



RICHARDSON BAY SANITARY DISTRICT

500 Tiburon Blvd., Tiburon, CA 94920 Tel 415.388.1345 Fax 415.388.1339

June 19, 2018

Ron Brown, Foreperson
Marin County Grand Jury
3501 Civic Center Drive, Room#275
San Rafael, CA 94903

Subject: Grand Jury Report: Consolidation of Sanitation Districts

Dear Mr. Brown,

Richardson Bay Sanitary District (RBSD) Board response to the Grand Jury Report: *Consolidation of Sanitary Districts dated April 13, 2018.*

Consolidation of these particularly different localities and needs would prove more unwieldy and less efficient. IE: size; population changes; personnel; equipment needs and employee time efficiency.

In late 2012, LAFCO attempted a consolidation of four Sanitary Districts. Kate Sears suggested a public vote and all four Districts voted against the LAFCO proposal. It was a vote for local control and the efficiency within each District. RBSD voters declined the LAFCO proposal by 65%. The voting process cost the District over \$16,000. In our opinion, the District comments to LAFCO in 2012 leading up to the vote were either dismissed or ignored. Any future consolidation efforts by LAFCO should be subject to voter approval.

Initial concerns regarding the report are:

1. The report Summary, Background, Approach, Discussion and Conclusions did not address JPA Sewerage Agency of Southern Marin (SASM) yet the Recommendations include SASM.
2. The report excludes School Districts but includes police and fire without justification.
3. The Conclusions statement "the *ultimate goal should be Countywide water and sanitation agency-Marine Municipal Utilities District*" is made without supporting facts or analysis.
4. In Findings:
 - F5 Cost Efficiency has no financial analysis.
 - F7 Reduction of administrative and operating costs is not demonstrated.
 - F8 Improved service is not demonstrated.
 - F9 Sea Level rise. RBSD and SASM Boards address Inflow and Intrusion (INI) on an annual basis.

To better understand and promote a future District consolidations, RBSD Board recommends addressing the following questions:

1. Whose policies and procedures apply? RBSD has about 44 miles of pipe maintained by three operational employees. How many more miles of pipe are we to absorb? Where will the additional employees come from?
2. What is the condition of the pipes?
3. How many pump stations are to be maintained?
4. Who currently maintains the pipes and what is the cost and agreements?
5. What are the reserves to maintain and/or replace the pipes? Will reserves accumulated by RBSD be required to support other Districts?
6. What are the Capital Improvement Projects?
7. What is the operating budget for each District?
8. RBSD has one Office Manager. How are the Districts administered? How will administration be augmented and at what cost?
9. What assets are to be included or disposed of?
10. What is the fee structure and will we have to keep books for other Districts and for how long?
11. What of RBSDs investments in our plant and operations capital?
12. Will consolidated Districts be willing to underwrite additional capital required over and above existing structures?
13. Board makeup? How many Board members allocated to RBSD?
14. What are personnel policies?
15. What are pension liabilities?
16. How much liability are we incurring?
17. How many other operational and administrative personnel would be required to support these districts?

As for the statements "public oversight is largely missing" and "they flush and forget" mentality implied to our voters, are not justified in the Report.

RBSD Board is accountable to our voters. We are audited by an outside CPA firm each year. The RBSD Board of Directors are elected every four years. In the past 30 years RBSD had not raised rates until the recent SASM plant refurbishments and only after a comprehensive study from an outside consultant was completed.

RBSD taxpayers have invested considerable funds in the plant and operation of the District. Spills are down for over three years. Seventy percent of our pipes have been replaced to date. RBSD and SASM operations and Boards are mutually beneficial and supportive.

As written on page 11 "The process does not begin with an agreement to consolidate. First, two or more districts need to identify services that can be shared". In conclusion, Richardson Bay Sanitary District Board respectfully disagrees with the Recommendations of the Grand Jury and in particular item:

R3: Do not agree based on the above narrative and lack of specific information provided to date.

Sincerely,

RBSD Board of Directors



Frank Trusheim
President



Sue Benvenuti
Secretary



Ron Kosciusko
Director



David Eklund
Director