

MINUTES OF MAY 21, 2019

SANITARY DISTRICT NO. 2
A SUBSIDIARY DISTRICT OF THE TOWN OF CORTE MADERA

President Ravasio called the Sanitary District No. 2 Meeting to order at Town Hall Council Chambers, 300 Tamalpais Drive, Corte Madera, CA on May 21, 2019 at 9:26 p.m.

1. CALL TO ORDER, SALUTE TO THE FLAG AND ROLL CALL

Councilmembers Present: President Ravasio; Vice President Andrews and Board Members Bailey, Beckman and Kunhardt

Councilmember Absent: None

Staff Present: Corte Madera Town Manager Todd Cusimano
District Counsel Teresa Stricker
Planning and Building Director Adam Wolff
Sanitary District Manager Peter Brown
Finance Director Daria Carrillo
Director of Recreation and Leisure Services Mario Fiorentini
District Clerk Rebecca Vaughn

SALUTE TO THE FLAG – President Ravasio led in the Pledge of Allegiance.

2. OPEN TIME FOR PUBLIC COMMENT - None

3. PRESENTATIONS – None

4. CONSENT CALENDAR

President Ravasio opened the public comment period, and there were no speakers.

4.A Authorize introduction and/or adoption of resolutions and ordinances by title only.
(Standard procedural action – no backup information provided)

4.B Approval of Minutes of May 7, 2019 Sanitary District Board meeting

MOTION: Moved by Bailey, seconded by Andrews, and approved unanimously by the following vote: 5-0 (Ayes: Andrews, Bailey, Beckman, Kunhardt and Ravasio; Noes: None).

To approve Sanitary District No. 2 Consent Calendar Items A and B.

5. PUBLIC HEARINGS – None

6. BUSINESS ITEMS

A. Consideration And Possible Action to Adopt Resolution No. 02/2019 Implementing The Lower Lateral Capital Improvement Program Pilot Program And The Private Sewer Lateral Pilot Grant Program In Conjunction With The 2019 Sewer Rehabilitation And Pavement Management Projects

Sanitary District Manager Peter Brown stated big drivers for these two programs have been the result of discussions with the community from workshops held, discussions with Boardmembers, as well as the construction industry. One project includes a \$2.9 million sewer rehabilitation project which is closely tied to the pavement project for 2019.

Staff has reviewed how the two major projects will be staged and delivered. All underground work needs to be done first and the pavement project will follow. They want to ensure any roadways that are being repaved have sound Sanitary District infrastructure underneath them. In order to do this efficiently, the first program is the Lower Lateral CIP Pilot Program, which he briefly described.

When the District adopted a private sewer lateral ordinance a low income program was adopted and a couple of grants have been given out. The program balance is ±\$45,000 and this will be carried forward in the next year and continue to run the grant program. He and Ms. Carrillo worked on formulating the resolution and have identified how the two programs work and he concluded his report and was available for questions.

Mr. Cusimano recognized the work of staff, believes the funding mechanisms for both programs is appropriate. He referred to page 8, Section 3-C of the resolution and respectfully disagreed with the disqualification factor which states "A property owner is disqualified from the PSL Pilot Grant Program if the property has benefitted from a lower lateral CIP Program, the PSL Pilot Grant Program or any other District or Town funding assistance program in the last 10 years.

He thinks the intent of the District is to join in partnership with the community to improve infrastructure, sidewalks and sewer laterals. He would hate to see someone improve their sidewalks and receive assistance from the District but then not receive assistance when improving their lower lateral. He therefore requested the Board consider deleting Section C.

Mr. Brown referred to this double-dipping provision and staff did not see it as appropriate to say the District will replace someone's lower lateral with their main line replacement which will save the property owner \$4,000 and then they cannot obtain a grant for \$1,500 more dollars because they already used SSD funds on their private lateral.

The section Mr. Cusimano is referring to specifically relates to the grant program. If the Board were to delete Section C, if someone is seeking a \$1,500 grant, they would be eligible for it even if they received prior assistance.

District Counsel Teresa Stricker indicated this would eliminate the double-dipping concept with respect to the private sewer lateral grant program. She reminded the District Manager that there is no double-dipping provision in the lower lateral provision as drafted, so the only double-dipping provision is the one the Town Manager is recommending the Board eliminate.

She also clarified that the way the resolution is drafted, the PSA Pilot Program is a 50/50 match with a maximum contribution by the District for any particular property up to \$1,500.

Boardmember Kunhardt asked what happens in a situation where someone, because they are doing a renovation, has an identified need for a new sewer lateral and the District is not going through the street.

Mr. Brown said in this scenario, the property owner would be eligible for the private sewer lateral grant or 50% match up to a maximum of \$1,500.

President Ravasio asked and confirmed this was similar to what other sanitary districts are doing in Marin County.

Mr. Brown clarified that staff found three districts that have a similar grant program. An adopted policy or pilot program on the lower laterals is more unique. Some towns and districts do it in practice but because it is a big expenditure, the District wanted to do it in the form of a pilot program. In terms of when a sewer lateral replacement is required, it is uniform across all districts.

President Ravasio opened the public comment period.

ROY WOLFORD thanked Mr. Brown for being responsive and answering his questions and thanked the Clerk for providing copies to the Board. He noted that in 2005 when the sanitary fees increased, it was proposed that the sewer mains, appurtenances, laterals and testing were going to be done by the District. In 2006, he installed a clean-out because the District indicated it would not cover this. Therefore, he believes the District can do testing and inspection of the lateral as well as cutting, digging and trenching much more efficiently and electronically, and he asked that the District manage this.

Lastly regarding the pilot program, it indicates the District will provide the grant to the property owner who does not pass the pressure test. He was told that 98% of laterals will not pass this, and he questioned why this is included and asked why it could not just be a

visual inspection with a camera down the line which will show separations in the joints, breaks in the lateral, and he suggested there only be an inspection required and not a pressure test.

Boardmember Bailey asked if right now the current laterals are in terrible condition and work needs to be done. In understanding the pilot program, in addition to replacing the main, the District will also replace the lower lateral at its expensive. The additional item in the pilot program includes a new proposal that the District will also pay one half of the cost of replacing the upper lateral for a total of \$1,500. He asked if Mr. Wolford simply believes this is inadequate and that the entire cost should be provided.

Mr. Wolford said yes and noted laterals do not necessarily go down the middle of the street so there is not necessarily an equal distance to the property. Some streets are wider. He asked that the District figure out a certain amount of lateral inside the property line and then take the average for the District to absorb in cost, and any length of lateral beyond that the property owner be responsible for it. And, it is important that all of it gets done at the same time.

Vice President Andrews asked if Mr. Wolford is really saying that the District should replace the whole lateral and then argue who will pay for it and when. Mr. Wolford said he would like the private/public ownership principle where the District is responsible for everything from the edge of the house to connect to wherever the sewer main is, and this seems to be the fairest approach. The second issue is for efficiencies; that the District take ownership of the project and thereafter identify who pays for it and what amount the homeowner and District pays.

Boardmember Bailey noted that the meeting rules limit the meeting to 9:30 p.m. and he asked if the District would be viewed as a separate meeting or whether an extension needed to be made.

Ms. Stricker suggested at a future meeting the Sanitary District Board consider adopting the same rules to apply to the Town Council meetings. She said the Board could determine whether the rule can apply at this meeting at this time or not.

Boardmembers suggested continuing discussion of the matter and agreed to take up the meeting protocols at a future meeting.

Boardmember Bailey said he was equating an upper lateral with the portion of the line that went beyond the owner's property or past their property line, but he asked if this was true. He asked if the upper lateral was underneath that part of the property which is on the owner's property.

Mr. Brown said no; it is the opposite. They define private sewer laterals as well as upper and lower laterals in the ordinance. The upper lateral is defined by the end of the public right-of-way or back of sidewalk. The lower lateral is typically from the back edge of the sidewalk to the connection to the main.

Boardmember Bailey said Mr. Wolford noted the picture may not accurately reflect the distinction between an upper and lower lateral because some upper laterals may extend far beyond the property line and would still be considered an upper lateral.

Mr. Brown said he thinks more pertinent is that the private sewer lateral, which is from the foundation of a building to the connection with the main, including the connection itself. The idea is that the District would grant up to \$1500 towards this.

President Ravasio stated the property owner is responsible for the lateral from their house to the main. He asked if the District was creating an artificial distinction about an upper and lower lateral.

Mr. Brown stated it is defined in the Municipal Code but is defined generally and not specifically. It is mildly arbitrary and it coincides with where they are doing main line work and pavement rehabilitation work. Property owners will continue to be required to own and maintain their entire private sewer lateral, and under this program they are getting a one-time repair of a likely damaged lower lateral and a trigger to repair the upper lateral. Over the next 10 or 15 years, the District could really address 70% to 80% of its infrastructure needs.

Boardmember Bailey agreed and said he liked the 1-2 year program which provides an option for the District to review it. After finding it is doable afterwards, the District might look to continue it in perpetuity until all sewers are in reasonable shape.

Vice President Andrews asked if homeowners and the District could work together with the contractor to address the entire lateral.

Mr. Brown said they will as long as it is before the end of the District's CIP project. Residents are welcome to get their own contractor and seek the \$1500 grant program. When replacing the main, the District would go in and detach the lateral that had been replaced, visually inspect it and the District's contractor can connect it back to the new main. Having the same contractor work with the homeowner to work on the lateral to the main house is not something staff has envisioned or is proposing because the District contractor will be ready to work in the right-of-way and getting permission to work on private property is another issue.

Boardmember Beckman asked if there was any situation in which a homeowner would be compelled to have a private sewer lateral pressure tested that has not been just repaired and inspected prior to that.

Mr. Brown said inspection is the first step and there are multiple triggers for inspection including a CIP project.

Boardmember Kunhardt asked if a pressure test is always necessary.

Mr. Brown said yes; it is an industry standard and the District does not visually inspect with cameras or savvy construction managers. A small number of pounds per square feet tells them there is a leak and given the ordinance adopted last year, the District has pressure tested every single sewer lateral that has been replaced and they all passed the test when they were replaced. So, the program is working as well as the standard of pressure testing.

President Ravasio stated he attended many sewer lateral workshops and the standard for the industry is that if someone indicates a test is needed, no one does it because no one passes the test. The cost of doing the test is about \$900 so homeowners just replace the line and then determine what is needed.

Mr. Brown agreed and typically the pressure test is done afterwards and he briefly addressed infiltration during heavy rain events or other rare occasions.

Boardmember Beckman asked and confirmed Mr. Cusimano and staff have arrived at a middle ground regarding Section C. He suggested removing "Town" in line 3 and changing "10 years" to "1 year" which will meet both concerns because then residents can do a sidewalk, and cannot take a single project in a year and then triple it with grant funds.

MOTION: Moved by Bailey, seconded by Andrews, and approved unanimously by the following vote: 5-0 (Ayes: Andrews, Bailey, Beckman, Kunhardt and Ravasio; Noes: None).

To Adopt Resolution No. 02/2019, as amended to change Section 3(c) delete the words "or Town" from the sentence and replace "10 years" with "1 year", Implementing The Lower Lateral Capital Improvement Program Pilot Program And The Private Sewer Lateral Pilot Grant Program In Conjunction With The 2019 Sewer Rehabilitation And Pavement Management Projects

B. Review the Draft 2020 and 2021 SD2 Capital Improvement Program (CIP) and Provide Direction to Staff As Appropriate

Mr. Brown said this is similar to the Town Council item, and he stated the CIP hones in on Sanitary District No. 2 projects. The first category is the Regional Water Quality Control Board required CIP projects as part of the Districts NPDES permit which must be completed, and other CIP projects, the first two of which are underway. The District Board will be asked to adopt this later in June and he asked for comments or questions.

Boardmember Bailey asked if the prioritization of projects is correct according to what staff envisions.

Mr. Brown noted Items 1-4 are done and required. In terms of priorities for projects 1 and 2, the Board has already awarded construction contracts to both which are under construction and are priorities. Item 3, relating to seismic safety, is something that can be moved if the District would rather have an assessment of the air release valves. The next items are very important and staff is planning on allocating \$500,000 amounts to each over the next two years.

Regarding the Old Landing pump station, it needs a new stand-alone generator in the future. The flow meter vault is underway and staff is looking to replace this in the near year. The Meadowsweet projects need to get designed and built. Meadowsweet carries a great deal of the Chapman neighborhood, Oakdale, Tamalpais, Menke Park affluent flows and it goes across near the car dealerships under Hwy 101 and over to the Paradise Pump Station. He believes this line is a state of disrepair and also lacks capacity. The Paradise Pump Station variable frequency drive is slated to be replaced every year. Golden Hind and Sea Wolf Pump Station are new and staff is awaiting the Climate Adaptation Plan to push that back. The largest item is the pre-paving sewer rehabilitation project and this has to do with looking at the pavement schedule and ensuring all underground infrastructure below the project is in good working order.

Boardmember Bailey asked if after replacing this project, a reserve analysis is then prepared to identify when it needs to be done again.

Mr. Brown stated this speaks more to availability of materials and staff will use very strong materials that will be extremely durable and not necessitate replacement for 30 to 50 years.

President Ravasio opened the public comment period, and there were no speakers.

7. BOARD MEMBER AND DISTRICT MANAGER REPORTS

- District Manager Report – None
- Boardmember Reports - None

8. REVIEW OF DRAFT AGENDA FOR UPCOMING SANITARY DISTRICT BOARD MEETING - None

9. ADJOURNMENT

The meeting was adjourned at 10:08 p.m. to the June 4, 2019 Sanitary District No. 2 Board meeting at Town Hall Council Chambers.