

**TOWN OF FAIRFAX
COUNCILMEMBER REPORT**

To: Mayor and Town Council

Meeting Date: April 4, 2012

From: Councilmember Weinsoff

Subject: Resolution – Opposition to Proposed Rate Increase By Sanitary District No 1 of Marin County (Ross Valley Sanitary District) and Directing the Town Manager to File a Vote of Protect in Accordance with Proposition 218

On March 15, 2011, the Ross Valley Sanitary District board voted to both raise rates substantially and act to secure the issuance of \$100 million of bonded indebtedness. Under Proposition 218, the Town, as a rate payer with the Sanitary District, has a right to file a written protest. If more than 50% of the rate payers protest, the rate increase does not go into effect. The District's proposed rate increase should be contested by the Town of Fairfax. The attached resolution directs the Town Manager to file the appropriate protest document.

The protest vote is based on the District's proposal to switch the current annual billing from a flat fee for service to a flow-based rate. For Fairfax residents, who currently pay \$638 per year (plus \$250 from their annual ad valorem tax), the District's proposal would steadily increase our rates to \$1,232 after five years. This is an extraordinary increase in just a short few years, follows other recent increases, and cannot be justified during a recession by a public agency that has failed to demonstrate that it has budgeted wisely to squeeze every existing tax dollar out of its current operations toward its mission of replacing its aging infrastructure. Further, the District's decision to obtain the extraordinary sum of \$100 million in bonds should be made, if at all, after a full public discussion and public vote, not on the heels of a 3-2 split decision – one which our Fairfax District Board members Frank Egger and Pam Meigs opposed.

The District's website identifies the process for protesting the proposed rate change -

(<http://rvsd.org/Portals/0/Documents/pdfs/Special%20218%20Documents/RVSD-Prop%20218%20Online.pdf>):

1. In writing (e-mail protests are not accepted) by the close of the May 10, 2012 Public Hearing, and directed to Brett Richards, General Manager, Ross Valley Sanitary District, 2960 Kerner Blvd., San Rafael, CA 94901;

2. The written protest must:

a) state opposition to the proposed rate change;

AGENDA ITEM # 16

b) identify the affected owner(s) of the property or properties for which the protest is entered;

c) include the address or assessor's parcel number of the affected property;
and

d) be signed by the affected property owner;

If written protests against the proposed sewer service rate change are presented by a majority of owners of parcels affected, the District will not approve the rate change.

RESOLUTION NO. 11-24

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF FAIRFAX OPPOSING
A PROPOSED RATE INCREASE BY SANITARY DISTRICT NO. 1 OF
MARIN COUNTY (ROSS VALLEY SANITARY DISTRICT) AND DIRECTING THE
TOWN MANAGER TO FILE A VOTE OF PROTEST IN ACCORDANCE
WITH PROPOSITION 218**

WHEREAS, the Town of Fairfax is a ratepayer of Sanitary District No. 1 of Marin County (Ross Valley Sanitary District); and

WHEREAS, the Town Council considered information published by the District concerning the proposed rate increase; and

WHEREAS, the Town Council determined that the District has not sufficiently identified its operational needs and described its long-term capital investment strategy to justify the proposed increase; and

WHEREAS, the Town Council does not believe the District has conducted adequate public outreach about the proposed rate increase.

NOW THEREFORE BE IT RESOLVED, the Town Council opposes a proposed rate increase by Sanitary District No. 1 of Marin County (Ross Valley Sanitary District) and directs the Town Manager to file a vote of protest in accordance with Proposition 218.

The foregoing Resolution was adopted at a regular meeting of the Town of Fairfax held in said Town on the 1st day of June 2011, by the following vote, to wit:

AYES: Bragman, Hartwell-Herrero, Reed, Tremaine, Weinsoff

NOES: None

ABSENT: None

MAYOR LARRY BRAGMAN

Attest:

Deputy Town Clerk, Michael Rock

RESOLUTION NO. 12-23

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF FAIRFAX
OPPOSING A PROPOSED RATE INCREASE BY SANITARY DISTRICT NO. 1
OF
MARIN COUNTY (ROSS VALLEY SANITARY DISTRICT) AND DIRECTING
THE TOWN MANAGER TO FILE A VOTE OF PROTEST IN ACCORDANCE
WITH PROPOSITION 218**

WHEREAS, the Town of Fairfax is a ratepayer of Sanitary District No. 1 of Marin County (Ross Valley Sanitary District); and

WHEREAS, the Town Council considered information published by the District concerning the proposed rate increase; and

WHEREAS, the Town Council determined that the District has not sufficiently identified its operational needs and described its long-term capital investment strategy to justify the proposed increase; and

WHEREAS, the Town Council opposes both the way in which the District has determined ratepayers will be billed (raising rates significantly based on usage rather than the current flat fee), and the decision to secure issuance of a \$100 million dollars in revenue bonds without a public vote (based on a 3-2 vote of the current District Board); and

WHEREAS, the Town Council does not believe the District has conducted adequate public outreach about the proposed rate increase.

NOW, THEREFORE, BE IT RESOLVED, that the Town Council opposes a proposed rate increase by Sanitary District No. 1 of Marin County (Ross Valley Sanitary District) and the proposed \$100 million indebtedness, and directs the Town Manager to file a vote of protest in accordance with Proposition 218.

The foregoing Resolution was adopted at a regular meeting of the Town of Fairfax held in said Town on the 4th day of April 2012, by the following vote, to wit:

AYES:

NOES:

ABSENT:

MAYOR PAM HARTWELL-HERRERO

Attest:

Judy Anderson, Town Clerk

AGENDA ITEM # 16