

NOVATO SANITARY DISTRICT

May 26, 2009

A regular meeting of the Board of Directors of the Novato Sanitary District will be held at 4:30 p.m., Tuesday, May 26, 2009, at the District Office, 500 Davidson Street, Novato.

Materials related to items on this agenda are available for public inspection in the District Office, 500 Davidson Street, Novato, during normal business hours.

AGENDA

1. PLEDGE OF ALLEGIANCE:

2. AGENDA APPROVAL:

3. PUBLIC COMMENT:

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.

4. BOARD MEMBER REPORTS:

5. REVIEW OF MINUTES:

- a. Consider approval of minutes of May 11, 2009 meeting.

6. CONSENT CALENDAR:

The Manager-Engineer has reviewed the following items. To her knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.

- a. Meeting schedule – June 8th and 22nd, July 13th and 27th, August 10th and 24th.
- b. Approve disbursements.

7. SOLID WASTE:

- a. Solid Waste Committee report.

8. WASTEWATER FACILITY UPGRADE PROJECT 72609:

- a. Contract B progress report

9. BUDGET WORKSHOP

- a. Discussion of 2009-10 Operating Budget.

10. JOINT SAFETY PROGRAM:

- a. Consider approval of a revised “Agreement between Sanitary/Sanitation Districts in Marin County for the Cooperative use of a Safety Director”.

11. STAFF REPORTS:

- a. Banking services update.
- b. NBWA private lateral program.
- c. NBWRA Environmental Impact Report.
- d. Report on claim from Mark Lafferty, 213 Caribe Isle.

12. MANAGER’S ANNOUNCEMENTS:

13. CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION:

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

14. CLOSED SESSION:

CONFERENCE WITH LABOR NEGOTIATORS – Government Code Section 54957.6.

- Confer with District’s labor negotiators regarding meet and confer with District’s “General” bargaining unit, represented by Teamsters Local 315.

15. ADJOURNMENT:

Next resolution no. 3005

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.

May 11, 2009

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 4:30 p.m., Monday, May 11, 2009, at the District Office, 500 Davidson Street, Novato.

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

BOARD MEMBERS ABSENT: Member Arthur T. Knutson.

STAFF PRESENT: Manager-Engineer-Secretary Beverly B. James, Deputy Manager Engineer Sandeep Karkal, Administrative Secretary Julie Borda, Administrative Services Manager June Penn Brown and District Counsel Kent Alm.

ALSO PRESENT: Angel Medina, NSD employee
John Quinley, Sustainable Novato, Novato resident
J. Dietrich Stroeh, Owner: CSW Stuber Stroeh
Dean B. Heffelfinger, NSD employee, Novato resident
Dean L. Heffelfinger, Novato resident
Jo Heffelfinger, Novato resident
Art Ribbel, Novato resident
Pat Ribbel, Novato resident
Dennis Welsh, former NSD employee, Novato resident
Pam Welsh, Novato resident
Suzanne Brown Crow, Novato resident
Barbara Nota, Novato Resident
Tony Silva, NSD employee, Novato resident

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The Manager stated there was a change to the mailed agenda: it became necessary to place an Urgency Item on the agenda: *Request Approval and Authorization of District to execute the Memorandum of Agreement (MOA) with Teamsters Local 315*. She requested this Urgency Item be placed immediately following the Consent Calendar. She stated this item had become available earlier on this day (May 11th) and was not available when the Board packets were prepared (May 8th).

*On motion of Member Quesada, seconded by Member Long, and carried unanimously by those members present, the agenda item: **Request Approval and Authorization of District to execute the Memorandum of Agreement (MOA) with Teamsters Local 315** was placed on the Agenda immediately following the Consent Calendar items.*

The Manager stated that Item 7a. should read: *Consider waiver of District policy to allow sewerage of a parcel more than one property removed from the public sewer: **Scott Property.***

On motion of Member Quesada, seconded by Member Fritz, and carried unanimously by those members present, Agenda Item 7a. was revised to read: Consider waiver of District policy to allow sewerage of a parcel more than one property removed from the public sewer: Scott Property.

PUBLIC COMMENT: None.

BOARD MEMBER REPORTS:

President Di Giorgio discussed his attendance at the Spring CASA conference held on April 30th through May 2nd in Napa. He stated there are a growing number of Legislative items dealing with sanitary district issues and is glad that CASA is keeping everyone informed on these issues. In addition, he briefly discussed a recycled water mandate and the numerous changes that are taking place in the waste water industry. He stated his concern for the aging laterals in Marin County and the breaches that may take place which then cause sewage spills. He noted that the District is beginning an extensive public outreach program to raise awareness.

Member Quesada expressed his concern for the H1N1 (Swine Flu) epidemic and discussed aspects of the illness.

REVIEW OF MINUTES:

Consider approval of minutes of the April 27th Regular Board meeting: The Manager noted that the minutes inaccurately reported Deputy Manager-Engineer Sandeep Karkal was present, when he was absent. She requested the minutes be amended to reflect his absence.

On motion of Member Quesada, seconded by Member Long, and carried unanimously by those members present, the minutes of the April 27th regular Board meeting were approved as amended.

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

- a. Receive Quarterly Revenue and Expenditure Report for Quarter ended March, 2009.
- b. Authorize the Manager-Engineer to issue a Class I Non-Domestic permit for up to 25,000 gallons to Via Service Station at 7474 Redwood Boulevard.
- c. Approval of regular disbursements in the amount of \$354,338.72, upgrade project disbursements in the amount of \$1,470,969.65 and ratification of April 2009 payroll and payroll related disbursements in the amount of \$312,257.37.

URGENCY ITEM:

REQUEST APPROVAL AND AUTHORIZATION OF DISTRICT TO EXECUTE THE MEMORANDUM OF AGREEMENT (MOA) WITH TEAMSTERS LOCAL 315:

The Manager stated that the Memorandum of Agreement as provided by Teamsters Local 315 was received via fax at the District office at approximately 1 p.m. She read much of the document to the Board, pointing out that the MOA stated “The Vendor shall not have the right to involuntarily lay off any transferred Employee for a period of three (3) years after the Date of Transition and then only if consistent with the terms of the collective bargaining agreement in effect at the time.” She stated the document, MEMORANDUM OF AGREEMENT, dated May 11, 2009, is a public document and is available upon request.

She stated the reason for bringing this item before the Board as an Urgency Item was to allow the Board to approve the document’s inclusion in the Request for Proposals which will go out to the three selected private contract operators. She stated this document sets the minimum standards the Vendor would have to comply with and means the Vendors will be able to more completely supply accurate cost information. The Manager noted a change in Section 6, sentence 2 to read: “The Vendor shall not terminate the employment of any transferred employee within the **three** year period unless:...”.

District Attorney Kent Alm discussed the issue with the Board.

District employee and Novato resident Tony Silva addressed the Board and questioned the employment period as outlined in the MOA. He wondered why the employees were only given a three year period when the District expects the Contract Operators to be engaged for at least five years. Member Long stated that the employment period as outlined in the MOA is consistent with the discussions from the Personnel Committee. He stated he does not see any reason to hesitate.

Member Quesada stated he feels the Board should consider the MOA for one to two weeks and take it before the Personnel Committee.

District Counsel Kent Alm clarified the immediate actions needed regarding the Teamsters MOA. He stated that it appears some of the employees are not familiar with the MOA and were not knowledgeable about the document’s specifics. He reiterated the importance that the District include this MOA in the Request for Proposals (RFP) which have already gone out to the three contract operators. The Manager stated that the RFP’s are due at the District on June 19th and if the MOA is not included, it will leave a big block of costs undefined in an agreement which requires complex preparation.

President Di Giorgio commented on the Teamsters Local 315 bargaining representative noting the communication between the bargaining representative and the District appears to be disconnected. He stated the communication should be an open door. He urged the Board to accept the agreement and move forward with its execution.

On motion of Member Long, seconded by Member Fritz and carried unanimously by those members present, the Board approved and authorized the District to execute the Memorandum of Agreement (MOA) with Teamsters Local 315.

REQUEST FOR WAIVER OF DISTRICT POLICY RELATIVE TO PRIVATE FORCE LINE

Consider waiver of District policy to allow sewerage of a parcel more than one property removed from the public sewer: Scott Property. Dietrich Stroeh of CSW Stuber-Stroeh gave an overview of the unreliable septic system at the Scott property. He stated the resident wishes to connect to the District's sanitary sewer line; however, the routing of the private force line will result in an excessively long private force line of approximately 1,065 feet. He stated the pipe would be three inches in diameter and would require periodic maintenance as so stated in one of the special conditions as part of the District's agreement to the proposal.

The Manager discussed the three special conditions which would be included as part of the Board waiver and stated that these conditions would be a deed issue that would carry with the property if and when the property changed owners. She stated the waiver is necessary because the force main is going through two additional properties not owned by the owner of the Scott Property. The Board discussed the details of the agreement.

On motion of Member Fritz, seconded by Member Long, and carried unanimously by those members present, the Board accepted a waiver of District policy to allow sewerage of the Scott Property.

JOINT SAFETY PROGRAM:

Consider approval of 2009-10 budget. The Manager explained that the District has participated in the Joint Safety Program for the last 13 years. She discussed Du-All Safety's participation in reviewing the Joint Safety Program and stated the total budget for this program is \$95,974.17. She stated that Central Marin will approve the contract with Du-All Safety. At this time, the District is only approving the budget.

Member Long stated he would like to have an in-depth discussion to address the safety issues at the newly constructed NSD facility.

On motion of Member Long, seconded by Member Fritz, and carried unanimously by those members present, the Board approved the Joint Safety Program 2009-10 budget of \$95,974.17.

WASTEWATER FACILITY UPGRADE PROJECT 72609:

Authorize Manager-Engineer to enter into a contract amendment with HDR Engineering Inc. to review report titled "Novato Sanitary District Staff and Operations Assessment for New Facility Startup, Transition, and Operation".

Authorize Manager-Engineer to enter into a contract with EMA to review report titled "Novato Sanitary District Staff and Operations Assessment for New Facility Startup, Transition, and Operation".

The Manager stated that the Ad-Hoc Personnel Committee had met and came to the decision to have two independent firms review the Eisenhardt Report, particularly the areas pertaining to the reporting of the costs for Consultants. (The District and the Board have been discussing the option of hiring consultants to train District employees on the operation of the new equipment at the completion of the treatment plant upgrade construction or to hire a private contract operator.)

The Manager stated that each request would be under \$10,000 and would consist of a peer review focusing on the cost comparisons for consultants versus a private contract operator. She stated there has been strong public comment requesting this review. She noted that both firms will be asked to work independently and will present their reports individually to the Board upon their completion.

President Di Giorgio opened the meeting for public comment.

Dean L. Heffelfinger, Novato resident, asked if HDR Engineering Inc. and EMA will be making their reports public when they are completed. He stated his agreement with the recommendation and noted it was John Quinley who had sent the request for an independent review panel.

Susan Brown Crow, 23 year Novato resident discussed research she had conducted with other districts who have gone to private contract operators. She stated that if the contract operators would be bringing in expert consultants to assist them, why could the District not hire those same consultants on their own. She also questioned why the Board had not brought to the public the issue of the necessity of contract operators earlier, knowing the depth of training which would be needed for the new equipment.

There being no further public discussion to come before the Board, President Di Giorgio closed Public Comment.

On motion of Member Fritz, seconded by Member Long, and carried unanimously by those members present, the Board authorized the Manager-Engineer to enter into a contract with HDR Engineering Inc. and EMA to review the Eisenhardt Report titled: "Novato Sanitary District Staff and Operations Assessment for New Facility Startup, Transition, and Operation" to determine the cost effectiveness of consultants.

STAFF REPORTS:

Status of Internet banking fraud activities. The Manager informed the Board that between April 16th and 20th, two District accounts with Bank of Marin were compromised. The original amount lost was \$514,547.45. She noted that Administrative Services Manager

June Brown blocked a third attempt at a fraudulent transfer from the Bank of Marin. She stated that the bank, as of this date, had recovered \$149,385.47 from the fraudulent sources. In addition, the Bank will assume the loss for an additional \$170,756.91. To date, the amount of un-recovered loss is \$194,405.07. She stated the matter remains under investigation and she is reasonably sure the District will recover most of the money. She stated the matter has been referred to the FBI.

She explained that the District carries Fraud Insurance in an amount of \$100,000 per occurrence and Administrative Services Manager June Brown is working with our insurance carrier, CSRMA, to expedite the claim.

President Di Giorgio commended June Brown for her diligent work in this matter. The Manager discussed areas in which the District has made changes to ensure security and prevent future breaches.

Bel Marin Keys Pump Station Project accident report: The Manager reported on an accident at our Bel Marin Keys Pump Station #6 which is currently under construction by the District's sub-contractor, JMB Construction. She relayed the details of a worker employed by JMB Construction who was tragically killed on April 28th. She stated that at this time, his death appears to be caused by an electrocution and that OSHA is currently investigating the incident. She expressed her concern and regret for the families and co-workers touched by this tragic accident.

H1N1 Flue epidemic update. The Manager stated that Marin County Health and Human Services has set up a command station and continues to monitor the H1N1 virus. Our insurance carrier, CSRMA, has given the District recommendations on how to handle a pandemic should this illness spread to that degree. She stated that the public tour of the treatment plant facility scheduled for May 9th has been postponed and that it will be rescheduled at a later date.

North Bay Water Reuse Authority (NBWRA) Environmental Impact Report (EIR). The Manager gave a brief announcement that the NBWRA's EIR has been released and copies are available at the District for public review. She stated there will be a meeting on this issue at the Margaret Todd Retirement Center on June 9th from 6 to 7:30 p.m. She suggested if anyone was interested they should go to the NBWRA website, www.nbwra.org to see a listing of meetings and announcements.

LEGAL COUNSEL'S REPORT:

Accept Rich Luthy's report on internal investigation of reported 2007 Treatment Plant incidents. District Counsel Kent Alm reviewed the background of the reported allegations claiming a digester cleaning operation in March 2007 caused a plant upset and poor effluent quality. In addition, he discussed allegations which claimed a second series of incidents in October of 2007 where electrical malfunctions reportedly led to tank overflows and spills into the environment that were not reported to the Regional Board.

Mr. Alm reviewed with the Board a report prepared by Luthy Consulting, Inc. which discussed these two incidents. The report concluded there was no evidence to corroborate the allegations. Mr. Alm stated he will provide this report to River Watch and to Bay Keepers.

On motion of Member Fritz, seconded by Member Quesada, and carried unanimously by those members present, the Board accepted the report "Investigation of Operational Issues at Novato Sanitary District Wastewater Treatment Plant, April 2009" as prepared by Luthy Consulting, Inc.

MANAGER'S ANNOUNCEMENTS:

The Manager discussed her participation in the Spring CASA Conference which was held in Napa from April 30th through May 2nd.

The Manager noted the upcoming May 19th Special Election and discussed the measures which may have to be taken if Proposition 1A is suspended. She said it appears local property taxes may be diverted to the State to assist with the budget shortfall.

At 6:17 p.m. President Di Giorgio called for a five minute break.

The Board meeting reconvened at 6:25 p.m.

CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION:

At 6:26 p.m. President Di Giorgio announced the Board would meet in Closed Session to discuss the item on the Closed Session Agenda: Decision to initiate litigation pursuant to Subsection © of Government Code Section 54956.9: One case.

At 7:02 p.m. President Di Giorgio reconvened the Board meeting.

There was no reportable action.

ADJOURNMENT: There being no further business to come before the Board, President Di Giorgio adjourned the meeting at 7:03 p.m.

Respectfully submitted,

Beverly B. James
Secretary

Julie Borda, Recording

Novato Sanitary District Check Register

May 26, 2009

Date	Num	Name	Credit
May 26, 09			
5/26/2009	42397	JMB Construction Inc.	337,006.00
5/26/2009	42416	Pacific, Gas & Electric	65,909.40
5/26/2009	42412	Nute Engineering Inc.	48,911.93
5/26/2009	42391	Covello Group, The	23,299.53
5/26/2009	42425	Team Ghilotti	16,071.60
5/26/2009	42414	Olin Chlor Alkali Products	8,422.94
5/26/2009	42386	Caltest Analytical Lab Inc.	7,952.45
5/26/2009	42411	Novato Disposal-	7,030.65
5/26/2009	42399	Kemira Water Solutions, Inc.	6,823.81
5/26/2009	42396	IComm, Inc.	6,800.00
5/26/2009	42390	Central Marin Sanitation District	6,240.05
5/26/2009	42421	SC Live Inc.	5,283.22
5/26/2009	42383	Basic Chemical Solutions	5,135.00
5/26/2009	42422	Shape Incorporated	4,903.18
5/26/2009	42400	L&J Technologies, Inc.	4,726.23
5/26/2009	42413	Oakley Water Strategies, Inc.	4,714.51
5/26/2009	42392	G & K Services	3,995.43
5/26/2009	42380	American Express-21007	2,178.39
5/26/2009	42398	Kaiser Permanente	2,072.76
5/26/2009	42401	Maggiora & Ghilotti Inc.	1,891.51
5/26/2009	42384	Blake's Auto Body North, Inc.	1,765.86
5/26/2009	42393	Grainger	1,436.38
5/26/2009	42385	Borges & Mahoney Inc.	1,198.33
5/26/2009	42426	USA BlueBook	1,000.01
5/26/2009	42420	Royal Petroleum Company	837.66
5/26/2009	42381	AT&T-SAC	634.96
5/26/2009	42395	Harrington Plastics, Inc.	579.16
5/26/2009	42388	CDW Government, Inc.	576.32
5/26/2009	42389	CED Santa Rosa, Inc	557.00
5/26/2009	42403	Newark	455.37
5/26/2009	42402	McMaster-Carr Supply Co.	432.72
5/26/2009	42429	Water Components & Building	311.91
5/26/2009	42394	HACH/American Sigma Inc	258.11
5/26/2009	42418	Platt Electric Supply Inc.	254.83
5/26/2009	42404	Nor Cal Truck & Equipment Re...	222.34
5/26/2009	42423	Staples Business Adv	201.10
5/26/2009	42424	State Water Resources Contro...	170.00
5/26/2009	42407	North Marin Auto Parts	166.47
5/26/2009	42428	WasteManagement	163.64
5/26/2009	42382	B.W.S. Distributors, Inc.	147.16
5/26/2009	42427	Verizon California	141.03
5/26/2009	42405	North Bay Gas & Weld	125.19
5/26/2009	42379	AirGas-NCN	118.27
5/26/2009	42417	Petty Cash	118.03
5/26/2009	42410	Novato Builders Supply	114.78
5/26/2009	42406	North Bay Portables	89.64
5/26/2009	42415	One Stop Auto Service Inc.	67.60
5/26/2009	42409	Novato Brushless Car Wash	49.94
5/26/2009	42408	North Marin Water District	47.25
5/26/2009	42378	Able Tire & Brake Inc.	36.74
5/26/2009	42419	Radio Shack	16.76
5/26/2009	42387	Carquest Auto Parts	8.68
May 26, 09			581,671.83

05/22/09

Novato Sanitary District Check Register

May 26, 2009

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
May 26, 09			
5/26/2009	1364	Covello Group, The	157,781.74
5/26/2009	1370	RMC Water & Environment, Inc.	48,787.36
5/26/2009	1365	Eisenhardt Group, Inc.	24,949.49
5/26/2009	1368	HDR Engineering Inc	11,194.13
5/26/2009	1363	Carollo Engineers, Inc	11,135.60
5/26/2009	1369	Rauch Communication Consult..	5,946.22
5/26/2009	1371	Verizon California Inc	1,100.00
5/26/2009	1366	Empire Mini Storage - Novato	730.00
5/26/2009	1367	Federal Express	43.88
May 26, 09			<u>261,668.42</u>

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Solid Waste: Committee Report	MEETING DATE: May 26, 2009
	AGENDA ITEM NO.: 7 a
RECOMMENDED ACTION: None, information only.	
SUMMARY AND DISCUSSION: The Solid Waste Committee met on Monday, May 18 th . Dee Johnson will be at the board meeting to present the committee report and the proposed budget for 2009-10. A copy of the budget and the budget narrative is attached. No action is needed at this meeting. The budget for the Solid Waste Program will be considered as part of the District budget.	
ALTERNATIVES: Not Applicable	
BUDGET INFORMATION: Not applicable	
DEPT.MGR.:	MANAGER:

2009/2010 Proposed Budget

Attached is the proposed budget for AB939 Solid and Hazardous waste programs for FY 2009/2010. Overall budget expenditures are essentially the same as last year.

Expenditures

Total costs for consulting services remain essentially the same as FY2008/09, with slight increases in time spent on HHW programs, E-Waste programs and countywide meetings such as the JPA, Local Task Force, City and District. HHW facility services and programs continue to make up the majority of these expenditures which include the ongoing operation and administration of the permanent HHW facility, E-Waste events staffing and support, increased time spent on state and local reporting requirements for E-Waste and grant requirements; increased monitoring of facility maintenance and repairs, coordination of the HHW contract and developing an RFP and/or contract extension for a HHW contractor, planning for potential move of the HHW facility and development of new programs, such as expanded household battery collection, fluorescent tubes and bulbs, pharmaceuticals and other emerging waste streams.

Contractor costs for the HHW Facility have increased due to rising participation at the Facility and increased labor and waste disposal costs, resulting in a projected 10% increase in contractor costs for FY 2009/10. However, E-Waste event costs have decreased due to price reductions obtained from our E-Waste recycler, resulting in a 33% reduction in projected expenditures. These costs will need to be monitored closely, due to the increased participation at the HHW facility and E-Waste events, along with reductions in SB20/50 reimbursements from the State for the 2008/09 fiscal year. E-Waste continues to be an ever increasing waste stream, and additional costs may be expended here. Hazardous waste programs continue to consume the greatest portion of our budget at 85% of 2009/10 expenditures.

Revenues

81% of the revenues to fund all these programs come from fees assessed on the garbage rate. (AB939 fees). The 2% increase in AB939 fees for FY2009/2010 accounts for an increased fund balance to provided for potential facility closure costs and new facility initial project costs.

JPA fee revenues increased from \$33,503 to \$40,355 due to increased tip fees at Redwood Landfill. The \$40,355 to be received for FY 2009/10 is comprised of the \$15,003 for the prior year's fees owed, and \$25,352.00 for current fees on Novato self-haul waste. This is the seventh year of the JPA reimbursement fees. 12% of program revenues come from the JPA fee reimbursement, which must be spent on hazardous waste programs.

The remaining 7% of revenues come from state grants. The State has reduced all Used Oil Block grants for FY 2009/10 by 30%. It is expected that this funding source will continue to decrease over the next several years, due to economic issues. For FY 2009/10 program costs can be covered from the increase in JPA fee revenues.

No fund balance expenditures are anticipated this year.

At this meeting, the Committee will review the proposed budget and make recommendations to the full Sanitary District Board for adoption at their meeting in June.

**NOVATO SANITARY DISTRICT
2009/2010 PROPOSED BUDGET
AB 939 SOLID & HAZARDOUS WASTE PROGRAMS**

DRAFT BUDGET

FUND BALANCE A/O 6/30/09

\$134,182.00

	BUDGET FY 2008/2009	ANTICIPATED EXP/REVENUES THRU 6/30/09	BUDGET FY 2009/10	NARRATIVE
REVENUES				
AB939 Solid Waste Fees	\$271,862.00	\$271,862.00	\$277,299.00	2% increase
Used Oil Block Grant	\$13,051.00	\$13,051.00	\$9,136.00	30% cut in UOBG grant
DOC Beverage Container Recycling Grant	\$13,589.00	\$13,589.00	\$13,589.00	
JPA Reimbursement & self haul fees	\$33,503.00	\$33,503.00	\$40,355.00	
TOTAL REVENUES	\$332,005.00	\$332,005.00	\$340,379.00	
EXPENDITURES:				
Consulting Services:				
HHW Consultant				
Permanent Facility Planning & Coordination	\$55,500.00	\$55,500.00	\$58,000.00	HHW program staffing
Used Oil Program Services (1)	\$6,720.00	\$6,720.00	\$4,500.00	HHW program staffing/cut in UOBG grant
Subtotal HHW	\$62,220.00	\$62,220.00	\$62,500.00	
AB939 Program Services:				
Admin. & Technical Support	\$10,000.00	\$10,250.00	\$11,500.00	Committee, LTF, JPA meetings; reports; legislation
Monitoring & reporting	\$1,000.00	\$1,750.00	\$1,800.00	AB939 qtrly & annual reporting; SB1061 reporting
Business technical assistance	\$1,000.00	\$500.00	\$700.00	Bus&mf database updates
Education & Outreach	\$2,500.00	\$2,000.00	\$2,000.00	Community fairs, etc; guides & fliers
School programs	\$1,500.00	\$1,593.00	\$1,500.00	Work with Green Schools; provide info
Subtotal AB939	\$16,000.00	\$16,093.00	\$17,500.00	
Other Services				
DOC Beverage Container Recycling(2)	\$2,964.00	\$2,964.00	\$2,964.00	Assist with school, public recycling
Total Other Services	\$2,964.00	\$2,964.00	\$2,964.00	
Total Consulting Services ***	\$81,184.00	\$81,277.00	\$82,964.00	
Permanent HHW Facility				
Outside contractual - Philips	\$170,000.00	\$175,000.00	\$187,000.00	Increasing participation& labor/waste costs
Outside contractual - E-Waste collection event	\$30,000.00	\$15,000.00	\$20,000.00	Decreased costs w/ECS
Education & Publicity	\$7,000.00	\$7,000.00	\$4,000.00	Ads; HHW&business fliers
Misc. - site maintenance, signs, etc.	\$5,000.00	\$5,000.00	\$5,000.00	HHW facility - seal floor; newsigns
Total Permanent HHW Facility	\$212,000.00	\$202,000.00	\$216,000.00	
Used Oil Programs (1)	\$6,551.00	\$6,551.00	\$6,000.00	oil & filter recycling; clean tank; supplies
DOC Beverage Container Recycling(2)	\$10,589.00	\$10,574.00	\$10,574.00	Assist with school, public recycling
Other/Contingency	\$5,000.00	\$5,000.00	\$5,000.00	
City AB939 Admin Services	\$10,000.00	\$10,000.00	\$10,000.00	City staff time
TOTAL EXPENDITURES	\$325,324.00	\$315,402.00	\$330,538.00	
FUND BALANCE EXPENDITURES				
Permanent HHW Facility Site Costs	\$0.00	\$0.00	\$0.00	
Permanent HHW Facility Misc costs	\$0.00	\$0.00	\$0.00	
Permanent HHW Facility Education & Publicity	\$0.00	\$0.00	\$0.00	
Permanent HHW Facility - Unanticipated Contractor costs	\$0.00	\$0.00	\$0.00	
TOTAL EXPENDITURES	\$325,324.00	\$315,402.00	\$330,538.00	
ANTICIPATED FUND BALANCE A/O 6/30/10			\$144,023.00	

(1) \$4636 est. funded by CIWMB Used Oil Block Grant; CIWMB cut up to 30% of grant funds for FY 2009/10; remainder funded by fees

(2) Funded by DOC Beverage Grant

PERMANENT HHW FACILITY PROPOSED BUDGET FY 2009/2010

	2008/09 BUDGET	2008/2009 A/E EST. THRU 06/30/09	2009/10 BUDGET
PERMANENT COLLECTION FACILITY			
Personnel: Program coordinator: Program operation	\$53,704.00	\$55,500.00	\$58,000.00
Used Oil Program Services	\$6,720.00	\$6,720.00	\$4,500.00
Hazardous Waste Contractor			
Philips Services	\$170,000.00	\$175,000.00	\$187,000.00
Contractor/E-Waste Event	\$30,000.00	\$15,000.00	\$20,000.00
Site maintenance	\$3,500.00	\$3,500.00	\$3,500.00
Site signage	\$1,500.00	\$1,500.00	\$1,500.00
Used Oil Tank & Programs	\$6,551.00	\$6,551.00	\$6,500.00
EDUCATION AND PUBLICITY			
Newspaper ads	\$1,500.00	\$1,500.00	\$1,500.00
Fliers			
Design and print new fliers for facility	\$1,500.00	\$1,500.00	\$1,500.00
Direct mail to Novato businesses	\$1,000.00	\$1,000.00	\$1,000.00
Direct mail fliers	\$3,000.00	\$0.00	\$0.00
TOTAL EXPENDITURES	\$278,975.00	\$267,771.00	\$285,000.00
REVENUES			
AB939 Fees	\$234,217.00	\$234,217.00	\$235,509.00
Fund balance/AB939 fees	\$0.00	\$0.00	\$0.00
Used Oil Block Grant Funds	\$13,051.00	\$13,051.00	\$9,136.00
JPA Fees Reimbursement	\$33,503.00	\$33,503.00	\$40,355.00
TOTAL REVENUES	\$280,771.00	\$280,771.00	\$285,000.00

**NOVATO SANITARY DISTRICT
2009-2010 PROPOSED BUDGET NARRATIVE
HHW & AB939 SOLID WASTE PROGRAMS**

EXPENDITURES

Consulting Services:

HHW Consultant. This item includes costs for the HHW permanent facility administration, staffing, coordination and ongoing outreach and public education. It also includes costs for coordination of the E-Waste events, coordination and administration of the HHW contract, planning and development of an RFP and/or contract extension for an HHW contractor, planning for potential move of the HHW facility and development of additional HHW programs dealing with specific waste streams, such as universal wastes, E-Wastes, pharmaceuticals, etc.. Based on prior year experience, and the ongoing activities in this area costs are slightly increased to **\$58,000** to account for additional universal waste, HHW and E-Waste requirements. In addition, this item includes expenses for coordination and administration of the used oil block grant - **\$4,500.** -which has been reduced by 30%. The used oil block grant administration is entirely funded by CIWMB grant funds.

AB939 Program Services:

These expenses are based upon the program priorities outlined in Novato's Waste Management Work Plan, along with current programs and direction from the committee.

1. **Administrative & Technical Support for Committee - \$11,500.** This is based on costs for staff support for all solid waste committee meetings, staff meetings and general administration. This also includes expenses for special reports and grant applications, updates to the Work Plan, as directed by the committee and additional meetings with the District, the City, Novato Disposal and other regulatory agencies. The item is increased to account for increase in meetings with the JPA, County Local Task Force and others as required, in addition to reporting on pending legislation, and updating the Work Plan to account for Zero Waste policies being adopted by the County.
2. **Monitoring & reporting. \$1,800..** This accounts for producing quarterly monitoring reports of Novato's waste disposal and diversion, a summary of Novato Disposal's recycling and diversion, separate accounting of C&D diversion, a 2009 annual report, a comparative analysis over the past several years, and projections for the year 2010. This also includes monitoring for the new per capita disposal monitoring system (SB1016)
3. **Business technical assistance. \$700.** This reduced amount of funding provides for funding to update the multi-family and commercial recycling database and promotion of recycling services at multi-family and commercial establishments as requested. Novato Disposal Services has increased its outreach services to multi-family and commercial establishments, allowing for reduced funding in this category. Minimal funding is still included for presentations to business and civic groups, as requested.
4. **Education & Outreach. \$2,000.** Education and outreach is the number one program priority in the Work Plan. This level of funding maintains development, production and reproduction costs for brochures, ads, press releases, signs and or banners, etc. Staff time would be involved in development and updating all brochures and guides, such as Novato's Reuse and Recycling Guide. This also includes expansion of outreach through Novato Disposal, District, City and County websites and other electronic media. This also includes staff outreach at community events such as Farmer's Markets and fairs, promoting CIWMB WRAP awards and the County Green Business program. Novato Disposal has also increased their outreach and education programs of the "How To's" of recycling to residents and schools.
5. **School programs. \$1,500.** The Work Plan also lists school programs as a priority program. With the increased interest in the Green Schools programs in Novato, this level of funding will provide for special coordination with school education projects, such as the schools "Green Fairs", Green Career fairs, increased school recycling, along with tours of the HHW facility as possible. Materials developed by the CIWMB, EPA and others will be made available to schools, as appropriate.

Other Services

These expenses are funded by a grant from the Department of Conservation. They follow the programs as outlined in the Work Plan.

1. **DOC Beverage Container Recycling. \$2,964.** This item includes expenses for the administration of this grant program, along with public outreach services for public and school beverage container recycling. This is entirely funded by the DOC Beverage Container Recycling Grant.

Permanent HHW Facility – (see separate budget for details)

1. **Outside contractual – Philips.** \$187,000. This is based upon the rising participation at the HHW facility (approximately 30%), along with increased labor and waste disposal costs. This projected 10% cost increase will need to be monitored carefully during the year.
2. **Outside contractual – E-Waste collection event.** This estimate - \$20,000 – is based upon decreased recycler costs over the past 2 years, resulting in a 33% decrease in projected expenditures. We will continue to seek the best pricing available for these materials, while maintaining a safe chain of disposal for these items.
3. **Education & Publicity.** This item - \$4,000.- includes costs for newspaper ads, direct mail to Novato businesses, along with printing of fliers and signs . Costs have been reduced by 43% by eliminating additional direct mail to households, which can be covered through the Novato Disposal newsletter.
4. **Misc.** The \$5,000. includes expenditures for ongoing site maintenance such as floor sealing, striping, signage, pigeon control, etc. Floor sealing, striping and new signage are required costs this year.

Used Oil Programs. This is primarily funded by the Used Oil Block grant funds, received by the City of Novato, which the District administers and coordinates. These block grant funds - \$4,636. - include expenditures for used oil recycling promotional materials, such as brochures, signs, funding for Novato Recycling Center used oil and oil filter collection, used oil tank clean-up and maintenance and supplies. Funds have been reduced by the State by 30% for FY 2009/10. In order to cover all used oil collection costs an additional \$1,864 is budgeted from AB939 and JPA fees.

Program Contingency - A program contingency of \$5,000, is included.

City of AB939 Admin. Services - \$10,000. is included as costs for the City administrative services.

FUND BALANCE EXPENDITURES

No fund balance expenditures are anticipated this year. The fund balance is provided to cover required closure costs for the current HHW facility, estimated at \$41,000, and initial project costs for a new HHW facility.

Novato Sanitary District
Revenue & Expenditures - Budget vs. Actual - Operations
July 2008 through April 2009

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	Jul '08 - Apr 09	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
41000 · OPERATING INCOME				
41010 · Sewer Service Charges	5,480,386.63	5,693,197.00	(212,810.37)	96.26%
41020 · County Collection Charges	0.00	47,200.00	(47,200.00)	0.0%
41030 · Plan Check & Inspection Fee	12,351.55	2,500.00	9,851.55	494.06%
41040 · Permit & Inspection Fee	9,892.00	25,000.00	(15,108.00)	39.57%
41050 · Property Taxes	1,752,692.56	1,841,000.00	(88,307.44)	95.2%
41060 · Interest Income	185,144.46	250,000.00	(64,855.54)	74.06%
41080 · Engineering & Admin Charges	0.00	175,000.00	(175,000.00)	0.0%
41090 · Non-domestic Permit Fees	3,099.11	2,000.00	1,099.11	154.96%
41100 · Garbage Franchise Fees	45,000.00	45,000.00	0.00	100.0%
41105 · AB 939 Collector Fees	271,862.00	271,862.00	0.00	100.0%
41107 · Oil/Bev/Tire Grants	27,342.00	59,278.00	(31,936.00)	46.13%
41130 · Ranch Income	0.00	82,517.00	(82,517.00)	0.0%
41135 · Recycle Water Facility Revenue	0.00	102,544.00	(102,544.00)	0.0%
41140 · Other Revenue	47,276.20	160,000.00	(112,723.80)	29.55%
Total 41000 · OPERATING INCOME	7,835,046.51	8,757,098.00	(922,051.49)	89.47%
Total Income	7,835,046.51	8,757,098.00	(922,051.49)	89.47%
Gross Profit	7,835,046.51	8,757,098.00	(922,051.49)	89.47%
Expense				
60000 · COLLECTION SYSTEM				
60010 · Salaries & Wages	236,585.14	334,145.00	(97,559.86)	70.8%
60020 · Employee Benefits	112,457.98	145,353.00	(32,895.02)	77.37%
60060 · Gas, Oil & Fuel	9,373.87	15,000.00	(5,626.13)	62.49%
60091 · Software Maint	18,899.02	75,000.00	(56,100.98)	25.2%
60100 · Operating Supplies	10,091.80	17,000.00	(6,908.20)	59.36%
60150 · Repairs & Maintenance	40,145.47	55,000.00	(14,854.53)	72.99%
60152 · Small Tools	1,571.58	2,500.00	(928.42)	62.86%
60153 · Outside Services	39,579.35	70,000.00	(30,420.65)	56.54%
60192 · Water	2,419.30	4,000.00	(1,580.70)	60.48%
60193 · Telephone	884.93	2,000.00	(1,115.07)	44.25%
60200 · Other(Garbage Coll)	1,246.26	2,495.00	(1,248.74)	49.95%
60201 · Permits & Fees	7,198.60	2,000.00	5,198.60	359.93%
60290 · Vehicle Replacement	0.00	35,000.00	(35,000.00)	0.0%
60300 · Capital Outlay	8,406.04	12,500.00	(4,093.96)	67.25%
Total 60000 · COLLECTION SYSTEM	488,859.34	771,993.00	(283,133.66)	63.32%
61000 · NOVATO TREATMENT PLANT				
61010 · Salaries & Wages	720,569.58	835,362.00	(114,792.42)	86.26%
61020 · Employee Benefits	278,573.56	363,382.00	(84,808.44)	76.66%
61060 · Gasoline & Oil	19,057.56	30,000.00	(10,942.44)	63.53%
61091 · Software Maintenance	2,410.30	5,000.00	(2,589.70)	48.21%
61100 · Operating Supplies	20,574.60	30,000.00	(9,425.40)	68.58%
61101 · Operating Chemicals	150,946.10	184,000.00	(33,053.90)	82.04%
61112 · Janitorial Services	11,286.50	20,000.00	(8,713.50)	56.43%

Novato Sanitary District
Revenue & Expenditures - Budget vs. Actual - Operations
July 2008 through April 2009

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	<u>Jul '08 - Apr 09</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
61113 · Grounds Maintenance	2,020.00	3,000.00	(980.00)	67.33%
61150 · Repairs & Maintenance	145,155.36	150,000.00	(4,844.64)	96.77%
61151 · Unusal Equipment Maintenance	0.00	20,000.00	(20,000.00)	0.0%
61152 · Small Tool Purchase	685.59	1,000.00	(314.41)	68.56%
61191 · Gas & Electricity	359,161.50	500,000.00	(140,838.50)	71.83%
61192 · Water	1,923.75	3,000.00	(1,076.25)	64.13%
61193 · Telephone	7,350.04	8,000.00	(649.96)	91.88%
61200 · Other(Garbage Coll)	3,388.57	4,756.00	(1,367.43)	71.25%
61201 · Permits & Fees	28,248.75	50,000.00	(21,751.25)	56.5%
61290 · Vehicle Replacement	0.00	16,000.00	(16,000.00)	0.0%
61300 · Capital Outlay	0.00	23,000.00	(23,000.00)	0.0%
Total 61000 · NOVATO TREATMENT PLANT	1,751,351.76	2,246,500.00	(495,148.24)	77.96%
62000 · IGNACIO TREATMENT PLANT				
62010 · Salaries & Wages	145,118.06	197,449.00	(52,330.94)	73.5%
62020 · Employee Benefits	65,601.21	85,890.00	(20,288.79)	76.38%
62060 · Gasoline & Oil	13,130.45	12,500.00	630.45	105.04%
62091 · Software Maintenance	2,410.30	2,500.00	(89.70)	96.41%
62100 · Operating Supplies	15,804.46	20,000.00	(4,195.54)	79.02%
62101 · Operating Chemicals	105,287.83	125,000.00	(19,712.17)	84.23%
62113 · Grounds Maintenance	0.00	2,000.00	(2,000.00)	0.0%
62115 · Sludge Disposal - Contract	45,856.00	30,000.00	15,856.00	152.85%
62150 · Repairs & Maintenance	64,949.08	100,000.00	(35,050.92)	64.95%
62151 · Unusual Equipment Maintenanc	10,479.88	50,000.00	(39,520.12)	20.96%
62152 · Small Tools	1,770.09	2,500.00	(729.91)	70.8%
62191 · Gas & Electricity	151,066.34	220,000.00	(68,933.66)	68.67%
62192 · Water	104.59	1,000.00	(895.41)	10.46%
62193 · Telephone	1,854.94	1,000.00	854.94	185.49%
62200 · Other	1,470.59	2,496.00	(1,025.41)	58.92%
62201 · Permits & Fees	17,241.75	18,000.00	(758.25)	95.79%
62290 · Vehicle Replacement	0.00	5,200.00	(5,200.00)	0.0%
62300 · Capital Outlay	0.00	13,000.00	(13,000.00)	0.0%
Total 62000 · IGNACIO TREATMENT PLANT	642,145.57	888,535.00	(246,389.43)	72.27%
63000 · RECLAMATION/DISPOSAL				
63010 · Salaries & Wages	33,488.79	45,565.00	(12,076.21)	73.5%
63020 · Employee Benefits	15,138.91	19,821.00	(4,682.09)	76.38%
63060 · Gasoline & Oil	9,414.67	12,500.00	(3,085.33)	75.32%
63091 · Software Maintenance	2,410.30	2,500.00	(89.70)	96.41%
63100 · Operating Supplies	3,033.12	6,000.00	(2,966.88)	50.55%
63101 · Operating Chemicals	0.00	2,500.00	(2,500.00)	0.0%
63115 · Sludge Disposal	54,979.05	75,000.00	(20,020.95)	73.31%
63150 · Repairs & Maintenance	54,536.89	120,000.00	(65,463.11)	45.45%
63151 · Unusual Equipment Maintenanc	38,701.99	100,000.00	(61,298.01)	38.7%
63152 · Small Tools	491.76	2,500.00	(2,008.24)	19.67%
63157 · Ditch/Dike Maintenance	0.00	25,000.00	(25,000.00)	0.0%
63191 · Gas & Electricity	99,454.08	120,000.00	(20,545.92)	82.88%
63192 · Water - Reclamation	11,332.68	6,000.00	5,332.68	188.88%
63201 · Permits & Fees	1,584.00	1,500.00	84.00	105.6%

Novato Sanitary District
Revenue & Expenditures - Budget vs. Actual - Operations
July 2008 through April 2009

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	<u>Jul '08 - Apr 09</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
63290 - Vehicle Replacement	0.00	7,000.00	(7,000.00)	0.0%
63300 - Capital Outlay	0.00	63,000.00	(63,000.00)	0.0%
Total 63000 - RECLAMATION/DISPOSAL	324,566.24	608,886.00	(284,319.76)	53.31%
64000 - LABORATORY/MONITORING				
64010 - Salaries & Wages	193,130.70	220,363.00	(27,232.30)	87.64%
64020 - Employee Benefits	74,969.21	95,858.00	(20,888.79)	78.21%
64060 - Gasoline & Oil	1,650.51	2,625.00	(974.49)	62.88%
64091 - Software Maintenance	334.36	5,000.00	(4,665.64)	6.69%
64100 - Operating Supplies	18,371.23	35,000.00	(16,628.77)	52.49%
64150 - Repairs & Maintenance	7,162.40	7,500.00	(337.60)	95.5%
64160 - Research & Monitoring	54,268.57	96,610.00	(42,341.43)	56.17%
64170 - Pollution Prevention/Public Ed	7,187.87	105,000.00	(97,812.13)	6.85%
64201 - Permits & Fees	2,359.00	3,000.00	(641.00)	78.63%
64290 - Vehicle Replacement	0.00	1,400.00	(1,400.00)	0.0%
64300 - Capital Outlay	6,410.72	20,000.00	(13,589.28)	32.05%
Total 64000 - LABORATORY/MONITORING	365,844.57	592,356.00	(226,511.43)	61.76%
65000 - PUMP STATIONS				
65010 - Salaries & Wages	55,814.65	75,942.00	(20,127.35)	73.5%
65020 - Employee Benefits	25,231.53	33,035.00	(7,803.47)	76.38%
65060 - Gasoline & Oil	2,708.59	4,000.00	(1,291.41)	67.72%
65091 - Software Maintenance	2,410.29	2,500.00	(89.71)	96.41%
65100 - Operating Supplies	7,278.89	12,000.00	(4,721.11)	60.66%
65101 - Operating Chemicals	0.00	4,000.00	(4,000.00)	0.0%
65150 - Repairs & Maintenance	88,125.20	100,000.00	(11,874.80)	88.13%
65151 - Unusual Equipment Maintenanc	0.00	10,000.00	(10,000.00)	0.0%
65152 - Small Tools	763.50	5,000.00	(4,236.50)	15.27%
65191 - Gas & Electricity	61,395.84	90,000.00	(28,604.16)	68.22%
65192 - Water	8,214.68	8,500.00	(285.32)	96.64%
65193 - Telephone	19,685.56	20,000.00	(314.44)	98.43%
65201 - Permits & Fees	2,376.50	3,000.00	(623.50)	79.22%
65290 - Vehicle Replacement	0.00	10,000.00	(10,000.00)	0.0%
65300 - Capital Outlay	0.00	13,000.00	(13,000.00)	0.0%
Total 65000 - PUMP STATIONS	274,005.23	390,977.00	(116,971.77)	70.08%
66000 - ADMIN/ENGINEERING				
66010 - Salaries & Wages	839,784.18	1,032,529.00	(192,744.82)	81.33%
66020 - Employee Benefits	398,244.12	480,150.00	(81,905.88)	82.94%
66021 - Retiree Health Benefits	134,109.43	175,745.00	(41,635.57)	76.31%
66030 - Director's Fees	33,856.26	37,800.00	(3,943.74)	89.57%
66060 - Gasoline & Oil	6,933.69	11,000.00	(4,066.31)	63.03%
66070 - Insurance	131,016.08	139,367.00	(8,350.92)	94.01%
66071 - Insurance Claim Expense	(24,324.38)	100,000.00	(124,324.38)	(24.32%)
66075 - Agency Dues	37,908.76	40,000.00	(2,091.24)	94.77%
66080 - Memberships	6,934.00	9,000.00	(2,066.00)	77.04%
66090 - Office Expense	16,943.88	27,000.00	(10,056.12)	62.76%
66091 - Software Maintenance	1,712.81	0.00	1,712.81	100.0%
66100 - Engineering Supplies	6,137.10	8,000.00	(1,862.90)	76.71%

Novato Sanitary District
Revenue & Expenditures - Budget vs. Actual - Operations
July 2008 through April 2009

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	<u>Jul '08 - Apr 09</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
66121 - Accounting & Auditing	22,150.00	25,000.00	(2,850.00)	88.6%
66122 - Attorney Fees	103,888.97	160,000.00	(56,111.03)	64.93%
66123 - O/S Contractual	54,811.70	142,000.00	(87,188.30)	38.6%
66124 - IT/Misc Electrical	15,925.08	54,000.00	(38,074.92)	29.49%
66130 - Printing & Publications	6,983.31	8,000.00	(1,016.69)	87.29%
66150 - Repairs & Maintenance	9,933.74	13,000.00	(3,066.26)	76.41%
66170 - Travel, Meetings & Training	60,218.38	75,000.00	(14,781.62)	80.29%
66193 - Telephone	9,670.96	11,500.00	(1,829.04)	84.1%
66202 - County Collection Fees	56,164.00	56,100.00	64.00	100.11%
66250 - Service Charge Sys Exp	0.00	7,500.00	(7,500.00)	0.0%
66290 - Vehicle Replacement	0.00	5,600.00	(5,600.00)	0.0%
Total 66000 - ADMIN/ENGINEERING	1,929,002.07	2,618,291.00	(689,288.93)	73.67%
67000 - AB 939 SOLID WASTE PROGRAMS				
67400 - Consulting Services	63,317.84	81,184.00	(17,866.16)	77.99%
67500 - Household Hazardous Waste	127,691.38	200,000.00	(72,308.62)	63.85%
67520 - Permanent HHW Facility	1,759.50	12,000.00	(10,240.50)	14.66%
67530 - Used Oil Program	1,126.80	17,125.00	(15,998.20)	6.58%
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	193,895.52	325,309.00	(131,413.48)	59.6%
68000 - Recycled Water				
68010 - Salaries	22,325.85	30,377.00	(8,051.15)	73.5%
68020 - Employee Benefits	10,092.63	13,214.00	(3,121.37)	76.38%
68060 - Gas, Oil & Fuel	260.90	600.00	(339.10)	43.48%
68091 - Software Maintenance	0.00	5,000.00	(5,000.00)	0.0%
68100 - Operating Supplies	165.34	1,000.00	(834.66)	16.53%
68101 - Operating Chemicals	24,447.81	15,000.00	9,447.81	162.99%
68150 - Repairs & Maintenance	2,875.58	25,000.00	(22,124.42)	11.5%
68191 - Gas & Electricity	0.00	8,000.00	(8,000.00)	0.0%
68201 - Permits & Fees	0.00	1,200.00	(1,200.00)	0.0%
HHW Program	60,168.11	99,391.00	(39,222.89)	60.54%
Total Expense	6,029,838.41	8,542,238.00	(2,512,399.59)	70.59%
Net Ordinary Income	1,805,208.10	214,860.00	1,590,348.10	840.18%
	1,805,208.10	214,860.00	1,590,348.10	840.18%

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Joint Safety Program	MEETING DATE: May 26, 2009
	AGENDA ITEM NO.: 10 a
RECOMMENDED ACTION: Approved the revised "Agreement between Sanitary/Sanitation Districts in Marin County for the Cooperative use of a Safety Director" and authorize the Manager-Engineer to sign the agreement	
SUMMARY AND DISCUSSION: The District has participated in a shared safety program with Sausalito-Marin City Sanitary District, Sanitary District No. 5, Ross Valley Sanitary District, Central Marin Sanitation Agency, and Las Gallinas Valley Sanitary District since 1996. The Agreement was amended in 1999 and 2003. The participating agencies are proposing to revise the Agreement to address the following changes: <ol style="list-style-type: none">1. Add Sewerage Agency of Southern Marin and remove Ross Valley Sanitary District.2. Clarify the responsibilities and evaluation procedures for the Safety Director.3. Provide for adjustments to the allocation formula.	
ALTERNATIVES: Do not approve the agreement	
BUDGET INFORMATION: Not applicable	
DEPT.MGR.:	MANAGER:

**AGREEMENT BETWEEN SANITARY/SANITATION DISTRICTS
IN MARIN COUNTY FOR THE COOPERATIVE USE OF A
SAFETY DIRECTOR**

Recitals

A. The parties to this Agreement are the Sausalito-Marin City Sanitary District of Marin County, California (hereinafter referred to as "SMCSD"), Sanitary District No. 5 of Marin County, California (hereinafter referred to as "SD#5"), Central Marin Sanitation Agency of Marin County, California (hereinafter referred to as "CMSA"), Novato Sanitary District of Marin County, California (hereinafter referred to as "NSD"), Las Gallinas Valley Sanitary District of Marin County, California (hereinafter referred to as "LGVSD"), and the Sewerage Agency of Southern Marin (hereinafter referred to as "SASM").

B. The parties agree to jointly fund, make use of, and direct the activities of the Safety Director (hereinafter referred to as "Director") for the purpose of developing, coordinating, and implementing employee safety programs for each of the parties hereto in order to meet and maintain state and federal requirements. The Director shall develop and implement ongoing safety programs; develop policies and procedures, provide safety training, and present recommendations to management and supervisory personnel concerning safe working conditions and procedures. None of the parties requires the services of a full-time Director; accordingly, the parties will share, pursuant to the terms of this Agreement, the use of the Director to provide services at a reasonable cost to each party.

C. The Director will develop new and maintain existing safety related policies, programs, and procedures, to the extent possible, in a standardized format for the benefit of each party.

D. Therefore, the parties hereto agree:

1.0 Purpose

1.1 The purpose of this Agreement is to provide for the engagement of a Director to assist in developing, coordinating and implementing employee safety programs meeting State and Federal requirements, developing and implementing on-going programs for instruction on work-related procedures, safety and professional development, developing policies and procedures, and making recommendations to agency management relating to safe working conditions and procedures. This Agreement also serves to specify the administrative needs and decision-making process in regard to employment of a Director.

1.2 This Agreement is made for the sole and exclusive benefit of the parties to the Agreement. Nothing in this Agreement is intended to, nor does it, grant or bestow any benefit on the Director or any other third party who is not a signatory to the Agreement.

2.0 Term of Agreement

This agreement shall commence upon its effective date and shall continue in effect until it is terminated pursuant to Section 6.0 below.

3.0 Administration

3.1 A “host agency” will employ the Director to be responsible to each of the parties. CMSA will be the host agency, or employer of the Director. None of the other parties is considered an employer of the Director.

3.2 The Director will be an employee of the host agency and shall receive the same benefits as the host agency employees, including Workers’ Compensation coverage. In addition, the Director shall receive a monthly car allowance of \$400.00. Salary and benefit modifications will be made at the same time the host agency employees receive modifications and the Director shall receive the same increase or decrease percentages as host agency employees. The Director will be required to comply with all personnel, financial and administrative policies and procedures of the host agency, unless modified by this Agreement.

3.3 The Director may request that a special salary and/or benefit survey be performed at the same time that the annual budget is prepared in May of each year. The Managers of the parties to this Agreement (“Managers’ Group”) shall review such request by the Director, and if the majority agrees with the request, the survey will be conducted. Approval of any salary or benefit changes based on the survey results shall require the affirmative vote of a majority of the Managers (at least four of six).

3.4 The Manager of the host agency will be the Director’s supervisor. The Managers’ Group, or a designated committee, shall conduct a formal performance review of the Director on an annual basis. A merit award will be considered during the annual review.

3.5 The Manager of the host agency shall allocate the time of Director in the performance of the Director’s duties equally to each of the parties whenever feasible. The Director and each party’s Manager will meet at least quarterly to review the status of each respective party’s safety program.

3.6 The parties shall pay for all costs associated with the Director's services using the following cost allocation formula – 25% of Director costs are to be shared equally among the parties, while the remaining 75% of the Director costs are to be apportioned by a party's number of employees over the total number of employees. The cost allocation for FY 09/10 is:

CMSA	=	32.2 %	LGVSD	=	12.9 %
NSD	=	28.2 %	SD#5	=	8.1 %
SMCSD	=	9.7 %	SASM	=	8.9 %

The cost allocation formula shall be periodically reviewed by the Managers' Group.

Payments to the host agency by each of the parties shall be made, in advance, on a quarterly basis on January 1, April 1, July 1 and October 1 of each year upon receipt of invoice from the host agency. On at least a biannual basis the Managers' Group shall meet to review the progress of work and the allocation of time and expenditures. If for any reason any of the parties decide to terminate their participation in this agreement, the parties that still participate shall pay for all costs of the Director on the same basis as described above.

As a one-time expense in FY 09/10, the parties have engaged the services of Du-All Safety to update their safety programs and policies, and perform specialized safety inspections and assessments. The costs of these services will be apportioned between the parties and included in the FY 09/10 program budget.

3.7 The parties agree that other public agencies wishing to utilize the services of the Director may, with the approval of a majority of parties to this Agreement, become parties to this Agreement by amendment. Should such a public agency become a party, such agency shall share in all costs of the Director on the same basis as described in Section 3.6.

3.8 The Managers' Group will determine how to replace the individual in the Director position, if the need arises.

3.9 If for any reason the host agency decides it no longer wishes to serve as the host, it shall provide three months written notice to all parties and the Manager's Group will meet to discuss alternatives and will determine which other party will serve as host agency.

3.10 The host agency will supply administrative and clerical support to the Director and consequently incur administrative and overhead costs. The host agency shall recover

these costs by adding fifteen percent (15%) of the Director's salary for administrative support, and 200 hours of clerical support at the fully burdened rate of the host agency's administrative assistant, to the Director costs that are apportioned among the individual parties by the percentages listed in section 3.6. This percentage (15%) and the burdened rate for clerical support will be periodically reviewed by the Managers' Group and modified if a majority agrees.

3.11 The quarterly invoice prepared by the host agency will include all budgeted Director expenses for the subsequent quarter, actual costs for outside safety training coordinated by the Director the prior quarter, and other expenses approved by the Managers' Group. Each party's training expenses for the prior quarter will be based on the number of employees the party committed to attending the training, regardless of the number of employees who actually attended the training. In other words, committing to a training event is a financial commitment regardless of the actual number of employees who end up attending.

3.12 The Managers' Group shall have the authority to extend the Director's probationary employment period up to an additional 12 months beyond the end of the host agency's regular probationary employment period.

4.0 Director Duties

4.1 Under the general supervision of the Manager of the host agency, and direction of the Managers' Group, the Director shall perform duties in accordance with the most current job description for the Director position.

4.2 By May 1 of each calendar year the Director shall prepare an annual work plan for the Managers' Group review, which indicates what activities and schedule are anticipated for the coming fiscal year and an annual budget for equipment and supplies.

4.3 The Director shall prepare a quarterly report on accomplished work activities.

5.0 Indemnification and Insurance

5.1 It is the intent of the parties to this Agreement that each party shall bear the legal responsibility for any liability arising from the work performed by the Director for its agency, and each party shall hold each of the other parties harmless with regard to any liability arising from such work.

5.2 Neither any party to this Agreement, nor any officer, agency, or employee thereof

shall be responsible for any damage or liability incurred by reason of anything done or omitted to be done by said Director for a particular party to this Agreement, whether or not the work by the Director was physically undertaken within the geographical jurisdiction of that party. It is also understood and agreed that pursuant to Section 895.4 of the Government Code of the State of California, or any other applicable provision of law, the party for whom such services are being provided shall fully indemnify and hold harmless the other parties from any liability imposed upon them for injury to persons or property occurring by reason of anything done or omitted to be done by said Director while providing such services for said party.

5.3 Each party agrees to name the other parties to this Agreement as additional insureds on applicable liability insurance policies held by them providing coverage for bodily injury and property damage for liability arising out of the performance of this Agreement and to furnish to the other parties a certificate or certificates of insurance evidencing such coverage.

5.4 The Director shall provide automobile insurance for their personal vehicle and the limits shall be at least \$100,000/\$300,000.

5.5 Any liability arising from the employment of the Director by the host agency or otherwise arising under this Agreement which is not addressed pursuant to Section 5.2 above shall be apportioned among the parties to this Agreement in a pro rata fashion (based on the percentages established in Section 3.6 of this Agreement), including, but not limited to, liabilities or costs arising out of employment claims, Workers' Compensation claims, and/or disability retirement costs, and the costs associated with tendering or administering any such claims.

6.0 Termination

6.0 This Agreement may be terminated by the mutual written agreement of all parties. Any individual party may terminate its participation in this agreement at any time with one month's notice in writing to all other parties.

6.1 If an individual party withdraws from this agreement, it is financially responsible for its proportionate share of the adopted Program budget for the then current fiscal year.

7.0 Effective Date

7.0 The effective date of this Agreement shall be July 1, 2009, and this agreement shall supersede the agreement between SMCSO, SD#5, CMSA, NSD, Sanitary District #1 and LGVSD dated March 1, 1996, July 1, 1999, and January 1, 2003.

SAUSALITO-MARIN CITY SANITARY DISTRICT

By: _____
Bob Simmons, District Manager

SANITARY DISTRICT NO. 5

By: _____
Robert Lynch, District Manager

CENTRAL MARIN SANITATION AGENCY

By: _____
Jason Dow, General Manager

LAS GALLINAS VALLEY SANITARY DISTRICT

By: _____
Mark Williams, District Manager

NOVATO SANITARY DISTRICT

By: _____
Beverly James, Manager/Engineer

SEWERAGE AGENCY OF SOUTHERN MARIN

By: _____
Steven Danehy, General Manager

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Banking Services Update	MEETING DATE: 5/25/2009
AGENDA ITEM NO. : 11 a	
RECOMMENDED ACTION: Information Only	
<p>SUMMARY AND DISCUSSION: Following recent unauthorized Internet banking activity involving District accounts with the Bank of Marin, staff has been investigating other banking institutions that offer a higher degree of security. To date, four banks have been reviewed:</p> <ol style="list-style-type: none"> 1. First Republic Bank, San Rafael. No branch in Novato; however, a courier service is provided at no charge for large transactions and non-urgent items may be mailed. A number of security measures are in place to protect Internet (ACH) banking such as verification of transactions by email or phone prior to execution. 2. WestAmerica Bank. The District banked at WestAmerica before switching to Bank of Marin. They offer an Onsite Banker program that has high levels of encryption and requires dual control for ACH transactions. Direct debit transactions may be verified by fax to WestAmerica's Internet Banking Center before ACH transactions will be executed. 3. Union Bank contacted the District following the recent newspaper article on the fraudulent banking activity. Their closest branch is in San Rafael. Internet banking security includes "NO ACH" block and Positive Pay Service which means that only verified transactions will be accepted. 4. City National Bank also approached the District. They specialize in business banking. They are headquartered in Los Angeles and San Francisco with branches in the Bay Area. They expect to expand into Marin County. They offer a courier service if needed or deposits may be made at local Wells Fargo branches. Internet banking security includes ACH block and filters and Positive Pay Service. A list of ACH debits authorized for acceptance would be on file with the bank. Items not on the list would be returned for approval or rejection. <p>In summary, it appears that larger banks have their own Internet Banking Centers and are able to monitor transactions more closely than smaller banks such as Bank of Marin that use a centralized Internet banking service.</p>	
BUDGET INFORMATION:	
DEPT. MGR. :	MANAGER'S APPROVAL:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Staff Report: NBWA Private Lateral Program	MEETING DATE: May 26, 2009																
AGENDA ITEM NO.: 11 b																	
RECOMMENDED ACTION: None, information only.																	
<p>SUMMARY AND DISCUSSION:</p> <p>The District is participating in the Marin Private Lateral Program sponsored by NBWA. They have scheduled three stakeholders meetings in June:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin: 10px 0;"> <thead> <tr style="background-color: #cccccc;"> <th colspan="4" style="text-align: center; padding: 5px;">Three Identical Meetings Will Be Offered:</th> </tr> </thead> <tbody> <tr> <td style="width: 5%; text-align: center; padding: 5px;">#1.</td> <td style="width: 25%; padding: 5px;">June 8, Monday 6:30 to 8:00 p.m.</td> <td style="width: 15%; padding: 5px;">Corte Madera</td> <td style="width: 55%; padding: 5px;">Best Western Corte Madera Inn, 56 Madera Blvd.</td> </tr> <tr> <td style="text-align: center; padding: 5px;">#2</td> <td style="padding: 5px;">June 15, Monday 4:30 to 6:00 p.m.</td> <td style="padding: 5px;">Novato</td> <td style="padding: 5px;">Margaret Todd Senior Center 1560 Hill Road</td> </tr> <tr> <td style="text-align: center; padding: 5px;">#3</td> <td style="padding: 5px;">June 17, Wednesday 12:00 to 1: 30 p.m.</td> <td style="padding: 5px;">San Rafael</td> <td style="padding: 5px;">Pickleweed Community Center B Street Center, 618 B Street</td> </tr> </tbody> </table> <p>The purpose of the stakeholders meeting is to present background about problems with sewer laterals, and to obtain early input from interested stakeholders.</p>		Three Identical Meetings Will Be Offered:				#1.	June 8, Monday 6:30 to 8:00 p.m.	Corte Madera	Best Western Corte Madera Inn, 56 Madera Blvd.	#2	June 15, Monday 4:30 to 6:00 p.m.	Novato	Margaret Todd Senior Center 1560 Hill Road	#3	June 17, Wednesday 12:00 to 1: 30 p.m.	San Rafael	Pickleweed Community Center B Street Center, 618 B Street
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ALTERNATIVES: Not Applicable																	
BUDGET INFORMATION: Not applicable																	
DEPT.MGR.:	MANAGER:																

Your Sewer Lateral – Is It Leaking?

PROTECT YOUR HOME, HEALTH AND ENVIRONMENT

MARIN LATERAL PROGRAM SUMMARY

Background to the Problem: Damaged Private Sewer Laterals. Marin County faces inflow and infiltration problems that are much more challenging than in other parts of the Bay area. This is partly because of rainfall that is about double that of other areas. Also, the geologic formation in Marin County—the Franciscan mélange—is rocky with no underlying groundwater basin. Therefore, sewer trenches, with their relatively soft backfill soil form a channel that attracts water, surrounding the sewers with water.

Lateral Description. Laterals are the privately owned sewer lines that connect a private residence or a business to the publicly owned sewer lines in the street. There are as many miles of privately owned sewer lateral as there are miles of publicly owned sewer mains. And there are thousands of private lateral owners, who may not even be aware of the existence of laterals, yet are responsible for their maintenance and repair.

Damaged Laterals Cause Problems. Laterals become damaged by earth movement, develop leaks, become clogged by grease, and cracked by roots. Poor lateral condition leads to sewage spills and backups that are prohibited by regulations, unacceptable to the public, harmful to the environment and threaten public health.

Moreover, during wet weather, massive amounts of stormwater enter through the cracked and damaged sewer laterals, mix with sewage, and can overwhelm sewer pipelines and treatment plants, leading to spills and backups into homes, streets and the Bay.

Members of the NBWA Addressing the Lateral Problem. Nine Marin County wastewater agencies—all members of the North Bay Watershed Association (NBWA)—are working together to solve lateral problems. The members are: Las Gallinas Valley Sanitary District; Novato Sanitary District; Sausalito Marin City Sanitary District; Sewerage Agencies of Southern Marin; North Marin Water District; and Central Marin Sanitation Agency; San Rafael Sanitary District; Ross Valley Sanitary District and Sanitary District No. 2 of Marin County.

Members of the Marin Lateral Program have already invested tens of millions of dollars on improving publicly owned sewer mains and treatment facilities, but these agencies need the assistance of property owners to maintain privately owner sewer laterals so that public facilities are not overwhelmed, and overflows and sewer spills are avoided.

Studies Underway. The members are actively working to analyze and resolve the lateral problem in its many dimensions through coordinated engineering studies, investigating sewer rate funded grant and loan programs to help property owners pay for lateral repairs, identifying trigger points for inspection and repair, criteria for inspection, appropriate credential requirements for those that work on laterals and ensuring that proposed solutions conform to city, county and state regulations.

Engagement with the community will be carried out in three phases and is being implemented: 1) explain the problems caused by laterals to the public to create an understanding of the need for inspection and repair; 2) present the various alternative approaches to resolving the lateral problem, and the pros, cons and costs of those alternatives; and 3) take the public feedback and develop a

proposed region-wide model ordinance that individual agencies can adopt to help solve the inflow and infiltration problem.

To reach out to the public, the Marin Lateral Program will conduct workshops and meetings, seeking input from community stakeholders, including: Realtors; Chambers of Commerce: property owners; municipalities, building and plumbing industries; environmental groups; homeowners associations; and other interested individuals and organizations.

Extensive outreach will be carried out through local media, town hall meetings, and public hearings before adoption of any solutions.

Much Has Been Accomplished.

Besides the comprehensive region-wide Marin Lateral Program, individual agencies throughout Marin are already implementing lateral programs of various types. Note that the following list is not comprehensive, but it gives an idea of the extent of lateral programs already underway.

- **Novato Sanitary District** has invested \$750,000 over seven years to replace lower laterals and installing cleanouts in connection with \$13,000,000 of sewer repair and replacement work. The District has a Collection System Master Plan based on years of flow monitoring that identifies the sub-areas within the collection system that are the source of most of the infiltration/inflow. They are using that information to target sewers for repair and replacement, also setting up a \$50,000 pilot project to provide loans and grants to upgrade the upper laterals in critical areas along with sewer repair projects.
- **City of Sausalito** requires video inspection and repair of laterals before property sale and for home remodel that are valued at \$50,000 or greater. In addition, the City has a lateral repair grant program that funds the cost of inspection, grants up to \$1,000 for repair and provides low interest loans for repairs in excess of \$1,000.
- **Sanitary District No.2 of Marin County** modified its sanitary code in 2003 to allow for full lateral rehabilitation during mainline rehabilitation projects. The code also gives the District the discretion to require testing and replacement of all private laterals connected to their system. The District is projecting that all laterals and sewers will be lined or replaced within 40 years.
- **Tamalpais Community Services District** has had a Private Sewer Line Lateral Improvement program since 2004, providing low interest loans for sewer rehabilitation in targeted areas. The first area has achieved about 80% repair rate and is now moving to another key area by starting with \$25,700 in lateral inspections.
- **Sausalito Marin City Sanitary District** is implementing a lateral repair grant program where homeowners and businesses can be reimbursed for the cost of the lateral inspection and receive a grant of up to \$1,000 to offset the cost of a lateral repair. In addition, the District will soon be offering lateral repair low interest loans.
- **Ross Valley Sanitary District** carries out lateral repair at the time of mainline repair
- **Sewerage Agency of Southern Marin** is implementing a \$600,000 program to provide grants & loans for lateral repair and replacement.
- **San Rafael Sanitation District** is replacing damaged lower laterals as it repairs sewer mains. Budgeted amounts over the last three years have varied between \$120,000 and \$280,000 each year.
- **Belvedere** requires inspection and repair if needed when properties are sold

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Staff Report: NBWRA Environmental Impact Report	MEETING DATE: May 26, 2009
	AGENDA ITEM NO.: 11 c
RECOMMENDED ACTION: None, information only.	
SUMMARY AND DISCUSSION: The draft EIR/EIS for the North Bay Water Recycling Program (NBWRP) was released to the public on May 5, 2009. There will be three public hearings: June 9, 2009, from 6:00 p.m. – 7:30 p.m. Margaret Todd Senior Center, 1560 Hill Road, Novato; June 10, 2009, from 3:00 p.m. – 4:30 p.m. Sonoma Community Center, 276 East Napa Street, Sonoma; June 11, 2009, from 6:00 p.m. – 7:30 p.m. Napa Elks Lodge, 2840 Soscol Avenue, Napa; NBWRA has applied for federal stimulus funds through the Bureau of Reclamation. They are still in the process of reviewing the Title XVI applications and will make their announcements at the end of May.	
ALTERNATIVES: Not Applicable	
BUDGET INFORMATION: Not applicable	
DEPT.MGR.:	MANAGER:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Liability Claim Update - Mark Lafferty, 213 Caribe Isle	MEETING DATE: May 25, 2009 AGENDA ITEM NO. : 11 d
RECOMMENDED ACTION: Information Only	
SUMMARY AND DISCUSSION: At their meeting of April 13 th , the District Board rejected the personal injury claim from Mark Lafferty for alleged damages incurred when he was struck by a District vehicle while riding his bicycle on the evening of February 16, 2009. A Summons from the Superior Court was received on May 13 th which has been referred to the District's claims adjuster, Carl Warren and Co. They will assign legal defense from the CSRMA list of defense attorneys. The District has requested representation by attorney Pete Edrington of Edrington, Schirmer & Murphy who is on the CSRMA list and has represented the District in a previous liability claim. A copy of the Summons has also been provided to District general counsel Kent Alm.	
ALTERNATIVES: Information only.	
BUDGET INFORMATION: Unknown	
DEPT. MGR. :	MANAGER'S APPROVAL: