

Management
Tony Rubio District Manager
Robin Dohrmann Office Manager
2001 Paradise Drive
Tiburon CA 9420
415-435-1501 Tel
415-435-0221 fax
www.sani5.org



Board of Directors
Tod Moody President
Omar Arias Montez Vice President
John Carapiet Secretary
Catherine Benediktsson Director
Richard Snyder Director

July 25, 2023

The Honorable Judge James Chou
Marin County Superior Court
P.O. Box 4988
San Rafael, CA 94913-4988
Emailed to: departmentb@marin.courts.ca.gov

Pat Shepherd, Foreperson
Marin County Civil Grand Jury
3501 Civic Center Drive, Room #275
San Rafael, CA 94903
Emailed to: grandjury@marincounty.org

Re: Response to Marin County Civil Grand Jury Report
Build More ADUs - An Rx to Increase Marin's Housing Supply, June 15, 2023

Dear Honorable Judge Chou and Foreperson Shepherd:

Per your request, Sanitary District No.5 of Marin County (SD5) is providing responses to Finding F-7 and Recommendation R-4 of Marin Civil Grand Jury Report titled: *"Build More ADUs - An Rx to Increase Marin's Housing Supply"*, dated: June 15, 2023. The responses by SD5 were reviewed and approved by the SD5 Board of Directors at the July 20, 2023 Regular Board Meeting. The responses are attached as required ("Response Form: 2022-2023 Marin Civil Grand Jury Report"), as Attachment 1. Explanations to our responses are provided as Attachment 2 (2 pages).

Members of the Board of Directors of SD5 wished to add the following comments:

- In light of the California State Auditor's Report 2021-125, dated March 17, 2022, the HCD has not provided sufficient support for its household formation projections, and overall that HCD does not ensure that its needs requirements are accurate and adequately supported;
- There is no assurance that additional ADU's would not result in their use as short term rentals [e.g., "Air B&Bs"], thus defeating the purpose of providing the housing sought; and,
- In light of the above, the assumptions under which the Civil Grand Jury operated were likely incorrect.

Management

Tony Rubio District Manager
Robin Dohrmann Office Manger
2001 Paradise Drive
Tiburon CA 9420
415-435-1501 Tel
415-435-0221 fax
www.sani5.org

**SANITARY DISTRICT
of MARIN COUNTY**



1922-2022
100 Years of Public Service

Board of Directors

Tod Moody	President
Omar Arias Montez	Vice President
John Carapiet	Secretary
Catherine Benediktsson	Director
Richard Snyder	Director

Sincerely,

Tony Rubio
District Manager

Cc; Benjamin Stock, Burke Williams & Sorensen LLP
Tod Moody, President – Board of Directors (SD5)

RESPONSE FORM: 2022-2023 Marin Civil Grand Jury Report

Report Title: "Build More ADU's -An Rx to Increase Marin's Housing Supply"

Respondent/Agency Name: Sanitary District No.5 of Marin County

Submitter Name: Tony Rubio Title: District Manager

FINDINGS

- Agree with the findings numbered: _____
- Disagree *partially* with the findings numbered: F7
- Disagree *wholly* with the findings numbered: _____

(Attach a **statement** specifying any portions of the findings that are disputed; include an explanation of the reasons therefor.)

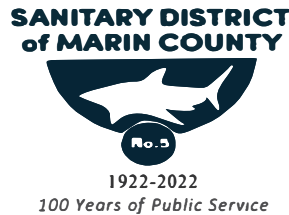
RECOMMENDATIONS

- Recommendations numbered _____ have been implemented.
(Attach a **summary** describing the implemented actions.)
- Recommendations numbered _____ have not yet been implemented, but will be implemented in the future.
(Attach a **timeframe** for the implementation.)
- Recommendations numbered _____ require further analysis.
(Attach an **explanation** and the scope and parameters of an analysis or study, and a **timeframe** for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This **timeframe shall not exceed six months** from the date of publication of the grand jury report.)
- Recommendations numbered R4 will not be implemented because they are not warranted or are not reasonable.
(Attach an **explanation**.)

Date: 7/25/2023 Signed: _____

Number of pages attached: 4

Management
Tony Rubio District Manager
Robin Dohrmann Office Manager
2001 Paradise Drive
Tiburon CA 9420
415-435-1501 Tel
415-435-0221 fax
www.sani5.org



Board of Directors
Tod Moody President
Omar Arias Montez Vice President
John Carapiet Secretary
Catherine Benediktsson Director
Richard Snyder Director

Date: July 20, 2023

To: Pat Shepherd, Foreperson
Marin County Civil Grand Jury
3501 Civic Center Drive, Room #275
San Rafael, CA 94903
Emailed to: grandjury@marincounty.org

From: Tony Rubio, District Manager

Subject: Grand Jury Report Findings Response to “Build More ADUs - An Rx to Increase Marin’s Housing Supply”

This letter, along with the attached “Response to Grand Jury Report Form”, represents Sanitary District No.5 of Marin County’s response to the recent Grand Jury report titled “**Build More ADUs - An Rx to Increase Marin’s Housing Supply**”: dated June 15, 2023. Statements or Explanations associated with specific Findings and Recommendations are included below.

FINDINGS

F7 – Impact, connection, and capacity fees vary considerably throughout the County and such fees can be a disincentive to homeowners considering ADU development.

Sanitary District No.5 of Marin County (SD5) PARTIALLY DISAGREES WITH THIS FINDING

STATEMENT

It is not clear from any customer feedback to SD5 that its connection fees are a direct disincentive to homeowners considering ADU development. The Report doesn’t address whether SD5 in particular is any more or less a cost factor than say the cost of the roofing or the foundation of the structure (all of which are critical for habitation); or for that matter what PG&E may charge for a new electrical or gas service to the ADU, also critical for habitation. More importantly, SD5 has not conducted a survey of “impact, connection, and capacity fees throughout the County” and thus cannot comment about whether they vary considerably or not, within Marin County or in the greater Bay Area.

Management
Tony Rubio District Manager
Robin Dohrmann Office Manager
2001 Paradise Drive
Tiburon CA 9420
415-435-1501 Tel
415-435-0221 fax
www.sani5.org



Board of Directors
Tod Moody President
Omar Arias Montez Vice President
John Carapiet Secretary
Catherine Benediktsson Director
Richard Snyder Director

RECOMMENDATIONS

R4- By December 1, 2023, begin a feasibility assessment of waiving or significantly lowering impact and connection fees for units smaller than 750 square feet

Recommendation will not be implemented because it is not reasonable.

EXPLANATION

If SD5 does not recover the true cost of providing service to a new ADU, it must recover those costs in some other fashion and there are constitutional constraints on SD5's ability to raise revenues necessary to meet costs, and exempting a certain category of users from paying their fair share. SD5's primary responsibility is to its ratepayers, and it is difficult to justify as a matter of policy and fiscal responsibility placing the costs to serve new development on its existing ratepayers.

Sanitary District No.5 of Marin County appreciates the opportunity to respond to the Grand Jury's report and to explain to the Grand Jury the District's continued transparency regarding Connection Fees for ADU's and in the Districts continuing effort to keep our members of the public well informed on all matters relating to our Sanitary District.