



ROSS VALLEY SANITARY DISTRICT

1111 Andersen Drive, San Rafael, CA 94901
Tel. 415-259-2949 | www.rvsd.org

MEMORANDUM

To: Marin Grand Jury

From: RVSD Board of Directors

Date: September 1, 2026

Subject: Written Response to June 2026 Report, *Better Service at a Lower Cost: Optimizing Essential Services for the Future of Marin*

This memorandum provides written responses to all findings and recommendations from the District to the Marin County Grand Jury's report, dated June 11, 2026.

RVSD was one of the first special districts established in Marin County (and the state), as Sanitary District No. 1 of Marin County (Ross Valley Sanitary District) established on May 27, 1899. In the evolution of governance in the County, the report did not mention the fact that Sanitary Districts generally formed before municipalities in Marin County because the communities organized around sanitation for public health reasons before organizing other public services in incorporated cities and towns. For example, Sanitary District No. 2 was organized in 1907 before the Town of Corte Madera which then subsumed the District upon incorporation in 1916, and Novato Sanitary District was established in 1925 before the City of Novato in 1960. Ross Valley Sanitary District predates all incorporated towns and cities in its jurisdiction.

In addition the sanitary districts formed along watershed boundaries for the practical reason that sewer systems require gravity flow to function effectively and efficiently. Watershed boundaries do not always follow geopolitical boundaries, although in Marin County these boundaries do overlap in many locations, where municipalities are separated by the undulating hills and the sewers flow from the ridges to the valleys.

RVSD actively supports consideration of consolidation of Districts, both as functional consolidation and formal consolidation. For example, RVSD has recently facilitated meetings of

sanitary districts to share practices and information, including standard specifications and engineering drawings, and private lateral ordinances and grant funding programs, in the spirit of creating consistency across the county which benefits its citizens and businesses.

In April 2026 the RVSD board adopted Resolution 26-1681, establishing a Consolidation Committee along with San Rafael Sanitation District (SRSD) and Sanitary District No. 2 (SD2), the two special districts with which RVSD formed a Joint Powers Agency (JPA) in 1979 known as Central Marin Sanitation Agency (CMSA), which operates the wastewater treatment plant that serves the JPA's special districts. SRSD and SD2 adopted identical resolutions in the same month. This Resolution commits RVSD to working with its JPA partners and the Marin County Local Agency Formation Commission (LAFCo) to evaluate consolidation of the Central Marin wastewater districts.

In July 2026, the RVSD board authorized the General Manager to enter into a Cost Sharing Agreement with SRSD, SD2 and LAFCo with an associated scope of work for a consultant to assess existing conditions, model the business case(s) for consolidation and implement recommendations and a stakeholder process. This joint effort will be able to inform Recommendations R1-R6 in the Grand Jury Report.

RVSD has taken steps to consolidate sewer management through a series of annexations. In 1993, RVSD annexed the Larkspur Sanitation Area from the City of Larkspur. In 2020, RVSD annexed the Murray Park Sewer Maintenance District from Marin County. In April 2026, the RVSD board directed staff to work with LAFCo and the Marin County Department of Public Works to annex the San Quentin Village Sewer Maintenance District.

FINDINGS

F1. The current fragmented structure of special districts results in unnecessary duplication of administrative services and operational inefficiencies.

F1 Response: RVSD agrees.

F2. Some districts perform competently but lack sufficient scale to support long-term strategic investment in infrastructure, technology, staffing, and resilience.

F2 Response: RVSD agrees. RVSD notes that it has sufficient scale, with 200 miles of gravity sewer, 19 pumping stations, and a service area population of about 45,000, to support long-term strategic investment in infrastructure, technology, staffing and resilience.

F3. Smaller districts are disproportionately vulnerable to staffing disruptions and catastrophic events that could rapidly impair service delivery.

F3 Response: RVSD agrees. RVSD is one of the two largest sanitary districts in Marin County and does not suffer the vulnerabilities of smaller districts. RVSD is successful at recruitment and retention and is fully staffed. RVSD has exceeded its pension and OPEB liabilities funding goals and has strong financial standing.

F4. Although consolidation is a popular idea among many elected board members, current governance structures, absence of board member term limits, and fear of loss of political influence discourage boards and administrators from initiating consolidation even when they recognize its benefits.

F4 Response: RVSD agrees.

F5. Service and pricing inequities currently exist across Marin and may increase if consolidation and functional collaboration do not accelerate.

F5 Response: RVSD agrees.

F6. Performance metrics for essential, mission-specific services exist but they are not readily available and standardized, which prevents meaningful public comparison of district effectiveness and undermines accountability.

F6 Response: RVSD agrees. Since 2017, RVSD has published annual performance metrics reports on its website that provide transparency and accountability in its operations.

F7. Without proactive reform, future consolidations are more likely to occur through crisis-driven intervention, resulting in greater disruption and higher costs.

F7 Response: RVSD agrees. In the case of Central Marin sanitary districts, the City of San Rafael decided in 2024 to separate from the dependent San Rafael Sanitation District (SRSD) and force them to merge with the CMSA JPA, which RVSD strongly opposes due to financial and operational risks to its ratepayers. This crisis did catalyze the dialogue that led to the adoption of Resolution 26-1681 establishing the Consolidation Committee working with LAFCo, which RVSD believes is the preferable, more equitable path to address the City of San Rafael's desire to separate from the SRSD.

RECOMMENDATIONS

R1. By January 1, 2027, all special district boards should have conducted their first semi-annual consolidation exploration meeting with similar districts and will have established a regular meeting schedule moving forward.

R1 Response: The recommendation has been implemented. The Central Marin sanitary districts have met this recommendation through the establishment of a Consolidation

Committee working with LAFCo. RVSD staff has been meeting regularly with staff of its JPA partner agencies and LAFCo since February 2026 and has established a regular meeting schedule.

R2. By October 1, 2026, the Board of Supervisors should direct the development of comprehensive, cost-efficient shared services (such as IT, legal, finance, HR/payroll, harmonized compensation/benefits package, insurance) for special districts to optimize expenses and secure a Marin-wide acceptable quality standard. First limited-service offerings are encouraged to be made available by January 1, 2027.

R2 Response: The recommendation requires further analysis. RVSD welcomes participation in a collaborative process to define cost-efficient shared services based on its experience. Because of its larger size and independent governance structure, RVSD has efficient and competitive services that value and prioritize transparency and accountability to the public and is willing to make these services available to other local sanitary districts. For insurance, RVSD pools with sanitary districts statewide in the California State Risk Management Authority (CSRMA). More fact-finding will inform how this recommendation can be implemented at the county scale.

R3. By January 31, 2027, with the assistance of the County, all districts should develop and publish on their website standardized, comparable Key Performance Indicators (KPIs) with regard to service pricing, finance, staffing, operations, and customer satisfaction.

R3 Response: The recommendation requires further analysis. RVSD is open to participation in a collaborative process over the next six months to develop standardized Key Performance Indicators (KPIs) that would be used on websites of special districts in the county. Since 2017, RVSD has published annual performance metrics reports on its website that provide transparency and accountability in its operations.

R4. By January 31, 2027, each district should publicly update findings and progress regarding consolidation opportunities, and share those findings with the Board of Supervisors and the public on a semi-annual basis.

R4 Response: This recommendation is being implemented. RVSD will provide periodic updates of its cooperative efforts working with LAFCo and its JPA partner agencies, including findings and progress regarding consolidation opportunities by January 31, 2027. RVSD recommends that sharing findings with the County can be done on an annual or biannual basis, and that semi-annual is more frequent than necessary.

R5. By January 31, 2027, the Board of Supervisors should oversee compliance with R1–R4 and update the public on the districts' performance.

R5 Response: This recommendation has not yet been implemented but will be implemented in response to the Board of Supervisors' direction, if received, by January 31, 2027. RVSD will provide updates to the Board of Supervisors as requested.

R6. By October 1, 2026, in the process of implementing R1 and R2, districts should prioritize functional consolidation in operations, procurement, training, and administration as a precursor to formal consolidation.

R6 Response: The recommendation has been implemented by RVSD when the opportunity has presented itself. RVSD currently participates in shared services with other local sewer districts and is open to functional consolidation opportunities as they arise. RVSD is fully staffed and does not currently need support in these areas, but is available to offer support through its cost recovery program. Further, functional consolidation should consider pathways to true and legal formal consolidation under LAFCo. RVSD notes that it is problematic when sewer districts contract for services with JPAs (such as CMSA) because LAFCo does not approve, create, dissolve, or control the boundaries of a JPA the way it does for cities or special districts. Therefore the recommendation "as a precursor to formal consolidation" requires further analysis on a county scale.

R7. By October 1, 2026, the district's board compensation, benefits, length of service, date of term end, and expenses related to board work should be clearly and prominently posted on each district's website and updated annually.

R7 Response: The recommendation has been implemented. RVSD Board member lengths of service and date of term end are posted on the RVSD website at: [Board of Directors | Ross Valley Sanitary District, CA](#). All components of board compensation are posted on the RVSD website at: [Board Member Compensation & Reimbursement | Ross Valley Sanitary District, CA](#).

R8. By June 1, 2027, special districts should adopt term limits of two consecutive four-year terms for all board members. Staggered implementation of term limits to avoid disruptions is encouraged.

R8 Response: This recommendation requires further analysis. RVSD agrees with adopting term limits, and believes that three or four consecutive four-year terms could be the limit, as sanitary districts deal with specialized technical and policy settings, with public health and environmental protection in the balance, and they benefit from institutional continuity of multiple terms. After collaboration with other districts RVSD can adopt a policy on term limits by June 1, 2027. RVSD agrees that staggered implementation of term limits avoids disruptions and its board observes staggered appointments.

R9. By June 1, 2027, board compensation structures should be reviewed across districts, and considered for adjustment. All components of board compensation should be posted on their website (see best practice example in Appendix B).

R9 Response: This recommendation has not yet been implemented. RVSD will cooperate with a countywide review of compensation structures and by June 1, 2027 will post the board compensation on the website in the format and content recommended. Currently, all components of board compensation are posted on the RVSD website at: [Board Member Compensation & Reimbursement | Ross Valley Sanitary District, CA.](#)