

Meeting Notes: Questions and Comments
Sewer Service Rate Increase Public Workshop
May 17, 2011

1. John Furlough: Will there be a day when capital improvements will not be needed?

JIM MCCANN: No, there will always be a need for capital improvements – just like your home or car. We have a long list of things to do over a period of time. We are making an aggressive attempt which needs funding. We have immediate problems but once we address these problems, maintenance becomes easier once initial improvement is made.

2. Michael Gomez, Novato Resident with rental property in Mill Valley: Please consider flow rates. A 1 Bdrm/1 Bath house certainly couldn't use as much as a 3 Bdrm/2 Bath house. Is the 134% increase in cement?

JIM: Nothing is in cement. City Council has not had a public hearing introducing an ordinance but we strongly recommend they do so on June 6th for reasons outlined. City Council can adopt rates below recommendation but not above. A new calculation would be required. The recommendation seems reasonable because repairs need to be made.

3. Jamie Gomez: Revenue is clear but upfront expenditure is not clear: How many miles of pipe? How much does that cost? For what period of time? It wasn't clear tonight. Info needs to be available online.
4. Maureen Parton, 224 Edgewood Ave.: We need more details regarding main upgrades. Also, regarding lateral issues: Is there a way for joint funding for laterals too? Also, in regard to entire watershed (from the Bay to under our properties) can it also be included in joint funding? Look at the whole system, not just the mains. Dig up roads to repair mains – can the repairs be layered together? We benefitted from low rates, but what lessons have been learned? Why wasn't this being tracked better for such a long period of time? Can we fix old problems while looking at the future - considering new technologies, for example, smaller more localized systems like in other parts of the U.S. like Hawaii - bears looking at, fund pilots for better future (Water Systems Engineers live in Mill Valley). Also, engineered wetlands as a full scale support - explore water treatments & water reclamation.
5. Scott Waterworth, 45 Beverly Terrace: His property plus 14 others affected by clay sewer easement – about 400-500 yards long – which breaks often throughout the year, any provisions to repair these? City doesn't maintain these lines.

6. Rae Green Leigh, Underhill Road: Has consolidating sewer districts been considered like with Tiburon or Sausalito to save on administrative costs?

JIM:

1. Consolidation is being studied with respect to SASM - an agency made up of 6 Districts, including Mill Valley. There is great interest in this to consolidate for efficiency of cost and governing. That's ongoing.
2. There is currently funding for lateral replacements – low cost loans, available on City website.
3. Road repair and sewer repair together is already in practice. We may leave paving job because funds are not available to replace sewer pipes at the same time.
4. Water reclamation system already in place, the system currently delivers treated waste water to Bay Front Park and other areas. It's very expensive to do, but City Council is looking at other ways to extend the practice. It would be a joint project with SASM.
7. Rae Green Leigh: Is there a requirement that the lateral be looked at when a house is sold in Mill Valley?

JIM: Not at the present time. It has been a point of discussion throughout the County.

8. Richard Fong: How costly is it to implement water use increase and is this recalculated yearly? What is cost of calculating the bills for sewer?

JIM: No. (Defers to John Farnkopf)

JOHN FARNKOPF: The most common billing method - commercial customers are all based on flow. Meter readings from Marin Municipal Water District are used for doing that. There are far fewer non-residential than residential, so it would have been a far bigger job to calculate a flow-based sewer rate. A large part of utilities are fixed capital costs that have to be funded, regardless of how big a burden people place on the system. The remainder is made up of a volume entity (?) charge. How to bill for it? It will still be less costly to bill on the tax-rol and pay on an annual basis. There is a problem with that due to a long period of time between payments the City receives from the County. This requires the City to maintain a high reserve to be able to cover its expenses. The unforeseen costs, particularly with regard to SASM, are eroding sewer fund reserve.

9. Richard Fong: Is there a cost for calculating the bills for sewer - is it 1%, 10%.

JOHN: It's on the order of \$3.00 per account, maybe ½% to 1%.

10. Daniel Miltzer: Concerned about the need to raise a parcel tax. In the sales pitch there was a promise implied to change rate in future – why two steps instead of one – the process feels uncomfortable to him. Shift to a flow based process – he would encourage it. Why were the comparisons not taken with larger municipalities like SF, Sonoma County, Petaluma, San Mateo and Southern California? Marin is off the charts from what seems to be standard. What is it about Marin that makes it so much more expensive to provide sewer systems?

JIM: Two things: 1. When the rate increase is called a parcel tax or tax, I am required to explain that it is not a “tax”. 2. The speed by which the City can move to address an alternate system and a more fair system – I know the Council already wants to do that and we will. I fully expect City Council to say in their action on these rates to adopt the rates and to say, move forward rapidly with that alternate.

11. Lynn Lathan, MV Resident since 1950: Lives in 2 Bdrm/1 Bath 1,250 SQFT house with 540 SQFT in-law unit, proposed structure of her fee would be \$1,380. Council please reevaluate and pass only as flow rate based. Current structure proposed is not fair.
12. Cathy Danzeisen, President of Tropical Gardens Home Owners Association, Resident of MV for 30 years in 1/1 800 SQFT- wants flow-base alternative, current percentage rate is too high.
13. Marvin Lundwall, 415 Molino Ave., and Resident since 1950: He is a landlord and has a building in MV, wants to encourage the City to adopt a flow rate first. He and other members of Marin Income Property Association, an affiliate of the California Apartment Association, oppose flat rate fee - penalizes Tenants and Landlords. We will have to raise rents for Tenants.

(NO REPLY MADE)

14. Cathy Danzeisen : What constitutes multi-family housing? Why are Townhouses, Condos and Apartments being bundled with Single Family Residences - seems unfair.

JILL BARNES: It is my understanding that a multi-family dwelling would have one parcel number, whereas single-family which have separate parcel numbers, for example townhomes or condominiums, would be charged at the single family resident's rate so multi-family would be commercial – one parcel number.

JIM: That would be the same as an apartment. (JILL agrees).

RESIDENT CATHY Danzeisen: That almost seems like that needs to be looked at differently, maybe the size of association as well.

Conclusion of Meeting

Jim thanks everyone for coming. Lets residents know that the notes from the meeting will be conveyed to City Council. He welcomes and invites everyone to attend City Council Meeting on June 6th or to send e-mails or letters.