



Sausalito-Marin City Sanitary District

Strategic Plan Update 2026 – 2031

Adopted by Board Action
May 5, 2026



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Governing Board of Directors

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General Manager

Jeffrey Kingston



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District Message

On behalf of the Sausalito-Marin City Sanitary District Board of Directors and its Staff, we are pleased to present the District's 2026-2031 Strategic Plan. This plan is the result of an annual review and update of the District Strategic Plan in an effort to plan for the existing District business environment while looking toward the future. The adoption of this plan indicates the importance the District, its Board of Directors, and employees place on seeking continuous improvements in every aspect of the District. The FY 2026-2031 plan serves as the framework for decision making over a five-year period. The District reviews and updates the plan annually and always welcomes comments and feedback from its stakeholders, Staff, Board of Directors, and other interested parties.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'JK', is positioned above the printed name and title.

Jeffrey Kingston
General Manager

INTRODUCTION

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District Overview

The Sausalito-Marin City Sanitary District (SMCSD) is governed by an elected five-member Board of Directors and provides wastewater collection, conveyance and treatment services to the City of Sausalito and unincorporated areas within the District's boundaries (which includes Marin City). Wastewater conveyance and treatment services are also provided on a contract basis to Tamalpais Community Services District (TCSD) (which includes Muir Woods National Monument) and to the National Park Service (NPS) (which includes Forts Baker, Barry and Cronkhite, the Marine Mammal Center and Cavallo Point Resort). The District operates and maintains a complex infrastructure system, thereby protecting our community's public health, the environment and San Francisco Bay. It serves approximately 10,000 Equivalent Dwelling Units (EDUs) and a population of approximately 18,000. Based upon a comprehensive financial plan, the District adopted a 5-year sewer rate plan on May 7, 2024 to properly fund operations and capital improvements.

Mission / Vision

Providing wastewater collection, conveyance and treatment services for our communities thereby protecting public health, the environment and the Bay.

Core Values

Recognizing that wastewater treatment is a vital component of protecting public health, the environment and the Bay, SMCSD will:

- Meet all regulatory requirements;
- Safely operate an effective wastewater system;
- Maintain an efficient wastewater system;
- Provide sustainable services for our community;
- Be responsible to ratepayers by managing the District efficiently;
- Value staff by providing a high-quality and safe workplace fostering professional growth, teamwork, and job satisfaction;
- Promote public participation, education, and understanding of the services we provide.
- Continuously plan for the future to maintain reliable and cost-effective service.

PLAN DEVELOPMENT

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Purpose of the Plan

A strategic plan is a top-level planning document the organization uses to set clear direction over all operational aspects of its mission. Upon adoption, it serves as a framework for decision making over a five-year period. It is a disciplined effort to guide fundamental decisions that shape what the District plans to accomplish by selecting a rational course of action. This plan update incorporates an assessment of the District's present state and requires gathering and analyzing information; institutes goal setting; and assists with making decisions for the future. Input was gathered from relevant sources to ensure accuracy. The plan seeks to strengthen and build upon opportunities while addressing areas of concern.

This Plan also identifies actions, activities, and planning efforts that are currently active and needed for continued success in operations and management of the District and provides for an annual review and update process.

Organizational Environment

OPERATIONS & MAINTENANCE

The District operates and maintains, on behalf of the community and ratepayers, a wastewater treatment plant designed to fully treat wastewater under: *Primary (I), *Secondary (II) and *Tertiary (III) treatment levels up to 1.8 million gallons per day (MGD) during average dry weather flow. During wet weather flow, the plant is designed to receive up to 12 MGD, is capable of treating up to 9 MGD of full primary and secondary treatment and up to 6 MGD of tertiary treatment. The collection and conveyance systems consists of eleven sewage pump stations and approximately thirty-two miles of pipelines. The District's treatment plant is located in Fort Baker with a property lease through 2049 with the National Park Service.

CAPITAL

The District maintains an ongoing five-year Capital Improvements Program (CIP) which is updated annually by Staff and then submitted to the Board of Directors for approval. Projects are developed to address aging infrastructure, changing regulatory requirements, and to improve operational efficiencies. Projects are then prioritized for operator safety, system reliability, and return on investment. All projects included in the current CIP are rate funded through sewer service fees.

Capital Projects continue to be added to the District's CIP to improve reliability, efficiency and safety at all collection, conveyance and treatment facilities. Over the past 10 years the District has completed numerous projects focusing primarily on pump stations and the treatment plant. These improvements have increased conveyance and treatment capacity to ensure system reliability during peak storm events. In addition, the incorporation of reliability through redundancy has ensured that reliable operations and system capacity be maintained during power outages, equipment failures or during maintenance activities. The following CIP projects were recently completed:

- Rehabilitation of the treatment plant's existing clarifier provides improved treatment, storage capacity and primary treatment redundancy.
- Electrical upgrades to the plant improve reliability and safety.

- Rehabilitation of the conveyance system's Beach Force Main improves reliability and reduces operating costs.
- Rehabilitation and relocation of the treatment plant's sludge dewatering screw press improves efficiency, reliability and safety.
- The Generator Reliability Improvements Project improves reliability and efficiency.
- The Digester Heating System Replacement Project improves digester reliability.

ADMINISTRATION & FINANCE

The District continues to manage its finances with short-term accountability and a long-range strategic perspective. It completed a five-year rate study and through the Proposition 218 process, adopted new sewer service rates for FY 2024/2025 to 2028/2029. These rates are designed to ensure sufficient revenue to support ongoing operations and capital improvement needs while maintaining fairness and equity to all customers.

In addition, the City of Sausalito transferred its sewer collection system to the District on August 22, 2025. With a services agreement no longer necessary, the District now fully operates and maintains the system and receives sewer revenues from the City of Sausalito ratepayers. The District adopted the City's existing collection system rates through the Proposition 218 process and these rates will remain in effect through FY 2028/29.

A fully funded reserve policy, strong bond ratings and a strong cash position contribute to a positive outlook for the District. Because of its strong financial position and fully funded reserves the District continues to proactively address its pension and post-employment benefits (OPEB) with the implementation of the *CEPPT and *CERBT trusts. In addition, the pension and OPEB liabilities have been incorporated into the District's Reserve Policy and will be partially rate-funded, as these costs were included in the recent rate study.

The District continues to monitor and optimize its investments between Local Agency Investment Fund (LAIF) and United States Treasuries. For a better return on investment due to changing interest rates and the availability of higher low risk returns, a portion of the Capital Reserve is in U.S. Treasuries at JP Morgan Chase.

The Audit for the year ending June 30, 2025 was successfully completed in a transparent manner with the District's auditor, Nigro & Nigro, reporting no findings and no modifications. A complete copy of the 2025 Audit may be found on the District website.

Challenges and Opportunities

The District continues to be challenged with many significant future operational and capital needs driven by the ever-changing regulatory requirements. These challenges will need advanced planning of external and internal resources to ensure the organization is prepared. Some of the known and anticipated challenges and opportunities are described in the following:

Reliable System Operations – Priority projects to further improve system safety, reliability, regulatory compliance, and efficiency include but are not limited to:

- Rehabilitation of the City of Sausalito collection system will be performed in stages. Initial rehabilitation efforts will focus on eliminating sewer spills and reducing maintenance costs. Subsequent rehabilitation will target reductions to Inflow & Infiltration (I&I) and include a complete system assessment for long-term reliability.
- Replacement of the District's Marin City Pump Station will improve collection system reliability and operator safety. The new station will eliminate confined entry and improve reliability through the implementation of submersible pumps.
- Rehabilitation (Phase 2) of the District's unincorporated area collection system will target reductions to Inflow & Infiltration (I&I) and includes a complete system assessment for long-term reliability.
- Nutrient removal studies and implementation of process changes will continue through 2034 in order to maintain compliance with the Water Board's nutrient reduction order.
- Force main inspections will ensure pump station efficiency and pipeline reliability. Several inspections are planned over the next 5 years.

- Additional challenges include continuing to reduce impacts to the community from odors, further improving site access and safety, and eliminating sources of I&I.

The effective execution of our Capital Improvement Plan remains critical for reliable system operations, meeting regulatory requirements, and protecting public health, the environment and the Bay.

Technology – The District is continuously looking for ways to improve or update existing technology. It uses modern technology infrastructure to monitor and control the wastewater conveyance and treatment system. This requires continuous monitoring of the system during and after work hours, through normal and extreme weather, on a year-round basis. Reliable modern technology is a key component to the success of the District.

- Modern *SCADA systems and historian software play a central role in industrial data collection and analysis. Platforms such as Ignition enable real-time monitoring and control of equipment by collecting data from *PLCs and field instruments across the facility. This data is continuously stored in a historian which is optimized for high-speed, time-series data logging. By centralizing process data, these systems allow engineers and operators to visualize trends, generate reports, perform root-cause analysis and support predictive maintenance strategies. Modern SCADA and historian platforms also improve operational efficiency.
- **Cybersecurity** – The District continues to modernize outdated hardware and software while implementing enhanced security measures to protect against cyber threats. These improvements align with standards recommended by the District’s insurance provider and IT consultants.

Environmental Regulations – The regulations governing District operations related to water quality, air and solid waste disposal continue to evolve. The District operates under requirements from Federal, State, and Local Agencies including:

- A National Pollutant Discharge Elimination System (NPDES) permit to discharge disinfected plant effluent to the San Francisco Bay. This permit was renewed in early 2024 and will expire in 2029.
- Nutrient Watershed Permit
 - o The third nutrient watershed permit was adopted by the State Water Resources Control Board (SWRCB) in 2024. For the first time in the history of the nutrient watershed permit, numerical limits will be imposed. This updated permit will require the District to reduce the dry season total inorganic nitrogen loads in the final effluent by 40% as compared to measurements taken in 2022. Long term, the District will need to implement modifications to existing treatment processes and/or explore additional options to meet the 40 percent reduction. Additional testing of ammonia and nitrate-nitrite will be needed to monitor compliance.
- Regulatory Reporting Requirements
 - o Discharge Monitoring Report – *EPA(Monthly & Annual)
 - o Biosolids Report – *EPA (Annual)
 - o Sanitary Sewer Overflow Reports – *SWRCB (As Needed)
 - o Self-Monitoring Report – *SWRCB (Monthly & Annual)
 - o Laboratory Accreditation – *CA ELAP (Biannual)
 - o Portable Generators/Vehicles Emissions – *BAAQMD (Annual)

These challenges will drive our capital improvements plan and allow for targeted investments in District facilities.

Reduce System Infiltration and Inflow (I&I) – Aging infrastructure contributes to infiltration and inflow of groundwater, especially during major storm events. This results in unnecessary flow into the system at a rate that can exceed 10 times the dry weather flow, leading to increased capital, operation and maintenance costs. Continued public and private investments to repair sewer collection lines and private laterals is necessary to reduce system I&I. Efforts to reduce I&I include:

- Inspection and Maintenance – Identify sources of I&I through CCTV inspections, smoke testing, dye testing and evaluating receipt flows during wet weather. As a result of inspections, pipes can be spot-repaired, replaced with HDPE pipe to eliminate pipe joints, and manholes can be sealed with coatings or liners.
- Eliminate Illegal Connections – Identify and remove illegal connections, such as sump pumps, downspouts or stormwater drains that are improperly connected to the collection system.
- Capital Improvements – Repair damaged or aging pipes and manholes. Use the latest technologies such as pipe bursting and pipe lining to eliminate joints and prevent I&I.

Other agencies that deliver flow to the District include the Tamalpais Community Services District and the Golden Gate National Recreation Area (GGNRA). The District continues to monitor flows received during large storms and works with all partnering agencies to reduce I&I delivered to the District's system.

The District offers grant funding for private owners to assist them with sewer system upgrades to reduce seawater and stormwater infiltration.

Water Quality – Laboratory – The District maintains a certified laboratory staffed by trained and certified personnel. The laboratory performs analysis for a majority of the conventional pollutants specified in the NPDES permit and contracts with commercial laboratories to perform analyses that are not cost-effective to self-perform. In the calendar year 2025, the laboratory performed 3,924 discrete measurements for both regulatory reporting and process control purposes. The laboratory achieved a major milestone by renewing its accreditation in 2025 under new strict regulations.. The District must maintain reliable laboratory service under regulations, fulfill the compliance monitoring requirements, and provide the process control data to inform operational decisions on plant operations.

GOALS & OBJECTIVES

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2026-2031

Goals & Objectives

The following goals and objectives have been established to identify what the organization needs to accomplish in the fulfillment of the stated District mission and values:

Goal 1 Protect Public Health and the Environment

Objective 1.1 Optimize plant processes to enhance water quality discharged into the Bay.

Objective 1.2 Meet all Regional Quality Control Board operating permit requirements.

Objective 1.3 Maintain all safety certifications and procedures.

Objective 1.4 Maintain spill response plans and associated training.

Goal 2 Compliance

Objective 2.1 Continuously meet the District's Regulatory requirements.

Objective 2.2 Proactively manage and prioritize the District's annual Operations and Maintenance Plan.

Objective 2.3 Meet all NPDES permit requirements and plan for potential future impacts.

Objective 2.4 Continue to utilize and improve the District's asset management system to perform regular, proactive and timely maintenance activities to reduce process and equipment failure.

- Objective 2.5 Evaluate new test methods and information technologies to improve the performance and capability of the laboratory to address increasing regulatory requirements and standards.
- Objective 2.6 Continuously improve plant operational strategies to enhance overall plant performance and water quality.

Goal 3 Maintain Financial Stability

- Objective 3.1 Proactively maintain reserves to support long term goals and emergency response.
- Objective 3.2 Maintain a sewer rate structure that addresses the District's needs and is equitable for our customers.
- Objective 3.3 Evaluate and manage long-term liability costs associated with labor and benefits.

Goal 4 Develop a High Performing Team

- Objective 4.1 Maintain an efficient organizational structure that is multi-disciplinary with highly skilled and well-trained staff.
- Objective 4.2 Provide and nurture a culture that promotes safety, collaboration and professional development.
- Objective 4.3 Provide opportunity and support for staff growth and advancement thorough mentoring and professional development opportunities.

Goal 5 Implementation of the Capital Improvement Plan

- Objective 5.1 Continuously update and prioritize the Ten Year Capital Improvement Plan to maintain reliability, capacity and safety of the wastewater collections, conveyance, and treatment systems.
- Objective 5.2 Identify and reduce infiltration and inflow into the District's conveyance system.
- Objective 5.3 Understand potential impacts to collection, conveyance and treatment systems from potential growth impacts and future community housing needs.

Goal 6 Technology

- Objective 6.1 Utilize cybersecurity measures to protect critical infrastructure and operational technology systems from cyber threats.
- Objective 6.2 Manage records retention policy ensuring files are stored and disposed of in compliance with all legal and regulatory requirements.
- Objective 6.3 Utilize *SCADA for real-time monitoring, automation, predictive maintenance, and data-driven decision-making to operate more efficiently, reduce costs, and improve environmental performance.

Goal 7 Tributary Agencies

- Objective 7.1 Monitor surrounding tributary systems including TCSD and NPS to reduce operational impacts.
- Objective 7.2 Develop a contractual strategy to encourage reductions to peak flows from tributary agencies.

Goal 8 Enhance Internal and External Communication

- Objective 8.1 Inform our ratepayers and communities about District initiatives and projects.
- Objective 8.2 Promote public awareness of industry issues and trends related to regulatory compliance.
- Objective 8.3 Provide public education on wastewater processes and ways they can assist with preventing sewer overflows.
- Objective 8.4 Provide Staff and Board with the information needed to communicate a clear and consistent message when approached by the public.
- Objective 8.5 Enhance District website to promote public education, streamline private sewer lateral compliance and allow online payment for fees.

DEFINITIONS & ACRONYMS

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Primary Treatment (I): The wastewater treatment process that takes place in a rectangular or circular tank allows solids in wastewater to settle or float and be separated from the wastewater.

Secondary Treatment (II): The wastewater treatment process converts dissolved or suspended materials into a form more readily separated from the water being treated. The process commonly is a type of biological treatment followed by secondary clarifiers that allow the solids to continue to settle out from the primary treated wastewater.

Tertiary Treatment (III): Any process of water renovation that upgrades treated wastewater to meet specific reuse requirements. May include general cleanup of water or removal of specific parts of wastes insufficiently removed by conventional treatment processes.

Dry Weather Flow: Average actual daily flow during dry weather months.

Wet Weather Flow: Actual flow during or after rain events.

BAAQMD Bay Area Air Quality Management District

CalPERS California Public Employees' Retirement System

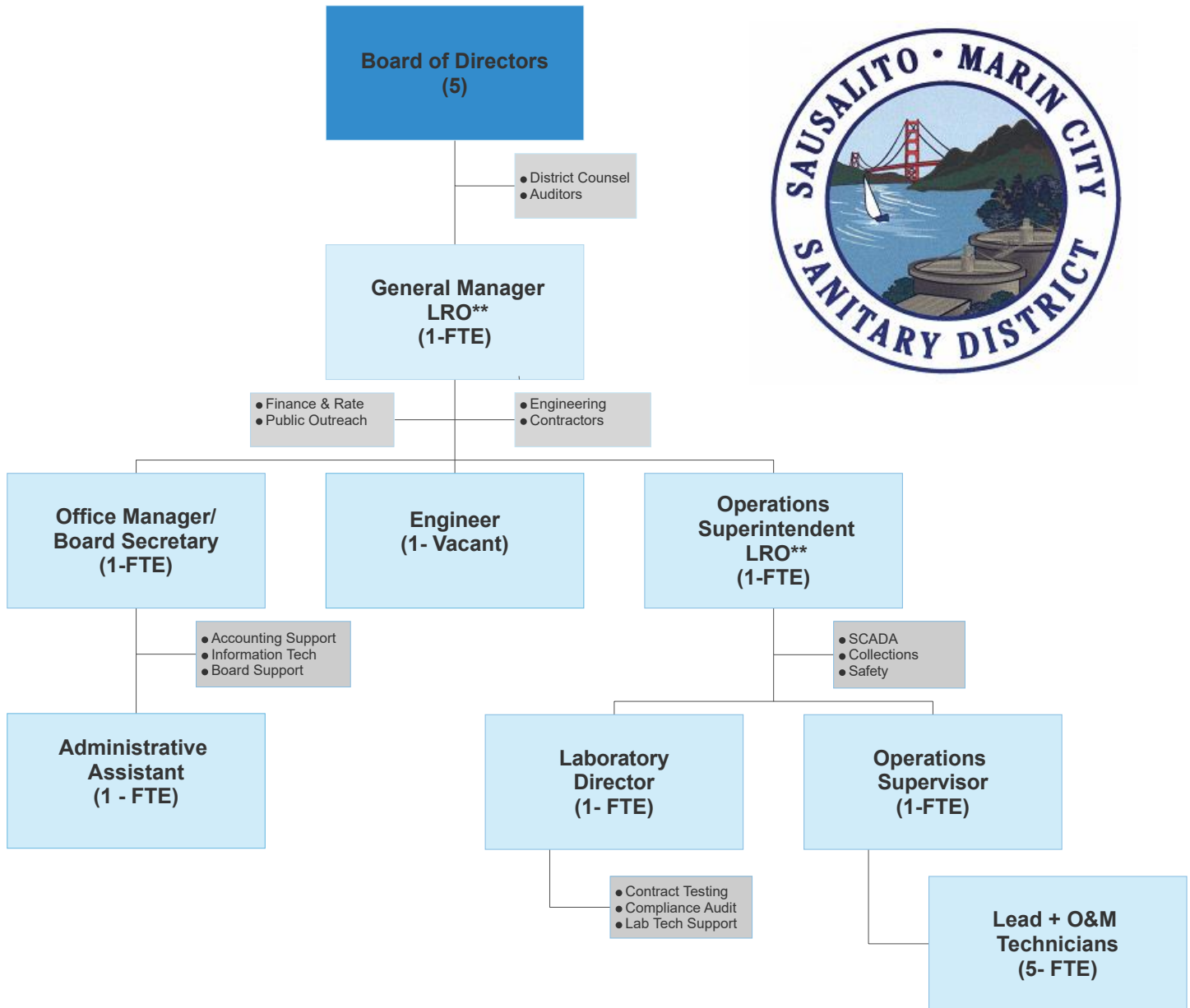
CCTV Closed Circuit Television

CEPPT California Employers Pension Prefunding Trust

CERBT	California Employers Retirement Benefit Trust
CIP	Capital Improvement Plan
DMR	Discharge Monitoring Reports
EPA	Environmental Protection Agency
EDU	Equivalent Dwelling Unit
ELAP	Environmental Laboratory Accreditation Program
FFR	Fixed Film Reactor
GGNRA	Golden Gate National Recreation Area
H ₂ S	Hydrogen Sulfide
HDPE	High-Density Polyethylene
I&I	Inflow & Infiltration
ISO	International Organization for Standardization
JPA	Joint Powers Authority
MGD	Million Gallons per Day
MOU	Memorandum of Understanding
NPDES	National Pollutant Discharge Elimination System
NPS	National Park Service
OE3	Operating Engineers Local 3
O&M	Operations & Maintenance
PEPRA	Public Employees' Pension Reform Act
PG&E	Pacific Gas & Electric
PLC	Programmable Logic Controller
PS	Pump Station
PSPS	Public Safety Power Shutoff

SCADA	Supervisory Control and Data Acquisition
SFEI	San Francisco Estuary Institute
SMCSD	Sausalito-Marín City Sanitary District
SSO	Sanitary Sewer Overflow
SWRCB	State Water Resources Control Board
TCSD	Tamalpais Community Services District

FY 2026/2027 Organizational Chart



12 FTE*
11 of 12
Budgetted

Elected

Outside
Resources

*Full-Time Equivalent

**Legally Responsible Official