757	\$ 42,207	\$ 96,291	\$ 411,939	\$ 43,443	\$ -	\$ 22,163,569
2023	18,819,541	1,856,889	115,838	69,206	55,189	56,316	99,008	297,541	34,135	-	21,403,664
2022	18,183,132	2,126,787	115,059	64,800	35,431	42,562	68,838	229,341	-	-	20,865,950
2021	17,578,817	1,670,204	100,512	64,800	47,040	38,768	70,353	280,944	-	-	19,851,438
2020	16,974,164	1,401,010								427,699	18,802,873
2019	16,400,143	1,067,515								434,012	17,901,670
2018	15,845,548	1,114,680								393,738	17,353,966
2017	15,355,475	1,442,550								437,246	17,235,271
2016	14,471,578	1,546,239								477,241	16,495,058
2015	15,215,367	1,352,202								433,371	17,000,940

Effective FY24, Total Other Operating Revenue has been allocated to present revenue by all sources and to align with CMSA's budget presentation. Preceding three fiscal years were adjusted for this presentation.

Source: Central Marin Sanitation Agency Audited Financial Statements

**Central Marin Sanitation Agency
Operating Expenses by Function**

Schedule 4

Fiscal Year Ended June 30	Salaries and Benefits	Chemicals and Fuel	Utilities and Telephone	Biosolids Management	Operations Supplies and Services	Permit Testing and Monitoring	Repairs and Maintenance	Insurance	General and Administrative	Depreciation and Amortization	Total Operating Expenses
2024	\$ 14,654,491	\$ 1,911,621	\$ 427,641	\$ 412,515	\$ -	\$ 206,743	\$ 1,753,982	\$ 570,090	\$ 737,774	\$ 4,893,277	\$ 25,568,134
2023	10,920,801	1,658,963	446,020	439,965	-	204,105	664,853	410,435	800,319	4,585,208	20,130,669
2022	8,420,965	1,077,079	591,701	433,202	-	198,248	1,367,073	445,916	1,062,829	4,299,319	17,896,331
2021	9,683,861	983,485	263,560	381,059	-	176,249	654,095	380,764	893,530	4,221,630	17,638,233
2020	9,925,545		495,207		1,638,012	178,099	588,963	134,522	736,513	4,128,150	17,825,011
2019	8,486,703		454,082		1,436,895	144,968	1,034,818	111,545	774,050	4,110,575	16,553,636
2018	8,877,307		311,191		1,366,871	149,815	886,312	95,517	669,900	3,995,080	16,351,993
2017	9,079,369		318,900		1,496,774	110,973	947,285	97,095	697,499	4,045,357	16,793,252
2016	7,411,654		346,701		1,408,893	121,094	1,373,609	101,447	595,639	3,902,112	15,261,149
2015	6,343,530		429,324		1,341,798	130,687	1,035,053	97,622	550,139	3,491,240	9,928,153

Effective FY24, Operations Supplies and Services was broken out into Biosolids Management and Chemicals and Fuel to align with CMSA's budget presentation. Preceding three fiscal years were adjusted for this presentation.

Source: Central Marin Sanitation Agency Audited Financial Statements

**Central Marin Sanitation Agency
Non-Operating Revenues and Expenses**

Schedule 5

Fiscal Year Ended June 30	Interest and Investment Income	Interest Expense	Other Non- operating Revenues (net)	Other Non- operating Expenses (net)	Total Non- operating Revenues (Expenses)
2024	\$ 1,159,924	\$ (1,444,918)	\$ -	\$ (115,177)	(400,171)
2023	478,298	(1,539,596)	29,391	-	(1,031,907)
2022	(197,571)	(1,418,586)	24,766	-	(1,591,391)
2021	98,988	(1,411,404)	108,932	-	(1,203,483)
2020	352,481	(1,386,336)	-	(1,050,824)	(2,084,679)
2019	410,653	(1,457,861)	452,833	-	(594,375)
2018	218,516	(1,527,361)	85,212	-	(1,223,633)
2017	113,085	(1,752,699)	26,067	(64)	(1,613,611)
2016	376,752	(1,758,318)	80,717	518	(1,300,331)
2015	41,950	(2,108,649)	830,223	(692,205)	(1,928,681)

Source: Central Marin Sanitation Agency Audited Financial Statements

**Central Marin Sanitation Agency
Capital Contributions**

Schedule 6

Fiscal Year Ended June 30	Capacity Charges	Federal and State Grant Proceeds (1)	Total
2024	\$ 1,152,938	\$ 1,650,501	\$ 2,803,439
2023	641,334	926,699	1,568,033
2022	1,171,130	55	1,171,185
2021	1,592,633	-	1,592,633
2020	511,165		511,165
2019	671,769		671,769
2018	197,753		197,753
2017	330,079		330,079
2016	162,705		162,705
2015	415,845		415,845

(1) The Agency receives grant proceeds from the State of California under the CalRecycle grant program for work completed on the Liquid Organic Waste Receiving Facility capital project. For the FY24 ACFR, FY23 and FY22 proceeds were reclassified from Other Non-Operating Revenue and Expense.

Source: Central Marin Sanitation Agency Audited Financial Statements

**Central Marin Sanitation Agency
Capital Additions**

Schedule 7

<u>Fiscal Year Ended</u> <u>June 30</u>	<u>Capital</u> <u>Additions</u>
2024	\$ 4,798,567
2023	5,040,726
2022	6,770,091
2021	4,682,942
2020	3,314,983
2019	2,185,309
2018	2,043,192
2017	2,730,175
2016	4,372,405
2015	2,244,858

Source: Central Marin Sanitation Agency Audited Financial Statements

**Central Marin Sanitation Agency
Major Revenue Rates and Base**

Schedule 8 (1)

Fiscal Year Ended June 30	Regional Service Charges	Regional Service Charge Revenue	Debt Service Charge per EDU	Total Debt Service Charges	Total Regional Service Charge and Debt Charges Per EDU	EDUs Reported by JPA Members (1)	EDUs Assigned SQSP	Total Equivalent Dwelling Units (EDUs) (1)	EDUs Assigned JPA Members for Debt Service	EDUs SQSP Debt Service	Total Debt Service (EDUs)
2024	\$ 291.62	\$ 13,941,551	\$ 108.11	\$ 5,626,258	\$ 399.73	47,807	4,005	51,812	48,039	4,005	52,044
2023	278.59	13,167,002	108.61	5,652,539	387.20	47,263	4,005	51,268	48,039	4,005	52,044
2022	267.10	12,527,030	108.68	5,656,102	375.78	46,900	4,005	50,905	48,039	4,005	52,044
2021	261.79	12,631,001	95.07	4,947,816	356.86	48,248	4,005	52,253	48,039	4,005	52,044
2020	249.78	12,015,001	95.29	4,959,163	345.06	48,103	4,005	52,108	48,039	4,005	52,044
2019	236.82	11,433,635	95.43	4,966,508	332.25	48,279	4,005	52,284	48,039	4,005	52,044
2018	226.56	10,893,165	95.16	4,952,383	321.72	48,081	4,005	52,086	48,039	4,005	52,044
2017	217.82	10,395,358	94.74	4,960,117	312.56	47,724	4,005	51,729		4,005	51,729
2016	204.71	9,897,549	87.10	4,574,029	291.81	48,350	4,005	52,355		4,005	52,355
2015	193.78	9,399,740	111.49	5,815,627	305.27	48,507	4,005	52,512		4,005	52,512

This schedule reflects Regional Service Charges, Debt Service Charges, and applicable EDUs, respectively used in connection with the calculation of a cost per EDU. The cost per EDU is generally used for information purposes or with certain other charges within the Agency's Fee Ordinance. Regional service charges are billed to members based upon volume and strength of wastewater flow. Effective since FY18, debt service charges have been billed to members based upon fixed EDU counts assigned to each member to smooth fluctuations in debt service allocation.

Note (1):

EDU counts are provided annually to CMSA by the JPA member agencies. An EDU generally is one household. In the case of multiple dwellings, the number of EDUs is based upon units. Commercial EDU is based upon winter time water use. Industrial EDU is based on volume and strength of the wastewater flow. Included in this total is 4,005 EDU assigned to SQSP for the debt service allocation. Actual and assigned EDU counts are reflected on this schedule. See also Schedule 10.

Source: Annual Agency Budgets

Central Marin Sanitation Agency
Annual Flows into CMSA in Million Gallons and Pounds
Volume and Strength of Wastewater Treated

Schedule 9

The wastewater flow (volume) and strength (BOD & TSS) for each JPA member agency and SQSP is used to determine its allocation of the CMSA regional service charge. Additional information about how the initial service charge at the beginning of the fiscal year is calculated can be found in the Agency's FY24 & FY25 Budget available on www.cmsa.us/finance. Reported below is actual data for the 12 month reporting period April 1 to March 31st.

A. Total Volume of Wastewater Flow into CMSA in million gallons						
12-Month Period	SRSD	RVSD	SD #2	SQSP	Influent Flow	
April 1, 2023 to March 31, 2024	1,710.40	2,077.10	483.40	274.10	4,545.00	
April 1, 2022 to March 31, 2023	1,790.60	2,162.60	489.60	234.60	4,677.40	
April 1, 2021 to March 31, 2022	1,528.75	1,823.97	380.60	191.71	3,925.03	
April 1, 2020 to March 31, 2021	1,334.37	1,592.48	344.64	180.54	3,452.03	
April 1, 2019 to March 31, 2020	1,480.12	1,923.57	400.86	174.72	3,979.27	
April 1, 2018 to March 31, 2019	1,807.98	2,301.31	438.86	192.18	4,740.33	
April 1, 2017 to March 31, 2018	1,411.51	1,888.58	382.15	166.12	3,848.36	
April 1, 2016 to March 31, 2017	1,844.03	2,597.79	472.68	136.90	5,051.40	
April 1, 2015 to March 31, 2016	1,435.31	1,912.90	422.01	129.48	3,899.70	
April 1, 2014 to March 31, 2015	1,521.91	1,953.05	424.90	143.97	4,043.83	
B. Total Mass of Biological Oxygen Demand (BOD in pounds)						
12-Month Period	SRSD	RVSD	SD #2	SQSP	Influent BOD	
April 1, 2023 to March 31, 2024	2,875,288	3,032,390	837,188	427,445	7,172,311	
April 1, 2022 to March 31, 2023	4,129,275	5,481,327	864,776	371,692	10,847,070	
April 1, 2021 to March 31, 2022	3,917,515	4,363,453	696,542	414,336	9,391,846	
April 1, 2020 to March 31, 2021	4,905,691	4,639,850	483,868	360,164	10,389,573	
April 1, 2019 to March 31, 2020	4,698,037	4,903,805	525,205	381,608	10,508,655	
April 1, 2018 to March 31, 2019	4,743,449	4,438,157	599,208	376,680	10,157,494	
April 1, 2017 to March 31, 2018	3,605,713	4,281,207	585,582	404,146	8,876,648	
April 1, 2016 to March 31, 2017	4,293,860	4,450,865	674,224	355,347	9,774,296	
April 1, 2015 to March 31, 2016	3,892,566	4,358,760	592,658	306,804	9,150,788	
April 1, 2014 to March 31, 2015	4,451,240	5,101,508	447,649	509,759	10,510,156	
C. Total Mass of Total Suspended Solids (TSS) in pounds						
12-Month Period	SRSD	RVSD	SD #2	SQSP	Influent TSS	
April 1, 2023 to March 31, 2024	2,458,975	2,666,112	1,020,479	557,173	6,702,739	
April 1, 2022 to March 31, 2023	4,798,016	7,166,745	858,085	377,075	13,199,921	
April 1, 2021 to March 31, 2022	4,544,402	4,592,978	726,137	446,304	10,309,821	
April 1, 2020 to March 31, 2021	7,138,092	5,581,641	585,643	422,700	13,728,076	
April 1, 2019 to March 31, 2020	5,844,502	5,813,416	631,754	515,623	12,805,295	
April 1, 2018 to March 31, 2019	6,114,054	4,991,101	862,434	514,072	12,481,661	
April 1, 2017 to March 31, 2018	4,660,290	5,612,940	799,015	487,062	11,559,307	
April 1, 2016 to March 31, 2017	5,543,868	5,629,170	905,498	457,495	12,536,031	
April 1, 2015 to March 31, 2016	5,569,476	6,827,531	934,372	398,325	13,729,704	
April 1, 2014 to March 31, 2015	7,812,006	8,343,902	699,225	1,503,385	18,358,518	

Notes:

Laboratory analysis of the data above is performed to allocate treatment costs by members into its components of flow, biological oxygen demand, and total suspended solids.

**Central Marin Sanitation Agency
Member Agencies and San Quentin Prison
Actual Reported Equivalent Dwelling Units (EDUs)**

Schedule 10

Fiscal Year Ended June 30	Ross Valley Sanitary District	City of Larkspur (1)	Sanitary District #2	San Rafael Sanitation District	Subtotal JPA Member EDU Counts	San Quentin State Prison	Total EDUs	EDU Change from Prior Year
2024	22,308	-	6,157	19,342	47,807	4,005	51,812	544
2023	22,114	-	5,815	19,334	47,263	4,005	51,268	363
2022	22,098	-	5,680	19,122	46,900	4,005	50,905	(1,348)
2021	22,422	-	6,152	19,674	48,248	4,005	52,253	146
2020	22,248	-	6,245	19,609	48,102	4,005	52,107	(177)
2019	19,345	3,066	6,152	19,716	48,279	4,005	52,284	198
2018	19,448	3,060	6,008	19,565	48,081	4,005	52,086	357
2017	19,298	3,039	6,055	19,332	47,724	4,005	51,729	(626)
2016	19,700	3,019	6,076	19,555	48,350	4,005	52,355	(157)
2015	19,666	2,982	6,216	19,643	48,507	4,005	52,512	351

The actual EDU count presented for informational purposes in this schedule also is used to establish Waste Hauler Charges and Industrial Monitoring Fees as set forth in CMSA Ordinance No. 2023-1 (see <http://www.cmsa.us/documents/ordinances>). The assigned EDU presented in Schedule 8 is the basis of revenue allocation when determining debt service charge revenue which is the funding source to repay debt service.

(1) Larkspur withdrew from the JPA in January 2020, ending the need to show the City's individual EDU count, which is now included in the RVSD count.

Source: Annual Agency Budgets

**Central Marin Sanitation Agency
Long-Term Debt Outstanding
Pension Obligation and Revenue Bonds**

Schedule 11

Fiscal Year Ended June 30	2022 Pension Obligation Bonds (1)	2020 Revenue Bonds	2015 Revenue Bonds	Total Outstanding Debt	Total Debt Per EDU (2)	Total Debt Capita (3)
2024	\$ 9,136,000	\$ 8,088,058	\$ 29,674,287	\$ 46,898,345	\$ 901	\$ 446
2023	9,266,000	8,485,348	32,807,821	50,559,169	971	481
2022	9,432,000	8,872,638	35,841,354	54,145,992	1,040	516
2021		9,254,928	38,769,887	48,024,815	923	461
2020			41,588,420	41,588,420	799	398
2019			44,331,953	44,331,953	852	424
2018			47,010,486	47,010,486	903	450
2017			49,609,019	49,609,019	959	475
2016			51,935,424	51,935,424	992	497
2015			54,325,451	54,325,451	1,035	520

Notes:

- (1) Pension Obligation Bonds are not subject to pledged revenue coverage
- (2) EDU counts for debt service purposes are described on Schedule 8
- (3) Debt per capita is based upon US Census Bureau QuickFacts April 2020 census data and United States Zip Codes.org. Both are used to estimate the population within the CMSA service area at 105,040.

Source: Central Marin Sanitation Agency Audited Financial Statements

**Central Marin Sanitation Agency
Pledged Revenue Coverage**

Schedule 12

Fiscal Year Ended June 30	Sewer Service Charges	Less Operating Expenses	Net Revenues Available (1)	2020	2020	Total 2020	2015	2015	Total 2015	2006	2006	2006	Total Annual Debt Service	Debt Service Coverage (2)
				Revenue Bonds Principal	Revenue Bonds Interest	Revenue Bonds Debt Service	Revenue Bonds Principal	Revenue Bonds Interest	Revenue Bonds Debt Service	Revenue Bonds Principal	Revenue Bonds Interest	Revenue Bonds Debt Service		
2024	\$ 25,866,982	\$ 15,599,967	\$ 10,267,015	\$ 390,000	\$ 168,625	\$ 558,625	\$ 2,785,000	\$ 1,157,381	\$ 3,942,381			\$ -	\$ 4,501,006	2.28
2023	23,520,980	13,746,523	9,774,457	380,000	176,325	556,325	2,685,000	1,280,706	3,965,706			-	4,522,031	2.16
2022	22,130,300	13,978,534	8,151,766	375,000	183,875	558,875	2,580,000	1,386,006	3,966,006			-	4,524,881	1.80
2021	21,652,819	12,797,204	8,855,615	-	61,499	61,499	2,470,000	1,487,006	3,957,006			-	4,018,506	2.20
2020	18,615,695	10,916,950	7,698,745				2,395,000	1,386,336	3,781,336			-	3,781,336	2.04
2019	19,436,925	11,567,182	7,869,743				2,330,000	1,457,861	3,787,861			-	3,787,861	2.08
2018	17,855,447	11,355,010	6,500,437				2,250,000	1,527,361	3,777,361			-	3,777,361	1.72
2017	17,704,438	11,424,190	6,280,248				2,195,000	1,752,699	3,947,699			-	3,947,699	1.59
2016	16,753,516	11,359,037	5,394,479				2,095,000	1,577,466	3,672,466			-	3,672,466	1.47
2015	17,596,753	9,928,153	7,668,600							2,135,000	2,108,649	4,243,649	4,243,649	1.81

Notes:

(1): Net revenues available is computed on revenues from all sources less operating expenses not including depreciation and amortization.

(2): The Agency supports pension obligation bonds as shown in Schedule 11 that are not subject to pledged revenue coverage requirements as are revenue bonds reflected above.

Source: Central Marin Sanitation Agency Audited Financial Statements

**Central Marin Sanitation Agency
Right-of-Use Leases and Subscription-Based IT Arrangements (SBITA)**

Schedule 13

Fiscal Year Ended June 30	Copiers (1)		Operating Rental Lease (2)	Subscriptions (SBITA) (3)	
	RU Asset Balance - Net	RU Lease Balance @	Lessor Balance @	RU Asset Balance - Net	RU Lease Balance @
2024	\$ 3,797	\$ 4,091	\$ 387,944	\$ 121,741	\$ 123,675
2023	11,393	12,070	459,141	159,708	160,656
2022	18,989	19,786	138,410	-	-

- (1) The Agency as lessee leases a copier under an operating lease with terms January 2020 through December 2024. See Note 5 for the details.
(2) The Agency as lessor leases an unused portion of the corporation yard as a parking facility for Marin Airporter buses. The operating lease has a term of 5 years with optional five one-year extensions beginning July 2019. See Note for for the details.
(3) The Agency has one subscription for Microsoft with terms from January 2023 through December 2028. See Note 6 for the details.

Source: Central Marin Sanitation Agency Audited Financial Statements Note 5 and Note 6

Note: 10 Years data will be shown as it becomes available

**Central Marin Sanitation Agency
Demographic and Economic Statistics**

Schedule 14

Fiscal Year Ended June 30	Marin County Population (1)	Marin County Personal Income (in thousands) (2)	Per Capita Personal Income (2)	Marin County Averaged Unemployment Rate (1)
2024	N/A	N/A	N/A	3.7%
2023	N/A	N/A	N/A	2.7%
2022	255,851	\$ 43,824,350	\$ 171,177	3.0%
2021	258,719	42,936,183	165,673	5.8%
2020	262,161	37,796,487	144,658	4.4%
2019	263,917	35,896,884	136,460	2.4%
2018	264,944	33,770,671	128,091	2.5%
2017	264,753	31,324,429	119,063	3.1%
2016	265,181	29,825,203	113,226	3.3%
2015	263,964	28,764,641	109,274	3.8%
2014	258,324	26,755,509	102,032	4.6%
2013	255,778	24,806,255	95,473	5.6%

Source: (1) State of California Employment Development Department Labor Market Information and United States Zip Codes.org websites:
www.labormarketinfo.edd.ca.gov www.unitedstateszipcodes.org
 (2) US Department of Commerce Bureau of Economic Analysis (BEA) website:
www.bea.gov/iTable

**Central Marin Sanitation Agency
Ten of the Largest Employers Statistic**

Schedule 15

		Total Marin County Employment: 126,400		127,400		128,900		122,600		117,000	
		Number of Employees	Percentage of Total Marin County	Number of Employees	Percentage of Total Marin County	Number of Employees	Percentage of Total Marin County	Number of Employees	Percentage of Total Marin County	Number of Employees	Percentage of Total Marin County
Service Area	Type of Entity	FY24	Employment (1)	FY23	Employment (1)	FY22	Employment (1)	FY21	Employment	FY20	Employment
BioMarin (2)	Biotech	1,700	1.34%	1,700	1.33%	1,700	1.32%	1,700	1.39%	1,700	1.45%
MarinHealth Medical Center	Hospital	1,650	1.31%	1,650	1.30%	1,650	1.28%	1,650	1.35%	1,650	1.41%
San Quentin State Prison	State Government	1,468	1.16%	1,531	1.20%	1,547	1.20%	1,764	1.44%	1,614	1.38%
Dominican University	University	1,033	0.82%	1,033	0.81%	1,033	0.80%	1,117	0.91%	1,200	1.03%
Golden Gate Transit	Transit District	853	0.67%	845	0.66%	845	0.66%	840	0.69%	828	0.71%
San Rafael City Schools	School District	561	0.44%	404	0.32%	404	0.31%	362	0.30%	362	0.31%
Tamalpais Union High School District (TUHSD) (3)	School District	531	0.42%	368	0.29%	368	0.29%	402	0.33%	409	0.35%
College of Marin	College District	512	0.41%	512	0.40%	512	0.40%	529	0.43%	529	0.45%
Restoration Hardware (2)	Home Furnishings	500	0.40%	500	0.39%	500	0.39%	500	0.41%	500	0.43%
City of San Rafael	Government	416	0.33%	420	0.33%	420	0.33%	405	0.33%	405	0.35%

		Total Marin County Employment: 134,700		135,800		135,800		135,000		133,900	
		Number of Employees	Percentage of Total Marin County	Number of Employees	Percentage of Total Marin County	Number of Employees	Percentage of Total Marin County	Number of Employees	Percentage of Total Marin County	Number of Employees	Percentage of Total Marin County
Service Area	Type of Entity	FY19	Employment	FY18	Employment	FY17	Employment	FY16	Employment	FY15	Employment
BioMarin (added FY17)	Biotech	1,700	1.26%	1,700	1.25%	1,700	1.25%				
MarinHealth Medical Center	Hospital	1,650	1.22%	1,650	1.22%	1,650	1.22%	1,650	1.22%	1,650	1.23%
San Quentin State Prison	State Government	1,836	1.36%	1,600	1.18%	1,662	1.22%	1,832	1.36%	1,832	1.37%
Dominican University	University	1,200	0.89%	1,000	0.74%	1,000	0.74%	1,000	0.74%	1,000	0.75%
Golden Gate Transit	Transit District	828	0.61%	820	0.60%	810	0.60%	775	0.57%	775	0.58%
San Rafael City Schools	School District	362	0.27%	355	0.26%	355	0.26%	355	0.26%	355	0.27%
Tamalpais Union High School District	School District	409	0.30%			355	0.26%	332	0.25%	310	0.23%
College of Marin	College District	360	0.27%	360	0.27%	507	0.37%	332	0.25%	328	0.24%
Restoration Hardware (added FY17)	Home Furnishings	500	0.37%	500	0.37%	500	0.37%				
City of San Rafael	Government	410	0.30%	404	0.30%	401	0.30%	390	0.29%	390	0.29%
Kentfield Rehabilitation & Hospital	Hospital			345	0.25%	345	0.25%	344	0.25%	344	0.26%
Marin Muncpal Water District (MMWD)	Water District							246	0.18%	246	0.18%

- (1) Total Marin County employment for June 2024 was 126,400. The data source is from www.labormarketinfo.edd.ca.gov Labor Force and Unemployment Local Area Profile for June 2024. Employment statistics by cities within Marin County are not available.
- (2) BioMarin and Restoration Hardware were identified as two of the top 10 employers in CMSA's service area in FY17 replacing MMWD and TUHSD. MMWD's employee headcounts for FY14 through FY15 remain on the 10 year schedule.
- (3) In FY19 the TUHSD website reported the district employed 535 of which 409 are employed in the CMSA service area making the district once again one of the larger employers in Central Marin.

**Central Marin Sanitation Agency
Authorized Staffing by Department**

Schedule 16

Authorized Staffing by Department	FY24	FY23	FY22	FY21	FY20	FY19	FY18	FY17	FY16
Administration (3) (6)	6	6	6	6	7	7	7	7	6
Maintenance (1) (5) (6)	17.5	17.5	17.5	17.5	17	14	14	14	14
Operations (6)	13.5	13.5	13.5	13.5	13	13	13	13	13
Technical Services (3) (4) (8)	10	9	9	9	9	9	8	8	
Environmental Services (3)	-	-	-	-	-	-	-	-	5
Engineering (2) (3)	-	-	-	-	-	-	-	-	4
Safety Program (7)	1	1	1	1	1	1	1	1	1
Agency Total	<u>48</u>	<u>47</u>	<u>47</u>	<u>47</u>	<u>47</u>	<u>44</u>	<u>43</u>	<u>43</u>	<u>43</u>

Notes:

- (1) FY16 Addition of one Utility Worker.
- (2) FY16 Addition of one new Associate Engineer position.
- (3) The Board approved a department reorganization plan at the November 10, 2016 meeting. Three Engineering and four Environmental Services positions were reorganized into Technical Services. One IT Analyst position was transferred into Administration.
- (4) FY19 Addition of one new Laboratory Analyst position.
- (5) FY20 addition three Institutional Utility Laborers.
- (6) FY21 Treatment Plant Manager moved from Administration and is allocated 0.5 FTE to Maintenance and 0.5 FTE to Operations.
- (7) The Safety Program is a shared services position with CMSA Safety Department 0.6 FTE share and one local wastewater agency whose share is 0.4 FTE.
- (8) FY24 Addition of one new Laboratory Analyst position.

Source: Central Marin Sanitation Agency records

**Central Marin Sanitation Agency
Wastewater and Biosolids Treated**

Schedule 17

Treatment Plant	Millions of Gallons per Day									
	FY24	FY23	FY22	FY21	FY20	FY19	FY18	FY17	FY16	FY15
Average Dry Weather Flow (ADWF) Permitted Capacity Limit (1)	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
ADWF (2)	8.5	8.3	7.5	8.3	8.5	8.5	7.0	8.2	4.6	4.7
Average Wastewater Treated per day	12.4	13.3	10.8	9.2	10.5	13.3	9.3	12.9	7.8	7.0

	Wet Tons per Year									
	FY24	FY23	FY22	FY21	FY20	FY19	FY18	FY17	FY16	FY15
Biosolids Treated	5,311	5,863	4,579	4,194	5,982	6,512	6,517	6,500	6,231	5,882

Note (1): ADWF limit is set forth in CMSA's NPDES Permit.

Note (2): ADWF is based on the average of the 3 lowest months of daily average influent flow (July, August, September).

Source: Central Marin Sanitation Agency records

CENTRAL MARIN SANITATION AGENCY

Agency Information

June 30, 2024

**1301 Andersen Drive
San Rafael, CA 94901
415 459-1455**

Authority	Joint Powers Agreement
Date of formation	October 1979
Governing body	Board of Commissioners appointed by JPA member agencies: Ross Valley Sanitary District 2 appointees Sanitary District No. 2 of Marin County 1 appointee San Rafael Sanitation District 2 appointees
Chief Executive Officer	General Manager, Jason Dow
Chief Fiscal Officer	Administrative Services Manager, Corey Spray
Type of service	Wastewater treatment and disposal
Number of Authorized Positions	48

Member Agency Contact Information:

Retirement Plans Contact Information:

Ross Valley Sanitary District
1111 Andersen Drive
San Rafael, CA 94901
(415) 259-2949

California Public Employee's Retirement System
Lincoln Plaza North
400 Q Street
Sacramento, CA 95814
(888) 225-7377

Sanitary District No. 2 of Marin County
300 Tamalpais Drive
Corte Madera, CA 94925
(415) 927-5057

San Rafael Sanitation District
111 Mophew Street
San Rafael, CA 94915-1560
(415) 454-4001

Source: Central Marin Sanitation Agency

Appendix A

Agency's Mission, Vision, and Values



Agency's Mission, Vision, and Values



MISSION

MISSION

WHAT THE AGENCY DOES

Central Marin Sanitation Agency protects the environment and public health and is integral to the community by providing wastewater, environmental, and resource recovery services.



VISION

VISION

WHERE THE AGENCY WANTS TO BE IN THE FUTURE

Central Marin Sanitation Agency will be a forward-thinking organization by providing innovative and effective wastewater services, capturing and utilizing renewable resources, and implementing sustainable solutions for an enhanced quality of life.



VALUES

VALUES

KEY STATEMENTS THAT DESCRIBE THE IDEALS OF THE AGENCY

CMSA values...

- Continuous regulatory compliance to protect the environment.
- Sound financial practices.
- Effective asset management.
- A safe and healthy workplace.
- Creating job satisfaction within a diverse workforce.
- Engaging public outreach and educational programs.
- Leadership, partnerships, teamwork, and collaboration.

Appendix B

Key Terms and Financial Glossary with Acronym Listing

Key Terms and Financial Glossary with Acronym Listing

- **ASSETS:** Anything of material and economic value or usefulness owned by the entity.
- **BOND PREMIUM:** A bond that is priced higher than its stated face (par) value.
- **CAPITAL ASSETS:** Includes Agency land, treatment plant, facilities, buildings, and equipment net of depreciation.
- **CAPITAL EXPENDITURE:** An expenditure of \$5,000 or more that is used to newly purchase a capital asset with a useful life of five years or more or an investment that improves the useful life of an existing asset.
- **CAPITAL IMPROVEMENT PROGRAM (CIP):** A plan that describes and explains the Agency's maintenance and capital projects over ten fiscal years. The CIP is a planning document that provides the Agency with an opportunity to evaluate and assess its equipment, infrastructure, and asset management needs from financial, engineering, operational, and planning perspectives.
- **CONTRACT SERVICE REVENUES:** Services provided by the Agency under contract to other local agencies for pump station and collection system maintenance and pollution prevention source control programs.
- **CURRENT AND OTHER ASSETS:** Assets that can easily be converted to cash or consumed within one year. Includes cash, investments, receivables, prepaid expenses, deposits with others (example: OPEB asset).
- **CURRENT LIABILITIES:** Payment obligations owed by the Agency within the next 12 months.
- **DEPRECIATION:** A current year non-cash expense that reduces the value of an asset because of wear and tear, age, or obsolescence. Accumulated depreciation is the total amount expensed since the asset was placed in service.
- **ENTERPRISE FUND:** A government accounting fund that provides goods or services to the public for a fee that makes the entity self-supporting.
- **EQUIVALENT DWELLING UNIT (EDU):** An EDU is one single-family residence.
- **FLOW(S):** The total incoming wastewater flow(s) to CMSA from the satellite collection agencies, measured in millions of gallons and collected for the previous April 1 to March 31, are used to calculate the CMSA sewer service charge.
- **HAULERS, PERMITS & INSPECTION REVENUE:** Fees and charges for use of Agency septage receiving facility; permit fees to discharge commercial and industrial waste; reimbursement of Agency labor and administrative costs for performing inspections and other services.
- **JOINT POWERS AUTHORITY (JPA):** An agreement between two or more local government agencies to form a separate governmental entity distinct from the member governments and authorizing the powers the JPA is allowed to exercise.
- **LIABILITIES:** What the Agency owes others.
- **NET INVESTMENTS IN CAPITAL ASSETS:** Represents amounts invested in capital assets less accumulated depreciation and any outstanding debt used to acquire the assets.
- **NON-CURRENT LIABILITIES:** Payment obligations owed by the Agency more than 12 months in the future.
- **OTHER NON-OPERATING REVENUE:** Includes CSRMA dividends, CalCARD prompt payment incentive rebates, settlement claims, the occasional sale of assets, SDI disability reimbursements, grants, and other miscellaneous revenue sources.
- **PENSION OBLIGATION BONDS:** Taxable bonds that state and local governments issue as part of an overall strategy to fund the unfunded accrued liability associated with their pension obligations. These bonds are not subject to debt service coverage requirements as with revenue bonds.

- **PROGRAM REVENUES:** The Agency is the lead coordinator for the Health and Safety Director and Countywide Education Programs. Costs incurred by CMSA are allocated to the districts that participate in the programs. The Agency invoices participating Districts quarterly for Safety Director and Countywide Education expenditures in accordance with agreements with program participants.
- **RESTRICTED CASH:** Cash and investments that can only be used for legally specific purposes.
- **REVENUE BOND:** Debt obligation for which interest and principal payments are secured by the debt service portion of service charge revenues generated for the treatment plant project being financed.
- **RIGHT-OF-USE (ROU):** An asset that represents a lessee’s privilege to use a leased item over the duration of an agreed-upon lease term. The lessee is granted the authority to obtain the economic benefit from the usage of an asset owned by another entity (reference GASB Statement No. 87).
- **SERVICE CHARGE (SC):** A fee for wastewater operating services and payment of revenue bond debt service.
- **SEWER SERVICE CHARGE (SSC):** A fee for wastewater services and payment of the revenue bond debt service. The SSC is typically the fee collected by JPA members and the term is used inter-changeably with the service charge.
- **SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA):** A contract that conveys control of the right to use another party’s (a SBITA vendor’s) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction (reference GASB Statement No. 96).
- **TOTAL NET POSITION:** Equity associated with general government assets and liabilities. The difference between total assets and total liabilities.
- **UNRESTRICTED CASH:** Cash and investments available to use for operations and not tied to a specific obligation.
- **UNRESTRICTED (NET POSITION):** The net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

ACRONYM LISTING

ACFR	Annual Comprehensive Financial Report
ADC	Alternate Daily Cover
ADWF	Average Dry Weather Flow
AM	Asset Management
ASPC	Agency Strategic Planning Committee
ATC	Authority to Construct
BACC	Bay Area Chemical Consortium
BACWA	Bay Area Clean Water Agencies
BAPPG	Bay Area Pollution Prevention Group
BAAQMD	Bay Area Air Quality Management District
BOD	Biochemical Oxygen Demand
CalOES	California Office of Energy Services
CalPERS	California Public Employees Retirement System
CAMP	California Asset Management Program (see Interest Income)
CASA	California Association of Sanitation Agencies

CCT	Chlorine Contact Tank
CDCR	California Department of Corrections
CEC	California Energy Commission and also Constituents of Emerging Concern
CERBT	California Employers' Retirement Benefit Trust
CIP	Capital Improvement Program
CMMS	Computerized Maintenance Management System
CMSA	Central Marin Sanitation Agency
COLA	Cost of Living Adjustment
CPI	Consumer Price Index
CWEA	California Water Environment Association
DPR	Direct Potable Reuse
E.D.I.S.	Employer Driven Insurance Services (third party-administrator for self-insured dental benefits)
EDU	Equivalent Dwelling Unit
ELAP	Environmental Laboratory Accreditation Program
EMPC	Employer Paid Member Contribution
F2E	Food-to-Energy
FOG	Fats, Oils and Grease program (see Contract Service Revenues)
FSE	Food Service Establishment(s)
F/M	Food to Microorganism
FTE	Full Time Equivalent (a position converted to decimal equivalent of a full time position)
FY	Fiscal Year
G&A	General & Administrative
GAAP	Generally Accepted Accounting Principles
GASB	Government Accounting Standards Board
GHG	Greenhouse Gas
IA	Interconnection Agreement
IC	Ion Chromatography
IPR	Indirect Potable Reuse
JPA	Joint Powers of Agreement
LARK	City of Larkspur, JPA Member
LBNL	Lawrence Berkeley National Laboratories
LED	Light-emitting Diodes
LEL	Lower Explosive Limits
LGVSD	Las Gallinas Sanitary District (see Contract Service Revenues)
MCE	Marin Clean Energy
MDV	Motor Diaphragm Valves
MSS	Marin Sanitary Service
NACWA	National Association of Clean Water Agencies
NBWA	North Bay Watershed Association
NPDES	National Pollutant Discharge Elimination System
NSD	Novato Sanitary District (see Contract Service Revenues)
OES	Office of Emergency Services (California)
OPEB	Other Post-Employment Benefits
PAFR	Popular Annual Financial Report
PD/EE	Power Delivery/Energy Efficiency Committee
PCA	Pretreatment Compliance Audit
PCB	Polychlorinated Biphenyls
PEPRA	Public Employees' Pension Reform Act
POB	Pension Obligation Bond
PPA	Power Purchase Agreement
RAS	Return Activated Sludge

RFP	Request for Proposal
ROU	Right-of-Use
RMP	Regional Monitoring Program (for toxic pollutants and trace substances)
RWB	Regional Water Board
RVSD	Ross Valley Sanitary District, JPA Member
SBITA	Subscription-Based Information Technology Arrangements
SP	Strategic Plan
SC	Service Charge
SCADA	Supervisory Control and Data Acquisition (a monitoring and control software system)
SD2	Sanitary District No. 2, JPA Member
SDI	State Disability Insurance
SDS	Safety Data Sheets
SQSP	San Quentin State Prison (see Contract Service Revenues)
SRSD	San Rafael Sanitation District, JPA Member
SSC	Sewer Service Charge
SUO	Sewer Use Ordinance
SWRCB	State Water Resources Control Board
SP	Strategic Plan
TCSD	Tamalpais Community Services District (see Contract Service Revenues)
ToC	Table of Contents
TSS	Total Suspended Solids
UAAL	Unfunded Actuarial Accrued Liability
USA	Underground Service Alert
VFA	Volatile Fatty Acid
WAS	Waste Activated Sludge

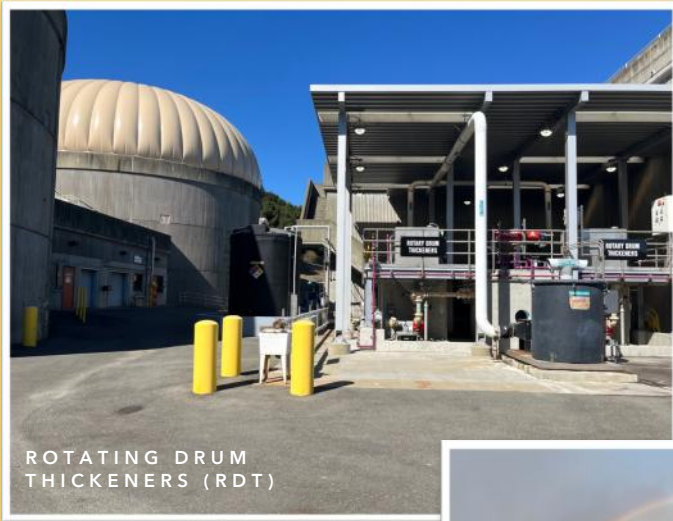
POPULAR ANNUAL FINANCIAL REPORTING

FOR THE FISCAL YEAR ENDED
JULY 1, 2023 – JUNE 30, 2024

DRAFT



CENTRAL MARIN SANITATION AGENCY



ROTATING DRUM THICKENERS (RDT)



AERATION TANK & DIGESTORS



NUEROS AERATION BLOWER



PRIMARY CLARIFIERS



ADMINISTRATIVE OFFICE



ORGANIC WASTE RECEIVING FACILITY (OWRF)



SECONDARY CLARIFIERS



POPULAR ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JULY 01, 2023 – JUNE 30, 2024

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COREY SPRAY ADMINISTRATIVE SERVICES MANAGER

HEIDI LANG SENIOR ACCOUNTANT

TIFFANY ELAM ADMINISTRATIVE SPECIALIST

October 23, 2024

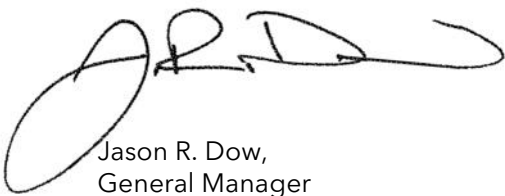
Dear Reader,

Central Marin Sanitation Agency (CMSA) is pleased to present its Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2024 (FY24). The PAFR is published to provide readers with easy-to-understand facts about the CMSA organization, as well as its finances, wastewater services, and other pertinent information. The financial information within this report is taken in large part from the Agency's audited financial statements and provides an overview of the Agency's financial activities and position.

Unlike the Agency's Annual Comprehensive Financial Report (ACFR), the condensed financial data presented in the PAFR does not contain all disclosures necessary to be compliant with generally accepted accounting principles (GAAP). The report is, however, for the most part consistent with and generally presented in conformity with GAAP. Information that may be of importance to the reader, such as the Condensed Statement of Net Position, the Statement of Revenues & Expenses and Changes of Net Position, as well as Capital Assets, are presented in a summarized format, and provide a broad overview of the Agency's overall finances.

Readers of this document who are interested in learning more about the specific operational, financial, and program details can refer to the Agency's FY24 ACFR with Audited Financial Statements. They are available online at www.cmsa.us/finance, by visiting us at 1301 Andersen Drive, San Rafael, California, or by contacting us at (415) 459-1455.

We hope the PAFR will give a broad understanding of the Agency's valuable services provided to the public, as well as our efforts to safeguard the environment. Feel free to visit our website to learn more about CMSA. We welcome your comments, feedback, and suggestions for improving future publications.



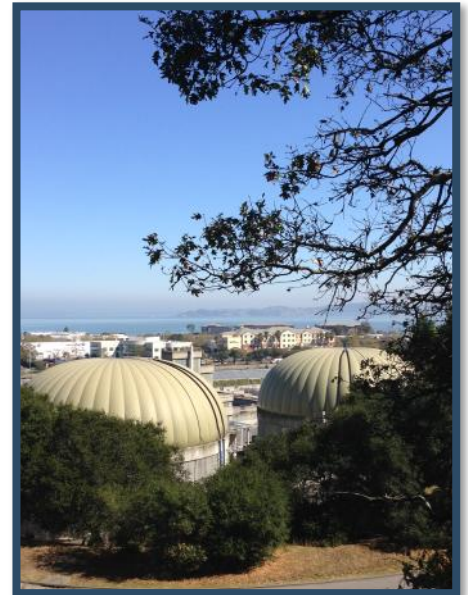
Jason R. Dow,
General Manager



Corey Spray, CPA
Administrative Services Manager

OUR MISSION

Central Marin Sanitation Agency protects the environment and Public health and is integral to the community by providing wastewater, environmental, and resource recovery services.



2023
PLATINUM AWARD



LOCAL ECONOMY AND STATISTICS



Seven of the top ten employers in CMSA’s service area, as measured by the number of employees, are public entities.

Marin’s 3.7% average unemployment rate is among the lowest rate in California and remained below national levels (3.8%) at the end of FY24.

CMSA’s single largest customer is San Quentin State Prison (SQSP).



Photographer: David Paul Morris/Bloomberg

Marin County has a total population of 262,321 with a growth rate of less than one percent annually. The county’s residents continue to have California’s highest average per capita income of \$171,177 per household. The population growth rate and per capita household income in the CMSA service area mirrors that of the county.

The local housing market continued to improve during FY24. The annual mean/median sale price for a home in Marin, as reported by the Marin County Assessor Office for the year ending June 30, 2024, was \$1.82M/\$1.49M.

THE POPULATION OF CITIES, TOWNS, AND SAN QUENTIN STATE PRISON IN THE CMSA SERVICE AREA IS 105,040

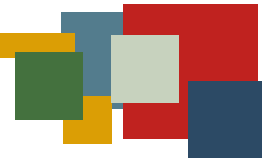
TEN LARGEST EMPLOYERS AND NUMBER OF EMPLOYEES IN THE CMSA SERVICE AREA

City of San Rafael	41,157
City of Larkspur	12,589
Town of San Anselmo	12,498
Town of Corte Madera	9,947
Town of Fairfax	7,417
Kentfield	6,808
San Quentin State Prison	3,361
Sleepy Hollow	2,401
Town of Ross	2,338
Unincorporated Areas	6,524

BioMarin	1,700
Marin Health Medical Center	1,650
San Quentin State Prison	1,468
Dominican University	1,033
Golden Gate Bridge, Hwy and Transit	853
College of Marin	512
Restoration Hardware	500
City of San Rafael	416
San Rafael City Schools	561
Tamalpais Union High School District	531

Sources: (1) State of California Employment Development Department Labor Market Information and United States Zip Codes.org websites: www.labormarketinfo.edd.ca.gov (2) US Department of Commerce Bureau of Economic Analysis (BEA) website: www.bea.gov/iTable.

WHAT CMSA DOES

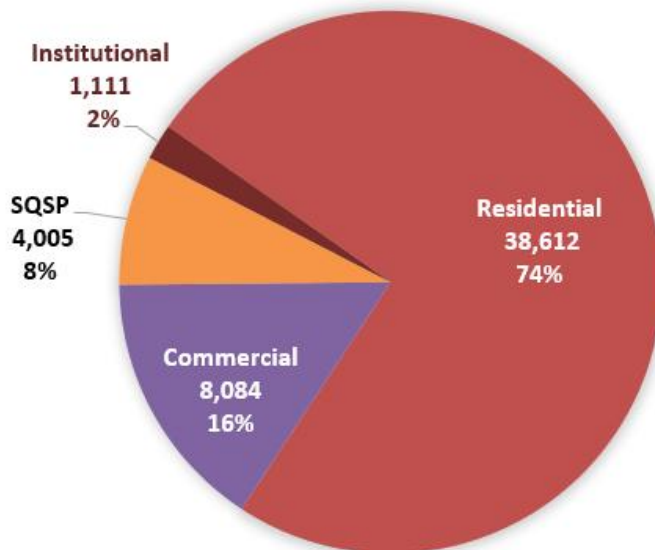
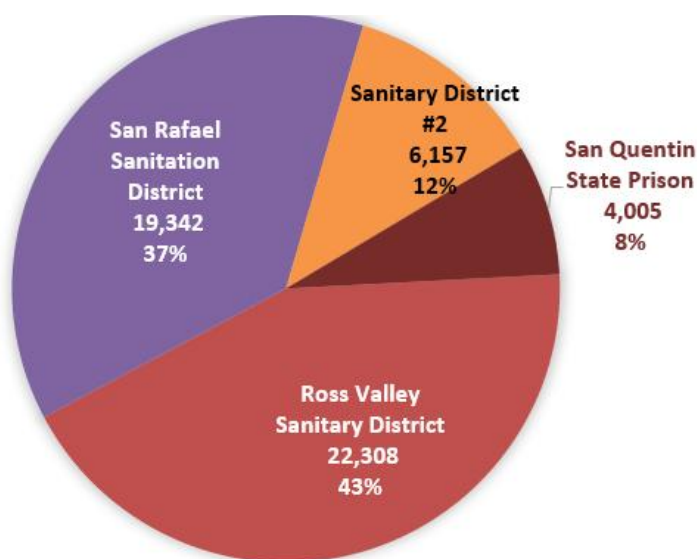


CMSA provides wastewater services to protect public health and the environment. The treated wastewater discharged into the central San Francisco Bay consistently meets and exceeds all federal, state, and regional regulatory requirements. In line with its core mission are responsibilities related to:

- Implementing federal pre-treatment, and state and regional pollution prevention programs.
- Administering a comprehensive safety program for CMSA and Novato Sanitary District (NSD).
- Producing renewable power and recycled water.
- Providing wastewater collection system maintenance, source control, and other related services under contract to local agencies.

EDUS SERVED IN FY24

EDU TOTALS BY CONNECTION TYPE



What are EDUs?

An Equivalent Dwelling Unit, or EDU, refers to a unit of wastewater discharge. It is the estimated volume and strength generated by a single-family residence.

The Agency provides services

to 51,812 Equivalent Dwelling Units with an approximate service area population of 105,040.

WASTEWATER AND BIOSOLIDS TREATED IN FY24

Volume of total wastewater treated	4.522 billion gallons
Average dry weather influent flow (July-Sept 2023)	8.5 million gallons/day
Average wastewater treated	12.4 million gallons/day
Total biosolids reuse	5,146 wet tons
Landfill Alternative Daily Cover	3,413 wet tons
Land-Applied Fertilizer/Soil Amendment	105 wet tons
Liquid Bio-Fertilizer	1,628 wet tons

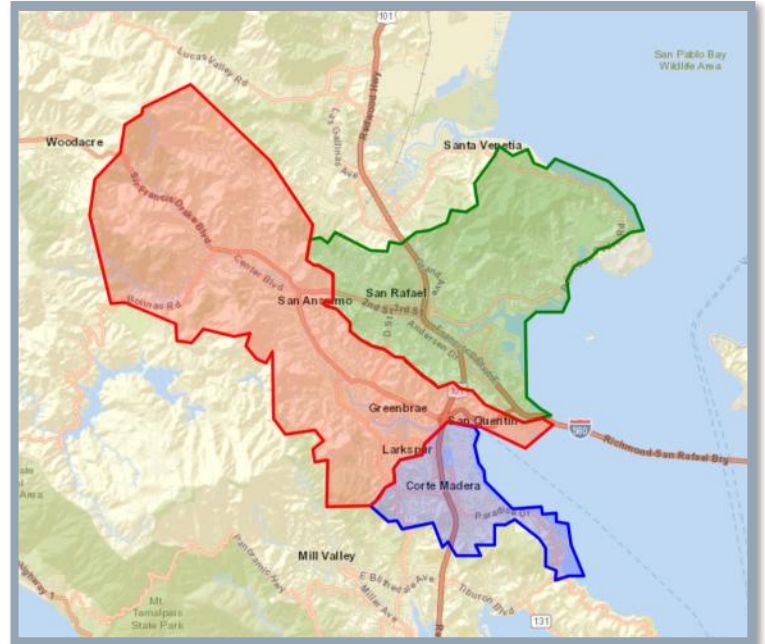
HISTORY

Faced with wastewater treatment challenges unique to central Marin County and the necessity to comply with the 1972 Federal Clean Water Act, Ross Valley Sanitary District (RVSD), Sanitary District No. 2 (SD2) of Marin County, the City of Larkspur, and the San Rafael Sanitation District (SRSD) united in 1979 to form a joint powers agency (JPA) that created a separate government entity, the Central Marin Sanitation Agency. The CMSA wastewater treatment facility began service in May 1985.

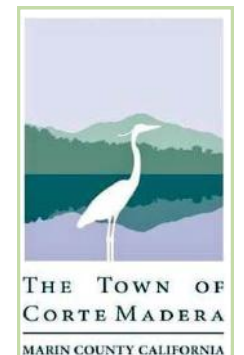
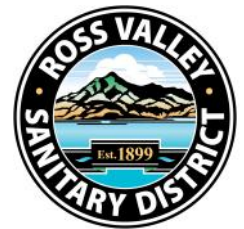
Since then, the JPA has been amended eight times. Five were made to clarify or update certain provisions, and a 2006 amendment extended the JPA term to 2031. After a thorough review in 2017, significant revisions were made to update provisions that were outdated or not applicable, and it was adopted in 2018.

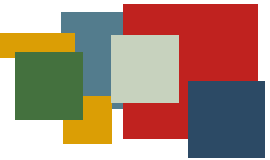
In late 2018, the Larkspur City Council approved withdrawing from the JPA since its wastewater operations were annexed into RVSD in 1993, and to avoid unfunded pension liability for joint powers agency members under a state law. The JPA managers subsequently prepared a withdrawal agreement and revised the JPA to reflect Larkspur's withdrawal and the reduced number of CMSA Commissioners. Both agreements were approved by the JPA member agencies in January 2020.

The Agency's five-member Board of Commissioners are appointed by the governing bodies of each JPA member. SRSD and RVSD each have two representatives, while SD2 has one. The Board sets policy, adopts the annual budget for CMSA, and appoints the General Manager and Treasurer who serve at the pleasure of the Board. The General Manager is the chief executive officer and the Treasurer is responsible for all financial operations.

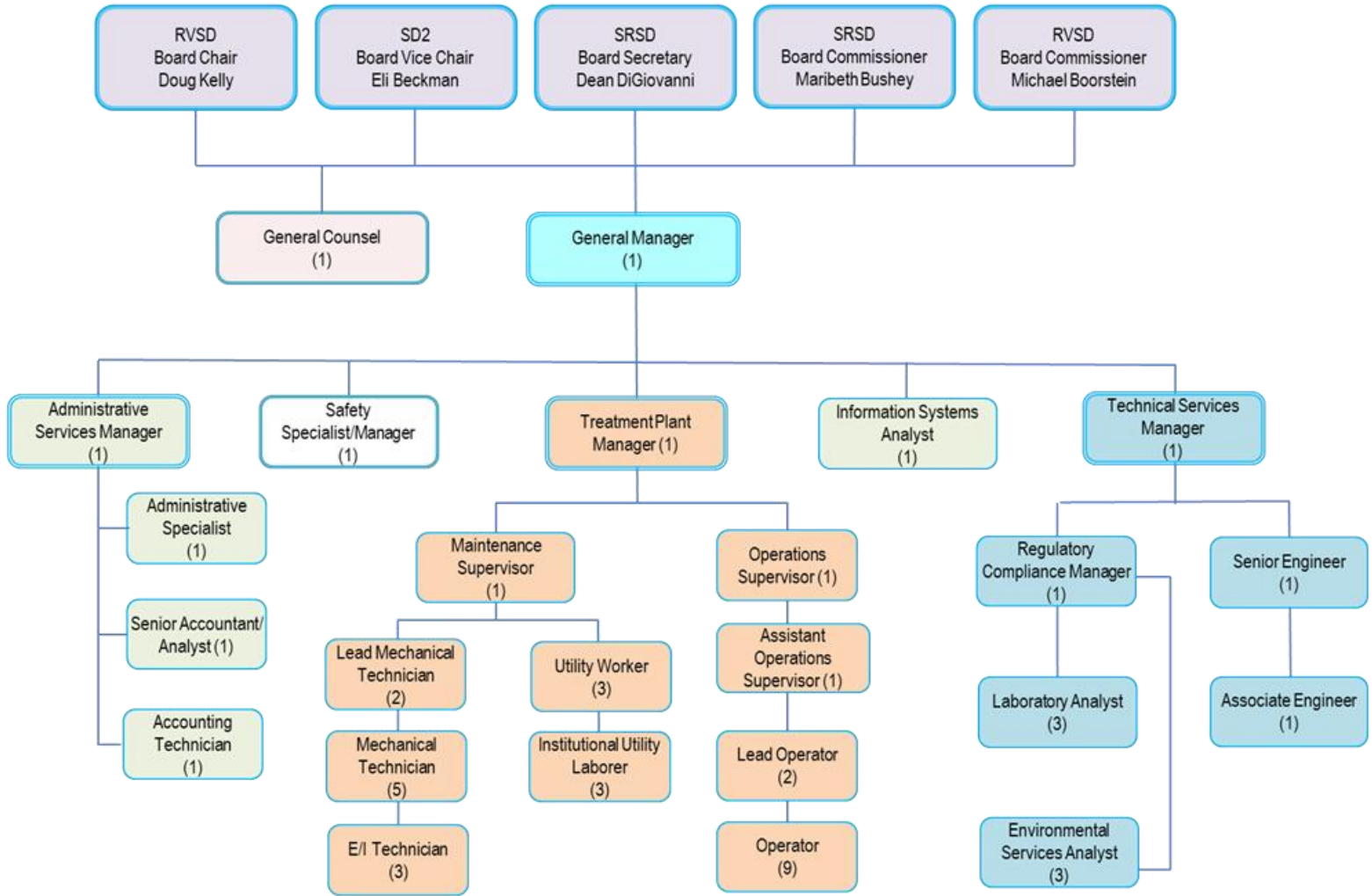


OUR SERVICE AREA SRSD RVSD SD2





CMSA ORGANIZATIONAL CHART



48 Full Time Equivalent Employees (FTE)
June 30, 2024

MAJOR ACCOMPLISHMENTS AND INITIATIVES

WORKPLACE SAFETY INITIATIVES

CMSA and the Novato Sanitary District partner in a collaborative Health & Safety Program. The program's focus is to promote and assist each agency in developing and maintaining workplace safety programs, while managing employee injury/return-to-work initiatives. CMSA's safety program has received favorable reviews by the California Sanitation Risk Management Authority and regional and state-level awards from the California Water Environment Association. Highlights of the program include:



Safety Incentive Program



Employees take part in a program that awards points for contributions in several key aspects of a sound safety culture. In FY24, employees led 74 tailgates and submitted 16 safety hazard observations, with 34 employees qualifying for 52 monetary awards.

Safety Training

Employees receive continuous reinforcement of proper safety procedures with regular, formal safety training. Combined with tailgates, staff had approximately 983 safety training hours.

PUBLIC EDUCATION

CMSA is the lead agency in administering a county-wide public education program for the six Marin County wastewater agencies that have treatment plants. This innovative program develops outreach measures to demonstrate ways to reduce pollutants into the sanitary sewer and stormwater systems.

Engagement with TV Public Service Announcements

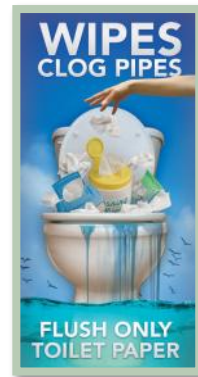


Partnering with the Ross Valley Sanitary District, television ads ran on topics like wipes clog pipes, proper FOG disposal, and don't flush drugs. In 2023, the ads ran 174,571 times within premium cable television content, and the target

audience watched 139,409 (80%) of the ads in their entirety.

Raising Awareness at Local Events and Schools

The program manages outreach booths at several events each year, where staff answer questions about pollution prevention, wastewater treatment, recycled water, and other environmental issues. Staff also talk to local teachers and inform them of possible outreach activities including in-class presentations and facility tours offered by the wastewater agencies. In 2023, events included Eggstravaganza, Rotary Day of Service, Marin County Fair, Mill Valley Earth



Day, Farmer's Market, Get Ready to Go 94920, and Coloma Pump Station Project Ribbon Cutting Ceremony, with a total of 2,072 participants. Furthermore, approximately 3,893 students received a public education



presentation on water and pollution issues.

PREVENTING POLLUTION

CMSA's operating permit includes source control program requirements to regulate businesses and industries that discharge water into the wastewater collection system so that they will not detrimentally affect treatment processes, biosolids quality, or the treated water that is discharged into the San Francisco Bay or beneficially reused as recycled water.

Mercury Reduction Program

Because dental amalgam used to fill cavities in teeth is the largest controllable source of mercury discharged to the sanitary sewer, dental offices maintain separators to dispose of dental amalgam. In 2023, approximately 18.25 pounds of mercury were removed and properly disposed of. Both the



Novato Sanitary District and Las Gallinas Valley Sanitary District have contracted with CMSA to administer the programs in their service areas. Inspections in 2023 showed that all dental offices complied with the requirements, and 15.75 pounds of mercury were removed.

FOG Source Control Programs

CMSA works with local wastewater agencies on the administration of their FOG (fats, oils, and grease) source control programs. The goal is to reduce sewer blockages and prevent sanitary sewer



overflows caused when grease is discharged directly into sanitary sewers. FOG can build up and harden, combining with sand, roots, and debris, and clog pipelines. The program includes

inspections, documentation, and requirements for installing devices. In calendar year 2023, CMSA conducted 409 inspections and documented 1,366 FOG pumping activities.

HUMAN RESOURCES

The Agency continues to refine and address its business practices...Here are some highlights:

Student Internship Program

Internships are an opportunity for students to gain exposure in a public sector environment and enhance their academic training. Several interns have worked in the laboratory and engineering, and plans are in place for interns in other departments.



Retired Annuitants

The Agency also supports the use of retired annuitants (retired former employees) for special projects and staff training requiring unique expertise. We had four retired annuitants in FY24.

Self-Insured Dental Plan



The Agency contracts with a third-party administrator to manage a self-insured dental plan. It works like other traditional plans, but allows for customization, and has been very well-received. And the plan is more cost effective for the Agency.

FINANCIAL MANAGEMENT

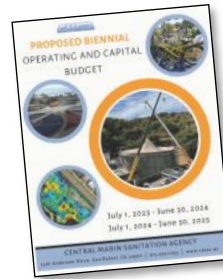
Financial System Software

The Agency utilizes a financial system software from Tyler Technologies, ERP Pro, to replace the aging existing system. The latest system is a significant time- and cost-saver and has been working well over the past several years meeting the Agency's needs.



Two-Year Budget

The Agency utilizes a two-year budget format that began with FY20-21, which saves considerable staff time for other tasks and projects in the spring of year-one. Should actual or projected revenue or expenses change, mid-year and mid-cycle adjustments are made.



Future Revenue Planning

The Agency creates and annually updates a 10-year financial forecast. It is a long-term budgetary examination of Agency operations and capital revenues, operating expenses, capital costs, and reserve balances. The forecast provides a strategic perspective to guide the Board in making decisions on the direction for future revenues, funding, and uses of Agency resources.

Managing Unfunded Obligations

The Agency issued pension obligation bonds in April 2022 to take advantage of low interest rates and reduce annual costs in connection with the annual unfunded actuarial liability (UAL) payment made to CalPERS. The Agency will continue to budget for the annual payments to CalPERS.



MAJOR ACCOMPLISHMENTS AND INITIATIVES

LIQUID WASTE TO ENERGY

CMSA's organic waste program is comprised of the innovative and successful Central Marin Food-to-Energy (F2E) program and a program where CMSA receives and processes FOG from private haulers, as well as food waste deliveries from other solid waste partners. F2E was launched in January 2014, with Marin Sanitary Services (MSS) collecting pre-consumer food waste from restaurants, markets, and



other businesses in their service area. Collected food waste is processed at MSS' local transfer station, then a truck transports it to CMSA, where it is dumped into an underground tank, mixed with FOG and other liquid organic wastes, and then injected into the treatment plant's anaerobic digesters.

Highlights from FY24 Include:

- An average of 6.9 tons of food waste and 13,449 gallons of FOG received per day (except Saturday and Sundays), plus 302 tons of pre-processed food waste slurry from Sustainable Organic Solutions (SOS) and 353 tons of depackaged food waste from MSS.
- The mixture of food waste, FOG, and other organic materials produced enough biogas to run the facility up to an average of 19.3 hours per day, and 24 hours per day multiple weeks during the year.
- CMSA executed longer-term delivery agreements with SOS.
- CMSA executed a similar long-term delivery agreement with the City of Sunnyvale in early FY25.
- CMSA successfully commissioned the new Liquid Organic Waste Storage Tank Project in FY24.

POWER BEING DELIVERED

CMSA's power delivery program has been underway for several years and aims to utilize the Agency's excess digester capacity to accept additional organic feed stocks, such as grease and food waste, to significantly increase biogas generation in the anaerobic digesters. In the Spring of 2019, CMSA received official permission from the local utility, PG&E, to export excess power to its electrical grid, and throughout FY21 to FY24 significant amounts of renewable power were exported and sold to Marin Clean Energy through a Power Purchase Agreement.

A new Jenbacher cogeneration system started routine operation in early 2023, and has both larger capacity and higher efficiency than the existing cogeneration engine.



NUTRIENT REMOVAL PROGRAM

The San Francisco Bay Regional Water Board (RWB) adopted a Nutrient Watershed Permit in July 2024 to address the recent algae blooms significantly harming the sea life. Under the new permit rules, the Agency will be required to reduce approximately 60% of its nutrient loading to the Bay. The Agency solicited Request-for-Proposals in April 2024 to assist it with the design and eventual construction of a new facility. Completion of project design is expected to occur by FY28 with construction happening the subsequent years.

MAJOR CAPITAL PROJECTS

LIQUID ORGANIC WASTE PROJECT CONSTRUCTION

The Agency successfully completed construction of an additional above-ground liquid organic waste storage facility in May 2024. The project included installation of two new biogas chillers, a heat exchanger, and replacement of the original facility's food waste hatch door with a wider one to accommodate additional food waste volume. The Agency was awarded \$2.5 million from CalRecycle's Co-Digestion Grant Program to assist funding this project, of which a total of \$2,319,480 was received.



HILLSIDE REPAIRS

The Agency owns and maintains the hillside along Andersen Drive next to the treatment plant facility. The hillside includes storm drain channels and catch basins that run along its slopes. Over the years, the drain channels have become overgrown with vegetation and the slopes have eroded after the recent years' heavy rainstorms. Two contractors were hired, as such, to clear the vegetation and reinforce and stabilize the hillside.

GRIT CLASSIFIERS REPLACEMENT DESIGN AND PREPURCHASE

The Agency has engaged an engineering firm to design replacement of three grit classifiers with two grit washers to effectively and efficiently remove almost all organic materials from the grit. The new grit washers will be installed into the grit handling room, but detailed coordination is required to minimize conflicts between the new and existing equipment. To aid in this effort, a three-dimensional model was prepared to develop potential layouts for the new equipment. Final design is expected to be completed by December 2024 and construction is expected to begin in March 2025.



DESIGN OF REPLACEMENT CENTRIFUGES

The Agency retained an engineering consulting firm to provide design services to replace three sludge dewatering centrifuges. The consultant developed a three dimensional model to map conceptual designs and evaluate possible layout options. Based on flow capacity and available physical space in the centrifuge room, the Agency narrowed centrifuge selections from two manufacturers. Pre-purchase of the three replacement centrifuges is expected to occur in FY25 with construction planned to start in mid-2025.



INLINE SLUDGE GRINDER CARTRIDGE REPLACEMENT



The Agency utilizes two anaerobic digesters to break down organic matter, to produce biogas for energy and reduce sludge volume for disposal. The sludge heating loop, which controls and maintains the optimal temperature in the anaerobic digesters, for effective organic break down, utilizes a sludge grinder to reduce the size of debris entering the digesters. Staff performed annual maintenance on the sludge grinder, replacing the grinder's cutting cartridge due to operational wear and tear. Cutting cartridges macerate sand, hair, inorganic materials, and are designed to be removed and replaced periodically to preserve the overall life of the sludge grinder. Typically, staff replaces one cartridge per year, which is then exchanged and refurbished by the grinder system's manufacturer.

SAN RAFAEL INTERCEPTOR SHUTDOWN AND FLOWMETER INSTALLATION

The 45-inch San Rafael Interceptor was fitted with a new multi-path ultrasonic flowmeter to improve flow measurement of influent from the San Rafael Sanitation District (SRSD). The original meter configuration outlived its useful life and required frequent maintenance efforts to support it. Installation of the new flowmeter had to be completed at midnight, during when flows are at their lowest, over two consecutive days.



JENBACHER COGENERATION ENGINE SERVICE

The 13,333-hour scheduled preventative maintenance service was completed on the Jenbacher cogeneration engine. Technicians from the cogeneration system supplier had previously conducted the service and provided training to Agency staff for future maintenance tasks. All required maintenance includes replacement of oil, air, and natural gas filters, re-gapping spark plugs, adjusting intake valves, and conducting exhaust emission checks. Now all required maintenance can be completed in-house reducing contractor costs.

SODIUM HYPOCHLORITE AND BISULFITE PUMP REHABILITATION

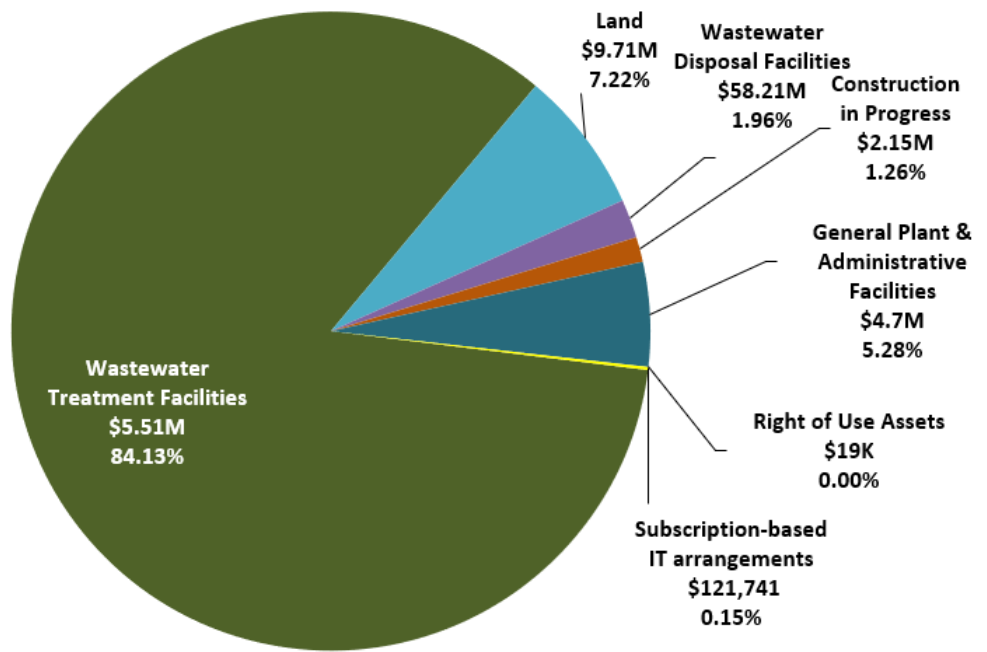
Seven sodium hypochlorite pumps and four sodium bisulfite pumps were refurbished to ensure accurate dosing of chlorine and chlorine neutralizing chemicals. Sodium hypochlorite is used as a wastewater disinfectant and sodium bisulfite is used to neutralize residual chlorine within the effluent. The rebuilds included installation of new check valves and diaphragms as well as new digital pressure sensors. These rehabilitated pumps will ensure reliable measurement and operation of the contact tanks process.



CAPITAL ASSETS

As of June 30, 2024, CMSA's total capital assets, net of depreciation (a non-cash expense that reduces the value of capital assets), totaled \$80,332,466. This amount is broken down into asset categories shown in the chart below. Additions to capitalized assets totaled \$4,798,567 and are reported on the Condensed Statement of Net Position and in Note 7 in the FY24 ACFR financial statements section. The Agency also expensed an additional \$1,753,982 included in repairs and maintenance, which can be found on the Condensed Statement of Revenues and Expenses and Net Position.

CAPITAL ASSETS AS OF JUNE 30, 2024 (NET OF DEPRECIATION)



WASTEWATER TREATMENT FACILITIES
(84.1% of capital assets) Assets in this category include structures and equipment used in the treatment of wastewater and biosolids, and in energy production .

LAND
(7.2% of capital assets) Lands owned by the Agency that buildings and treatment plant facilities.

CONSTRUCTION IN PROGRESS
(1.3% of capital assets) Assets in this category include the following projects that are underway: Primary Clarifier #1 Rehab Centrifuge Replacement.

GENERAL PLANT & ADMINISTRATIVE FACILITIES
(5.3% of capital assets) Assets in this category include Agency buildings and vehicles.

WASTEWATER DISPOSAL FACILITIES
(2% of capital assets) Assets in this category include structures and equipment used in the discharge of treated wastewater into the San Francisco Bay.



Detailed budget and project information on the Agency's **FY24 Capital Improvement Program** can be found in the Agency's Adopted Budget at www.cmsa.us/finance/documents/

KEY FINANCIAL INFORMATION

FY 24 BUDGET PERFORMANCE

The Agency uses the accrual method of accounting in accordance with generally accepted accounting principles to produce its financial statements, where revenue and expenses are recognized when transactions occur, whether or not cash is received or spent. The cash basis is used to develop the annual budget.

The Agency's primary revenue source is the regional sewer service charge. The table to the right shows the adopted FY24 budget revenues and expenses compared to the FY24 audited actuals.

CMSA is accounted for in a single enterprise fund. A comprehensive set of Board adopted financial policies gives direction to protect the Agency's assets and investments through sound financial management. The source of the information in this PAFR is consistent with generally accepted accounting principles. Details can be found in the FY24 ACFR available at:

www.cmsa.us/finance/documents



FY24 CONDENSED STATEMENT REVENUES & EXPENSES: BUDGET TO AUDITED ACTUALS PERFORMANCE

Revenue (Cash in)*	Adopted Budget	Audited Actuals
Sewer Service Charges	\$ 13,941,551	\$ 13,941,551
Debt Service	5,626,258	5,626,258
Contract Maintenance Revenues	1,761,966	1,694,712
Other Operating Revenues	621,602	901,048
Capital Contributions	2,538,880	2,803,439
Total Operating Revenues plus Capital Contributions	\$ 24,490,257	\$ 24,967,007

Expenditures (Cash out)*	Adopted Budget	Audited Actuals*
Total Operating Expenses (net of non-cash depreciation)	\$ 16,012,135	\$ 20,674,857
Total Non-Operating (Revenue) Expenses	1,196,006	400,171
Total Expenses	\$ 17,208,141	\$ 21,075,028
Total Debt Service Principal Paid FY23	\$ 3,305,000	\$ 3,305,000

**Details available in the FY24 ACFR, Note 9 - Long-Term Obligations.

AUDIT OF AGENCY'S STATEMENT BY INDEPENDENT AUDITOR

California Government Code section 53891 requires an annual audit by independent Certified Public Accountants, which is filed with the State Controller's Office.

The Agency's FY24 Financial Statements were audited by the Agency's auditor, Maze & Associates, in accordance with Generally Accepted Accounting Principles (GAAP).

The statements also met the State Controller's Minimum Audit Requirements for California Special Districts. The Agency's Audited Financial Statements and accompanying Independent Auditor's Report were accepted by the CMSA Board in November 2024, and can be found in the Agency's **FY24 ACFR**, available at www.cmsa.us/finance/documents/

CONDENSED STATEMENT OF NET POSITION

The **Statement of Net Position** is a useful indicator of financial position. The largest portion of CMSA's net assets reflects its investment in capital assets (land, buildings, facilities, equipment), less outstanding related debt used to acquire those assets. The Agency's Total Net Position decreased by \$1M in FY24 primarily due to \$4.9M of non-cash pension expense primarily offset by receipt of \$1.6M of CalRecycle grant proceeds, \$1.2M of capacity charges, and \$1.2M of interest income. Total assets increased by \$1.4M mainly due to increases in reserves from the current year's budget savings. Deferred outflows decreased by \$4.6M mainly due to changes in pension and OPEB adjustments related to recognition and amortization of the pension obligation bond proceeds.

CONDENSED STATEMENT OF NET POSITION AS OF JUNE 30, 2024

	FY22	FY23	FY24	Percent
ASSETS				
Current and Other Assets	\$ 26,805,319	\$ 26,807,644	\$ 28,750,996	7.2%
Capital Assets - Net	80,315,884	80,774,570	80,332,465	-0.5%
TOTAL ASSETS	\$ 107,121,203	\$ 107,582,214	\$ 109,083,461	1.4%
DEFERRED OUTFLOWS OF RESOURCES¹				
	13,581,357	12,945,012	8,316,952	-35.8%
LIABILITIES				
Current Liabilities	\$ 5,212,034	\$ 5,116,816	\$ 6,427,608	25.6%
Non-Current Liabilities	60,371,767	56,840,186	52,818,717	-7.1%
TOTAL LIABILITIES	\$ 65,583,801	\$ 61,957,002	\$ 59,246,325	-4.4%
DEFERRED INFLOWS OF RESOURCES¹				
	5,825,343	7,467,841	7,964,847	6.7%
NET POSITION				
Investment in capital assets net of debt Restricted for pension, revenue bond, and pension obligation bond trusts	\$ 38,327,344	\$ 40,645,174	\$ 43,446,484	6.9%
	19,357	207,961	905,449	335.4%
Unrestricted	10,946,715	10,249,248	5,837,308	-43.0%
TOTAL NET POSITION	\$ 49,293,416	\$ 51,102,383	\$ 50,189,241	-1.8%

¹Amounts associated with OPEB and pension and debt refunding.

DEFINITIONS

CAPITAL ASSETS: Includes Agency land, treatment plant, facilities, buildings, and equipment net of depreciation.

CURRENT AND OTHER ASSETS: Assets converted to cash or consumed within one year: cash, investments, receivables, prepaid expenses.

CURRENT LIABILITIES, CURRENT PORTION LONG-TERM OBLIGATIONS: Payment due on obligations owed by CMSA within the next 12 months.

DEFERRED INFLOW OF RESOURCES: An acquisition of net assets that is applicable to a future reporting period.

DEFERRED OUTFLOW OF RESOURCES: A consumption of net assets that is applicable to a future reporting period.

INVESTMENT IN CAPITAL ASSETS NET OF DEBT: Amounts invested in capital assets less accumulated depreciation and any outstanding debt used to acquire the assets.

NON-CURRENT LIABILITIES: Payment obligations owed more than 12 months in the future.

TOTAL NET POSITION: Equity associated with general government assets and liabilities.

UNRESTRICTED (NET POSITION): Net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources not included in the determination of net investment in capital assets or the restricted component of net position.

STATEMENT OF REVENUE & EXPENSES AND CHANGES IN NET POSITION

This statement summarizes CMSA's operating and non-operating revenues and expenses, and unlike the ACFR, presents Capital Contributions with Total Revenues. CMSA's main sources of revenue are the regional sewer service charges received from JPA members and contract revenues from providing wastewater services to San Quentin State Prison and Sanitary District No. 2. Service charges pay for operating expenses, capital improvements, and debt service. Revenues increased primarily as a result of a scheduled 4% service charge rate increase and higher interest earned as a result of the US Federal Reserve's interest rate policies. Capital contributions increased due to receipt of additional grant proceeds from the CalRecycle program and continued construction activity within the service area resulting in more capacity charge collections. Total expenses increased primarily from salaries and benefit costs as well as repairs and maintenance activities. Total salaries and benefits costs experienced a 4.5% cost-of-living adjustment as per the employee collective bargaining agreement, a 6.6% inflation adjustment in health insurance, and a non-cash pension adjustment. Repairs and maintenance increased due to maintenance on the cogeneration engine and performance of various condition assessments on the treatment facility.

CONDENSED STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET POSITION AS OF JUNE 30, 2024

	FY22	FY23	FY24	Percent Change
REVENUES				
Operating Revenues	\$ 20,865,949	\$ 21,403,663	\$ 22,163,569	3.6%
Non-Operating Revenues	-	1,604,282	1,159,924	172.3%
Capital Contributions	1,171,130	641,334	2,803,439	337.1%
TOTAL REVENUES	\$ 22,037,079	\$ 23,649,279	\$ 26,126,932	10.5%
EXPENSES				
Operating Expenses (including depreciation)	\$ 17,850,520	\$ 20,292,701	\$ 25,568,134	26.0%
Non-Operating Expenses	1,636,992	1,547,611	1,560,095	0.8%
TOTAL EXPENSES	\$ 19,487,512	\$ 21,840,312	\$ 27,128,229	24.2%
CHANGE IN NET POSITION	\$ 2,549,567	\$ 1,808,967	\$ (1,001,297)	-155.4%
BEGINNING NET POSITION	\$ 46,743,849	\$ 49,293,416	\$ 51,102,383	3.8%
AS PREVIOUSLY REPORTED	\$ 46,743,849	\$ 49,293,416	\$ 51,102,383	3.8%
PRIOR PERIOD ADJUSTMENT	-	-	88,155	0.0%
ENDING NET POSITION	\$ 49,293,416	\$ 51,102,383	\$ 50,189,241	-1.8%

DEFINITIONS

CAPITAL CONTRIBUTIONS-CAPACITY CHARGES:

A treatment plant capacity fee paid by each new sewer user or an expansion by an existing user connecting to a public sewer served by CMSA. Capital contributions must fund capital projects.

CHANGE IN NET POSITION: The total of net income (loss) plus capital contributions.

ENDING NET POSITION: The sum of net position at the beginning of the fiscal year, plus the change in net position, plus prior period adjustments equals the net position at the end of the fiscal year, and is an indication of the Agency's financial position.

NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS:

The difference between total revenue less total expenses.

NON-OPERATING REVENUES & EXPENSES: Revenues and expenses that are incidental to CMSA's main purpose and derived from activities not related to wastewater operations, e.g. interest earnings and costs of borrowing.

OPERATING EXPENSES: Expenses incurred for provision of wastewater related services.

OPERATING REVENUE: Revenues received for wastewater-related services.

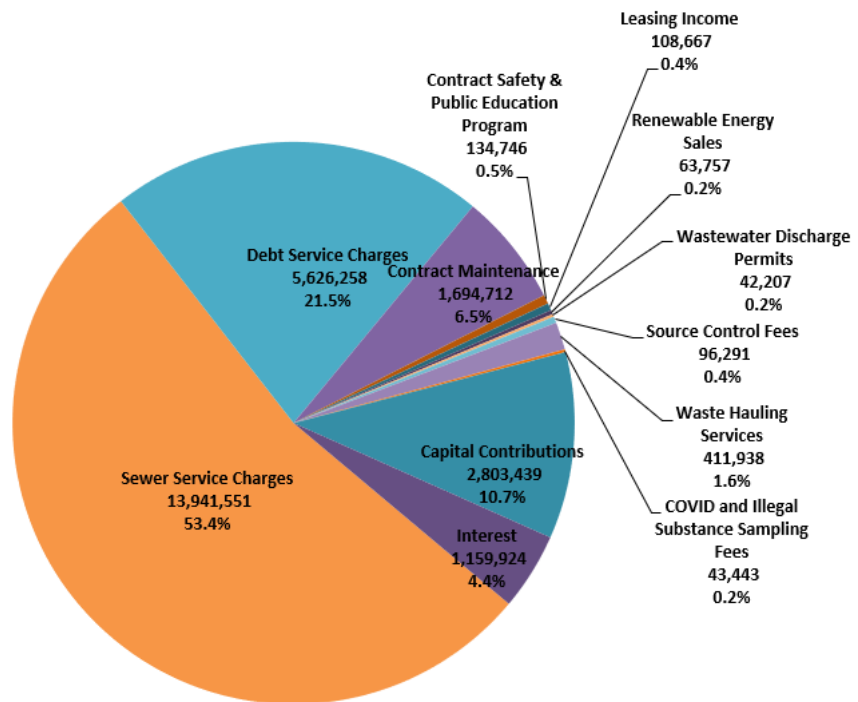
WHERE THE MONEY COMES FROM (REVENUES)

CMSA's total revenues from all sources for FY24 were \$26,126,932 including capital contributions. Operating revenues totaled \$22,163,569 and included \$5,626,258 collected for debt service,* \$1,694,712 for maintenance contracts and \$901,048 for other operating.

Capital Contributions totaled 2,803,439 and must fund capital projects. CMSA's collected both \$1.7M of CalRecycle grant proceeds and \$1.2M of capacity charges. The grant proceeds was for the Liquid Organic Waste Removal capital project. Following California Government Code, collected capacity charges to be used on a first-in-first-out basis to finance all other capital activities and all interest earned on the proceeds is to be separately tracked. Accordingly, no interest was posted to capacity charge contributions as there was no outstanding balance at fiscal year-end.

California Government code requires:

- A separate accounting of capital contributions
- Application of interest to outstanding balances
- Disclosure of the amount collected within 180 days after the fiscal year
- Identification of the funded capital projects



*Debt service is a fee collected for the repayment of revenue bond principal, interest, and debt coverage. In FY24, the Agency paid \$3,175,000 in principal and incurred \$1,326,006 in interest.

DEFINITIONS

CONTRACT MAINTENANCE: Revenues received from local and state agencies for wastewater treatment, collection system operation, and source control services.

INTEREST & OTHER NON-OPERATING REVENUE: Interest revenue earned on cash and investment accounts and other sources of income, such as dividend payments, that are not derived from day-to-day operations.

OTHER OPERATING REVENUES: Revenues received and fees charged for permit issuance and site inspections,

administration of programs for local wastewater agencies, and facility use charges for septic and organic waste disposal.

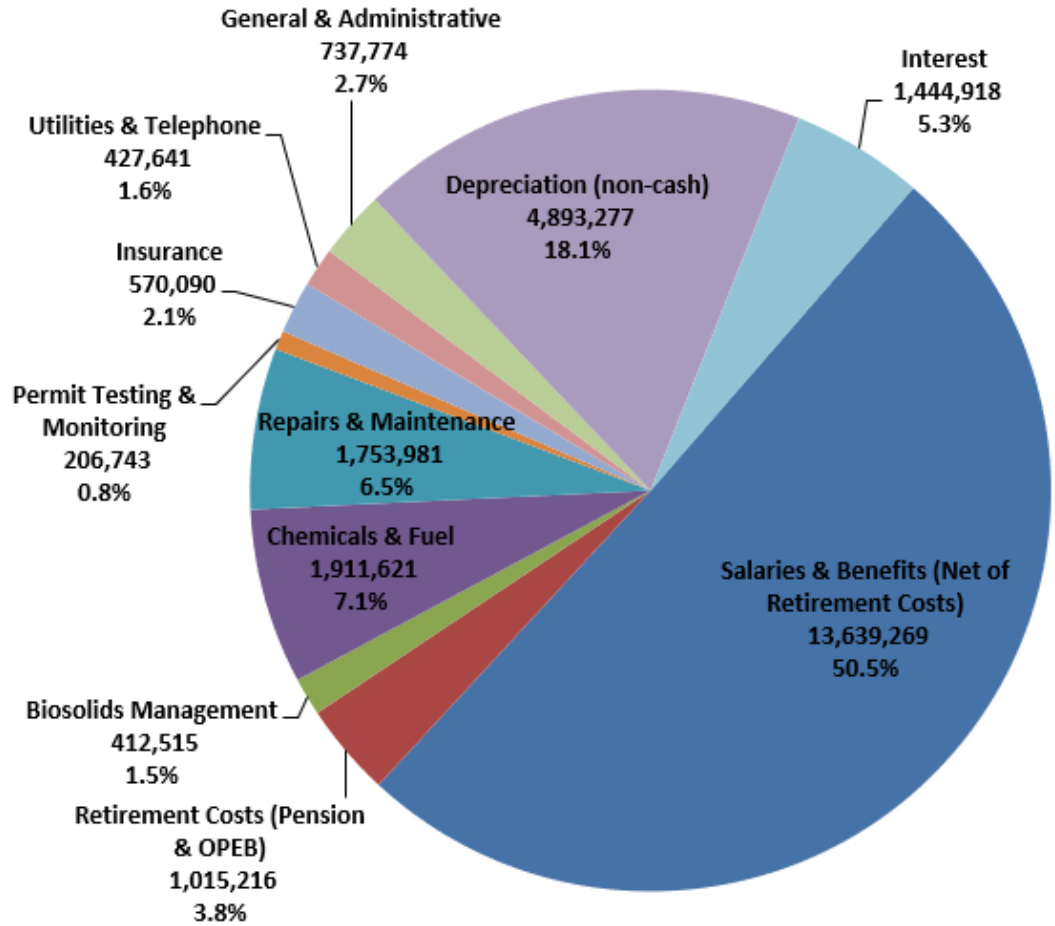
SERVICE CHARGES: A fee charged to JPA members and San Quentin State Prison for wastewater treatment service and their share of the Refunding Revenue Bond Series 2015 debt service payment.

WHERE THE MONEY GOES (EXPENSES)

CMSA FY24 total expenses were \$27,128,229, of which \$25,568,134 were actual operational expenses, \$1,444,918 were non-operating interest expenses, and \$4,893,277 was in depreciation, a non-cash expense.



Excluded from this chart are expenditures for capital and asset management projects which have been capitalized and shown as capital assets on the Statement of Net Position and in the Capital Assets section of this report.



DEFINITIONS

DEPRECIATION: A current year non-cash expense that reduces the value of an asset as a result of wear and tear, age, or obsolescence.

GENERAL & ADMINISTRATIVE: Expenses include professional services, office related supplies, regulatory permits and memberships in local, state, and national industry organizations.

INSURANCE: Premiums are for general liability, property, auto, cyber liability, and workers' compensation insurance, and employee/commissioner bonds.

INTEREST EXPENSE: Payments due for borrowing money on the bond obligations.

PERMIT & MONITORING TESTING: Laboratory fees related to wastewater sampling and monitoring services,

other regulatory compliance fees, and laboratory supplies.

PLANT OPERATIONS: Expenses include purchases for chemicals used in treatment, fuel, and biosolids hauling and disposal fees.

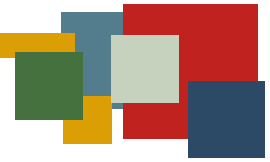
REPAIRS & MAINTENANCE: Includes facility expenses to maintain vehicles, equipment, and energy generation systems, and for generators, tools, supplies, and groundskeeping.

RETIREMENT: The costs of pension and other retirement benefits.

SALARIES & BENEFITS: Compensation and health benefits paid to, and on behalf of, employees and retirees.

UTILITIES & TELEPHONE: Expenses include electricity, natural gas, solid waste disposal/recycling, water, telephone, and internet.

GFOA AWARD FOR OUTSTANDING ACHIEVEMENT



The Government Finance Officers Association
of the United States and Canada (GFOA)

has given an Award for

**Outstanding Achievement in
Popular Annual Financial Reporting**

to Central Marin Sanitation Agency for its
Popular Annual Financial Report for the
fiscal year ended June 30, 2023.

The Award for Outstanding Achievement in
Popular Annual Financial Reporting is a prestigious
national award recognizing conformance with the
highest standards for preparation of state and
local government popular reports.

In order to receive an Award for Outstanding
Achievement in Popular Annual Financial Reporting
a government unit must publish a
Popular Annual Financial Report,
whose contents conform to standards of creativity,
presentation, understandability and reader appeal.



Government Finance Officers Association

Certificate of
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for Excellence
in Financial
Reporting

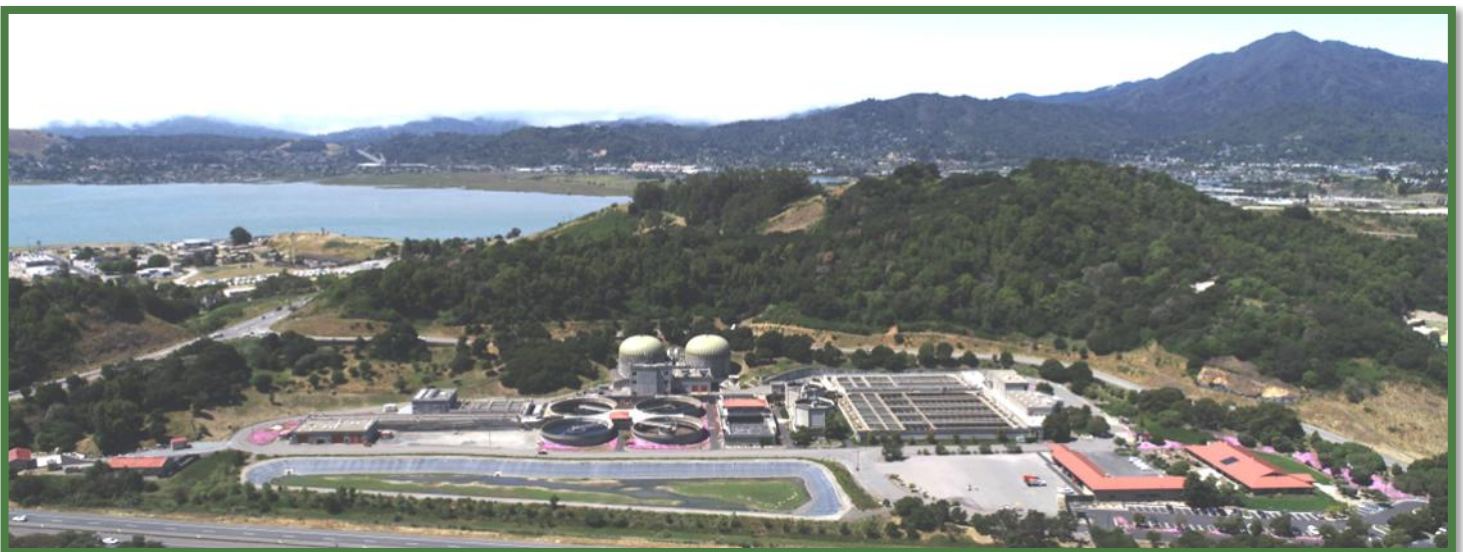
Presented to

**Central Marin Sanitation Agency
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill
Executive Director/CEO



CMSA COMMISSIONERS

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Board Chair
Ross Valley Sanitary District

Eli Beckman,
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Corte Madera*

Dean DiGiovanni,
Board Secretary
San Rafael Sanitary District

Michael Boorstein,
Board Commissioner
Ross Valley Sanitary District

Maribeth Bushey,
Board Commissioner
San Rafael Sanitation District

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FY24-25
Business Plan



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OUR VISION

Central Marin Sanitation Agency
will be a forward-thinking
organization by
providing innovative
and effective wastewater
services, capturing and utilizing
renewable resources, and
implementing sustainable solutions
for an enhanced quality of life.



CMSA VALUES...

- Continuous regulatory compliance to protect the environment.
- Sound financial practices.
- Effective asset management.
- A safe and healthy workplace.
- Creating job satisfaction within a diverse workforce.
- Engaging public outreach and educational programs.
- Leadership, partnerships, teamwork, and collaboration.

CALIFORNIA WATER ENVIRONMENT ASSOCIATION



2023 STATE LEVEL AWARDS

INDIVIDUAL

*Electrical/Instrumentation
Person of the Year (1st Place)*
Tony Drady

*Operations
Operator of the Year (1st Place)*
Mike Silva

*Murray McKinnie Award
(Operator-In-Training)*
Cody Leveque

2023 REDWOOD EMPIRE SECTION AWARD

AGENCY (1st Place)

**Community Engagement and
Outreach Program of the
Year**

