

SAUSALITO-MARIN CITY SANITARY DISTRICT

RESOLUTION NO. 959

A RESOLUTION ESTABLISHING A PRIVATE SEWER LATERAL REHABILITATION ASSISTANCE PROGRAM FOR UNINCORPORATED AREA WITHIN THE SAUSALITO-MARIN CITY SANITARY DISTRICT

RESOLVED, by the Board of Directors of the Sausalito-Marín City Sanitary District, Marin County, California as follows:

WHEREAS, the Sausalito-Marín City Sanitary District was created pursuant to the Sanitary District Act of 1923, Health and Safety Code Section 6400 et seq;

WHEREAS, the Sausalito-Marín City Sanitary District operates and maintains about six miles of publicly owned wastewater collection system sewer lines for unincorporated area within the Sausalito-Marín City Sanitary District;

WHEREAS, the District estimates that there are approximately four miles of privately owned sewer laterals connected to the District's wastewater collection and conveyance system for unincorporated area within the Sausalito-Marín City Sanitary District;

WHEREAS, studies have shown that private laterals contribute a large portion of the peak inflow and infiltration to sanitary sewer systems during wet weather;

WHEREAS, inflow and infiltration entering the District's publicly owned sewer lines through defective private sewer laterals and/or outdoor drains can harm the District's wastewater collection system and contribute to or cause sewer overflows;

WHEREAS, the District acknowledges that sewer lateral repairs can represent a financial hardship to residential private property owners who are required by the District to repair their sewer laterals;

WHEREAS, studies show that inflow and infiltration into private laterals can be substantially reduced by implementing a program to require inspection, repair or replacement and confirmation testing of private sewer laterals; and

WHEREAS, The District's Private Sewer Lateral Rehabilitation Assistance Program is being implemented consistent with Health and Safety Code Sections 5464, 5465, 5474 and 5474.6 to allow the District to enter into property owner loan agreements to affect the rehabilitation of private property sewer lateral lines.

NOW THEREFORE, BE IT RESOLVED, that the District hereby establishes a Private Sewer Lateral Rehabilitation Assistance Program attached as "Exhibit A" and is hereby incorporated in and made a part of this Resolution to facilitate a physical rehabilitation of private sewer laterals for unincorporated area within the Sausalito-Marín City Sanitary District;

* * * * *

I certify that the foregoing Resolution was duly and regularly adopted by the Board of Directors of the Sausalito-Marín City Sanitary District, Marin County, California, at a meeting held on May 7, 2012 by the following vote:

AYES, and in favor thereof, Directors: Arnott, Beers, Gergus, Rheiner, Ring

NOES, Directors:

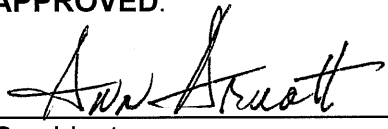
ABSTAIN, Directors:

ABSENT, Directors:



Secretary
Sausalito-Marín City Sanitary District

APPROVED:



President

EXHIBIT A



SAUSALITO-MARIN CITY SANITARY DISTRICT

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Private Sewer Lateral Rehabilitation Assistance Program for Unincorporated Areas within the Sausalito-Marín City Sanitary District

Program Introduction

The purpose of the lateral assistance program is to facilitate a physical rehabilitation of privately owned sewer laterals for unincorporated area within the Sausalito-Marín City Sanitary District (e.g. Marin City).

The District has created the program to encourage property owners to repair their sewer lateral through the issuance of a loan, thereby contributing to the protection of public health and the environment through the reduction of wastewater spills. Defective sewer lateral lines can allow rain and irrigation water to make its way into the line. Sewer systems are not designed to handle this additional water flow which can overtax the system and contribute to sewer overflows onto the street and Bay. Proper maintenance also eliminates the possibility of sewer lateral overflows caused by line defects and blockages, which can result in significant sewer water damage both inside and outside a property.

The District program is being implemented consistent with Health and Safety Code Sections 5464, 5465, 5474 and 5474.6 to allow the District to enter into property owner loan agreements to affect the rehabilitation of private property sewer lateral lines.

Private Sewer Lateral System

A private lateral is the pipe that carries sanitary waste from a private building to the District's publicly owned sewer line. Property owners are responsible for maintaining their private sewer lateral, including building cleanouts and backflow preventer. In the unincorporated area within the Sausalito-Marín City Sanitary District (e.g. Marin City), private laterals are defined as extending from the property structure all the way to the point of connection to the District's publicly owned sewer line. This is true whether the private sewer lateral is on private property or is under the public right-of-way (street). The District is responsible for the lateral connection and sewer mainline.

Funding and Availability

Funding for the Private Sewer Lateral Rehabilitation Assistance Program may be appropriated and approved by the District Board of Directors on an annual basis. Funds will be made available on a first-come, first-served basis. Because funds are limited, it is possible that not every eligible applicant will receive financial assistance. Persons not awarded assistance may reapply the following fiscal year.

Eligibility

Assistance under the program will be available only to registered owners of residential or commercial property for unincorporated area within the Sausalito-Marín City Sanitary District (e.g. Marin City).

Eligible Expenses

Only expenses approved by the District are covered under this program. Expenses eligible for program payment must be specifically related to the District approved sewer lateral work. In general, eligible expenses include, the sewer lateral design, materials, equipment and contract labor to complete repair and rehabilitation work consistent with a qualified contractor's bid. Above ground landscaping and paving related to the sewer lateral work also may be eligible. Labor provided by the applicant or tenant is not eligible for reimbursement under the program.

Design Guidelines

All sanitary sewer work performed within the Sausalito-Marín City service area shall conform to the District Standard Specifications and Ordinance No. 89 which are available at the District office or website at www.smcsd.net. To be eligible all private sewer lateral improvements are required to be completed by a licensed plumber or contractor with recent experience performing similar work.

Please visit the District website for helpful hints in hiring a contractor and a Marin County Sewer Service Company listing. The company listing is for informational purposes only. It is not inclusive, other companies may serve Marin County and the company listing does not constitute a recommendation or endorsement by the SMCS D.

Assistance Available

The District will provide financial assistance to property owners performing private sewer lateral rehabilitation work in the form of a loan. The loan approval and payment of costs are contingent on the private sewer lateral being brought up to a satisfactory and serviceable condition free of defects, in accordance with District Standard Specifications and District Ordinance No. 89.

- **Loan**

Loan assistance is available for sewer lateral rehabilitation and replacement. The loan assistance amount is a \$1,000 minimum up to a maximum of \$10,000. The loan program interest rate will be reviewed and established by the District Board of Directors on an annual basis and adjusted to market rates with a minimum two percent interest rate charge. The approved loan plus interest will be levied on the property owner's property tax roll. The loan repayment will be prorated at \$1,000 per year plus interest and will occur as semi-annual payments on the property tax bill as a special assessment. The amortization period for repayment of the loan shall be up to 10-years. The property owner will be required to enter into a Loan Repayment Agreement with the District which will be recorded against the property. There is no penalty for early payment and the payment schedule is due upon sale or transfer of the property.

Program Application Procedure

Step 1: Have your Sewer Lateral Cleaned and Video Inspected

Before the condition of the private sewer lateral line can be known and contractor bids have been obtained, the first step is to have the sewer lateral line cleaned and video inspected to determine needed sewer lateral rehabilitation work.

Step 2: Complete a Program Application

Interested property owners are encouraged to contact the District to obtain an application and to discuss the lateral assistance program process and proposed work. Program information and application is also available on the District website at www.smcsd.net.

The applicant should submit an application and attach all assessment documentation that has been completed to date. This should include a sewer lateral video inspection report and/or contractor repair bids. If the property owner does not have this information he/she will be required to provide at least two written cost quotes from licensed plumbers or contractors to perform the proposed work. The property owner will be responsible to obtain the necessary building permit.

Step 3: District Staff Review and Approval

The District will work with the property owner to finalize the application information to determine if the application is complete and if the proposed sewer lateral work is eligible under the program.

The District will review the sewer lateral improvement plans and cost quotes submitted. In addition, the District may require a pre-construction lateral inspection, if necessary, to verify that the proposed improvements are in conformance with District standards. Required inspections performed by the District are free of charge

The District will issue a loan approval letter before the property owner may start work. At this point, the property owner will be required to complete a Loan Repayment Agreement.

Step 4: Completion of the Sewer Lateral Rehabilitation Work

The property owner will be responsible to manage the contractor work and ensure the project is completed as approved by the District. This includes scheduling the work, obtaining County permits, and monitoring the activities of the contractor. The property owner is required to obtain approval from the District for any additional work due to unforeseen circumstances that will be reimbursed with Loan Repayment Agreement funds.

Work must be completed within 90 days from the District approval of a loan. Failure to complete the sewer improvements by the required completion date may, at the District discretion, result in the forfeiture of the loan or that portion that represents the outstanding work not done by the completion date. District payment for the project will be made only when the work is fully completed and approved.

Step 5: District Work Inspection

A post rehabilitation inspection by the District must be obtained prior to acceptance of the lateral (burial of the lateral where excavation is used). There is no cost for the inspection. The property owner must schedule the inspection at least 24 hours in advance of the desired inspection time. The property owner must also coordinate required inspections by the County of Marin.

Step 6: Payment

The property owner must submit all invoices and documentation including all necessary permits and inspections, an itemized contractor statement of costs and a signed release accepting the improvements and authorizing payment. The District will authorize and make payment to the contractor for the final costs of the work performed, plus any additional approved work, upon execution of a statutory lien release by the contractor. The property owner shall retain all receipts, permits, inspection reports and other documents.

The property owner will be required to execute the Loan Repayment Agreement with the District for the finalized work and costs. The Loan Repayment Agreement will be recorded by the District with the County of Marin to secure repayment. The property owner will pay the Loan Repayment Agreement as part of their semi-annual property tax bill.

Step 7: Private Sewer Lateral Compliance Certificate

The District will provide the property owner with a Compliance Certificate, in compliance with District Ordinance No. 89, documenting the lateral was rehabilitated and the date thereof. The Compliance Certificate is valid from the date of issuance for 20 years for a completely replaced lateral and for 7 years for a repaired lateral.