

# NOVATO SANITARY DISTRICT

Meeting Date: June 9, 2014

**The Board of Directors of Novato Sanitary District will hold a regular meeting at 6:00 p.m., Monday, June 9, 2014, 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](http://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. Consider approval of minutes of the May 27<sup>th</sup>, 2014 meeting.

5. **CONSENT CALENDAR:**

The Manager-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. Consider rejection of claim from Mr. Kurt Zembsch for vehicle damage allegedly sustained while driving over a manhole cover on Bolling Circle.
  - b. Approve regular disbursements.
  - c. Approve meeting schedule: July 14<sup>th</sup>, August 11<sup>th</sup>, and August 25<sup>th</sup>. Cancel meeting of July 28<sup>th</sup>.
6. **SOLID WASTE:**
    - a. Solid Waste Committee report.
    - b. Approve contract with DLJ Associates to provide AB939, household hazardous waste (HHW), and related services for FY2014-15 in the amount of \$120,161, and authorize the Manager-Engineer to execute it.

**7. BOARD OF DIRECTORS:**

- a. Appoint Secretary/Treasurer and Secretary Pro Tem for FY2014-15, and designate and authorize check signers for FY2014-15.

**8. BUDGET:**

- a. Presentation of the Preliminary Budget for fiscal years 2014-15 and 2015-16.
- b. Set the date of July 14, 2014 for the public hearing on individual sewer service charges and adoption of a resolution confirming report on sewer service charges.

**9. ADMINISTRATION:**

- a. Approve a new staff position of Field Services Manager, and direct the Manager-Engineer to appropriately eliminate the existing staff position of Field Services Superintendent.

**10. STAFF REPORTS:**

- a. Comprehensive Annual Financial Report (CAFR) Award.

**11. BOARD MEMBER REPORTS:**

- a. North Bay Watershed Association (NBWA) June meeting.

**12. MANAGER'S ANNOUNCEMENTS:**

**13. ADJOURN:**

Next resolution no. **3075**

**Next regular meeting date: Monday, June 23, 2014, 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.***

May 27, 2014

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Monday, May 27, 2014 at the District offices, 500 Davidson Street, Novato.

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

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

ALSO PRESENT: None

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as written.

PUBLIC COMMENT: None.

REVIEW OF MINUTES:

- Consider approval of minutes of the May 5<sup>th</sup> and May 12<sup>th</sup>, 2014 Board meetings.

*On motion of Director Miller, seconded by Director Peters and carried unanimously, the May 5 and May 12, 2014 Board meeting minutes were approved with the following vote: Ayes: Long, Mariani, Miller, Peters. Abstain: Butler. (Director Butler abstained as he was not seated as a Board Member when the meetings took place.)*

CONSENT CALENDAR:

*On motion of Director Peters, seconded by Director Long, and carried unanimously, the following Consent Calendar items were approved:*

- a. Approval of a contract in the not-to-exceed amount of \$75,000 with Duke's Root Control, Inc., and authorized the Manager-Engineer to execute it.
- b. Approval of regular disbursements in the amount of \$132,035.41, project account disbursements in the amount of \$78,516.97, and payroll and payroll related disbursements in the amount of \$215,112.02.
- c. Acceptance of Sewer Main Extension (SME) improvements from Valley Memorial Park and adoption of Resolution No. 3074: A Resolution Authorizing Acceptance of Easement from Valley Memorial Park.
- d. Approval of sewer main extension plans – Walnut Meadow Subdivision project.

BUDGET WORKSHOP:

- FY 2014-15 Budget Workshop: Outline FY 14-15 strategic issues and present preliminary Capital Improvements Program (CIP) budget. The Manager-Engineer

initiated a PowerPoint presentation and discussed strategic issues facing the District. He reviewed the District's upcoming National Pollutant Discharge Elimination System (NPDES) permit renewal process, the potential future loss of the District's reclamation area leased facilities, the District's participation in the Hamilton Wetlands/Outfall Reconfiguration study with the State Coastal Conservancy (SCC), and the District's role and participation in the North Bay Water Reuse Authority (NBWRA) and how these all issues are potentially interlinked.

At 7:10 p.m. President Mariani stated that the Board would take a short break.

At 7:17 p.m. President Mariani reconvened the Board meeting.

The Manager continued his PowerPoint presentation and discussed the District's staffing structure and his proposed adjustments to the organization chart. He then presented proposed budget items for FY14-15, and compared proposed revenue and expenditures for FY14-15 against expected revenue s and expenditures for FY 13-14. He reviewed elements of the District's Strategic Plan using an example of the District Collections System performance history, and how the proposed FY14-15 budget would address these elements. The Manager concluded the presentation with a discussion of the 2011-16 Preliminary Capital Improvements Program (CIP) expenditure projections and the preliminary FY14-16 CIP budget. The presentation ended at 8:15PM.

President Mariani requested that the memorandum which was included in the Board packet: *FY 2014-16 Preliminary Capital Improvement Program (CIP) Budget – Summary of Anticipated Project Work* be delegated to the Strategic Planning / New Facilities Committee. The Manager stated that he would schedule a meeting in early June of the Strategic Planning / New Facilities Committee to discuss the memorandum.

*On motion of Director Peters, seconded by Director Long and carried unanimously, the Board directed Manager-Engineer Karkal to schedule a Strategic Planning / New Facilities Committee meeting to discuss the Preliminary CIP Budget Summary.*

#### ADMINISTRATION:

- Approve proposed modification to budget amendment process and direct staff to develop a new policy for Board adoption. President Mariani read the recommended action and called for the vote.

*On motion of Director Long, seconded by Director Peters and carried unanimously, the Board approved the proposed modification to the budget amendment process and directed staff to develop a new policy for Board adoption.*

- Review Quarterly Revenue and Expenditure Report for period ended March 31, 2014. The Manager gave a brief overview of the report. The Board had no questions.

#### BOARD OF DIRECTORS:

- Confirm terms of office for President and President Pro-Tem, and Presidential appointment of Committee members, for remainder of FY 13-14 and FY 14-15.

*On motion of Director Long, seconded by Director Peters and carried unanimously, the Board confirmed the terms of Director Mariani as President, and Director Peters as President Pro-Tem, effective for the remainder of FY 13-14 as well as for FY 14-15.*

President Mariani discussed the committee assignments. Discussion followed. All Directors agreed to appointments as President Mariani outlined. All committees will become effective June 1, 2014 for the remainder of FY 13-14 as well as FY 14-15. The new committee assignments are as follows:

**A. Standing Committees:**

1. Joint City/District Solid Waste Committee:  
Jean Mariani  
Gary Butler  
Brant Miller, Alternate
2. Wastewater Operations Committee:  
Brant Miller  
Jerry Peters  
Jean Mariani, Alternate
3. Strategic Planning and New Facilities Committee:  
Gary Butler  
William C. Long  
Brant Miller, Alternate
4. Finance Committee:  
William C. Long  
Jerry Peters  
Gary Butler, Alternate

**B. Regular Committees:**

1. California Association of Sanitation Agencies:  
Jean Mariani, Delegate  
Jerry Peters, Alternate
2. California Sanitation Risk Management Authority:  
Sandeep Karkal, Delegate  
Brant Miller, Alternate
3. North Bay Water Reuse Authority:  
William C. Long, Delegate  
Jerry Peters, Alternate
4. North Bay Watershed Association:  
Brant Miller, Delegate  
Sandeep Karkal, Alternate

**C. Ad Hoc Committee Assignments:**

1. Ad Hoc Labor Relations:  
William C. Long  
Gary Butler

- Receive letter from "Implementation Review Committee, Marin Chapter California Grand Jurors Association", and review draft response. The Manager reviewed the letter received from the Implementation Review Committee and discussion followed. The Board unanimously agreed to respond and directed the Manager to finalize and send the proposed response letter.

- Receive and review proposed new bylaws, California Association of Sanitation Agencies (CASA). President Mariani read the recommended action and, there being no discussion by the Board, directed the Manager to return the completed and signed ballot approving the new proposed CASA bylaws.

- Receive and review proposed new bylaws, California Special Districts Association (CSDA). President Mariani read the recommended action and, there being no discussion by the Board, directed the Manager to return the completed and signed ballot approving the proposed updated CSDA bylaws.

COMMITTEE REPORTS:

- Wastewater Operations Committee.

President Mariani directed the Members attention to the Wastewater Operations report for April 2014. The Board had no comments or questions.

STAFF REPORTS:

None were presented.

BOARD MEMBER REPORTS:

None were presented.

MANAGER'S ANNOUNCEMENTS:

- The next regular Board meeting will be held on Monday, June 9<sup>th</sup> at 6:00 p.m.
- The Solid Waste Committee will be held on Thursday, May 29<sup>th</sup> at 3:00 p.m.
- A New Facilities/Strategic Planning Committee meeting will be scheduled for early June.

ADJOURNMENT: There being no further business to come before the Board, President Mariani adjourned the Board meeting at 8:30 p.m.

Respectfully submitted,

Sandeep S. Karkal  
Secretary

Julie Swoboda, Recording

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE:</b> Consent Calendar: Zembsch Claim	<b>MEETING DATE:</b> June 9, 2014 <b>Agenda Item No. 5.a.</b>
<b>RECOMMENDED ACTION:</b> Deny claim	
<b>SUMMARY AND DISCUSSION:</b> <p>On May 5, 2014, the District received a claim in the amount of \$3,920.00 from Mr. Kurt Zembsch. The claim is based on damage to his vehicle that allegedly occurred on May 2, 2014 when Mr. Zembsch drove over a loose manhole cover on Bolling Circle.</p> <p>Flushing of District lines in the area on the day of the incident was being performed by Roy's Sewer Service, while District crews were also televising lines in that general area. The District's position is that Roy's crews were responsible for the loose cover. Therefore, the claim has been tendered to the insurance carrier for Roy's Sewer Service, however settlement has not yet been resolved.</p> <p>In order to protect the District and to take advantage of code and case defenses to comply with the California Government Code and set the statute of limitations for suit filings, staff recommends that the District Board reject the claim. The Government Code mandates that a public entity must act on a claim within 45 days, and provide written notice of the action taken. If a claim is timely rejected, the claimant may file suit for money or damages within six months after the date the notice is delivered or mailed. If the rejection is <u>not</u> properly noticed, however, the deadline for filing suit is extended to two years. A claim rejection restricts the statute of limitations to six months instead of two years.</p>	
<b>ALTERNATIVES:</b> Do not deny the claim.	
<b>BUDGET INFORMATION:</b> N/A	
<b>DEPT. MGR.:</b> ssk	<b>MANAGER-ENGINEER:</b>

# Novato Sanitary District Operating Check Register

June 9, 2014

Date	Num	Name	Credit
<b>Jun 9, 14</b>			
6/9/2014	57068	Veolia Water North America, ...	160,083.90
6/9/2014	57067	Valley Memorial Park.	148,155.57
6/9/2014	57045	Johnson, Dee	8,190.00
6/9/2014	57029	Caltest Analytical Lab Inc.	6,511.30
6/9/2014	57037	DKF Solutions Group, LLC	6,481.12
6/9/2014	57069	Veolia Water Recycled Water...	5,590.11
6/9/2014	57057	Occumetric Inc.	4,500.00
6/9/2014	57050	Monterey Mechanical, Inc.	3,600.00
6/9/2014	57036	Delta Dental	2,463.45
6/9/2014	57035	Dearborn National	2,085.22
6/9/2014	57034	CT Promotions	2,076.05
6/9/2014	57065	U.S. Bank Card (2)(June)	1,741.02
6/9/2014	57063	Telstar Instruments Inc	1,429.57
6/9/2014	57032	Comet Building Maintenance,...	1,320.00
6/9/2014	57062	Rauch Communication Cons...	1,275.75
6/9/2014	57043	IEDA, INC	1,051.00
6/9/2014	57031	CED Santa Rosa, Inc	1,028.97
6/9/2014	57024	Alliant Insurance Services, Inc	1,001.00
6/9/2014	57041	Frontier Analytical Laboratory...	850.00
6/9/2014	57059	Pacific, Gas & Electric	761.29
6/9/2014	57033	Control Systems West, Inc.	736.25
6/9/2014	57030	Cantarutti Electric, Inc	694.80
6/9/2014	57039	Fire King Fire Protection, Inc.	620.00
6/9/2014	57042	Grainger	619.14
6/9/2014	57044	Johnson Controls, Inc.	607.50
6/9/2014	57049	MME	554.71
6/9/2014	57053	North Marin Water District	486.46
6/9/2014	57070	Vision Service Plan	483.95
6/9/2014	57048	Millipore Corp, Lab H2O Divi...	367.00
6/9/2014	57028	Beecher Engineering	340.00
6/9/2014	57047	Marin Mechanical II, Inc.	323.32
6/9/2014	57038	Evoqua Water Technologies ...	317.88
6/9/2014	57061	Pini Hardware	292.61
6/9/2014	57056	Novato Disposal-	241.32
6/9/2014	57046	Leighton Stone Corp	216.76
6/9/2014	57071	VWR International Inc.	186.97
6/9/2014	57026	AT&T Mobility	174.49
6/9/2014	57058	Orkin Pest Control, Inc.	131.42
6/9/2014	57025	American Messaging	123.01
6/9/2014	57060	Petty Cash	98.35
6/9/2014	57051	North Bay Portables, Inc.	92.20
6/9/2014	57027	Barnett Medical LLC	90.00
6/9/2014	57052	North Marin Auto Parts	88.19
6/9/2014	57055	Novato Car Wash	63.96
6/9/2014	57072	Water Components & Buildin...	57.09
6/9/2014	57064	U.S. Bank (Sandeep)	55.01
6/9/2014	57040	Fourth of July Parade Entry F...	50.00
6/9/2014	57066	United Parcel Service	47.84
6/9/2014	57054	Novato Builders Supply	19.04
<b>Jun 9, 14</b>			<b>368,374.59</b>

# Novato Sanitary District Capital Projects Check Register

June 9, 2014

Date	Num	Name	Credit
<b>Jun 9, 14</b>			
6/9/2014	2712	Valentine Corporation	172,963.63
6/9/2014	2711	R E Smith Contractor, Inc.	50,739.44
6/9/2014	2703	Covello Group, The	35,163.50
6/9/2014	2705	Fieldstone Construction	26,298.31
6/9/2014	2710	North Marin Water District Jo...	4,421.10
6/9/2014	2704	EC Applications	4,242.50
6/9/2014	2709	MG West	2,632.00
6/9/2014	2707	Lateral-Kretchmer	1,500.00
6/9/2014	2706	Graybar	1,092.51
6/9/2014	2702	Allied Packing & Supply Inc.	368.16
6/9/2014	2708	McInnis Park Apartments, LLP	93.01
<b>Jun 9, 14</b>			<b><u>299,514.16</u></b>

06/04/14

# Novato Sanitary District Board Fees - May 2014

June 4, 2014

	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
<b>Jun 4, 14</b>	06/04/2014		Miller, Brant	1,182.04
	06/04/2014		Long, William C	974.25
	06/04/2014		Mariani, Jean M	786.39
	06/04/2014		Peters, A. Gerald	760.15
	06/04/2014		Butler, Gary	0.00
<b>Jun 4, 14</b>				<u><b>3,702.83</b></u>

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE: Solid Waste: Solid Waste Committee meeting report</b>	<b>MEETING DATE: June 9, 2014</b>
	<b>AGENDA ITEM NO.: 6.a.</b>
<b>RECOMMENDED ACTION:</b> Information. Receive report.	
<b>SUMMARY AND DISCUSSION:</b>  The Solid Waste Committee held its meeting on May 29, 2014. Solid Waste Board committee members Mariani and Miller attended. City Council member Pat Eklund also attended.  The District's Household Hazardous Waste (HHW) coordinator Ms. Dee Johnson of DLJ Associates was present along with representatives from Novato Disposal Services (NDS), the District's solid waste franchisee. Ms. Johnson presented the Solid Waste report.  A copy of the Solid Waste committee agenda packet including the report is attached.	
<b>DEPT.MGR.:</b>	<b>MANAGER:</b>

## NOVATO SANITARY DISTRICT

**Meeting Date: May 29, 2014**

**The Solid Waste Committee of Novato Sanitary District will hold a meeting at 3:00pm, Thursday, May 29, 2014 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](http://www.novatosan.com).*

### **AGENDA**

#### **1. AGENDA APPROVAL**

#### **2. PUBLIC COMMENT: (PLEASE OBSERVE A THREE MINUTE TIME LIMIT.)**

This item is to allow anyone present to speak 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 Committee at this time as a result of any public comments made.

#### **3. CONSIDER APPROVAL OF MINUTES OF FEBRUARY 25, 2014 MEETING**

#### **4. UPDATES/ROUTINE BUSINESS ITEMS:**

- a. City of Novato
- b. Redwood Landfill
- c. Novato Disposal - quarterly report
- d. Marin County JPA and Local Task Force
- e. Legislation

#### **5. PROPOSED 2014-2016 SOLID AND HOUSEHOLD HAZARDOUS WASTE (HHW) PROGRAMS BUDGET**

#### **6. ZERO WASTE PROGRAMS CALENDAR/TIMETABLE STATUS**

#### **7. HOUSEHOLD HAZARDOUS WASTE (HHW) PROGRAMS**

- a. 2014 HHW programs update
- b. Spring E-Waste Event report

#### **8. 2014 DISPOSAL/DIVERSION MONITORING REPORT**

#### **9. ADJOURN**

*In compliance with the American with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District offices at (415) 892-1694 during their regular business hours, at least 24 hours prior to the scheduled meeting. Notification prior to the meeting will enable the District to make reasonable accommodation to help ensure accessibility to this meeting. Materials that are public records and that relate to an open session agenda item will be made available for public inspection at the District offices, 500 Davidson Street, Novato, CA, during regular business hours.*

**NOVATO SANITARY DISTRICT  
SOLID WASTE COMMITTEE MEETING  
February 25, 2014  
3:00-4:00pm**

**MINUTES**

Members Present:

Brant Miller                      Mike DiGiorgio

Others in Attendance:

Beverly James	Dee Johnson	Sandeep Karkal	Delyn Kies
Steve McCaffrey	Bessie Martinez	Ramin Khany	Casey Williams

1. Approve agenda. The agenda for February 25, 2014 was approved as submitted.
2. Public Comment. There was no comment from the public.
3. Minutes of October 22, 2013. The minutes of October 22, 2013 were accepted as submitted. .
4. Updates/Routine Business Items.
  - City of Novato. There was no update from the City. .
  - Redwood Landfill. Ramin Khany indicated that the compost operation should be complete by the end of June and construction should begin on the C&D program soon.
  - Novato Disposal - Steve McCaffrey discussed the quarterly report. He indicated that disposal has increased slightly from the same quarter one year ago, and recycling has decreased slightly from the same quarter a year ago. Green waste collected is also down, probably due to the drought. However, C&D materials have increased. He indicated that recycling outreach has increased for multifamily and commercial properties. These properties often pose difficult issues, such as space and contamination. Brant asked how some of these issues are resolved. Steve indicated that it's often working with the landlords and tenants that come up with the solutions. The revised solid waste ordinance, when adopted, should help with these commercial and multifamily recycling issues.
  - Marin County JPA and Local Task Force(LTF). Dee Johnson indicated that she attended a Marin County Pharmaceutical community meeting that was primarily focused on pharmaceutical abuse and prevention, but was also working on safe disposal locations and pharmaceutical take back programs. The draft plastic bag ordinance was finalized and has been distributed to the cities for adoption. Delyn Kies updated that committee on the state legislation requiring recycled materials in public road base.
  - Legislation. Dee indicated that SB270, the single-use carry out bag bill, was referred to Senate Rules Committee and a new bill – SB1014 – was introduced for pharmaceutical take back.
5. Zero Waste Programs Calendar/Timetable Status. Dee and Steve reviewed items included in the Zero Waste Programs calendar, including articles in the spring newsletter, 2014 outreach campaigns, outreach events, school outreach and work with food waste diversion.
6. Household Hazardous Waste Programs
  - a. 2014 HHW Programs update. Dee reviewed the 2014 report, indicating that January and February continued to be very busy.
  - b. 2013 Annual HHW program report. Dee reviewed the 2013 HHW report. 2013 participation at the HHW facility was the highest ever, serving 2,825 Novato residents. An additional 1,335 residents were served at the 2 E-Waste events. Costs for the HHW facility and E-Waste event remain fairly steady, with savings anticipated in FY2014/2015 with initiation of the Paintcare program. Paint and E-Waste continue to be the largest materials collected, with batteries and fluorescents also increasing. .
  - c. E-Waste Event 2014. Dee indicated that 2 events are planned for 2014. Spring event is scheduled for April 26-April 28 and Fall event for October 11 – October 13. Novato Disposal and ECS, our E-waste recycler, will continue to provide labor and recycling services.

7. 2013 Disposal/Diversion Monitoring Report. Novato Disposal's overall diversion for 2013 was at 55.11%, while Novato's overall diversion, including self haul waste reported from Redwood, was at 58%.
8. Adjourn. The next Committee meeting will be scheduled for some time in the 2<sup>nd</sup> quarter of 2014. The meeting adjourned at 4:55pm.

# **CITY OF NOVATO**

## **1<sup>st</sup> Quarterly Report**

### **January- March 2014**

Submitted by Novato Disposal Service

#### **A. Solid Waste Data**

##### **A. Tons Delivered to Disposal Site**

		<b>This Quarter</b>	<b>Same Quarter One Year Ago</b>
<b>Residential</b>	*	3,474.27	3,439.65
<b>Commercial</b>	**	2,729.78	2,702.58
<b>TOTAL:</b>		<b>6,204.05</b>	<b>6,142.23</b>

\*includes commercial/multifamily locations served with carts

\*\*includes multifamily accounts service with bins

## **B. Recycling Data**

### **Tons Collected and Processed**

This Quarter: 3,049.69

Same Quarter One Year Ago 3,910.69

<b>Commodity</b>	<b>Curbside</b>	<b>Buyback</b>	<b>Total</b>
	Commercial Multifamily Residential		
<b>Cardboard</b>	609.81	-	609.81
<b>Paper (News &amp; Mixed)</b>	1,549.65	-	1,549.65
<b>Paper (Overages)*</b>	69.09	-	69.09
<b>Aluminum Cans &amp; Foil</b>	6.46	9.56	16.02
<b>Metal Cans</b>	27.20	-	27.20
<b>**Glass</b>	561.24	45.50	606.74
<b>Plastic PET</b>	53.04	-	53.04
<b>Plastic NHDPE</b>	10.68	0.49	11.17
<b>Plastic All Other</b>	63.93	10.70	74.63
<b>Other diverted materials</b>	17.11	-	17.11
<b>Total</b>	<b>2,983.45</b>	<b>66.25</b>	<b>3,049.69</b>

\* Please note this number was included in Mixed Paper in past reports.

\*\*This includes glass overages

## **C. Greenwaste Data**

### **Tons Collected and Processed**

This Quarter: 3,047.53

Same Quarter One Year Ago: 3,317.54

### **Final Disposition:**

All green waste was used as compost.

## **D. Construction and Demolition Data, including inert solids**

### **Tons Collected and Processed**

This Quarter: 711.70

Same Quarter One Year Ago: 725.18

## E. Service Accounts

Residential Cart Weekly		Same Quarter One Year Ago
Can size	Number of Customers	Number of Customers
20 gallon	1,972	1724
32 gallon	11,344	11,573
68 gallon	3,054	3,071
95 gallon	302	308
Non-Auto	6	6

Multifamily Cart Customers**			Cart Amt. ,Same Quarter One Year Ago**	
Can size	Weekly	2 or more times weekly	Weekly	2 or more times weekly
20 gallon	1	0	1	0
32 gallon	21	0	21	0
68 gallon	12	0	15	0
95 gallon	6	0	6	1

Multifamily Bin Customers				Same Quarter One Year Ago		
Bin size	Weekly	2 times weekly	3 or more times weekly	Weekly	2 times weekly	3 or more times weekly
2 yd.	20	3	1	19	3	1
3 yd.	25	22	25	27	23	25
4 yd.	0	0	2	0	0	2
6 yd	1	0	2	1	0	2

Commercial Cart Weekly		Same Quarter One Year Ago
Can size	Number of Customers	Number of Customers
20 gallon	0	0
32 gallon	124	130
68 gallon	111	116
95 gallon	86	107

Commercial Bin Customers				Same Quarter One Year Ago		
Bin size	Weekly	2 times weekly	3 or more times weekly	Weekly	2 times weekly	3 or more times weekly
2 yd.	97	9	3	91	8	3
3 yd.	158	87	74	157	92	76
4 yd.	17	11	1	10	4	1
6 yd.	4	3	6	4	3	7

Commercial Special Service*		Same Quarter One Year Ago
Bin Size	Number of Customers	Number of Customers
3 yd.	10	10
15 yd.	2	2
20 yd.	2	2
30 yd.	2	2
Compactor	4	3

\*Special service is bimonthly, monthly, on-call or other irregular service

## **F. Holiday Tree Collection**

Novato Disposal Service collected holiday trees from residents during the week of January 6<sup>th</sup>-10<sup>th</sup>. Novato Disposal also provided boxes and tree removal service to San Marin High School's tree drop-off Project Safe Grad Fundraiser. Over 83 tons of holiday trees were collected and disposed of as compost.

## **G. E-Waste Event**

Novato Disposal Service will be participating in the Novato Sanitary District's E-Waste Drop-off event April 26<sup>th</sup> -28<sup>th</sup>.

## **Community Education/Outreach**

- Novato Disposal Outreach staff met with Jeannette from Warner Creek Senior Center. Staff conducted an audit and presented to senior residence. The focus was more on buy back center information and procedures. We also reviewed materials accepted at our Redwood Dr. buyback location.
- Novato Disposal Outreach staff met with Jean Mariani from the Buck Institute. Staff conducted an audit and reviewed better locations for containers. We were also on site to answer any recycle questions.

- Novato Disposal Outreach staff met with Dave from Costco. Staff conducted a bin audit, suggested bin locations, reviewed food scrap practices and talked about billing effects and benefits. Also suggested a management recycle training.
- Novato Disposal Outreach staff met with Jim (sub-consultant) on behalf of PG&E. Staff reviewed Novato location and talked about different options to reduce billing by recycling as much as possible. The goal for PG&E is to be at a 70% diversion throughout California and at this point they are at 54% and increasing. Signage and bin location suggestions, along with service changes are all under way with approval.
- Novato Disposal Outreach staff met with Laurie from the Barker Group at the Hangers. Staff conducted a building to building audit and of enclosures. Recommendations to have management and custodial staff presentations were given. All recycle questions were answered and recycle services were increased.
- Novato Disposal Outreach staff visited The Meadows and presented the opportunity to be featured in The Novato Disposal Recycling newsletter due to their great recycle efforts. Staff was directed to owner but at this time has not received an approved response. NDS will continue to attempt to connect.
- Novato Disposal Outreach staff visited Walnut Grove and met with Manager Michael. Staff spoke about recycle regulations and tenant complaints being received due to no recycle containers on site. He pleasantly implied that it was not his decision to make and directed me to his corporate office. NDS left a message for Margarite Allen in an attempt to add service to this location.

## **Schools**

- Novato Disposal Outreach staff visited Olive Elementary School. Staff conducted a visual survey and delivered signage and business information to principal.
- Novato Disposal Outreach staff provided a presentation to Loma Verde Schools 3<sup>rd</sup> graders. We taught the students about where the trash goes to after it's picked up from their home. We also discussed recycling at school and at home. Showed the children everyday recyclable materials that they may come across and shared stories about their experiences with recycling.
- Novato Disposal Outreach staff provided a presentation for Karen at Novato Charter School. We reviewed the latest recycle updates and went over the importance of recycling. Introduced the possibilities of composting food scraps on site and at home. Questions and concerns were answered after presentation

## **I. Additional Information**

## **Mailers**

Please find attached:

- New start post cards
- Novato E-waste Billing insert

## **Donations**

Novato Disposal provided the following donations:

- (8) 30-yard yard waste boxes for The City of Novato at annual holiday tree drop off.
- 3-yard garbage for IDESI the Fado Dinner Show
- 4-yard garbage bin, (3) 95 gallon compost cans, (3) 95 gallon recycle cans to Novato Rotary Polenta Night Fundraiser.
- (2) 4-yard bin for Our Lady of Loreto used for Crab Feed Fundraiser.
- 4-yard garbage bin to Novato High School Baseball fundraiser event.
- 3-yard garbage and 3-yard recycling bin to Knights of Columbus Veterans Appreciation Dinner & Dance.
- (2) 4-yard garbage for IDESI Fundraiser crab feed.

## 2014/2016 Proposed AB939, Zero Waste and Hazardous Waste Programs Budget

Enclosed is the proposed budget and narrative for the AB939, Zero Waste and Hazardous Waste programs for FY 2014/15 and estimated FY2015/2016.

### Expenditures

67400 - Management Services. Expenditures include the ongoing operation, administration and staffing of the permanent HHW facility, E-Waste events, HHW contracts, monthly, quarterly and annual reporting requirements, staffing of Committee meetings, attending Local Task Force and JPA meetings, managing Zero Waste programs, monitoring legislation, and outreach to businesses, multifamily and community events. Expenditures also include administration of 2 grant programs – Used Oil and Beverage Container Recycling – funded entirely by these grants.

Additional staff time in FY2014/2015 will be dedicated to planning and study for move of the HHW facility to a new location, increased outreach and education at community events and multifamily/commercial properties, focus on commercial food waste diversion and working with CalRecycle on AB32 commercial/multifamily mandatory recycling requirements, Zero Waste issues and construction/demolition diversion.

67500 – Household Hazardous Waste. Expenditures include contractor costs for the HHW facility, E-Waste events and maintenance of the HHW facility including floor striping, repair of roll-up doors, signage and pigeon control.

For FY 2014/2015, HHW contractor costs are reduced by approximately 10% due to the launch of the Paintcare program in March 2014, which provides for collection and recycling of latex and oil-base paint at the HHW facility at no cost. This estimate of cost reductions for the upcoming first full year of the program are based upon 3 months of actual cost reductions experienced in 2014. Although collection and recycling of latex and oil paints are provided at no charge, there is a detailed sorting process that is required by Paintcare, which is currently increasing staff time. As staff becomes accustomed to this process, this time may be reduced. Costs for the E-Waste event are increased slightly due to the new pricing provided by our e-waste recycler. Site maintenance costs are increased slightly for potential repair or replacement of hazmat bin doors.

67530 – Used Oil and Beverage Container Grants. These CalRecycle grant funds are used exclusively for used oil and filter recycling, oil tank maintenance, supplies, and promotion of beverage container recycling.

67540 - Education, Publicity/Advertising, Outreach. As a result of increased outreach for the Zero Waste and multifamily/commercial programs, expenditures include sponsorship and booth rental at several community events, handouts and promotional items, and increased advertising. Included in actual expenditures are costs for monthly ads in the Novato Patch, website development, newsletter articles and social media outreach. Also included are expenditures for purchase of sharps containers distributed at 4 Novato pharmacies for free, along with disposal of sharps waste.

For FY 2014/2015, Zero Waste and multifamily/commercial program outreach will increase, as our goal of 60% diversion by 2015 is imminent. Increased outreach at community events, farmer's markets and schools, along with increased focus on food waste diversion at commercial facilities. Additional costs for booth rentals, handouts and promotional items, print and web advertising, website promotion, maintenance, social media push and newsletter articles are also included. Expenditures for sharps containers, and disposal at 4 Novato pharmacies will also continue.

Other. A contingency of \$5,000. is included for unanticipated expenses.

City AB939 Administrative Services. Funds maintained for City staff services.

### **Revenues.**

AB939 Solid Waste Fees. There is a small increase (3.7%) in fees for FY2014/2015, as a result of continued Zero Waste program and multifamily/commercial outreach costs. 84% of the revenues to fund these programs come from these fees assessed on the garbage rate. (AB939 fees).

Used Oil Grant. Grant amount budgeted at \$15,060., which is preliminary amount proposed by CalRecycle. Actual amount not known until state budget passes.

Beverage Container Recycling Grant. Grant amount budgeted at \$13,836. Actual amount not known until state budget passes.

JPA reimbursement fees. JPA fee revenues are budgeted at \$30,984. for FY 2014/15. . The \$30,984. accounts for current fees on Novato self haul waste disposed at Redwood Landfill.

**AB 939 SOLID, ZERO WASTE AND HAZARDOUS WASTE BUDGET  
FY 2014/2015 and 2015/2016 PROPOSED BUDGET**

**EXPENDITURES**

<u>Account</u>	<u>Program</u>	<u>Budget 2013/2014</u>	<u>Est Expenditures Thru 6/30/14</u>	<u>Preliminary Budget FY2014/2015</u>	<u>Est. Preliminary Budget FY2015/2016</u>
67400	Management Services	\$119,264.00	\$111,033.00	\$120,161.00	\$123,261.00
67500	Household Hazardous Waste & E-Waste	\$192,500.00	\$176,300.00	\$174,000.00	\$171,500.00
67530	Used Oil/Beverage Container grant programs	\$22,537.00	\$22,026.00	\$22,537.00	\$22,537.00
67540	Outreach/Publicity/Education	\$22,000.00	\$25,250.00	\$37,000.00	\$38,000.00
67600	Other	\$5,000.00	\$3,500.00	\$5,000.00	\$5,000.00
67610	City AB939 Admin Services	<u>\$10,000.00</u>	<u>\$10,000.00</u>	<u>\$10,000.00</u>	<u>\$10,000.00</u>
<b>TOTAL AB939 SOLID/HAZARDOUS WASTE EXPENDITURES</b>		<b>\$371,301.00</b>	<b>\$348,109.00</b>	<b>\$368,698.00</b>	<b>\$370,298.00</b>

**REVENUES**

AB939 Solid Waste Fees	\$297,586.00	\$297,586.00	\$308,818.00	\$310,418.00
Used Oil Grant	\$16,963.00	\$14,952.00	\$15,060.00	\$15,060.00
Beverage Container Recycling Grant	\$13,589.00	\$14,307.00	\$13,836.00	\$13,836.00
JPA reimbursement & self haul fees	\$27,697.00	\$27,792.00	\$30,984.00	\$30,984.00
Other revenues		\$1,660.00		
<b>TOTAL AB939 SOLID/HAZARDOUS WASTE REVENUES</b>	<b>\$355,835.00</b>	<b>\$356,297.00</b>	<b>\$368,698.00</b>	<b>\$370,298.00</b>

## CALENDAR/TIMETABLE FOR ZERO WASTE PROGRAMS IN FRANCHISE AGREEMENT

All items taken from Exhibits 4 through 6 of March 14, 2010 Solid Waste Franchise Agreement

### EXHIBIT 4: Zero Waste Community Outreach

ITEM/GOAL	PERSON(S) RESPONSIBLE	TIMELINE	FINAL DUE DATE	OBJECTIVES/ ADDITIONAL ITEMS
1. Novato Disposal newsletters	Casey/Bessie	2 times a year	Notify District in Fall for dates of subsequent annual newsletters	One Zero Waste feature article in each newsletter <i>Fall newsletter to include articles on food waste composting, can stickers &amp; paperless billing</i>
2. Promote 20 gallon cans	Casey/Bessie	ongoing	ongoing	Promote in newsletters & bills <i>Note: 20 gal can use increased 15% from 1st Q 2013</i>
3. Promote backyard compost bins	Steve/Casey/Bessie	ongoing	2014	Promote in newsletter, at events & with Backyard Compost classes run by Marin Food Scrap Coalition or Marin Master Gardeners
4. 2 Outreach Campaigns promoting zero waste, waste reduction and/or other diversion	Steve/Casey	Ideas for 2014 campaign submitted	October of each year to District for approval	<u>2014 Outreach Campaigns</u> 1. Commercial & multifamily recycling outreach 2. Commercial food scraps composting
5. Promote commercial audits to all businesses of 4 c.y. or greater	Scott/Dee	(see AB32 item)	(see AB32 Item)	Include in AB32 promotions
6. New customer packets to include Zero Waste promotions	Casey/Bessie	ongoing	ongoing	New customer to be directed to website; packets upon request and update annually

ITEM/GOAL	PERSON(S) RESPONSIBLE	TIMELINE	FINAL DUE DATE	OBJECTIVES/ ADDITIONAL ITEMS
7. Visit all commercial businesses with 4 c.y. service or more and multi-family complexes of 5 units or more annually	Scott/Dee	(see AB32 item)	Ongoing	Visits to determine service level, contact business owners and/or property managers; visits with multi-family also identify resident outreach methods;conduct presentations
8. Participate in 10 events annually	Steve/Casey/Bessie/Dee	Submit ideas for events to District by 4 <sup>th</sup> quarter of each year for following year	List submitted to District for 2014 events	<p><b><u>2014 Events Completed:</u></b></p> <ul style="list-style-type: none"> <li>• North Bay Watershed Conference - <b>April 11</b></li> <li>• Novato’s Clean &amp; Green Day – <b>April 26</b></li> <li>• E-Waste Events handouts <b>April 26-28</b></li> <li>• School Tour of Novato – <b>May 3</b></li> </ul> <p><b><u>2014 Events Scheduled</u></b></p> <ul style="list-style-type: none"> <li>• Novato Art &amp; Wine Festival – <b>June 14 &amp; 15</b></li> <li>• 4<sup>th</sup> of July Parade</li> <li>• Pollution Prevention Week <b>Sept 22-26</b></li> <li>• Sr. Center Health Fair – <b>October</b></li> <li>• E-Waste event handouts – <b>Oct 11-13</b></li> <li>• Rotary presentations – <b>to schedule</b></li> <li>• Lu Sutton School tour of Recycling &amp; HHW Facility</li> <li>• Hamilton Harvest Festival – <b>Possible</b></li> <li>• Novato Farmer’s Markets – <b>2 or 3 in summer</b></li> </ul>

ITEM/GOAL	PERSON(S) RESPONSIBLE	TIMELINE	FINAL DUE DATE	OBJECTIVES/ ADDITIONAL ITEMS
9. Conduct annual retraining at schools on recycling & Zero Waste; participate in developing Zero Waste curricula for schools; offer Zero Waste & recycling programs for school assemblies	Bessie/MCC/Dee	(See Ex. 5 School Recycling and Food Waste Program)	Ongoing	<i>Novato Disposal sends email out to all schools re: recycling education opportunities; schedule meeting with School District; work with San Marin &amp; Novato H.S. re: food waste</i>
10. Annual Waste Audit of City facilities and work with City on Zero Waste goals	Steve/Scott/Dee/City staff	2014	2014	<u>Sites for 2014</u> <ul style="list-style-type: none"> <li>• New City Hall</li> <li>• Work with City staff on additional sites</li> </ul>
11. Bilingual Zero Waste recycling and diversion guides	Casey/Bessie	Initial revisions	Ongoing	Update as needed
12. Interactive website with links to Zero waste & reuse options	Casey/Dee	See Exhibit 6	See Exhibit 6	
13. Billing inserts on program updates as needed	Steve/Casey	4 2-sided inserts for 2014	March 2014, June 2014, Sept 2014 & December 2014	<i><u>March insert – paperless billing &amp; E-Waste event</u></i> <i><u>June insert –HHW facility</u></i> <i><u>Sept. insert.- E-Waste event &amp; paperless billing</u></i> <i><u>Dec. insert - Xmas tree recycling</u></i> <i><u>Permanent 2<sup>nd</sup> side – debris box &amp; Recycling Center</u></i>
14. Annual selective route audits to gauge program success	Steve/ Scott	Annual baseline audit	2014	Conducted route audits in 2011, 2012 and 2013 for food waste program and green waste program participation; <i>2014 route audit for set out rates scheduled Fall 2014</i>
15. Corrective action cart hangers	Steve/Route supervisor	As needed	As needed	

**Exhibit 5: School Recycling and Food Waste Program outline**

Bessie and MCC working on this item; needs more discussion and a separate calendar of goals, tasks and due dates

**EXHIBIT 6: Zero Waste Program Implementation Schedule**

ITEM/GOAL	PERSON(S) RESPONSIBLE	TIMELINE	FINAL DUE DATE	OBJECTIVES/ ADDITIONAL ITEMS
<b>Food/Green Waste Composting</b>				
1. Single family residential	Steve/Scott/Casey/Bessie/Dee	Ongoing	Ongoing	Additional work needed for some HOA's who don't have green carts, but have single family service; List of Novato HOA's updated; residential food waste audit conducted in 2013; <i>meet with HOA's to provide carts for food &amp; green waste;</i>
2. Place food waste diversion stickers on food carts and notify re: food scrap pail availability	Steve/Scott/Casey	Stickers mailed week of 1/20/12	Stickers - April 2012  Over 1500 <b>free</b> food scrap pails distributed	Food Waste green can stickers mailed January 2012, asking all households to place on cart; 85% of households have stickers on green cans; food scrap pails advertised in newsletter, website,ads; distributed at Farmer's Market & Senior Center; <i>NDS notice in Fall newsletter re: can stickers and availability of food scrap pails for purchase at \$6.00 each</i>

ITEM/GOAL	PERSON(S) RESPONSIBLE	TIMELINE	FINAL DUE DATE	OBJECTIVES/ ADDITIONAL ITEMS
3. Supermarket food waste diversion	Steve/Scott/Casey	Begin early 2013	Ongoing	Redwood accepting commercial food waste in compost program; <i>promote businesses diverting food waste in newsletters and window stickers</i>
4. Restaurant Food waste diversion	Steve/Scott/Casey	Begin early 2013	Ongoing	Redwood accepting restaurant food waste in compost program; <i>promote businesses diverting food waste in newsletters and window stickers</i>
5. Multi-family food waste diversion	Steve/Scott/Casey	2014	2014	<i>Continue work with multifamily units on food waste diversion; review cost structure</i>
<b>C&amp;D Recycling, reports &amp; enforcement</b>				
1. Monitor C&D recycling reports & conduct outreach to contractors	Casey/Dee	Ongoing/quarterly reports	Ongoing	NDS provides quarterly C&D recycling reports to City & Dee
2. Enforce C&D recycling thru Solid Waste ordinance	Beverly/Dee	Ongoing	2014	District solid waste ordinance to be reviewed, updated & enforced

ITEM/GOAL	PERSON(S) RESPONSIBLE	TIMELINE	FINAL DUE DATE	OBJECTIVES/ ADDITIONAL ITEMS
<b>AB32 /AB341/AB818 Multi-family &amp; Commercial mandated recycling</b>				
1. Identify all multifamily & commercial sites & review recent legislation for changes to program	Beverly/Casey/Dee/Scott/Bessie	Staff meeting – completed		Novato Disposal & District staff meeting on 2/1/12 to discuss databases to obtain accurate site information; Novato Disposal database to include site name, address, phone, bill payer and/or site owner, level & type of service provided (garbage; recycling); site visits; outcome
2. Develop materials for commercial & multifamily residents	Bessie/Dee review	Current	Ongoing	Novato Disposal mailers, door hangers and web page; District web page & Patch ads; <b>develop additional handouts &amp; mailers for property managers</b>
3. Make site visits	Scott/Dee/Bessie	Ongoing	Ongoing	Visits to include information on AB32 recycling requirements, waste audit availability; <b>Dee, Bessie &amp; Scott to make ongoing site visits; schedule site walk-throughs of Bel Marin Keys area</b>

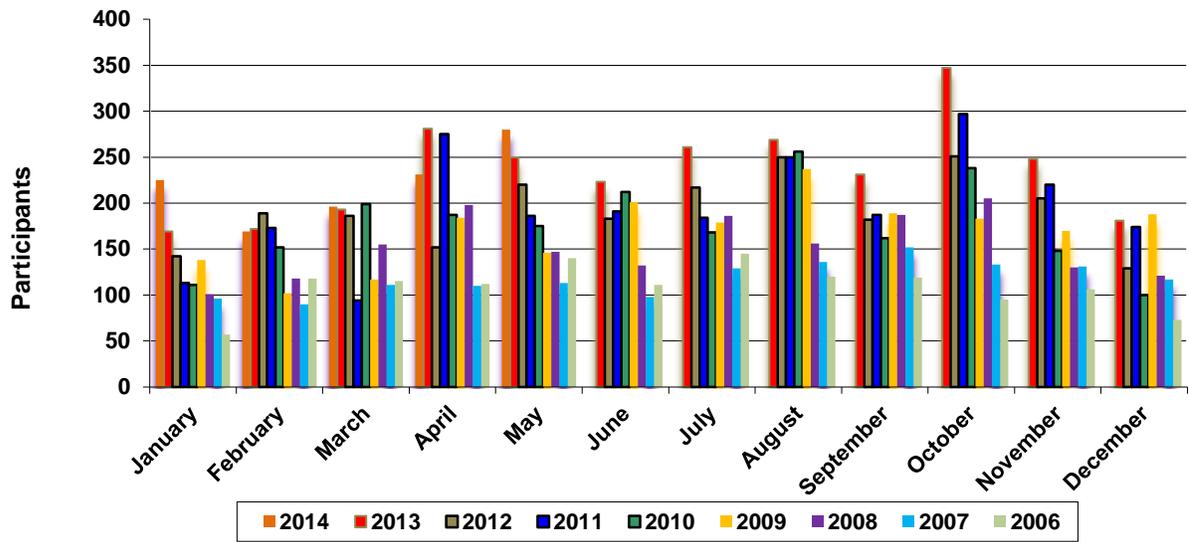
ITEM/GOAL	PERSON(S) RESPONSIBLE	TIMELINE	FINAL DUE DATE	OBJECTIVES/ ADDITIONAL ITEMS
4. Participate in workshops for multifamily & commercial property managers	Beverly/Dee/Scott/Bessie	Ongoing	Ongoing	District and Novato Disposal to develop materials and schedule meetings with property managers as necessary; revised HOA list; <b>contact rental housing associations, HOA's and property managers; follow-up with site visits</b>
5. Provide recycling containers	Steve/Scott	Ongoing	Ongoing	Following site visits, to determine size & placements, Novato Disposal can begin delivery of recycling containers
6. Implement mandated multifamily & commercial recycling	District & Novato Disposal	Ongoing	Ongoing	Date mandated by legislation; District to provide ongoing outreach & education
<b>Schools Campaign</b>				
1. Institute food waste recycling	District & Novato Disposal	2010	2010	Program instituted in select schools; <b>meet with School District staff re: food waste in new San Marin &amp; Novato H.S. cafeterias</b>
2. Monitor food waste & recycling programs; meet with teachers & students	Bessie & MCC	Ongoing	Ongoing	Separate calendar & schedule to be developed
<b>Backyard Composting</b>				
1. Promote backyard composting through compost bin promotion	Steve/Casey/Bessie	Ongoing	Ongoing	See Item EX 4, Item 3
<b>Wet/Dry Route Collections</b>				
1. Discuss feasibility of system & institute if feasible	District & Novato Disposal	2018/2020	2020	Discussions begin in 2018, with system instituted in 2020 if feasible

ITEM/GOAL	PERSON(S) RESPONSIBLE	TIMELINE	FINAL DUE DATE	OBJECTIVES/ ADDITIONAL ITEMS
<b>Discuss feasibility &amp; diversion potential of conversion technology systems</b>	District & Novato Disposal		2025	
<b>Zero waste diversion goals</b>				
1. 60% diversion	Novato Disposal	12/31/15	12/31/15	With 60% diversion required by 12/31/2015, reports will be required within 60 days , or by end of February 2016 to District to prepare final reports
2. 70% diversion	Novato Disposal	12/31/20	12/31/20	With 70% diversion required by 12/31/2020, reports will be required within 60 days , or by end of February 2021 to District to prepare final reports
3. 80% diversion	Novato Disposal	12/31/25	12/31/25	With 80% diversion required by 12/31/2025, reports will be required within 60 days , or by end of February 2026 to District to prepare final reports





## HHW Facility Monthly Participation 2006- 2014



**NOVATO E-WASTE COLLECTION**  
**Saturday, April 26 – Monday, April 28, 2013**

**Number of Participants: 943 residents**

**E- Waste Collected: 50,429 pounds**

**Background**

Novato's nineteenth E-Waste collection event was held from Saturday, April 26 – Monday, April 28, 2013 at the Recycling Center. This special drop off event offers residents the opportunity to properly dispose of all electronic items. Since 2003, at these events, we have collected over 1,279,153 pounds of E-waste, from over 18,497 Novato residents.

**Participation**

A total of **943 residents** dropped off *E-Waste* during the three day event. The daily participation, based on actual surveys completed, is listed below: Saturday was our highest daily participation ever at any of our E-Waste events

	SAT	SUN	MON
Daily Participation	418	284	241

**Publicity and Outreach**

We maintained our outreach in Novato Disposal and Novato Sanitary District newsletters mailed to all households. In addition, Novato Disposal inserted a special E-Waste flier in customer bills at the end of March. Additional outreach included fliers, ads, community banner, notices on website and Facebook.

**Summary and Costs**

Although our E-Waste recycler imposed some small charges for some non-CRT waste, we were still able to operate the event at no charge, due to the SB20/50 state reimbursement for CRT devices of \$.16/pound. Our remaining credit was \$842.06.

Individuals Participating	943	
Total Pounds collected	50,429	
Novato Disposal Labor charges	\$2,134.19	
SB20/50 Reimbursement of CRT's paid to Novato Disposal (\$.16/pound)		(\$2,976.25)
<b>Remaining Costs/Credit</b>		<b>(\$842.06)</b>

The Fall E-Waste event is scheduled for October 11, 2014 through October 13, 2014.

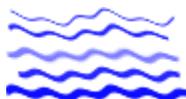
**NOVATO DISPOSAL SERVICES DISPOSAL/DIVERSION 2014**

<b>DIVERSION</b>	<b><u>1stQ</u></b>	<b><u>2ndQ</u></b>	<b><u>3rdQ</u></b>	<b><u>4thQ</u></b>	<b><u>TOTAL</u></b>
Novato Disposal Recycled (Curbside & Buyback)	3,047				
Novato Disposal C&D, Wood, Inerts & Bulky waste	717				
Novato Disposal Green/residential food waste for compost	3,048				
Novato Disposal Commercial Food Waste for compost	19				
<b>TOTAL TONS DIVERTED</b>	<b>6,830</b>				
<b>DISPOSAL</b>					
MSW& Debris Box/Novato Disposal	6,204				
<b>TOTAL TONS DISPOSED</b>	<b>6,204</b>				
<b>TOTAL WASTE GENERATED(TONS)</b>	<b>13,034</b>				
<b>PERCENT DIVERTED</b>	<b>52.40%</b>				



# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE: Solid Waste: HHW Management Contract</b>	<b>MEETING DATE: June 24, 2013</b>  <b>AGENDA ITEM NO.: 6.b</b>
<b>RECOMMENDED ACTION: Approve contract with DLJ Associates to provide AB939, household hazardous waste (HHW), and related services for FY2014-15 in the amount of \$120,161, and authorize the Manager-Engineer to execute it</b>	
<b>SUMMARY AND DISCUSSION:</b>  Dee Johnson of DLJ Associates has managed the District's Household Hazardous Waste and AB 939 services for many years. For the past three years she has also managed the Zero Waste outreach and AB 341 solid waste requirements. A copy of her detailed proposal is attached. She proposes to provide the following services on a time and materials basis for a total not-to-exceed amount of \$120,161: <ul style="list-style-type: none"> <li>• HHW facility administering, promoting, and monitoring: \$85,097</li> <li>• AB939 and 341 and Zero Waste Program administrative, technical support, outreach, monitoring &amp; reporting, and commercial and multi-family recycling: \$32,100</li> <li>• Administering the Department of Conservation Beverage Container Recycling program: \$2,964.</li> </ul> <p>For comparison purposes, Ms. Johnson's FY13-14 proposal was in the not-to-exceed amount of \$119,264.</p> <p>Staff recommends approving the contract with a not-to-exceed limit of \$120,161.</p>	
<b>ALTERNATIVES: N/A.</b>	
<b>BUDGET INFORMATION:</b> This work will be funded from the 2014-15 budget for HHW Management Services of \$120,161.	
<b>DEPT.MGR.:</b>	<b>MANAGER:</b>



**DLJ ASSOCIATES**  
**4032 Coolidge Avenue**  
**Oakland, CA 94602**

**510.530-6048**  
**510.531-4117 fax**  
 email: paloma@well.com

June 3, 2014

Mr. Sandeep Karkal  
 Manager-Engineer  
 Novato Sanitary District  
 500 Davidson Street  
 Novato, CA 94945

Dear Mr. Karkal:

Enclosed is a proposal to provide consulting services to the Novato Sanitary District for the 2014/15 fiscal year. This includes services for permanent household hazardous waste planning and administration, AB939 and Zero Waste program services, and grant related services included in the proposed Solid and Hazardous Waste Program Budget for FY 2014/2015 and approved by the Solid and Hazardous Waste Committee meeting on May 29, 2014.

Services to be provided include the following:

- **Household Hazardous Waste Services.** This includes services for staffing, promoting and administering the permanent HHW facility; monitoring and administering the HHW contract ; monitoring and providing for HHW facility maintenance and repairs; coordinating and staffing 2 E-Waste events; state and local reporting requirements for E-Waste and grant requirements, planning for move of the HHW facility, including preparation of a feasibility study, reviewing potential sites and site design; developing a 2014 annual HHW report; providing for public outreach, ads and brochures on HHW and development of additional HHW programs dealing with specific waste streams, such as pharmaceuticals, sharps, household batteries, fluorescent tubes and bulbs and E-wastes (**\$82,000**). In addition, it includes expenses for administration and promotion of the used oil payment program (OPP) services and staffing of used oil services at the HHW facility (**\$3,097.**), which is entirely funded by state grant funds.
- **AB939 and Zero Waste Program Services.** These expenses are based upon the program priorities outlined in the Solid Waste Work Plan, Zero Waste Programs and discussed at our meeting and by the Committee. This includes the following consulting services:
  - **Administrative and technical support and Zero Waste Programs (\$13,500.)** For staff support for all solid waste committee meetings, staff meetings and general administration. This also includes expenses for special reports and grant applications, maintaining and updating Zero Waste Programs calendar and timeline, and additional meetings with the District, the City, CalRecycle staff, Novato Disposal and other regulatory agencies. The item also includes time spent on meetings with the JPA, Local Task Force and others as required, in addition to reporting on pending legislation.
  - **Monitoring & reporting (\$1,100.)** This accounts for producing quarterly monitoring reports of Novato's waste disposal and diversion, summary of special disposal/diversion reports, separate accounting of C&D diversion and compost diversion, a 2014 annual report and comparative analysis over the past several years and projections for year 2015. This also includes reports and monitoring for the per capita disposal monitoring system (SB1016).
  - **Business/commercial technical assistance (\$2,000.)** This funding provides for increased outreach to small businesses and public agencies regarding hazardous waste disposal, recycling services, sorting and identification of wastes and preparing hazardous waste inventories. Additional mailings will be conducted to small businesses, along with contacts with public agencies such as the school, water and fire districts and the city. Increased

outreach to businesses is also projected to include communication with small businesses and public agencies regarding hazardous waste disposal.

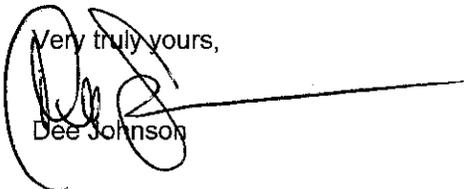
- AB341 Commercial/multi-family recycling. (\$5,500). As a result of passage of AB341, all commercial and multi-family establishments are mandated to provide recycling services as of July, 2012. This level of funding provides for continued time to be spent on these programs, including initial and follow-up site visits and walk-throughs, review and modifications to the solid waste ordinance and meetings and workshops with stakeholders. Funding will also be used to develop materials and planning assistance for building managers, owners and tenants.
- Education & Public Outreach. (\$10,000). This level of funding, consistent with the Zero Waste programs calendar, includes participation at a minimum of 10 events, to include farmer's markets, Chamber Business fairs, 4<sup>th</sup> of July parade, Art & Wine festival, Novato School Tour, Earth Day events, compost workshops, Sr. Center Health Fair and other prospective community events. A coordinated public outreach/education effort will develop coherent consistent messages in varied media, including print media, websites, social media sites and related outreach. Meetings will be scheduled with Novato Disposal to work on specific outreach events and programs and maintain the outreach calendar. This funding also maintains development, production and reproduction costs for brochures, ads, press releases, signs and or banners, etc. Staff time will continue to be involved in development and updating all brochures and guides, such as Novato's Reuse and Recycling Guide, newsletter articles, information on websites and promotion of programs.
- Other Services. These programs are funded by a grant from the Department of Conservation. They follow programs as outlined in the Zero Waste programs.
  - DOC Beverage Container Recycling. \$2,964. This item includes expenses for the administration of this grant program, along with public outreach services for public and school beverage container recycling. Grant monies will be targeted at Novato schools and multifamily units, with bins provided for beverage container recycling. This is entirely funded by the DOC Beverage Container Recycling Grant.

Costs for the above services total **\$120,161**. for the 2014/15 fiscal year. Attached is a detailed work program, with tasks and costs for the household hazardous waste services, AB939 and Zero Waste program services and Other Services. Costs include all staff services and direct expenses. Payment will be rendered upon the submission of monthly invoices.

As always, I will monitor my costs closely over the fiscal year, in order to meet the task and program responsibilities outlined in the contract and fulfill my contract obligations.

I look forward to working with the Novato Sanitary District on these important community services. I look forward to entering into a contract for these services. Please contact me at (510) 530-6048 if you have any questions.

Very truly yours,



Dee Johnson

DJ:tm  
enc:

**TASK AND COST PROPOSAL FOR  
HOUSEHOLD HAZARDOUS WASTE SERVICES**

This task list indicates my best estimate of time required to plan, administer and coordinate the **permanent household hazardous facility** and administration of the **state used oil payment program**.

<b><u>HOUSEHOLD HAZARDOUS WASTE SERVICES</u></b>	
<b>I. PERMANENT HOUSEHOLD HAZARDOUS WASTE FACILITY</b>	
<b><u>TASKS</u></b>	<b><u>PERSON HOURS</u></b>
<u>Administration, Planning &amp; Regulatory Requirements</u>	
1. Coordinate with regulatory agencies as required on a regular basis DTSC; CUPA (County); Fire District; City; Air Board; LEA	10
2. Coordinate with Novato Disposal re: property as required, including building maintenance, work with contractors for floor sealing, striping, pigeon control	35
3. Plan for potential move of HHW facility, develop timeline and preliminary siting study; review potential sites and site design; work with local and state agencies as required	120
4. Manage & monitor HHW contract; review pricing, contract requirements, etc.; monitor Paintcare services	20
<u>Contractor Administration</u>	
5. Plan and coordinate with contractor for program operation; monitor Paintcare operation at HHW facility	20
6. Hold regular meetings with contractor	15
7. Review bills, manifests, reports and submit for payment; additional E-Waste bills & reconciliations	25
<u>Program Operation</u>	
8. Staff HHW and small business hazardous waste programs; tally surveys; provide for monthly and annual reports	460
9. Coordinate, staff, publicize and conduct 2 special E-Waste collection events; work with contractor; tally surveys; prepare reports	90
10. Provide for hotlines, answer hotline, etc	15
11. Provide for public outreach, ads, press releases, brochures, as necessary	30
12. Review and develop additional programs and sites to deal with new regulated wastes, such as sharps, pharmaceuticals, household batteries, fluorescents and additional E-Wastes, as required	50
<b>TOTAL HOURS PERMANENT HHW FACILITY COORDINATION</b>	<b>890</b>
<b><u>PERMANENT HHW FACILITY COORDINATION COSTS</u></b>	
Professional Staff Time 890 hrs. @ \$90.00/hr.	\$ 80,100.
<u>Direct Expenses</u>	
Clerical; reproduction costs for reports, fliers; brochures; handouts	<u>\$ 1,900.</u>
Subtotal Direct Expenses	\$ 1,900.
<b>TOTAL PERMANENT HHW FACILITY COORDINATION COSTS</b>	<b>\$ 82,000.</b>

**II. CAL RECYCLE USED OIL PAYMENT PROGRAM**

<b><u>TASKS</u></b>	<b><u>PERSON HOURS</u></b>
1. <u>Publicity &amp; Advertising.</u> Design and place ads in local paper, Facebook page and Novato Patch	2
2. <u>Evaluate/audit certified collection centers;</u> site visits; prepare checklist	3
3. <u>Used Oil Collection at HHW facility.</u> Work with used oil collection at HHW facility; design signs and labels for used oil tank; staff facility; work with Evergreen Environmental to clean tank on annual basis	20
4. <u>Administer grant.</u> Prepare reports; payment requests, etc.	<u>8</u>
<b>TOTAL USED OIL PAYMENT PROGRAM</b>	<b>33</b>

**USED OIL PAYMENT PROGRAM ADMINISTRATION COSTS**

Professional Staff Time 33 hrs. @ \$90.00/hr. \$ 2,970.

Direct Expenses

Clerical; reproduction costs \$ 127.

Subtotal Direct Expenses \$ 127.

**TOTAL USED OIL PAYMENT PROGRAM ADMINISTRATION COSTS \$ 3,097.**

**SUMMARY HAZARDOUS WASTE CONSULTING SERVICES:**

I. PERMANENT HHW FACILITY COORDINATION \$ 82,000.

II. CALRECYCLE USED OIL PAYMENT PROGRAM 3,097.

**TOTAL HAZARDOUS WASTE CONSULTING \$ 85,097.**

## TASK AND COST PROPOSAL FOR AB939 & ZERO WASTE PROGRAM SERVICES

This task list indicates my best estimate of time required to provide the administrative support necessary for the District and City; follow-up on Work Plan updates and revisions; provide for Zero Waste programs support and monitoring; maintain waste monitoring and produce reports, provide technical assistance for Novato's businesses and commercial establishments, provide for Education and Outreach support and development of AB341 multifamily and commercial mandatory recycling programs.

<b>III.</b>	<b><u>AB 939 &amp; ZERO WASTE PROGRAM SERVICES</u></b>	<b><u>PERSON HOURS</u></b>
	<b><u>TASKS</u> ADMINISTRATIVE AND TECHNICAL SUPPORT</b>	
1.	Prepare agendas, minutes, reports for staff meetings, District Solid Waste Committee; attend Committee meeting, take minutes (based on 4 per year)	40
2.	Incorporate overall Zero Waste policies into Work Plan; prepare regular updates and present to Committee and District Board; maintain and update Zero Waste calendar and timeline; meet with Novato Disposal staff re: Zero Waste programs and timeline	45
3.	Serve on AB939 Local Task Force and attend meetings and subcommittee meetings; attend staff and JPA Board meetings; report to Committee	40
4.	Monitor state and federal legislation; report to Committee	10
5.	Preparation of staff and committee requested special reports	10
	<b>TOTAL ADMINISTRATIVE AND TECHNICAL SUPPORT</b>	<b>145</b>
	<b>WASTE DISPOSAL &amp; DIVERSION MONITORING</b>	
1.	Obtain disposal/diversion data from county, city, Novato Disposal, Redwood Landfill, and out-of county landfills	1
2.	Prepare quarterly reports for Committee on Novato's disposal & diversion by program such as C&D, food waste, etc.; present to committee	3
3.	Compile quarterly reports & prepare an annual diversion/disposal report to measure AB939 compliance and Zero Waste progress	4
4.	Prepare reports for per capita disposal monitoring requirement	4
	<b>TOTAL WASTE DISPOSAL/DIVERSION MONITORING</b>	<b>12</b>
	<b>BUSINESS TECHNICAL ASSISTANCE</b>	
1.	Provide outreach to small businesses & public agencies re: hazardous waste disposal, recycling; assist with waste inventory, sorting, pricing & disposal	20
2.	Mailings to small businesses & agencies re: hazardous waste disposal	5
	<b>TOTAL BUSINESS TECHNICAL ASSISTANCE</b>	<b>25</b>
	<b>AB341 COMMERCIAL/MULTI-FAMILY RECYCLING</b>	
1.	Review modifications to solid waste ordinance to ensure multifamily/commercial recycling mandates included; update ordinance	15
2.	Conduct outreach to stakeholders, including mailings, ads, workshops, etc.; conduct site visits to multi-family complexes and businesses; provide assistance to business owners and property managers as needed; conduct meetings as needed	35
	<b>TOTAL AB341 COMMERCIAL/MULTI-FAMILY RECYCLING</b>	<b>50</b>
	<b>EDUCATION &amp; PUBLIC OUTREACH</b>	
1.	Prepare, staff/attend at least 10 outreach events, including farmer's markets, Chamber Business fairs, 4 <sup>th</sup> of July parade, Art & Wine festival, Novato School Tour, Hamilton Hometown Festival, Earth Day events, compost workshops, Sr. Center Health Fair and other prospective community events; maintain and update annual outreach calendar for participation in various local events; coordinate with Novato schools and Novato Disposal	70
2.	Work with Novato Disposal and District's consultant to provide	15



## TASK AND COST PROPOSAL FOR OTHER SERVICES

This task list indicates my best estimate of time to provide services for the DOC Beverage Containers Recycling Grant.

<u>TASKS</u>	<u>DOC BEVERAGE CONTAINER RECYCLING</u>	<u>PERSON HOURS</u>
1.	Provide for beverage container bins at Novato schools, multifamily complexes and other locations; provide educational information	20
2.	Provide outreach at community events	5
3.	Administer grant; write reports	5
	<b>TOTAL DOC GRANT</b>	<b>30</b>

### DOC BEVERAGE CONTAINER RECYCLING

Professional Staff Time 30hrs. @ \$90/hr.	\$ 2,700.00
Printing charges; educational information	<u>264.00</u>
<b>TOTAL DOC BEVERAGE CONTAINER RECYCLING</b>	<b>\$ 2,964.00</b>

**TOTAL TASK & COST PROPOSAL FOR SERVICES**

<b>TOTAL HAZARDOUS WASTE CONSULTING</b>	<b>\$ 85,097</b>
<b>TOTAL AB 939 &amp; ZERO WASTE PROGRAM SERVICES COSTS</b>	<b>\$ 32,100</b>
<b>TOTAL DOC BEVERAGE CONTAINER RECYCLING</b>	<b><u>\$ 2,964</u></b>
<b>TOTAL COST PROPOSAL FOR SERVICES</b>	<b>\$ 120,161</b>

## NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE: Board of Directors: Secretary/Treasurer and Secretary Pro Tem, and check signers, for FY2014-15.</b>	<b>MEETING DATE: June 9, 2014</b>  <b>AGENDA ITEM NO.: 7.a.</b>
<b>RECOMMENDED ACTION: Appoint Secretary-Treasurer and Secretary Pro-Tem, and designate and authorize check signers, for FY14-15.</b>	
<p><b>SUMMARY AND DISCUSSION:</b></p> <p>The Board appoints the Secretary-Treasurer and the Secretary Pro-Tem. Currently, the District Manager-Engineer serves as the Secretary-Treasurer and the Administrative Secretary that normally attends Board meetings serves as the Secretary Pro-Tem.</p> <p>Information on the last six terms of authorized check signers is presented below:</p> <ul style="list-style-type: none"> <li>• 2013-14 (effective 4/14/2014): Jean Mariani, Jerry Peters, Brant Miller, Sandeep Karkal</li> <li>• 2013-14: Michael DiGiorgio, Jean Mariani, Brant Miller, Beverly James, Sandeep Karkal</li> <li>• 2012-13: Michael DiGiorgio, Jean Mariani, Dennis Welsh, Beverly James, Sandeep Karkal</li> <li>• 2011-12: Michael DiGiorgio, Bill Long, Dennis Welsh, Beverly James, June Brown</li> <li>• 2010-11: Michael DiGiorgio, Bill Long, Jim Fritz, Beverly James, June Brown</li> <li>• 2009-10: Michael DiGiorgio, Bill Long, Jim Fritz, Beverly James, June Brown</li> </ul> <p>For FY14-15, staff suggests that the Board retain: (a) The Manager-Engineer and the Administrative Secretary as the Secretary-Treasurer and Secretary Pro-Tem respectively, and (b) President Mariani, President Pro-Tem Peters, Director Miller, and Manager-Engineer Karkal as the authorized check signers, for continuity and paperwork minimization.</p>	
<b>ALTERNATIVES: NA.</b>	
<b>BUDGET INFORMATION: NA</b>	
<b>DEPT.MGR.: ssk</b>	<b>MANAGER:</b>



# NOVATO SANITARY DISTRICT

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500 DAVIDSON STREET \* NOVATO \* CALIFORNIA 94945 \* PHONE (415) 892-1694 \* FAX (415) 898-2279  
www.novatosan.com

BOARD OF DIRECTORS

JEAN MARIANI, President  
JERRY PETERS, President Pro-Tem  
GARY BUTLER  
WILLIAM C. LONG  
BRANT MILLER

SANDEEP KARKAL  
Manager-Engineer-Secretary

KENTON L. ALM  
Legal Counsel

## *Preliminary BUDGET*

*FOR*

*FISCAL YEARS 2014-16*

*Presented June 9, 2014*

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***SECTION I***

***LETTER OF TRANSMITTAL AND SUMMARY OF FUND  
BALANCES***



# NOVATO SANITARY DISTRICT

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## BOARD OF DIRECTORS

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SANDEEP KARKAL  
Manager-Engineer-Secretary

KENTON L. ALM  
Legal Counsel

June 9, 2014

Honorable Board of Directors  
Novato Sanitary District  
Novato, California 94945

Dear Board Members:

The proposed Preliminary District Budget for the 2014-15 and 2015-16 fiscal years is attached for your consideration and approval.

The FY 2014-15 Preliminary Budget includes the following components:

- Summary of the Operations Budget Revenues and Expenditures,
- Breakout by Department of the Operating Fund Budget,
- Activity for Vehicle Replacement Fund,
- Activity for the Self Insurance Fund,
- Activity for Rate Stabilization, Emergency Repair Fund, and Southgate Reserve Fund,
- Capital Improvement Revenue and Expenditures Budget,
- Wastewater Capital Reserve Fund and the Certificates of Participation Reserve Fund,
- Debt Service Fund Summary for State Revolving Fund (SRF) Loan and Certificates of Participation (COP) Bond Fund

## OVERVIEW OF FISCAL YEAR 2014-15 DISTRICT ACTIVITIES

This year's annual sewer service charge increase from \$514 to \$533 per service unit, or 3.7%, was adopted on June 25, 2012 through the appropriate Proposition 218 process. As in prior years, the sewer service charge is divided with \$293 (55%) allocated to the Operating Budget, and \$240 (45%) allocated to the Capital Budget.

Items to note about the FY14-15 Operating Budget as compared to the prior year (PY) Operating Budget include:

- Treatment O&M Contract amended limiting the increase: \$16.6K over PY
- Anticipated increase in retiree medical benefits: \$43.5K over PY
- Outside consulting services: \$25k over PY (increase over PY primarily NPDES Permit renewal)
- No unusual equipment maintenance for Reclamation as in prior year: \$19.2k under PY
- Insurance premium increase for the District's liability insurance: \$50.4K over PY
- Lower anticipated attorney fees: \$20k under PY
- Increase in outside services for Collections cost center: \$45K over PY
- Lower research and monitoring fees: \$50.1K under PY

Items to note about the FY14-15 Capital Budget include:

- No anticipated grant income.
- On-going major capital projects, including Pump Station Rehabilitation, Collection System Improvements, and the beginning of the Admin Building Upgrade/Maintenance Building Project.
- Regional projects including North Bay Water Reuse Authority (NBWRA), Novato Creek Watershed, and Hamilton Wetlands/Outfall study.

**BUDGET STRUCTURE**

The District’s budget is prepared on a cash basis. Table 1 summarizes the Operating and Capital Revenue and Expenditures and compares the immediate past year with the proposed budget. Total revenues are projected to increase slightly due to the approved sewer service charge rate increase on June 25, 2012. More detailed information regarding the variances between the two budget years are included below both by department and account.

**Table 1: Summary of Revenues and Expenditures for FY 14 and FY 15**

	FY 13/14 Adopted Budget	FY 14/15 Proposed Budget	% Change FY 14 to FY 15
<b>Operating Revenues</b>	\$ 9,312,285	\$ 9,560,856	2.67%
<b>Capital Revenues</b>	9,014,280	9,482,700	5.20%
<b>Total Revenues</b>	\$ 18,326,565	\$ 19,043,556	3.91%
<b>Operating Expenditures</b>	9,302,921	9,497,691	2.09%
<b>CIP Expenditures</b>	8,076,377	5,575,444	-30.97%
<b>Debt Service</b>	7,070,654	7,070,754	0.00%
<b>Total Expenditures</b>	\$ 24,449,952	\$ 22,143,889	-9.43%

**FISCAL YEAR 2014-15 OPERATING BUDGET DETAILS**

***Operating Revenues***

The proposed FY 2014-15 Operating Budget by revenue source is shown in Table 2 below, along with the figures for the past two fiscal years. Total operating revenues are expected to increase by 2.7% or \$248,571 from FY 2013-14.

**Operating Sewer Service Charges** are expected to increase by \$270,135 or 3.2% due to the rate increase of 3.7%.

**Permits and Fees** expected to decrease by \$2,683 or 7.8% due to anticipated applications for connections and repairs to continue at the same pace as the prior year.

**Other Revenue** consists of septic hauler fees and other miscellaneous revenue. This account is expected to decrease by \$20,000 or 40% based on prior year history and less septic hauler accounts than in past years.

**Table 2: Operating Budget Revenue Three-Year Summary**

Funding Sources by Category	FY 12-13	FY 13-14	FY 14-15	% Change FY 14 to FY 15
	Adopted Budget	Adopted Budget	Proposed Budget	
Operating Sewer Service Charges	\$ 8,345,700	\$ 8,506,680	\$ 8,776,815	3.18%
Permit & Inspection fees	23,000	34,183	31,500	-7.85%
Interest Income	12,500	15,000	15,000	0.00%
Engineering/Admin Charges	175,000	165,000	165,000	0.00%
Franchise Fees	47,370	48,602	49,768	2.40%
AB 939 Collector Fees	297,586	297,586	297,586	0.00%
Oil and Beverage Grant	63,015	50,234	50,187	-0.09%
Ranch Income	60,000	70,000	70,000	0.00%
Recycled Water Revenue	75,000	75,000	75,000	0.00%
Other Revenue	50,000	50,000	30,000	-40.00%
<b>Total Operating Revenue</b>	<b>\$9,149,171</b>	<b>\$9,312,285</b>	<b>\$9,560,856</b>	<b>2.67%</b>

***Operating Expenditures***

A summary of proposed and past two fiscal years Operating Expenditures are shown in Table 3 by department/cost center. Operating expenditures are expected to increase by 2.1% or \$194,770 between FY2013-14 and FY2014-15.

**Treatment:** Increase of 4.6% or \$124,179 is primarily due to an increase in contract fees with Veolia Water of approximately 3%, as allowed by the contract between Veolia and the District.

**Reclamation:** Decrease of 3.7% or \$19,886 due to no expected unusual repairs for the upcoming fiscal year as in the prior year.

**Laboratory:** Decrease of 8.1% or \$55,185 due primarily to lower research and monitoring fees expected in the upcoming fiscal year.

**Recycled Water:** Increase of 5.6% or \$6,000 due to adjusting the budget based on prior year history.

**Table 3: Operating Budget Expenditures 3-year Summary:**

Expenditures by Department	FY 12-13 Adopted Budget	FY 13-14 Adopted Budget	FY 14-15 Proposed Budget	% Change FY 14 to FY 15
Collections	\$ 1,396,845	\$ 1,316,424	\$ 1,398,181	6.21%
Treatment	2,774,000	2,699,200	2,823,379	4.60%
Reclamation	528,913	534,268	514,382	-3.72%
Laboratory	676,740	685,376	630,191	-8.05%
Pump Stations	939,862	822,016	821,041	-0.12%
Administration/Engineering	2,564,643	2,766,336	2,827,819	2.22%
Hazardous Household Waste	360,300	371,301	368,698	-0.70%
Recycled Water	75,000	108,000	114,000	5.56%
<b>Total Expenditures</b>	<b>\$ 9,316,303</b>	<b>\$ 9,302,921</b>	<b>\$ 9,497,691</b>	<b>2.09%</b>

The following table summarizes the main operational budget variances and their impact.

**Table 4: Operating Budget Significant Budget Variances 2013-14 to 2014-15**

Main Budget Variances – FY 14 to FY 15	Budget Impact
1. Retiree health benefits increase due to anticipated increase in health care costs.	\$ 43,497
2. Anticipated increase for the District liability insurance premium.	\$ 50,400
3. Anticipated attorney fees less than in prior years.	\$ (20,000)
4. Increase in consulting fees due to renewal of NPDES Permit.	\$ 25,000
5. Unusual Equipment Maint. decrease due to no anticipated unusual repairs.	\$ (19,200)
6. Outside services increase due to Collection System cost center's anticipated increase of cleaning of large diameter pipe.	\$ 45,000
7. Research and Monitoring fees decreased due primarily to elimination of WET Testing system/Trailer.	\$ (50,150)

**FISCAL YEAR 2014-15 CAPITAL BUDGET DETAILS**

**Capital Revenues**

The proposed FY2014-15 Capital Budget by Revenue source is shown in Table 5 below along with the figures for the past two fiscal years. Total capital revenues are expected to increase by 5.2% or \$468,420 from FY 2013-14.

**Capital Sewer Service Charge Revenues** are expected to increase by \$454,920 or 6.7%. In percentage terms only, the revenue increase is higher than the 3.7% of sewer service charge increase by 3%, due to a larger portion of the allocation going toward the capital budget than in the prior year. In dollar terms, the change in allocation goes from \$227 per EDU to \$240 per EDU. Thus, a \$13 per EDU increase in allocation over approximately 29.9k EDUs which results in approximately \$388.7k more revenue to the capital budget.

**Connection Fees** are expected to increase by 5% due to an increase in the connection charge.

**Interest Income** is expected to decrease by 40% due to the drawing down of COP funds as we near the end of the three year time frame.

**Table 5: Capital Budget Revenue 3-year Summary**

Funding Sources by Category	FY 12-13 Adopted Budget	FY 13-14 Adopted Budget	FY 14-15 Proposed Budget	% Change FY 14 to FY 15
Capital Sewer Service Charges	\$ 6,149,430	\$ 6,728,280	\$ 7,183,200	6.76%
Property Taxes	1,780,000	1,740,000	1,750,000	0.57%
Connection Charges	447,500	470,000	493,500	5.00%
Collector/Special Equalization Charges	6,000	6,000	6,000	0.00%
Interest Income	20,000	50,000	30,000	-40.00%
Grant and Other Revenue	901,810	20,000	20,000	0.00%
<b>Total Capital Revenues:</b>	<b>\$9,304,740</b>	<b>\$9,014,280</b>	<b>\$9,482,700</b>	<b>5.20%</b>

**Capital Expenditures**

The proposed Capital Improvement Program (CIP) Budget for FY14-15 is \$12,646,198 or \$2,500,833 less than last year. The decrease is primarily due to lower anticipated costs to complete the FY14-15 project work for pump station rehabilitation, collection system improvements, and the WWTP Upgrade – Contract C(Solids handling).

Capital projects for 2014-15 will primarily be funded from restricted COP proceeds. Of the total capital projects for 2014-15, \$4,910,444 will be funded from COP proceeds and \$665,000 will be funded through sewer service charges, property taxes, and connection proceeds. The debt service of \$7,070,754 will be funded primarily from sewer service charges, property taxes and connection charges. Table 6 shows the Capital Debt Service and Capital Project Costs for three fiscal years.

**Table 6: Capital Budget Expenditures, 3-year Summary**

Capital Expenditures	FY 12-13 Adopted Budget	FY 13-14 Adopted Budget	FY 14-15 Proposed Budget	% Change FY 14 to FY 15
Capital Projects	\$8,149,440	\$8,076,377	\$5,575,444	-30.97%
Debt Service	6,924,029	7,070,654	7,070,754	0.0%
Total	<b>\$15,073,469</b>	<b>\$15,147,031</b>	<b>\$12,646,198</b>	<b>-16.5%</b>

**Debt Coverage Ratio**

In the COP Installment Sale Agreement the District agreed to collect rates and charges during each fiscal year that are sufficient to yield net revenues equal to at least 120 percent of the installment payments on the COPs and all parity debt in the fiscal year. The projected Debt Coverage Ratio for 2014/15 is 1.35.

**COMPARISON OF ANNUAL SEWER SERVICE CHARGES LEVIED BY NEIGHBORING AGENCIES**

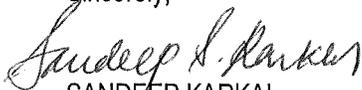
It is of interest to compare the District's rate with those of other nearby sanitation agencies. The following table makes possible such a comparison.

AGENCY	RATE (\$/yr.)
Sausalito-Marin City Sanitary District <sup>(1)</sup>	1,217 <sup>(a)</sup>
City of Santa Rosa	1,171 <sup>(a)</sup>
City of Petaluma	1,029 <sup>(b)</sup>
Tamalpais Community Services District	1,013 <sup>(a)</sup>
City of Larkspur	961 <sup>(b)</sup>
San Rafael Sanitation District	744 <sup>(b)</sup>
Ross Valley Sanitary District (SD #1)	692 <sup>(b)</sup>
City of Mill Valley	685 <sup>(b)</sup>
Las Gallinas Valley Sanitary District	647 <sup>(a)</sup>
<b>NOVATO SANITARY DISTRICT</b>	<b>533 <sup>(b)</sup></b>
Vallejo Sanitation & Flood Control District	520 <sup>(b)</sup>
Napa Sanitation District	507 <sup>(b)</sup>

Notes: <sup>(1)</sup>Includes SMCS D charge of \$725 and City of Sausalito charge of \$492  
<sup>(a)</sup>FY2013-14 charges/<sup>(b)</sup>FY2014-15 (proposed or adopted)

The proposed 2014-15 budget will be able to accomplish the Novato Sanitary District's commitments to achieving the key goals set forth in the Strategic Plan while maintaining reasonable rates for its customers.

Sincerely,



SANDEEP KARKAL  
Manager-Engineer

**Novato Sanitary District  
2014-16 Preliminary Budget  
Summary of Operating Fund  
And Capital Improvement Fund Balances**

	Budget 13/14	Est Rev/Exp 2013-14	Preliminary Budget 2014-15	Preliminary Budget 2015-16
<b>Operating Fund at July 1st Beginning of Each Year</b>	8,133,236	8,061,265	8,741,147	8,804,314
<b>Operating Revenue (p. 2)</b>	9,312,285	9,298,125	9,560,856	9,929,656
<b>Operating Expenditures (p. 3)</b>	9,302,921	8,783,759	9,497,691	9,624,073
<b>Net Operating Revenue</b>	9,364	514,366	63,166	305,584
<b>To close self insurance reserve</b>	165,516	165,516	0	0
<b>Operating Fund at the End of Each Year</b>	<b>8,308,116</b>	<b>8,741,147</b>	<b>8,804,314</b>	<b>9,109,896</b>
<b>Capital Improvement Fund at July 1st Beginning of Each Year</b>	10,662,381	10,737,755	7,520,032	4,356,534
<b>Capital Revenue (p. 20)</b>	9,014,280	8,682,398	9,482,700	9,759,040
<b>Total Capital Revenues</b>	9,014,280	8,682,398	9,482,700	9,759,040
<b>Capital Expenditures (p. 21)</b>	8,076,377	5,577,013	5,575,444	3,721,401
<b>Debt Service (p. 21)</b>	7,070,654	7,070,654	7,070,754	7,075,104
<b>Total Capital Expenditures</b>	15,147,031	12,647,667	12,646,198	10,796,505
<b>To Close reserves to Capital Fund(p. 22)</b>	1,647,546	1,647,546		
<b>To transfer funds to Rate Stabilization Fund(p. 22)</b>	(900,000)	(900,000)		
<b>Capital Improvement Fund Balance at the End of Each Year</b>	<b>5,277,176</b>	<b>7,520,032</b>	<b>4,356,534</b>	<b>3,319,069</b>
<b>Reserved</b>	<b>6,801,882</b>	<b>6,801,882</b>	<b>1,500,000</b>	<b>1,500,000</b>
<b>Unreserved</b>	<b>6,783,410</b>	<b>9,459,297</b>	<b>11,660,848</b>	<b>10,928,966</b>
<b>Operating and Capital Improvement Fund Balances at The End of Each Year</b>	<b>13,585,292</b>	<b>16,261,179</b>	<b>13,160,848</b>	<b>12,428,966</b>

***SECTION II***

***OPERATING BUDGET SUMMARY SCHEDULES***

**Novato Sanitary District  
2014-16 Preliminary Operating Budget  
Revenue Summary**

	Budget 13/14	Revenues thru April 2014	Est Rev 2013-14	Preliminary Budget 2014-15	Preliminary Budget 2015-16
41010 · Sewer Service Charges (1)	8,506,680	8,062,214	8,450,087	8,776,815	9,121,520
41030 · Plan Check & Inspection Fee	500	2,069	2,100	500	500
41040 · Permit & Inspection Fee	7,500	5,515	6,000	6,000	6,000
41060 · Interest Income	15,000	11,184	15,000	15,000	15,000
41080 · Engineering & Admin Charges	165,000	0	165,000	165,000	165,000
41090 · Non-domestic Permit Fees (2)	26,183	9,484	25,000	25,000	15,000
41100 · Garbage Franchise Fees	48,602	2,370	48,602	49,768	50,863
41105 · AB 939 Collector Fees	297,586	297,586	297,586	297,586	297,586
41107 · Oil/Bev/Tire Grants (3)	50,234	57,051	60,000	50,187	50,187
41130 · Ranch Income	70,000	57,459	70,000	70,000	70,000
41135 · Recycled Water Revenue	75,000	62,764	75,000	75,000	108,000
41140 · Other Revenue (4)	40,000	17,419	20,000	20,000	20,000
41142 · Loss on disposal of assets	10,000	63,750	63,750	10,000	10,000
<b>Totals</b>	<b>9,312,285</b>	<b>8,648,865</b>	<b>9,298,125</b>	<b>9,560,856</b>	<b>9,929,656</b>

**Comments:**

- (1) Sewer Service charge revenue is based on approved rate increase and actual revenue received in prior year. The Sewer Service Charges allocations are as follows: For 2014/15 the charge is \$533 split between operations(\$293) and capital (\$240). For 2015/16 the charge is \$552 split between operations(\$304) and capital(\$248).
- (2) Includes application fees, permits and monitoring charges.
- (3) Oil/Bev/Tire Grants \$22,490/ JPA Reimb Fees \$27,697.
- (4) Other revenue includes septic tank hauling fees, and other miscellaneous revenue.

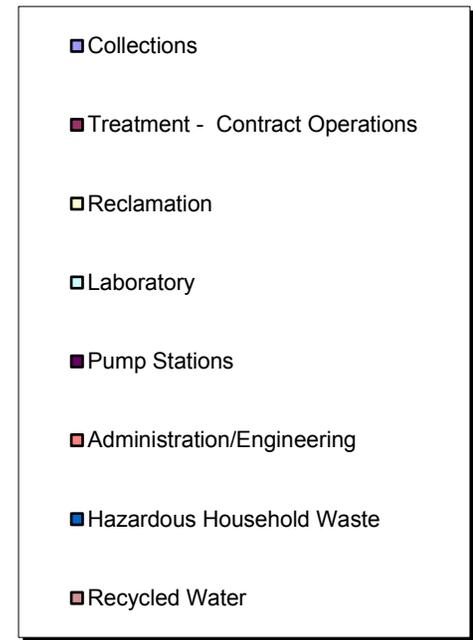
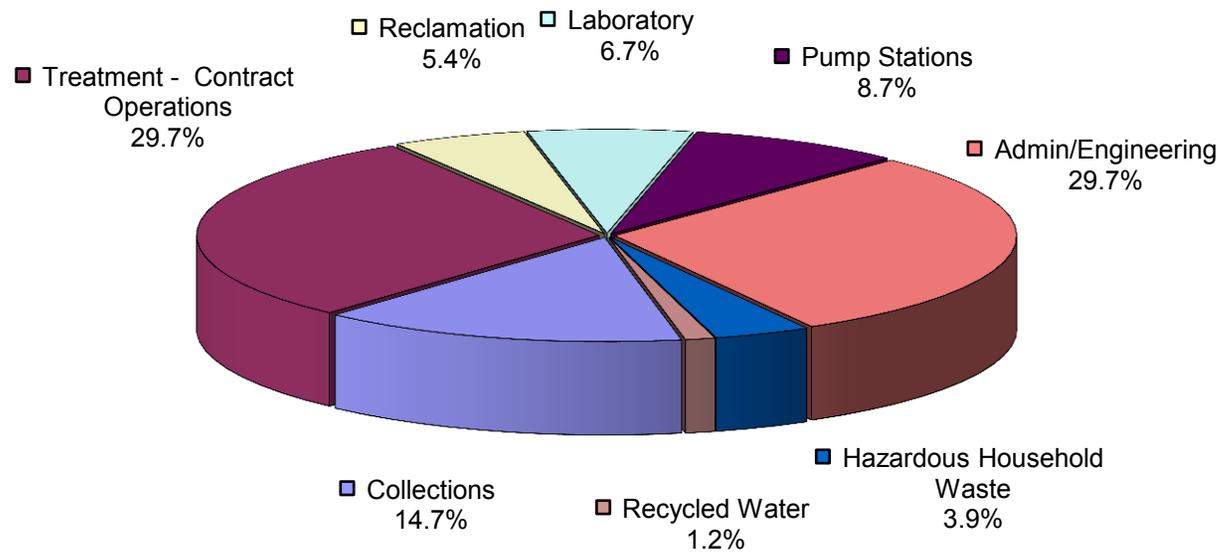
**APPROPRIATIONS LIMITATION**

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

**Novato Sanitary District  
2014-16 Preliminary Budget  
Operating Budget - Summary of Expenditures**

	Budget 13/14	Expenditures thru April 2014	Est Exp 2013-14	Preliminary Budget 2014-15	Preliminary Budget 2015-16
<b>Collections</b>	1,316,424	919,019	1,239,411	1,398,181	1,224,707
<b>Treatment - Contract Operations</b>	2,699,200	2,129,755	2,647,014	2,823,379	2,950,690
<b>Reclamation</b>	534,268	407,374	489,258	514,382	528,698
<b>Laboratory</b>	685,376	412,638	641,341	630,191	652,073
<b>Pump Stations</b>	822,016	570,279	728,030	821,041	835,939
<b>Administration/Engineering</b>	2,766,336	2,092,736	2,571,596	2,827,819	2,947,668
<b>Hazardous Household Waste</b>	371,301	222,226	353,109	368,698	370,298
<b>Recycled Water</b>	108,000	71,381	114,000	114,000	114,000
	9,302,921	6,825,408	8,783,759	9,497,691	9,624,073

## Preliminary Budget 2014-15 Expenditures by Department



***SECTION III***

***OPERATING FUND BUDGET***

**Novato Sanitary District  
2014-16 Preliminary Operating Budget  
Operating Fund and Working Capital Reserve Fund**

			2014-15 Budget	
			Prelim	Final
<b><u>OPERATING FUND</u></b>				
		<b>Fund Balance 6/30/13</b>	0	0
		Estimated Revenues 2013-14	9,298,125	-
		Estimated Expenditures 2013-14	(8,783,759)	-
		Transfer from Working Capital Reserve Fund	(514,366)	-
(1)		To close Working Capital Reserve to Operating Fund	8,741,147	
		<b>Fund Balance 6/30/14</b>	8,741,147	0
		Anticipated Revenues 2014-15	9,560,856	-
		Anticipated Expenditures 2014-15	(9,497,691)	-
		<b>Anticipated Fund Balance 6/30/15</b>	8,804,314	0
<b><u>WORKING CAPITAL RESERVE FUND</u></b>				
		<b>Fund Balance 6/30/13</b>	8,061,265	
		Transfer from Operating Fund 2013-14	514,366	-
(1)		To close Self Insurance Fund	165,516	-
(1)		To close Working Capital Reserve Fund to Operating Fund	(8,741,147)	-
		<b>Fund Balance 6/30/14</b>	0	0
(1)		Per new fund and reserve policies the Self Insurance Fund has been closed to the Operating Fund. In addition, Working Capital Reserve Fund has been closed to the Operating Fund.		

Novato Sanitary District 2014-15 Preliminary Operating Budget Operating Budget Detail by Account Category												
	Treatment Facilities	Recl	L-M	Pump Stations	Collection System	A-E	Recycled Water	Total	Percent	Over/ Under PY Budget	% Over/ Under PY Budget	
Salaries and Wages		77,682	216,772	324,106	602,515	954,601		2,175,675	22.91%	33,924	1.58%	
O & M Services							50,000	50,000	0.53%	-	0.00%	
Employee Benefits		35,100	85,919	143,935	272,666	388,143		925,763	9.75%	29,322	3.27%	
Retiree Health Benefits						430,575		430,575	4.53%	43,497	11.24%	
Directors' Fees						45,000		45,000	0.47%	-	0.00%	
Gasoline, Oil & Fuel		4,000	3,000	5,000	28,000	10,000		50,000	0.53%	(2,000)	-3.85%	
Insurance	44,000					186,000		230,000	2.42%	50,400	28.06%	
Ins Claims Expense						45,000		45,000	0.47%	-	0.00%	
Agency Dues						51,000		51,000	0.54%	5,000	10.87%	
Memberships						8,500		8,500	0.09%	500	6.25%	
Office Expense						29,000		29,000	0.31%	2,000	7.41%	
Safety		500	1,000	2,000	2,000	1,000		6,500	0.07%	(4,500)	-40.91%	
Software Maint		3,100	4,000	12,000	25,000			44,100	0.46%	600	1.38%	
Operating Supplies		2,500	25,000	10,000	30,000	9,000	2,000	78,500	0.83%	(500)	-0.63%	
Operating Chemicals				30,000			26,000	56,000	0.59%	(9,000)	-13.85%	
Sludge Disposal-Contractual		200,000						200,000	2.11%	10,000	5.26%	
Accounting & Auditing						18,000		18,000	0.19%	(4,500)	-20.00%	
Attorney						120,000		120,000	1.26%	(20,000)	-14.29%	
Outside Consulting						275,000		275,000	2.90%	40,000	17.02%	
IT/Misc. Electrical						40,000		40,000	0.42%	-	0.00%	
Printing & Publication						22,000		22,000	0.23%	4,000	22.22%	
Repairs & Maintenance		70,000	9,500	115,000	85,000	45,000	25,000	349,500	3.68%	14,500	4.33%	
Unusual Equipment Maint	150,000	0						150,000	1.58%	(19,200)	-11.35%	
Small Tools		500		1,000	2,000			3,500	0.04%	(1,500)	-30.00%	
Outside Services				40,000	275,000			315,000	3.32%	45,000	16.67%	
Ditch/Dike Maintenance		20,000						20,000	0.21%	-	0.00%	
Research & Monitoring								247,000	2.60%	(50,150)	-16.88%	
Travel, Mtgs & Train.			247,000			70,000		70,000	0.74%	-	0.00%	
Pollution Prevention/Pub. Ed.			35,000					35,000	0.37%	(5,000)	-12.50%	
Gas & Electricity	586,850	90,000		90,000			10,000	776,850	8.18%	33,350	4.49%	
Water		5,000		7,000	8,000			20,000	0.21%	(2,000)	-9.09%	
Telephone				24,000	2,000	15,000		41,000	0.43%	1,000	2.50%	
Other/Operational Assistance					1,000			1,000	0.01%	-	0.00%	
Permits & Fees	85,000	6,000	3,000	17,000	65,000		1,000	177,000	1.86%	(9,000)	-4.84%	
Co. Collection Fees						60,000		60,000	0.63%	(5,000)	-7.69%	
Ser. Chg. System Exp						5,000		5,000	0.05%	-	0.00%	
AB 939 Solid Waste Programs						368,698		368,698	3.88%	(2,603)	-0.70%	
Contract Operations	1,957,529							1,957,529	20.61%	16,629	0.86%	
<b>Total</b>	<b>2,823,379</b>	<b>514,382</b>	<b>630,191</b>	<b>821,041</b>	<b>1,398,181</b>	<b>3,196,517</b>	<b>114,000</b>	<b>9,497,691</b>	<b>100.00%</b>	<b>194,770</b>	<b>2.09%</b>	

**Novato Sanitary District  
2014-16 Preliminary Budget  
Operating Budget - Collections**

	Budget 13/14	Expenditures thru April 2014	Est Exp 2013-14	Preliminary Budget 2014-15	Preliminary Budget 2015-16
60010 · Salaries & Wages	549,300	477,729	574,396	602,515	632,302
60020 · Employee Benefits	250,124	201,679	242,015	272,666	284,405
60060 · Gas, Oil & Fuel	30,000	16,692	25,000	28,000	28,000
60085 · Safety	5,000	15	1,000	2,000	2,000
60091 · Software Maint	20,000	17,679	20,000	25,000	25,000
60100 · Operating Supplies	30,000	18,005	30,000	30,000	30,000
60150 · Repairs & Maint	85,000	64,993	85,000	85,000	85,000
60152 · Small Tools	2,000	1,570	2,000	2,000	2,000
60153 · Outside Services	225,000	87,793	225,000	275,000	100,000
60192 · Water	7,000	8,359	7,000	8,000	8,000
60193 · Telephone	2,000	995	2,000	2,000	2,000
60200 · Other(Garbage Coll)	1,000	306	1,000	1,000	1,000
60201 · Permits & Fees	110,000	23,204	25,000	65,000	25,000
	<b>1,316,424</b>	<b>919,019</b>	<b>1,239,411</b>	<b>1,398,181</b>	<b>1,224,707</b>

Comments:

**Novato Sanitary District  
2014-16 Preliminary Budget  
Operating Budget - Treatment Facilities Contract Operations**

	Budget 13/14	Expenditures thru April 2014	Est Exp 2013-14	Preliminary Budget 2014-15	Preliminary Budget 2015-16
61000-1 · Fixed Fee(1)	1,940,900	1,583,714	1,900,514	1,957,529	2,016,255
61000-2 · Insurance & Bonds(2)	50,600	30,812	40,000	44,000	48,400
61000-3 · Major Repr/Replacemnt	109,200	41,839	96,000	150,000	157,500
61000-4 · Water/Permits/Ph	65,000	74,104	77,000	85,000	83,000
61000-5 · Gas & Electricity(2)	533,500	399,286	533,500	586,850	645,535
	<b>2,699,200</b>	<b>2,129,755</b>	<b>2,647,014</b>	<b>2,823,379</b>	<b>2,950,690</b>

**Comments:**

- (1) Fixed fee - Veolia based on 3% increase from prior year per discussion with Veolia staff and review of amended and restated contract.
- (2) Accounts 61000-2 and -5 increase projected at 10% based on actual expenditures for 2013/14.

**Novato Sanitary District  
2014-2016 Preliminary Budget  
Operating Budget - Reclamation**

	Budget 13/14	Expenditures thru April 2014	Est Exp 2013-14	Preliminary Budget 2014-15	Preliminary Budget 2015-16
63010 · Salaries & Wages	51,991	27,674	36,899	77,682	82,625
63020 · Employee Benefits	17,277	11,437	15,249	35,100	36,473
63060 · Gasoline & Oil	5,000	2,914	4,000	4,000	4,000
63085 · Safety	1,000	0	1,000	500	500
63091 · Software Maint	3,000	3,018	3,100	3,100	3,100
63100 · Operating Supplies	3,000	2,021	3,000	2,500	2,500
63115 · Sludge Disposal	190,000	180,590	190,000	200,000	200,000
63150 · Repairs & Maint	60,000	55,898	60,000	70,000	70,000
63151 · Unusual Equipment Maint	60,000	47,102	60,000	0	0
63152 · Small Tools	1,000	81	1,000	500	500
63157 · Ditch/Dike Maint	20,000	3,800	20,000	20,000	20,000
63191 · Gas & Electricity	110,000	68,072	90,000	90,000	100,000
63192 · Water	10,000	1,208	1,451	5,000	5,000
63201 · Permits & Fees	2,000	3,559	3,559	6,000	4,000
	<b>534,268</b>	<b>407,374</b>	<b>489,258</b>	<b>514,382</b>	<b>528,698</b>

Comments:

**Novato Sanitary District  
2014-16 Preliminary Budget  
Operating Budget - Laboratory**

	Budget 13/14	Expenditures thru April 2014	Est Exp 2013-14	Preliminary Budget 2014-15	Preliminary Budget 2015-16
<b>64010 · Salaries &amp; Wages</b>	217,324	152,524	208,491	216,772	225,394
<b>64020 · Employee Benefits</b>	80,402	57,463	63,000	85,919	91,179
<b>64060 · Gasoline &amp; Oil</b>	3,000	1,677	2,700	3,000	3,000
<b>64085 · Safety</b>	1,000	0	1,000	1,000	1,000
<b>64091 · Software Maintenance</b>	8,500	945	1,000	4,000	2,000
<b>64100 · Operating Supplies</b>	25,000	22,057	25,000	25,000	25,000
<b>64150 · Repairs &amp; Maintenance</b>	10,000	3,121	10,000	9,500	9,500
<b>64160 · Research &amp; Monitoring</b>	297,150	143,465	297,150	247,000	257,000
<b>64170 · Pollution Prev/Public Ed</b>	40,000	29,027	30,000	35,000	35,000
<b>64201 · Permits &amp; Fees</b>	3,000	2,359	3,000	3,000	3,000
	<b>685,376</b>	<b>412,638</b>	<b>641,341</b>	<b>630,191</b>	<b>652,073</b>

Comments:

**Novato Sanitary District  
2014-2016 Preliminary Budget  
Operating Budget - Pump Stations**

	Budget 13/14	Expenditures thru April 2014	Est Exp 2013-14	Preliminary Budget 2014-15	Preliminary Budget 2015-16
65010 · Salaries & Wages	315,414	231,064	277,277	324,106	340,860
65020 · Employee Benefits	146,602	97,855	117,426	143,935	148,079
65060 · Gasoline & Oil	5,000	4,228	5,000	5,000	6,000
65085 · Safety	3,000	327	3,000	2,000	2,000
65091 · Software Maintenance	12,000	7,584	12,000	12,000	12,000
65100 · Operating Supplies	10,000	5,092	10,000	10,000	10,000
65101 · Operating Chemicals	45,000	72	25,000	30,000	30,000
65150 · Repairs & Maintnnce	115,000	104,198	115,000	115,000	115,000
65152 · Small Tools	2,000	1,057	2,000	1,000	2,000
65153 · Outside Services, Electric	45,000	18,516	45,000	40,000	40,000
65191 · Gas & Electricity	90,000	68,314	81,977	90,000	95,000
65192 · Water	5,000	5,292	6,350	7,000	7,000
65193 · Telephone	23,000	20,086	21,000	24,000	24,000
65201 · Permits & Fees	5,000	6,594	7,000	17,000	4,000
	<b>822,016</b>	<b>570,279</b>	<b>728,030</b>	<b>821,041</b>	<b>835,939</b>

Comments:

**Novato Sanitary District  
2014-2016 Preliminary Budget  
Operating Budget - Administration**

	Budget 13/14	Expenditures thru April 2014	Est Exp 2013-14	Preliminary Budget 2014-15	Preliminary Budget 2015-16
66010 · Salaries & Wages	1,007,722	840,627	1,008,752	954,601	988,764
66020 · Employee Benefits	402,036	326,381	391,657	388,143	406,654
66021 · Retiree Health Benefits	387,078	190,632	236,227	430,575	465,749
66030 · Director's Fees	45,000	33,300	39,960	45,000	45,000
66040 · Election Expense	0	0	0	0	40,000
66060 · Gasoline & Oil	9,000	5,330	9,000	10,000	10,000
66070 · Insurance	129,000	175,178	176,000	186,000	196,000
66071 · Insurance Claim Expense	45,000	4,563	45,000	45,000	45,000
66075 · Agency Dues	46,000	43,352	46,000	51,000	46,000
66080 · Memberships	8,000	7,323	8,000	8,500	8,500
66085 · Safety	1,000	954	1,000	1,000	1,000
66090 · Office Expense	27,000	25,356	28,000	29,000	29,000
66100 · Engineering Supplies	9,000	6,736	9,000	9,000	9,000
66121 · Accounting & Auditing	22,500	16,825	17,000	18,000	20,000
66122 · Attorney Fees	140,000	36,775	70,000	120,000	120,000
66123 · O/S Contractual (2)	235,000	186,579	235,000	275,000	260,000
66124 · IT/Misc Electrical	40,000	38,019	40,000	40,000	40,000
66130 · Printing & Publications	18,000	15,204	18,000	22,000	22,000
66150 · Repairs & Maintenance	40,000	42,073	43,000	45,000	45,000
66170 · Travel, Meetings & Training	70,000	33,974	70,000	70,000	70,000
66193 · Telephone	15,000	9,139	15,000	15,000	15,000
66202 · County Fees-Property Taxes	33,000	19,829	25,000	25,000	25,000
66203 · County Fees-Sewer Ser Chg	32,000	34,587	35,000	35,000	35,000
66250 · Service Charge Sys Exp	5,000	0	5,000	5,000	5,000
	<b>2,766,336</b>	<b>2,092,736</b>	<b>2,571,596</b>	<b>2,827,819</b>	<b>2,947,668</b>

Novato Sanitary District												
Preliminary Operating Budget 2014-16												
PERSONNEL DETAIL												
Number	Position	Dept.	Pay Range	Total Salaries								
				2014-15	2015-16							
1.00	Manager-Engineer.....	A/E		184,140	190,401							
1.00	Technical Services Manager	A/E	MC119	116,064	120,010							
1.00	Senior Engineer.....	.75AE/.25PS	MC116.5	124,920	129,167							
1.00	Field Services Manager.....	.25AE/.25CS/.25PS/.25Rec	MC119	134,364	145,879							
0.46	Administrative Services Specialist .....	A/E	MC117.5	60,538	62,596							
0.50	Administrative Assistant .....	A/E	MC103	26,586	27,490							
1.00	Administrative Secretary.....	A/E	MC106	74,820	77,364							
1.00	Finance Officer.....	A/E	MC112.5	102,768	106,262							
1.00	Project Specialist	.25AE/.25CS/.25PS/.25Rec	MC112.5	88,776	96,384							
1.00	Staff Engineer.....	.5A/E/.5CS	47	95,484	98,730							
1.00	Construction Inspector.....	A/E	44.5	84,552	87,427							
1.00	Information System Specialist II.....	.5A/E/.5CS	43.5	80,520	83,258							
1.00	Environmental Services Supervisor.....	L/M	MC115.5	99,588	102,974							
1.00	ECA II.....	L/M	45.5	88,780	91,798							
1.00	Collection System Superintendent.....	.67CS/.33PS	MC115	116,064	120,010							
1.00	Collection System Leadworker.....	.67CS/.33PS	47	95,484	98,730							
1.00	Collection System Worker III.....	.67CS/.33PS	43.5	80,527	83,265							
1.00	Collection System Worker II.....	.67CS/.33PS	40.5	69,564	71,929							
4.00	Collection System Worker I.....	.67CS/.33PS	38.5	222,860	241,959							
1.00	Admin Intern	A/E	N/A	12,000	12,000							
1.00	Collection Intern	CS	N/A	10,000	10,000							
1.00	Engineering Intern	A/E	N/A	8,000	8,000							
1.00	Lab. Analyst (NMWD)	L/M	N/A	20,000	22,000							
0.40	Hourly Electrician	.25AE/.25PS/.50Rec	N/A	40,000	40,000							
	Allowance for Overtime.....	C/S		38,000	38,000							
	Allowance for Overtime.....	A/E		7,500	7,500							
	Allowance for Overtime.....	L/M		2,000	2,000							
	Allowance for Standby Duty Pay.....	C/S		25,000	25,000							
				-								
	CCSR.....	PS		600	600							
	Subtotal			2,109,498	2,200,734							
	Allowance for Possible COLA - across the board ... 3.40%			66,178	69,212							
				2,175,675	2,269,945							
25.36	Administration and Engineering (A/E)	=	954,601	988,764								
	Laboratory and Monitoring (L/M)	=	216,772	225,394								
	Collection System 67%	=	602,515	632,302								
	Pump Stations 33%	=	324,106	340,860								
	Reclamation Facilities	=	77,682	82,625								
	Total/Check		2,175,675	2,269,945								

**Novato Sanitary District  
2014-2016 Preliminary Budget  
Operating Budget - Hazardous Household Waste**

	Budget 13/14	Expenditures thru April 2014	Est Exp 2013-14	Preliminary Budget 2014-15	Preliminary Budget 2015-16
67400 · Management Services	119,264	73,206	116,033	130,161	130,761
67500 · Household Hazardous Wst	187,500	140,388	176,300	164,000	164,000
67530 · Used Oil Grant	5,000	0	11,452	11,963	11,963
67530-1 Beverage Container Grant	22,537	2,070	10,574	10,574	10,574
67540 · Education/Publicity Outreach	22,000	6,562	25,250	37,000	38,000
67600 · Other	5,000	0	3,500	5,000	5,000
67610 · City AB 939 Admin Service	10,000	0	10,000	10,000	10,000
	<b>371,301</b>	<b>222,226</b>	<b>353,109</b>	<b>368,698</b>	<b>370,298</b>

Comments:

Per Proposed budget by HHW Coordinator.

**Novato Sanitary District  
2014-2016 Preliminary Budget  
Operating Budget - Recycled Water**

	Budget 13/14	Expenditures thru April 2014	Est Exp 2013-14	Preliminary Budget 2014-15	Preliminary Budget 2015-16
68010 · O & M Services	50,000	29,316	50,000	50,000	50,000
68100 · Operating Supplies	2,000	3,442	2,000	2,000	2,000
68101 · Operating Chemicals	20,000	23,768	26,000	26,000	26,000
68150 · Repairs & Maintnnce	25,000	14,855	25,000	25,000	25,000
68191 · Gas & Electricity	10,000	0	10,000	10,000	10,000
68201 · Permits & Fees	1,000	0	1,000	1,000	1,000
	<b>108,000</b>	<b>71,381</b>	<b>114,000</b>	<b>114,000</b>	<b>114,000</b>

Comments:

***SECTION IV***

***VEHICLE REPLACEMENT BUDGET***



***SECTION V***

***SELF INSURANCE BUDGET***



***SECTION VI***

***RATE STABILIZATION, EMERGENCY REPAIR AND  
SOUTHGATE RESERVE FUND BUDGET***

**Novato Sanitary District  
2014-16 Preliminary Budget  
Rate Stabilization and Emergency Repair Reserve Funds**

		2014-15 Budget	
		Prelim	Final
<b><u>RATE STABILIZATION FUND**</u></b>			
	<b>FUND BALANCE 6/30/13 . . . . .</b>	600,000	600,000
(1)	Contribution to/from Capital Reserve Fund to Rate Stabilization Fund 2013-14	900,000	900,000
	<b>FUND BALANCE 6/30/14 . . . . .</b>	1,500,000	1,500,000
	Required Deposits	0	0
	<b>FUND BALANCE 6/30/15 . . . . .</b>	1,500,000	1,500,000
<b><u>EMERGENCY REPAIR RESERVE FUND**</u></b>			
	<b>FUND BALANCE 6/30/13 . . . . .</b>	600,000	600,000
(1)	To close fund to Capital Reserve Fund	0	(600,000)
	<b>FUND BALANCE 6/30/14 . . . . .</b>	600,000	-
(1)	Per new fund and reserve policies the Emergency Repair Fund was closed to the Capital Reserve Fund and the Rate Stabiliation Fund was increased to \$1.5 million.		

**Novato Sanitary District  
2014-16 Preliminary Budget  
Southgate Reserve Fund**

			2014-15 Budget	
			Prelim	Final
<b><u>SOUTHGATE RESERVE FUND**</u></b>				
<b>FUND BALANCE 6/30/13 . . . . .</b>			679,989	679,989
		Contribution to/from Operating Fund to Southgate Reserve Fund 2013-14	0	0
(1)	(p. 19)	To close fund to Capital Reserve Fund		(679,989)
<b>FUND BALANCE 6/30/14 . . . . .</b>			679,989	0
(1)		Per new fund and reserve policies the Southgate Reserve Fund was closed to the Capital Reserve Fund.		

***SECTION VII***

***CAPITAL IMPROVEMENT BUDGET***

**Novato Sanitary District  
2014-16 Preliminary Budget  
Capital Improvement Budget - Revenue Summary**

				Preliminary	Preliminary
		Revenues	Est Rev	Budget	Budget
	Budget 13/14	thru April 2014	2013-14	2014-15	2015-16
<b>Capital Improvement Income</b>					
51010 · Sewer Service Charges(1)	6,728,280	6,333,977	6,638,558	7,183,200	7,435,040
51015 · Property Taxes	1,740,000	1,708,643	1,793,840	1,750,000	1,750,000
51020 · Connection Charges(2)	470,000	96,626	200,000	493,500	518,000
51030 · Collector Sewer Charges	2,000	0	0	2,000	2,000
51040 · Special Equalization Chrg	4,000	0	0	4,000	4,000
51060 · Interest	50,000	23,174	30,000	30,000	30,000
51062 · Grant Revenue	0	16,250	0	0	0
51070 · Other Revenue	20,000	0	20,000	20,000	20,000
<b>Total Capital Improvement Income</b>	<b>9,014,280</b>	<b>8,178,670</b>	<b>8,682,398</b>	<b>9,482,700</b>	<b>9,759,040</b>
<b>Comments:</b>					
<b>(1) Sewer Service charge revenue is based on approved rate increase and actual revenue received in prior year. The Sewer Service Charges allocations are as follows: For 2014/15 the charge is \$533 split between operations(\$293) and capital (\$240). For 2015/16 the charge is \$552 split between operations(\$304) and capital(\$248).</b>					
<b>(2) Connection Charges projected to be 50 new connections at \$9,870 each and 50 new connections the following year at \$10,360 each.</b>					

**Novato Sanitary District  
2014-2016 Preliminary Budget  
Capital Improvement Budget - CIP Expenditures**

				Preliminary	Preliminary
		Expenditures	Est Exp	Budget	Budget
	Budget 13/14	thru April 2014	2013-14	2014-15	2015-16
72110 · Drainage PS 3&7 Outfall Rehab	150,000	26,324	26,324	275,000	0
72111 · SCADA Phase II	0	0	0	0	0
72403 · Pump Station Rehabilitation	1,440,000	174,277	757,815	1,082,185	100,000
72508 · N. Bay Water Recycling Auth	150,000	97,595	122,595	370,000	403,000
72509 · NTP Soil & Groundwater Inv	0	0	0	0	0
72604 · Laboratory Improvements	0	0	0	0	0
72609 · WWTP Upgrade - Contract B	100,000	26,714	35,000	45,000	0
72611 · Bayside Sewer	3,000	0	2,000	0	0
72612 · Southgate Sewer-	1,000	0	0	0	0
72706 · Collection System Improv	1,730,000	799,220	904,679	1,435,321	900,000
72706-1 · Lateral Replacemnt Program	30,000	13,500	0	30,000	30,000
72707 · Hamilton Wetlands/Outfall Monit	90,000	38,759	54,458	36,542	2,500
72708 · Cogeneration	50,000	0		40,000	10,000
72801 · Annual Minor Projects	0	0	0	0	0
72802 · Annual Sewer Adj. for City Proj	10,000	10,000	10,000	10,000	10,000
72803 · Annual Collection Sys Repairs	275,000	149,008	210,089	200,000	200,000
72804 · Annual Reclamation Fac Imp	250,000	208,668	238,668	150,000	150,000
72805 · Annual Trtmt Plnt/Pump St Impr	275,000	203,010	203,010	200,000	150,000
72808 · Strategic Plan Update	0	0	0	0	0
72809 · Novato Creek Watershed	50,000	50,000	50,000	50,000	0
73001 · WWTP Upgrade - Contract C (Solids handling)	2,858,377	2,586,475	2,858,377	461,396	10,000
73002 · WWTP Up-Contract D-Recycled Water	150,000	80,956	84,899	10,000	5,000
73003 · Admin Building Upgrade/Maint. Building	400,000	9,100	19,099	1,000,000	1,730,901
73090 · Vehicle Replacement	64,000	0	0	180,000	20,000
78500 · Interest - SRF/COP Bond	2,730,721	2,730,721	2,730,721	2,621,583	2,509,673
78500 · Principal	4,339,933	4,339,933	4,339,933	4,449,171	4,565,431
<b>Totals</b>	<b>15,147,031</b>	<b>11,544,260</b>	<b>12,647,667</b>	<b>12,646,198</b>	<b>10,796,505</b>

Comments:

**Novato Sanitary District  
2014-16 Preliminary Budget  
Capital Improvement and Working Capital Reserve Funds**

		2014-15 Budget	
		Prelim	Final
<b>CAPITAL IMPROVEMENT FUND</b>			
	<b>Fund Balance 6/30/13</b>	0	0
	Estimated Revenues 2013-14	8,682,398	-
	Estimated Expenditures 2013-14	(5,577,013)	-
	Debt Service Payments -SRF Loan and COP Bond	(7,070,654)	-
	Transfer from Capital Improvement Reserve Fund 2013-14	3,965,269	-
	Closed Capital Reserve Fund to Capital Improvement Fund	7,520,032	
	<b>Fund Balance 6/30/14</b>	7,520,032	0
	Anticipated Revenues 2014-15	9,482,700	-
	Anticipated Expenditures 2014-15	(5,575,444)	-
	Debt Service Payments SRF Loan and COP Bond	(7,070,754)	-
	<b>Anticipated Fund Balance 6/30/15</b>	4,356,534	0
<b>WORKING CAPITAL RESERVE FUND</b>			
	<b>Fund Balance 6/30/13</b>	10,737,755	0
	Transfer from Capital Improvement Fund 2013-14	(3,965,269)	-
	Transfer from Southgate Reserve Fund (1)	679,989	-
	Transfer from Vehicle Replacement Fund(1)	367,557	-
	Transfer from Emergency Reserve Fund (1)	600,000	
	Transfer to Rate Stabilization Fund (2)	(900,000)	
	Transfer to Close this fund (3)	(7,520,032)	
	<b>Fund Balance 6/30/14</b>	0	0
(1)	Per new fund and reserve policies the Southgate Reserve, Vehicle Replacement Reserve and the Emergency Reserve were eliminated and closed to the Capital Reserve Fund. These reserves totalled \$1,647,546.		
(2)	Per new fund and reserve policies Rate Stabilization Fund increased by \$900k.		
(3)	Due to our new reserve and fund policies we will no longer be closing our Capital Improvement Fund to our Working Capital Reserve Fund, the excess or deficit for each year will just remain in the Capital Improvement Fund.		

***SECTION VIII***

***WASTEWATER CAPITAL RESERVE FUND &  
CERTIFICATE OF PARTICIPATION RESERVE FUND***

**Novato Sanitary District  
2014-16 Preliminary Budget  
Wastewater Capital Reserve Fund**

		2014-15 Budget	
		Prelim	Final
<b>Wastewater Capital Reserve Fund</b>			
	<b>FUND BALANCE 6/30/13 . . . . .</b>	3,275,000	3,275,000
	Required Deposits	0	0
	<b>FUND BALANCE 6/30/14 . . . . .</b>	3,275,000	3,275,000
	Required Deposits	0	0
	<b>ANTICIPATED FUND BALANCE 6/30/15 . . . . .</b>	3,275,000	3,275,000
	<b>Note:</b>	Per the SRF Loan agreement, the District must deposit sufficient funds to build up the Wastewater Capital Reserve Fund (WCRF) at a minimum rate of 0.5% of the SRF loan amount each year for a period of ten years. The District's unused bonding capacity of \$3,275,000 from the 1970 and 1986 GO Bonds may be used to offset, dollar for dollar, the required cash deposits to the WCRF. The maximum required WCRF balance is \$3,599,654 of which \$3,275,000 is satisfied.	

**Novato Sanitary District  
2014-16 Preliminary Budget  
COP Reserve Fund**

		2014-15 Budget			
		Prelim	Final		
<b><u>Certificates of Participation Reserve Fund</u></b>					
<b>FUND BALANCE 6/30/13 . . . . .</b>		1,500,000	1,500,000		
Contribution to/from Operating Fund to COP Reserve Fund		-	-		
<b>FUND BALANCE 6/30/14 . . . . .</b>		1,500,000	1,500,000		
Contribution to/from Operating Fund to COP Reserve Fund		-	-		
<b>ANTICIPATED FUND BALANCE 6/30/15 . . . . .</b>		1,500,000	1,500,000		
<b>Summary of COP Activity:</b>					
	<b>12/13</b>	<b>13/14</b>	<b>14/15</b>	<b>15/16</b>	
<b>Beginning Balance each year</b>	14,431,619	9,603,682	5,877,162	1,500,000	
<b>Cop Proceeds</b>	-	-	-	-	
<b>Less Withdrawals</b>	(4,859,140)	(3,740,898)	(4,382,162)	-	
<b>Interest earned and Reinvested</b>	37,984	14,378	5,000	1,000	
<b>Cash Balance for COP Expenditures</b>	9,610,463	5,877,162	1,500,000	1,501,000	
<b>Note:</b>	The Trust Agreement established a reserve fund as a reserve for the payment of the installment payments in October 2011. The reserve fund was initially funded at \$1.5 million. It is held by the Trustee and maintained in the amount of the reserve requirement. The "reserve requirement" is defined in the Agreement to mean, as of the date of calculation, an amount equal to the lesser of (i) 10% of the original principal amount of the COPs; (ii) maximum amount of Installment Payments due in the current or any future Fiscal Year prior to the final maturity of the Certificates; or (iii) 125% of the total amount of then unpaid installment payments as of the date of calculation, and dividing total by the number of fiscal years remaining to final maturity of the COPs. This amount will be used to make the final payment of the COP and the Reserve will be closed at that time.				

***SECTION IX***

***DEBT SERVICE FUNDS***

**Novato Sanitary District  
2014-16 Preliminary Budget  
State Revolving Fund Loan  
and  
COP Bond Fund**

		<b>2014-15 Budget</b>			
		Prelim	Final		
<b><u>State Revolving Fund Loan</u></b>					
<b>FUND BALANCE 6/30/13 . . . . .</b>		77,875,979	77,875,979		
Principal Payment 2013-14		(3,509,933)	(3,509,933)		
Interest payments 2013-14		(1,869,024)	(1,869,024)		
Transfer from Capital Improvement Fund 2013-14		1,869,024	1,869,024		
<b>FUND BALANCE 6/30/14 . . . . .</b>		74,366,046	74,366,046		
Principal Payment 2014-15		(3,594,171)	(3,594,171)		
Interest payments 2014-15		(1,784,785)	(1,784,785)		
Transfer from Capital Improvement Fund 2013-14		1,784,785	1,784,785		
<b>ANTICIPATED FUND BALANCE 6/30/15 . . . . .</b>		70,771,875	70,771,875		
<b><u>COP Bond Financing Issued October 2011</u></b>					
<b>FUND BALANCE 6/30/13 . . . . .</b>		20,950,000	20,950,000		
Principal Payment 2013-14		(830,000)	(830,000)		
Interest payments 2013-14		(861,698)	(861,698)		
Transfer from Capital Improvement Fund 2013-14		861,698	861,698		
<b>FUND BALANCE 6/30/14 . . . . .</b>		20,120,000	20,120,000		
Principal Payment 2014-15		(855,000)	(855,000)		
Interest payments 2014-15		(836,798)	(836,798)		
Transfer from Capital Improvement Fund 2014-15		836,798	836,798		
<b>ANTICIPATED FUND BALANCE 6/30/15 . . . . .</b>		19,265,000	19,265,000		
		<b>Est Rev/Exp</b>	<b>Preliminary</b>	<b>Preliminary</b>	
		<b>Budget 13/14</b>	<b>Budget</b>	<b>Budget</b>	
<b>Debt Coverage Ratio(1)</b>		<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	
<b>Net Operating Revenue</b>		9,364	514,366	63,166	305,584
<b>Capital Revenue</b>		9,014,280	8,682,398	9,482,700	9,759,040
<b>Annual Debt Service</b>		7,070,655	7,070,654	7,070,754	7,075,104
<b>Debt Coverage Ratio</b>		1.28	1.30	1.35	1.42
Net revenues covenant requires a 1.20 coverage ratio					
(1)Net Operating Revenue + Capital Revenue/ Annual Debt Service = Debt Coverage Ratio					

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE: Sewer Service Charge: Set Public Hearing</b>	<b>MEETING DATE: June 9, 2014</b>  <b>AGENDA ITEMS NO.: 8.b.</b>
<b>RECOMMENDED ACTION:</b> Set date of July 14, 2014 for a public hearing on individual sewer service charges and adoption of resolution confirming report on sewer service charges.	
<b>SUMMARY AND DISCUSSION:</b>  Each year the District must hold a public hearing in order to collect the sewer service charges on the tax rolls. This is separate from the Proposition 218 hearing that is held prior to making changes to the rates. It is necessary to determine the rates prior to this hearing so that District staff has time to calculate the individual rates for each customer. District staff will have a database on the computer at the meeting of July 14 <sup>th</sup> so that anyone may request to know what their individual rate will be in the coming year and have an opportunity to protest.  The public hearing will be noticed twice in the Marin IJ. Following the public hearing the Board will consider adoption of a resolution to collect the sewer service charges on the tax rolls.	
<b>ALTERNATIVES:</b> NA	
<b>BUDGET INFORMATION:</b> No impact	
<b>DEPT. MGR.:</b> ssk	<b>MANAGER:</b>

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE: Administration: Staff positions – Field Services Manager and Field Services Superintendent</b>	<b>MEETING DATE: June 9, 2014</b>  <b>AGENDA ITEM NO.: 9.a.</b>
<b>RECOMMENDED ACTION: Approve a new staff position of Field Services Manager, and direct the Manager-Engineer to appropriately eliminate the existing staff position of Field Services Superintendent.</b>	
<b>SUMMARY AND DISCUSSION:</b>  <p>At the Board meeting of May 27, 2014, the Manager-Engineer presented revisions to the District’s organizational structure as part of the Board’s FY14-16 budget workshop. One of the proposed revisions presented was the creation of a new Field Services Manager position, and the elimination of the Field Services Superintendent position.</p> <p>The District’s policy and practice on creation of new positions is for staff to develop the job description(s) for review and approval by the Manager-Engineer, for the Board to approve the new positions, and for the Board to approve the salary range for the position (generally as part of the annual budget process).</p> <p>Staff has developed the job description and the Manager-Engineer has reviewed it for adequacy and consistency with requirements for the position. A salary range of MC119 from the Management and Confidential (MC) employees’ group salary schedule is proposed for this position. This proposed salary range is captured in the Salary Schedule of the preliminary FY14-16 budget being presented elsewhere in the agenda packet for this meeting. Consistent with District policy and practice, budget adoption by the Board will constitute approval of the salary and compensation levels for this position.</p> <p>For informational purposes, and as discussed at the May 27, 2014 Board meeting, the new position will be filled by an internal promotion from within District staff. Specifically, if the Board approves the position, and adopts the preliminary budget at its June 23, 2014 meeting, the District’s current Field Services Superintendent will be promoted into the new position effective July 1, 2014, and the Field Services Superintendent position will then be eliminated.</p> <p>Therefore, it is recommended that the Board approve the new staff position of Field Services Manager, and direct the Manager-Engineer to appropriately eliminate the existing Field Services Superintendent position.</p>	
<b>ALTERNATIVES: NA</b>	
<b>BUDGET INFORMATION:</b> Salary and compensation impacts resulting from the new Field Services Manager position are incorporated into the preliminary FY14-16 budget.	
<b>DEPT.MGR.:</b>	<b>MANAGER:</b>

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE: Staff Report: Comprehensive Annual Financial Report</b>	<b>MEETING DATE: June 9, 2014</b>
	<b>AGENDA ITEM NO.: 10.a.</b>
<b>RECOMMENDED ACTION: NA</b>	
<b>SUMMARY AND DISCUSSION:</b>  <p>The District submitted its Comprehensive Annual Financial Report (CAFR) for Fiscal Year ended June 30, 2013 to the Government Finance Officers Association (GFOA) of the United States and Canada for review against the qualification requirements for a Certificate of Achievement for Excellence in Financial Reporting. The Certificate is the highest form of recognition in the area of government accounting and financial reporting.</p> <p>By letter dated May 22, 2014, GFOA has announced that the District has been awarded the Certificate. A copy of the certificate is attached.</p> <p>In addition, District Finance Officer Laura Creamer was recognized as the individual primarily responsible for preparing the award-winning report. An Award of Financial Reporting Achievement has been presented to her by GFOA.</p>	
<b>ALTERNATIVES: NA</b>	
<b>BUDGET INFORMATION: NA</b>	
<b>DEPT.MGR.:</b>	<b>MANAGER:</b>



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Novato Sanitary District  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**

Executive Director/CEO

## Marin County agencies to share \$13 million revenue windfall

By Nels Johnson [njohnson@marinij.com](mailto:njohnson@marinij.com) @nelsjohnsonnews on Twitter Marin Independent Journal

Posted: Sun Jun 01 14:31:36 MDT 2014

marinij.com

Marin County and 68 other local taxing agencies will share a \$13 million windfall after a state audit confirmed overpayment of property tax revenue to an education reserve fund.

County finance chief Roy Given, in a letter dispatched to agencies and districts this weekend, said payments totaling \$12,954,685, including back interest, range from \$8,084,086 to the county to just \$32 for the tiny Mountain View Avenue Public Utility District in Lagunitas.

Although most taxing agencies get less, those in line for more than \$100,000 each are: San Rafael, \$485,928; county library district, \$377,736; Novato, \$345,399; Novato Fire District, \$342,769; Mill Valley, \$302,255; Ross Valley sanitary, \$230,157; San Anselmo, \$201,216; Larkspur, \$197,936; Sausalito, \$155,718; Corte Madera, \$143,968; Tiburon, \$135,192; Southern Marin fire, \$118,474; county open space district, \$106,744; Kentfield service area 17, \$115,681; San Rafael sanitary, \$107,455; and Richardson Bay sanitary, \$105,858. Payments for others include Fairfax, \$96,462, Belvedere, \$76,601, and Ross, \$67,542.

At issue is a state program ensuring funding for school districts called the Educational Revenue Augmentation Fund or ERAF, an account that ballooned in Marin pending resolution of a calculation dispute with state auditors. County tax collection officials since 2004 have diverted to an ERAF reserve fund a share of tax revenue that otherwise would flow to agencies. Following a clean audit and resolution of issues this spring, county officials can now proportionally allocate the money, Given noted.

The funding distribution is the first from the reserve account since 2007, when a similar dispute with the state prompted an agreement to return \$25 million to Marin agencies, including \$16.2 million for county government and \$8.6 million for local cities and special districts

"It is a return of tax money that had been shifted away," said County Administrator Matthew Hymel, disclosing the latest tax windfall in a letter to county supervisors outlining budget programs for fiscal 2014-15 and 2015-16. The board is expected to schedule formal review of the budget for June 16, a largely ceremonial exercise because most issues were resolved during hearings in March.

The "all funds" budget for next fiscal year totals \$490 million, up about 5.8 percent over last year, allocates about \$76 million for pension and retiree expenses, and provides employees with a 2.8 percent cost of living increase. Each percent of pay raise at the Civic Center adds about \$2.5 million to annual expenses. Supervisors scheduled their own pay to automatically increase 10 percent on July 1, when they will earn \$109,000 a year.

"It's certainly the best budget we've seen in the past five years," Hymel said, adding the spending program is backed up with reserve funds totaling \$135 million. "It's good news," a buoyant program thanks to spending cuts made over the past several years as well as rising tax revenue in a rebounding economy, he said. The budget does not propose service cuts.

Property taxes in fiscal 2014-15 are projected to generate almost \$107 million for county coffers, up 4 percent from this year. New taxes are on the horizon as well. Encouraged by voters who a year ago approved a \$10 million annual sales tax hike for park and farm programs, officials are embracing tax initiatives this year raising money for library services, an emergency radio system and children's welfare programs.

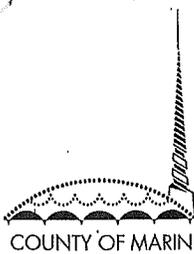
Hymel noted that while agreement was reached on key budget priorities last spring, the extra money due the Civic Center from the ERAF account leaves \$8 million on the table, doubling "one time" funding available. He recommended "strategic" allocations on a spending list up for review when the county board meets Tuesday morning. It includes \$3.9 million for expenses associated with a new computer system, \$2.3 million to remodel office space at the Civic Center vacated by sheriff's deputies who are moving to the new public safety facility, \$2 million for a pension fund reserve and \$1 million for road maintenance.

Other agencies have plenty of programs that could use extra cash, but decisions on what to do with the windfall remain up in the air.

In Mill Valley, officials have agreed to beef up a retiree health fund, but "we haven't budgeted what we are going to do with" the ERAF money, City Manager Jim McCann said.

And in San Rafael, "we have a variety of things" that could use a financial boost, but no decisions have been made by the City Council, according to City Manager Nancy Mackle.

"It's always nice to get unexpected income," she said.



## DEPARTMENT OF FINANCE

Excellent and responsive fiscal leadership.

Roy Given, CPA  
DIRECTOR

May 30, 2014

Cristine Atilovich  
ASSISTANT DIRECTOR

Dear Taxing Agency:

Marin County Civic Center  
3501 Civic Center Drive  
Suite 225  
San Rafael, CA 94903  
415 473 6154 T  
415 473 3680 F  
CRS Dial 711  
[www.marincounty.org/dof](http://www.marincounty.org/dof)

The California State Controllers' Office recently issued a property tax audit report for the County of Marin pursuant to Government Code §12468, which audited property tax computation, collection and apportionment procedures utilized by the County of Marin from July 1, 2004 – June 30, 2011.

As of April 9, 2014, all findings cited in the audit have been resolved. Revenue and Taxation Code § 96.1 (b) provides that *"Any allocation of property tax revenue that was subjected to a prior completed audit by the Controller, pursuant to the requirements of Section 12468 of the Government Code, where all findings have been resolved, shall be deemed correct."*

Based on the issuance of the final audit report, the County of Marin will be dispersing additional Excess ERAF revenues for the period under audit. Revenues, including interest, are expected to be distributed in accordance with the attached schedule on or before June 30, 2014.

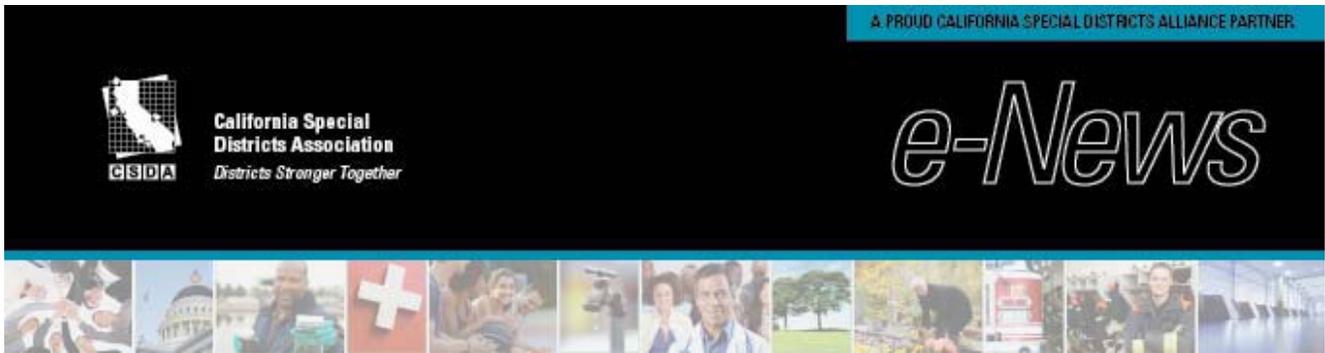
If you have any questions, please contact the Property Tax Division Chief, Sandra Kacharos, at (415) 473-6177.

Sincerely,

Roy Given, CPA  
Director of Finance

Excess ERAF		REVENUE	INTEREST	AGENCY
Fund	District	ALLOCATION	ALLOCATION	DISTRIBUTION
		12,447,976	506,708.94	
101002	COUNTY GENERAL	7,765,599.26	318,486.51	8,084,085.77
101158	COUNTY LIBRARY	362,923.12	14,812.52	377,735.64
102048	MURRAY PARK S.M.	1,254.03	50.10	1,304.13
102086	SAN QUENTIN S.M.	804.81	31.69	836.30
102110	CSA # 1 LOMA VERDE	579.05	23.97	603.02
102160	CSA # 6 SANTA VENETIA	2,779.00	107.61	2,886.61
102190	CSA # 9 NORTHBRIDGE	191.72	7.47	199.19
102240	CSA #13 UPPER LUC	6,482.39	265.46	6,747.84
102250	CSA #14 HOMESTEAD	5,414.56	215.23	5,629.79
102270	CSA #16 GREENBRAE	3,292.51	132.22	3,424.73
102280	CSA #17 KENTFIELD	111,120.87	4,560.61	115,681.48
102291	CSA #18 GALLINAS	2,470.14	97.67	2,567.81
102310	CSA #19 FIRE PROT	28,325.02	1,174.06	29,499.08
102320	CSA #20 INDIAN VALLEY	186.60	7.36	193.95
102490	MARIN CO HWY LT	33,252.60	1,346.11	34,598.71
102586	FCZ # 1 NOVATO	70,046.52	2,855.97	72,902.49
102588	FCZ # 3 RICHARDSON	28,482.22	1,119.56	29,601.79
102589	FCZ # 4 BEL AIRE	11,682.81	456.94	12,139.74
102590	FCZ # 5 STINSON BEACH	986.84	39.08	1,025.92
102591	FCZ # 6 SRAF MEAD	810.48	35.98	846.46
102592	FCZ # 7 SANTA VENETIA	51,515.66	2,123.17	53,638.83
102594	FCZ # 9 ROSS VALLEY	15,077.36	609.88	15,687.24
102601	BOLINAS HIGHLANDS	110.64	4.07	114.72
102602	MONTE CRISTO PRD	69.03	2.73	71.77
102604	INVERNESS SUB #2	51.56	2.05	53.62
102605	MT VIEW AVE LAG P	31.15	1.22	32.37
102606	PARADISE ESTATES	527.37	20.27	547.64
105010	MARIN CO OPEN SPACE	102,717.49	4,026.18	106,743.67
105130	MARIN CO TRANSIT	69,914.85	2,845.51	72,760.37
105139	BEL MARIN KEYS CS	10,801.55	431.93	11,233.48
105144	MARIN CITY CSD	16,744.32	662.49	17,406.81
105150	MARINWOOD CSD ADM	42,067.63	1,708.48	43,776.10
105166	MUIR BEACH CSD	13,467.46	533.26	14,020.72
105176	TAMALPAIS CSD	49,038.45	1,917.60	50,955.94
105220	BOLINAS FIRE	6,394.18	261.65	6,655.82
105230	SOUTHERN MARIN FIRE	113,801.42	4,672.66	118,474.08
105240	KENTFIELD FIRE	49,574.01	2,039.93	51,613.94
105250	NOVATO FIRE	329,035.60	13,733.76	342,769.37
105260	SLEEPY HOLLOW FIRE	15,948.64	656.06	16,604.70
105270	STINSON BEACH FIRE	7,939.87	326.60	8,266.47
105290	TIBURON FIRE	77,188.34	3,174.61	80,362.95
105401	#1 ROSS VLY SANITATION	221,584.94	8,572.45	230,157.39
105410	#2 CORTE MADERA SANITATION	40,264.62	1,458.23	41,722.85
105421	#5 TIBURON SANITATION	64,268.26	2,515.58	66,783.84
105427	#6 NOVATO SANITATION	60,695.46	2,110.97	62,806.44
105434	ALMONTE SANITATION	8,317.08	325.02	8,642.10
105440	ALTO SANITATION	4,190.31	160.38	4,350.70
105446	HOMESTEAD VLY SANITATION	13,096.64	520.00	13,616.65
105454	LAS GALL VLY SANITATION	86,345.78	3,363.65	89,709.43
105460	RICHARDSON BAY SANITATION	101,811.41	4,046.80	105,858.21
105468	SAN RAFAEL SANITATION	103,494.01	3,961.47	107,455.48
105475	SAUS-MARIN CITY SANITATION	44,069.67	1,663.89	45,733.55
105505	BOLINAS COMM PUD	9,524.68	344.73	9,869.40
105515	INVERNESS PUD	16,657.90	692.79	17,350.69
105580	STINSON BEACH WATER	38,416.64	1,501.16	39,917.80
105620	STRAWBERRY RECREATION	29,544.09	1,213.18	30,757.27
109001	BELVEDERE CITY OF	73,647.22	2,953.59	76,600.81
109002	CORTE MADERA TOWN	138,303.31	5,664.61	143,967.92
109003	FAIRFAX TOWN OF	92,700.78	3,760.82	96,461.59
109004	LARKSPUR CITY OF	190,308.96	7,627.22	197,936.18
109005	MILL VALLEY CITY	290,571.68	11,683.30	302,254.99
109006	NOVATO CITY OF	331,864.95	13,533.85	345,398.80
109007	ROSS TOWN OF	64,944.31	2,597.48	67,541.79
109008	SAN ANSELMO TOWN	193,477.11	7,838.58	201,315.69
109010	SAUSALITO CITY OF	149,724.44	5,993.64	155,718.07
109011	TIBURON TOWN OF	129,954.39	5,237.55	135,191.93
109019	SAN RAFAEL CITY OF	467,183.81	18,744.64	485,928.45
109172	BELVEDERE LIBRARY	21,223.76	867.26	22,091.02
109173	TIBURON LIBRARY	53,069.04	2,175.99	55,245.03
<b>TOTAL</b>		12,447,976.18	506,708.94	<u>12,954,685.12</u>





## Ability to Contract for Services Protected by Grassroots Efforts

We are pleased to share the successful outcome for Special Districts Legislative Days' (SDLD) featured legislation, Assembly Bill 1897 (Hernandez). Last week, special district leaders met with dozens of legislative offices to advocate against AB 1897 with an "oppose unless amended" position, and requested an amendment to exempt special districts from the bill's costly restrictions related to service contracts.

CSDA members educated Capitol offices of the value of the local decision-making and the existing safeguards, precautions and opportunities for public engagement in public agency contracting processes. We are excited to report that the amendment came through yesterday, May 28, on the Assembly floor. The bill now explicitly states special districts and other public agencies are no longer subject to AB 1897's provisions.

Without the amendment to AB 1897, special districts that contract for services or labor would have been liable for subcontractors' employees' wages, workers' compensation and unemployment insurance payments. This would have affected all service contract arrangements ranging from long-term waste management agreements to part-time lighting maintenance contracts.

CSDA thanks all the members who attended SDLD and advocated on behalf of all special districts.

Access the CSDA [Legislative Hot Sheet](#) here with a list of the key remaining bills as policy committee hearings now commence in the second house.

[California Special Districts Association](#) | 1112 I Street | Suite 200 | Sacramento, CA 95814 | 877.924.CSDA (2732)



A Proud California Special Districts Alliance Partner