

Agenda

Thursday, July 20, 2023.
Sewerage Agency of Southern Marin
Board of Commissioners Meeting
(Closed Session)
450 Sycamore Avenue, Mill Valley
5:30pm

CALL TO ORDER AND ROLL CALL

Closed Session: *Conference with legal counsel—existing litigation*

California Gov't Code § 54956.9(d)(1)

Name of Case: Sewerage Agency of Southern Marin v. Carollo Engineers, Inc.

Name of Court and Case No.: Marin County Superior Court, Case No. CIV2102868

ADJOURNMENT: To the July 20, 2023, Regular SASM Board of Commissioners Meeting at 6:00 PM

The Sewerage Agency of Southern Marin does not discriminate against any individual with a disability. Upon request, SASM publications will be made available in the appropriate format to persons with a disability.

Materials related to an item on this agenda submitted to the Sewerage Agency of Southern Marin after distribution of the agenda packet are available for public inspection at 450 Sycamore Avenue, during normal business hours. Such documents are also available on the SASM's website at: www.cityofmillvalley.org/Index.aspx?page=461 subject to staff's ability to post the documents prior to the meeting.

S/ADMIN/SASM/SASM BRD

Agenda

Thursday, July 20, 2023
Sewerage Agency of Southern Marin
Board of Commissioners Meeting
450 Sycamore Avenue, Mill Valley
6:00 pm

CALL TO ORDER AND ROLL CALL

APPROVAL OF AGENDA

PUBLIC OPEN TIME

The Public is invited to address the Board on items that do not appear on the agenda and that are within the subject matter jurisdiction of the Board. State law prohibits Board action on any item not listed on the agenda. Please avoid repetition and please limit your comments to three minutes.

CONSENT CALENDAR

The following items listed on the Consent Calendar are considered routine and are approved by a single motion without discussion. The Board President or any Board Commissioner or the public may request that any item listed under the Consent Calendar be removed and action taken separately. In the event an item is removed from the Consent Calendar, it shall be considered in its numerical order.

1. Consideration of the Minutes of the June 15, 2023, meeting.
Recommended Action: Approve the minutes.
2. Monthly Report.
Recommended Action: Receive report.
3. Consideration of a Budget Adjustment for FY 2023-24
Recommended Action: Receive report; authorize a budget adjustment in the amount of \$60,000 for FY 2023-24.

Open Discussion

ADJOURNMENT

The next scheduled Board meeting is August 17, 2023 @ 6 pm
Location: SASM Conference Room
450 Sycamore Mill Valley, CA 94941

SEWERAGE AGENCY OF SOUTHERN MARIN

Minutes

BOARD OF COMMISSIONERS

June 15, 2023

SASM Conference Room

Call to Order and Roll Call

President Lew Kiouos called the meeting to order at 6:00 pm.

Commissioners present: Al Leibof, Todd Gates, Peter McIntosh, Jim Jacobs, Stephen Burke

Commissioners absent: N/A

Staff present: WWTP Director Mark Grushayev, Chief Treatment Plant Operator Brian Exberger

Members of the Public: Bonner Beuhler

Approval of Agenda

Action: M/S Jacobs/McIntosh and carried on a vote of 6 to 0 to approve the Agenda.

Public Open Time

There were no comments from the public.

Consent Calendar

1. Consideration of the Minutes of the May 18, 2023, meeting.

Recommended Action: Approve the minutes.

2. Monthly Report.

Recommended Action: Receive report.

Action: M/S Burke/McIntosh and carried on a vote of 6 to 0 to approve the minutes of the May 18, meeting, and receive the Manager's Report.

New Business

3. Modifications to the SASM Private Lateral Replacement Project (PLRP)

Recommended Action: Approve modifications to the SASM PLRP

Mr. Grushayev said that the PLRP was originated by a settlement agreement and that since 2019 SASM has had no further obligation to continue this program but nevertheless the Board decided to continue supporting it. There were modifications to the program in 2020 and today staff is proposing additional modifications. He added that he had meetings with Todd Gates and Peter McIntosh, who were assigned by the board as an ad-hoc sub-committee to evaluate the program. As an outcome of these efforts, staff is proposing changes that may simplify and improve the program. He said he believes that after the modifications, more people will be able to get assistance. The program will be more efficient and therefore more effective in minimizing the I&I impact on the WWTP. He summarized the proposed modifications as follows: Increase the maximum amount of grant funding from \$2,200 to \$3,000, phase out the loan program, adjust eligibility

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requirements for the grant to make it more accessible, and include the option of providing payment directly to contractors when work is completed.

President Kiouss said he had discussed with Mr. Grushayev changes in income eligibility and Mr. Grushayev helped him realize it was a good thing. He was interested in making sure that program changes would have people with a lower income to benefit from the program before assisting people who are financially more comfortable. He asked the subcommittee to elaborate how they developed some of the points, and more specifically this one, to get a feel for what went into the proposed changes.

Commissioner Gates said that regarding eligibility, there were discussions of raising it to 80% of the County's median household income otherwise anyone can apply and then the funds were going to be depleted very fast. He added that the loan did not require any eligibility but that there were some administrative difficulties associated with collecting the money.

Commissioner McIntosh said that he initially thought that the loan component of the program should remain but was convinced otherwise when it was pointed out that there are other easy ways to borrow money, such as an equity loan. He said raising the grant limit from \$2,200 to \$3,000 should be a priority along with the option of paying the contractor directly if work is done. He added that a financial eligibility requirement for the grants should remain but that loans should be eliminated as they put an unnecessary burden on staff.

Vice President Leibof asked if the budget was \$50,000 and Mr. Grushayev said yes but more can be allocated for this purpose with a budget adjustment. Mr. Leibof asked if the Board should wait and see if that amount would suffice and increase as needed.

Mr. Grushayev said that there was a budget adjustment previously that increased funding to \$75,000. This year there were a few applicants who were asked to wait till the new fiscal year because their applications came near the closing of this fiscal year.

Mr. Leibof asked what the average cost of a lateral and Mr. Grushayev answered \$12,000. Mr. Leibof said that more people could benefit from the program if the funds were distributed as grants only.

Commissioner Jacobs asked how much I&I is coming from private laterals and how much from the main pipes and Mr. Grushayev responded about 50%. Commissioner Jacobs said that incentivizing all people, rich or poor, is a good thing. He asked if SASM distributes most of the allocated budget every year and Mr. Grushayev said that it happens most of the time, with some years going above the budget.

Commissioner Gates said that most of the time people fix their sewers because they are required, not because of incentives. He added many residents are retired and on a fixed income and that he feels strongly that there should be a limitation on who gets the grant. He added that at one point there were discussions on raising the PLRP budget from \$50,000 to \$75,000.

Commissioner Burke said that he lives in a neighborhood made up of new and old homeowners, some wealthy and some retirees. He added that he loves the idea of making the program as frictionless as possible. He suggested that the board evaluates the program in a year to see if high value properties have taken advantage of the program or not, and that saving 25% on a lateral replacement is meaningful for a lot of people but that high-net-worth people may not jump through hoops to do this. He added that he likes the modifications and thanked Mr. Grushayev and Commissioners Gates and McIntosh for the report and praised SASM for being an outlier as many other cities do not offer a program like this one. He also said that if the board needs to add more funds to the program in the Fall, it would be a good thing.

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Public Comments

Mr. Beuhler said that for him, the program is more of a public relations tool than anything else because it is nice to be able to offer it when he knocks on people's doors to let them know they need to replace their lateral.

President Kiouss asked if Mr. Beuhler was in favor of the income limitation and Mr. Buehler answered that he was in favor of the income limitation and the grant. Mr. Beuhler asked who administered the loans and Mr. Grushayev said it was the City and SASM.

Vice-President Leibof asked how many loans had been issued and Mr. Grushayev said he did remember the number but reports it to the board annually in April.

President Kiouss said that it seemed that most private laterals that were replaced seemed to be either from three categories:

1. People selling their property and that those people can afford to pay and do not have a choice regarding the lateral. Mr. Beuhler said that if there is no requirement, all the \$50,000 budgeted would be gone very fast.
2. People who have broken laterals that need to be fixed.
3. People who are offered a deal to fix their lateral when the main is being fixed.

Mr. Beuhler added a fourth group: people whose laterals are shared with other properties.

President Kiouss asked the board members if they had any thoughts on paying the contractors directly and it was agreed that it was a good idea. He then asked if they should keep the loan program, adding that he thought it should be eliminated as it did not provide that much benefit and that the focus should be on grants.

Mr. Beuhler said that would solve the problem by giving people a quick turnaround for people who need to hire a contractor.

President Kiouss said it would add an incentive for the contractors, since they would know they would get paid. He then asked about changing the grant amount from \$2,200 to \$3,000. Commissioner Jacobs suggested making it \$2,500 and a total budget of \$75,000. Commissioner McIntosh recommended the grant cap should be \$3,000 because costs have gone up.

President Kiouss said that whatever is decided should be a pilot and looked at next year and adjusted as needed. Commissioner gates agreed the amount should be bumped up and that the total budget should be contingent on limitations put on income.

Mr. Buehler said that if the Board keeps the same income limit, not as many people will qualify.

Commissioner McIntosh suggested that the grant cap should be \$2,500 for the first pilot year.

President Kiouss proposed the new budget to be \$65,000. Commissioner Jacobs suggested the new budget be \$75,000 but it was agreed that it will be \$65,000.

President Kiouss said that having an income limit is a good thing. Commissioner McIntosh said people on fixed income should benefit first.

President Kiouss asked the board if they wanted to increase the income limit from \$100,170 to \$120,000.

Mr. Beuhler said people may complain about the elimination of loans. Mr. Grushayev said that loans are of a greater amount than the grant, have no eligibility requirement and may diminish the program leaving less for people who need and who would be eligible for grant.

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Action: M/S Kious/Burke and carried on a vote of 6 to 0 to increase the PLRP Grant amount from \$2,200 to 2,500, to increase the SASM PLRP budget from \$50,000 to \$65,000, to increase the income eligibility from \$100,170 to \$120,000, to provide the option for grant money be sent directly to contractors.

Commissioners Open Time

Commissioner McIntosh congratulated Mr. Grushayev and his team for a great month.

Public Comments

Adjourn

Action: M/S Burke/McIntosh and carried on a vote of 6 to 0 to adjourn the meeting at 6:38 pm.

The next scheduled meeting of the SASM Board is July 20, 2023, at 6:00 pm at the SASM Conference Room.

STAFF REPORT

TO: Sewerage Agency of Southern Marin Board Commissioners

FROM: Mark Grushayev, Wastewater Treatment Plant Director

SUBJECT: Monthly Report

DATE: July 20, 2023

ISSUE: Summary of operation and maintenance activities for June 2023

RECOMMENDATION: Receive report.

Compliance

- In June 2023, the Agency experienced no exceedances of its effluent discharge limitations.
- In accordance with the reporting requirements stipulated in the NPDES permit, staff reviewed, certified, and submitted the Self-Monitoring Reports (SMRs) for May 2023.

To view the Monthly and Annual Self-Monitoring Reports online, go to:

<http://ciwqs.waterboards.ca.gov/ciwqs/readOnly/PublicReportEsmrAtGlanceServlet?inComm and=reset>

- Enter an Agency Name: Sewerage Agency of Southern Marin
- Select a reporting year: 2023
- Select Run Report

Regulatory or Public Issues

- Sanitary Sewer Overflows: None
- Unauthorized discharge: None
- BAAQMD: None

Laboratory

- As a service for the City of Mill Valley Recreation Department, SASM laboratory provided water quality analysis for the Pool & Spa monthly samples, collected on June 13, 2023. Samples were analyzed for Total Coliform, Pseudalert, and Heterotrophic Bacteria. The analytical report was provided to the City on June 22, 2023.
- As a monthly plant process check, sludge profile samples were collected on June 26, 2023. The samples included digester #1, gravity thickener, filtrate, and CAKE. All samples were analyzed for total solids and volatile solids, while the digester samples were further analyzed for pH, alkalinity, and volatile acids.
- SASM lab sampled for monthly analysis on June 14, 2023, the monthly report includes results for metals (Copper and Zinc), Cyanide, Ammonia, Phosphorus, and Nitrate + Nitrite. The lab

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- 32 also sampled for priority pollutants and PCB's (metals and 40 congeners) this monitoring
33 requirement is performed annually. A Caltest and Enthalpy Analytical Laboratory final
34 reports are forthcoming.
- 35 • Acute Toxicity Bioassay week occurred on June 12-15, 2023. There was no toxicity present
36 in the effluent based on the final acute bioassay report from McCampbell Analytical, Inc.
 - 37 • No exceedances on Total Coliform or Enterococcus from our effluent in the month of June.
38 Enterococcus will be sampled starting June through October as part of the NPDES sampling
39 schedule.
 - 40 • Nine Biochemical Oxygen Demand and Total Suspended Solids, respectively, were collected
41 and analyzed. No exceedances with percent removal, or average result limits.
 - 42 • ELAP issued SASM laboratory a new accreditation certificate effective July 1, 2023. Expires
43 June 30, 2025.

44
45 **Wastewater SCAN Program**

46 Since December 2022, SASM staff have been participating in the Nationwide Program designed
47 to evaluate wastewater samples for several infectious diseases including SARS_CoV-2, Influenza,
48 Respiratory Syncytial Virus (RSV), and some others. There are over 140 wastewater treatment
49 plants participating from 26 states, representing approximately 10.6% of the US population (close
50 to 35 million people). The latest results for Sewerage Agency of Southern Marin Wastewater
51 Treatment Plant have been posted to the WastewaterSCAN dashboard. Please see the link below:
52 [Sewerage Agency of Southern Marin Wastewater Treatment Plant](#)

53
54 **Operation and Maintenance**

55 In June 2023, operations and maintenance personnel completed 184 preventive and 35 corrective
56 work orders. Below is a summary of activities during the reporting period:

57 **Odor Control** – The bio-scrubber continues to work well resulting in 0.00 ppm of H₂S released
58 to the atmosphere. Carbon media in the carbon scrubber for Sludge Thickener process continues
59 to perform well. . Staff is planning to get quotes to replace the media as it has been almost a year
60 since it was last replaced. This will help with being prepared when the media does have a
61 breakthrough of H₂S.

62 **Headworks** – Flows into the plant have been normal for this time of year, averaging about 1.8
63 MGD and totaling 53.5 million processed for June.

64 **Primary Treatment** – All four primary tanks continue to remain online even though rain has been
65 sparse this month. Staff will plan to take half the primary tanks offline for annual maintenance
66 later this month.

67 **Secondary Treatment** – The trickling filters remain in parallel mode. Staff continue to flush the
68 trickling filters weekly, while Ammonia results remain low.

69 **Secondary Clarification** – Both clarifiers are online and will remain so through the spring. Staff
70 will plan to take a secondary clarifier offline for annual maintenance during the summer months.

71 **Effluent Pumping** – An average of 119 gallons of sodium hypochlorite was used per day for
72 disinfection of our effluent that is pumped to Raccoon Strait. We increased our chlorine residual

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73 setpoint, which is typical from June to October when we need to test for the Enterococcus Bacteria
74 per our NPDES permit.

75 **Reclaimed Water** – The sand filter remains in operation supplying reclaimed water to the City
76 fields. We distributed 1,382,000 gallons to the park in June 2023. Of that, 432,200 gallons were
77 from MMWD potable water as salinity values are higher this month. Therefore, 949,800 gallons
78 of recycled water was produced by the recycled water facility. It was also determined that there
79 was a leak in the main potable water line entering the wastewater treatment facility. SASM had a
80 contractor find the leak and it was repaired immediately, after being identified. Staff are still
81 working with the City to determine the most cost-effective upgrades to keep the aging facility
82 operational.

83 **Sludge Digestion** – Digester #1 is still online and performing well. Digester gas continues to be
84 used in the boilers / heat exchangers to heat the digester. Digester #2 lid replacement project is in
85 progress and scheduled to be installed sometime in July 2023. The burner on heat exchanger No.
86 1 was replaced in June and is operational.

87
88 **Call-outs** – There were no callouts in June.

89 **Sludge** – 14 bins of sludge hauled.

90 **Grit** – 1 bin of grit hauled.

91 **USA mark-outs** – 20 were processed, 15 were marked, costing a total of 37.5 hours labor.

92 **Training/Safety** – As of July 1, 2023, there were 3,745 days of continuous work without time-
93 lost to accidents. Staff completed the required training: Heat Illness Prevention, Spill Prevention.

94
95 **Sanitary Sewer System Maintenance Services Contract RFP:**
96 SASM and its member agencies sent out a Request For Proposal (RFP) from qualified service
97 providers seeking routine(scheduled) sewer line preventive maintenance cleaning services and
98 Emergency (on-call) response. RFP was posted on May 19th and proposals were due on June 29.
99 Three service providers showed interest numerous written and verbally asked Request for
100 Information (RFIs) resulting in two contract addendum postings. Unfortunately, none of the three
101 service providers submitted a proposal. SASM remains a party to a Mutual Aid Agreement for
102 emergency help executed between all six Marin County sanitary districts with wastewater
103 treatment facilities and with addition of RVSD.

104
105 **CAPITAL IMPROVEMENT PROGRAM FY 2022-2023**

106 There were no major construction activities during May. Overaa Construction began mobilizing
107 on June 1 and started preparing to work on the Dig. #2 central column assembly.

108
109 **Trickling Filters Recirculation Valve Urgent Repairs (in progress)**

110 In early January, SASM operations staff discovered that the 30-inch underground valve
111 failed to operate and was stuck in a closed position. The valve is buried approximately 20
112 feet deep and is not accessible without excavation. This valve is designed to adjust the
113 recirculation rate for the two recently renovated Trickling Filters and delays in this repair
114 may impact the efficiency of the secondary treatment process and lead to NPDES Permit

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115 violations. An informal bid solicitation was conducted, and four bid proposals were received.
116 Piazza Construction was awarded the contract. They mobilized, excavated, and successfully
117 opened the failed valve on February 24th. The remaining (non-urgent) work includes installing a
118 deep access vault plus zinc anodes which is expected to be installed and completed by the end of
119 July 2023.

120

121 **WWTP Main Switchgear Replacement** **100% Complete**

122 The design and specifications to replace the 38-yr old 2,000-amp electrical main switchgear low
123 bid of \$1,874,091.00 was awarded to DW Nicholson on 12/29/2020. Notice to Proceed (NTP) was
124 issued on 1/22/2021. The switchgear cabinet fabrication, circuit breakers, and electrical
125 components all have 7+ month fabrication and build-out process. The electrical industry is
126 experiencing material shortages, increased supply demands, plus overseas transportation and
127 coordination issues and this contract is negatively impacted because many electrical components
128 (relays, breakers, etc.) from Eaton are built overseas. Factory testing of the build-out of the new
129 switchgear occurred on 11/16/2021. All tests were performed and met performance standards. The
130 switchgear equipment delivery was received on 4/6/2022. This project required utilization of seven
131 portable generators 24/7 for two weeks to keep the WWTP fully operational during the demolition
132 of the old main switchgear and installation of the new switchgear. On 7/18/22 PG&E disconnected
133 utility power. Two work crews, over a two-week period, installed the new main switchgear system.
134 This complicated task involved electronic breaker and cabinet installation, cabling, control wiring,
135 program setting, inspection, commissioning activities. The team consisted of DW Nicholson,
136 CAT-Peterson, EATON, PG&E, Pinnacle Power, Nute Engineering, Calton Electrical
137 Engineering, and SASM Staff. The switchgear start-up, commissioning testing, and PG&E's
138 utility power restoration were completed August 23 - six days ahead of schedule. Staff O&M
139 training was conducted on August 4. All warranty issues involving the replacement of a faulty Arc
140 Quenching Device (AQD) Switchgear breaker unit was installed and completed on June 5th.

141

142 **WWTP Rehabilitation Project – Phase 1 & Phase 2** **99% Complete**

143 The first phase of the WWTP Master Plan implementation began in April 2018 and is now
144 completed. The primary goal in this initial phase is to help ensure reliable treatment of wastewater,
145 as well as compliance with regional, State, and Federal regulations. Upgrades and rehabilitation of
146 existing infrastructure are key components of this project. The following are ongoing and
147 completed work activities, including change orders:

- | | | |
|-----|---|---------------|
| 148 | • Headworks Building Belt Filter Press Room Ventilation | 100% Complete |
| 149 | • Rehabilitation of the Secondary Clarifier # 2 | 100% Complete |
| 150 | • Digester Gas Piping Replacement | 100% Complete |
| 151 | • Rehabilitation of the Secondary Clarifier #1 | 100% Complete |
| 152 | • Hypochlorite Storage and Transfer System | 100% Complete |
| 153 | • Digester Tank #1 Rehab and 50-ft Cover Replacement | 100% Complete |
| 154 | • Digester Tank #2 Rehab and 40-ft Cover Replacement | In progress |
| 155 | - Digester #2 Cleaning | 100% Complete |

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- 156 - Cover Demolition 100% Complete
- 157 - Concrete repairs In Progress
- 158 - Digester piping replacement In progress
- 159

160 The new cover will be constructed of Stainless-Steel (Grade 316) due to its high corrosive
 161 resistance material, similar in design of Digester #1 new cover. Deliveries for Digester tank
 162 including piping, center diffuser, and floating cover have been received and inventoried. Overaa’s
 163 crew has remobilized to install the piping. The welding and assembling of the new floating cover
 164 will start on June 20. The new floating cover is expected to be commissioned and operational by
 165 October 2023.

166
 167 All contracts change orders are listed in Table #1 below:
 168

TABLE #1 CHANGE ORDER TRACKER					<i>NTP is 02/02/2018 (730 days)</i>	<i>Original Contract Completion 01/31/2020</i>
#	CO Type	Change Order - Activity	Status	Cost	Additional Contract Days	Additional Contract Days Total
1		COR #1 Cancelled	<i>n/a</i>	\$0	0	0
2	Value Added	Staff Parking Lot	<i>Completed</i>	\$9,099	2	2
3	Design Deficiency	H-20 Rated Hatch Install @ Headworks	<i>Completed</i>	\$8,994	2	4
4	Value Added	Primary Clarifiers #1 & #2 Coatings	<i>Completed</i>	\$235,681	5	9
5	Change-in-Site Condition	Primary Clarifiers Bay #1 & #2: Replace w/ New SS Rails and Rehab Supports	<i>Completed</i>	\$35,089	4	13
6	Change-in-Site	Headworks: Mud Valve Replacement	<i>Completed</i>	\$2,000	2	15
7	Value Added / Change-in-Site	20 work items completed under a T & M Force Account during July - Aug	<i>Completed</i>	\$19,877	3	18
8	Value added	Sandblasting and Coating of Trickling Filter #2 Influent Pipe	<i>Completed</i>	\$47,249	4	22

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9	Value Added	Primary Clarifiers Bay #1 & #2: Coating of Basin Troughs and Scum Box	Completed	\$34,114	3	25
10	Change-in-Site	Testing, Removal, Trucking, and Landfill Disposal of 144 tons Contaminated Soil	Completed	\$25,244	2	27
11	Change-in-Site	Added Color to Concrete Perimeter Wall	Completed	\$10,398	0	27
12	Value Added	LIT Control wiring & Power	Completed	\$5,841	2	29
13		COR #13 Cancelled	n/a	\$0	0	29
14		COR #14 Cancelled	n/a	\$0	0	29
15		COR #15 Cancelled	n/a	\$0	0	29
16	Value Added	1/4 Turn attachments to 23 plug valves	Completed	\$8,964	5	34
17	Change in Site	Tricking Filter #2 Base Coating (CREDIT)	Completed	(\$258,039)	0	34
18	Change in Site	Trickling Filter Metal Structure Repairs	Completed	\$102,275	14	48
19	Value Added	22 items under T&M Force Account in Sept	Completed	\$33,706	4	52
20	Change in Site	Trickling Filter #2 Fiberglass Media Support Beams and CIPP Liner (CREDIT)	Completed	(\$49,113)	0	52
21	Change in Site	DC#5 Fuel System Leak Detection Relocation	Completed	\$1,957	1	53
22	Value Added	Placement and compaction of 150 tons of 3/4" base rock along PW Access Road	Completed	\$9,585	1	54
23	Value Added	Bypassing Influent Work: Deep excavation manhole box, new tapping saddle to 22" dia force main, riser pipe, back fill, etc.	Completed	\$31,870	3	57
24	Value Added	12 work items completed under a T & M Force Account during Oct 2018	Completed	\$30,959	5	62
25	Change in Site	Headworks Roof Web Joist Modifications	Completed	\$10,122	1	63
26	Change in Site	Conductors, control wire, and conduit for Headworks gate H1 & H2 actuators	Completed	\$10,246	2	65

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27	Change in Site	Ethernet switches w/ fiber ports	<i>Completed</i>	\$8,099	2	67
28	Change in Site	Grit pumps #1 & #2 pressure switches, gauges, & control wiring	<i>Completed</i>	\$12,813	1	68
29		COR #29 Cancelled		\$0	0	68
30	Change in Site	21 work items under T&M Force Account in Nov - Dec 2018	<i>Completed</i>	\$43,374	6	74
31	Change in Site	Secondary Clarifier Base Replacement & Leveling {\$106,545 cost to 800-820007-960}	<i>Completed</i>	\$0	11	85
32	Change in Site	15 work items under T&M Force Account in Jan - March 2019	<i>Completed</i>	\$58,290	6	91
33	Value Added	Influent Pumps #1, #2, and #3 Installation	<i>Completed</i>	\$55,363	5	96
34	Value Added	Primary Clarifiers #3 & #4 Coatings	<i>Completed</i>	\$235,681	5	101
35	Value Added	Jan-May 2019 (Electrical & Coating) T&M Work	<i>Completed</i>	\$81,990	8	109
36	Value Added	New Local Control Panels for Grit Classifier & Conveyor System	<i>Completed</i>	\$28,230	4	113
37	Change in Site	Crack Injection Repairs to Digesters & Secondary Clarifiers	<i>Completed</i>	\$52,757	3	116
38	Change in Site	Replace 16 SS Influent Channel Stop Gates	<i>Completed</i>	\$142,439	5	121
39	Change in Site	Emergency Digester Gas Piping Replacement	<i>Completed</i>	\$72,232	5	126
40	Change in Site	Grout Injection Repairs to Stabilize TF#1 Foundation	<i>Completed</i>	\$72,139	2	128
41	Change in Site	Primary Clarifier #3 & #4 Three-Water Spray Piping Replacement	<i>Completed</i>	\$33,760	2	130
42	Change in Site	Delete Trickling Filter #2 Base Coating (CREDIT)	<i>CREDIT</i>	(\$258,039)	0	130
43	Change in Site	Delete Trickling Filter #1 Pipe Liner (CREDIT)	<i>CREDIT</i>	(\$16,746)	0	133
44	Value Added	Pista Grit Replacement	<i>Completed</i>	\$12,041	3	137

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45	Value Added	March - September T&M Work Tasks	Completed	\$19,312	4	138
46	Value Added	Headworks Belt Conveyor Spray bar	Completed	\$6,264	1	138
47	Change in Site	COR #47 Cancelled	n/a	\$0	0	138
48	Change in Site	Reusing TF #2 existing metal structure (CREDIT)	CREDIT	(\$174,785)	0	138
49	Change in Site	Credit for unused quantities for six contract bid items (concrete repair type II, III, crack injection, etc.	CREDIT	(\$125,397)	0	138
50	Value Added	Delete the installation of aluminum pickets above new wall	CREDIT	(\$3,726)	0	138
51	Change in Site	Misc. Credits (delete butterfly valve install at R&E, 3 drain valves at PCs, and generator dual load bank load tests)	CREDIT	(\$41,281)	0	138
52	Design Deficiency	Installation of Above Storage Tank (AST) grounding system	Completed	\$3,360	1	139
53	Value Added	Influent Pumps #4 and #5 Installation	Completed	\$65,054	4	143
54	Value Added	Secondary Clarifier Sludge Collector Arm Metal Repairs	Completed	\$9,682	2	145
55	Value Added	Additional Site Paving Work	Completed	\$13,448	0	145
56	Design Deficiency	Headworks Ventilation Modifications	Completed	\$246,262	90	235
57	Value Added	Emergency Effluent Bypass Valves Replacement	Completed	\$45,553	3	238
58	Design Changes	(DC) #9: Harmonic Filters and DC #10 MCC-2 /MCC-4 PLC Alarms and I/O relocation	Completed	\$77,858	3	241

**Sewerage Agency of Southern Marin
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59	Value Added	Install Double-Pipe Containment Hypochlorite Transfer line	<i>Completed</i>	\$90,055	30	271
60	Value Added	Shop Bldg. Mods & Door Installations	<i>Completed</i>	\$18,101	2	273
61	Value Added	<i>Channel Coating work after 13 isolation gates installed</i>	<i>Completed</i>	\$41,200	10	283
62	Value Added	<i>Primary South Clarifier HOA & Circuit Controls</i>	<i>Completed</i>	\$7,974	2	285
63	Value Added	<i>Headwork Bldg.: Overhead LED Lighting Installation</i>	<i>Completed</i>	\$24,920	4	289
64	Value Added	<i>Genset Controls and Transformer Work</i>	<i>Completed</i>	\$30,895	2	291
65	Value Added	<i>Comms Wiring, Alarm, Low water Cut-off Repairs</i>	<i>Completed</i>	\$8,046	2	293
66	Value Added	<i>Bar screen, Compactor, and Grit Washer Local Controls Installation</i>	<i>Completed</i>	\$22,256	5	298
67	Value Added	<i>MCC-4 PLC Mods</i>	<i>Completed</i>	\$8,205	2	300
68	Value Added	Chlorine Contact Tube Improvements	<i>Completed</i>	\$18,510	5	305
69	Value Added	T&M Work: Jan-April 2020	<i>Completed</i>	\$90,953	7	312
70	Value Added	Metal Siding Install	<i>Completed</i>	\$9,421	1	313
71	Value Added	Primary Clarifiers and Digester Gas Pipe Protective Coatings	<i>Completed</i>	\$26,351	1	314
72	Value Added	Digester Gas Piping (Phase II) (\$148,794 cost from 2020 acct #)	<i>Completed</i>	\$0	14	328

**Sewerage Agency of Southern Marin
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73	Value Added	Secondary Clarifier Equipment Replacement (\$217,869 charge to 800-820007-960)	Completed	\$0	28	356
74	Value Added	Relocate Conveyor and Grit Classifier Controls	Completed	\$8,443	1	357
75	Value Added	Secondary Clarifiers Weirs & Baffle Replacements (\$121,264 charge to 800-820007-960)	Completed	\$0	28	385
76	Value Added	Go-No Alarm System Lighting Retrofits	Completed	\$2,781	0	385
77		Cancelled	--	\$0	0	387
78	Value Added	Hypochlorite Tank & Transfer System Replacement (\$165,229 charge to 800-821009-960)	Completed	\$0	30	417
79	Value Added	Site Work and Asphalt Improvements (\$58,700 charged to 800-820005-960)	Completed	\$0	0	417
80	Value Added	Secondary Clarifier #1 & #2 Repairs (\$124,517 charged to 800-820007-960)	Completed	\$0	8	425
81	Value Added	Site Work and Retaining Wall (\$14,000 charge to 800-820004-960)	Completed	\$0	1	426
82	Value Added	Digester #1 Floating Roof Demolition (\$171,000 charged to 800-821010-960)	Completed	\$0	10	436
83	Value Added	Digester #1 Floating Roof Replacement (\$1,214,420 to 800-821010-960)	In Progress	\$0	262	698
84	Value Added	Digester #1 Tank Interior Coatings & Joint Seal (\$224,723 to 800-821010-960)	Completed	\$0	0	698

**Sewerage Agency of Southern Marin
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85	Value Added	SASM T&M Work (Nov 2020 - March 2021) (\$122,442 to 800-821009-960)	<i>Completed</i>	\$0	0	698
86	Value Added	Digester #1 Tank System Piping Replacement (\$101,448 to 800-821010-960)	<i>Completed</i>	\$0	0	698
88	Value Added	Digester Gas Piping epoxy coatings (\$43,720 to 800-821010-960)	<i>Completed</i>	\$0	0	698
89	Value Added	Digester #1 Crack injection CREDIT (-\$19,687 to 800-821010-960)	<i>Completed</i>	\$0	0	698
90	Value Added	Tricking Filter Media #1 & #2 Replacement (\$2,173,229 to 800-818011-960)	<i>Awarded</i>	\$0	304	1,002
91	Value Added	Digester #1 Lid Manufacture Acceleration CREDIT (-\$20,959 to 800-821010-960)	<i>Completed</i>	\$0	0	1,002
92	Value Added	Trickling Filter Media Replacement (\$2,100,000 to 800-821XXX-960)	In Progress	\$0	0	1,002
93	Value Added	Digester #1 Safety Perimeter Handrail System (\$33,614 to 800-821010-960)	Completed	\$0	0	1,002
94	Value Added	Digester #1 Lid T&M (800-821010-960)	Completed	\$0	0	1,002
95	Value Added	Demolition of Digester #2 Lid (\$178,776 to 800-82XXXX-960)	Awarded	\$0	0	1,002
96	Value Added	Digester #2 Lid Replacement (\$1,541,361 to 800-823003-960) Revised contract extension date is July 30, 2023	Pending	\$0	185	1,187
97	Value Added	Digester #2 Tank Interior Coatings (\$197,605 to 800-823003-960)	Pending	\$0	0	1,187
98	Value Added	Digester #2 Piping Replacement (\$139,689 to 800-823003-960)	Pending	\$0	0	1,187
	<u>Change Order %</u>	8.96%	<u>Total =</u>	<u>\$1,550,257</u>	July 30, 2023 Contract Extension	
			<i>Balance =</i>	\$180,084		

STAFF REPORT

TO: Sewerage Agency of Southern Marin Commissioners
FROM: Mark Grushayev, Wastewater Treatment Plant Director
SUBJECT: Consideration of a Budget Adjustment for FY 2023-24
DATE: July 20, 2023

ISSUE:

Budget adjustment request to the SASM FY 2023-24 Operation and Maintenance Budget.

RECOMMENDATION:

Receive report; authorize a budget adjustment in the amount of \$60,000 to the FY 2023-24 SASM Operation and Maintenance budget.

BACKGROUND:

SASM received a letter from California Sanitation Risk Management Authority (CSRMA) informing us about a premium cost increase for the Agency’s Property, Boiler and Machinery, Cyber and Pollution insurance coverage (Attachment 1 CSRMA Property Program Renewal Letter July 5, 2023).

DISCUSSION:

SASM is a member of the CSRMA, which is a JPA of 58 agencies statewide. The primary purpose of CSRMA, as a risk management authority, is to provide financial protection to its members when damage to their assets or to covered third party liability claims arise.

The CSRMA Property Program Renewal Letter from July 5, 2023, included an invoice for \$118,870.18 that represents a 39% increase from the last year.

In May 2023, the SASM Board approved a budget for the FY 2023-24 that included only \$79,000 for insurance, which was projected based on cost for the past year.

Staff is requesting a Budget Adjustment of \$60,000 that will accommodate the premium cost increase of \$39,870 and will provide approximately \$20,000 for the Pool Liability Insurance premium that will be assessed in December 2023.

Attachments:

1. CSRMA Property Program Renewal Letter July 5, 2023



c/o ALLIANT INSURANCE SERVICES, INC.
560 Mission Street, 6th Floor, San Francisco, CA 94105

Insurance License No.: OC36861
Tel: 415.403.1400 Fax: 415.874.4813

OFFICERS:

Craig Murray, *President*
805.684.7214
Sandeep Karkal, *Vice President*
415.892.1694

PAST PRESIDENTS:

Greg Baatrup
2018-2020
Paul Bushee
2014-2018

July 5, 2023

Mr. Mark Grushayev
Sewerage Agency of Southern Marin
26 Corte Madera Avenue
Mill Valley, CA 94941

**CSRMA PROPERTY PROGRAM RENEWAL
JULY 1, 2023 – JULY 1, 2024**

Dear Mark:

The CSRMA Property Program has been renewed for the period of July 1, 2023 to July 1, 2024. Enclosed please find invoice number 7212 in the amount of \$118,870.18, representing the annual cost for Sewerage Agency of Southern Marin’s Property, Boiler & Machinery, Terrorism, Cyber and Pollution coverage. Please remit payment as indicated on the invoice. We have also enclosed an Evidence of Coverage and any issued certificates of insurance for your records.

The Pooled Layer implemented July 1, 2021 will remain at \$100,000 and will continue to cover all member losses that fall within \$100,000 and individual member deductibles. Excess insurance with All-Risk limits up to \$1B will continue to be provided by the Alliant Property Insurance Program (APIP).

The Executive Board approved the renewal of the Program with an overall increase in total costs of approximately 39%, largely driven by market conditions and an increase in Total Insurable Values of approximately 7.5%. Costs for individual members varied, as a result of changes in the Total Insured Values. An overarching issue for this year’s renewal was the current state of the insurance marketplace.

Global catastrophic events continue to drive the property insurance market. 2022 was the eighth consecutive year where the U.S. experienced at least 10 catastrophes causing over \$1B in losses, and according to industry sources, 2022 will likely result in the worst underwriting results since 2011 with a \$26.9B net underwriting loss. This is roughly six times larger than 2021’s \$3.8B loss according to the American Property Casualty Insurance Association (APCIA). 2021 itself was one of the worst years on record with an approximate \$112B in insured losses, the fourth highest on record. Severe winter storms across the country, including California, have led carriers to pause on providing renewal pricing until the severity of losses can be determined. Current estimates of the losses to the industry from California alone is in the billions of dollars. CSRMA has been directly impacted with losses as well, which will most certainly have an effect

(CONTINUED ON NEXT PAGE)

July 5, 2023

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on the program renewal. These industry and CSRMA specific losses coupled with unprecedented inflation and increases in the cost to rebuild/replace damaged structures, results in continued upward rate pressure from property insurers.

For the 2023/24 renewal, Berkshire Hathaway Specialty Insurance (BHSI) will replace Lexington (AIG) as the lead insurer for the first \$25,000,000 of the program. Maximum program limits are \$1,000,000,000 and will be placed with worldwide markets rated at A.M. Best A- VII or higher. CSRMA has maintained \$1,000,000,000 in limits

An Alliant Property Insurance Program (APIP) Evidence of Property Insurance packet is included for your use. Once we have received and reviewed the renewal insurance policies, we will forward them to you.

It is imperative, especially in the case of the pollution and cyber liability coverage, that claim incidents be reported promptly, or coverage can be denied for late reporting. Claim reporting guidelines are outlined in the included **CSRMA APIP Claims Reporting Instructions** packet and are contained in the Evidence of Property Insurance packet as well.

**PLEASE COMPLETE, SIGN AND RETURN THE ATTACHED CLAIMS REPORTING
ACKNOWLEDGEMENT FORM FOR YOUR AGENCY CONFIRMING THAT YOU HAVE
RECEIVED THE CLAIMS REPORTING INSTRUCTIONS.**

Please don't hesitate to contact us if you should have any questions or concerns.

Sincerely,



Myron Leavell
Alliant Insurance Services
Program Administrators
(415) 403-1404 – Direct
mleavell@alliant.com

cc: Seth Cole
Dennis Mulqueaney
P.J. Skarlanic

Enclosures