

NOVATO SANITARY DISTRICT

Meeting Date: November 9, 2015

The Board of Directors of Novato Sanitary District will hold a regular meeting at 6:00 p.m., Monday, November 9, 2015, at the District Offices, 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. They are also available on the District's website: www.novatosan.com.

AGENDA

1. PLEDGE OF ALLEGIANCE:

2. AGENDA APPROVAL:

3. 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.

4. REVIEW OF MINUTES:

a. Approve minutes of the October 26, 2015 meeting.

5. CONSENT CALENDAR:

The General Manager-Chief Engineer has reviewed the following items. To his 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. Approve regular disbursements.
- b. Receive Deposit Summary, October 2015.
- c. Receive Quarterly Investment Report, 1st Quarter, Fiscal Year FY15-16.
- d. Receive Summary Financial Report, 1st Quarter, FY15-16.
- e. Ratify Agreement for temporary sanitary sewer connection for Sonoma Marin Area Rail Transit (SMART) facility at 105 Roblar Drive.

**6. SOLID WASTE: PUBLIC HEARING – SET CALENDAR YEAR (CY) 2016
MAXIMUM ALLOWABLE SOLID WASTE RATES.**

- a. Receive staff report.
- b. Open public hearing.
- c. Public comments.

- d. Board comments.
- e. Close public hearing.

Consider action on:

- f. Adopting a Resolution setting CY2016 maximum allowable rates for refuse collection and disposal services.

7. CAPITAL PROJECTS:

- a. Annual Treatment Plant/Pump Station Improvements: Olive Pump Station Re-roof Project, Project Work Order No. 72805-14-01 - Grant Final Acceptance of the Project, and authorize staff to file the Notice of Completion.
- b. Maintenance Building, Account No. 73003 - Phase 1, Site Demolition, Project No. 73003-01: Grant Final Acceptance of the Project, and authorize staff to file the Notice of Completion.

8. ADMINISTRATION:

- a. Approve job description, establish salary range, and authorize the General Manager to initiate recruitment for an Administrative/Risk Services Officer.

9. BOARD MEMBER REPORTS AND REQUESTS:

- a. North Bay Watershed Association (NBWA) report - Director Miller.

10. GENERAL MANAGER'S ANNOUNCEMENTS:

11. ADJOURN:

Next Resolution No. 3093.

Next regular meeting date: Monday, December 14, 2015, 6:00 PM at the Novato Sanitary District office, 500 Davidson Street, Novato, CA

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.

NOVATO SANITARY DISTRICT

Board Meeting Minutes

Meeting Date: October 26, 2015

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Monday, October 26, 2015, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Jean Mariani, Directors Jerry Peters, Gary Butler, William Long, and Brant Miller.

STAFF PRESENT: General Manager-Secretary Sandeep Karkal, and Administrative Secretary Julie Swoboda.

ALSO PRESENT: Laura Creamer, Finance Officer, Novato Sanitary District
John Bailey, Project Manager, Veolia
Erik Brown, Technical Services Manager, Novato Sanitary District
John O'Hare, Pretreatment Programs Manager, Veolia
William Shoen, Principal, R3 Consulting Group
David Pinter, R3 Consulting Group
Steve McCaffrey, Director of Governmental Affairs, Novato Disposal Service

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as presented.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

Consider approval of minutes of the October 12, 2015 meeting.

On motion of Director Peters, seconded by Director Long, and carried unanimously, the October 12, 2015 Board meeting minutes were approved.

CONSENT CALENDAR:

President Mariani called for a motion on the Consent Calendar items as follows:

- a. Approve capital project disbursements in the amount of \$144,888.29, and regular disbursements in the amount of \$353,493.03.
- b. Approve October 2015 payroll and payroll-related disbursements in the amount of \$193,367.65.
- c. Receive Accounts Receivable Report as of October 19, 2015.

- d. Receive report on Financial Transactions Report (FTR) and Government Compensation in California (GCC) report as filed with the State Controller's Office (SCO).
- e. Approve annexation of one unincorporated lot totaling 0.93 acres with a situs address of 568 Wilson Avenue, Assessor Parcel No. (APN) 146-180-62, to the Novato Sanitary District, and authorized the General Manager-Chief Engineer to execute and file the Agency Consent Form with the Marin Local Agency Formation Commission (Marin LAFCO).
- f. Reject claim from Phoenix Loss Control on behalf of Comcast Cable Company for recovery of costs for repair of Comcast vault allegedly buried by District contractor during Bel Marin Keys Pump Station Improvements Project.
- g. Approve the Household Hazardous Waste Grant Agreement with Mairn County Hazardous and Solid Waste Joint Powers Authority (JPA) for fiscal year 15-16.

On motion of Director Peters, seconded by Director Long, and carried unanimously, the above listed Consent Calendar items were approved.

SOLID WASTE:

- Receive Solid Waste Committee report. The General Manager stated that the Solid Waste Committee met on October 20th at the District office and that the District's Household Hazardous Waste Coordinator, Dee Johnson of DLJ Associates, was present along with Committee members Mariani and Butler. He noted that Ms. Johnson was not at this Board meeting but that Steve McCaffrey of Novato Disposal was present for any questions from the Board. There was no discussion.

- Receive report on Calendar Year (CY) 2016 solid waste rate adjustment.

The General Manager stated that the Solid Waste Rate Adjustment report as prepared by Mr. William Shoen of R3 Consulting Group was reviewed at the Solid Waste Committee meeting. He stated that the Committee confirmed the Refuse Rate Increase (RRI) based rate increase of +1.94% as per R3's calculations and recommended the increase be brought to the Board for approval.

The General Manager stated that prior to the Board meeting, an error was found in the cost category index value calculations and when corrected, the rate adjustment became +1.33%. He noted that an amended report had been prepared by R3 and submitted to the District. The amended Report had been presented to the Board members at the beginning of the meeting, and would be posted to the District website. He stated that in an abundance of caution, R3 reviewed the last three years of calculations to ensure accuracy and found no errors.

Mr. William Shoen of R3 stated that the mathematical error that resulted in the percentage change was as a result of a miscalculation in the fuel index values. He stated that after correcting this calculation, the overall rate adjustment was lowered from 1.94% to 1.33%. The Board asked that R3 provide to the Board the Excel spreadsheet,

which are the basis of the index calculations for review. Mr. Shoen stated he would do so.

Following this item, Laura Creamer, William Shoen, and David Pinter left the meeting at 6:26 p.m.

- Receive recommendation from Solid Waste Committee to approve a +1.33 percent rate increase, and approve the requested rate increase. To summarize, the General Manager stated that the Solid Waste Committee had previously recommended a rate increase of 1.94%. As previously shown, subsequent work indicated that the recommended rate increase can actually be lowered to 1.33%. He requested that the Board consider approval of a recommended rate increase of 1.33% for presentation at the upcoming rate hearing of November 9, 2015.

On motion of Director Miller, seconded by Director Peters and carried unanimously, the Board approved a recommended rate increase of 1.33% for presentation at the upcoming rate hearing of November 9, 2015.

President Mariani noted that each Board member had received a packet of anonymous correspondence which was delivered by USPS to the District office and presented to each Director prior to the meeting. The General Manager stated that the correspondence contained information relating to certain news items and regulatory reports filed in Sonoma County with allegations against The North Bay Corporation and Novato Disposal Service.

Steve McCaffrey of Novato Disposal Service stated that the information related to past events and that he has kept the Solid Waste Committee up to date on the issues discussed in the correspondence.

President Mariani categorized the correspondence as an informational item.

Steve McCaffrey left the meeting at 6:35 p.m.

WASTEWATER OPERATIONS COMMITTEE:

- Receive Wastewater Operations Committee Report. The General Manager stated that the Wastewater Operations Committee met on October 19, 2015, at 2:00 p.m. at the District office. John Bailey, Veolia Plant Manager, provided an overview of the Monthly Operations Report for September 2015 as presented to the Wastewater Operations Committee. He stated that the monthly average flow for September was 3.23 MGD (million gallons per day) and that water quality performance was excellent. He stated that the Recycled Water Facility produced 12.573 MG (million gallons) in September and that there were no excursions.

The Plant Manager outlined the monthly safety and training activities and noted that safety performance was excellent with Veolia employees completing 1,954 accident-free days as of September 30th. He provided an overview of the key operational and

maintenance activities for the month. He stated that there were eleven (11) contacts in September from three residents and discussion followed.

The General Manager provided a summary of the odor control and landscaping report. He stated that operations staff continues to monitor the media for the odor control beds. In September, operations staff also assisted the District's odor consultant, Mr. Dave McEwan of Brown and Caldwell, in installing a pilot odor control system at the headworks area. He stated that Mr. McEwan is currently reviewing the data from the test period. He noted that the oleander plantings in the northeast corner of the plant site continue to thrive and that the District has received a request for additional oleander plantings.

The General Manager stated that the Field Services Manager was not at the meeting to present the Collection Systems report and that Erik Brown, Technical Services Manager, would make the presentation. Mr. Brown provided a summary of the Collection System Operations Report, and reviewed the department's performance for September 2015. He noted that staff cleaned a total of 63,461 ft. of sewer lines, televised a total of 9,492 ft., and performed smoke testing on 13,179 ft. of sewer main. He discussed training events the department participated in and stated that as of September 30th, District staff and the Collections Department have worked a total of 1,662 accident-free days.

The Technical Services Manager stated that there was one minor category III sanitary sewer overflow (SSO) in September, at 823 Reichert Ave. He noted that the total estimated discharge was approximately 8 gallons and that the probable cause was the result of root intrusion and debris in the line segment.

The Technical Services Manager provided a summary of the Reclamation Facilities report. He stated that the Rancher continued to work on weed management and sprinkler repairs. He stated that the failed culvert under the road to Pond No. 1 was replaced and that work to clean out the Sludge Lagoons was completed. He stated that a total of 58.24 million gallons of treated water was used for irrigation in September.

BOARD MEMBER REPORTS AND REQUESTS:

- North Bay Water Reuse Authority (NBWRA). Director Long discussed his attendance at the NBWRA Board meeting which took place on October 26, 2015, at the Novato City Hall. He stated that North Bay Water Reuse Program Phase 2 details were discussed. He noted that a Phase 2 Feasibility Study status report was presented, and that program expansion and potential budget impacts were discussed.

INFORMATIONAL ITEMS:

- Article dated Oct 15, 2015 from the National Oceanic and Atmospheric Administration's (NOAA) Climate Prediction Center website titled "Strong El Niño sets the stage for 2015-2016 winter weather."

- Article dated Oct 15, 2015 from LA Times Titled “El Niño keeps getting stronger; new forecast for rain increases”.

The General Manager noted that the amount of predicted precipitation by NOAA has increased since the report was provided and that the Bay Area is now predicted to receive 70% to 80% above the average seasonal precipitation.

GENERAL MANAGER’S ANNOUNCEMENTS:

- A Strategic Plan workshop will be held on November 19th between 9 a.m. and 4 p.m. at the District office.
- The General Manager was recently appointed to the Novato Chamber of Commerce Board of Directors.
- The next Regular Board meeting will be held on Monday, November 9th at 6:00 p.m. at the District office.

ADJOURNMENT: There being no further business to come before the Board, President Mariani adjourned the meeting at 7:22 p.m.

Respectfully submitted,

Sandeep Karkal
Secretary

Julie Swoboda, Recording

**Novato Sanitary District
Board Fees**

For October 2015

Item 5.a.
(3 pages)

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
Nov 1 - 6, 15			
11/06/2015	4220	Peters, A. Gerald	575.37
11/06/2015	4219	Miller, Brant	974.25
11/06/2015	4218	Mariani, Jean M	615.14
11/06/2015	4217	Long, William C	558.67
11/06/2015	4216	Butler, Gary	
Nov 1 - 6, 15			<u>2,723.43</u>

Novato Sanitary District Operating Check Register

November 9, 2015

Date	Num	Name	Credit
Nov 9, 15			
11/09/2015	58749	Central Marin Sanitation District	24,596.01
11/09/2015	58747	CASA	12,480.00
11/09/2015	58756	Diesel Emissions Service, Inc.	10,476.64
11/09/2015	58761	Johnson, Dee	9,048.92
11/09/2015	58763	Marin Audubon Society	6,555.38
11/09/2015	58751	CSDA-	6,089.00
11/09/2015	58770	Regional Government Services	3,795.00
11/09/2015	58754	Delta Dental	2,729.66
11/09/2015	58753	Dearborn National	2,424.11
11/09/2015	58775	U.S. Bank Card (3)Craig	2,023.61
11/09/2015	58769	R3 Consulting Group, Inc.	1,870.00
11/09/2015	58760	Jan-Pro Cleaning Systems	1,005.00
11/09/2015	58750	Cintas Corporation	995.72
11/09/2015	58771	Roto Rooter-(Inc.)	725.62
11/09/2015	58748	CED Santa Rosa, Inc	685.14
11/09/2015	58772	T & B Sports, Inc	588.06
11/09/2015	58743	B.W.S. Distributors, Inc.	522.29
11/09/2015	58776	Vision Service Plan	490.54
11/09/2015	58773	Teeters & Schacht Auto Glass & ...	479.90
11/09/2015	58768	Pini Hardware	455.70
11/09/2015	58758	Government Finance Officers Ass...	435.00
11/09/2015	58777	VWR International Inc.	409.12
11/09/2015	58766	Novato Glass Inc.	403.00
11/09/2015	58762	Leonardi Automotive & Electric, Inc.	385.11
11/09/2015	58742	AT&T Mobility	373.38
11/09/2015	58741	American Society of Civil Engineers	265.00
11/09/2015	58765	Novato Disposal-	248.56
11/09/2015	58757	Environmental Resource Assoc	245.78
11/09/2015	58759	Grainger	208.38
11/09/2015	58746	Cagwin & Dorward Inc.	195.00
11/09/2015	58767	Orkin Pest Control, Inc.	144.56
11/09/2015	58755	Department Of Motor Vehicles	125.00
11/09/2015	58744	BoundTree Medical, LLC	124.48
11/09/2015	58752	CWEAmembers	96.00
11/09/2015	58740	American Messaging	92.48
11/09/2015	58745	Buck's Saw Service, Inc.	43.59
11/09/2015	58764	North Marin Auto Parts	22.30
11/09/2015	58774	U.S. Bank (Sandeep)	13.50
Nov 9, 15			91,866.54

Novato Sanitary District Capital Projects Check Register

November 9, 2015

Date	Num	Name	Credit
Nov 9, 15			
11/09/2015	2942	W.R. Forde	17,854.74
11/09/2015	2939	Miller Pacific Engineering, Inc.	12,798.10
11/09/2015	2941	RMC Water & Environment, Inc.	4,916.15
11/09/2015	2940	Nute Engineering Inc.	4,180.75
11/09/2015	2935	Cagwin & Dorward Inc.	2,536.30
11/09/2015	2938	Linscott Engineering Contract...	2,179.87
11/09/2015	2936	Cantarutti Electric, Inc	1,533.20
11/09/2015	2937	Lateral-Takahashi	1,500.00
Nov 9, 15			<u>47,499.11</u>

Novato Sanitary District
Deposit Detail
October 2015

Item 5.b.
(2 pages)

<u>Type</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Amount</u>
Deposit	10/06/2015		11113 · Westamerica - Operations	
		Ben Franklin Plumbing	41040 · Permit & Inspection Fee	40.00
		Ignacio Creek HOA	41040 · Permit & Inspection Fee	40.00
		Action Metal Recycling	72805 · Annual Trtmt Plnt/Pump St Impr	2,880.00
		SIMS Metal Management	72805 · Annual Trtmt Plnt/Pump St Impr	1,196.60
		Creamer, Laura(reimb)	66090 · Office Expense	10.99
		Postage	66090 · Office Expense	20.00
		Novato Disposal	11200 - Accounts Receivable	97.00
TOTAL				<u>4,284.59</u>
Deposit	10/15/2015		11113 · Westamerica - Operations	
		Zaragoza Plumbing	41040 · Permit & Inspection Fee	40.00
		Ben Franklin Plumbing	41040 · Permit & Inspection Fee	80.00
		Hardiman Construction	41040 · Permit & Inspection Fee	40.00
		Christie, Stephen	41040 · Permit & Inspection Fee	40.00
		Decon Construction	51020 · Connection Charges	1,974.00
		Decon Construction	41040 · Permit & Inspection Fee	60.00
		Roto Rooter	41040 · Permit & Inspection Fee	60.00
		Menchi, Phillip	41040 · Permit & Inspection Fee	40.00
		Giesen, Donald	41040 · Permit & Inspection Fee	40.00
		Giesen, Donald	51020 · Connection Charges	9,870.00
TOTAL				<u>12,244.00</u>
Deposit	10/19/2015		11113 · Westamerica - Operations	
		USCG-Finance Center	11200 - Accounts Receivable	45.84
TOTAL				<u>45.84</u>
Deposit	10/20/2015		11113 · Westamerica - Operations	
		USCG	11200 - Accounts Receivable	14,208.34
TOTAL				<u>14,208.34</u>
Deposit	10/21/2015		11113 · Westamerica - Operations	
		Borkowski, Sha	41040 · Permit & Inspection Fee	40.00
		Borkowski, Sha	51020 · Connection Charges	9,500.00
		Zaragoza Plumbing	41040 · Permit & Inspection Fee	40.00
		Conestoga-Rovers & Assoc	41040 · Permit & Inspection Fee	60.00
		Roy's Sewer Service, Inc.-	11200 - Accounts Receivable	300.23
TOTAL				<u>9,940.23</u>
Deposit	10/21/2015		11113 · Westamerica - Operations	
		Danadoost, Paul	41040 · Permit & Inspection Fee	40.00
		Danadoost, Paul	41040 · Permit & Inspection Fee	20.00
		Danadoost, Paul	51020 · Connection Charges	9,870.00
TOTAL				<u>9,930.00</u>

Novato Sanitary District
Deposit Detail
October 2015

Deposit	10/21/2015	11113 · Westamerica - Operations	
	Bahia Homeowners Association	41040 · Permit & Inspection Fee	60.00
	Bahia Homeowners Association	51020 · Connection Charges	3,207.75
	Marin H2O Inc	41040 · Permit & Inspection Fee	40.00
	Tarantino, Rick	41040 · Permit & Inspection Fee	40.00
TOTAL			<u>3,347.75</u>
Deposit	10/27/2015	11113 · Westamerica - Operations	
	Meylan Construction	41040 · Permit & Inspection Fee	60.00
	Peter Levi Plumbing	41040 · Permit & Inspection Fee	40.00
	Homeward Bound	11200 - Accounts Receivable	6,003.00
	Novato Children's Center	11200 - Accounts Receivable	960.48
	Bel Marin Keys CDS	11200 - Accounts Receivable	383.64
	Marin County Housing Auth	11200 - Accounts Receivable	11,040.00
	Novato Fire Protection	11200 - Accounts Receivable	6,107.88
	Novato Fire Protection	11200 - Accounts Receivable	429.04
TOTAL			<u>25,024.04</u>
	Total Deposits for October 2015		<u>79,024.79</u>

Novato Sanitary District

03-Nov-15

QUARTERLY INVESTMENT REPORT -- For Quarter Ended September 30, 2015

INVESTMENT	ACTIVITY	July	August	September	QTR TOTAL
STATE TREASURER'S INVESTMENT FUND	Total deposits/transfers in	11,775	0	160,000	171,775
	Total transfers out	1,130,000	746,000	1,061,000	2,937,000
Current Yield 0.337%	Minimum daily balance	16,929,318	16,183,318	15,282,318	15,282,318
	Maximum daily balance	18,047,544	16,929,318	16,183,318	16,929,318
	Interest earned	0	0	13,482	13,482
TRUST ACCOUNT					
BANK OF NEW YORK MELLON For COP Bond Funds	Total deposits/transfers in	14	15	13	42
	Total transfers out	0	0	0	0
	Minimum daily balance	1,693,343	1,693,357	1,693,372	1,693,343
	Maximum daily balance	1,693,357	1,693,372	1,693,386	1,693,386
	Interest earned	14	15	13	42
The LAIF Pooled Money Investment Account Report is attached as specified in California Government Code Section 53646(e)					
CHECKING ACCOUNTS					
Interest Rate	Regular Warrants Account				
0.03%	Total deposits & transfers in	1,325,375	844,896	1,266,884	3,437,155
	Total checks & transfers out	1,142,560	1,064,546	1,188,437	3,395,543
	Minimum daily balance	19,949	39,950	20,748	19,949
	Maximum daily balance	465,039	470,450	553,893	553,893
	Interest earned	5	5	2	12
Payroll Account					
0.03%	Total transfers in	106,000	130,000	114,700	350,700
	Total checks & transfers out	105,979	129,966	114,520	350,465
	Minimum daily balance	689	710	592	592
	Maximum daily balance	95,341	93,834	101,080	101,080
Project Account					
0.03%	Total transfers in	525,000	182,000	678,800	1,385,800
	Total checks & transfers out	96,186	615,063	13,366	724,615
	Minimum daily balance	2,533	3,305	668,742	2,533
	Maximum daily balance	436,368	414,350	668,748	668,748
	Interest earned	2	3	6	11
ARRA Grant Project Account					
0.03%	Total transfers in	0	0	0	0
	Total checks & transfers out	0	0	0	0
	Minimum daily balance	100	100	100	100
	Maximum daily balance	100	100	100	100

NOTES: (1) The above investments are consistent with the annual Statement of Investment Policy approved by the District Board, most recently January 2015.

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

(2) LAIF interest rate is currently .337 which is an increase from .299% in June, .278% in March and .267% in December and .246% in September.



**JOHN CHIANG
TREASURER
STATE OF CALIFORNIA**



PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
10/15/15	0.36	0.36	214
10/16/15	0.36	0.36	214
10/17/15	0.36	0.36	214
10/18/15	0.36	0.36	214
10/19/15	0.36	0.36	211
10/20/15	0.36	0.36	208
10/21/15	0.36	0.36	209
10/22/15	0.36	0.36	207
10/23/15	0.36	0.36	207
10/24/15	0.36	0.36	207
10/25/15	0.36	0.36	207
10/26/15	0.36	0.36	207
10/27/15	0.36	0.36	205
10/28/15	0.36	0.36	209

*Daily yield does not reflect capital gains or losses

LAIF Performance Report

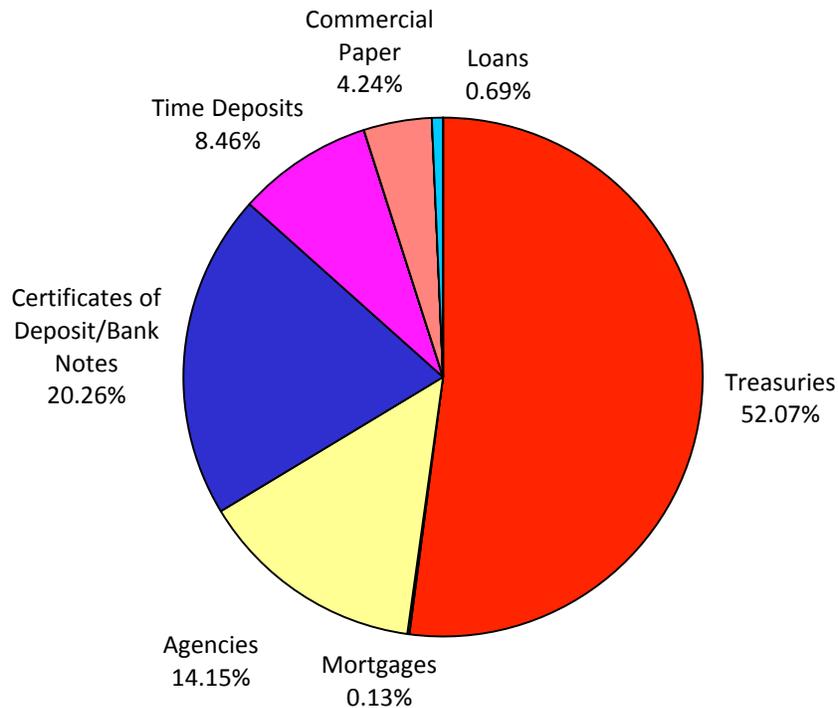
Quarter Ending 09/30/15

Apportionment Rate: 0.32%
 Earnings Ratio: 0.00000875275068308
 Fair Value Factor: 1.000594646
 Daily: 0.35%
 Quarter to Date: 0.33%
 Average Life: 210

PMIA Average Monthly Effective Yields

SEP 2015 0.337%
 AUG 2015 0.330%
 JUL 2015 0.320%

**Pooled Money Investment Account
Portfolio Composition
09/30/15
\$66.5 billion**





State of California
Pooled Money Investment Account
Market Valuation
9/30/2015

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch. Amortized Cost		
United States Treasury:				
Bills	\$ 12,871,664,593.62	\$ 12,883,160,576.35	\$ 12,891,502,500.00	NA
Notes	\$ 21,753,246,738.90	\$ 21,752,488,853.94	\$ 21,783,297,000.00	\$ 27,448,187.50
Federal Agency:				
SBA	\$ 602,701,636.28	\$ 602,693,367.65	\$ 596,900,482.69	\$ 522,669.38
MBS-REMICs	\$ 80,585,488.85	\$ 80,585,488.85	\$ 86,209,374.07	\$ 382,602.35
Debentures	\$ 1,364,527,837.95	\$ 1,364,526,185.17	\$ 1,365,823,350.00	\$ 1,384,349.30
Debentures FR	\$ -	\$ -	\$ -	\$ -
Discount Notes	\$ 7,086,977,374.95	\$ 7,092,738,013.84	\$ 7,093,404,000.00	NA
GNMA	\$ -	\$ -	\$ -	\$ -
Supranational Debentures	\$ 350,165,819.35	\$ 350,165,819.35	\$ 350,950,000.00	\$ 454,512.50
CDs and YCDs FR	\$ -	\$ -	\$ -	\$ -
Bank Notes	\$ 600,000,000.00	\$ 600,000,000.00	\$ 600,018,032.38	\$ 456,888.90
CDs and YCDs	\$ 12,875,010,933.58	\$ 12,875,010,933.58	\$ 12,872,759,172.35	\$ 8,756,708.37
Commercial Paper	\$ 2,822,034,319.49	\$ 2,823,728,763.90	\$ 2,823,785,298.62	NA
Corporate:				
Bonds FR	\$ -	\$ -	\$ -	\$ -
Bonds	\$ -	\$ -	\$ -	\$ -
Repurchase Agreements	\$ -	\$ -	\$ -	\$ -
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits	\$ 5,628,540,000.00	\$ 5,628,540,000.00	\$ 5,628,540,000.00	NA
AB 55 & GF Loans	\$ 458,557,202.41	\$ 458,557,202.41	\$ 458,557,202.41	NA
TOTAL	\$ 66,494,011,945.38	\$ 66,512,195,205.04	\$ 66,551,746,412.52	\$ 39,405,918.30

Fair Value Including Accrued Interest

\$ 66,591,152,330.82

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 (**1.000594646**). 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 \$20,011,892.92 or \$20,000,000.00 x **1.000594646**.



Pooled Money Investment Account

Portfolio as of 09-30-15

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	\$ 2,350	\$ 950	\$ 1,750	\$ 850	\$ 800	\$ 4,150	\$ 500	\$ 5,700	\$ 6,200	\$ 10,900	\$ 500		
REPO													
TDs	\$ 1,770	\$ 1,058	\$ 1,538	\$ 522	\$ 430	\$ 311							
AGENCY	\$ 903	\$ 250	\$ 750	\$ 950	\$ 1,030	\$ 1,350	\$ 1,725	\$ 1,700	\$ 505	\$ 577	\$ 781		
CP	\$ 1,400	\$ 650	\$ 375	\$ 50	\$ 150	\$ 200							
CDs + BNs	\$ 5,900	\$ 1,500	\$ 2,625	\$ 1,250	\$ 400	\$ 600	\$ 500	\$ 500	\$ 200				
CORP BND													
TOTAL													
\$ 67,100	\$ 12,323	\$ 4,408	\$ 7,038	\$ 3,622	\$ 2,810	\$ 6,611	\$ 2,725	\$ 7,900	\$ 6,905	\$ 11,477	\$ 1,281		
PERCENT	18.4%	6.6%	10.5%	5.4%	4.2%	9.9%	4.1%	11.8%	10.3%	17.1%	1.9%	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

TO: District Board of Directors

FROM: Sandeep Karkal, General Manager-Chief Engineer
Laura M. Creamer, Finance Officer

DATE: November 2, 2015

SUBJECT: Fiscal Year (FY) 15-16 First Quarter Financial Report

INTRODUCTION

This memorandum presents a summary year-to-date financial report for the District as of the FY15-16 First Quarter ended September 30, 2015. The following items are presented as three sections:

1. Revenue and Expenditure Report for the quarter ended September 30, 2015, (Pages 1-8).
2. Debt Service Schedule as of September 30, 2015 (Page 9)
3. Operating and Capital Cash Flow for July 1 – September 30, 2015 (Pages 10-11)

Each section contains a summary of the relevant financial information, followed by a discussion, as needed.

1.0 REVENUE AND EXPENDITURES REPORT

This section presents an overview of revenues and expenditures for the operating and capital funds through the third quarter of Fiscal Year 2015-16, with a more detailed summary on pages 5-8. A brief discussion and analysis of items displaying variance from the final budget is provided also provided, as appropriate.

OPERATING FUND

OPERATING REVENUE

	YTD Balance Received	Annual Budget	Budget Remaining	Pct. Received
Total Operating Revenues	\$179,873	\$10,006,483	\$9,826,610	1.8%

Discussion

Overall, operating revenues are approximately 1.8% of the total budget amount with 25% of the year complete. The operating revenue accounts are within the normal range for this time of year, since the District receives its primary revenues in December and April.

OPERATING EXPENDITURES

	YTD Balance	Annual Budget	Budget Unused	Pct. Used
Total Operating Expenditures	\$ 1,844,421	\$9,763,464	\$7,919,043	18.9%

Discussion

Overall, operating expenditures are at approximately 18.9% of budget, with 25% of the year complete. Variances in individual expenditure accounts are discussed below:

Collection System (16.9%)

Safety: 45.4%. Significant variance due to safety boot purchases at the beginning of this fiscal year due to the new safety boot policy implemented July 1, 2015. Account expected to stay within budget over remainder of the fiscal year.

Treatment Facilities - Contract Operations: (20.8%)

No significant variances noted for this cost center.

Reclamation/Disposal Facilities: (11.6%)

Gas & Electricity: 32.3%. Gas & Electricity expenditures are within expected parameters for this time of year. Once the District finishes irrigation, the electrical usage will decrease and the expenditure will follow. Account expected to stay within budget over remainder of the fiscal year.

Water: 142.9%. Water is a reimbursable expenditure billed and paid by the rancher at the end of the fiscal year. Account expected to stay within budget over remainder of fiscal year, after accounting for cost reimbursement from rancher.

Permits & Fees: 43.5%. Significant variance to the annual permit for Bay Area Air Quality Management District being paid in the first quarter of the fiscal year. Account expected to stay within budget over remainder of the fiscal year.

Laboratory/Monitoring: (20.9%)

Repairs & Maintenance: 27.7%. Per review of account, no significant items noted, expenditure is within expected range for this time of year. Account expected to stay within budget over remainder of the fiscal year.

Pump Stations: (17.4%)

Safety Expenses: 47.3%. Account used to purchase vehicle backup safety camera and confined space equipment bags. The camera was the first of three to be installed and a portion will be reimbursed by a safety grant from the California Sanitation Risk Management Authority (CSRMA). Account expected to stay within budget over remainder of the fiscal year.

Administration and Engineering: (19.1%)

Insurance: 31.4%. Insurance expense is within expected parameter for this time of year, typically paid as billed in the first and second quarter of the fiscal year. Account expected to stay within budget over remainder of the fiscal year.

Insurance Claim Expense: 33.4%. This expense represents the settlement of a claim in the amount of \$13k paid in the first quarter. Expenditures in this category are not necessarily a good indicator of fiscal year activity since insurance claims expenses are not controllable throughout the year. The District currently has no open claims and it is anticipated that this account will stay within budget over the remainder of the fiscal year.

Agency Dues: 45.9%. Significant variance as a large portion of agency dues are paid in the first quarter. Account expected to stay within budget over remainder of the fiscal year.

Safety Expenses: 35.0%. Significant variance due to safety boot purchases at the beginning of this fiscal year due to the new safety boot policy implemented July 1, 2015.

Office Expense: 32.4%. Per review of account, no significant items noted, expenditure is within expected range for this time of year. Account expected to stay within budget over remainder of the fiscal year.

IT/Misc. Electrical: 29.5%. Significant variance due to annual software support for Wonderware (SCADA system software) and Laserfiche (document management system software) paid in the first quarter of the fiscal year. Account expected to stay within budget over remainder of the fiscal year.

AB 939 Solid Waste Programs: (17.0%)

No significant items noted for this cost center.

Recycled Water: (24.2%)

Operating Chemicals: 38.2%. Significant variance due to time of year, due to high use May through October. Recycled water production slows down as the weather cools and recycled water demand subsides. Account expected to stay within budget over remainder of the fiscal year.

CAPITAL FUND

CAPITAL REVENUE

Capital Revenue	YTD Balance Received	Annual Budget	Over/(Under)Budget	Pct. Received
Sewer Service Charges	\$12,829	\$7,435,040	(\$7,422,211)	0.17%
Property Taxes	7,775	1,900,000	(1,892,225)	0.41%
Connection Charges	30,719	518,000	(487,281)	5.93%
Collector sewer/Special Equalization Charges	1,000	6,000	(5,000)	16.67%
Interest	6,120	22,000	(15,880)	27.82%
Other Revenue	0	20,000	(20,000)	0.00%
Total Revenue	\$58,443	\$9,901,040	(\$9,842,597)	0.59%

Discussion

Overall capital revenues are 0.59% of budget at the close of the first quarter, consistent with the District receiving the bulk of its revenue in December and April.

CAPITAL EXPENDITURES

	YTD Balance	Annual Budget	Budget Unused	Pct. Used
Capital Expenditures	\$1,319,906	\$10,435,604	(\$9,115,698)	12.65%

Discussion

The list of capital project accounts is shown in the attached report. Overall expenses are 12.65% of budget. Capital work follows a different spending trajectory than normal operating expenditures and this is reflected in Account Nos. 72508, 73001 and 73003, where the variances noted reflect the appropriate levels of engineering and construction work completed to date. All of these accounts are expected to stay within budget over remainder of the fiscal year. The principal and interest accounts are within budget for this time of year.

Novato Sanitary District
DRAFT - Revenue & Expenditures Budget vs. Actual
 July through September 2015

	Jul - Sep 15	Budget	\$ Over Budget	% of Budget
Income				
41000 · OPERATING INCOME				
41010 · Sewer Service Charges	15,679.60	9,121,520.00	(9,105,840.40)	0.17%
41030 · Plan Check & Inspection Fee	0.00	500.00	(500.00)	0.0%
41040 · Permit & Inspection Fee	2,020.00	6,000.00	(3,980.00)	33.67%
41060 · Interest Income	8,122.17	18,000.00	(9,877.83)	45.12%
41080 · Engineering & Admin Charges	0.00	165,000.00	(165,000.00)	0.0%
41090 · Non-domestic Permit Fees	1,535.00	25,000.00	(23,465.00)	6.14%
41100 · Garbage Franchise Fees	97.00	50,962.00	(50,865.00)	0.19%
41105 · AB 939 Collector Fees	85,655.25	342,621.00	(256,965.75)	25.0%
41107 · Oil/Bev/Tire Grants	0.00	59,880.00	(59,880.00)	0.0%
41130 · Ranch Income	21,699.99	70,000.00	(48,300.01)	31.0%
41135 · Recycle Water Facility Revenue	36,729.25	117,000.00	(80,270.75)	31.39%
41140 · Other Revenue	8,334.33	20,000.00	(11,665.67)	41.67%
41142 · Loss on disposal of assets	0.00	10,000.00	(10,000.00)	0.0%
Total 41000 · OPERATING INCOME	179,872.59	10,006,483.00	(9,826,610.41)	1.8%
Expense				
60000 · COLLECTION SYSTEM				
60010 · Salaries & Wages	136,976.61	634,609.00	(497,632.39)	21.58%
60020 · Employee Benefits	54,864.10	269,491.00	(214,626.90)	20.36%
60060 · Gas, Oil & Fuel	6,002.87	28,000.00	(21,997.13)	21.44%
60085 · Safety	3,180.31	7,000.00	(3,819.69)	45.43%
60091 · Software Maint	2,400.00	25,000.00	(22,600.00)	9.6%
60100 · Operating Supplies	7,237.45	30,000.00	(22,762.55)	24.13%
60150 · Repairs & Maintenance	19,102.77	85,000.00	(65,897.23)	22.47%
60152 · Small Tools	494.15	2,000.00	(1,505.85)	24.71%
60153 · Outside Services	900.00	225,000.00	(224,100.00)	0.4%
60192 · Water	1,861.83	12,000.00	(10,138.17)	15.52%
60193 · Telephone	265.64	2,000.00	(1,734.36)	13.28%
60200 · Other(Garbage Coll)	53.18	1,000.00	(946.82)	5.32%
60201 · Permits & Fees	239.52	65,000.00	(64,760.48)	0.37%
Total 60000 · COLLECTION SYSTEM	233,578.43	1,386,100.00	(1,152,521.57)	16.85%
61000 · TREATMENT FACILITIES				
61000-0 · Contract Operations				
61000-1 · Fixed Fee	499,585.02	2,059,201.00	(1,559,615.98)	24.26%
61000-2 · Insurance & Bonds	1,924.00	12,000.00	(10,076.00)	16.03%
61000-3 · Major Repair/Replacement	0.00	150,000.00	(150,000.00)	0.0%
61000-4 · Water/Permits/Telephone	9,961.61	90,000.00	(80,038.39)	11.07%
61000-5 · Gas & Electricity	116,742.26	707,130.00	(590,387.74)	16.51%
Total 61000 · TREATMENT FACILITIES	628,212.89	3,018,331.00	(2,390,118.11)	20.81%

Novato Sanitary District
DRAFT - Revenue & Expenditures Budget vs. Actual
 July through September 2015

	Jul - Sep 15	Budget	\$ Over Budget	% of Budget
63000 · RECLAMATION/DISPOSAL				
63010 · Salaries & Wages	9,505.77	75,400.00	(65,894.23)	12.61%
63020 · Employee Benefits	5,058.48	28,629.00	(23,570.52)	17.67%
63060 · Gasoline & Oil	857.56	4,000.00	(3,142.44)	21.44%
63085 · Safety	0.00	500.00	(500.00)	0.0%
63091 · Software Maintenance	0.00	2,000.00	(2,000.00)	0.0%
63100 · Operating Supplies	264.63	2,000.00	(1,735.37)	13.23%
63115 · Sludge Disposal	0.00	210,000.00	(210,000.00)	0.0%
63150 · Repairs & Maintenance	6,559.96	50,000.00	(43,440.04)	13.12%
63152 · Small Tools	0.00	500.00	(500.00)	0.0%
63157 · Ditch/Dike Maintenance	0.00	20,000.00	(20,000.00)	0.0%
63191 · Gas & Electricity	27,438.94	85,000.00	(57,561.06)	32.28%
63192 · Water - Reclamation	4,287.10	3,000.00	1,287.10	142.9%
63201 · Permits & Fees	2,608.12	6,000.00	(3,391.88)	43.47%
Total 63000 · RECLAMATION/DISPOSAL	56,580.56	487,029.00	(430,448.44)	11.62%
64000 · LABORATORY/MONITORING				
64010 · Contract Lab Services	82,440.43	357,133.00	(274,692.57)	23.08%
64060 · Gasoline & Oil	643.17	3,000.00	(2,356.83)	21.44%
64085 · Safety	0.00	1,000.00	(1,000.00)	0.0%
64091 · Software Maintenance	0.00	4,000.00	(4,000.00)	0.0%
64100 · Operating Supplies	2,758.64	20,000.00	(17,241.36)	13.79%
64150 · Repairs & Maintenance	2,909.34	10,500.00	(7,590.66)	27.71%
64160 · Research & Monitoring	27,016.25	163,000.00	(135,983.75)	16.57%
64170 · Pollution Prevention/Public Ed	7,357.45	40,000.00	(32,642.55)	18.39%
64201 · Permits & Fees	2,811.00	3,000.00	(189.00)	93.7%
Total 64000 · LABORATORY/MONITORING	125,936.28	601,633.00	(475,696.72)	20.93%
65000 · PUMP STATIONS				
65010 · Salaries & Wages	67,470.57	337,753.00	(270,282.43)	19.98%
65020 · Employee Benefits	25,983.00	141,880.00	(115,897.00)	18.31%
65060 · Gasoline & Oil	1,071.95	5,000.00	(3,928.05)	21.44%
65085 · Safety Expenses	945.45	2,000.00	(1,054.55)	47.27%
65091 · Software Maintenance	631.40	12,000.00	(11,368.60)	5.26%
65100 · Operating Supplies	1,821.21	10,000.00	(8,178.79)	18.21%
65101 · Operating Chemicals	174.36	15,000.00	(14,825.64)	1.16%
65150 · Repairs & Maintenance	14,630.98	110,000.00	(95,369.02)	13.3%
65152 · Small Tools	94.68	1,000.00	(905.32)	9.47%
65153 · Outside Services, Electrical	3,975.27	32,000.00	(28,024.73)	12.42%
65191 · Gas & Electricity	17,260.66	100,000.00	(82,739.34)	17.26%
65192 · Water	1,400.77	7,000.00	(5,599.23)	20.01%
65193 · Telephone	6,229.16	24,000.00	(17,770.84)	25.96%
65201 · Permits & Fees	55.78	17,000.00	(16,944.22)	0.33%
Total 65000 · PUMP STATIONS	141,745.24	814,633.00	(672,887.76)	17.4%

Novato Sanitary District
DRAFT - Revenue & Expenditures Budget vs. Actual
 July through September 2015

	Jul - Sep 15	Budget	\$ Over Budget	% of Budget
66000 · ADMIN/ENGINEERING				
66010 · Salaries & Wages	242,249.32	1,102,409.00	(860,159.68)	21.98%
66020 · Employee Benefits	96,713.32	440,568.00	(343,854.68)	21.95%
66021 · Retiree Health Benefits	29,776.26	375,260.00	(345,483.74)	7.94%
66030 · Director's Fees	8,775.00	43,000.00	(34,225.00)	20.41%
66040 · Election Expense	0.00	50,000.00	(50,000.00)	0.0%
66060 · Gasoline & Oil	2,229.89	10,000.00	(7,770.11)	22.3%
66070 · Insurance	42,364.25	135,000.00	(92,635.75)	31.38%
66071 · Insurance Claim Expense	13,347.43	40,000.00	(26,652.57)	33.37%
66075 · Agency Dues	25,231.94	55,000.00	(29,768.06)	45.88%
66080 · Memberships	1,600.00	9,000.00	(7,400.00)	17.78%
66085 · Safety	699.18	2,000.00	(1,300.82)	34.96%
66090 · Office Expense	8,087.88	25,000.00	(16,912.12)	32.35%
66100 · Engineering Supplies	1,543.27	8,000.00	(6,456.73)	19.29%
66121 · Accounting & Auditing	5,370.00	24,000.00	(18,630.00)	22.38%
66122 · Attorney Fees	5,289.50	90,000.00	(84,710.50)	5.88%
66123 · O/S Contractual	50,232.59	270,000.00	(219,767.41)	18.61%
66125 · Safety & Wellness Incentive Prog	(4,045.00)	10,000.00	(14,045.00)	(40.45%)
66124 · IT/Misc Electrical	10,635.05	36,000.00	(25,364.95)	29.54%
66130 · Printing & Publications	3,245.00	22,000.00	(18,755.00)	14.75%
66150 · Repairs & Maintenance	8,127.58	50,000.00	(41,872.42)	16.26%
66170 · Travel, Meetings & Training	7,937.02	55,000.00	(47,062.98)	14.43%
66193 · Telephone	2,093.39	10,000.00	(7,906.61)	20.93%
66202 · County Fees - Property Taxes	0.00	27,000.00	(27,000.00)	0.0%
66203 · County Fees - Sewer Service Chg	0.00	42,000.00	(42,000.00)	0.0%
66250 · Service Charge Sys Exp	0.00	5,000.00	(5,000.00)	0.0%
Total 66000 · ADMIN/ENGINEERING	561,502.87	2,936,237.00	(2,374,734.13)	19.12%
67000 · AB 939 SOLID WASTE PROGRAMS				
67400 · Consulting Services	20,250.00	131,464.00	(111,214.00)	15.4%
67500 · Household Hazardous Waste	45,584.98	211,500.00	(165,915.02)	21.55%
67530 · Used Oil/Beverage Cont Grant	2,490.82	22,537.00	(20,046.18)	11.05%
67540 · Outreach/Publicity/Education	195.00	22,000.00	(21,805.00)	0.89%
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 PROGRAMS	68,520.80	402,501.00	(333,980.20)	17.02%
68000 · Recycled Water				
68010 · O & M Services	10,177.75	50,000.00	(39,822.25)	20.36%
68100 · Operating Supplies	0.00	2,000.00	(2,000.00)	0.0%
68101 · Operating Chemicals	9,936.48	26,000.00	(16,063.52)	38.22%
68150 · Repairs & Maintenance	4,930.02	22,000.00	(17,069.98)	22.41%
68160 · Research & Monitoring	3,300.00	14,000.00	(10,700.00)	23.57%
68191 · Gas & Electricity	0.00	2,000.00	(2,000.00)	0.0%
68201 · Permits & Fees	0.00	1,000.00	(1,000.00)	0.0%
Total 68000 · Recycled Water	28,344.25	117,000.00	(88,655.75)	24.23%
Total Expense	1,844,421.32	9,763,464.00	(7,919,042.68)	18.89%
Net Ordinary Income(Loss)	(1,664,548.73)	243,019.00	(1,907,567.73)	(684.95%)

Novato Sanitary District
DRAFT Revenue & Expenditures - Capital
 July through September 2015

	Jul - Sep 15	Budget	\$ Over Budget	% of Budget
Income				
51000 · CAPITAL IMPROVEMENT INCOME				
51010 · Sewer Service Charges	12,828.76	7,435,040.00	(7,422,211.24)	0.17%
51015 · Property Taxes	7,774.77	1,900,000.00	(1,892,225.23)	0.41%
51020 · Connection Charges	30,719.14	518,000.00	(487,280.86)	5.93%
51030 · Collector Sewer Charges	1,000.00	2,000.00	(1,000.00)	50.0%
51040 · Special Equalization Charge	0.00	4,000.00	(4,000.00)	0.0%
51060 · Interest	6,120.67	22,000.00	(15,879.33)	27.82%
51070 · Other Revenue	0.00	20,000.00	(20,000.00)	0.0%
Total 51000 · CAPITAL IMPROVEMENT INCOME	58,443.34	9,901,040.00	(9,842,596.66)	0.59%
Expense				
72000 · CAPITAL IMPROVEMENT PROJECTS				
72110 · Drainage PS 3&7 Outfall Rehab	0.00	5,000.00	(5,000.00)	0.0%
72403 · Pump Station Rehabilitation	10,000.00	50,000.00	(40,000.00)	20.0%
72508 · N. Bay Water Recycling Auth	377,090.00	403,000.00	(25,910.00)	93.57%
72706 · Collection System Improv				
72706-1 · Lateral Replacement Program	4,500.00	50,000.00	(45,500.00)	9.0%
72706 · Collection System Improv - Other	15,118.32	1,050,000.00	(1,034,881.68)	1.44%
Total 72706 · Collection System Improv	19,618.32	1,100,000.00	(1,080,381.68)	1.78%
72707 · Hamilton Wetlands/Outfall Monit	0.00	22,500.00	(22,500.00)	0.0%
72708 · Cogeneration	0.00	20,000.00	(20,000.00)	0.0%
72802 · Annual Sewer Adj. for City Proj	0.00	10,000.00	(10,000.00)	0.0%
72803 · Annual Collection Sys Repairs	31,550.51	200,000.00	(168,449.49)	15.78%
72804 · Annual Reclamation Fac Imp	3,673.58	100,000.00	(96,326.42)	3.67%
72805 · Annual Trtmt Plnt/Pump St Impr	50,701.90	300,000.00	(249,298.10)	16.9%
72808 · Strategic Plan Update	0.00	10,000.00	(10,000.00)	0.0%
72809 · Novato Creek Watershed	0.00	15,000.00	(15,000.00)	0.0%
73001 · WWTP Upgrade - Contract C	3,482.10	10,000.00	(6,517.90)	34.82%
73003 · Admin Bldg/Maint.Bldg Upgrades	418,216.00	740,000.00	(321,784.00)	56.52%
73004 · Odor Control & NTP Landscaping	0.00	50,000.00	(50,000.00)	0.0%
73005 · RWF Expansion	0.00	150,000.00	(150,000.00)	0.0%
73006 · NTP Corrosion Control	0.00	150,000.00	(150,000.00)	0.0%
73090 · Vehicle Replacement	0.00	25,000.00	(25,000.00)	0.0%
78500 · Interest - Capital Projects	405,573.75	2,509,673.00	(2,104,099.25)	16.16%
78501 · Principal - Capital Projects	0.00	4,565,431.00	(4,565,431.00)	0.0%
Total 72000 · CAPITAL IMPROVEMENT PROJECTS	1,319,906.16	10,435,604.00	(9,115,697.84)	12.65%
Net Income(Loss)	(1,261,462.82)	(534,564.00)	(726,898.82)	235.98%

3.0 OPERATING AND CAPITAL CASH FLOW

Operating:

Cash Flow For Novato Sanitary District

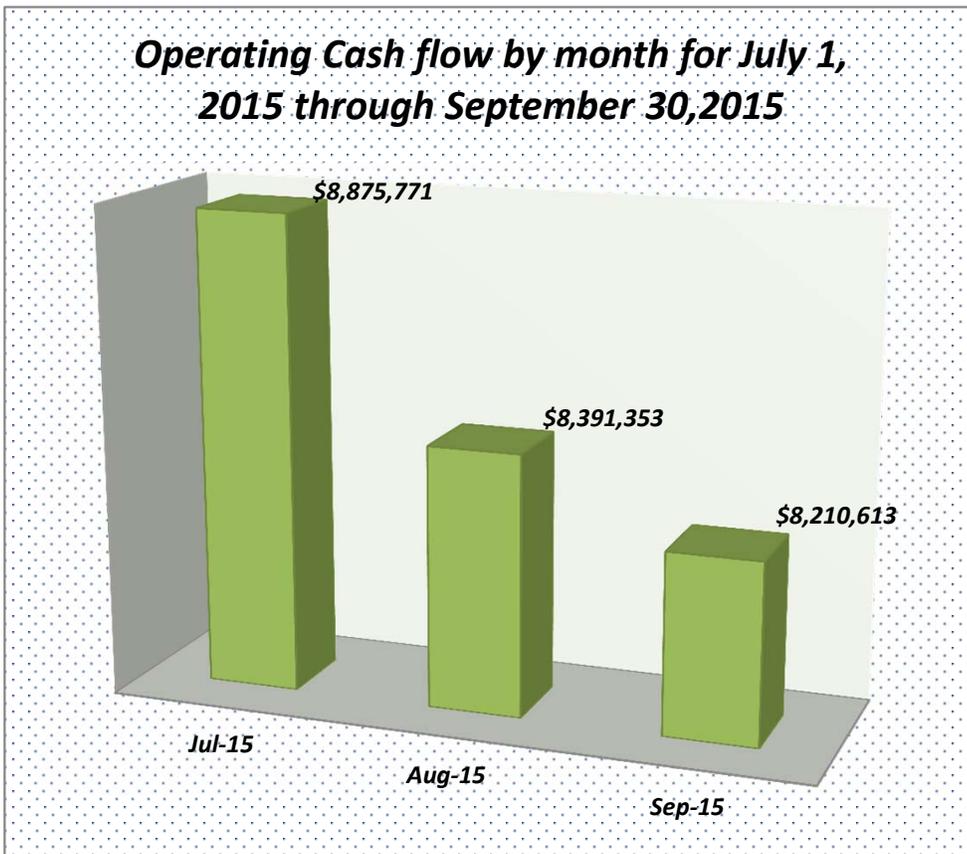
July 1, 2015 - September 30, 2015

Dated: November 2, 2015

Month Earned	Operating Revenue	Monthly Operating Expenditures	Cash Balance
			* \$ 9,190,860
Jul-15	\$ 94,910	\$ 409,999	8,875,771
Aug-15	8,551	492,969	8,391,353
Sep-15	76,412	941,154	8,210,613

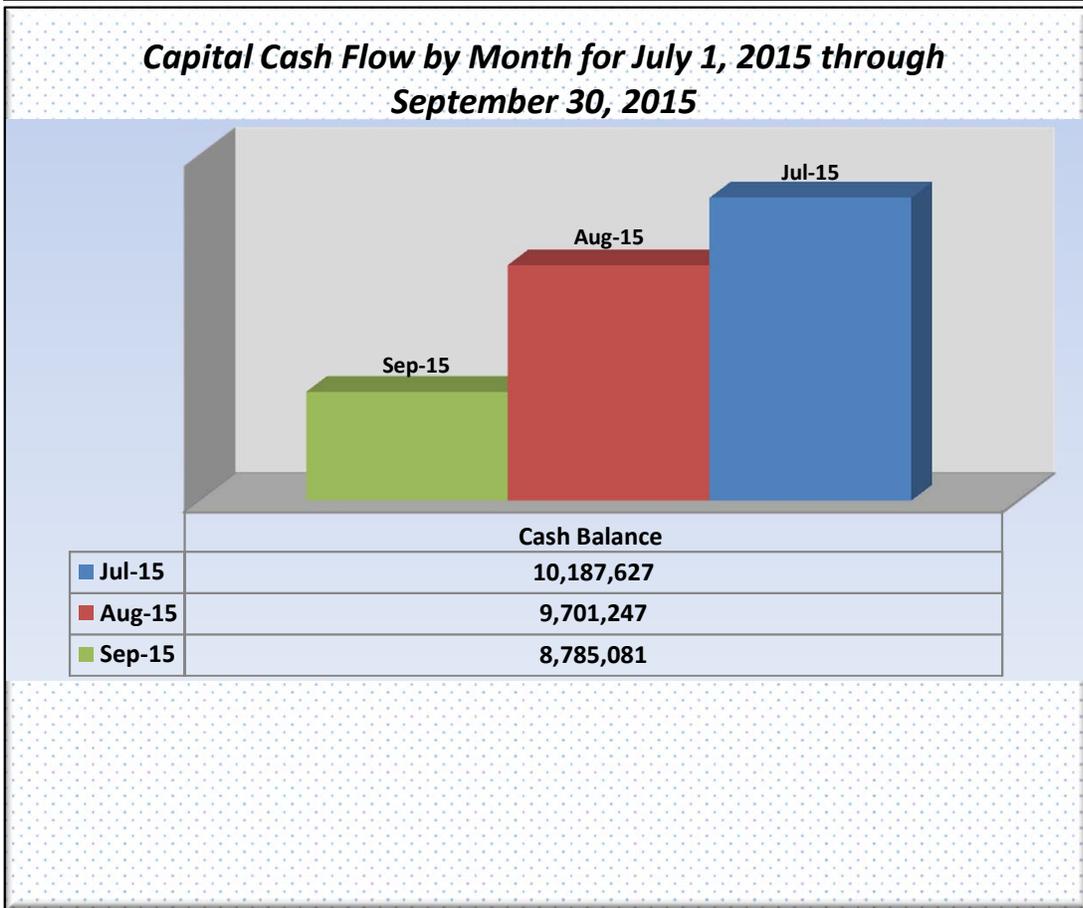
Note: Cash balances at year end split 55/45 - Operating/Capital based on split sewer service charges.

* Beginning balance adjusted for accrual vs cash basis differences.



Capital:
Cash Flow For Novato Sanitary District
July 1, 2015 - September 30, 2015
Dated: November 2, 2015

Month Earned	Monthly Operating Expenditures	Debt Service	Capital Revenue	Cash Balance
Jul-15	\$ 38,452	\$ 405,574	\$ 26,867	\$ 10,604,786
Aug-15	492,969		6,589	10,187,627
Sep-15	941,154		24,988	9,701,247
				8,785,081



NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Consent Calendar: SMART Temporary Sewer Connection.	MEETING DATE: November 9, 2015 AGENDA ITEM NO.: 5.e.
RECOMMENDED ACTION: Ratify Agreement for temporary sanitary sewer connection for Sonoma Marin Area Rail Transit (SMART) facility at 105 Roblar Drive.	
SUMMARY AND DISCUSSION: <p>The Sonoma Marin Area Rail Transit (SMART) desires to retain the connection of an existing temporary facility on its property located at 105 Roblar Drive, to the District's sewer system for a time period not to exceed two (2) years. This will allow SMART to assess its long term plans for the facility.</p> <p>The temporary connection was made under a previous agreement with the Novato Fire District (NFD) which was leasing the property from SMART. Connection of the NFD's temporary facility on the property was made to the District's system and approved by the District by Permit No. 021382, dated October 1, 2012. The attached Agreement will allow SMART to temporarily re-use the facilities as constructed by NFD. The language of this Agreement with SMART is based upon, and consistent with, the prior agreement with NFD.</p> <p>It is recommended that the Board ratify the agreement. The Board President and the General-Manager/Chief Engineer will execute the Agreement upon ratification.</p>	
ATTACHMENTS: 1. Copy of Agreement.	
BUDGET INFORMATION: Appropriate temporary use fees and charges will accrue to the District from the property for the two year period of the agreement.	
DEPT. MGR.: esb	GENERAL MANAGER: SSK

**AGREEMENT FOR USE OF TEMPORARY SANITARY SEWER CONNECTION
SONOMA-MARIN AREA RAIL TRANSIT (SMART)**

Assessor's Parcel Number 157-400-14

This Agreement for Temporary Sanitary Sewer Connection (this "Agreement") is made as of _____, 2015, by and between SONOMA-MARIN AREA RAIL TRANSIT (SMART) and NOVATO SANITARY DISTRICT (the "Sanitary District"), (individually a "Party" and collectively referred to herein as the "Parties"), with reference to the following facts:

RECITALS

- A. The property is located at 105 Roblar Drive in the City of Novato (the "Property").
- B. SMART intends to use the Property for the following:
1. Storing equipment and increasing response times in Marin.
 2. No regular crew onsite, could be used for break facility if SMART employee in area.
 3. Assess the frequency of use and permanent need for facility.
- C. SMART desires to connect the Property to the Sanitary District's sewer system (the "System") and to receive wastewater conveyance, treatment and disposal services (the "Sewer Services") from the Sanitary District for a temporary time period, not to exceed two (2) years, which will allow SMART to assess the long term plans for the facility.
- D. Temporary connection to the System was made under a previous Agreement with the Novato Fire District (the "Fire District") which was leasing the Property from SMART. SMART intends to use the facilities as constructed by the Fire District. Connection of the Property was made to the System and inspected by the Sanitary District subject to Permit No. 021382, dated October 1, 2012.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, the Parties agree as follows:

Section 1. Sanitary District's Obligations.

(a) The Sanitary District grants to SMART the right to continue using the connection to the System at the Property for the term of this Agreement, pursuant to required approval by the Sanitary District's Board of Directors.

Section 2. SMART's Obligations

(a) SMART agrees to pay any connection and use fees imposed by the Sanitary District pursuant to the Sanitary District adopted rates currently in effect.

(b) Should SMART decide there is a permanent need for connection to the System, SMART agrees to initiate the process for Annexation to the Sanitary District with Marin County Local Agency Formation Commission (LAFCO), prior to the expiration of this Agreement. Upon annexation SMART, shall pay all applicable Sanitary District connection fees related to the permanent connection.

(c) Should SMART determine there is not a permanent need for connection to the System, SMART agrees to obtain a permit from the Sanitary District to disconnect the Property, prior to the expiration of this Agreement, and pay any related fees.

Section 3. Term of the Agreement

(a) This Agreement will expire two (2) years from the date of execution by the Sanitary District.

(b) Requests for extension of the term of this Agreement shall be made in writing, must be agreed upon by both Parties, and granted by means of an Amendment pursuant to approval by the Sanitary District's Board.

Section 4. Notices. Formal notices, demands and communications among the Parties shall be sufficiently given if, and shall not be deemed given unless, dispatched by certified mail, return receipt requested, or express delivery service with a delivery receipt, to the principle offices of the Parties as follows:

SMART Sonoma-Marin Area Rail Transit
5401 Old Redwood Hwy. Suite 200
Petaluma, CA 94954
Attn: Farhad Mansourian, General Manager

Sanitary District Novato Sanitary District
500 Davidson Street
Novato, CA 94945
Attn: Sandeep Karkal, General Manager-Chief Engineer

Notices shall be deemed received as of the date delivered or delivery was refused as shown on the return receipt. The foregoing addresses may be changed by notice given

as provided in this Agreement. Each Party shall promptly notify each of the other Parties of any change in its address as last disclosed.

Section 5. Time is of the Essence. Time is of the essence in the performance of this Agreement.

Section 6. Applicable Law. This Agreement shall be interpreted in accordance with and governed by the laws of the State of California.

Section 7. Entire Understanding of the Parties. This Agreement constitutes the entire understanding and agreement of the parties with respect to the matters set forth in this Agreement.

Section 8. Counterparts. This Agreement may be signed in one or more counterparts, each of which shall be deemed an original, and all of which taken together shall constitute this Agreement.

Section 9. Authority. Each person executing this Agreement on behalf of the Parties represents that each has the full power and authority to enter into this Agreement.

Section 10. Amendments. This Agreement may be amended, modified, cancelled or terminated only by a written instrument executed by the Parties.

Section 11. Captions. The headings or captions to the sections of this Agreement are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part thereof.

Section 12. Waiver. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute a waiver of any other provision. No waiver shall be binding unless executed in writing by the party making the waiver.

Section 13. Interpretation. If any term or provision of this Agreement shall, to any extent, be invalid or unenforceable under applicable law, then the remaining terms and provisions of this Agreement shall not be affected, and each such remaining term and provision shall be valid and enforced to the fullest extent permitted by applicable law.

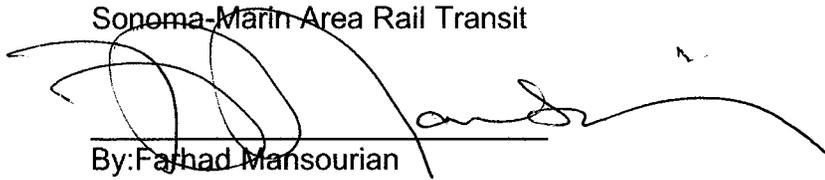
Section 14. Legal Actions. If any legal action is commenced to interpret or to enforce the terms of this Agreement, the prevailing party shall be entitled to recover against the party not prevailing, all reasonable attorneys' fees and costs incurred in the action.

Section 15. Severability. If any clauses of this Agreement shall become illegal, null or void for any reason, or shall be held by any court of competent jurisdiction to be so, the remaining portion shall remain in full force and effect.

WHEREFORE the Parties have executed this Agreement as of the date first written above.

SMART:

Sonoma-Marin Area Rail Transit



By: Farhad Mansourian
Its: General Manager

Sanitary District:

Novato Sanitary District

By: Jean Mariani
Its: Board President

By: Sandeep Karkal
Its: General Manager-Chief Engineer

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Solid Waste Rates: Setting Maximum Rates for Calendar Year (CY) 2016.	MEETING DATE: November 9, 2015 AGENDA ITEM NO.: 6.a.& f.
RECOMMENDED ACTION: Receive staff report, and consider adopting a Resolution setting CY2016 maximum allowable rates for refuse collection and disposal services.	
SUMMARY AND DISCUSSION: <p>At its October 26, 2015 meeting, the District Board reviewed the following: (a) CY2016 rate adjustment request by Novato Disposal Service (NDS); (b) A report by the District’s consultant, R3 Consulting (Sacramento) that analyzed the NDS request; and (c) A staff report with a recommendation for an overall solid waste rate adjustment based on a Refuse Rate Index (RRI) adjustment of +1.94%. At that meeting, the Board received an amended report by R3 Consulting, lowering the rate adjustment from +1.94% to +1.33% based on corrected values in the fuel cost escalator component of the RRI. A copy of the amended R3 report presented at the October 26, 2015 meeting is included herein for reference as Attachment 1.</p> <p>As shown in Attachment 2, Table A, Novato’s rates are, and will continue to be, the lowest across all entities in Marin County for residential, commercial, and debris box services, even if the proposed CY2016 rates are adopted. A broader comparison is also provided in Table B titled “RESIDENTIAL & COMMERCIAL COLLECTION RATES – JULY 2015, RATE COMPARISON WITH OTHER AGENCIES”). This latter table indicates that: (a) Novato has lower rates with comparable Marin agencies, and (b) In Sonoma county, Santa Rosa and Petaluma do have lower residential rates, but these are offset by higher commercial rates. The District’s solid waste rate adjustment history is presented as Table C for informational purposes. Finally, proposed CY2016 final rates are presented as Table D.</p> <p>Previously, at its October 12, 2015 meeting, the Board had also set the date for a public hearing on the CY2016 maximum allowable rates, for its November 9, 2015 meeting. Notices of the proposed rate increase and hearing were published in the Marin IJ on October 15, 2015, and October 22, 2015. Proof of publication of these notices is provided as Attachment 4.</p> <p>It is recommended that the Board adopt the attached Resolution setting CY2016 maximum allowable rates for refuse collection and disposal services.</p>	
ATTACHMENTS: <ol style="list-style-type: none"> 1. Amended R3 Consulting report dated October 23, 2015. 2. Tables A, B, C, and D. 3. Resolution 3092 – A Resolution Setting Maximum Solid Waste Service Charges for Novato Disposal Company in Novato Sanitary District. 4. Notice of Public Hearing - Proof of Publication for October 15, 2015, and October 22, 2015. 	
DEPT. MGR.: ssk	GENERAL MANAGER: SSK



1512 Eureka Road, Suite 220
Roseville, CA 95661
Tel: 916-782-7821
Fax: 916-782-7824
www.r3cgi.com

October 23, 2015

Mr. Sandeep Karkal
Novato Sanitary District
5000 Davidson Street
Novato, CA 94945

Re: Letter Report – Review of Novato Disposal Service’s Requested Rate Adjustment for Rate Year 2016

Dear Mr. Karkal:

R3 Consulting Group (R3) was engaged by the Novato Sanitary District (District) to assist with a review of Novato Disposal Service’s (Company) requested rate adjustment for Rate Year 2016 (January 1, 2016 – December 31, 2016). Specifically, R3 was asked to confirm that the rate adjustment methodology used by the Company is consistent with the Refuse Rate Index (RRI) Rate Adjustment Methodology set forth in Exhibit 2 of the Amended and Restated Franchise Agreement (Agreement) and that the calculation is mathematically accurate. This Letter Report communicates our findings and recommendations.

Objectives

- To review the Company’s requested rate increase to confirm that:
 - It is consistent with applicable terms and conditions of the Agreement;
 - It is mathematically accurate; and
 - It correctly accounts for the required Balancing Account adjustment to the rates.
- To recommend the appropriate Rate Year 2016 rate adjustment based on the results of our review; and
- To confirm the current Balancing Account balance.

Background

The Agreement provides for an annual adjustment to the Company’s rates based on the specified Refuse Rate Index (RRI), with the option to conduct a detailed rate review not more frequently than once every three (3) years. A copy of Article 6 of the Agreement (Company’s Compensation and Rates) is provided as Attachment 1.

As specified in the Agreement, the RRI adjustment is the sum of the weighted average percentage change in the twelve (12) month annual average of the specified indices for each of the following cost categories:

- Labor;
- Fuel;
- Vehicle Replacement;
- Vehicle Maintenance; and
- All Other.

The RRI also provides for adjusting the Disposal Fee and Organic Waste Processing Fee based on the change in the associated tipping fees. A copy of Exhibit 2 – Refuse Rate Index is provided as Attachment 2.

Section 6.3 of the Agreement (RRI Financial Information) states that: *“On or before September 1, 2011, and annually thereafter during the term of this Agreement, the Company shall deliver to the District information for the specific services performed under this Agreement for the preceding Agreement Year. Such financial information shall be in a format as set forth in Exhibit 2, or as may be further revised by the District from time to time. If the Company fails to submit the financial information in the required format by September 1st, it is agreed that the Company shall be deemed to have waived the RRI adjustment for that year...”*

The Company submitted an electronic copy of its 2016 Rate Adjustment Application to the District on Thursday August 27, 2015.

Recommended Rate Adjustment

The Company’s Rate Adjustment Application calculated a 1.94 percent rate increase (Attachment 3) based on the specified RRI methodology. As part of our review, we verified that the Company’s financial information, cost category index values, and mathematical formulas were consistent with the RRI methodology included in the Restated Franchise Agreement. Based on our review, we are recommending an RRI rate adjustment of **1.33 percent**, as compared to the rate adjustment amount of 1.94 percent calculated by the Company in their Rate Adjustment Application.

During our review, we identified that the Company’s submission included a mathematical error that resulted in the percentage change in the fuel index being miscalculated. Specifically, the error caused the fuel index values for the months of January through June of 2015 to not be included in the calculation of the annual percentage change for the fuel category. By correcting the error, we recalculated the fuel index at -13.50 percent (rather than -4.37 percent as submitted by the Company), and this lowered the overall rate adjustment from 1.94 percent to 1.33 percent.

In addition, we also identified one “Vehicle Maintenance” index value that had been updated by the Bureau of Labor Statistics (BLS) since the Company’s submission of their Rate Adjustment Application. The update to this index value was very minor, however, and had no additional impact on the overall calculated rate adjustment.

Balancing Account Calculation

The balancing account was established to account for the change in recycling revenues during years when the RRI is used. When setting the 2008 Base Year rate, recycling revenues were projected at \$542,420. The RRI adjustments that are used for adjusting the rates during interim years (i.e., non-Base Years) do not account for any adjustments to the projected recycling revenues. The Balancing Account is intended to reflect the difference between actual recycling revenues received by the Company as compared to the 2008 Base Year projected recycling revenues.

Recycling revenues are calculated for each year, starting with 2008 and using the specified methodology, and each calculated amount is compared to the 2008 projected revenue amount of \$542,420.¹ The difference is accounted for in the balancing account as either revenue due to the District (if calculated recycling revenues are higher than the projected amount), or revenue due to the Company (if calculated recycling revenues are lower than the projected amount). Per the rate adjustment methodology in the

¹ This amount was established and referenced in R3’s Final Report; Review of Novato Disposal Service’s Rate Year 2008 Rate Application, December 6, 2007.

Mr. Sandeep Karkal
October 14, 2015
Page 3 of 3

Agreement, the cumulative Balancing Account amount for 2008 through 2011 was accounted for in full when setting the rates for Calendar Year 2013. That Balancing Account amount of \$1,124,671 due to the District resulted in a net reduction of 2.45 percent to the calculated 2013 rate adjustment. That rate decrease is to remain in effect through 2017 as specified in Exhibit 7.2.b.i of the Agreement. Therefore, as of January 1, 2012 the balancing account balance was zero. Going forward, the Agreement provides for a similar methodology for calculating the balancing account.

Attachment 4 provides the language in the Agreement related to the balancing account. Attachment 5 provides R3's calculated balancing account balance as of December 31, 2014 based on the currently agreed upon methodology. R3's calculated balancing account balance is based on a CRV adjustment amount of \$4.19 per ton, consistent with the agreed upon figure that has been used since 2012. The Company's balancing account calculation used an incorrect CRV adjustment figure, which R3 adjusted in its calculation. The Company reported that it agrees with the balancing account calculation as reflected in Attachment 5.

* * * * *

We appreciate the opportunity to be of assistance to the District. If you have any questions regarding this submittal, please feel free to contact me by phone at (916) 782-7821, or by email at wschoen@r3cgi.com.

Sincerely,

R3 CONSULTING GROUP



William Schoen
Principal

Attachments:

- | | |
|--------------|--|
| Attachment 1 | Article 6 – Company's Compensation and Rates |
| Attachment 2 | Exhibit 2 – Refuse Rate Index |
| Attachment 3 | Rate Year 2016 Rate Adjustment Calculation |
| Attachment 4 | Exhibit 7 – Recyclable Materials Balancing Account |
| Attachment 5 | Balancing Account Calculation |

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Attachment 1

ARTICLE 6 COMPANY'S COMPENSATION AND RATES

6.1 General

The Company's compensation provided for in this article shall be the full, entire, and complete compensation due to the Company for all labor, equipment, materials, and supplies, taxes, insurance, bonds, overhead, disposal, profit, and all other things necessary to perform all the services required by this Agreement in the manner and at the times prescribed.

The Company will not look to the District for payment of any sums under this Agreement. The Company will perform the responsibilities and duties described in this Agreement in consideration of the right to charge and collect from Customers for services rendered at rates fixed by the District from time to time.

6.2 Refuse Rate Index Adjustments to Service Rates

6.2.1 Adjustments to Service Using the Refuse Rate Index (RRI). Beginning on January 1, 2012, and annually thereafter, the Company shall, subject to compliance with all provisions of this Article, shall receive an annual adjustment in of the Service Rates as set forth in Exhibit 1 of this Agreement.

6.2.2 RRI Adjustment. Beginning on January 1, 2012, and annually thereafter during the term of this Agreement, the Service Rates set forth in Section 6.2.1 above shall be adjusted by the RRI adjustment set forth below. In any year that the calculation of the RRI results in a negative number, there shall be no adjustment of the Service Rates. Instead, the negative RRI number shall be added to the result of the subsequent years RRI calculation and the result shall be the RRI adjustment for that subsequent year.

6.2.3 12-Month Annual Average. The RRI adjustment shall be the sum of the weighted percentage change in the twelve (12) month annual average of each RRI index number between the base year, which shall be the prior preceding fiscal year ending June 30th and the preceding fiscal year ending June 30th as contained in the most recent release of the source documents listed in Exhibit 2, ("REFUSE RATE INDEX") which is attached to and included in this Agreement. Therefore, the first Service Rate adjustment will be based on the percentage changes between the twelve (12) month Annual Average of the RRI indices for the fiscal year ending June 30, 2010 and the Annual Average of the RRI indices for the fiscal year ending June 30, 2011. The RRI shall be calculated using the RRI methodology included in Exhibit 2.

6.3 RRI Financial Information

On or before September 1, 2011, and annually thereafter during the term of this Agreement, the Company shall deliver to the District financial information for the specific services performed under this Agreement for the preceding Agreement Year. Such financial information shall be in the format as set forth in Exhibit 2, or as may be further revised by the District from time to time. If the Company fails to submit the

Attachment 1

1 financial information in the required format by September 1st, it is agreed that the
2 Company shall be deemed to have waived the RRI adjustment for that year. The
3 Company's failure to provide the financial information shall not preclude the District
4 from applying the RRI using the prior year's financial data, or pro forma data if no prior
5 year financial data is available, if that application would result in a negative RRI.

6 **6.3.1** Annual Adjustments shall be made only in units of one cent (\$0.01). Fractions of
7 less than one cent (\$0.01) shall not be considered in making adjustments. The
8 indices shall be truncated at four (4) decimal places for the adjustment
9 calculations.

10 **6.3.2** If the Company's failure to submit the financial information required under
11 Section 6.3 is the result of extraordinary or unusual circumstances as
12 demonstrated by the Company to the satisfaction of the District Manager-
13 Engineer, the District at its sole discretion, may consider the request for the
14 annual RRI rate adjustment.

15 **6.3.3** As of November 15, 2011, and annual thereafter during the term of this
16 Agreement, the District Manager-Engineer shall notify the Company of the RRI
17 adjustment to the affected service rates to take place on the subsequent January
18 1st.

19 **6.4 Recyclable Materials Balancing Account**

20 Because of the variation of Recyclable Materials commodity prices, the District and the
21 Company agree to use the Recyclable Materials Balancing Account as described in
22 Exhibit 7.

23 **6.5 District or Company Requested Detailed Rate Review**

24 The District or the Company may request a Detailed Rate Review to be conducted
25 following the procedures as specified in Exhibit 8. However, a Detailed Rate Review
26 shall not be conducted more than once every three (3) Agreement years. A request for a
27 Detailed Rate Review shall be made in writing at least six months prior to the January 1st
28 rate adjustment period for the year in which the results for the Detailed Rate Review are
29 to be applied. The Company shall pay the cost for the Detailed Compensation Review,
30 and the cost of such a Detailed Rate Review is an allowable pass-through cost.

31

Attachment 2

EXHIBIT 2 Refuse Rate Index

The "Refuse Rate Index" adjustment shall be calculated in the following manner:

1. The expenses of providing Collection Services in the Service Area for the designated fiscal period (July to June) shall be prepared in the format set forth in the Operating Cost Statement - Description on the following page of this Exhibit.
2. The expenses of providing Collection Services in the Service Area shall be broken down into one of the following seven cost categories: Labor; Fuel; Vehicle Replacement; Maintenance, Disposal Fee, Organic Waste Processing fee, and All Other. Each cost category is assigned a weighted percentage factor on that cost category's proportionate share of the total of the costs shown for all cost categories.
3. The following indices are used to calculate the adjustment for each cost category of the Service Rates. The change in each index is calculated on a twelve-month fiscal period (July to June). The twelve-month average index from July 2010 to June 2011 will serve as the "First Year Index".

Cost Category

Index

Labor

Series ID: ceu6056210008 Production Workers-Waste Collection

Fuel

California No 2 Diesel Ultra Low Sulfur (0-15 ppm)
<http://tonto.eia.doe.gov/oog/info/wohdp/diesel.asp>

Vehicle Replacement

Series ID: pcu336211336211 Truck, bus, car and other vehicles bodies, for sale separately.

Vehicle Maintenance

Series ID: pcu333924333924 Parts and attachments for Industrial work trucks.

Disposal Fee

The per ton tip fee charged at the Disposal Facility.

Organic Waste Processing Fee

The per ton tip fee charged at the approved Organic Waste Processing Facility.

All Other

Consumer Price Index, Series ID: CUURA422SA0
CPI-All Urban Consumers, All Items, San Francisco,

4. The percentage weight for each cost category is multiplied by the change in each appropriate index to calculate a weighted percentage for each cost category. The weighted percentage changes for each cost category are added together to calculate the Refuse Rate Index for the Service Rates in Exhibit 1.

Attachment 2

EXHIBIT 2 Refuse Rate Index

Operating Cost Statement - Description	
Operating Costs	
Labor:	List all administrative, officer, operation and maintenance salary accounts. List payroll tax accounts directly related to the above salary accounts.
Fuel:	List all fuel and oil accounts.
Vehicle	
Replacement:	List all Collection and Collection related vehicle depreciation accounts. List all vehicle lease or rental accounts related to Collection or Collection related vehicles.
Vehicle	
Maintenance:	List all Collection or Collection related vehicle parts accounts.
Disposal Fee:	List all Landfill Disposal related accounts.
Organic Waste Processing Fee:	List all Organic Waste Processing related accounts.
All Other:	List all other expense accounts related to the services provided under this Contract. This category includes all insurance including general liability, fire, truck damage, extended coverage and employee group medical and life; rent on property, truck licenses and permits; real and personal property taxes; telephone and other utilities; employee uniforms; safety equipment; general yard repairs and maintenance; office supplies; postage; trade association dues and subscription; advertising; employee retirement or profit sharing contributions; and miscellaneous other expenses.

Attachment 3

Rate Year 2016 Rate Adjustment Calculation

Cost Category	1-1-15 Rate Rev Base Breakdown	7-01-14 to 6-30-15 Change In Index	Percentage Weight for Each Cost Category	Weighted Percentage Change for Each Cost Category
Labor	\$2,441,597	2.640%	23.810%	0.63%
Fuel	\$694,271	-13.500%	6.770%	-0.91%
Vehicle Replacement	\$468,289	1.870%	4.570%	0.09%
Vehicle Maintenance	\$293,443	3.230%	2.860%	0.09%
Disposal Fee	\$1,547,536	1.530%	15.090%	0.23%
Organic Waste Processing Fee	\$524,219	1.530%	5.110%	0.08%
Other operating costs	\$4,285,430	2.680%	41.790%	1.12%
Total allowed operating costs	\$10,254,785		100.000%	1.33%
Refuse Rate Index Adjusted for Balancing Account				1.33%

Note:

R3 reduced this value from 3.25% based on an updated BLS index value. Because this change was very minor, there was no impact on the overall calculated adjustment.

Note:

R3 reduced this value from -4.370% to -13.500% due to an incorrect formula used by NDS in their index calculations. This resulted in the overall rate adjustment percentage being reduced from 1.94% to 1.33%.

Attachment 3

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Attachment 4

Exhibit 7 Recyclable Materials Balancing Account

1. Recyclable Material Per Ton Net Revenue Amount.

Fair Market Value - For purposes of forecasting recyclable material net revenues for 2008, the Company shall use the calculated fair market value of recyclable material revenues for 2006, which shall equal the annual total of the fair market value for such material for each month times the associated monthly tonnage collected or received by the Company for calendar year 2006, times any applicable growth rate (the 2006 Projected Revenues). A similar methodology will be used for purposes of forecasting recyclable material sales revenues for subsequent years. That fair market value shall be calculated as follows:

- a. The fair market value of net revenue paid by related parties to the Company for recyclable materials net of processing costs, and any and all other costs (the Per Ton Net Revenue Amount), shall initially be set at \$44.85 per ton effective July 2005. This initial Per Ton Net Revenue Amount will be adjusted on a monthly basis, as described below.
- b. The prior month Per Ton Net Revenue Amount shall be adjusted for purposes of establishing the Per Ton Net Revenue Amount for the current month based on changes to the Official Board Markets Transacted Paper Stock Prices (OBM Index Prices) as reported for "San Francisco" as follows:
 - i. The starting point for the Per Ton Net Revenue Amount shall be \$44.85 per ton effective July 2005.
 - ii. The Per Ton Net Revenue Amount shall be adjusted monthly based on changes to the OBM Index Prices for Mixed Paper, #8 Newspaper and OCC as reported in the first weekly OBM issue of each month. The OBM Index Prices for each of these commodities shall be set at the average of the high and low prices reported each month, which are \$67.50, \$87.50 and \$87.50 respectively for July 2005.
 - iii. The weighted average percentages for Mixed Paper, #8 Newspaper and OCC for purposes of applying the OBM Index Prices shall be 46%, 46% and 8% respectively.
 - iv. Every month, one hundred percent (100%) of the weighted average O.B.M. index price adjustment (up or down) compared to the previous month shall be added or subtracted from the prior month Per Ton Revenue Amount for purposes of establishing the Per Ton Revenue Amount for each month.
- c. Example: The OBM Index Price adjustments from July 2005 to August 2005 for Mixed Paper, #8 Newspaper and OCC were -\$10/ton, -\$5/ton and -\$10/ton respectively. Applying the above referenced weighted average by material type, the price change July to August is -\$9.00/ton. The Per Ton Net Revenue Amount for July 2005 would decrease from \$44.85 to \$35.85 which is the Per Ton Net Revenue Amount for August 2005.

Exhibit 7
Recyclable Materials Balancing Account

- d. The calculated Per Ton Net Revenue Amount for each month shall be applied to all tonnages collected or received by the Company through the recycling program and delivered to related parties for processing for that month, including any and all processing residue, contaminants, non-processable or other material tonnages.
- e. Notwithstanding any provision of this Agreement to the contrary, at no time shall the Per Ton Net Revenue Amount paid by a related party be less than \$10 per ton (The Floor Price) nor more than \$80 per ton (The Ceiling Price) – The Floor Price and Ceiling Price shall be adjusted for the full impact of any change in the CRV value as provided for below.
- f. In the event of any future changes to the California Redemption Value (CRV) paid by the State of California, the Per Ton Net Revenue Amount shall be adjusted to account for that relative impact on the Per Ton Net Revenue Amount. That impact shall be determined by multiplying the total applicable CRV tons for the prior 12 months times the applicable net change in CRV per ton revenue to project the total additional annual CRV revenue. This total additional annual CRV revenue shall then be divided by the total tonnage collected or received by the Company through the recycling program for the prior 12 months to determine the net additional per ton revenue amount that shall be added to the calculated Per Ton Net Revenue Amount going forward. The parties agree that should the CRV value be adjusted on or after July 1, 2007, as provided for in the California Beverage Container Recycling and Litter Reduction Act, allowances will be made to the rates that are set for 2008 and beyond to fully account for this change, notwithstanding any provision of this Agreement to the contrary.

2. Balancing Account Calculation for Recyclable Materials.

Because of the potential volatility of recyclable material prices, the District and the Company agree to establish a Balancing Account for recyclable material sales revenue. The Balancing Account amount will be based on the difference between the projected revenues for each year (as calculated using the above methodology) and the calculated revenues for that year (i.e., the annual total of the actual monthly tonnage times the calculated Per Ton Revenue Amount for each month using the methodology described above).

- a. For purposes of tracking the Balancing Account amount, the Company shall provide the District with an annual report that includes:
 - i. A copy of the OBM Index Prices as reported in the first issue of each month;
 - ii. The total commingled recyclable tonnage delivered to any related party for processing;
 - iii. The calculated current month Per Ton Revenue Amount and the calculation used to determine that amount;
 - iv. The total monthly Calculated Revenue equal to the total tonnage collected or

Attachment 4

Exhibit 7 Recyclable Materials Balancing Account

- received by the Company through the recycling program and delivered to the related parties for processing times the calculated monthly Per Ton Revenue Amount); and
- v. All prior year to date monthly figures for the calendar year for items (ii) through (iv) above.
- b. The net cumulative Balancing Account amount for 2008 through 2011 shall be accounted for in full in setting the rates for Calendar Year 2013 as follows:
 - i. The net cumulative Balancing Account will be divided by five (to account for rates in 2013, 2014, 2015, 2016 and 2017) (the annualized Balancing Account amount);
 - ii. The Company's fiscal year 2011 audited financial statement rate revenue will be divided by the annualized Balancing Account amount to calculate the annualized Balancing Account rate adjustment; and
 - c. The calculated RRI rate adjustment for 2013 will be adjusted up (if the Balancing Account amount is due to the Company) or down (if the Balancing Account amount is due to the District) by the annualized Balancing Account rate adjustment, which shall be carried forward through rate year 2016.
 - d. The net cumulative Balancing Account amount for 2012 through 2016 shall be accounted for in full in setting the rates for Calendar Year 2018 by dividing that amount by five (to account for rates in 2018, 2019, 2020, 2021 and 2022) and applying the same rate adjustment methodology specified for Calendar Year 2013 in Section 6.6.6.2.2 above.
 - e. The net cumulative Balancing Account amount for 2017 through 2021 shall be accounted for in full in setting the rates for Calendar Year 2023 by dividing that amount by three (to account for rates in 2023, 2024 and 2025) and applying the same rate adjustment methodology specified for Calendar Year 2013 in Section 6.6.6.2.2 above.
 - f. The cumulative balancing account amount for Calendar Years 2022 through 2025 shall be paid by the applicable party to the other party in no less than equal annual payments over a period of no more than four years starting January 1, 2026, without interest.
 - g. In the event that a Detailed Rate Review is conducted the impact of the Balancing Account will be factored into the associated rate adjustment for that year in the same manner specified for Calendar Year 2013 in Section 6.6.6.2.2 above.
 - h. Exit Clause. -The parties agree that the proposed methodology is intended to provide a reasonable projection of the fair market value of revenues paid by third parties to the Company. Recyclable material commodity prices can, however, be extremely volatile and factors other than those accounted for in the proposed methodology may impact the fair market value of revenues. To provide a contingency for such potential

Attachment 4

Exhibit 7 Recyclable Materials Balancing Account

events, each party shall have the right to terminate the use of the methodology for establishing the monthly Per Ton Revenue Amount described in this Section at any time during the term of this Agreement at either party's sole discretion. The notification shall be in writing and shall be effective thirty calendar days after receipt. The exercising of said option shall not remove either party's obligation to the other party for any Balancing Account balance at the time said option is exercised and becomes effective.

- i. In the event that either party exercises its option to terminate the methodology for establishing the Per Ton Revenue Amount, the parties agree to negotiate a new methodology that is acceptable to both parties. In the event that the parties cannot agree on acceptable changes to the methodology, the fair market value will be based on a review of actual related recyclable material sales revenues and related processing expenses.

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Attachment 5

	OBM Per Ton Revenue Amount	Ceiling / Floor Price	CRV Per Ton Adjustment	Per Ton Net Revenue Amount	San Francisco OBM Prices (average of high & low) ⁽¹⁾			Variance vs. Prior Month			Price Adjustment		Total Tons	Total Revenue
					Mixed Paper	#8 NP	OCC	Mixed Paper	#8 NP	OCC	100%	Total Tons		
2012														
Jan	\$70.50		\$4.19	\$74.69	\$82.50	\$120.00	\$135.00	\$4.60	\$55.20	\$10.79	\$70.60	933	\$ 69,685	
Feb	\$73.60		\$4.19	\$77.79	\$87.50	\$120.00	\$145.00	\$2.30	\$0.00	\$0.80	\$3.10	859	\$ 66,820	
Mar	\$73.60		\$4.19	\$77.79	\$87.50	\$120.00	\$145.00	\$0.00	\$0.00	\$0.00	\$0.00	1,001	\$ 77,866	
Apr	\$73.60		\$4.19	\$77.79	\$87.50	\$120.00	\$145.00	\$0.00	\$0.00	\$0.00	\$0.00	924	\$ 71,877	
May	\$72.80		\$4.19	\$76.99	\$87.50	\$120.00	\$135.00	\$0.00	\$0.00	-\$0.80	-\$0.80	968	\$ 74,526	
Jun	\$71.60		\$4.19	\$75.79	\$87.50	\$120.00	\$120.00	\$0.00	\$0.00	-\$1.20	-\$1.20	1,051	\$ 79,655	
Jul	\$68.90		\$4.19	\$73.09	\$82.50	\$120.00	\$115.00	-\$2.30	\$0.00	-\$0.40	-\$2.70	1,162	\$ 84,931	
Aug	\$52.00		\$4.19	\$56.19	\$67.50	\$100.00	\$105.00	-\$6.90	-\$9.20	-\$0.80	-\$16.90	1,013	\$ 56,920	
Sep	\$38.35		\$4.19	\$42.54	\$52.50	\$87.50	\$92.50	-\$6.90	-\$5.75	-\$1.00	-\$13.65	900	\$ 38,286	
Oct	\$50.85		\$4.19	\$55.04	\$67.50	\$97.50	\$105.00	\$6.90	\$4.60	\$1.00	\$12.50	1,054	\$ 58,012	
Nov	\$60.10		\$4.19	\$64.29	\$77.50	\$105.00	\$120.00	\$4.60	\$3.45	\$1.20	\$9.25	1,096	\$ 70,461	
Dec	\$54.70		\$4.19	\$58.89	\$72.50	\$100.00	\$110.00	-\$2.30	-\$2.30	-\$0.80	-\$5.40	1,052	\$ 61,952	

2012 Balancing Account Calculated Revenues =	\$ 810,991
2012 Projected Recyclable Materials Revenue =	542,420
July 1, 2007 CRV Adjustment =	40,664
Total 2012 Balancing Account Projected Revenues =	583,084
2012 Balancing Account Due to District (Company)	227,907

NET BALANCING ACCOUNT FOR 2012-2012 DUE TO DISTRICT (COMPANY) = 227,907

2013														
Jan	\$54.70		\$4.19	\$58.89	\$72.50	\$100.00	\$110.00	\$0.00	\$0.00	\$0.00	\$0.00	1,092	\$ 64,307	
Feb	\$59.70		\$4.19	\$63.89	\$82.50	\$100.00	\$115.00	\$4.60	\$0.00	\$0.40	\$5.00	927	\$ 59,226	
Mar	\$60.50		\$4.19	\$64.69	\$82.50	\$100.00	\$125.00	\$0.00	\$0.00	\$0.80	\$0.80	1,010	\$ 65,336	
Apr	\$60.50		\$4.19	\$64.69	\$82.50	\$100.00	\$125.00	\$0.00	\$0.00	\$0.00	\$0.00	1,054	\$ 68,182	
May	\$52.80		\$4.19	\$56.99	\$72.50	\$95.00	\$115.00	-\$4.60	-\$2.30	-\$0.80	-\$7.70	1,091	\$ 62,175	
Jun	\$49.35		\$4.19	\$53.54	\$72.50	\$87.50	\$115.00	\$0.00	-\$3.45	\$0.00	-\$3.45	1,027	\$ 54,985	
Jul	\$49.75		\$4.19	\$53.94	\$72.50	\$87.50	\$120.00	\$0.00	\$0.00	\$0.40	\$0.40	1,078	\$ 58,146	
Aug	\$45.55		\$4.19	\$49.74	\$67.50	\$82.50	\$125.00	-\$2.30	-\$2.30	\$0.40	-\$4.20	1,020	\$ 50,733	
Sep	\$45.55		\$4.19	\$49.74	\$67.50	\$82.50	\$125.00	\$0.00	\$0.00	\$0.00	\$0.00	960	\$ 47,749	
Oct	\$45.55		\$4.19	\$49.74	\$67.50	\$82.50	\$125.00	\$0.00	\$0.00	\$0.00	\$0.00	1,016	\$ 50,534	
Nov	\$45.55		\$4.19	\$49.74	\$67.50	\$82.50	\$125.00	\$0.00	\$0.00	\$0.00	\$0.00	978	\$ 48,644	
Dec	\$40.15		\$4.19	\$44.34	\$62.50	\$77.50	\$115.00	-\$2.30	-\$2.30	-\$0.80	-\$5.40	1,091	\$ 48,373	

2013 Balancing Account Calculated Revenues =	\$ 678,389
2013 Projected Recyclable Materials Revenue =	542,420
July 1, 2007 CRV Adjustment =	40,664
Total 2013 Balancing Account Projected Revenues =	583,084
2013 Balancing Account Due to District (Company)	95,305

NET BALANCING ACCOUNT FOR 2012-2013 DUE TO DISTRICT (COMPANY) = 323,212

2014														
Jan	\$37.85		\$4.19	\$42.04	\$62.50	\$72.50	\$115.00	\$0.00	-\$2.30	\$0.00	-\$2.30	906	\$ 38,087	
Feb	\$38.25		\$4.19	\$42.44	\$62.50	\$72.50	\$120.00	\$0.00	\$0.00	\$0.40	\$0.40	1,089	\$ 46,215	
Mar	\$38.25		\$4.19	\$42.44	\$62.50	\$72.50	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	1,006	\$ 42,693	
Apr	\$37.45		\$4.19	\$41.64	\$62.50	\$72.50	\$110.00	\$0.00	\$0.00	-\$0.80	-\$0.80	1,042	\$ 43,387	
May	\$37.45		\$4.19	\$41.64	\$62.50	\$72.50	\$110.00	\$0.00	\$0.00	\$0.00	\$0.00	1,068	\$ 44,470	
Jun	\$37.45		\$4.19	\$41.64	\$62.50	\$72.50	\$110.00	\$0.00	\$0.00	\$0.00	\$0.00	1,052	\$ 43,804	
Jul	\$37.45		\$4.19	\$41.64	\$62.50	\$72.50	\$110.00	\$0.00	\$0.00	\$0.00	\$0.00	1,089	\$ 45,344	
Aug	\$37.45		\$4.19	\$41.64	\$62.50	\$72.50	\$110.00	\$0.00	\$0.00	\$0.00	\$0.00	1,009	\$ 42,013	
Sep	\$36.65		\$4.19	\$40.84	\$62.50	\$72.50	\$100.00	\$0.00	\$0.00	-\$0.80	-\$0.80	983	\$ 40,145	
Oct	\$36.25		\$4.19	\$40.44	\$62.50	\$72.50	\$95.00	\$0.00	\$0.00	-\$0.40	-\$0.40	1,093	\$ 44,200	
Nov	\$36.25		\$4.19	\$40.44	\$62.50	\$72.50	\$95.00	\$0.00	\$0.00	\$0.00	\$0.00	968	\$ 39,145	
Dec	\$36.05		\$4.19	\$40.24	\$62.50	\$72.50	\$92.50	\$0.00	\$0.00	-\$0.20	-\$0.20	1,292	\$ 51,990	

2014 Balancing Account Calculated Revenues =	\$ 521,493
2014 Projected Recyclable Materials Revenue =	542,420
July 1, 2007 CRV Adjustment =	40,664
Total 2014 Balancing Account Projected Revenues =	583,084
2014 Balancing Account Due to District (Company)	(61,591)

NET BALANCING ACCOUNT FOR 2012-2014 DUE TO DISTRICT (COMPANY) = 261,621

⁽¹⁾ First weekly OBM issue of each month
 Floor per ton = \$10.00 Max = \$80.00 (to be adjusted for any change in CRV)

TABLE A: Comparison of 2015 Solid Waste Rates, Marin County only

	Agency/Area	Residential rate, 32 gal can
1.	a. Novato (2015)	\$19.08
	b. Novato (2016 - proposed)	\$19.33
2.	Almonte	\$28.33
3.	Las Gallinas (unincorporated)	\$28.02
4.	Homestead	\$30.56
5.	Strawberry	\$30.94
6.	Ross	\$30.65
7.	San Rafael (level)	\$32.05
8.	Fairfax (level)	\$32.18
9.	Corte Madera (level)	\$32.47
10.	Ross Valley South	\$34.24
11.	Tamalpais CSD	\$36.13 (35 gl.)
12.	San Anselmo	\$34.64
13.	Larkspur (level)	\$35.21
14.	Ross Valley North Oak Manor	\$36.22
15.	Sausalito	\$38.40
16.	Alto	\$37.55
18.	County #2	\$38.63
19.	Ross Valley North Sleepy Hollow	\$37.40
20.	County #1	\$39.58
21.	Tiburon (level)	\$39.02
22.	Belvedere	\$46.25
23.	County #3	\$46.61
24.	County #4	\$48.66
25.	Mill Valley (level)	\$41.61

**TABLE B: RESIDENTIAL & COMMERCIAL COLLECTION RATES – JULY 2015
RATE COMPARISON WITH OTHER AGENCIES**

Agency	Franchise Fee, %	Type	Residential 32 gal can/wk Monthly rates (1) (2)	2 yd Bin Weekly Dump Monthly fee	3 yd Bin 1/wk
Corte Madera	20	Level Hill	32.47 34.93	303.65	
Fairfax	10	Level Hill	32.18 37.59	316.30	443.55
Larkspur	10	Level Hill	35.21 37.92	343.58	448.94
Las Gallinas (County/Novato Portion – City now included in San Rafael)	\$25,000		28.02	n/a	405.86
Mill Valley	17 + 3 road impact	Level Hill	41.61 47.73	368.57	
Petaluma	\$500,000+ \$250,000 road impact		16.67 35 gl	290.87	389.19
San Anselmo	10		34.64	394.74	568.55
San Rafael	10	Level Hill	32.05 36.31	304.20	395.94
Santa Rosa	11		14.81	268.19	329.49
Sausalito	15		38.40	303.60	
Tiburon	14	Level Hill	39.02 46.47	371.47	
Novato: 2015	\$50,962 (adjusts with CPI)		19.08 (32 gal)	197.06	248.56

Notes:

1. All rates include a charge for recycling, hazardous waste, curbside green waste collection, and food composting.
2. Sausalito rates include street sweeping, 2 clean-ups/yr, and City services.
3. Corte Madera and Tiburon rates include street sweeping and 4 clean-ups/yr. Mill Valley rates include street sweeping and 2 clean-ups/yr.
4. Santa Rosa rates include street sweeping and 4 clean-ups/yr. Petaluma rates include street sweeping and 4 clean-ups/yr.
5. Novato rates include food waste composting and 4 clean-ups/yr.

TABLE C: HISTORY OF NOVATO DISPOSAL SERVICE SOLID WASTE RATE INCREASES – 2005 - 2015

DATE	INCREASE	REASON
January 1, 2015	3.00%	Based on Refuse Rate Index (RRI) adjustment of 1.94% and account migration adjustment of 1.06%.
January 1, 2014	1.63%	Annual adjustment based on changes in Refuse Rate Index (RRI).
2013	None	
January 1, 2012	2.43%	Annual adjustment based on changes in Refuse Rate Index (RRI).
January 1, 2011	3.34%	Annual adjustment based on changes in Refuse Rate Index (RRI).
2010	None	
January 1, 2009	8.00%	Annual adjustment based on changes in Refuse Rate Index (RRI).
July 1, 2008	0.56%	Increase of 1.12% effective July 1, 2008 representing annual increase of 0.56% pro-rated over 6 months. Based on detailed audited financial statements; replacing fleet with split-body trucks; eliminating free service to governmental agencies; reducing debris box fees.
April 1, 2007	7.44%	Increase of 9.92% effective April 1, 2007 representing annual increase of 7.44% pro-rated over 9 months. Based on changes in Refuse Rate Index (RRI).
January 1, 2006	2.94%	Increase in pass-through costs and operating cost increase.
July 1, 2005	1.30%	Increase of 2.60% effective July 1, 2005 representing annual increase of 1.3% pro-rated over 6 months. Based on CPI, increased fuel costs, AB 939, JPA fees.

TABLE D: REFUSE DISPOSAL RATES

RATE CLASSIFICATION	Maximum Monthly Fees	Maximum Monthly Fees	(est. 1.33 % increase) Maximum Monthly Fees
	Effective 1/1/14	Effective 1/1/15	Effective 1/1/16
Single Family residential:			
1 20 Gal. can collected weekly	\$11.58	\$11.93	\$12.09
1 32 Gal. can collected weekly	\$18.52	\$19.08	\$19.33
1 68 Gal. can collected weekly	\$37.02	\$38.13	\$38.64
1 95 Gal. can collected weekly	\$55.55	\$57.22	\$57.98
Special Trips - Can not set out	\$11.55	\$11.90	\$12.05
Special Rate - Containers more than 50 feet from street (each 50 feet)	\$5.34	\$5.50	\$5.57
Extra Pickups	\$5.68	\$5.85	\$5.93
Additional 95 gl. Green Waste Carts after 2	\$17.62	\$18.15	\$18.39
Multi-family, mobile home parks, commercial/industrial:			
<u>32 Gallon</u>			
1 x week	\$20.06	\$20.66	\$20.94
2 x week	\$42.79	\$44.07	\$44.66
3 x week	\$65.44	\$67.40	\$68.30
6 x week	\$133.50	\$137.51	\$139.33
<u>68 Gallon</u>			
1 x week	\$38.50	\$39.66	\$40.18
2 x week	\$82.08	\$84.54	\$85.67
3 x week	\$125.51	\$129.28	\$130.99
6 x week	\$256.07	\$263.75	\$267.26
<u>95 Gallon</u>			
1 x week	\$57.75	\$59.48	\$60.27
2 x week	\$123.10	\$126.79	\$128.48
3 x week	\$188.26	\$193.91	\$196.49
6 x week	\$384.11	\$395.63	\$400.90
Extra Pickups	\$5.68	\$5.85	\$5.93
Debris Box Service:			
<u>2 Cu. Yd. Containers</u>			
1 x week	\$191.32	\$197.06	\$199.68
2 x week	\$335.80	\$345.87	\$350.47
3 x week	\$480.23	\$494.64	\$501.22
4 x week	\$624.61	\$643.35	\$651.90
5 x week	\$769.01	\$792.08	\$802.61
6 x week	\$913.40	\$940.80	\$953.31
The above rates include an allowance for container rental as follows:	\$46.93	\$48.34	\$48.98
Extra Pickups	\$52.24	\$53.81	\$54.52

(est. 1.33 % increase)

<u>RATE CLASSIFICATION</u>	<u>Maximum Monthly Fees</u> <u>Effective 1/1/14</u>	<u>Maximum Monthly Fees</u> <u>Effective 1/1/15</u>	<u>Maximum Monthly Fees</u> <u>Effective 1/1/16</u>
<u>3 Cu. Yd. Containers</u>			
1 x week	\$241.32	\$248.56	\$251.87
2 x week	\$419.94	\$432.54	\$438.29
3 x week	\$598.78	\$616.74	\$624.95
4 x week	\$777.39	\$800.71	\$811.36
5 x week	\$956.19	\$984.88	\$997.97
6 x week	\$1,134.86	\$1,168.91	\$1,184.45
The above rates include an allowance for container rental as follows:	\$62.64	\$64.52	\$65.38
Extra Pickups	\$52.24	\$53.81	\$54.52
<u>4 Cu. Yd. Containers</u>			
1 x week	\$314.20	\$323.63	\$327.93
2 x week	\$551.23	\$567.77	\$575.32
3 x week	\$788.39	\$812.04	\$822.84
4 x week	\$1,025.42	\$1,056.18	\$1,070.23
5 x week	\$1,262.55	\$1,300.43	\$1,317.72
6 x week	\$1,499.62	\$1,544.61	\$1,565.15
The above rates include an allowance for container rental as follows:	\$62.64	\$64.52	\$65.38
Extra Pickups	\$62.64	\$64.52	\$65.38
<u>6 Cu. Yd. Containers</u>			
1 x week	\$459.95	\$473.75	\$480.05
2 x week	\$813.81	\$838.22	\$849.37
3 x week	\$1,167.64	\$1,202.67	\$1,218.66
4 x week	\$1,521.43	\$1,567.07	\$1,587.91
5 x week	\$1,875.29	\$1,931.55	\$1,957.24
6 x week	\$2,229.12	\$2,295.99	\$2,326.53
The above rates include an allowance for container rental as follows:	\$62.64	\$64.52	\$65.38
Extra Pickups	\$104.47	\$107.60	\$109.04
<u>15 Cu. Yd. Containers</u>			
1 x week	\$2,017.31	\$2,077.83	\$2,105.46
2 x week	\$4,039.28	\$4,160.46	\$4,215.79
3 x week	\$6,056.60	\$6,238.30	\$6,321.27
The above rates include an allowance for container rental as follows:	\$62.64	\$64.52	\$65.38
Extra Pickups	\$465.89	\$479.87	\$486.25

<u>RATE CLASSIFICATION</u>	Maximum Monthly Fees <u>Effective 1/1/14</u>	Maximum Monthly Fees <u>Effective 1/1/15</u>	(<i>est. 1.33 % increase</i>) Maximum Monthly Fees <u>Effective 1/1/16</u>
Cleanup Bins:			
3 yd. - 2 days	\$168.63	\$173.69	\$176.00
3 yd. - weekend	\$168.63	\$173.69	\$176.00
6 yd. - 2 days	\$284.31	\$292.84	\$296.73
6 yd. - weekend	\$284.31	\$292.84	\$296.73
15 - yd. up to 3 T - one week	\$465.89	\$479.87	\$486.25
20 yd. up to 3 T - one week	\$522.82	\$538.50	\$545.67
30 yd. up to 4 T - one week	\$872.39	\$898.56	\$910.51
Additional/ton charge for cleanup bins	\$56.46	\$58.15	\$58.93
Occasional or irregular collections per 5 cubic feet	\$5.68	\$5.85	\$5.93
Special collections other than debris box - plus regular rate	\$24.06	\$24.78	\$25.11
Special collections for debris boxes - plus regular rate	\$52.27	\$53.84	\$54.55
Monthly charge for special collection conditions	\$11.33	\$11.67	\$11.83

RESOLUTION NO. 3092

**A RESOLUTION SETTING MAXIMUM SOLID WASTE SERVICE CHARGES
FOR
NOVATO DISPOSAL COMPANY
IN
NOVATO SANITARY DISTRICT**

WHEREAS, pursuant to A.B. 939 and the District's enabling act (California Health and Safety Code Sections 6400 and following) the District has authority to manage, control and supervise the solid waste stream originating from and/or being disposed of within its jurisdictional boundaries; and

WHEREAS, the District adopted Ordinance No 110 repealing Ordinance No. 27 and amendments thereto; and

WHEREAS, pursuant to Section 27.210 of Ordinance No. 110, the District may set the maximum fees to be charged by the Franchisee; and

WHEREAS, the District published a notice of its intention to consider modifications to the maximum solid waste service charges on October 15th and October 22nd, 2015, in the Marin Independent Journal; and

WHEREAS, the District held a Public Hearing at 6:00 P.M. on November 9, 2015 to hear all persons desiring to be heard; and

WHEREAS, the District finds that: (a) a rate adjustment to cover changes in the annual Refuse Rate Index (RRI) is justified; and (b) the rates listed in Table 1 are justified and appropriate under the Franchise methodology and the facts presented.

BE IT RESOLVED, by the Board of Directors of the Novato Sanitary District, Marin County, California, that the service charges that the Franchisee, Novato Disposal Service, may charge for refuse collection services as of January 1, 2016, are limited to the maximum rates as listed in attached Table 1.

BE IT FURTHER RESOLVED that these maximum rates shall remain in effect until further action by the Board of Directors.

* * * * *

I hereby certify that the foregoing resolution was duly and regularly passed and adopted by the Board of Directors of the Novato Sanitary District, Marin County, California, at a meeting thereof duly held on the 9th day of November, 2015, by the following vote:

AYES, and in favor thereof, Members:

NOES, Members: None

ABSENT, Members: None

President, Board of Directors
Novato Sanitary District

ATTEST:

(SEAL)

Secretary

**TABLE 1:
REFUSE COLLECTION RATES**

<u>RATE CLASSIFICATION</u>	<u>Maximum Monthly Fees Effective 1/1/16</u>
<i>Single Family residential:</i>	
1 20 Gal. can collected weekly	\$12.09
1 32 Gal. can collected weekly	\$19.33
1 68 Gal. can collected weekly	\$38.64
1 95 Gal. can collected weekly	\$57.98
Special Trips - Can not set out	\$12.05
Special Rate - Containers more than 50 feet from street (each 50 feet)	\$5.57
Extra Pickups	\$5.93
Additional 95 gl. Green Waste Carts after 2	\$18.39
<i>Multi-family, mobile home parks, commercial/industrial:</i>	
<u>32 Gallon</u>	
1 x week	\$20.94
2 x week	\$44.66
3 x week	\$68.30
6 x week	\$139.33
<u>68 Gallon</u>	
1 x week	\$40.18
2 x week	\$85.67
3 x week	\$130.99
6 x week	\$267.26
<u>95 Gallon</u>	
1 x week	\$60.27
2 x week	\$128.48
3 x week	\$196.49
6 x week	\$400.90
Extra Pickups	\$5.93
<i>Debris Box Service:</i>	
<u>2 Cu. Yd. Containers</u>	
1 x week	\$199.68
2 x week	\$350.47
3 x week	\$501.22
4 x week	\$651.90
5 x week	\$802.61
6 x week	\$953.31
The above rates include an allowance for container rental as follows:	\$48.98
Extra Pickups	\$54.52

Maximum Monthly Fees
Effective 1/1/16

RATE CLASSIFICATION

3 Cu. Yd. Containers

1 x week	\$251.87
2 x week	\$438.29
3 x week	\$624.95
4 x week	\$811.36
5 x week	\$997.97
6 x week	\$1,184.45
The above rates include an allowance for container rental as follows:	\$65.38
Extra Pickups	\$54.52

4 Cu. Yd. Containers

1 x week	\$327.93
2 x week	\$575.32
3 x week	\$822.84
4 x week	\$1,070.23
5 x week	\$1,317.72
6 x week	\$1,565.15
The above rates include an allowance for container rental as follows:	\$65.38
Extra Pickups	\$65.38

6 Cu. Yd. Containers

1 x week	\$480.05
2 x week	\$849.37
3 x week	\$1,218.66
4 x week	\$1,587.91
5 x week	\$1,957.24
6 x week	\$2,326.53
The above rates include an allowance for container rental as follows:	\$65.38
Extra Pickups	\$109.04

15 Cu. Yd. Containers

1 x week	\$2,105.46
2 x week	\$4,215.79
3 x week	\$6,321.27
The above rates include an allowance for container rental as follows:	\$65.38
Extra Pickups	\$486.25

<u>RATE CLASSIFICATION</u>	<u>Maximum Monthly Fees</u> <u>Effective 1/1/16</u>
Cleanup Bins:	
3 yd. - 2 days	\$176.00
3 yd. - weekend	\$176.00
6 yd. - 2 days	\$296.73
6 yd. - weekend	\$296.73
15 - yd. up to 3 T - one week	\$486.25
20 yd. up to 3 T - one week	\$545.67
30 yd. up to 4 T - one week	\$910.51
Additional/ton charge for cleanup bins	\$58.93
Occasional or irregular collections per 5 cubic feet	\$5.93
Special collections other than debris box - plus regular rate	\$25.11
Special collections for debris boxes - plus regular rate	\$54.55
Monthly charge for special collection conditions	\$11.83

Marin Independent Journal

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2071871

NOVATO SANITARY DISTRICT
500 DAVIDSON ST
NOVATO, CA 94945-3328

**PROOF OF PUBLICATION
(2015.5 C.C.P.)**

**STATE OF CALIFORNIA
County of Marin**

I am a citizen of the United States and a resident of the County aforesaid: I am over the age of eighteen years, and not a party to or interested in the above matter. I am the principal clerk of the printer of the MARIN INDEPENDENT JOURNAL, a newspaper of general circulation, printed and published daily in the County of Marin, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Marin, State of California, under date of FEBRUARY 7, 1955, CASE NUMBER 25566; that the notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

10/15/2015, 10/22/2015

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated this 22th day of October, 2015.



Signature

PROOF OF PUBLICATION

Legal No. **0005595863**

NOTICE OF INTENTION TO CONSIDER MODIFICATIONS TO MAXIMUM SOLID WASTE SERVICE CHARGES

NOVATO SANITARY DISTRICT

NOTICE IS HEREBY GIVEN that it is the intention of the Board of Directors of the Novato Sanitary District to consider modification of the maximum solid waste service charges.

NOTICE IS FURTHER GIVEN that on Monday, November 9, 2015, at 6:00 PM at the regular meeting place of Novato Sanitary District, 500 Davidson Street, Novato, CA 94945 said Board will hear all persons desiring to be heard and shall consider adoption of the maximum solid waste service charges applying within the Novato Sanitary District.

BY ORDER OF THE BOARD OF DIRECTORS OF THE NOVATO SANITARY DISTRICT

Dated: October 13, 2015

/s/ Sandeep S. Karkal

Sandeep S. Karkal, Secretary
Novato Sanitary District
No. 1170 Oct 15, 22, 2015

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Capital Projects – Annual Treatment Plant/Pump Station Improvements: Olive Pump Station Re-roof Project, Project Work Order No. 72805-14-01.	MEETING DATE: November 9, 2015 AGENDA ITEM NO.: 7.a.
RECOMMENDED ACTION: Grant Final Acceptance of the Project, and authorize staff to file the Notice of Completion.	
SUMMARY AND DISCUSSION: <p>On September 22, 2014 the District’s Board of Directors awarded the Contract for the Olive Street Pump Station Re-Roof Project to Wedge Roofing for a low bid amount of \$43,800.00. Due to the long lead time on some of the materials and with winter approaching, the contractor requested delaying the project start date until spring time. This would also accommodate the completion of the Olive Street Pump Station Parallel Force Main Project.</p> <p>Work began on April 6, 2015 and was substantially completed on April 23, 2015. However, the completion of punch list work items and warranty inspections by the material manufacturer impacted project acceptance. At this time, the Contractor has completed the contract work and the project is ready for final acceptance. The final cost of the project is \$43,800.00, the amount of the original bid.</p> <p>There were no change orders on this project.</p> <p>It is recommended that final acceptance be granted and staff be authorized to file the Notice of Completion.</p>	
BUDGET INFORMATION: The FY15-16 budget for Account No. 72805 includes a budget amount of \$300,000, of which \$46,625.30 has been expended to date. \$41,610.00 of the contract amount for this work order was paid in the previous fiscal year leaving \$2,190.00 as 5% retention. Also under Account No. 72805, \$169,945.74 has been committed to the Ignacio Transfer Pump Station Site Improvements work (\$138,138.00) and a few other minor projects (\$31,807.74) to date.	
DEPT. MGR.: srk	GENERAL MANAGER: SSK

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Capital Projects: Maintenance Building, Account No. 73003 - Phase 1, Site Demolition, Project No. 73003-01.

MEETING DATE: November 9, 2015

AGENDA ITEM NO.: 7.b.

RECOMMENDED ACTION: Grant Final Acceptance of the Project, and authorize staff to file the Notice of Completion.

SUMMARY AND DISCUSSION:

On May 11, 2015 the District's Board of Directors awarded the Contract for the Maintenance Building Project, Phase 1, Site Demolition to West Bay Builders for a low bid amount of \$473,500.00. The Notice to Proceed was issued on July 10, 2015, and work was completed by the end of August 2015.

The Contractor has completed the work and the project is ready for final acceptance. Change Orders in the amount of \$6,047.00 were issued on this project. The final cost of the project is \$479,547.00 or 1.3% above the bid amount.

It is recommended that final acceptance be granted and staff be authorized to file the Notice of Completion.

BUDGET INFORMATION: The FY15-16 budget for Account No. 73003 includes a budget amount of \$740,000, of which \$457,210.65 has been expended to date. Also, under Account No. 73003, \$70,336.00 has been committed to geotechnical services during construction & engineering services for Phase 2 work; Site Utilities & Paving.

DEPT. MGR.: srk

GENERAL MANAGER: SSK

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Administration: Recruitment of Administrative/Risk Services Officer.	MEETING DATE: November 9, 2015 AGENDA ITEM NO.: 8.a.
RECOMMENDED ACTION: Approve job description, establish salary range, and authorize the General Manager to initiate recruitment for an Administrative/Risk Services Officer.	
SUMMARY AND DISCUSSION: <p>The District's FY 2015-16 budget anticipates that the District will recruit an Administrative Services Officer in the Administration and Engineering (A/E) Department.</p> <p>In reviewing the Department's workload, it was established that District's needs more closely fit the job description for an administrative/risk services position, particularly in the areas of risk management and safety. This position would be responsible for a wide variety of risk management and human resource functions, District insurance programs, liability investigation, loss prevention, and all aspects of employee safety. Human resource functions would include recruitment, policy and procedure development, employment law, labor negotiations, and employee training and certification. In addition, this position will serve as safety officer for the District and will be responsible for developing, coordinating, and overseeing implementation of safety and emergency preparedness programs; planning, organizing and directing the District's risk management and loss control functions, workers' compensation, claims administration; and special projects as required.</p> <p>Accordingly, staff proposes that the District initiate recruiting efforts to fill this position. A proposed job description is attached for the Board's approval.</p>	
BUDGET INFORMATION: The FY 2015-16 budget contains provisions for an Administrative Services Officer at Salary Range MC115 (\$8,492-\$10,323/month). The salary range for the proposed Administrative/Risk Services Officer would be at the same salary level.	
DEPT. MGR.: ssk	GENERAL MANAGER: SSK

NOVATO SANITARY DISTRICT ADMINISTRATIVE/RISK SERVICES OFFICER

*Class specifications are only intended to present a descriptive summary of the range of duties and responsibilities associated with specified positions. Therefore, specifications **may not include all** duties performed by individuals within a classification. In addition, specifications are intended to outline the **minimum** qualifications necessary for entry into the class and do not necessarily convey the qualifications of incumbents within the position.*

SUMMARY:

Under general direction of the District General Manager-Chief Engineer, the Administrative/Risk Services Officer is a single-position classification within the District responsible for planning, organizing and directing the District's human resource, risk management, loss control and prevention programs. This is a detail-oriented position requiring strong verbal and written communication skills, the ability to work independently, and solve problems across multiple technical disciplines.

ESSENTIAL DUTIES AND RESPONSIBILITIES:

- Monitor legislative and regulatory changes at the local, State, and Federal levels, as well as trends and innovations. Provide interpretation and update District staff on pertinent issues and act as liaison between the regulatory agencies and District management as necessary.
- Develop, implement and manage written policies, procedures, programs and associated documentation that fulfill regulatory requirements and support effective and efficient management.
- Recognize training needs, and develop and implement effective employee training and communication programs.
- Analyze statistics and trends, and prepare and present reports and other necessary correspondence to management and the Board of Directors.
- Prepare and make presentations before the employees, departments, the Board, community organizations, and other interested groups.
- Lead investigations of accidents, claims and near misses to determine causation and identify appropriate corrective actions.
- Anticipate, schedule, and coordinate pre-employment and periodic medical/ evaluations, DOT testing, hearing tests, employee training, program assessments, and compliance activities, ensuring certifications are current and associated records of such are maintained.
- Participate in activities, both inside and outside the District, developing professional networks, building alliances, developing valuable collaborative resources.
- Maintain professional and technical knowledge by attending educational workshops; reviewing professional publications; establishing personal networks; participating in professional societies.

Risk Management

- Develop, coordinate, and oversee implementation of a comprehensive occupational safety, health, injury and risk management program.
- Conduct assessments of the facilities and equipment to identify risks to the employees, community and the District.
- Develop and implement risk management strategies that fulfill regulatory requirements and support effective and efficient management of risks.
- Assume a lead role in resolving claims and other related matters filed against the District.
- Confer with claims adjusters and other consultants on the coordination of any investigations, site visits, repairs, etc. required as part of the claims handling process.

- Act as the liaison between the third-party administrator, medical providers, injured employees, and department supervisors on employee injury issues.
- Develop and manage a proactive return to work program and facilitate the interactive and reasonable accommodation processes.
- Manage the Department of Transportation fleet program to include licensing and employee medical evaluations.

Human Resources

- Administer employee relation functions, including recruiting, hiring, onboarding, performance management, employee complaints and allegations, and exit interviewing.
- Ensure planning, monitoring, and appraisal of employee work results by training managers to coach and discipline employees; scheduling management conferences with employees; hearing and resolving employee grievances; counseling employees and supervisors.
- Participate with management and staff in labor negotiations and oversee the administration of the Memorandum of Understanding.
- Act as a District Employee/Labor relations resource to employees and managers, ensuring that sound human resource practices are being followed in the implementation of Human Resource decisions.

Administration

- Coordinate and provide oversight of communications between the District and the public in various forms of media including newsletters, website or flyers.
- Ensure efficient, organized and secure electronic and hard copy records management by providing organizational direction in the coordination of the records and document management systems.
- Board related activities (attending meetings, meeting minutes, etc. as required).
- Monitor, prepare, file required notices for public hearings, project Notices of Completion, etc. with County of Marin, newspapers, etc. as required.

INTERPERSONAL & OTHER SKILLS:

- Establish and maintain cooperative professional relationships with all levels of staff, regulators, and members of the general public.
- Accept constructive criticism from supervisors and peers, to recognize the need for, and to seek assistance or clarification as needed.
- Maintain a high level of integrity and confidentiality when dealing with sensitive and complex issues.
- Present information effectively and respond to questions from all levels of staff, regulators, and members of the general public.
- Work independently to plan, organize, prioritize and execute work, and to manage multiple and concurrent projects effectively and efficiently.
- Read, analyze, and interpret general business periodicals, professional journals, technical procedures, and applicable laws, codes and regulations.
- Solve practical problems and deal with a variety of concrete variables in situations where only limited standardization exists.

- Apply mathematical concepts and use spreadsheet and database applications to construct, interpret and present statistical data.
- Prepare complex technical analyses and technical reports, business correspondence, training materials, policies and procedures.
- Demonstrate proficiency in computer systems and MS Office applications associated with performance of assigned work as well as basic problem solving skills associated with software applications.
- Maintain proficiency in effective training, communication and management techniques.

Management and Supervisory Responsibilities

This position may have supervisory responsibilities as assigned by the General Manager-Chief Engineer.

The position may have responsibility for the oversight and administration of projects including any associated contractors and consultant service contracts.

EDUCATION AND/OR EXPERIENCE:

Bachelor's degree (B.S. or B.A.) from an accredited college or university in a related field; extensive experience and knowledge or accepted certification in risk management, human resource management and/or occupational safety and health may be substituted for the educational requirements.

Seven (7) years of progressively responsible experience in managing occupational safety and health programs, injury management, risk management, and personnel administration. Relevant graduate level education may be substituted for up to 3 years of work experience.

WORK ENVIRONMENT:

The noise level in the work environment is usually moderate and typical of a business office with computers and printers operating. There will also be exposure to the hazards associated with industrial equipment, field operations and construction while performing inspections and facility/equipment assessments.

PHYSICAL DEMANDS:

While performing the duties of this job, the employee is regularly required to use hands and arms, handle, feel, and talk or hear in person or on the telephone or radio. An employee is required to sit for periods of time and frequently required to walk, kneel, crouch and climb ladders. The employee must be able to lift and/or move up 20 pounds, to shoulder height. Specific vision required by this job includes close vision, color vision, peripheral vision, and ability to adjust focus.

Completion of a medical and physical limitations examination administered by a licensed healthcare professional selected and paid by the District, to determine physical fitness for the job.

OTHER REQUIREMENTS:

Before being hired, all new employees will be required to show documentation as proof of authorization to work in the United States. A valid California motor vehicle driver's license and a good driving record consistent with requirements established by the District is a requirement of employment.