

NOVATO SANITARY DISTRICT

February 22, 2010

The Board of Directors of Novato Sanitary District will hold a Closed Session at 5:00 p.m., Monday, February 22, 2010, at the District offices, 500 Davidson Street, Novato. (Open session begins after the closed session at approximately 6:30 p.m. See agenda below).

CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL – EXPOSURE TO LITIGATION – ONE POTENTIAL CASE:

Significant exposure to litigation pursuant to Subsection (b) of Government Code Section 54956.9, California Healthy Communities Network, Ballot Question.

CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

Existing litigation pursuant to Subsection (a) of Government Code Section 54956.9, Suzan Sharpley, Robert Abeling vs William Long, Novato Sanitary District, Elaine Ginnold, Marin County Registrar of Voters

AGENDA

1. **PLEDGE OF ALLEGIANCE:**
2. **AGENDA APPROVAL:**
3. **REPORT FROM CLOSED SESSION:**
4. **PUBLIC COMMENT (PLEASE OBSERVE A THREE-MINUTE TIME LIMIT):**

This item is to allow anyone present to comment on any subject not on the agenda, or to request consideration to place an item on a future agenda. Individuals will be limited to a three-minute presentation. No action will be taken by the Board at this time as a result of any public comments made.

5. **BOARD MEMBER REPORTS:**
6. **REVIEW OF MINUTES:**
 - a. Consider approval of minutes of the December 14th and 28th, 2009 meetings.

7. CONSENT CALENDAR:

- a. Adopt a Resolution providing relief on pH limits for Optical Metals Services facility and setting the revised pH limits.
- b. Meeting schedule – March 8th and 22nd, April 12th and 26th, May 10th and 24th.
- c. Approval of disbursements.

8. COLLECTION SYSTEM IMPROVEMENT PROJECT 72706:

- a. Review bids received and award contract to the lowest responsive, responsible bidder for replacing the sewage force mains in Bel Marin Keys.
- b. Consider approval of a contract amendment with Nute Engineering to design an extension to the Center Road sewer.

9. REFERENDUM ON CONTRACT SERVICE AGREEMENT:

- a. Consider approval of a Resolution requesting the Board of Supervisors of the County of Marin to conduct said election; authorizing the District Manager-Engineer to carry out all the necessary procedures for said election; and submitting to the voters a referendum measure to repeal a contract service agreement.

10. ADMINISTRATIVE

- a. Review quarterly investment report.
- b. Review quarterly revenue and expenditure report.
- c. Presentation of revised 2009-10 annual District budget.

11. STAFF REPORTS:

- a. Wastewater Operations Committee report

12. MANAGER'S ANNOUNCEMENTS:

13. ADJOURNMENT

Next resolution no. 3021

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District at (415) 892-1694 at least 24 hours prior to the meeting. Notification prior to the meeting will enable the District to make reasonable accommodation to help ensure accessibility to this meeting.

AGENDA/Board of Directors
February 22, 2010

Materials that are public records and that relate to an open session agenda item will be made available for public inspection at the District office, 500 Davidson Street, Novato, during normal business hours.

December 14, 2009

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:30 p.m., Monday, December 14, 2009, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Michael Di Giorgio, Members James D. Fritz, William C. Long, George C. Quesada and Dennis Welsh.

STAFF PRESENT: Manager-Engineer-Secretary Beverly B. James, and Administrative Secretary Julie Borda.

ALSO PRESENT: Thomas Pierce, Novato resident
Roger Kotila, Novato resident
Deanna Pierce, Novato resident
Suzanne Brown Crow, Novato resident
Phil Tucker, CA Healthy Communities Network
Pam Welsh, Novato resident
Bill Scott, Novato resident
Dean L. Heffelfinger, Novato resident
Barry Buckley, Novato resident
Dean B. Heffelfinger, NSD employee, Novato resident
Tony Silva, NSD employee, Novato resident
Jim Lynch, NSD employee
John Bailey, Project Manager, Veolia Water
Jo Heffelfinger, Novato resident

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: *On motion of Member Quesada, seconded by Member Fritz, and carried unanimously, the agenda was approved as mailed.*

PUBLIC COMMENT:

Phil Tucker, CA Healthy Communities Network, questioned payments to Veolia Water on the December 14, 2009 check register. He questioned if Veolia was working from the new "interim" contract. The Manager stated that she will look into this item and report back to the Board.

Norm Stone, Novato resident, referenced a Marin Independent Journal article, and requested the Board reconsider their approval of the "Agreement for Employment of District Manager-Engineer Beverly James".

BOARD MEMBER REPORTS:

Member Fritz reported that recently he photographed the construction progress at the Novato Wastewater Treatment Facility.

President Di Giorgio discussed a presentation he made to Novato Leadership on Special Districts day.

REVIEW OF MINUTES:

Consider approval of minutes of the October 14th and 26th meetings:

Phil Tucker requested a revision of the October 14th minutes, page 3, second paragraph. The minutes should be amended to read: Member Long responded to an article in the Pacific Sun newspaper **with comments** by Phil Tucker, stating

On motion of Member Quesada, seconded by Member Long, and carried unanimously, minutes of the October 14th meeting were approved as amended and minutes of the October 26th meeting were approved as written.

BOARD OF DIRECTORS' ELECTION:

Receive Statement of Votes Cast and Certification of Canvass of Votes. The Manager attested to the fact that on December 1, 2009, the District received the Certificates of Election and the Oaths of Office for the elected Board Members.

Administration of Oath of Office and seating of elected Board Members. The Manager administered the Oath of Office to Dennis Welsh, Michael Di Giorgio, and William C. Long.

President Di Giorgio welcomed Dennis Welsh to the Board of Directors.

Member Welsh made a brief statement.

Member Long made a brief statement.

President Di Giorgio made a brief statement.

Consider adoption of resolution determining persons entitled to fill office. The Manager read Resolution No. 3015.

On motion of Member Quesada, seconded by Member Fritz and carried unanimously, Resolution No. 3015, "A Resolution Determining Persons Entitled to Fill Offices, Novato Sanitary District", was passed.

CONSENT CALENDAR: *On motion of Member Fritz, seconded by Member Quesada, and carried unanimously, the following consent calendar items were approved:*

- a. Consider granting Final Acceptance of the DeLong Avenue Pipe Bursting Project and authorize staff to file the Notice of Completion.

- b. Consider awarding sewer repair work on Alameda del Prado to Ghilotti Brothers, Inc. for an amount not to exceed \$35,000.
- c. Consider adoption of Resolution No. 3020, a "Resolution Authorizing Funds Transfer and Electronic Payments Services" with WestAmerica Bank.
- d. Approval of regular disbursements in the amount of \$829,514.69, project account disbursements in the amount of \$3,026,155.78, Board member disbursements in the amount of \$3,994.49 and ratification of November payroll and payroll related disbursements in the amount of \$253,247.88.

NORTH BAY WATER REUSE AUTHORITY PROJECT:

Consider adopting Resolution No. 3016 certifying the North San Pablo Bay Restoration and Reuse Project Final Environmental Impact Report and making certain findings in connection therewith.

The Manager welcomed Jim O'Toole from Environmental Science Associates (ESA). She stated Mr. O'Toole had prepared the CEQA documents for this project.

Mr. O'Toole gave a detailed PowerPoint presentation discussing the North San Pablo Bay Restoration and Reuse Project description, the final EIR/EIS overview and noted the Board will consider adoption of Resolution No. 3016.

The Board discussed the project with Mr. O'Toole.

Norm Stone, Novato resident, questioned if any potential liability might arise due to other District's negligence.

The Manger stated that the organization is not a Joint Powers Authority but operates under a Memorandum of Agreement and is an association of independent public agencies that have joined loosely together to facilitate regional planning. She does not believe there will be any liability.

Pam Jean, Deputy Chief Engineer of the Sonoma County Water Agency, discussed other agencies involvement and their responsibilities and liabilities.

The Manager discussed in detail the capital costs and the other agencies who will be participating in the funding. She stated the District cost will be between \$3 to \$5 million which is allocated to both operation and capital costs. She stated the majority of these costs will be paid for by the end users of the recycled water.

Member Long commented on the report prepared by ESA and thanked Mr. O'Toole for his thorough presentation.

Member Welsh commented that the District needs to show caution in regards to recycled water production. He pointed out that wet weather periods can produce an abundance of

water and there may be periods when the District is unable to distribute the full quantity the water.

On motion of Member Long, seconded by Member Quesada, and carried unanimously, the Board adopted Resolution No. 3016, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NOVATO SANITARY DISTRICT CONSIDERING THE CERTIFIED NORTH BAY WATER RECYCLING PROGRAM FINAL EIR/EIS, ADOPTING RELATED CEQA MITIGATION FINDINGS, ALTERNATIVES FINDINGS, A STATEMENT OF OVERRIDING CONSIDERATIONS, AND A MITIGATION MONITORING AND REPORTING PROGRAM, AND APPROVING PROJECTS UNDER ITS JURISDICITON IDENTIFIED IN THE NBWRP PHASE 1 IMPLEMENTATION PLAN.

Consider adopting Resolution No. 3017, committing to funding the District share of the North San Pablo Bay Restoration and Reuse Project. The Manager explained that the North Marin Water District has committed to fund 67% of the local share of the Alternative 1, Phase 1 projects that would provide recycled water to Northern and Central Novato, assuming that sufficient State and Federal funding is available. She stated the estimated non-federal share cost is \$15,116,000 and the District's local share would be \$5,039,000 of which some may be eligible for State grants through Propositions 50 or 84 or the new Water Bonds.

She noted staff recommends the Board of Directors adopt Resolution No. 3017 confirming their support of the NBWRA project and authorize the Manager-Engineer to apply for SRF loans to fund the District's share of the project cost and authorize the Manager-Engineer to dedicate a portion of recycled water revenues, service fees, and connection charges to repay the State Revolving Fund loan.

Barry Buckley gave his support to the project and urges the Board to move forward with its implementation.

On motion of Member Fritz, seconded by Member Quesada and carried unanimously, the Board approved Resolution No. 3017, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NOVATO SANITARY DISTRICT CONSIDERING THE NORTH BAY WATER RECYCLING PROGRAM, ESTABLISHING FINANCIAL COMMITMENT TO PROJECTS UNDER ITS JURISDICTION IDENTIFIED IN THE NBWRP PHASE 1 IMPLEMENTATION PLAN.

WASTEWATER TREATMENT FACILITY OPERATION:

Consider approving a contract with Aerotek E&E for temporary Operation and Maintenance Technicians. The Manager stated that on November 23, 2009, the District was notified that Veolia Water West Operating Services regrettably had to suspend the agreement to operate and maintain the District's Wastewater Treatment Facilities. She noted that this leaves the District short-handed during the critical start up period for the new treatment plant. She stated that staff has contacted Aerotek E&E which is an employment agency specializing in

providing temporary technical staff and they have identified a certified Grade II Operator with a Mechanical Maintenance Certificate who is available to start January 1, 2010.

She recommends the Board authorize an agreement with Aerotek to provide up to two Operation and Maintenance Technicians for up to six months to assist in the start up and operation of the existing and new treatment plant for an amount not to exceed \$120,000. She stated that the District budget will need to be revised and that she will come before the Board at a later date with this revision.

John Bailey, Veolia Water, listed the operators the District currently has available to them to operate the treatment facility: four Grade V Operators, one Grade III Operator, and one Grade II Operator.

Bill Scott, Novato resident, questioned the job descriptions approved at the November 30, 2009 Board meeting. He feels new positions were created and the employees were "locked-out" of their current positions.

Tony Silva, NSD employee, stated he was handed the documents by the Administrative Services Manager, June Brown, in the District lunch room without any explanation outlining requirements of signature or time frame for returning documents.

The matter was discussed between President Di Giorgio, the Manager, and the audience.

President Di Giorgio brought the discussion back to the Aerotek E&E agreement under discussion. He stated the Aerotek E&E contract is for a six month period and asked if the contract could be terminated early.

The Manager replied that the contract and/or the Aerotek employee can be terminated at any time.

Member Welsh made a motion that when the four District employees are returned to their regular employment status, they be compensated for any lost wages and/or standby time since December 11th at midnight when they were turned away from District employment.

The Manager stated that Director Welsh would be unable to request a motion at the current Board meeting because the motion was not on the existing agenda. Director Welsh requested this motion be placed on the next meeting agenda.

Director Welsh questioned why the District was using the services of a temporary staffing agency to hire employees. He feels the District should post the available job openings through the regular channels and hire permanent employees.

On motion of Member Long, seconded by Member Fritz, and carried unanimously, the Board agreed to authorize the execution of an agreement with Aerotek E&E for a period of six months in an amount not to exceed \$120,000.

PUMP STATION IMPROVEMENTS PROJECT 72403:

Consider approval of a contract amendment for Nute Engineering. The Manager discussed the January 2008 proposal from Nute Engineering in the amount of \$228,500. This proposal was to prepare plans and specifications and to provide bid and construction phase engineering services for rebuilding the District's 14 Gorman-Rupp pump stations. She noted that during the course of design, several unforeseen or unexpected conditions were found in the original design of some of the pump stations that could increase costs. She outlined the unexpected conditions and stated Nute Engineering has completed a revised estimate in the amount of \$120,000 to cover the additional work. She noted that the engineering cost per pump station is still a reasonable \$24,900 and she recommends approving the contract.

The Board discussed the project with the Manager.

On motion of Member Fritz, seconded by Member Long and carried unanimously, the Board approved a contract amendment in the amount of \$120,000 with Nute Engineering on a time and materials basis.

Review bids received and award contract to the lowest responsive, responsible bidder for Unit 1. The Manager noted that WR Forde & Associates was the lowest responsive bidder at \$687,000, coming in at 5% below the estimate of probable construction costs. The Manager recommended the Board award the Unit 1 – Rush Creek & Deer Island Pump Stations of the Pump Stations Rehabilitation Project to WR Forde & Associates. She stated the funding for this project has been allocated in the budget.

On motion of Member Quesada, seconded by Member Fritz and carried unanimously, the Board authorized the Unit 1 – Rush Creek & Deer Island Pump Stations of the Pump Stations Rehabilitation Project to WR Forde & Associates with a bid of \$687,000.

STAFF REPORTS:

- Health and Dental Plan premium modifications. The Manager discussed the District's health and dental plan premium modifications for 2010. She noted that the Delta Dental Plan premiums will increase 2.9%, the Board member Kaiser Health Plan premiums will increase 10.25%, and the PERS Health Plan premiums will increase 4.8%. She stated that the District had previously budgeted for these increases.
- North Bay Watershed Association. The Manager noted that the North Bay Watershed Association has received a grant of \$1.5 million from the U.S. EPA. Of the \$1.5 million, \$370,000 will come to the Richardson Bay area in Marin County.
- Marin County Leadership Summit. The Manager stated that she and President Di Giorgio attended this Summit which looked at issues of funding local government in light of the

state budget difficulties. She stated Assembly Member Huffman and Senator Leno addressed the challenges they face in their respective positions.

MANAGERS ANNOUNCEMENTS:

The Manager discussed a break in the line of the Bel Marin Keys force main project. She reported that there were no spills.

The Manager announced there would be a Community Forum on the Marin Energy Authority on Wednesday, from 7 to 9 PM at the Novato Unified School District office on Fourth Street.

The Manager stated that the District will be closed the afternoons of December 24th and December 31st and all day December 25th and January 1st.

The next Board meeting will be held on December 28th.

ADJOURNMENT: There being no further business to come before the Board, President Di Giorgio adjourned the meeting at 8:27 p.m.

Respectfully submitted,

Beverly B. James
Secretary

Julie Borda, Recording

December 28, 2009

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:30 p.m., Monday, December 28, 2009, preceded by a closed session beginning at 5:02 p.m. at the District offices, 500 Davidson Street, Novato.

At 5:02 p.m. President Di Giorgio announced the Board would meet in closed session to discuss the following matters on the Closed Session Agenda.

CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL – EXPOSURE TO LITIGATION – ONE POTENTIAL CASE:

Significant exposure to litigation pursuant to Subsection (b) of Government Code Section 54956.9.

CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

Existing litigation pursuant to Subsection (a) of Government Code Section 54956.9, Suzan Sharpley, Robert Abeling vs. William Long, Novato Sanitary District, Elaine Ginnold, Marin County Registrar of Voters.

BOARD MEMBERS PRESENT FOR FIRST CLOSED SESSION: President Michael Di Giorgio, Members James D. Fritz, William C. Long, George C. Quesada and Dennis Welsh.

STAFF PRESENT FOR FIRST CLOSED SESSION: District Counsel Kent Alm

The first closed session ended at 5:18 p.m.

The second closed session began at 5:19 p.m.

BOARD MEMBERS PRESENT FOR SECOND CLOSED SESSION: President Michael Di Giorgio, Members James D. Fritz, William C. Long, George C. Quesada and Dennis Welsh.

OTHERS PRESENT FOR SECOND CLOSED SESSION: Sky Woodruff, Principal, Meyers Nave

Second closed Session ended at 6:03 p.m.

Open session began at 6:30 p.m.

BOARD MEMBERS PRESENT: President Michael Di Giorgio, Members James D. Fritz, William C. Long, George C. Quesada and Dennis Welsh.

STAFF PRESENT: Manager-Engineer Beverly James, Deputy Manager-Engineer Sandeep Karkal, and Administrative Secretary Julie Borda.

ALSO PRESENT: Mike Cass, Novato
Colleen Rose, Novato
Tom Pierce, Novato
Barry Buckley, Novato
Dee Johnson, Household Hazardous Waste Coordinator
Steve Wrightson, the Covello Group
Phil Tucker, CA Healthy Communities Network
Dennis Fishwick, Novato
Norman Stone, Novato

PLEDGE OF ALLEGIANCE:

FIRST CLOSED SESSION REPORT: President Di Giorgio reported that the Board authorized legal counsel to prepare an answer to the potential litigation.

SECOND CLOSED SESSION REPORT: President Di Giorgio reported that the Board authorized legal counsel to respond to litigation and to represent the Novato Sanitary District Board of Directors.

AGENDA APPROVAL:

On motion of Member Quesada, seconded by Member Fritz, and carried unanimously, the Agenda was approved as mailed.

PUBLIC COMMENT:

Norm Stone, Novato resident, questioned if an item previously requested by Director Welsh was included as an agenda item. The Manager replied that Agenda item #8, "Consider hiring permanent District employees to fill vacancies" is that item.

BOARD MEMBER REPORTS:

Member Long commented on an upcoming event at the Book Passage in Corte Madera where former California Assemblyman Bill Bagley will discuss California's Golden Years.

CONSENT CALENDAR:

Member Quesada requested Consent Calendar Item (a) be pulled from the consent calendar for further discussion: *Approval of amendment to expenditure authorization for work in Alameda del Prado.*

The Manager explained that Ghilotti Brothers was awarded the Alameda del Prado 8" Sewer Main Repair, Project No. 72803 and began work on December 22, 2009. She reported that a sewer line running between two manholes at the project was in need of relocation. She noted the District will need to install 190 feet of sewer main instead of the 125 feet as was originally proposed. The Manager requested the Board revise the original authorization to an overall not-to-exceed amount of \$55,000 and award the additional work to Ghilotti Brothers.

On motion of Member Long, seconded by Member Welsh, and carried unanimously, consent calendar item 6.a. was approved.

On motion of Member Quesada, seconded by Member Long, and carried unanimously, the following consent calendar items were approved:

- b. Approval of a contract amendment with Nute Engineering to provide engineering services during construction: Pump Station Rehabilitation Project 72403.
- c. Adopt Resolution No. 3018, "A Resolution of the Board of Directors of the Novato Sanitary District, Amending the District's 401(a) Plan with Lincoln National Life Insurance Company to reflect certain provisions of the Pension Protection Act of 2006".
- d. Approval of the following meeting schedule: January 11th and 25th, February 8th and 22nd, March 8th and 22nd.
- e. Approval of regular disbursements in the amount of \$336,465.96, upgrade project disbursements in the amount of \$4,733.96 and payroll and payroll related disbursements in the amount of \$252,627.93.

COLLECTION SYSTEM IMPROVEMENTS PROJECT 72706:

Consider adoption of a resolution making CEQA findings; approving plans and specifications; and authorizing advertising for bids for the Force Main Replacement project – Bel Marin Keys. The Deputy Manager-Engineer outlined the Bel Marin Keys Force Main Replacement project stating that the project is urgent because the District has already experienced failures in these force mains. He noted that the engineer's estimate for the work is \$1,300,000. He stated staff has completed the California Environmental Quality Act (CEQA) documentation and determined the project is categorically exempt because the work relates to the replacement or minor alteration of existing public sewerage facilities. He recommended the adoption of Resolution No. 3019. He noted bids for this project are expected to be received on February 2 and be presented to the Board at the February 8th meeting.

On motion on Member Fritz, seconded by Member Quesada and carried unanimously, the Board adopted Resolution No. 3019, A Resolution Approving Plans and Specifications, Making Determinations on Environmental Impact, Establishing Prevailing Wage Scale, Calling for Proposals, and Providing for Notice thereof: Collection System Improvements: Project 72706, Force Main Replacement Project – Bel Marin Keys.

PERSONNEL:

Consider hiring permanent District employees to fill vacancies. Director Welsh stated that when vacancies come up, the District should hire permanent employees instead of hiring temporary employees through an agency. He suggested job listings be placed on various technical posting web sites as well as with the CWEA job board.

The Manager stated there are two reasons the District recommends against the hiring of permanent employees: 1) due to the uncertainty of future employment because of the pending referendum, the District would be unable to offer long-term positions, and 2) the recruitment and selection of employees through regular channels typically takes 3 to 6 months. The new secondary processing units are scheduled to begin coming online in February 2010, and this does not allow sufficient time to recruit and select new employees.

Member Long and the Manager discussed the current employee demand, noting that current labor demand is higher than when the new plant will be online and functioning.

Member Welsh stated he does not feel it is prudent for the District to wait until the plant start-up is complete to hire additional employees as these new employees will need training and sufficient time to become proficient operators.

Member Welsh made a motion to hire permanent District employees to fill vacancies. There was no second.

Member Long stated he felt the District should move towards hiring Grade IV Operators to ensure the plant runs smoothly. Director Welsh suggested the District train their current employees to become Grade IV Operators and Director Long strongly agreed. The Manager stated she would bring suggestions on this issue back to the Board and meet and confer with the District's union representative.

Phil Tucker, CA Healthy Communities Network, asked what is the probationary period for new employees. The Manager responded that it is a minimum of six months from date of hire and that the probationary period may be extended for a period up to six months if this action is recommended by the employee's immediate supervisor. Mr. Tucker commented that there is merit in building a solid workforce.

Dennis Fishwick, Novato resident, commented on the Board's desire to bring Operators to the Grade IV level and suggested Director Welsh could be of benefit due to his previous work experience.

Tom Pierce, Novato resident, suggested the District continue to offer training to current employees. He stated the District needs a solid base of trained employees in the case of unforeseen injuries or illness.

President Di Giorgio stated he does not agree with the option of hiring permanent employees and then terminating them if the referendum passes and the contract with Veolia Water is reinstated. He stated he felt employee training is very important.

Member Quesada stated the minimum requirement for Operators should be Grade IV.

The Manager stated the District does not currently employ a Grade V Operator, but through Veolia Water, there are Grade V Operators working in the treatment facility.

ADMINISTRATION:

Consider adoption of District policies. President Di Giorgio opened this item for Board discussion and read Policy Handbook #1030: Public Complaints.

Member Quesada requested a portion of line 1030.2 be deleted: *of which the individual has been adversely affected.*

Public comments were made regarding Policy #1030.

On motion of Member Long, seconded by Member Quesada, and passed unanimously, Policy Handbook #1030: Public Complaints, was passed as amended.

The Manager stated that the District may put an electronic version of the Policy Handbook on their website. She suggested, and the Board agreed, to bring Policy Handbook policies one-at-a-time to the Board at subsequent meetings.

At 7:50 p.m. President Di Giorgio announced the Board would take a five minute recess.

At 7:55 p.m. President Di Giorgio reconvened the Board meeting.

COMMITTEE REPORTS:

Solid Waste Committee. Dee Johnson, Household Hazardous Waste Coordinator, discussed the Solid and Hazardous Waste Committee Report. She gave an update on the 2009/10 solid and hazardous waste program accomplishments as well as the 2009/10 program projections. She outlined for the Board the 2009/10 AB 939 budget, updated through 12/01/2009. In addition, she presented to the Board and discussed the AB939 2009 Waste Diversion report.

Member Quesada stated his appreciation for her work.

Wastewater Operations Committee. The Deputy Manager-Engineer noted that the Operations and Maintenance Report from November-December 2009 as prepared by John Bailey of Veolia Water, was discussed at the Committee meeting.

Member Long requested the Manager prepare a summary of the Operations and Maintenance report to present to the Board on a monthly basis.

Adhoc Wastewater Facilities Upgrade Committee. Steve Wrightson, the Covello Group, gave an update of the facilities construction and discussed the equipment that will be coming online. He stated the construction progress is on track for a September 11, 2010 completion date. He discussed the upgrade budget, noting that 85% of the budget has been expended and change orders are at only 1.1% of the total project budget.

MANAGER'S ANNOUNCEMENTS:

The District office will be closed on Friday, in observance of New Years Day.

The next Board meeting will be on January 11th.

The North Bay Watershed Association (NBWA) will hold their annual conference on April 9th in Santa Rosa.

ADJOURNMENT: There being no further business to come before the Board, President Di Giorgio adjourned the meeting at 8:48 p.m.

Respectfully submitted,

Beverly B. James
Secretary

Julie Borda, Recording

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Consent Calendar: Pretreatment – Optical Metals Services	MEETING DATE: February 22, 2010 AGENDA ITEM NO.: 7.a.
RECOMMENDED ACTION: Adopt a resolution providing relief on pH limits for Optical Metals Services facility and setting the revised pH limits.	
SUMMARY AND DISCUSSION: Optical Metals Services has requested upper pH limit relief of pH 10.5 from pH 8.5 discharge permit for its facility at 92 Hamilton Drive, Suite G. The permit language shall read as follows: “pH - the permittee shall maintain the pH within the range of 5.5 to 10.5” The basis of the upper limit relief can be found in section 207 of the District’s Sanitary Code: <i>‘When any person by reason of special circumstances is of the opinion that any provision of this Ordinance is unjust or inequitable as applied to his/her premises, he/she may make written application to the Board, stating the special circumstances, citing the provision complained of, and requesting suspension or modification of that provision as applied to his/her premises.’</i> There is no potential for adverse impacts on the District’s pipes or equipment from the change. In the past, the Board has approved other pH variances of the upper limit from pH 8.5 to 10.5: 1/28/08 - BioMarin 46 Galli Drive facility - Resolution No. 2976 10/27/08- BioMarin 300 BMK facility - Resolution No. 2994 1/12/09 – Buck Center - Resolution No. 2998 1/12/09 – Dye Guy - Resolution No. 2999 1/12/09 – Norcal Dyeworks - Resolution No. 3000 Therefore, Optical Metals Services is requesting an upper limit pH variance from pH 8.5 to 10.5. Accordingly, staff recommends that the Board approve granting the requested relief on the pH limits for Optical Metals Services, and adopt the attached resolution that documents approval and sets the revised pH limits.	
ALTERNATIVES: Deny approval.	
BUDGET INFORMATION: N/A	
DEPT. MGR.:	MANAGER:

NOVATO SANITARY DISTRICT

RESOLUTION NO. _____

**A RESOLUTION APPROVING RELIEF ON pH LIMITS,
AND SETTING REVISED pH LIMITS
FOR OPTICAL METAL SERVICES, 92 HAMILTON DRIVE, SUITE G, NOVATO**

WHEREAS, the District has received application for upper limit relief of pH 10.5 from pH 8.5 for Optical Metal Services (Permittee) discharge permit for its 92 Hamilton Drive, Suite G, facility; and

WHEREAS, Section 207 of the Sanitary Code of Novato Sanitary District states that relief from any provision of said Code may be made by Resolution of the Board; and

NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED AND ORDERED as follows:

- A. The Permittee shall maintain the pH within the range of 5.5 to 10.5.

* * * * *

I hereby certify that the foregoing resolution was duly and regularly passed and adopted by the Board of Directors of Novato Sanitary District, Marin County, California, at a meeting thereof duly held on the 12th day of January, 2009, by the following vote:

AYES, and in favor thereof, Directors:	Di Giorgio, Fritz, Long, Quesada, Welsh
NOES, Directors:	None
ABSENT, Directors:	None

President, Board of Directors
Novato Sanitary District

ATTEST:

Secretary
Novato Sanitary District

Novato Sanitary District Check Register

February 22, 2010

Date	Num	Name	Credit
Feb 22, 10			
2/22/2010	50532	Ghilotti Bros. Inc.	83,243.35
2/22/2010	50566	Team Ghilotti	59,476.85
2/22/2010	50571	US Bank Corporate Trust	41,320.00
2/22/2010	50512	Argonaut Constructors Corp.	36,023.44
2/22/2010	50543	Meyers, Nave, Riback, Silver &...	33,672.96
2/22/2010	50526	Covello Group, The	26,183.00
2/22/2010	50519	Brown & Caldwell, Inc.	19,602.50
2/22/2010	50551	North Marin Water District 2	13,527.72
2/22/2010	50524	Clarence & Dyer LLP	13,420.19
2/22/2010	50557	Olin Chlor Alkali Products	12,813.78
2/22/2010	50555	Novato, City	11,040.00
2/22/2010	50562	PSC	9,524.10
2/22/2010	50518	Brenntag Pacific, Inc.	8,588.85
2/22/2010	50515	BioMairn Pharmaceutical, Inc.	8,466.56
2/22/2010	50556	Oakley Water Strategies, Inc.	6,621.25
2/22/2010	50509	Aerotek	6,360.00
2/22/2010	50564	Rain For Rent	5,070.28
2/22/2010	50511	American Express-21007	4,200.06
2/22/2010	50569	U.S. Bank Card (2)(June)	3,939.92
2/22/2010	50567	Thomas & Associates, Inc.	3,912.59
2/22/2010	50538	Kaiser Permanente	3,280.22
2/22/2010	50540	Maggiora & Ghilotti Inc.	2,434.04
2/22/2010	50541	Marin Market	2,000.00
2/22/2010	50517	Bowens, Kenneth	1,860.00
2/22/2010	50573	Verizon California	1,765.55
2/22/2010	50545	Muniquip, Inc.	1,706.51
2/22/2010	50510	Alameda Electrical Distributors...	1,635.00
2/22/2010	50550	North Marin Water District	1,569.99
2/22/2010	50542	Marin/Sonoma Mosquito Dist	1,421.13
2/22/2010	50530	G & K Services	1,324.67
2/22/2010	50534	IEDA, INC	1,000.00
2/22/2010	50544	Miller Pacific Engineering, Inc.	999.80
2/22/2010	50575	WasteManagement	848.06
2/22/2010	50535	Independent Journal	740.40
2/22/2010	50553	Novato Chevrolet	739.17
2/22/2010	50522	CalPacific Equipment	736.12
2/22/2010	50528	Environmental Resource Assoc	729.10
2/22/2010	50574	VWR International Inc.	575.12
2/22/2010	50549	North Marin Auto Parts	437.93
2/22/2010	50537	Jim-n-i Rentals	436.00
2/22/2010	50572	USA BlueBook	422.16
2/22/2010	50516	BoundTree Medical, LLC	414.22
2/22/2010	50561	Pitney Bowes Reserve Account	400.00
2/22/2010	50539	Lab Safety Supply, Inc.	384.44
2/22/2010	50523	Cintas Corporation	377.29
2/22/2010	50552	Novato Chamber of Commerce	375.00
2/22/2010	50521	California Diesel & Power	373.00
2/22/2010	50533	Grainger	327.72
2/22/2010	50527	CWEAmembers	264.00
2/22/2010	50529	Fast Blinds	252.00
2/22/2010	50520	Cagwin & Dorward Inc.	229.00
2/22/2010	50514	Barhydt, Tracy	206.50
2/22/2010	50577	Zenith Instant Printing, Inc.	203.48
2/22/2010	50536	Industrial Scientific	175.07
2/22/2010	50570	United Parcel Service	169.82
2/22/2010	50568	U.S. Bank Card (1)(Bev)	160.47
2/22/2010	50513	B.W.S. Distributors, Inc.	159.76
2/22/2010	50531	Galeton	141.25
2/22/2010	50546	North Bay Gas & Weld	108.00
2/22/2010	50554	Novato Lock	103.00
2/22/2010	50563	Quill Corporation	92.72
2/22/2010	50547	North Bay Portables, Inc.	89.70
2/22/2010	50559	Orkin Pest Control	75.90
2/22/2010	50558	One Stop Auto Service Inc.	64.88
2/22/2010	50525	Cook Paging	57.73
2/22/2010	50548	North Bay Truck Service	54.00

02/19/10

Novato Sanitary District Check Register

February 22, 2010

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
2/22/2010	50576	WC's Locks & Keys	39.66
2/22/2010	50508	Able Tire & Brake Inc.	21.74
2/22/2010	50560	Pacific, Gas & Electric	14.78
2/22/2010	50565	Staples Business Adv	10.18
Feb 22, 10			<u><u>439,013.68</u></u>

02/19/10

Novato Sanitary District Check Register

February 22, 2010

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
Feb 22, 10			
2/22/2010	2021	Covello Group, The	116,246.70
2/22/2010	2022	Empire Mini Storage - Novato	730.00
Feb 22, 10			<u>116,976.70</u>

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Collection System Improvements; Bel Marin Keys Force Main Replacement Project; Project No. 72706	MEETING DATE: February 22, 2010 AGENDA ITEM NO.: 8.a.																
RECOMMENDED ACTION: Review bids received and authorize contract award to the lowest responsive bidder.																	
SUMMARY AND DISCUSSION: At its December 28th meeting the District Board made CEQA findings and authorized staff to advertise for bids for the project. On February 4th, 8 bids were received as follows:																	
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;"><u>Bidder</u></th> <th style="text-align: right; border-bottom: 1px solid black;"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>Team Ghilotti:</td> <td style="text-align: right;">\$598,285.00</td> </tr> <tr> <td>WR Forde & Associates:</td> <td style="text-align: right;">\$650,444.00</td> </tr> <tr> <td>North Bay Construction:</td> <td style="text-align: right;">\$720,326.00</td> </tr> <tr> <td>John Benward Company:</td> <td style="text-align: right;">\$767,705.00</td> </tr> <tr> <td>Maggiora & Ghilotti:</td> <td style="text-align: right;">\$787,787.00</td> </tr> <tr> <td>Ghilotti Brothers:</td> <td style="text-align: right;">\$798,890.00</td> </tr> <tr> <td>Pfister Excavating:</td> <td style="text-align: right;">\$1,075,968.00</td> </tr> </tbody> </table>		<u>Bidder</u>	<u>Amount</u>	Team Ghilotti:	\$598,285.00	WR Forde & Associates:	\$650,444.00	North Bay Construction:	\$720,326.00	John Benward Company:	\$767,705.00	Maggiora & Ghilotti:	\$787,787.00	Ghilotti Brothers:	\$798,890.00	Pfister Excavating:	\$1,075,968.00
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Ghilotti Brothers:	\$798,890.00																
Pfister Excavating:	\$1,075,968.00																
<p>Team Ghilotti of Petaluma submitted the lowest responsive bid of \$598,285.00, \$52,159.00 (9%) below the next highest bidder. The Engineer's Estimate of Probable Cost was \$1,500,000.00, considerably higher than the majority of the bids. Nute Engineering explained that this was due to inflated figures provided by several directional drilling companies prior to bidding the work. Team Ghilotti's bid documents have been reviewed and they are in order. Team Ghilotti's references have also been contacted and they have all provided positive feedback.</p> <p>The FY09-10 budget includes \$3,000,000 for the Collection System Improvements. To date, \$1,310,437.00 has been expended. Accordingly, at this time, it is recommended that the Board award the Bel Marin Keys Force Main Replacement Project of the Collection System Improvements to Team Ghilotti with a bid of \$598,285.00.</p>																	
ALTERNATIVES: None.																	
BUDGET INFORMATION: This work will be funded from the budget for Collection System Improvements, Project 72706, which has a current FY09-10 budget balance of \$1,689,563.00.																	
DEPT.MGR.:	MANAGER:																

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Collection System Improvements; Project No. 72706	MEETING DATE: February 22, 2010 AGENDA ITEM NO. : 8.b.
RECOMMENDED ACTION: Approve a contract amendment in the amount of \$57,000 with Nute Engineering on a time and materials basis.	
SUMMARY AND DISCUSSION: <p>The District currently has an approved agreement in place with Nute Engineering (Nute) in the amount of \$351,000 to cover design and construction services on the following Collection System Improvement projects:</p> <ul style="list-style-type: none"> A. State Access Road Sewer Project B. Center Road/Wilson Avenue Sewer Project C. Olive Street/Chase Street Project D. Ignacio Boulevard Sewer Project E. DeLong Avenue Pipebursting Project F. San Ramon Way Sewer Project <p>Construction is nearing completion on the Center Road/Wilson Avenue Sewer Project. The purpose of this project was to relieve surcharging and overflows of the sewer system in the Center Road, Rica Vista, Buena Vista and Monte Vista areas during inclement weather. On January 15, 2010 the final connection was completed allowing sewage to flow through the new sewer system.</p> <p>On January 20th, Novato experienced a sustained rainfall and the sewer system at the intersection of Western Avenue and Center Road, approximately 950 feet upstream of the current project, surcharged and overflowed. The areas of Rica Vista, Buena Vista and Monte Vista had no surcharged areas and performed as expected. There is a stretch of sewer with very flat grade between the intersection of Western and Center. Now that the new sewer is installed up to Rica Vista the pipe grade and size can be corrected between Rica Vista and Western to prevent future overflows.</p> <p>Staff requested and received a proposal from Nute Engineering to design the next segment of sewer replacement in Center Road between Rica Vista and Western Avenue. Nute Engineering proposes to provide design engineering services for \$38,000.00 and construction review services for an additional \$19,000.00. The preliminary engineer's estimate of probable cost is \$360,000.00 for this project.</p> <p>Staff has reviewed Nute Engineering's proposal and believes it is reasonable. Staff recommends amending the current Agreement with Nute Engineering to include this project.</p>	
ALTERNATIVES: None.	
BUDGET INFORMATION: This work will be funded from Project 72706, Collection System Improvements. The FY09-10 budget includes \$3,000,000 for the project.	
DEPT. MGR. :	MANAGER'S APPROVAL:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Referendum on Contract Service Agreement: Ballot Language

MEETING DATE: February 22, 2010

AGENDA ITEM NO.: 9a.

RECOMMENDED ACTION: Consider approval of a Resolution requesting the Board of Supervisors of the County of Marin to conduct said election; authorizing the District Manager-Engineer to carry out all the necessary procedures for said election; and submitting to the voters a referendum measure to repeal a contract service agreement.

SUMMARY AND DISCUSSION:

Background:

- July 27, 2009, after receiving public comments, the Board of Directors made CEQA findings and unanimously authorized negotiation of a *Contract Service Agreement for Operation, Maintenance, and Management of Wastewater Treatment Facilities* (Contract).
- September 21, 2009, the Board unanimously approved the negotiated Contract.
- October 15, 2009, a Referendum Petition was filed with the Marin County Registrar of Voters that said
"We the undersigned, registered and qualified voters of the Novato Sanitary District, hereby present this petition protesting the approval of a contract, entitled NOVATO SANITARY DISTRICT CONTRACT SERVICE AGREEMENT For OPERATION, MAINTENANCE, AND MANAGEMENT OF WASTEWATER TREATMENT FACILITIES ("Contract"). The full and complete text of the Contract is attached to this petition as Exhibit A. We request that approval of the Contract be repealed by you or submitted to a vote of the people as prescribed by law to determine whether the Contract should take effect."
- November 2, 2009, the District received certification from the Marin County Registrar of Voters indicating that the Referendum Petition contained a sufficient number of valid signatures to qualify for an election.
- November 9, 2009, the Board approved a motion to decline to repeal the Agreement.
- November 23, 2009, the Board set June 8, 2010 as the date for the referendum and appointed an Adhoc committee to draft ballot language.
- February 8, 2010 the Committee recommended and the Board approved the following ballot language: ***"Shall the Novato Sanitary District's approval of the contract entitled "Novato Sanitary District Contract Service Agreement for Operation, Maintenance, and Management of Wastewater Treatment Facilities" be repealed?"***

The District has taken the position that the approval of the Contract is not a proper subject for referendum. A referendum on the approval of the Contract on September 21 conflicts with general law because the State legislature has granted exclusive authority to approve District contracts to the District Board, not to the electorate. The District's position has consistently been that the District has entered into a valid Contract and that the Referendum can only serve to direct the Board to repeal or void the contract.

The attached Resolution lays out the background for the referendum, sets the ballot language, directs the Manager-Engineer to carry out the procedures for the election, requests the Board of Supervisors of Marin County to conduct the election, sets the date for the election, and names two of the people who will sign the ballot argument on behalf of the Board.

ALTERNATIVES: Continue the agenda item to a future meeting before March 12, 2010.

BUDGET INFORMATION: The District will need to increase the budget for elections by \$76,750 to cover the cost of the election.

DEPT. MGR.:

MANAGER:

Suevely James

Novato Sanitary District
Resolution No. _____

A RESOLUTION REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF MARIN TO CONDUCT SAID ELECTION; AUTHORIZING THE DISTRICT MANAGER-ENGINEER TO CARRY OUT ALL THE NECESSARY PROCEDURES FOR SAID ELECTION; AND SUBMITTING TO THE VOTERS A REFERENDUM MEASURE TO REPEAL A CONTRACT SERVICE AGREEMENT

WHEREAS, on November 2, 2009 the Novato Sanitary District of Marin County, California ("District") received a certificate from the Marin County Registrar of Voters certifying the results of the Registrar's examination of the numbers of signatures and verification of the signatures affixed to a petition for a referendum measure to repeal the service contract with Veolia Water West Operating Services, Inc. for operation of the District's wastewater treatment plant ("Service Contract"); and

WHEREAS, the Registrar's certification shows that at least 10% of the registered voters in the District signed the referendum petition; and

WHEREAS, the referendum petition contains a request that the Service Contract be repealed or submitted to a vote of the people; and

WHEREAS, Elections Code Section 9145 provides that where the District receives such a referendum petition and certification, it shall either repeal the ordinance in question (here, the Service Contract) or submit it to an election to be held not less than 88 days after the date of the order of election; and

WHEREAS, the District does not believe that the award of the Service Contract is a legislative act subject to referendum; and

WHEREAS, despite the District's belief that referendum procedures are inapplicable to this District decision, the District seeks to proceed with adopting an election order; and

WHEREAS, the District desires that the Marin County Registrar of Voters canvass the returns of the special election; and

WHEREAS, the Marin County Registrar of Voters requires payment by the District of a fee to perform the election services;

WHEREAS, on November 9, 2009 the Board of approved a motion to decline to repeal the Agreement;

WHEREAS, on November 23, 2009, the Board of Directors set the date of the election as June 8, 2010;

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

1. The measure to be submitted to the qualified electors of the Novato Sanitary District shall be as follows:

Shall the Novato Sanitary District's approval of the contract entitled "Novato Sanitary District Contract Service Agreement for Operation, Maintenance, and Management of Wastewater Treatment Facilities" be repealed?

Yes _____

No _____

2. The District Manager-Engineer is hereby directed to issue instructions to the Marin County Elections Department to take any and all steps necessary for the holding of the election.

3. The District Manager-Engineer is hereby directed to transmit a certified copy of this resolution to the Marin County Board of Supervisors and the Marin Registrar of Voters.

4. The District Manager-Engineer is authorized and directed to reimburse Marin County for the actual costs incurred in conducting the election upon presentation of a bill from the County, and to enter into any service agreement(s) for any such County services required.

5. (a) The last day for submission of ballot wording to the Board of Supervisor and Registrar of Voters shall be by March 12, 2010.

(b) The last day for submission of direct arguments for or against the measure shall be by March 22, 2010.

(c) The last day for submission of rebuttal arguments for or against the measure shall be by March 29, 2010.

(d) Direct arguments shall not exceed 300 words and shall be signed by not more than five persons.

(e) Rebuttal arguments shall not exceed 250 words and shall be signed by not more than five persons.

(f) An impartial analysis showing the effect of the measure shall be prepared by March 22, 2010.

(g) The District Board hereby selects _____ and _____ to prepare a written argument in favor of the proposed measure, not to exceed 300 words, on behalf of the Board. The two persons listed above may also authorize up to three additional persons to sign the ballot argument. These may be members of the District Board or

bona fide associations or by individual voters who are eligible to vote. In the event that an argument is filed against the measure, the two persons listed above are also authorized to select two members of the Board to prepare a rebuttal argument on behalf of the Board, which may also be signed by up to three other members of the District Board or bona fide associations or by individual voters who are eligible to vote.

PASSED AND ADOPTED by the Board of Directors of Novato Sanitary District, Marin County, California, at a meeting thereof duly held on the _____ day of _____, 2010, by the following vote:

AYES,	Members:
NOES,	Members:
ABSENT,	Members:

Secretary
Novato Sanitary District

APPROVED:

President

APPROVED AS TO FORM:

Kenton L. Alm, District Counsel

1319460.1

QUARTERLY INVESTMENT REPORT -- For Quarter Ended December 2009

INVESTMENT	ACTIVITY	Oct	Nov	Dec	QTR TOTAL
STATE TREASURER'S	Total deposits/transfers in	6,083,929	185,000	4,440,000	10,708,929
INVESTMENT FUND	Total transfers out	2,877,000	2,989,000	622,000	6,488,000
	Minimum daily balance	27,463,488	27,866,417	31,684,417	27,463,488
Current Yield	Maximum daily balance	30,670,417	30,670,417	27,866,417	30,670,417
0.60%	Interest earned	0	0	45,687	45,687
The LAIF Pooled Money Investment Account Report is attached as specified in California Government Code Section 53646(e)					
CHECKING ACCOUNTS					
Interest Rate	<u>Regular Warrants Account</u>				
0.05%	Total deposits & transfers in	8,890,494	3,246,748	8,908,693	21,045,935
	Total checks & transfers out	8,955,468	3,421,144	8,678,881	21,055,493
	Minimum daily balance	35,137	0	17,441	0
	Maximum daily balance	6,275,536	712,856	5,156,027	6,275,536
	Interest earned	273	60	16	349
	<u>Payroll Account</u>				
	Total transfers in	156,600	128,800	140,000	425,400
	Total checks & transfers out	181,549	173,239	101,407	456,195
	Minimum daily balance	1,347	0	2,524	0
	Maximum daily balance	115,318	128,800	142,524	142,524
	Interest Earned	0	0	0	0
	<u>Project Account</u>				
	Total transfers in	7,898,870	1,725,424	3,031,000	12,655,294
	Total checks & transfers out	7,847,713	1,716,751	3,175,589	12,740,053
	Minimum daily balance	15,766	0	2,347	0
	Maximum daily balance	1,805,791	151,401	3,028,503	3,028,503
	Interest earned	72	1	10	83

NOTES: (1) The above investments are consistent with the annual Statement of Investment Policy submitted to the District Board of Directors on November 17, 2009

The District has the ability to meet six months cash needs.

(2) LAIF interest rate is currently .60% which is a significant decrease from .90% in September 2009, 1.3% June 2009, and 1.82% in March 2009.

Bill Lockyer, State Treasurer

Inside the State Treasurer's Office

Local Agency Investment Fund (LAIF)



PMIA Performance Report

Date	Daily Yield	Quarter to Date Yield	Average Maturity (in days)
1/28/2010	0.55	0.56	229
1/29/2010	0.55	0.56	216
1/30/2010	0.55	0.56	216
1/31/2010	0.55	0.56	216
2/1/2010	0.56	0.56	217
2/2/2010	0.55	0.56	213
2/3/2010	0.55	0.56	210
2/4/2010	0.54	0.56	211
2/5/2010	0.54	0.56	212
2/6/2010	0.54	0.56	212
2/7/2010	0.54	0.56	212
2/8/2010	0.54	0.56	212
2/9/2010	0.54	0.56	212
2/10/2010	0.54	0.56	211

LAIF Performance Report

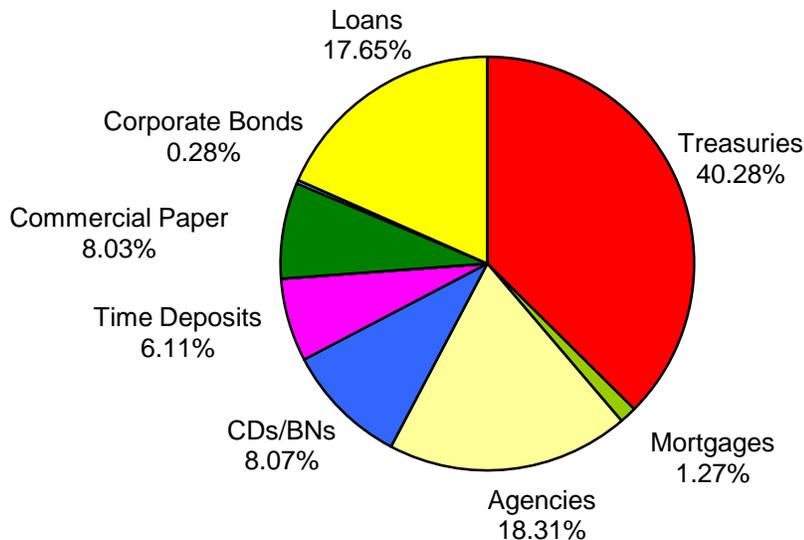
Quarter ending 12/31/2009

Apportionment Rate: 0.60%
 Earnings Ratio: .00001657120783286
 Fair Value Factor: 1.000947825
 Daily: 0.56%
 Quarter To Date: 0.61%
 Average Life: 222

PMIA Average Monthly Effective Yields

JAN 2010 0.558%
 DEC 2009 0.569%
 NOV 2009 0.611%

Pooled Money Investment Account Portfolio Composition \$67.9 Billion 01/31/10



**State of California
Pooled Money Investment Account
Market Valuation
12/31/2009**

Description	Carrying Cost Plus Accrued Interest Purch.	Amortized Cost	Fair Value	Accrued Interest
United States Treasury:				
Bills	\$ 18,180,532,754.95	\$ 18,202,021,798.70	\$ 18,210,321,950.00	NA
Notes	\$ 6,963,540,150.24	\$ 6,962,514,433.06	\$ 6,967,024,000.00	\$ 8,938,953.83
Federal Agency:				
SBA	\$ 555,758,748.19	\$ 555,749,180.58	\$ 546,479,189.67	\$ 594,632.84
MBS-REMICs	\$ 891,287,839.18	\$ 891,287,839.18	\$ 933,016,165.51	\$ 4,235,617.00
Debentures	\$ 1,610,214,125.73	\$ 1,610,214,125.73	\$ 1,622,739,980.00	\$ 543,017,884.38
Debentures FR	\$ 1,939,948,015.82	\$ 1,939,948,015.82	\$ 1,940,239,500.00	\$ 281,822.80
Discount Notes	\$ 8,312,516,085.84	\$ 8,319,293,088.71	\$ 8,324,225,500.00	NA
FHLMC PC	\$ -	\$ -	\$ -	\$ -
GNMA	\$ 105,784.31	\$ 105,784.31	\$ 117,914.35	\$ 1,042.17
IBRD Deb FR	\$ 300,000,000.00	\$ 300,000,000.00	\$ 300,456,000.00	\$ 283,181.08
CDs and YCDs FR	\$ -	\$ -	\$ -	\$ -
Bank Notes	\$ -	\$ -	\$ -	\$ -
CDs and YCDs	\$ 6,465,063,285.92	\$ 6,465,053,952.59	\$ 6,465,264,691.25	\$ 1,833,418.04
Commercial Paper	\$ 5,046,651,763.39	\$ 5,048,166,933.93	\$ 5,048,376,783.63	NA
Corporate:				
Bonds FR	\$ 188,887,715.04	\$ 188,887,715.04	\$ 188,680,551.28	\$ 69,149.73
Bonds	\$ -	\$ -	\$ -	\$ -
Repurchase Agreements	\$ -	\$ -	\$ -	NA
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits	\$ 4,375,800,000.00	\$ 4,375,800,000.00	\$ 4,375,800,000.00	NA
NOW Account	\$ -	\$ -	\$ -	NA
AB 55 & GF Loans	\$ 12,346,812,173.81	\$ 12,346,812,173.81	\$ 12,346,812,173.81	NA
TOTAL	\$ 67,177,118,442.42	\$ 67,205,855,041.47	\$ 67,269,554,399.50	\$ 559,255,701.87

Fair Value Including Accrued Interest

\$ 67,828,810,101.37

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (**1.000947825**).

As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$20,018,956.49 or \$20,000,000.00 x **1.000947825**.

PAR VALUES MATURING BY DATE AND TYPE
Maturities in Millions of Dollars

ITEM	1 day to 30 days	31 days to 60 days	61 days to 90 days	91 days to 120 days	121 days to 150 days	151 days to 180 days	181 days to 210 days	211 days to 270 days	271 days to 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 year/out
TREASURY	\$ 100	\$ 400	\$ 200		\$ 200	\$ 6,200	\$ 2,445	\$ 4,850	\$ 5,950	\$ 3,100	\$ 1,750		
REPO													
TDs	\$ 2,104	\$ 1,038	\$ 1,065	\$ 157	\$ 11	\$ 2							
AGENCY	\$ 846	\$ 600	\$ 2,150	\$ 975	\$ 1,850	\$ 3,381	\$ 1,700	\$ 885	\$ 375	\$ 1,012	\$ 1,010		\$ 0
BAs													
CP	\$ 3,764	\$ 985	\$ 200	\$ 100									
CDs + BNs	\$ 4,340	\$ 625	\$ 200		\$ 350	\$ 950							
CORP BND		\$ 37	\$ 27					\$ 125					
TOTAL													
\$ 56,057	\$ 11,154	\$ 3,685	\$ 3,841	\$ 1,232	\$ 2,411	\$ 10,533	\$ 4,145	\$ 5,860	\$ 6,325	\$ 4,112	\$ 2,760	\$ -	\$ 0
PERCENT	19.9%	6.6%	6.9%	2.2%	4.3%	18.8%	7.4%	10.5%	11.3%	7.3%	4.9%	0.0%	0.0%

Notes:

1. SBA Floating Rate Securities are represented at coupon change date.
2. Mortgages are represented at current book value.
3. Figures are rounded to the nearest million.
4. Does not include AB55 and General Fund loans.

MEMORANDUM

February 16, 2010

TO: District Board of Directors

FROM: Beverly B. James, Manager-Engineer
June Penn Brown, Administrative Services Manager
Laura M. Creamer, Finance Officer

SUBJECT: Revenue and Expenditure Report for Quarter Ended December 2009

This memo presents a summary of revenues and expenditures for the operating and capital funds through the second quarter of Fiscal Year 2009-10 (see attached detail). The report also presents a brief analysis of items that vary significantly from the final budget.

OPERATING FUND

OPERATING REVENUE

	YTD Balance Received	Annual Budget	Budget Remaining	Pct. Received
Total Operating Revenues	\$4,489,063	\$8,976,310	\$4,487,247	50.0%

Discussion

Overall, operating revenues are approximately 50.0% of the total budget amount with 50% of the year complete. The operating income accounts are within normal range for this time of year.

OPERATING EXPENDITURES

	YTD Balance	Annual Budget	Budget Unused	Pct. Used
Total Operating Expenses	\$ 4,738,735	\$9,084,329	\$4,345,594	52.2%

Discussion

Overall, operating expenses are approximately 52.2% of budget at 50% of the year complete. The following explains significant variances in expense accounts.

Collection System

Outside Services. 99.7%. This budget item is right on target, there should be no more expenses charged to this account, services for root control are complete for this fiscal year.

Telephone. 65.8%. Significant variance due to personal phone usage has not been deducted from employee payroll checks but will be deducted in the next payroll, thus bringing this down in the normal range.

Garbage Collection. 74.8%. Significant variance due to first complete year of garbage collection charges, budget should be increased to reflect the charge of \$224 per month which would increase this budget item from \$1,500 to \$2,700 for this fiscal year.

Treatment Facilities

Salaries & Wages 94.5%. Employee Benefits 69.5%. Software Maintenance 120.4%. Operating Supplies 161.2%. Operating Chemicals 144.2% Janitorial Services 109.6%. Grounds Maintenance 121.5%. Repairs & Maintenance 87.7%. Small Tool Purchases 277.6%. Gas & Electricity 111.7%. Telephone 126.1%. Operational Assistance 171.1%.

All of the significant variances listed above for our Treatment Facilities are a direct result of the change back from operations under contract with Veolia to an interim consulting agreement, resulting in significantly increased costs due to rehiring our treatment plant operators and paying all the expenses associated with the operation of the treatment plant.

Reclamation/Disposal Facilities

Employee Benefits 65.1%. Per review of account, no significant items noted.

Sludge Disposal 96.7%. Sludge disposal services are complete for this fiscal year, no more expenditures expected.

Small Tools 121.6%. After review of this account, many small tool purchases allocated among three facilities. In the future we will look at this allocation and determine if it is appropriate for the reclamation facility.

Repairs & Maintenance 62.7%. No significant items noted during review of this budget item; it will be watched closely through the end of the fiscal year.

Water - Reclamation. 150.1%. A portion of the cost for fresh water will be reimbursed by the ranchers who lease the Reclamation Facilities for cattle grazing. The billings for these will be mailed next quarter.

Laboratory/Monitoring

Repairs & Maintenance. 86.4%. The significant variance is due to unexpected dishwasher repairs in the lab of approximately \$1,300 which is 17% of this budget item. The remainder of the overage is due to the servicing of lab equipment (distilled water filtration system) at the Ignacio site in the amount of \$1,600 which is 21.4% of this small budget, thus the significant variance.

Pump Stations

Repairs & Maintenance. 62.1%. No significant items noted during review of this budget item; it will be watched closely through the end of the fiscal year.

Small Tools. 73.3%. Same as Reclamation facility, we will review this allocation for appropriateness.

Administration and Engineering

Employee Benefits. 64.3%. Significant variances primarily due to workers' compensation insurance has been paid for entire year in this time period. In addition, we have some payments to the EDD for unemployment benefits in the amount of \$13,500 which were not included in the current fiscal year budget.

Insurance. 105.5%. All of the insurance premiums have been paid, the overage is due to the dividend of approximately \$20k which was received in January and will bring this budget item down to normal range.

Accounting & Auditing. 84.8%. This item appears to be on target for this fiscal year. It is generally paid out well before the end of the fiscal year.

Attorney Fees. 247.4%. Significant overage due to attorney fees for the EPA investigation and bank security issues, some of these costs will be recouped through the District's liability insurance coverage. This item should be increased for the remainder of the fiscal year see revised budget.

IT/Miscellaneous Electrical 81.1%. Significant increase due to fees paid to Fishnet Security of approximately \$12k to forensically examine our computers, due to the bank fraud in April of 2009. Significant expenses such as these aren't expected in the near future.

Printing & Publications 65.2%. Significant overage due to services for copying the documents which were taken by the EPA; the cost was approximately \$4,600 which is 38% of this small budget item.

CAPITAL FUND

CAPITAL REVENUE

	YTD Balance Received	Annual Budget	Budget Remaining	Pct. Received
Capital Revenue	\$4,837,684	\$8,390,414	\$3,525,730	57.7%

CAPITAL EXPENSES

	YTD Balance	Annual Budget	Budget Unused	Pct. Used
Capital Expenses	\$17,004,073	\$25,618,270	\$8,614,197	66.6%

The list of capital projects is shown in the attached report. Overall expenses are 66.6% of budget.

Novato Sanitary District
Revenues & Expenditures Budget vs. Actual
 July through December 2009

	<u>Jul - Dec 09</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
41000 · OPERATING INCOME				
41010 · Sewer Service Charges	4,375,656.28	8,006,814.00	(3,631,157.72)	54.65%
41030 · Plan Check & Inspection Fee	7,239.10	2,500.00	4,739.10	289.56%
41040 · Permit & Inspection Fee	6,255.50	25,000.00	(18,744.50)	25.02%
41060 · Interest Income	73,542.17	200,000.00	(126,457.83)	36.77%
41080 · Engineering & Admin Charges	0.00	175,000.00	(175,000.00)	0.0%
41090 · Non-domestic Permit Fees	3,316.00	4,000.00	(684.00)	82.9%
41100 · Garbage Franchise Fees	0.00	45,000.00	(45,000.00)	0.0%
41105 · AB 939 Collector Fees	0.00	277,299.00	(277,299.00)	0.0%
41107 · Oil/Bev/Tire Grants	0.00	63,080.00	(63,080.00)	0.0%
41110 · Sludge Disposal Charges	0.00	100.00	(100.00)	0.0%
41130 · Ranch Income	0.00	82,517.00	(82,517.00)	0.0%
41135 · Recycle Water Facility Revenue	0.00	20,000.00	(20,000.00)	0.0%
41140 · Other Revenue	23,053.75	75,000.00	(51,946.25)	30.74%
Total 41000 · OPERATING INCOME	4,489,062.80	8,976,310.00	(4,487,247.20)	50.01%
Total Income	4,489,062.80	8,976,310.00	(4,487,247.20)	50.01%
Gross Profit	4,489,062.80	8,976,310.00	(4,487,247.20)	50.01%
Expense				
60000 · COLLECTION SYSTEM				
60010 · Salaries & Wages	167,616.47	437,313.00	(269,696.53)	38.33%
60020 · Employee Benefits	97,131.45	192,799.00	(95,667.55)	50.38%
60060 · Gas, Oil & Fuel	4,209.72	15,000.00	(10,790.28)	28.07%
60091 · Software Maint	1,250.00	25,000.00	(23,750.00)	5.0%
60100 · Operating Supplies	5,336.97	17,000.00	(11,663.03)	31.39%
60150 · Repairs & Maintenance	21,348.03	55,000.00	(33,651.97)	38.82%
60152 · Small Tools	132.72	2,500.00	(2,367.28)	5.31%
60153 · Outside Services	69,819.90	70,000.00	(180.10)	99.74%
60192 · Water	2,094.79	4,000.00	(1,905.21)	52.37%
60193 · Telephone	658.34	1,000.00	(341.66)	65.83%
60200 · Other(Garbage Coll)	1,121.65	1,500.00	(378.35)	74.78%
60201 · Permits & Fees	7,822.68	8,000.00	(177.32)	97.78%
60290 · Vehicle Replacement	0.00	35,000.00	(35,000.00)	0.0%
Total 60000 · COLLECTION SYSTEM	378,542.72	864,112.00	(485,569.28)	43.81%
61000 · TREATMENT FACILITIES				
61500 - Contract Operations				
61501 · Contract Op - Fixed Fee	349,715.19	2,121,000.00	(1,771,284.81)	16.49%
Total 61500 - Contract Operations	349,715.19	2,121,000.00	(1,771,284.81)	16.49%
61010 · Salaries & Wages	376,709.68	398,842.00	(22,132.32)	94.45%
61020 · Employee Benefits	120,589.20	173,496.00	(52,906.80)	69.51%
61060 · Gasoline & Oil	2,592.60	6,000.00	(3,407.40)	43.21%
61091 · Software Maintenance	1,204.24	1,000.00	204.24	120.42%
61100 · Operating Supplies	12,894.20	8,000.00	4,894.20	161.18%
61101 · Operating Chemicals	72,102.56	50,000.00	22,102.56	144.21%
61112 · Janitorial Services	15,343.63	14,000.00	1,343.63	109.6%
61113 · Grounds Maintenance	1,214.75	1,000.00	214.75	121.48%

Novato Sanitary District
Revenues & Expenditures Budget vs. Actual
July through December 2009

	<u>Jul - Dec 09</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
61115 · Sludge Disposal - Contract	23,205.00	45,000.00	(21,795.00)	51.57%
61150 · Repairs & Maintenance	57,006.21	65,000.00	(7,993.79)	87.7%
61152 · Small Tool Purchase	1,387.79	500.00	887.79	277.56%
61191 · Gas & Electricity	212,148.46	190,000.00	22,148.46	111.66%
61192 · Water	1,321.39	4,000.00	(2,678.61)	33.04%
61193 · Telephone	6,303.31	5,000.00	1,303.31	126.07%
61200 · Operational Assistance	132,749.20	77,602.00	55,147.20	171.06%
61201 · Permits & Fees	42,436.50	50,000.00	(7,563.50)	84.87%
61290 · Vehicle Replacement	0.00	21,200.00	(21,200.00)	0.0%
Total 61000 · TREATMENT FACILITIES	1,428,923.91	3,231,640.00	(1,802,716.09)	44.22%
63000 · RECLAMATION/DISPOSAL				
63010 · Salaries & Wages	8,607.80	20,656.00	(12,048.20)	41.67%
63020 · Employee Benefits	5,852.73	8,985.00	(3,132.27)	65.14%
63060 · Gasoline & Oil	2,786.47	10,000.00	(7,213.53)	27.87%
63091 · Software Maintenance	0.00	2,500.00	(2,500.00)	0.0%
63100 · Operating Supplies	1,271.24	3,500.00	(2,228.76)	36.32%
63115 · Sludge Disposal	58,000.03	60,000.00	(1,999.97)	96.67%
63150 · Repairs & Maintenance	56,395.34	90,000.00	(33,604.66)	62.66%
63151 · Unusual Equipment Maintenance	27,413.00	75,000.00	(47,587.00)	36.55%
63152 · Small Tools	1,216.11	1,000.00	216.11	121.61%
63157 · Ditch/Dike Maintenance	1,728.00	25,000.00	(23,272.00)	6.91%
63191 · Gas & Electricity	76,767.57	145,000.00	(68,232.43)	52.94%
63192 · Water - Reclamation	9,008.58	6,000.00	3,008.58	150.14%
63201 · Permits & Fees	1,683.00	2,000.00	(317.00)	84.15%
63290 · Vehicle Replacement	0.00	7,000.00	(7,000.00)	0.0%
Total 63000 · RECLAMATION/DISPOSAL	250,729.87	456,641.00	(205,911.13)	54.91%
64000 · LABORATORY/MONITORING				
64010 · Salaries & Wages	114,570.35	251,748.00	(137,177.65)	45.51%
64020 · Employee Benefits	58,267.69	112,142.00	(53,874.31)	51.96%
64060 · Gasoline & Oil	739.05	2,000.00	(1,260.95)	36.95%
64091 · Software Maintenance	6,570.00	13,000.00	(6,430.00)	50.54%
64100 · Operating Supplies	17,762.57	30,000.00	(12,237.43)	59.21%
64150 · Repairs & Maintenance	6,476.78	7,500.00	(1,023.22)	86.36%
64160 · Research & Monitoring	50,918.13	116,610.00	(65,691.87)	43.67%
64170 · Pollution Prevention/Public Ed	13,957.02	24,500.00	(10,542.98)	56.97%
64201 · Permits & Fees	2,811.00	3,000.00	(189.00)	93.7%
64290 · Vehicle Replacement	0.00	1,400.00	(1,400.00)	0.0%
64300 · Capital Outlay	1,419.23	0.00	1,419.23	100.0%
Total 64000 · LABORATORY/MONITORING	273,491.82	561,900.00	(288,408.18)	48.67%
65000 · PUMP STATIONS				
65010 · Salaries & Wages	82,557.35	215,393.00	(132,835.65)	38.33%
65020 · Employee Benefits	42,585.31	93,696.00	(51,110.69)	45.45%
65060 · Gasoline & Oil	1,175.17	4,000.00	(2,824.83)	29.38%
65091 · Software Maintenance	0.00	2,500.00	(2,500.00)	0.0%
65100 · Operating Supplies	4,330.20	10,000.00	(5,669.80)	43.3%
65101 · Operating Chemicals	0.00	4,000.00	(4,000.00)	0.0%
65150 · Repairs & Maintenance	62,109.17	100,000.00	(37,890.83)	62.11%
65152 · Small Tools	1,465.12	2,000.00	(534.88)	73.26%

Novato Sanitary District
Revenues & Expenditures Budget vs. Actual
July through December 2009

	<u>Jul - Dec 09</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
65191 · Gas & Electricity	37,858.62	85,000.00	(47,141.38)	44.54%
65192 · Water	2,793.33	10,000.00	(7,206.67)	27.93%
65193 · Telephone	8,756.22	25,000.00	(16,243.78)	35.03%
65201 · Permits & Fees	1,109.50	2,500.00	(1,390.50)	44.38%
65290 · Vehicle Replacement	0.00	10,000.00	(10,000.00)	0.0%
Total 65000 · PUMP STATIONS	244,739.99	564,089.00	(319,349.01)	43.39%
66000 · ADMIN/ENGINEERING				
66010 · Salaries & Wages	504,258.72	983,540.00	(479,281.28)	51.27%
66020 · Employee Benefits	299,136.79	465,171.00	(166,034.21)	64.31%
66021 · Retiree Health Benefits	100,526.70	431,000.00	(330,473.30)	23.32%
66030 · Director's Fees	22,275.00	42,000.00	(19,725.00)	53.04%
66040 · Election Expense	0.00	40,000.00	(40,000.00)	0.0%
66060 · Gasoline & Oil	2,543.60	8,000.00	(5,456.40)	31.8%
66070 · Insurance	162,460.25	154,000.00	8,460.25	105.49%
66071 · Insurance Claim Expense	820.00	50,000.00	(49,180.00)	1.64%
66075 · Agency Dues	20,570.02	45,000.00	(24,429.98)	45.71%
66080 · Memberships	2,839.94	6,000.00	(3,160.06)	47.33%
66090 · Office Expense	15,569.07	25,000.00	(9,430.93)	62.28%
66100 · Engineering Supplies	3,240.82	9,000.00	(5,759.18)	36.01%
66121 · Accounting & Auditing	21,200.00	25,000.00	(3,800.00)	84.8%
66122 · Attorney Fees	685,417.47	277,098.00	408,319.47	247.36%
66123 · O/S Contractual	82,179.91	272,000.00	(189,820.09)	30.21%
66124 · IT/Misc Electrical	32,420.23	40,000.00	(7,579.77)	81.05%
66130 · Printing & Publications	7,828.50	12,000.00	(4,171.50)	65.24%
66150 · Repairs & Maintenance	6,347.77	13,000.00	(6,652.23)	48.83%
66170 · Travel, Meetings & Training	15,365.46	75,000.00	(59,634.54)	20.49%
66193 · Telephone	6,025.20	12,000.00	(5,974.80)	50.21%
66202 · County Fees - Property Taxes	14,698.50	28,000.00	(13,301.50)	52.5%
66203 · County Fees - Sewer Service Ch	21,450.00	29,000.00	(7,550.00)	73.97%
66250 · Service Charge Sys Exp	240.00	8,000.00	(7,760.00)	3.0%
66290 · Vehicle Replacement	0.00	5,600.00	(5,600.00)	0.0%
66300 · Capital Outlay	0.00	20,000.00	(20,000.00)	0.0%
Total 66000 · ADMIN/ENGINEERING	2,027,413.95	3,075,409.00	(1,047,995.05)	65.92%
67000 · AB 939 SOLID WASTE PROGRAMS				
67400 · Consulting Services	36,213.05	82,964.00	(46,750.95)	43.65%
67500 · Household Hazardous Waste	97,948.84	207,000.00	(109,051.16)	47.32%
67520 · Permanent HHW Facility	731.13	9,000.00	(8,268.87)	8.12%
67530 · Used Oil Program	0.00	16,574.00	(16,574.00)	0.0%
67600 · Other	0.00	5,000.00	(5,000.00)	0.0%
67610 · City AB 939 Admin Services	0.00	10,000.00	(10,000.00)	0.0%
Total 67000 · AB 939 SOLID WASTE PROG	134,893.02	330,538.00	(195,644.98)	40.81%
Total Expense	4,738,735.28	9,084,329.00	(4,345,593.72)	52.16%
Net Ordinary Income	(249,672.48)	(108,019.00)	(141,653.48)	231.14%
	(249,672.48)	(108,019.00)	(141,653.48)	231.14%

Novato Sanitary District
Revenues & Expenditures - Capital
 July through December 2009

	<u>Jul - Dec 09</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
51000 - CAPITAL IMPROVEMENT INCOME				
51010 - Sewer Service Charges	2,809,608.55	5,157,414.00	(2,347,805.45)	54.48%
51015 - Property Taxes	1,157,207.17	2,275,000.00	(1,117,792.83)	50.87%
51020 - Connection Charges	809,241.73	450,000.00	359,241.73	179.83%
51030 - Collector Sewer Charges	3,366.31	4,000.00	(633.69)	84.16%
51040 - Special Equalization Charge	11,253.35	4,000.00	7,253.35	281.33%
51060 - Interest	47,006.81	500,000.00	(452,993.19)	9.4%
Total - CAPITAL IMPROVEMENT INCOME	4,837,683.92	8,390,414.00	(3,552,730.08)	57.66%
Total Income	4,837,683.92	8,390,414.00	(3,552,730.08)	57.66%
Gross Profit	4,837,683.92	8,390,414.00	(3,552,730.08)	57.66%
Expense				
72000 - CAPITAL IMPROVEMENT PROJECTS				
72110 - Drainage PS 3&7 Outfall Rehab	0.00	150,000.00	(150,000.00)	0.0%
72111 - SCADA Phase II	5,793.12	40,000.00	(34,206.88)	14.48%
72403 - Pump Station Rehabilitation	587,684.31	2,000,000.00	(1,412,315.69)	29.38%
72406 - Dechlor. Station Relocation	0.00	5,000.00	(5,000.00)	0.0%
72508 - N. Bay Water Recycling Auth	104,529.00	50,000.00	54,529.00	209.06%
72509 - NTP Soil & Groundwater Inv	0.00	3,000.00	(3,000.00)	0.0%
72604 - Laboratory Improvements	0.00	25,000.00	(25,000.00)	0.0%
72607 - WWTP Upgrade-Contract A1	18,304.61	50,000.00	(31,695.39)	36.61%
72608 - WWTP Upgrade - Contract A2	0.00	20,000.00	(20,000.00)	0.0%
72609 - WWTP Upgrade - Contract B	14,459,449.75	18,000,000.00	(3,540,550.25)	80.33%
72611 - Bayside Sewer	0.00	10,000.00	(10,000.00)	0.0%
72612 - Southgate Sewer-	0.00	3,000.00	(3,000.00)	0.0%
72706 - 2008 Collection System Improv	842,461.02	3,000,000.00	(2,157,538.98)	28.08%
72707 - Hamilton Wetlands/Outfall Monit	0.00	5,000.00	(5,000.00)	0.0%
72708 - Cogeneration	0.00	50,000.00	(50,000.00)	0.0%
72801 - Annual Minor Projects	0.00	50,000.00	(50,000.00)	0.0%
72802 - Annual Sewer Adj. for City Proj	5,832.64	60,000.00	(54,167.36)	9.72%
72803 - Annual Collection Sys Repairs	165,213.74	200,000.00	(34,786.26)	82.61%
72804 - Annual Reclamation Fac Imp	125,740.57	260,000.00	(134,259.43)	48.36%
72805 - Annual Trtmt Plnt/Pump St Impr	83,929.97	260,000.00	(176,070.03)	32.28%
72808 - Strategic Plan Update	0.00	75,000.00	(75,000.00)	0.0%
78500 - Interest - Zions Bank	651,135.21	1,302,270.00	(651,134.79)	50.0%
Total 72000 - CAPITAL IMPROVEMENT PROJ	17,050,073.94	25,618,270.00	(8,568,196.06)	66.55%
Total Expense	17,050,073.94	25,618,270.00	(8,568,196.06)	66.55%
Net Ordinary Income	(12,212,390.02)	(17,227,856.00)	5,015,465.98	70.89%
	<u>(12,212,390.02)</u>	<u>(17,227,856.00)</u>	<u>5,015,465.98</u>	<u>70.89%</u>



NOVATO SANITARY DISTRICT

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REVISED

FINAL BUDGET

FOR

FISCAL YEAR 2009-10

February 2010

**NOVATO SANITARY DISTRICT
2009-10 REVISED BUDGET
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SECTION I

OPERATING FUND SUMMARY SCHEDULES

SUMFINB		2009-10 FINAL BUDGET									Today:	19-Feb-10	Page i
Novato Sanitary District													
Revised 2009-10 Budget													
		Treatment			Collection	Pump	Recycled				% OF	OVER/UNDER	%
		Facilities	RECL	L-M	System	Stations	Water	A-E	TOTAL	TOTAL	TOTAL	2008-09	OVER/UNDER
												BUDGET	BUDGET
-000	Contract Operations	2,121,000							2,121,000	23.35%		2,121,000	N/A
-010	Salaries and Wages	398,842	20,656	251,748	437,313	215,393	0	983,540	2,307,492	25.40%		(464,240)	-16.75%
-020	Employee Benefits	173,496	8,985	112,142	192,799	93,696	0	465,171	1,046,289	11.52%		(190,414)	-15.40%
-030	Directors' Fees							42,000	42,000	0.46%		4,200	11.11%
-040	Election Expense							40,000	40,000	0.44%		40,000	100.00%
-060	Gasoline, Oil & Fuel	6,000	10,000	2,000	15,000	4,000	0	8,000	45,000	0.50%		(43,225)	-48.99%
-070	Insurance							154,000	154,000	1.70%		14,633	10.50%
-071	Ins Claims Expense							50,000	50,000	0.55%		(50,000)	-50.00%
-075	Agency Dues							45,000	45,000	0.50%		5,000	12.50%
-080	Memberships							6,000	6,000	0.07%		(3,000)	-33.33%
-090	Office Expense							25,000	25,000	0.28%		(2,000)	-7.41%
-091	Software Maint	1,000	2,500	13,000	25,000	2,500	0		44,000	0.48%		(53,500)	-54.87%
-100	Operating Supplies	8,000	3,500	30,000	17,000	10,000	0	9,000	77,500	0.85%		(51,500)	-39.92%
-101	Operating Chemicals	50,000				4,000	0		54,000	0.59%		(276,500)	-83.66%
-111	Radio Maintenance								0	0.00%		0	0.00%
-112	Janitorial Services	14,000							14,000	0.15%		(6,000)	-30.00%
-113	Grounds Maintenance	1,000							1,000	0.01%		(4,000)	-80.00%
-115	Sludge Disposal-Contractual	45,000	60,000						105,000	1.16%		0	0.00%
-121	Accounting & Auditing							25,000	25,000	0.28%		0	0.00%
-122	Attorney							277,098	277,098	3.05%		117,098	73.19%
-123	Outside Consulting							272,000	272,000	2.99%		130,000	91.55%
-124	IT/Misc Electrical							40,000	40,000	0.44%		(14,000)	-25.93%
-130	Printing & Publication							12,000	12,000	0.13%		4,000	50.00%
-150	Repairs & Maintenance	65,000	90,000	7,500	55,000	100,000	0	13,000	330,500	3.64%		(240,000)	-42.07%
-151	Unusual Equipment Maint		75,000						75,000	0.83%		(105,000)	-58.33%
-152	Small Tools	500	1,000		2,500	2,000			6,000	0.07%		(7,500)	-55.56%
-153	TV Inspection/Outside Services				70,000				70,000	0.77%		0	0.00%
-157	Ditch Dike Maintenance		25,000						25,000	0.28%		0	0.00%
-160	Research & Monitoring			116,610					116,610	1.28%		20,000	20.70%
-170	Travel, Mtgs & Train.							75,000	75,000	0.83%		0	0.00%
-170(2)	Poll. Prev/Public Education			24,500					24,500	0.27%		(80,500)	-8.58%
-191	Gas & Electricity	190,000	145,000			85,000	0		420,000	4.62%		(518,000)	-55.22%
-192	Water	4,000	6,000		4,000	10,000			24,000	0.26%		1,500	6.67%
-193	Telephone	5,000			1,000	25,000		12,000	43,000	0.47%		500	1.18%
-200	Other	77,602			1,500				79,102	0.87%		69,357	711.72%
-201	Permits & Fees	50,000	2,000	3,000	8,000	2,500	0		65,500	0.72%		(13,200)	-16.77%
-202	Co. Collection Fees							57,000	57,000	0.63%		900	1.60%
-250	Ser. Chg. System Exp							8,000	8,000	0.09%		500	6.67%
-290	Vehicle Replacement	21,200	7,000	1,400	35,000	10,000	0	5,600	80,200	0.88%		0	0.00%
-300	Capital Outlay		0	0	0	0		20,000	20,000	0.22%		(124,500)	-86.16%
	SUBTOTAL:	3,231,641	456,641	561,900	864,112	564,089	0	2,644,409	8,322,791			281,609	
-021	Retiree Health Benefits							431,000	431,000	4.74%		255,255	145.24%
-400	AB 939 Solid Waste Programs	0	0	0	0			330,538	330,538	3.64%		5,229	1.61%
	TOTAL:	3,231,641	456,641	561,900	864,112	564,089	0	3,405,947	9,084,329			542,093	6.35%
		35.57%	5.03%	6.19%	9.51%	6.21%	0.00%	37.49%	100.00%	100.00%			

SUMFINB		2009-10 REVISED BUDGET									Today:	19-Feb-10	Page ii
Novato Sanitary District												Amount	%
2009-10 REVISED BUDGET												Over/Under	Over/Under
		Treatment			Collection	Pump	Recycled				% OF	Adopted	Adopted
		Facilities	RECL	L-M	System	Stations	Water	A-E	TOTAL	TOTAL	Budget	Budget	Budget
-000	Contract Operations	429,715							429,715	4.15%	(1,691,285)	-79.74%	
-010	Salaries and Wages	558,554	20,656	251,748	452,327	222,788	0	1,002,215	2,508,289	24.20%	200,797	8.70%	
-020	Employee Benefits	243,733	8,985	112,142	199,330	96,913	0	473,295	1,134,399	10.94%	88,110	8.42%	
-030	Directors' Fees							50,000	50,000	0.48%	8,000	19.05%	
-040	Election Expense							136,145	136,145	1.31%	96,145	240.36%	
-060	Gasoline, Oil & Fuel	40,000	10,000	2,000	15,000	4,000	0	8,000	79,000	0.76%	34,000	75.56%	
-070	Insurance							154,000	154,000	1.49%	0	0.00%	
-071	Ins Claims Expense							50,000	50,000	0.48%	0	0.00%	
-075	Agency Dues							45,000	45,000	0.43%	0	0.00%	
-080	Memberships							6,000	6,000	0.06%	0	0.00%	
-090	Office Expense							35,000	35,000	0.34%	10,000	40.00%	
-091	Software Maint	7,000	2,500	13,000	25,000	2,500	0	0	50,000	0.48%	6,000	13.64%	
-100	Operating Supplies	45,000	3,500	30,000	17,000	10,000	0	9,000	114,500	1.10%	37,000	47.74%	
-101	Operating Chemicals	300,000	0		0	4,000	0		304,000	2.93%	250,000	462.96%	
-111	Radio Maintenance								0	0.00%	0	0.00%	
-112	Janitorial Services/Garbage Coll.	40,000			0	0			40,000	0.39%	26,000	185.71%	
-113	Grounds Maintenance	2,000			0				2,000	0.02%	1,000	100.00%	
-115	Sludge Disposal-Contractual	45,000	60,000						105,000	1.01%	0	0.00%	
-121	Accounting & Auditing							25,000	25,000	0.24%	0	0.00%	
-122	Attorney							1,200,000	1,200,000	11.58%	922,902	333.06%	
-123	Outside Consulting							272,000	272,000	2.62%	0	0.00%	
-124	IT/Misc Electrical							40,000	40,000	0.39%	0	0.00%	
-130	Printing & Publication							12,000	12,000	0.12%	0	0.00%	
-150	Repairs & Maintenance	130,000	90,000	7,500	55,000	100,000	0	13,000	395,500	3.82%	65,000	19.67%	
-151	Unusual Equipment Maint	0	75,000		0	0			75,000	0.72%	0	0.00%	
-152	Small Tools	3,000	1,500		2,500	2,000			9,000	0.09%	3,000	50.00%	
-153	TV Inspection/Outside Services				70,000				70,000	0.68%	0	0.00%	
-157	Ditch Dike Maintenance		25,000						25,000	0.24%	0	0.00%	
-160	Research & Monitoring			116,610					116,610	1.12%	0	0.00%	
-170	Travel, Mtgs & Train.							75,000	75,000	0.72%	0	0.00%	
-170(2)	Poll. Prev/Public Education			24,500					24,500	0.24%	0	0.00%	
-191	Gas & Electricity	700,000	145,000			85,000	0		930,000	8.97%	510,000	121.43%	
-192	Water	4,000	6,000		4,000	10,000			24,000	0.23%	0	0.00%	
-193	Telephone	13,000			1,000	25,000		12,000	51,000	0.49%	8,000	18.60%	
-200	Other/Operational Assistance	670,000			1,500				671,500	6.48%	592,398	748.90%	
-201	Permits & Fees	110,000	2,000	3,000	8,000	2,500	0	0	125,500	1.21%	60,000	91.60%	
-202	Co. Collection Fees							57,000	57,000	0.55%	0	0.00%	
-250	Ser. Chg. System Exp							8,000	8,000	0.08%	0	0.00%	
-290	Vehicle Replacement	21,200	7,000	1,400	35,000	10,000	0	5,600	80,200	0.77%	0	0.00%	
-300	Capital Outlay	0	0	1,419	0	0		20,000	21,419	0.21%	1,419	7.10%	
	SUBTOTAL:	3,362,202	457,141	563,319	885,658	574,701	0	3,708,255	9,551,276		1,228,485	13.52%	
-021	Retiree Health Benefits							484,730	484,730	4.68%	53,730	12.47%	
-400	AB 939 Solid Waste Programs	0	0	0	0			330,538	330,538	3.19%	0	0.00%	
	TOTAL:	3,362,202	457,141	563,319	885,658	574,701	0	4,523,523	10,366,544		1,282,215	14.11%	
		32.43%	4.41%	5.43%	8.54%	5.54%	0.00%	43.64%	100.00%	100.00%			

Novato Sanitary District						Page 1
Revised 2009-10 Budget						
Operating Budget - EXPENDITURE SUMMARY						
		Budget 2008-09	Budget 2009-10	Expend Through December	2009-10 Budget Revised	
Treatment Facilities, Lab. and Monitoring:						
Salaries/Benefits		1,841,895	936,228	670,137	0	1,166,177
Treatment Plant Contract Operations			2,121,000	349,715		429,715
Materials, Supplies and Ser.		1,928,885	736,312	681,145	0	2,328,210
Capital Outlay		56,000	0	1,419	0	1,419
Totals		3,826,780	3,793,540	1,702,416	0	3,925,521
RECLAMATION/DISPOSAL FACILITIES:						
Salaries/Benefits		65,386	29,641	14,461	0	29,641
Materials, Supplies and Ser.		480,500	427,000	236,269	0	427,500
Capital Outlay		63,000	0	0	0	0
Totals		608,886	456,641	250,730	0	457,141
PUMP STATIONS & COLLECTION SYSTEM:						
Salaries/Benefits		588,475	939,201	389,889	0	971,359
Materials, Supplies and Ser.		548,995	489,000	233,393	0	489,000
Capital Outlay		25,500	0	0	0	0
Totals		1,162,970	1,428,201	623,282	0	1,460,359
AB 939 SOLID WASTE PROGRAMS						
Salaries/Benefits		0	0	0	0	N/A
Materials, Supplies and Ser.		325,309	330,538	134,893	0	330,538
Capital Outlay		0	0	0	0	N/A
Totals		325,309	330,538	134,893	0	330,538
ADMINISTRATION AND ENGINEERING:						
Salaries/Benefits		1,512,679	1,448,711	803,396	0	1,475,510
Retiree benefits/GASB 45 funding		175,745	431,000	100,527	0	484,730
Materials, Supplies and Ser.		929,867	1,175,698	1,123,492	0	2,212,745
Capital Outlay		0	20,000	0	0	20,000
Totals		2,618,291	3,075,409	2,027,415	0	4,192,985
Grand Totals		8,542,236	9,084,330	4,738,736	0	10,366,544
TODAY	19-Feb-10					

Revised 2009-10 Budget						Page 2	
Operating Budget - REVENUE SUMMARY							
Account Number	Item	Budget 2008-09	Actual Revenue 2008-09	Budget 2009-10	Revenue Thru December	2009-10 Budget	
							Revised
41010	Service Chgs (1)	5,693,197.00	5,492,949	8,006,814	4,375,656		8,006,814
41020	County Ser Chg Collect Fees	47,200	0	0	0		0
41030	Pub Sewer Plan Chk/Insp Fees	2,500	12,412	2,500	7,239		7,500
41040	Conn Permit/ Insp Fees	25,000	10,977	25,000	6,256		25,000
41050	Property Tax Allocation (2)	1,841,000	2,527,507	0	0		0
41060	Interest Earn	250,000	224,428	200,000	73,542		150,000
41070	Annex Fees Leg/File/Engr	0	0	0	0		0
41080	Engr/AdminChgs	175,000	163,731	175,000	0		175,000
41090	Non-Domestic Permit Fees (3)	2,000	4,019	4,000	3,316		4,000
41100	Garbage Franchise Fee	45,000	45,000	45,000	0		45,000
41105	AB939 Collector Fees	271,862	271,862	277,299	0		277,299
41107	Oil/Bev/Tire Grants/ JPA Reimb. Fees (4)	59,278	60,845	63,080	0		63,080
41110	Sludge Disp Charges(NMWD)	0	0	100	0		100
41130	Ranch Income	82,517	82,517	82,517	0		82,517
41135	Recycled Water Fac.	102,544	74,736	20,000	0		20,000
41140	Other Rev (5)	160,000	63,428	75,000	23,054		75,000
41142	Asset Disposal	0	4,752	0	0		0
TOTALS		8,757,098	9,039,164	8,976,310	4,489,063	0	8,931,310

(1) Service charge revenue is based on the assumption that operating service charges will increase from \$199 to \$281. All of the property tax income is being transferred to the Capital Budget.

(2) Property tax revenue projection based on County of Marin property tax assessment rolls and increased growth. Property tax revenue this year has been allocated to the Capital Improvement Project budget.

(3) Includes application fees, permits, and monitoring charges.

(4) Oil/Bev/Tire Grants \$22,725; JPA Reimb. Fees \$40,355.

(5) Other revenue includes septic tank hauling fees and other miscellaneous revenue.

APPROPRIATIONS LIMITATION

The appropriations limitation, pursuant to Article XIII B of the California Constitution, will be determined prior to submission of the final budget in August.

TODAY 19-Feb-10

FLOW OF FUNDS - OPERATING AND WORKING CAPITAL RESERVE FUNDS

		2009-10 Budget	
		Adopted Budget	Revised Budget
OPERATING FUND			
	FUND BALANCE 6/30/08	0	0
	Actual Revenues 2008-09	9,185,215	9,039,164
	Actual Expenditures 2008-09	(8,033,381)	(7,799,028)
	Transfer from Self-Insurance Fund for Claims	76,500	77,909
	Transfer to Self-Insurance Reserve Fund	(100,000)	(100,000)
	Transfer to Working Capital Reserve Fund	(1,128,334)	(1,218,045)
	FUND BALANCE 6/30/09	0	0
	Anticipated Revenues 2009-10	8,976,310	8,931,310
	Anticipated Expenditures 2009-10	(9,084,330)	(10,366,544)
	Anticipated Transfer from Self-Insurance Fund for Claims	50,000	50,000
	Anticipated Transfer to GASB 45 Fund	0	0
	Anticipated Transfer from Southgate Reserve Fund	0	0
	Anticipated Transfer to/from Working Capital Reserve Fund	58,020	1,385,234
	ANTICIPATED FUND BALANCE 6/30/10	0	0
WORKING CAPITAL RESERVE FUND			
	FUND BALANCE 6/30/08	6,611,702	6,611,702
	Transfer from Operating Fund 2008-09	1,128,334	1,218,045
	Transfer to Rate Stabilization Reserve	0	0
	Transfer to Emergency Repair Reserve	0	0
	FUND BALANCE 6/30/09	7,740,036	7,829,747
	Anticipated Transfer to/from Operating Fund 2009-10	(58,020)	(1,385,234)
	ANTICIPATED FUND BALANCE 6/30/10	7,682,016	6,444,513
	TODAY 19-Feb-10		

SECTION II

OPERATING FUND BUDGET

Revised 2009-10 Budget						Page 5	
Operating Budget - TREATMENT FACILITIES							
Account Number	Item	Budget 2008-09	Actual Expend 2008-09	Budget 2009-10	Expends Thru December	2009-10 Budget	
							Revised
61010	Salaries/Wages	1,032,811	1,015,034	398,842	376,710		558,554
61020	Employee Benefits	449,272	420,191	173,496	120,589		243,733
61060	Gas, Oil & Fuel	42,500	31,425	6,000	2,593		40,000
61091	Software Maint	7,500	4,820	1,000	1,204		7,000
61100	Oper Supplies	50,000	45,781	8,000	12,894		45,000
61101	Oper Chemicals	309,000	307,936	50,000	72,103		300,000
61112	Janitorial Svs/Garbage	20,000	13,558	14,000	15,344		40,000
61113	Grounds Maint	5,000	4,242	1,000	1,215		2,000
62115	Sludge Disp. - Contract	30,000	45,856	45,000	23,205		45,000
61150	Repairs and Maintenance	250,000	259,150	65,000	57,006		130,000
61151	Unusual Eq Maint	70,000	10,480	0	0		0
61152	Small Tools	3,500	2,767	500	1,388		3,000
61191	Gas & Elect	720,000	686,975	190,000	212,148		700,000
61192	Water	4,000	2,359	4,000	1,321		4,000
61193	Telephone	9,000	12,678	5,000	6,303		13,000
61200	Other/Operational Assist.	7,250	116,244	77,602	132,749		670,000
61201	Permits & Fees	68,000	45,491	50,000	42,437		110,000
61290	Vehicle Repl	21,200	21,200	21,200	0		21,200
61300	Capital Outlay	36,000	8,232	0	0		0
Total - TREATMENT FACILITIES		3,135,035	3,054,418	1,110,641	1,079,210	0	2,932,487
TODAY							
19-Feb-10							

Novato Sanitary District							Page 7
Revised 2009-10 Budget							
Operating Budget - WASTEWATER RECLAMATION/DISPOSAL FACILITIES							
Account Number	Item	Budget 2008-09	Actual Expend 2008-09	Budget 2009-10	Expend Thru December	2009-10 Budget	
							Revised
63010	Salaries/Wages	45,565	44,152	20,656	8,608		20,656
63020	Employee Benefits	19,821	18,470	8,985	5,853		8,985
63060	Gas, Oil & Fuel	12,500	9,183	10,000	2,786		10,000
63091	Software Maint	2,500	2,410	2,500	0		2,500
63100	Oper Supplies	6,000	3,212	3,500	1,271		3,500
63101	Oper Chemicals	2,500	0	0	0		0
63115	Sludge Disposal	75,000	54,979	60,000	58,000		60,000
63150	Repairs & Maintenance	120,000	87,467	90,000	56,395		90,000
63151	Unusual Eq Maint	100,000	46,802	75,000	27,413		75,000
63152	Small Tools	2,500	573	1,000	1,216		1,500
63157	Ditch/Dike Maintenance	25,000	0	25,000	1,728		25,000
63191	Gas & Elect	120,000	140,760	145,000	76,768		145,000
63192	Water - Recl	6,000	2,186	6,000	9,009		6,000
63201	Permits & Fees	1,500	1,584	2,000	1,683		2,000
63290	Vehicle Repl	7,000	7,000	7,000	0		7,000
63300	Capital Outlay	63,000	4,116	0	0		0
Total - RECLAMATION/DISP. FACILITIES		608,886	422,894	456,641	250,730	0	457,141
UNUSUAL EQUIP. MAINT :		Pump Repairs (PPS 7)				25,000	
		Irrigation Valve Replacement				50,000	
TODAY	19-Feb-10						

Novato Sanitary District						Page 8
Revised 2009-10 Budget						
Operating Budget - LABORATORY AND MONITORING						
Account Number	Item	Budget 2008-09	Actual Expend 2008-09	Budget 2009-10	Expend Thru December	2009-10 Budget Revised
64010	Salaries/Wages	220,363	230,603	251,748	114,570	251,748
64020	Employee Benefits	95,858	91,518	112,142	58,268	112,142
64060	Gas, Oil & Fuel	2,625	1,601	2,000	739	2,000
64091	Software Maint	5,000	334	13,000	6,570	13,000
64100	Oper Supplies	35,000	27,493	30,000	17,763	30,000
64150	Repairs & Maintenance	7,500	8,203	7,500	6,477	7,500
64160	Research & Monitoring (Contractual)	96,610	96,360	116,610	50,918	116,610
64170	Pollution Prev/Public Ed(105,000	78,221	24,500	13,957	24,500
64200	Other	0	0	0	0	0
64201	Permits & Fees	3,000	2,359	3,000	2,811	3,000
64290	Vehicle Repl	1,400	1,400	1,400	0	1,400
64300	Capital Outlay	20,000	6,411	0	1,419	1,419
Total - LABORATORY AND MONITORING		592,366	544,503	561,900	273,492	563,319
REPAIRS AND MAINTENANCE:		Air conditioning (\$1,000); weights & balance (\$1,000); glassware washer (\$1,000); microscope maintenance (\$500); autoclave preventive maintenance (\$700); Lab. truck (\$3,300).				
RESEARCH AND MONITORING:		Contract studies (\$15,000); Mo metals (\$12,000); Non-domestic monitoring (\$16,800); sludge regs. (\$4,510); Pretreatment (\$4,000); Reclamation monitoring (\$5,100); Priority pollutants (\$19,200); Blending tests (\$10,000); Consulting fees - sludge report, etc. (\$10,000) Pollution prevention: L. Whitney (\$20,000)				
POLLUTION PREVENTION:		Includes CMSA (\$20,000), EOA (\$2,500), Misc (\$2,000)				
SOFTWARE MAINTENANCE:		Industrial Waste Pollution Prevention Software				8,000
		LAB Upgrade				5,000
TODAY	19-Feb-10					

Novato Sanitary District							Page 10
Revised 2009-10 Budget							
Operating Budget - COLLECTION SYSTEM							
Account Number	Item	Budget 2008-09	Actual Expend 2008-09	Budget 2009-10	Expend Thru December	2009-10 Budget	
							Revised
60010	Salaries/Wages	334,145	314,783	437,313	167,616		452,327
60020	Employee Benefits	145,353	137,315	192,799	97,131		199,330
60060	Gas, Oil & Fuel	15,000	9,109	15,000	4,210		15,000
60091	Software Maint	75,000	18,899	25,000	1,250		25,000
60100	Oper Supplies	17,000	14,923	17,000	5,337		17,000
60101	Oper Chemicals	0	0	0	0		0
60113	Grounds Maint.	0	0	0	0		0
60150	Repairs & Maintenance	55,000	47,526	55,000	21,348		55,000
60151	Unusual Eq Maint	0	0	0	0		0
60152	Small Tools	2,500	1,721	2,500	133		2,500
60153	Outside Services	70,000	39,579	70,000	69,820		70,000
60191	Gas & Elect	0	0	0	0		0
60192	Water	4,000	3,045	4,000	2,095		4,000
60193	Telephone	2,000	916	1,000	658		1,000
60200	Other (Garbage Coll.)	2,495	1,246	1,500	1,122		1,500
60201	Permits & Fees	2,000	7,199	8,000	7,823		8,000
60290	Vehicle Repl	35,000	35,000	35,000	0		35,000
60300	Capital Outlay	12,500	11,933	0	0		0
Total - COLLECTION SYSTEM		771,993	643,192	864,112	378,543	0	885,658
UNUSUAL EQUIP. MAINTENANCE							
TODAY	19-Feb-10						

Account Number	Item	Budget 2008-09	Actual Expend 2008-09	Budget 2009-10	Expends Thru December	2009-10 Budget	
							Revised
68010	Salaries*	30,377	24,591	0			0
68020	Employee Benefits	13,214	10,093	0			0
68060	Gas, Oil & Fuel	600	293	0			0
68091	Software Maintenance	5,000	0	0			0
68100	Oper Supplies	1,000	165	0			0
68101	Oper Chemicals	15,000	30,052	0			0
68150	Repairs & Maintenance	25,000	2,876	0			0
68191	Gas & Electricity	8,000	6,667	0			0
68201	Permits & Fees	1,200	0	0			0
68290	Vehicle Repl	0	0	0			0
Total - Recycled Water		99,391	74,737	0	0	0	0
*	.25 fte						
NOTE: The Recycled Water Facility is now operated by the North Marin Water District. Therefore, no funds have been allocated to this cost center for 2009-10.							
TODAY	19-Feb-10						

Operating Budget - ADMINISTRATION AND ENGINEERING

Account Number	Item	Budget 2008-09	Actual Expend 2008-09	Budget 2009-10	Expend Thru December	2009-10 Budget	
							Revised
66010	Salaries/Wages	1,032,529	1,005,155	983,540	504,259		1,002,215
66020	Empl Benefits	480,150	421,233	465,171	299,137		473,295
66021	Retiree Health Benefits	175,745	148,185	180,000	100,527		188,730
66021	GASB 45			251,000			296,000
66030	Director's Fees	37,800	40,381	42,000	22,275		50,000
66040	Election Exp	0	0	40,000	0		136,145
66060	Gas, Oil & Fuel	11,000	6,826	8,000	2,544		8,000
66070	Insurance	139,367	131,049	154,000	162,460		154,000
66071	Ins Claims Exp	100,000	77,909	50,000	820		50,000
66075	Agency Dues	40,000	42,813	45,000	20,570		45,000
66080	M'Ships/Certification	9,000	8,088	6,000	2,840		6,000
66090	Office Expense	27,000	21,105	25,000	15,569		35,000
66091	Software Maint.	0	0	0	0		0
66100	Engr Supplies	8,000	8,514	9,000	3,241		9,000
66121	Accounting/Audit	25,000	22,150	25,000	21,200		25,000
66122	Attorney Fees	160,000	156,846	277,098	685,417		1,200,000
66123	O/S Contractual	142,000	132,615	272,000	82,180		272,000
66124	IT/Misc. Electrical	54,000	37,555	40,000	32,420		40,000
66130	Print & Publ	8,000	7,789	12,000	7,829		12,000
66150	Repairs & Maintenance	13,000	10,126	13,000	6,348		13,000
66170	Trav, Mtgs & Trn	75,000	62,691	75,000	15,365		75,000
66193	Telephone	11,500	11,554	12,000	6,025		12,000
66201	Permits & Fees	0	0	0	0		0
66202	Co. Collection Fees	56,100	56,164	57,000	36,149		57,000
66250	Ser Chg Sys Exp	7,500	0	8,000	240		8,000
66290	Vehicle Repl	5,600	5,600	5,600	0		5,600
66300	Capital Outlay	0	0	20,000	0		20,000
Total - ADMINISTRATION AND ENGINEERING		2,618,291	2,414,349	3,075,409	2,027,414	0	4,192,985
O/S CONTRACTUAL		Misc. engineering (incl. O/S mech/elect.) (\$25,000); Public Outreach (\$25,000) Standard specs. and drawings (\$25,000); records retention(\$10,000); labor relations (IEDA ongoing services inc. MOU development for 09-10 (\$12,000); misc. labor relations (IEDA) (\$5,000); NPDES permit assistance (\$60,000); safety (\$110,000)					
CAPITAL OUTLAY		Copier Computers					
TODAY	19-Feb-10						

Operating Budget - PERSONNEL DETAIL

Number	Position	Dept.	Pay Range	Total 2009-10 Salaries
1.00	Manager-Engineer.....	A/E		168,132
1.00	Deputy - Manager Engineer.....	A/E	MC122.5	148,128
1.00	Senior Engineer.....	A/E	MC116.5	104,858
1.00	Field Services Superintendent.....	A/E	MC117	113,232
0.75	Administrative Services Manager.....	A/E	MC117.5	87,048
1.00	Administrative Secretary.....	A/E	MC106	60,048
0.89	Finance Officer.....	A/E	MC112.5	81,462
1.00	Staff Engineer.....	A/E	47	81,864
1.00	Construction Inspector.....	A/E	44.5	72,492
1.00	Information System Specialist II.....	A/E	43.5	64,965
1.00	Laboratory Supervisor.....	L/M	MC115.5	105,276
2.00	ECA I.....	L/M	43	124,777
1.00	Collection System Superintendent.....	C/S	MC115	102,708
0.75	Collection System Leadworker.....	C/S	47	61,398
6.00	Collection System Worker II.....	C/S	40.5	342,833
1.00	Collection System Worker I.....	C/S	38.5	47,118
0.25	Operations Leadworker.....	TPF	47	20,466
2.25	WWTP Operator II.....	TPF	44.50	163,107
1.08	Mechanical Maintenance Technician II.....	TPF	43.5	74,789
1.00	Instrument Technician/Electrician.....	TPF	46.5	78,652
0.25	Wastewater Facilities Manager.....	TPF	MC118.5	30,468
0.17	WWTP Operator I.....	TPF	43	11,226
0.25	Mechanical Maintenance Leadworker.....	TPF	46	19,491
0.50	Reclamation Specialist.....	Reclam.	43	20,656
1.00	Engineering Intern.....	A/E	N/A	5,000
2.00	Collection System Interns.....	C/S	N/A	47,410
0.40	Temporary Electrician.....	TPF	N/A	51,635
1.00	Lab. Intern.....	L/M	N/A	12,000
	Allowance for Overtime.....	C/S		35,000
	Allowance for Overtime.....	A/E		5,000
	Allowance for Overtime.....	L/M		5,000
	Allowance for Standby Duty Pay.....	C/S		21,000
	Allowance for Overtime.....	TPF		20,000
	Allowance for Standby Duty Pay.....	TPF		20,000
	CCSR.....	C/S		1,500
	Subtotal			2,408,739
	Allowance for Possible COLA - represented group.....	3.20%		36,239
	Allowance for Possible COLA - across the board.....	0.30%		6,419
31.54				2,451,397
	Administration and Engineering (A/E)	=	1,002,215	
	Laboratory and Monitoring (L/M)	=	251,748	
	Treatment Facilities	=	501,662	
	Collection System	67%	=	452,327
	Pump Stations	33%	=	222,788
	Reclamation Facilities	=	20,656	
	Total/Check			2,451,397
NOTE:	Added Collection System Leadworker eff. 10/09			
	Eliminated 2 Maintenance Worker positions			
TODAY	19-Feb-10			

SECTION III

VEHICLE REPLACEMENT FUND

Revised 2009-10 Budget			Page 16
Operating Budget - VEHICLE REPLACEMENT FUND DETAIL			
		2009-10 Budget	
		Prelim	Final
FLOW OF FUNDS			
FUND BALANCE 6/30/08		146,613	146,613
Sale of Vehicle/s:			
1997 Ford Ranger		2,100	2,100
1999 Dodge 4 x 4		2,300	2,300
1997 Ford Taurus sedan		1,100	1,100
Minus Commissions		(748)	(748)
Contributions from Operating Fund			
Accounts 2008-09:		80,200	80,200
Purchase of Vehicles:			
FUND BALANCE 6/30/09		231,565	231,565
Sale of Vehicles:			
1990 Ford Van		800	800
1992 Ford diesel truck with crane		4,000	4,000
Anticipated Contributions from Operating			
Accounts 2009-10		59,000	80,200
Planned Purchase of Vehicles:			
1 Crane truck		(40,000)	(40,000)
ANTICIPATED FUND BALANCE 6/30/10		255,365	276,565
TODAY 19-Feb-10			

SECTION IV

SELF-INSURANCE RESERVE FUND

Revised 2009-10 Budget

FLOW OF FUNDS - SELF-INSURANCE RESERVE FUND

		2009-10 Budget	
		Prelim	Final
FUND BALANCE 6/30/08		127,906	127,906
	Interest Earned on Fund		
	Balance	1,918	1,918
	Transfer to Operating Fund to		
	Reimburse Fund for Claims	(76,500)	(77,909)
	Transfer from Operating Fund to		
	Self-Insurance Reserve Fund	100,000	100,000
FUND BALANCE 6/30/09		153,324	151,915
	Anticipated Interest Earned on Fund		
	Balance	1,500	1,500
	Anticipated Transfer to Operating Fund		
	from Insurance Fund for Claims	0	(50,000)
ANTICIPATED FUND BALANCE 6/30/10		154,824	103,415
<p>** The District has general and automobile liability coverage in the amount of \$10,000,000 with a \$25,000 deductible through the California Sanitation Risk Management Authority (CSRMA). Coverage for Errors and Omissions is included in the CSRMA pooled liability insurance program.</p> <p>The District also has a property insurance policy through CSRMA to cover buildings, structures and equipment. This policy provides \$40,000,000 coverage with a \$25,000 deductible.</p> <p>The self-insurance reserve fund has been set up to cover possible District claims falling within the deductible amounts on these policies.</p>			
TODAY 19-Feb-10			

SECTION V

**RATE STABILIZATION,
EMERGENCY REPAIRS,
AND
SOUTHGATE RESERVE FUNDS**

FLOW OF FUNDS - RATE STABILIZATION AND EMERGENCY REPAIRS RESERVE FUNDS

		2009-10 Budget	
		Prelim	Final
<u>RATE STABILIZATION FUND**</u>			
FUND BALANCE 6/30/08		600,000	600,000
	Contribution to/from Operating Fund to Rate Stabilization Fund 2008-09	0	0
FUND BALANCE 6/30/09		600,000	600,000
	Anticipated Contribution to/from Operating Fund to Rate Stabilization Account 2009-10	0	0
ANTICIPATED FUND BALANCE 6/30/10		600,000	600,000
<u>EMERGENCY REPAIR RESERVE FUND**</u>			
FUND BALANCE 6/30/08		600,000	600,000
	Contribution to/from Operating Fund to Emergency Repair Reserve Fund 2008-09	0	0
FUND BALANCE 6/30/09		600,000	600,000
	Anticipated Contribution from Operating Fund to Rate Stabilization Account 2009-10	0	0
ANTICIPATED FUND BALANCE 6/30/10		600,000	600,000
**	In October 2001, the District Board adopted an Operating Reserve Fund Policy that included establishing a Service Charge Rate Stabilization Fund in the amount of \$600,000 and an Emergency Repair Reserve Fund in the amount of \$600,000.		
TODAY	19-Feb-10		

SECTION VI

CAPITAL IMPROVEMENT BUDGET

CAPITAL IMPROVEMENTS BUDGET - REVENUE SUMMARY

Account Number	Item	Budget 2008-09	Actual Revenue 2008-09	Budget 2009-10	Revenue Thru December	2009-10 Budget	
							Revised
51010	Service Chgs (1)	6,433,341	6,194,177	5,157,414	2,809,609		5,157,414
51010	Property Taxes (2)	0	0	2,275,000	1,157,207		2,275,000
51020	Connection Charges (1,102,500	647,101	450,000	809,242		450,000
51030	Collector Sewer Charges	4,000	0	4,000	3,366		4,000
51040	Special Equal Charges	4,000	1,250	4,000	11,253		4,000
51050	Trunk Sewer Charges	0	0	0	0		0
51060	Interest Earn	500,000	474,484	500,000	47,007		500,000
51070	Other Revenue	0	19,545	0	0		0
TOTALS		8,043,841	7,336,557	8,390,414	4,837,684	0	8,390,414

(1) Service charge revenue is based on transferring \$42 from Capital service charges to operating to balance the transfer of property taxes from operating to capital. Capital service charges are now \$181.

(2) Due to the uncertainty and variability of property tax revenue it has been moved to the capital budget.

(3) Connection fee \$7,350/edu @ 150 new connections

Account Number	Item	Budget 2008-09	Actual Expend 2008-09	Budget 2009-10	Expends Thru December	2009-10 Budget	
							Revised
72011	Admin. Bldg. Remodel	25,000	288	0	0		0
72110	Drainage PS #3 & #7 Outfall Rehabilitation	150,000	0	150,000	0		150,000
72111	SCADA Phase II & IIA	40,000	670	40,000	5,793		40,000
72403	Pump Station Rehabilitation	4,000,000	2,083,532	2,000,000	587,684		2,000,000
72406	Dechlor. Station Relocation	0	0	5,000	0		5,000
72508	N. Bay Water Recycling Auth.	140,000	79,368	50,000	104,529		363,763
72509	NTP Soil & Groundwater Invest.	20,000	7,218	3,000	0		9,000
72604	Laboratory Improvements	20,000	10,806	25,000	0		25,000
72607	WWTP Upgrade - Contract A1	150,000	81,554	50,000	18,305		36,000
72608	WWTP Upgrade - Contract A2	50,000	23,484	20,000	0		20,000
72609	WWTP Upgrade - Contract B	35,000,000	30,562,515	18,000,000	14,459,450		24,000,000
72611	Bayside Sewer	10,000	0	10,000	0		10,000
72612	Southgate Sewer	3,000	0	3,000	0		3,000
72706	Collection System Improvements	2,000,000	644,371	3,000,000	842,461		2,000,000
72707	Hamilton Wetlands/Outfall monitoring and planning	10,000	1,335	5,000	0		5,000
72708	Cogeneration	50,000	0	50,000	0		50,000
72801	Annual Minor Projects	50,000	6,308	50,000	0		50,000
72802	Annual Sewer Adj. for City Proj.	75,000	11,646	60,000	5,833		60,000
72803	Annual Collection System Repairs	250,000	109,190	200,000	119,213		200,000
72804	Annual Reclamation Facilities Improvements	350,000	187,207	260,000	125,741		260,000
72805	Annual Treatment Plant & Pump Station Improvements	200,000	35,139	260,000	83,930		260,000
72808	Strategic Plan Update	75,000	0	75,000	0		375,000
78500	Interest - Zions Bank	1,302,270	1,302,270	1,302,270	651,135		1,302,270
TOTALS		43,970,270	35,146,901	25,618,270	17,004,073	0	31,224,033
TODAY	19-Feb-10						

Revised 2009-10 Budget

FLOW OF FUNDS - CAPITAL IMPROVEMENT AND CAPITAL IMPROVEMENT RESERVE FUNDS

		2009-10 Budget	
		Adopted	Revised
CAPITAL IMPROVEMENT FUND			
	FUND BALANCE 6/30/08	0	0
	Actual Revenues 2008-09	7,336,557	7,336,557
	Actual Expenditures 2008-09	(35,146,901)	(35,146,901)
	Transfer to Zions Bank Credit Line Fund for 2008-09 Interest Payments	(1,302,270)	(1,302,270)
	Transfer from Capital Improvement Reserve Fund 2008-09	29,112,614	29,112,614
	FUND BALANCE 6/30/09	0	0
	Anticipated Revenues 2009-10	8,390,414	8,390,414
	Anticipated Expenditures 2009-10	(25,618,270)	(31,224,033)
	Transfer to Zions Bank Credit Line Fund for 2008-09 Interest Payments	(1,302,270)	(1,302,270)
	Transfer from Capital Improvement Reserve Fund 2009-10	18,530,126	24,135,889
	Transfer from Southgate Reserve Fund	0	0
	ANTICIPATED FUND BALANCE 6/30/10	0	0
CAPITAL IMPROVEMENT RESERVE FUND			
	FUND BALANCE 6/30/08	(2,419,351)	(2,419,351)
	Transfer to Capital Improvement Fund 2008-09	(29,112,614)	(29,112,614)
	Transfer from SRF Loan	31,297,761	31,297,761
	FUND BALANCE 6/30/09	(234,204)	(234,204)
	Anticipated Transfer from SRF Loan	27,197,761	27,197,761
	Anticipated Transfer to Capital Improvement Fund 2009-10	(18,530,126)	(24,135,889)
	ANTICIPATED FUND BALANCE 6/30/10	8,433,431	2,827,668
TODAY	19-Feb-10		

SECTION VII

FLOW OF FUNDS –

LINE OF CREDIT & STATE REVOLVING FUND

FLOW OF FUNDS - ZION'S BANK CREDIT LINE and STATE REVOLVING FUND LOAN

		2009-10 Budget	
		Prelim	Final
<u>Zions Bank - Line Of Credit</u>			
FUND BALANCE 6/30/08		30,006,231	30,006,231
Principal Payment 2008-09		0	0
Interest payments 2008-09		(1,302,270)	(1,302,270)
Transfer from Capital Improvement Fund 2008-09		1,302,270	1,302,270
FUND BALANCE 6/30/09		30,006,231	30,006,231
Principal Payment 2009-10		(5,000,000)	(5,000,000)
Est. Interest payments 2009-10		(1,302,270)	(1,302,270)
Transfer from Capital Improvement Fund 2009-10		1,302,270	1,302,270
ANTICIPATED FUND BALANCE 6/30/10		25,006,231	25,006,231
<u>State Revolving Fund Loan</u>			
FUND BALANCE 6/30/08		0	0
SRF deposits 2008-09		26,297,761	26,297,761
Anticipated additional SRFdeposits 2008-09		5,000,000	5,000,000
Anticipated Transfer to Capital Improvement Reserve Fund		(31,297,761)	(31,297,761)
FUND BALANCE 6/30/09		0	0
Anticipated SRF deposits 2009-10		27,197,761	27,197,761
Anticipated Transfer to Capital Improvement Reserve Fund		(27,197,761)	(27,197,761)
ANTICIPATED FUND BALANCE 6/30/10		0	0
TODAY 19-Feb-10			



February 19, 2010

Ms. Beverly James
Manager - Engineer
Novato Sanitary District
500 Davidson Street
Novato, CA 94545

Subject: Veolia Water Operations Report – January 2010

Dear Ms. James:

We are pleased to provide this activity report for January 2010.

As always, please give me a call at 415-798-6075 should you have any questions.

Regards,

John Bailey
Project Manager

cc: Attachments

**MONTHLY OPERATIONS REPORT
JANUARY 2010**

Prepared for

**NOVATO SANITARY DISTRICT (NSD)
WASTEWATER TREATMENT PLANT
500 Davidson Street
Novato, CA 94545**

Prepared by

Veolia Water West Operating Services, Inc. (VWWOS)

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TREATMENT PLANT PERFORMANCE SUMMARY:

January 2010:

Parameter	Monthly Performance January 2010	
	Novato WWTP	Ignacio WWTP
Flow, MGD (monthly average)	7.23	N/A
Influent BOD ₅ , mg/L (monthly average)	114	159
Influent TSS, mg/L (monthly average)	152	166
Effluent BOD ₅ , mg/L (monthly average)	27	N/A
Effluent TSS, mg/L (monthly average)	26.7	N/A
Effluent BOD ₅ - % Removal	76.6	N/A
Effluent TSS - % Removal	81.2	N/A
Ammonia mg/L (monthly average)	6.11	N/A
Total Permit Exceedances NPDES	9	N/A

The following table represents the reportable violations experienced in January. There are several outstanding samples that are currently unavailable.

Date	Parameter	Value	Limit	Flow (million gallons/day)	
				Grab (Inst)	Total Daily
1/18/10	Enterococcus	1413.6 mpn	276 mpn	9.6	8.3
1/19/10	Enterococcus	581.0 mpn	276 mpn	13.9	12.6
1/21/10	Enterococcus	2419.6 mpn	276 mpn	18.0	17.2
1/22/10	Enterococcus	2419.6 mpn	276 mpn	12.4	14.2
Week #3	TSS Weekly	56.3 mg/L	45 mg/L	N/A	N/A
January	TSS % Rmv'l	81.2%	85%	N/A	N/A
January	BOD % Rmv'l	76.6%	85%	N/A	N/A
January	Ammonia	6.11 mg/L	6.0 mg/L	N/A	N/A
1/20/10	Chlorine Res.	1 mg/L	0.0 mg/L	35	15 minutes

Discussion of Violations:

Enterococcus is a bacteriological test that determines the effectiveness of the disinfection process. Disinfection is accomplished by application of chlorine (sodium hypochlorite) to the wastewater. Factors such as solids in the wastewater, contact time, and biological and/or chemical demand impact the process. All Enterococcus violations occurred during the blending event. High solids, high demand, and short contact times were all factors.

TSS (total suspended solids) weekly maximum. TSS is the solid fraction of wastewater made up of mostly organic material and microorganisms found in raw sewage and treated wastewater. Large sedimentation tanks (clarifiers) create a quiescent environment that allows solids (TSS) to settle and be removed from the wastewater. Extremely high flows on January 19, 20, 21, & 22; 12.6 mgd, 19.3 mgd, 17.2 mgd, & 14 mgd respectively, resulted in a pass-through of TSS.

BOD & TSS percent removal relates to the amount of pollutants removed from the wastewater from start to finish expressed as a percentage. Key factors that affect percent removal are concentration of BOD and TSS in the influent and plant performance relative to effluent quality. The concentration of both influent BOD and TSS were highly diluted during the latter half of the month. Influent BOD and TSS concentrations were approximately 34% below average concentrations for the previous three months. This combined with relatively poor plant performance due to excessive flows and blending resulted in a failure to meet percent removal for both BOD and TSS.

Chlorine residual is eliminated from the effluent prior to final discharge by application of sodium bisulfite. The discharge of residual chlorine is prohibited. On January 20 we recorded a 1 mg/L chlorine residual for a period of 15 minutes. At the time of the residual we experienced a short term power interruption. All equipment appeared to function as expected during and after the loss of power. Sodium bisulfite feed remained stable. Approximately three pounds of excess chlorine was discharged during this event. We will request that the Regional Board consider residual sodium bisulfite in the outfall (stoichiometry) in determining violation status.

OPERATIONS & MAINTENANCE STATUS / REVIEW:

Key events for the period:

General:

- High influent flows resulting from rain induced inflow and infiltration (I&I) created numerous operational problems.
 - Daily flows (2) in excess of 19 million gallons
 - Peak flows in excess of 30 million gallons per day (*mgd)
 - Fourteen consecutive days of **Blending
 - Washout of solids in the primary sedimentation basin
 - Washout of solids in the secondary process
 - Gravity filters blinded at times

- Power failure at Ignacio treatment plant and dechlorination station on January 20, 2010.
- Veolia project manager and assistant project manager are attending Tuesday construction meetings to provide input. Construction schedule and training is provided to operations and maintenance staff at the morning meetings, posted, and noted on monthly schedule for staff.
- KPI Report from Job Plus CMMS provided at weekly client meetings
- Wet weather procedure and checklist were reviewed with O&M staff on January 15, 2010.

NOTE:

* One mgd equals 694 gallons per minute.

** *Blending – Occurs during sustained high influent flow.*

1. *Flow less than 9 receives full secondary treatment.*
2. *Flow in excess of 9 but less than 16 mgd receives preliminary treatment (screening and grit removal) and primary sedimentation prior to filtration.*
3. *Flow in excess of 16 mgd is routed directly to gravity filters and receives no preliminary or primary treatment.*

All flows described under 2 and 3 above are blended with the fully treated 9 million gallons prior to disinfection via chlorination.

Novato WWTP:

- Gravity Filter – Air leaks on control system repaired.

Ignacio WWTP:

- Digester mixing pump experienced plugging problems due to stringy materials accumulated in the digester.
- 1/19/2010 - Installed new sodium bisulfite bypass line at E003
- 1/23/2010 - Installed rebuilt sodium bisulfite flash mixer at E003

Near-term operations/maintenance tasks and projects:

Novato Site:

- Work on new (temporary) maintenance shop is progressing.

Ignacio Site:

- Ignacio Odor Control Plan – NSD collection crew performed preventive maintenance every two weeks to clean the influent channels and intermediate wet wells to improve aesthetics and prevention of odors.

CONSTRUCTION UPDATE:

Major activities of note:

- Training schedule has been updated to accommodate the April start date.

ADMINISTRATION:

- January 2010 invoice submitted on 2/3/10.
- Jeff Hendricks, O&M Technician hired January 31, 2010 through Aerotek Staffing Services.

SAFETY AND TRAINING:

Safety & Regulatory Training

- Monthly plant safety inspections for Novato WWTF completed on 01/19/10.
- Hazard Communication and Hazardous Materials Awareness training conducted 01/19/10.
- No lost time accidents reported during the month of January 2010.
- Five Minute Tailgate training is held daily with the O&M staff.

Skills & Technical Training

- No contractor training provided during January 2010.
- Skills Assessment – Now scheduled for February 2010.
- Activated Sludge Training – “Back to Basics”, Ed Dix – Conducted on February 2, 2010.

PUBLIC RELATIONS:

- No odor control complaints received in January 2010 Novato or Ignacio WWTPs.

VWWOS EMERGENCY AGREEMENT:

- Operations ongoing under the Emergency Agreement.
- VWWOS planning to provide NSD laboratory staff access to HACH WIMS process control computer software program in early 2010 to streamline the monthly reports.

MISCELLANEOUS

Veolia Support Staff On Site (Various Times)

John O'Hare
Bryce Benkhe
Ed Dix

Laboratory and Regulatory
Computerized Maintenance Management and Network Systems
Process Control Management Plan

WORK ORDER STATISTICS
JANUARY 1, 2010 - JANUARY 31, 2010

	DUE	CLOSED	OPEN
Preventative Work Orders	284	239	45
Corrective Work Orders	25	24	1
Totals	309	263	46
Preventative Maintenance Hours	93.7		
Corrective Hours	64.25		
Total Hours	157.95		