



**Sausalito-Marine City Sanitary District (SMCSD)**

1 East Road  
Sausalito, CA 94965  
Phone: (415) 332-0244  
www.smcsd.net

We are sending this notice to every property owner in the Service Area as requested by law. This will result in some property owners receiving multiple notices.

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**How the Transfer Benefits You**

**One Sewer Bill:** Starting in 2026/27, you will no longer see two sewer-related charges on your property tax bill.

**Better Service:** Larger sewer systems tend to attract more qualified personnel and use more advanced technology.

**More Efficient:** A single agency now manages the entire system (collection, operations, maintenance, and treatment), resulting in smoother operations and faster responses.

**Save Money:** Combining services helps reduce operational costs and avoids costly duplication.

**Better Planning:** The transfer of service enables the adoption of uniform construction, maintenance, and inspection standards to repair and replace a very old and deteriorated system of pipelines.

**Frequently Asked Questions**

**Q: Will my sewer rates change?**

*A: No changes in rates are planned because of this transfer. Rates for the next four years are proposed to be the same ones approved by the City.*

**Q: Who should I contact about sewer issues now?**

*A: All sewer-related questions and service requests should be directed to SMCSD. Their contact information is in the mail panel above.*

**Q: Does this affect stormwater or drinking water?**

*A: No. This transfer only affects sewer collection. The City will continue managing stormwater. Drinking Water continues to be managed by Marin Municipal Water District.*

**More Details About the Transfer**

**Repair Aging Infrastructure:** Sausalito's 21-mile collection system is over 50 years old and requires an estimated \$36 million in upgrades. SMCSD has the resources, experience, and focus to complete those upgrades and repairs. Customers in each service area will pay their share of District costs.

**Simplify Finances:** As part of the transfer, the City is using existing sewer funds to pay off all its sewer-related debt, including loans and bonds. This means cleaner financial books and a stronger credit position for the City.

**Stronger Oversight:** The District specializes in providing sewer service and is better equipped than the City to meet environmental standards and avoid costly spills or violations.

**Single Point of Contact:** Instead of calling the City for one issue and the District for another, one agency manages everything related to your sewer service.

**Better Environmental Compliance:** A single, centralized system can more effectively detect and respond to spills and other problems.

**Increased Reliability and Resilience:** Centralized operations and redundancies improve coordination and reliability to protect public health, the environment, and the Bay.



**Sausalito-Marine City Sanitary District Notice of Public Hearing for Proposed Updates to Sewer Rates**

**JANUARY 27TH, 2026, AT 12:00 PM**

Sausalito Marin City Sanitary District Office • Conference Room, 1 East Rd, Sausalito, CA 94965

**Dear Sausalito Resident,**

After years of planning and discussion, the City of Sausalito transferred ownership and management of its sewer collection system to the Sausalito-Marine City Sanitary District (SMCSD or District).

This change will enhance your service, minimize billing confusion, and improve our sewer infrastructure today and in the future.

**Combining Sewer Services, Collections & Processing into a Single Point of Responsibility**

Previously, the City managed sewer collection pipelines and pump stations, while SMCSD oversaw sewer conveyance and treatment. SMCSD is now the sole agency responsible for sewer collection, conveyance, and treatment.

This transfer simplifies service management and allows for a more coordinated and effective approach to sewer operations.

As a result of this change, residents will no longer receive two separate sewer charges on their property tax bills. Instead, they will receive a single, consolidated sewer charge from SMCSD—eliminating overlap between agencies and reducing administrative costs.

**More information about the transfer of the sewer collection system to SMCSD is found on the back page.**

**The purpose of the public hearing is to consider adopting increases to sewer service charges that the City of Sausalito previously adopted and now are proposed to be adopted by SMCSD as they take over the sewer system. At the hearing, the Board will hear and consider any public testimony or written protests regarding the proposed rate changes.**

**Hearing Date & Time:**

January 27th, 2026, at 12:00 PM

**Hearing Location:**

Sausalito Marin City Sanitary District Office  
Conference Room, 1 East Rd, Sausalito, CA 94965

**Reason for the Proposed Sewer Rates, and Basis for the Calculation**

Because of the transfer of the City of Sausalito Sewer Collection System to SMCSD, the District must adopt the City of Sausalito's rates as calculated by their Sewer Collection Rate Study (April 2024).

The District will combine the two sewer charges currently on Sausalito ratepayers' property tax bills (one from the District and one formerly from the City) into one.

The adoption and transfer will not affect the Sausalito ratepayer nor other District ratepayers in Marin City, TCSD, and NPS, as they each have separate rates based upon the services received.

**More information about the rates are found on the inside pages.**

## SMCSD IS PROPOSING TO ADOPT THE SAME RATES APPROVED BY THE CITY IN APRIL 2024

Because of the transfer of the City of Sausalito Sewer Collection System to SMCSD, the District must adopt the City of Sausalito's rates as calculated by their Sewer Collection Rate Study (April 2024).

### City of Sausalito Rate Study Available

The proposed increases to sewer rates, including the amount of the rates, the basis upon which the rates were calculated, and the reason for the rates, are described in the CITY OF SAUSALITO FY2024-25 SEWER RATE STUDY dated April 25, 2024 ("Rate Study"), prepared by HF&H CONSULTANTS, LLC. That Study, and additional documents and information supporting the proposed increases to the sewer/wastewater charges, are available for public review at Sausalito Marin City Sanitary District Office Conference Room, 1 East Rd, Sausalito, CA 94965 and online at WWW.SMCSD.NET. Alternative formats and translation services are available upon request by contacting the Office Manager, Cathy Bondanza at Sausalito Marin City Sanitary District Office Conference Room, 1 East Rd, Sausalito, CA 94965, at (415) 332-0244 or cathy@smcsd.net at least 72 hours prior to the hearing.

The City and the District have completed the operational transfer of the Sewer System/Services. The final step to complete the legal transfer from the City to the District is to adopt the City's current rates and the rate study for setting future rates. The terms for the transfer are described in the adopted Memorandum of Understanding (MOU) dated June 18, 2025, detailing the agreements and obligations of both agencies in the transfer of the Sewer Collection System Enterprise from the City of Sausalito to the District.

The revenue from the modified rates will not exceed the amount required to cover the costs of providing adequate sewer services to each customer class.

### How to Participate in the Rate Setting Hearing

Any member of the public has a right to submit written comments and present spoken testimony during the public hearing. However, only property owners and tenants directly liable to pay the rates, have a right to submit a Written Protest, as summarized below.

### How to Submit a Written Protest

A written protest must be received by the District no later than the close of the public hearing on January 27th, 2026. It may be mailed to Sausalito Marin City Sanitary District Office, 1 East Rd, Sausalito, CA 94965 or hand-delivered to the Board Secretary, Cathy Bondanza at the place and time of the public hearing. A written protest must include: protestor's name, parcel number and/or service address; protestor's signature, and whether they are the property owner or tenant directly liable for paying the rate; a statement that the Protestor opposes the proposed sewer rates. A written protest must be submitted in paper form (non-paper forms will not be accepted, including email, facsimile, or spoken protests via telephone or in person). Only one written protest will be counted for each proposed rate from each parcel served.

### Public Hearing Procedure:

At the time stated above for the public hearing, the Board will consider all written protests, as well as a staff presentation of the proposed rate modifications, along with spoken testimony and supplemental documents presented during the hearing, as related to the proposed rate modifications. The Board may continue the hearing as needed.

After the Board closes the public hearing, written protests will be counted. If there is a "majority protest" for the proposed sewer rates, the District may not approve those proposed rates. There is a majority protest only if the number of timely written protests exceeds one-half of the parcels served by the District.

### Limitations on Challenging Proposed Increased Sewer Rates

You are hereby notified that, in order to file a judicial action or legal proceeding to challenge the proposed rates described in this Notice, you must commence the action or proceeding within 120 days of the approval of the rates by the Board. There is a 120-day statute of limitations for judicially challenging the rates set forth in this Notice that runs from the date of the Board's action to approve the rates, and any legal action is limited to the issues raised in a timely written objection. (Government Code Section 53759.)

### This Notice and Supporting Materials are Available In Alternative Formats and Languages

Persons needing special assistance, disability accommodations, or translation services for the public hearing may contact the District Secretary's Office at (415) 332-0244 or cathy@smcsd.net at least 72 hours before the hearing.

## CITY OF SAUSALITO APPROVED RATES PROPOSED TO BE ADOPTED BY SMCSD

The rates below have already been adopted by the City of Sausalito, and the first year's rates have been implemented by the City. They are proposed to be adopted by Sausalito Marin City Sanitary District as part of the transfer and management of the sewer collection system from the City to the District.

### All Bills, Residential and Non-Residential

**COST OF SERVICE (COS):** The rate change is 5% per year for both fixed and volumetric charges. While the percentage is the same for each class of customer, the dollar amounts differ.

### Residential Rates and Bills

**FIXED CHARGE:** Residential customers are charged on a per Dwelling Unit (DU) basis, according to the unit rate assigned for each customer classification.

**VOLUMETRIC CHARGE:** A volumetric charge is also added to each parcel's bill based on the prior February water usage, annualized over 12 months, for that parcel in the prior fiscal year.

The volumetric charge is based on 100 cubic feet (CCF) of water use. One CCF = 748 gallons.

Customer Class	Current Rates	Proposed Rates			
	2024/25 (COS)	2025/26 (5%)	2026/27 (5%)	2027/28 (5%)	2028/29 (5%)
<b>Fixed Charges (\$/Year/Dwelling Unit)</b>					
Single-Family	\$637.57	\$669.45	\$702.92	738.07	\$774.97
Single-Family Attached	\$417.54	\$438.42	\$460.34	\$483.36	\$507.53
Duplexes	\$378.32	\$397.24	\$417.10	\$437.96	\$459.86
Multi-Family	\$311.08	\$326.63	\$342.96	\$360.11	\$378.12
<b>Volumetric Charges (\$ per CCF per year)</b>					
All Residential Customers	\$2.77	\$2.91	\$3.06	\$3.21	\$3.37

### Non-Residential (Industrial/Commercial) Bills

**FIXED CHARGE:** Non-Residential customers are charged on a per Equivalent Dwelling Unit (EDU), with one EDU equal to 61 hundred Cubic Feet (CCF) of water use per year. One CCF = 748 gallons.

**VOLUMETRIC CHARGE:** A volumetric charge is also added based on the annual water meter usage for the prior fiscal year across all customer classifications.

The volumetric charge is based on 100 cubic feet (CCF) of water use.

Customer Class	Current Rates	Proposed Rates			
	2024/25 (COS)	2025/26 (5%)	2026/27 (5%)	2027/28 (5%)	2028/29 (5%)
<b>Fixed Charges (\$/Year/Dwelling Unit)</b>					
All Commercial and Industrial	\$637.57	\$669.45	\$702.92	\$738.07	\$774.97
<b>Volumetric Charges (\$ per CCF per year)</b>					
All Commercial and Industrial	\$2.77	\$2.91	\$3.06	\$3.21	\$3.37