

# NOVATO SANITARY DISTRICT

Meeting Date: February 9, 2015

**The Board of Directors of Novato Sanitary District will hold a regular meeting at 6:00 p.m., Monday, February 9, 2015, at the District Offices, 500 Davidson Street, Novato.**

*Materials related to items on this agenda are available for public inspection in the District Office, 500 Davidson Street, Novato, during normal business hours. They are also available on the District's website: [www.novatosan.com](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 January 26, 2015 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. Approve regular disbursements.
- b. Approve disbursements - 2014 Safety and Wellness Incentive Program awards.

### **6. ADMINISTRATION AND FINANCE:**

- a. Receive correspondence from Ms. Susan Stompe, Co-Chair, Novato Clean and Green Day, and provide direction to staff.
- b. Consider approval of the 2015 Safety and Wellness Incentive Program, (SWIP), and its funding.
- c. Receive Accounts Receivable Report as of January 31, 2015.
- d. Receive 2<sup>nd</sup> Quarter Investment Report, Fiscal Year (FY) 14-15.
- e. Receive Summary FY14-15 Second Quarter Financial Report.

**7. WASTEWATER OPERATIONS:**

- a. Receive report on submittal of 2014 Annual Self-Monitoring Report (SMR).

**8. CAPITAL PROJECTS:**

- a. *Annual Collection System Repairs, Account No. 72803: Redwood Blvd. Sewer Repair, Project Work Order No. 72803-14-01: Grant Final Acceptance of the Project, and authorize staff to file the Notice of Completion.*

**9. BOARD OF DIRECTORS:**

- a. Receive California Special District Association (CSDA) call for nominations – Board of Directors Bay Area Network, Seat A.

**10. BOARD MEMBER REPORTS AND REQUESTS:**

- a. North Bay Watershed Association (NBWA) meeting.
- b. Receive draft meeting minutes from joint meeting of Board Ad-Hoc Recycled Water Committee with North Marin Water District (NMWD) Recycled Water Sub-Committee.

**11. MANAGER'S ANNOUNCEMENTS:**

**12. ADJOURNMENT:**

Next resolution no. 3083.

Next regular meeting date: Monday, ~~February 23~~ March 9, 2015\*, 6:00 PM at the Novato Sanitary District office, 500 Davidson Street, Novato, CA

*\*the regular meeting of February 23, 2015 is cancelled.*

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

## NOVATO SANITARY DISTRICT

### Board Meeting Minutes

Meeting Date: January 26, 2015

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 4:30 p.m., Monday, January 26, 2015, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Jean Mariani, Directors Gary Butler, William Long, and Brant Miller. Director Jerry Peters was absent (excused, sick).

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

ALSO PRESENT: Steve Krautheim, Field Services Manager, Novato Sanitary District  
John Bailey, Project Manager, Veolia Water  
John O'Hare, Pretreatment Programs Manager, Veolia Water  
Liz Falejczyk, Lab Director/Environmental Compliance Manager,  
formerly of Sewerage Agency of Southern Marin

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as written.

PUBLIC COMMENT: John Bailey, Veolia Water, introduced Liz Falejczyk and stated she will begin the position of Laboratory Director/Environmental Compliance Manager at the Novato Sanitary District on Monday, February 2, 2015. He provided an overview of her laboratory experience. The Board welcomed Ms. Falejczyk to the District. Ms. Falejczyk thanked the Board.

REVIEW OF MINUTES:

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

*On motion of Director Long, seconded by Director Butler, and carried unanimously by those Directors present, the January 12, 2015 Board meeting minutes were approved as presented.*

CONSENT CALENDAR:

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

- a. Approval of regular disbursements in the amount of \$211,913.06, and capital project disbursements in the amount of \$1,418,128.39.

- b. Approval of January payroll and payroll related disbursements in the amount of \$204,115.72.

WASTEWATER OPERATIONS COMMITTEE:

- Tour of wastewater treatment plant with emphasis on odor control systems.

At 4:36 p.m., President Mariani adjourned the Board meeting to receive a staff-conducted plant tour. The Manager-Engineer stated that he and Plant Manager John Bailey would be conducting the facility tour with an emphasis on the odor control systems.

The following individuals participated in the tour:

President Mariani, Directors Gary Butler, William Long, and Brant Miller.  
Manager-Engineer Sandeep Karkal  
Plant Manager, John Bailey, Veolia Water  
Administrative Secretary, Julie Swoboda  
Field Services Manager, Steve Krautheim  
Pretreatment Programs Manager, John O'Hare, Veolia Water  
Lab Director/Environmental Compliance Manager, formerly of Sewerage Agency of Southern Marin, Liz Falejczyk

At 6:06 p.m., President Mariani reconvened the meeting in the Board Room, following the plant tour.

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

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

ALSO PRESENT: Steve Krautheim, Field Services Manager, Novato Sanitary District  
John Bailey, Project Manager, Veolia Water  
John O'Hare, Pretreatment Programs Manager, Veolia Water  
Sarah Blum, BioMarin Pharmaceutical Inc.

The Board of Directors commented positively regarding the tour. The Manager-Engineer noted that Dave McEwen of Brown and Caldwell will be at a future Board meeting to provide an update of the District's odor abatement efforts.

- Receive Wastewater Operations Committee Report. The Manager-Engineer stated that the Wastewater Operations Committee met on January 20, 2015 at 9:00 a.m. at the District office. He introduced Veolia Plant Manager John Bailey who provided an overview of the Monthly Operations Report for December 2014 as presented to the Wastewater Operations Committee. He stated that the monthly average flow for December was 11.08 million gallons and that the treatment facility performed very well

during the wet weather episodes. He outlined the monthly safety and training activities and stated that no odor complaints were received in December.

Field Services Manager Steve Krautheim provided a summary of the Collection System Operations Report, and reviewed the department's performance. He then gave a PowerPoint presentation which had also previously been made at the Wastewater Operations Committee meeting of January 20<sup>th</sup>. The presentation outlined activities that took place during the heavy December rainfall events, and discussed in detail the six overflows which occurred between December 3<sup>rd</sup> and December 25<sup>th</sup>. Contingency plans that were established prior to the rain events and then successfully executed during the events, were also discussed during the presentation.

The Manager-Engineer and the Field Services Manager stated that an Emergency Operations Center (EOC) was set up at the District on December 11<sup>th</sup>, and they provided details of activities that took place. They stated that previously developed Standard Operating Procedures (SOPs) were useful during the December events and would be reviewed and updated as required to assist with future wet weather events.

At 6:59 p.m., President Mariani stated that the Board would take a short break.

The Board meeting was reconvened at 7:03 p.m.

The Field Services Manager provided a summary of the Reclamation Facilities report. He stated that the Rancher had moved all cattle off of Site 7 for the season. He stated that there was no irrigation activity in December and that the irrigation ponds received approximately 41 million gallons of rainwater. He noted that there was no sludge handling activity in December and that approximately 24 inches of rainwater accumulated in the Dedicated Land Disposal (DLD) Area due to heavy rains.

The Board expressed their appreciation to the District and Veolia employees for their efforts during the storm events, and for the analysis provided in the PowerPoint presentation.

The Manager-Engineer provided a summary of the odor control and landscaping report and noted that there was not much activity due to the wet weather. He stated that the media in the large odor control bed between primary clarifiers #1 and #2 was topped off in November and that it appeared to be performing satisfactorily. He also noted that operations staff continued to adjust the air flow input to optimize the operating range(s) where odor causing compounds can be oxidized. The Manager-Engineer stated that a bid for replanting the redwood trees has been accepted and that he intends for the trees to be planted in February.

#### ADMINISTRATION:

- Approval travel by Board Member Long and Manager-Engineer Karkal to Washington DC for California Association of Sanitation Agencies (CASA). The Manager-Engineer

stated that CASA's Annual Washington D.C. Conference will be held from February 23<sup>rd</sup> - 25<sup>th</sup> and noted that Director Long currently serves on the CASA Board of Directors.

Director Long stated that due to a conflict, he would not be able to attend the Conference. President Mariani asked if any other Directors present would like to attend in his place. No interest was expressed. President Mariani stated that she thought the conference would be a worthwhile event and suggested that the Manager-Engineer attend on behalf of the District.

*On motion of Director Long, seconded by Director Miller, and carried unanimously by those members present, the Board approved travel by Manager-Engineer Karkal to Washington D.C. for the California Association of Sanitation Agencies (CASA) conference attendance, February 23-25, 2015.*

- Consider cancelling the Board meeting of February 23, 2015. The Manager-Engineer requested that, due to his attendance at the CASA Conference, the Board meeting scheduled for February 23<sup>rd</sup> be cancelled. President Mariani directed the Manager-Engineer to make the final decision regarding the cancellation of the meeting.

*On motion of Director Long, seconded by Director Miller, and carried unanimously by those members present, the Board authorized the Manager-Engineer to make the final decision on the cancellation of the February 23, 2015 Board meeting.*

#### BOARD OF DIRECTORS:

- Nominate candidates for the Special District member and alternate member positions, Marin County Local Agency Formation Commission (LAFCO). The Manager-Engineer provided an overview of the information in the LAFCO package, and requested that the Board provide direction to staff.

*On motion of Director Miller, seconded by Director Long, and carried unanimously by those members present, the Board nominated candidate Dennis Rodoni of North Marin Water District for the position of Regular Member to LAFCO and nominated candidate Jack Baker of North Marin Water District for the position of Alternate Member to LAFCO.*

- Receive correspondence from City of Novato Mayor Jeanne MacLeamy regarding Junior Accessory Dwelling Units. The Manager-Engineer provided a brief overview of the correspondence, and noted that while the item was been provided for informational purposes only, staff was open to receiving any direction from the Board.

Director Long suggested that the letter be reviewed by the Board Finance Committee and that any recommendations be brought to the Board of Directors at a future Board meeting possibly in March. The Manager-Engineer stated he would schedule a Finance Committee meeting to discuss Junior Accessory Dwelling Units.

**BOARD MEMBER REPORTS AND REQUESTS:**

- California Association of Sanitation Agencies (CASA) Winter Conference. President Mariani and Directors Butler, Long, and Miller discussed their attendance at the CASA Conference which took place in Palm Springs from January 21<sup>st</sup> – 23<sup>rd</sup>, 2015.

At 7:38 p.m., President Mariani stated that the Board would take a short break.

The Board meeting was reconvened at 7:40 p.m.

- North Bay Water Reuse Authority (NBWRA). Director Long discussed his attendance at the NBWRA meeting which was held on Monday, January 26<sup>th</sup> at the Sonoma County Water Agency in Santa Rosa. The Manager-Engineer was in attendance as well and he provided an overview of the presentations.

**MANAGER'S ANNOUNCEMENTS:**

- The final Novato Sanitary District Comprehensive Annual Financial Report (CAFR) for Fiscal Years ended June 30, 2014 and 2013 was presented to all Board members present.

- Recruitment for the District's Technical Services Manager position will begin as soon as possible.

- The next Regular Board meeting will be held Monday, February 9<sup>th</sup> at 6:00 p.m.

ADJOURNMENT: There being no further business to come before the Board, President Mariani adjourned the meeting at 7:55 p.m.

Respectfully submitted,

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Sandeep Karkal  
Secretary

Julie Swoboda, Recording

# Novato Sanitary District Board Fees Check Register

For January 2015

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
<b>Feb 6, 15</b>			
02/06/2015	3863	Long, William C	558.68
02/06/2015	3200	Miller, Brant	558.68
02/06/2015	3864	Mariani, Jean M	432.15
02/06/2015	3865	Peters, A. Gerald	389.58
02/06/2015	3862	Butler, Gary	
<b>Feb 6, 15</b>			<u><u>1,939.09</u></u>

**Novato Sanitary District**  
**Operating Check Register**  
For February 9, 2015

Date	Num	Name	Credit
<b>Feb 9, 15</b>			
02/09/2015	57871	Team Ghilotti, Inc.	10,863.32
02/09/2015	57851	Caltest Analytical Lab Inc.	9,496.85
02/09/2015	57863	Marin Audubon Society	9,468.75
02/09/2015	57843	Aqua Science	5,650.00
02/09/2015	57861	Johnson, Dee	5,400.00
02/09/2015	57855	Dearborn National	2,121.06
02/09/2015	57862	JW Mobile	2,013.43
02/09/2015	57875	Veolia Water Recycled Water Oper.	1,750.87
02/09/2015	57852	CDW Government, Inc.	1,615.00
02/09/2015	57864	Marin County Ford	1,376.17
02/09/2015	57853	Comet Building Maintenance, Inc.	1,320.00
02/09/2015	57859	IEDA, INC	1,072.00
02/09/2015	57845	Autoworld	1,037.30
02/09/2015	57874	Veolia Water North America, Inc.	962.00
02/09/2015	57860	Jim-n-i Rentals Inc.	811.88
02/09/2015	57856	Evoqua Water Technologies - Lab	784.14
02/09/2015	57857	Fisher-Scientific	529.65
02/09/2015	57876	Vision Service Plan	505.77
02/09/2015	57867	North Marin Water District	500.76
02/09/2015	57872	U.S. Bank (Sandeep)	425.33
02/09/2015	57868	Novato Disposal-	405.28
02/09/2015	57870	Pitney Bowes Reserve Account	400.00
02/09/2015	57849	BoundTree Medical, LLC	378.02
02/09/2015	57865	MME	303.78
02/09/2015	57877	ControlCo	263.24
02/09/2015	57844	AT&T Wireless	260.62
02/09/2015	57869	Pini Hardware	180.49
02/09/2015	57850	Butler, Gary.	161.76
02/09/2015	57846	B.W.S. Distributors, Inc.	143.46
02/09/2015	57858	Grainger	121.58
02/09/2015	57873	U.S. Bank Card (3)Craig	92.98
02/09/2015	57847	Barnett Medical LLC	90.00
02/09/2015	57848	Bill's Towing	80.00
02/09/2015	57842	American Messaging	69.59
02/09/2015	57866	North Marin Auto Parts	19.05
02/09/2015	57854	Void	0.00
<b>Feb 9, 15</b>			<b><u>60,674.13</u></b>

**Novato Sanitary District  
Capital Projects Check Register**

February 9, 2015

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
<b>Feb 9, 15</b>			
02/09/2015	2818	Argonaut Constructors Corp.	337,962.50
02/09/2015	2822	Team Ghilotti, Inc.	10,870.00
02/09/2015	2820	Maggiora & Ghilotti Inc.	3,017.67
02/09/2015	2821	Miller Pacific Engineering, Inc.	3,003.60
02/09/2015	2823	W.R. Forde	2,745.50
02/09/2015	2819	Covello Group, The	1,507.00
<b>Feb 9, 15</b>			<b><u><u>359,106.27</u></u></b>

**Novato Sanitary District  
Employee Safety Recognition for 2014**

February 11, 2015

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
<b>Feb 11, 15</b>			
02/11/2015	3877	Stiles, Robert L	384.34
02/11/2015	3881	Besnia, Kenneth H	379.42
02/11/2015	3874	Northcroft, William W	368.57
02/11/2015	3869	delongh, Dasse	350.84
02/11/2015	3872	Krautheim, Stephen R	346.90
02/11/2015	3879	Vega, Javier	317.34
02/11/2015	3871	Hendricks, Aaron	309.45
02/11/2015	3878	Swoboda, Julie M	303.53
02/11/2015	3875	O'Connor, Timothy	301.56
02/11/2015	3876	Siragusa, Peter	297.63
02/11/2015	3880	Wall, Justin R	294.49
02/11/2015	3867	Creamer, Laura	261.16
02/11/2015	3870	Foged, Larry	217.80
02/11/2015	3868	Deasy, Craig R	207.94
02/11/2015	3866	Craig, Kevin D	177.39
02/11/2015	3873	Merrill, Robin E	170.49
<b>Feb 11, 15</b>			<b><u>4,688.85</u></b>

**Sandeep Karkal**

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**From:** sstompe@aol.com  
**Sent:** Thursday, February 5, 2015 3:26 PM  
**To:** Sandeep Karkal  
**Subject:** letter to San Dist. board  
**Attachments:** C&G\_ltr\_to\_NSD.docx

Dear Sandeep,  
I would appreciate it if you would forward the attached letter to the Board.  
It would be great if it could be on the agenda!  
I would be happy to attend the next meeting, since I have a meeting right next door at 7.  
Thank you,  
Susan Stompe

President Jean Mariani  
Novato Sanitary District  
500 Davidson Street  
Novato, CA 94945

Dear President Mariani and Board Members:

The Novato Streetscape Coalition has been sponsor of the community clean up called Clean and Green Day since the early 1990's. Upon occasion NSD has helped us with our efforts to get the Novato community out to help clean up litter and make our town clean for Earth Day. This year Clean & Green Day is on Saturday, April 25 and we would very much appreciate some assistance.

Over the years communications have changed dramatically and utilizing newspapers has not been as productive as in the past. This year we would like to try some signs around the community and to use postcards to remind past participants of this years' event. The cost for these things would be \$650: yard signs @ \$360 and 300 postcards @ \$220 plus set up and tax.

NSD enabled us to make a couple very large posters which we are using for the 5<sup>th</sup> year this year. We appreciate any help you can provide. We average about 250 people per year on Clean and Green Day, but this year we are striving for 400!

Jerry Peters has been a faithful coordinator cleaning up the old railroad station for many many years!

Sincerely,

Susan Stompe  
Co-chair  
Novato Clean & Green Day

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE: Administration and Finance: 2015 Safety and Wellness Incentive Program (SWIP).</b>	<b>MEETING DATE: February 9, 2015</b>  <b>AGENDA ITEM NO.: 6.b.</b>
<b>RECOMMENDED ACTION:</b> Consider approval the 2015 Safety and Wellness Incentive Program (SWIP) and its funding.	
<b>SUMMARY AND DISCUSSION:</b>  <p>The District has had a successful Safety and Wellness Incentive Program (SWIP) in 2012, 2013, and 2014, with good employee participation. Generally speaking, the District benefits from the improved safety and wellness performance through lower insurance premiums for workers compensation from the California Sanitation Risk Management Authority (CSRMA) insurance pool program. CSRMA also recognizes the benefits to the pool from improved wellness and encourages a proactive approach through its own wellness grant programs.</p> <p>In previous years, the District has funded its SWIP through prior program year (PY) dividends received from the CSRMA Workers Compensation pool program. For example, the calendar year 2014 District SWIP was funded by the dividend from PY2012-13. However, CSRMA has decided to NOT declare a Workers Compensation Program dividend for PY2013-14 due to the program being funded at less than the California Association of Joint Powers Authorities (CAJPA) target equity guidelines.</p> <p>At this time then, the options are to either: (a) Eliminate the District's 2015 Safety and Wellness Incentive Program, or (b) Consider funding the program through the District's annual operating budget.</p> <p>Note that program awards will not be made until January or February 2016. Therefore, if option (b) is considered and approved, the maximum anticipated cost of about \$10,000 could be budgeted and incorporated as a line item into the District's FY2015-16 operating budget.</p> <p>If approved, the proposed 2015 SWIP will recognize employees for prompt identification and correction of potential safety hazards, following safe work practices, and active participation in safety training. Details of the program are further discussed in the attached Safety Director's memo.</p> <p>It is recommended that the Board approve the 2015 SWIP, and direct staff to incorporate funding for the program as a line item into the operating portion of the FY2015-16 Annual Budget.</p>	
<b>BUDGET INFORMATION:</b> The maximum program cost of \$10,000 would be funded as a separate line item in the operating portion of the FY2015-16 annual budget.	
<b>DEPT. MGR.: DT/LCC</b>	<b>MANAGER-ENGINEER: SSK</b>

# NOVATO SANITARY DISTRICT

## MEMORANDUM

Date: February 2, 2015  
To: Sandeep Karkal, Manager-Engineer  
From: Dale Thrasher, Safety Director  
Subject: 2015 Safety and Wellness Incentive Program

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### **Purpose**

The Novato Sanitary District Safety and Wellness Incentive Program has been established to enhance the overall Safety Program by encouraging employee's active participation in specific activities. The Incentive Program strives to achieve this by acknowledging employee contributions in several of the key aspects of a sound safety culture such as hazard identification, communication, and training.

### **Goals**

- Prompt identification and correction of safety hazards;
- Active participation in safety training;
- Consistent demonstration of safe work practices, and
- Zero injuries.

### **Program Implementation**

The Incentive Program functions on a 12-month calendar year basis with awards provided to employees at the end of that period.

### **Award Criteria**

The Incentive Program will recognize employee contributions towards the stated goals by awarding points for participation in specific activities as identified on the attached Safety Incentive and Wellness Program Point Criteria table (Criteria table). The point criteria will be reviewed and revised, as appropriate, every award cycle to ensure continued emphasis on the appropriate components of the overall Safety and Health Program.

Specific requirements of the Incentive Program include:

- Specific activities and point values are identified on the attached Criteria table.
- A tiered point system is employed where awards are granted based on the level of participation as described in the attached Criteria table.

\*\*\*\*

Attachment A: Point Criteria

**Attachment A: Point Criteria**

**2015 Safety and Wellness Incentive Program**

These award criteria have been developed to emphasize participation in specific activities. Although not all inclusive, it provides a focus for this year’s program.

- Points are earned on an individual basis.
- To be eligible for ANY award, employees must lead at least 2 qualifying departmental safety tailgates.
- This is a tiered point system where awards are granted based on the tier level reached.

<b>Award Level</b>	<b>Total Points</b>	<b>Total Cash Award</b>
<b>Tier 1</b>	200	\$100
<b>Tier 2</b>	300	\$200
<b>Tier 3</b>	400	\$325
<b>Tier 4</b>	500	\$475

- Employees will gain points toward receiving the award based on the points in the attached Table.

<b>Action / Activity</b>	<b>Points Awarded</b>	<b>Max Points/ 6 months</b>	<b>Max Points</b>
<b>Valid Safety Hazard Alert or Near-Miss*</b>	20/Each	80	160
<b>Valid Safety Suggestion or Solution**</b>	20/Each	80	160
<b>Lead Qualifying Safety Tailgate</b>	15/Each	90	180
<b>Attend Outside Safety Training/Safety Webinar***</b>	15/contact hour to a max 45 per event		135
<b>Physical</b>	30		30
<b>Vaccinations</b>	10/Each		50
<b>Dental Checkup</b>	10/Each		20
<b>Vision Checkup</b>	10/Each		10

- \* “Valid hazard or near miss” is a situation that poses a probable unacceptable risk of substantial employee injury for which we may control outcomes.
- \*\* “Valid suggestion or solution” is a feasible change which represents a substantial improvement to a genuine risk or problem whether implemented or not; it may or may not be associated with a Hazard Alert.
- \*\*\* Attendance /successful completion of approved seminars, conferences or webinars on safety or risk management. District-required trainings are not included in this category.

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

**TITLE: Accounts Receivable Aging Summary for the Period Ended January 31, 2015.**

**MEETING DATE: February 9, 2015**

**AGENDA ITEM NO.: 6.c.**

**RECOMMENDED ACTION: Informational only – receive report.**

## **SUMMARY AND DISCUSSION:**

The attached Accounts Receivable Summary shows the following receivables as of January 31, 2015:

**1-45 days - \$114,203.** Current.

**46-90 days - \$2,453.** All of the \$2,453 is the semi-annual billing to Novato Unified School District (NUSD) for sewer service charges.

**90+ days – \$0:** None.

**DEPT.MGR.: LCC**

**MANAGER-ENGINEER: SSK**

**Novato Sanitary District**  
**A/R Aging Summary**  
For the Period Ended January 31, 2015

	<u>Current</u>	<u>46 - 90</u>	<u>61 - 90</u>	<u>&gt; 90</u>	<u>TOTAL</u>
<b>Biomarin</b>	1,240.00	0.00	0.00	0.00	1,240.00
<b>Bureau Veritas N.A.</b>	831.20	0.00	0.00	0.00	831.20
<b>delongh, Dasse</b> (1)	2,196.85	0.00	0.00	0.00	2,196.85
<b>Hayden, Ron</b> (2)	20,866.88	0.00	0.00	0.00	20,866.88
<b>Novato Disposal</b> (3)	74,396.50	0.00	0.00	0.00	74,396.50
<b>Novato Unified School District</b> (4)	0.00	2,453.22	0.00	0.00	2,453.22
<b>Quality Septic Systems</b>	2,102.32	0.00	0.00	0.00	2,102.32
<b>USCG</b> (5)	12,569.25	0.00	0.00	0.00	12,569.25
<b>TOTAL</b>	<u><u>114,203.00</u></u>	<u><u>2,453.22</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>116,656.22</u></u>

- (1) Repayment of retroactive Medicare agreement paid on his behalf by District.
- (2) For the reclamation area ranch lease, and ranch water usage for the first two quarters.
- (3) For the quarterly billing of AB939 Fees.
- (4) Sewer services charges for 1st half of 2014/15.
- (5) USCG- Monthly sewer service charge fees.

## Novato Sanitary District

22-Jan-15

## QUARTERLY INVESTMENT REPORT -- For Quarter Ended December 31, 2014

INVESTMENT	ACTIVITY	October	November	December	QTR TOTAL	
STATE TREASURER'S INVESTMENT FUND	Total deposits/transfers in	0	0	10,024,880	10,024,880	
	Total transfers out	950,000	681,000	5,741,000	7,372,000	
Current Yield 0.267%	Minimum daily balance	11,469,221	10,788,221	10,788,221	10,788,221	
	Maximum daily balance	12,410,934	11,469,221	15,072,101	15,072,101	
	Interest earned	0	0	7,880	7,880	
TRUST ACCOUNT						
BANK OF NEW YORK MELLON For COP Bond Funds	Total deposits/transfers in	1,715	14	14	1,743	
	Total transfers out	0	0	849,102	849,102	
	Minimum daily balance	4,188,713	4,188,713	3,339,640	3,339,640	
	Maximum daily balance	4,186,999	4,188,728	4,188,728	4,188,728	
	Interest earned	1,715	14	14	1,743	
The LAIF Pooled Money Investment Account Report is attached as specified in California Government Code Section 53646(e)						
<b>CHECKING ACCOUNTS</b>						
Interest Rate	<b>Regular Warrants Account</b>					
0.03%	Total deposits & transfers in	1,051,669	900,015	16,117,860	18,069,544	
	Total checks & transfers out	929,570	854,057	16,268,235	18,051,862	
	Minimum daily balance	27,549	81,975	70,588	27,549	
	Maximum daily balance	519,950	483,335	10,421,431	10,421,431	
	Interest earned	4	6	14	24	
		<b>Payroll Account</b>				
	Total transfers in	116,000	112,300	120,000	348,300	
	Total checks & transfers out	116,079	112,328	119,936	348,343	
	Minimum daily balance	342	426	359	342	
	Maximum daily balance	102,642	98,932	108,359	108,359	
		<b>Project Account</b>				
Total transfers in	250,200	41,700	5,553,600	5,845,500		
Total checks & transfers out	210,499	67,547	5,571,311	5,849,357		
Minimum daily balance	2,605	3,036	2,625	2,605		
Maximum daily balance	209,304	38,518	5,416,377	5,416,377		
Interest earned	1	0	19	20		
	<b>ARRA Grant Project Account</b>					
Total transfers in	0	0	0	0		
Total checks & transfers out	0	0	0	0		
Minimum daily balance	100	100	100	100		
Maximum daily balance	100	100	100	100		

NOTES: (1) The above investments are consistent with the annual Statement of Investment Policy approved by the board on an annual basis, most recent approval was March 2014.

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

(2) LAIF interest rate is currently .267% which is an increase from .246% in September and .228% in June and .236% in March and a slight increase from .264% in December 2013.



**JOHN CHIANG  
TREASURER  
STATE OF CALIFORNIA**



**PMIA Performance Report**

**LAIF Performance Report**

**Quarter Ending 12/31/14**

Apportionment Rate: 0.25%  
 Earnings Ratio: 0.00000696536180771  
 Fair Value Factor: 0.99998038  
     Daily: 0.26%  
 Quarter To Date: 0.26%  
 Average Life: 200

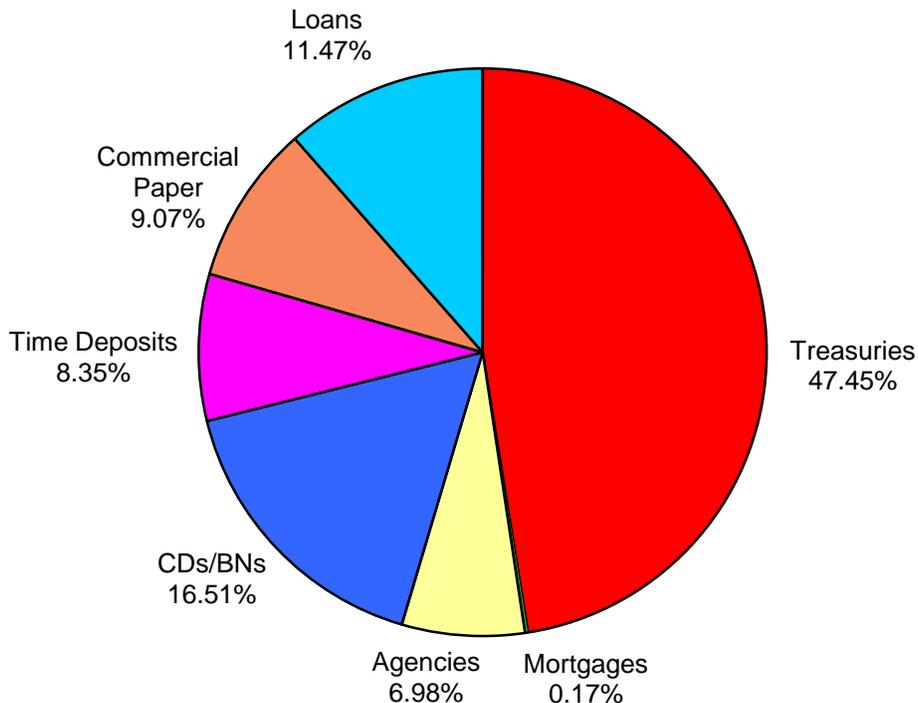
**PMIA Average Monthly Effective Yields**

**DEC 2014 0.267%**  
 NOV 2014 0.261%  
 OCT 2014 0.261%

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
01/08/15	0.27	0.27	211
01/09/15	0.27	0.27	213
01/10/15	0.27	0.27	213
01/11/15	0.27	0.27	213
01/12/15	0.27	0.27	212
01/13/15	0.27	0.27	212
01/14/15	0.27	0.27	212
01/15/15	0.26	0.27	211
01/16/15	0.26	0.27	211
01/17/15	0.26	0.27	211
01/18/15	0.26	0.27	211
01/19/15	0.26	0.27	211
01/20/15	0.26	0.27	208
01/21/15	0.26	0.26	212

\*Daily yield does not reflect capital gains or losses

**Pooled Money Investment Account  
Portfolio Composition  
\$60.3 billion  
12/31/14**





**State of California**  
**Pooled Money Investment Account**  
**Market Valuation**  
**12/31/2014**

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch.		
United States Treasury:				
Bills	\$ 10,887,243,396.32		\$ 10,892,425,500.00	NA
Notes	\$ 17,710,184,296.49	\$ 17,708,969,034.53	\$ 17,712,248,000.00	\$ 16,255,025.50
Federal Agency:				
SBA	\$ 546,751,742.21	\$ 546,751,742.21	\$ 542,196,891.53	\$ 499,449.17
MBS-REMICs	\$ 104,044,287.57	\$ 104,044,287.57	\$ 110,871,394.73	\$ 495,601.80
Debentures	\$ 1,856,527,095.09	\$ 1,856,522,928.42	\$ 1,855,996,950.00	\$ 3,710,279.75
Debentures FR	\$ -	\$ -	\$ -	\$ -
Discount Notes	\$ 1,349,432,083.34	\$ 1,349,892,944.44	\$ 1,349,948,000.00	NA
GNMA	\$ -	\$ -	\$ -	\$ -
Supranational Debentures	\$ 450,246,568.19	\$ 450,199,693.19	\$ 449,536,000.00	\$ 759,031.50
CDs and YCDs FR	\$ -	\$ -	\$ -	\$ -
Bank Notes	\$ 500,000,000.00	\$ 500,000,000.00	\$ 499,853,180.04	\$ 220,944.45
CDs and YCDs	\$ 9,450,006,464.82	\$ 9,450,006,464.82	\$ 9,446,060,558.99	\$ 4,073,958.30
Commercial Paper	\$ 5,468,678,264.43	\$ 5,469,479,438.27	\$ 5,468,593,770.00	NA
Corporate:				
Bonds FR	\$ -	\$ -	\$ -	\$ -
Bonds	\$ -	\$ -	\$ -	\$ -
Repurchase Agreements	\$ -	\$ -	\$ -	\$ -
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits	\$ 5,035,240,000.00	\$ 5,035,240,000.00	\$ 5,035,240,000.00	NA
AB 55 & GF Loans	\$ 6,910,533,523.59	\$ 6,910,533,523.59	\$ 6,910,533,523.59	NA
<b>TOTAL</b>	<b>\$ 60,268,887,722.05</b>	<b>\$ 60,274,686,368.75</b>	<b>\$ 60,273,503,768.88</b>	<b>\$ 26,014,290.47</b>

Fair Value Including Accrued Interest

\$ 60,299,518,059.35

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

The value of each participating dollar equals the fair value divided by the amortized cost (**0.99998038**). As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$19,999,607.60 or \$20,000,000.00 x **0.99998038**.



Pooled Money Investment Account

Portfolio as of 12-31-14

## PAR VALUES MATURING BY DATE AND TYPE

### Maturities in Millions of Dollars

ITEM	1 day to 30 days	31 days to 60 days	61 days to 90 days	91 days to 120 days	121 days to 150 days	151 days to 180 days	181 days to 210 days	211 days to 270 days	271 days to 1 year	1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 year/out
TREASURY	\$ 900	\$ 2,100	\$ 2,600	\$ 1,650	\$ 1,800	\$ 2,650	\$ 1,300	\$ 1,400	\$ 3,500	\$ 9,500	\$ 1,200		
REPO													
TDs	\$ 1,729	\$ 699	\$ 1,323	\$ 579	\$ 390	\$ 316							
AGENCY	\$ 1,547	\$ 400	\$ 150	\$ -	\$ 100	\$ 375	\$ 290	\$ 100	\$ 400	\$ 1,390	\$ 498	\$ 50	
BAs													
CP	\$ 1,350	\$ 1,800	\$ 1,371	\$ 650	\$ 300								
CDs + BNs	\$ 2,700	\$ 2,500	\$ 800	\$ 850	\$ 350	\$ 2,450			\$ 300				
CORP BND													
<b>TOTAL</b>													
\$ 54,356	\$ 8,226	\$ 7,499	\$ 6,244	\$ 3,729	\$ 2,940	\$ 5,791	\$ 1,590	\$ 1,500	\$ 4,200	\$ 10,890	\$ 1,698	\$ 50	\$ -
PERCENT	15.1%	13.8%	11.5%	6.9%	5.4%	10.7%	2.9%	2.8%	7.7%	20.0%	3.1%	0.1%	0.0%

Notes:

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

# NOVATO SANITARY DISTRICT

## MEMORANDUM

**TO:** District Board of Directors

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

**DATE:** February 5, 2015

**SUBJECT:** Fiscal Year (FY) 14-15 Second Quarter Financial Report

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## INTRODUCTION

This memorandum presents a summary year-to-date financial report for the District as of the FY14-15 Second Quarter ended December 31, 2014. The following items are presented as three sections:

1. Revenue and Expenditure Report for the quarter ended December 31, 2014 (Pages 5-8).
2. Debt Service Schedule as of December 31, 2014 (Page 9)
3. Operating and Capital Cash Flow for July 1 – December 31, 2014 (Pages 10-11)

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

## 1.0 REVENUE AND EXPENDITURES REPORT

This section presents an overview of revenues and expenditures for the operating and capital funds through the second quarter of Fiscal Year 2014-15, with a more detailed summary on pages 5-8. A brief discussion and analysis of items displaying variance from the final budget is provided also provided, as appropriate.

### OPERATING FUND

#### OPERATING REVENUE

	YTD Balance Received	Annual Budget	Budget Remaining	Pct. Received
<b>Total Operating Revenues</b>	\$4,964,495	\$9,601,856	\$4,637,361	51.7%

#### Discussion

Overall, operating revenues are approximately 51.7% of the total budget amount with 50% of the year complete. The operating revenue accounts are within the normal range for this time of year, since the District receives its primary revenues in December and April.

## OPERATING EXPENDITURES

	YTD Balance	Annual Budget	Budget Unused	Pct. Used
<b>Total Operating Expenditures</b>	\$ 4,079,106	\$9,406,216	\$5,327,110	43.4%

### **Discussion**

Overall, operating expenditures are at approximately 43.4% of budget, with 50% of the year complete. Variances in individual expenditure accounts are discussed below:

#### **Collection System (46.05%)**

Operating Supplies. 51.2%. Per review of detail, no significant items noted; account expected to stay within budget for current fiscal year.

Outside Services. 57.8%. This budget item is used for as needed contractor services and per review of detail, the account is expected to stay within budget for current fiscal year.

Water. 72.1%. This budget item is used for District and outside contractor hydro-flusher maintenance activities. Significant variance is primarily due to the small budget allocation for this account. Staff will monitor this budget item closely.

#### **Treatment Facilities - Contract Operations (47.2%)**

No significant variances noted for this cost center.

#### **Reclamation/Disposal Facilities (60.4%)**

Sludge Disposal. 90%. Sludge disposal services are typically done in the first half of the year and have been completed for the current fiscal year. Account expected to stay within budget for the current fiscal year.

Gas & Electricity. 58.2%. Significant variance due to the seasonal nature of the reclamation facility's irrigation activities. With less irrigation demand in the second and third quarters of the fiscal year, the account is expected to stay within budget for the current fiscal year.

Permits & Fees. 52.9%. Per review of detail, no significant items noted; account expected to stay within budget for current fiscal year.

**Laboratory/Monitoring (42.7%)**

Salaries & Wages. 52.5%. Significant variance is due to the changes in lab cost center in the current year. Account expected to stay within budget for the current fiscal year.

**Pump Stations (40.7%)**

Safety Expenses. 97.9%. Account used to purchase fall protection harnesses for the pump station sites. This account as well as the account below was used for this important safety purchase. Account expected to stay within budget for the current fiscal year.

Operating Supplies. 68.2%. Significant variance due to the purchase of the fall protection harnesses as noted above; account expected to stay within budget for current fiscal year.

**Administration and Engineering (18.7%)**

Insurance. 53.3%. Significant variance due to more than half of the District's insurance premiums being paid in the first half of the year. Account expected to stay within budget for the current fiscal year.

Agency Dues. 70.1%. Significant variance due to a large portion of agency dues being paid in the first half of the year. Account expected to stay within budget for the current fiscal year.

Accounting & Auditing. 77.4%. All of the audit fieldwork and most of the audit report were completed at the end of the calendar year thus the significant variance. Account expected to stay within budget for the current fiscal year.

Printing & Publications. 61.8%. Significant variance due primarily to expenditures for the District's Fall newsletter. Expenses are otherwise typical for the first half of the year, and the variance is expected to smooth out over the rest of the year.

**AB 939 Solid Waste Programs (27.2%)**

No significant items noted for this cost center.

**Recycled Water (34.7%)**

No significant items noted for this cost center.

**CAPITAL FUND**

**CAPITAL REVENUE**

<b>Capital Revenue</b>	<b>YTD Balance Received</b>	<b>Annual Budget</b>	<b>Over/(Under)Budget</b>	<b>Pct. Received</b>
<b>Sewer Service Charges</b>	\$3,869,852	\$7,183,200	(\$3,313,348)	53.9%
<b>Property Taxes</b>	1,058,784	1,750,000	(691,216)	60.5%
<b>Connection Charges</b>	119,697	493,500	(373,803)	24.3%
<b>Collector sewer/Special Equalization Charges</b>	1,000	6,000	(5,000)	50.0%
<b>Interest</b>	11,393	30,000	(18,607)	38.0%
<b>Other Revenue</b>	0	20,000	(20,000)	0.0%
<b>Total Revenue</b>	5,060,726	\$9,482,700	(\$4,421,974)	53.4%

**Discussion**

Overall capital revenues are 53.4% of budget at the close of the second quarter, consistent with the District receiving the bulk of its revenue in December and April.

**CAPITAL EXPENDITURES**

	<b>YTD Balance</b>	<b>Annual Budget</b>	<b>Budget Unused</b>	<b>Pct. Used</b>
<b>Capital Expenditures</b>	\$7,200,736	\$12,805,877	(\$5,605,141)	56.2%

**Discussion**

The list of capital project accounts is shown in the attached report. Overall expenses are 56.2% of budget. Capital work follows a different spending trajectory than normal operating expenditures and this is reflected in Account Nos. 72508 and 73001, where the variances noted reflect the appropriate levels of engineering and construction work completed to date. All of these accounts are expected to stay within budget for the current fiscal year. The principal and interest accounts are within budget for this time of year.

\*\*\*\*\*

## Operating Revenue and Expenditures - Budget to Actual

July through December 2014

	Jul - Dec 14	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>41000 · OPERATING INCOME</b>				
41010 · Sewer Service Charges	4,730,155.34	8,776,815.00	(4,046,659.66)	53.89%
41030 · Plan Check & Inspection Fee	5,819.50	500.00	5,319.50	1,163.9%
41040 · Permit & Inspection Fee	3,045.00	6,000.00	(2,955.00)	50.75%
41060 · Interest Income	8,935.88	15,000.00	(6,064.12)	59.57%
41080 · Engineering & Admin Charges	0.00	165,000.00	(165,000.00)	0.0%
41090 · Non-domestic Permit Fees	5,410.43	25,000.00	(19,589.57)	21.64%
41100 · Garbage Franchise Fees	0.00	49,768.00	(49,768.00)	0.0%
41105 · AB 939 Collector Fees	148,793.00	297,586.00	(148,793.00)	50.0%
41107 · Oil/Bev/Tire Grants	29,065.00	50,187.00	(21,122.00)	57.91%
41130 · Ranch Income	0.00	70,000.00	(70,000.00)	0.0%
41135 · Recycle Water Facility Revenue	26,178.73	116,000.00	(89,821.27)	22.57%
41140 · Other Revenue	7,092.27	20,000.00	(12,907.73)	35.46%
41142 · Loss on disposal of assets	0.00	10,000.00	(10,000.00)	0.0%
<b>Total 41000 · OPERATING INCOME</b>	<b>4,964,495.15</b>	<b>9,601,856.00</b>	<b>(4,637,360.85)</b>	<b>51.7%</b>
<b>Total Income</b>	<b>4,964,495.15</b>	<b>9,601,856.00</b>	<b>(4,637,360.85)</b>	<b>51.7%</b>
<b>Expense</b>				
<b>60000 · COLLECTION SYSTEM</b>				
60010 · Salaries & Wages	260,276.46	604,357.00	(344,080.54)	43.07%
60020 · Employee Benefits	113,977.44	262,502.00	(148,524.56)	43.42%
60060 · Gas, Oil & Fuel	6,521.16	28,000.00	(21,478.84)	23.29%
60085 · Safety	42.57	2,000.00	(1,957.43)	2.13%
60091 · Software Maint	11,334.00	25,000.00	(13,666.00)	45.34%
60100 · Operating Supplies	15,351.66	30,000.00	(14,648.34)	51.17%
60150 · Repairs & Maintenance	41,014.21	85,000.00	(43,985.79)	48.25%
60152 · Small Tools	92.88	2,000.00	(1,907.12)	4.64%
60153 · Outside Services	159,475.85	275,000.00	(115,524.15)	57.99%
60192 · Water	5,768.33	8,000.00	(2,231.67)	72.1%
60193 · Telephone	901.58	2,000.00	(1,098.42)	45.08%
60200 · Other(Garbage Coll)	254.56	1,000.00	(745.44)	25.46%
60201 · Permits & Fees	25,031.02	65,000.00	(39,968.98)	38.51%
<b>Total 60000 · COLLECTION SYSTEM</b>	<b>640,041.72</b>	<b>1,389,859.00</b>	<b>(749,817.28)</b>	<b>46.05%</b>
<b>61000 · TREATMENT FACILITIES</b>				
<b>61000-0 · Contract Operations</b>				
61000-1 · Fixed Fee	993,409.62	1,957,529.00	(964,119.38)	50.75%
61000-2 · Insurance & Bonds	4,797.61	42,570.00	(37,772.39)	11.27%
61000-3 · Major Repair/Replacement	4,218.13	150,000.00	(145,781.87)	2.81%
61000-4 · Water/Permits/Telephone	45,658.17	90,000.00	(44,341.83)	50.73%
61000-5 · Gas & Electricity	286,548.58	587,400.00	(300,851.42)	48.78%
<b>Total 61000-0 · Contract Operations</b>	<b>1,334,632.11</b>	<b>2,827,499.00</b>	<b>(1,492,866.89)</b>	<b>47.2%</b>

**Novato Sanitary District**  
**Operating Revenue and Expenditures - Budget to Actual**  
**July through December 2014**

	<b>Jul - Dec 14</b>	<b>Budget</b>	<b>\$ Over Budget</b>	<b>% of Budget</b>
<b>63000 · RECLAMATION/DISPOSAL</b>				
63010 · Salaries & Wages	17,631.00	60,549.00	(42,918.00)	29.12%
63020 · Employee Benefits	8,053.69	22,500.00	(14,446.31)	35.79%
63060 · Gasoline & Oil	929.46	4,000.00	(3,070.54)	23.24%
63085 · Safety	0.00	500.00	(500.00)	0.0%
63091 · Software Maintenance	1,508.68	3,100.00	(1,591.32)	48.67%
63100 · Operating Supplies	668.22	2,500.00	(1,831.78)	26.73%
63115 · Sludge Disposal	179,757.21	200,000.00	(20,242.79)	89.88%
63150 · Repairs & Maintenance	25,710.87	70,000.00	(44,289.13)	36.73%
63152 · Small Tools	10.89	500.00	(489.11)	2.18%
63157 · Ditch/Dike Maintenance	2,850.00	20,000.00	(17,150.00)	14.25%
63191 · Gas & Electricity	52,388.70	90,000.00	(37,611.30)	58.21%
63192 · Water - Reclamation	0.00	5,000.00	(5,000.00)	0.0%
63201 · Permits & Fees	3,176.15	6,000.00	(2,823.85)	52.94%
<b>Total 63000 · RECLAMATION/DISPOSAL</b>	<b>292,684.87</b>	<b>484,649.00</b>	<b>(191,964.13)</b>	<b>60.39%</b>
<b>64000 · LABORATORY/MONITORING</b>				
64010 · Salaries & Wages	101,943.62	194,138.00	(92,194.38)	52.51%
64020 · Employee Benefits	25,522.59	72,191.00	(46,668.41)	35.35%
64060 · Gasoline & Oil	697.08	3,000.00	(2,302.92)	23.24%
64085 · Safety	0.00	1,000.00	(1,000.00)	0.0%
64091 · Software Maintenance	900.00	4,000.00	(3,100.00)	22.5%
64100 · Operating Supplies	8,286.79	25,000.00	(16,713.21)	33.15%
64150 · Repairs & Maintenance	2,226.89	9,500.00	(7,273.11)	23.44%
64160 · Research & Monitoring	101,824.50	247,000.00	(145,175.50)	41.22%
64170 · Pollution Prevention/Public Ed	10,183.17	35,000.00	(24,816.83)	29.1%
64201 · Permits & Fees	2,359.00	3,000.00	(641.00)	78.63%
<b>Total 64000 · LABORATORY/MONITORING</b>	<b>253,943.64</b>	<b>593,829.00</b>	<b>(339,885.36)</b>	<b>42.76%</b>
<b>65000 · PUMP STATIONS</b>				
65010 · Salaries & Wages	128,127.41	316,295.00	(188,167.59)	40.51%
65020 · Employee Benefits	52,966.51	137,777.00	(84,810.49)	38.44%
65060 · Gasoline & Oil	1,161.82	5,000.00	(3,838.18)	23.24%
65085 · Safety Expenses	1,958.10	2,000.00	(41.90)	97.91%
65091 · Software Maintenance	3,526.83	12,000.00	(8,473.17)	29.39%
65100 · Operating Supplies	6,815.17	10,000.00	(3,184.83)	68.15%
65101 · Operating Chemicals	12,000.00	30,000.00	(18,000.00)	40.0%
65150 · Repairs & Maintenance	44,496.29	115,000.00	(70,503.71)	38.69%
65152 · Small Tools	385.66	1,000.00	(614.34)	38.57%
65153 · Outside Services, Electrical	10,844.15	40,000.00	(29,155.85)	27.11%
65191 · Gas & Electricity	42,566.95	90,000.00	(47,433.05)	47.3%
65192 · Water	3,235.29	7,000.00	(3,764.71)	46.22%
65193 · Telephone	12,105.64	24,000.00	(11,894.36)	50.44%
65201 · Permits & Fees	8,322.09	17,000.00	(8,677.91)	48.95%
<b>Total 65000 · PUMP STATIONS</b>	<b>328,511.91</b>	<b>807,072.00</b>	<b>(478,560.09)</b>	<b>40.7%</b>

## Novato Sanitary District

## Operating Revenue and Expenditures - Budget to Actual

July through December 2014

	Jul - Dec 14	Budget	\$ Over Budget	% of Budget
<b>66000 · ADMIN/ENGINEERING</b>				
66010 · Salaries & Wages	429,303.34	983,222.00	(553,918.66)	43.66%
66020 · Employee Benefits	168,593.87	375,733.00	(207,139.13)	44.87%
66021 · Retiree Health Benefits	104,596.18	396,155.00	(291,558.82)	26.4%
66030 · Director's Fees	16,875.00	45,000.00	(28,125.00)	37.5%
66060 · Gasoline & Oil	2,441.97	10,000.00	(7,558.03)	24.42%
66070 · Insurance	98,823.48	186,000.00	(87,176.52)	53.13%
66071 · Insurance Claim Expense	728.47	45,000.00	(44,271.53)	1.62%
66075 · Agency Dues	42,534.61	60,000.00	(17,465.39)	70.89%
66080 · Memberships	2,981.24	8,500.00	(5,518.76)	35.07%
66085 · Safety	455.98	1,000.00	(544.02)	45.6%
66090 · Office Expense	11,668.18	29,000.00	(17,331.82)	40.24%
66100 · Engineering Supplies	2,651.30	9,000.00	(6,348.70)	29.46%
66121 · Accounting & Auditing	13,935.00	18,000.00	(4,065.00)	77.42%
66122 · Attorney Fees	15,301.00	120,000.00	(104,699.00)	12.75%
66123 · O/S Contractual	65,021.71	275,000.00	(209,978.29)	23.64%
66124 · IT/Misc Electrical	12,550.55	40,000.00	(27,449.45)	31.38%
66130 · Printing & Publications	13,588.84	22,000.00	(8,411.16)	61.77%
66150 · Repairs & Maintenance	23,359.39	45,000.00	(21,640.61)	51.91%
66170 · Travel, Meetings & Training	24,126.33	70,000.00	(45,873.67)	34.47%
66193 · Telephone	4,305.81	15,000.00	(10,694.19)	28.71%
66202 · County Fees - Property Taxes	13,294.50	25,000.00	(11,705.50)	53.18%
66203 · County Fees - Sewer Service Chg	21,551.24	35,000.00	(13,448.76)	61.58%
66250 · Service Charge Sys Exp	0.00	5,000.00	(5,000.00)	0.0%
<b>Total 66000 · ADMIN/ENGINEERING</b>	<b>1,088,687.99</b>	<b>2,818,610.00</b>	<b>(1,729,922.01)</b>	<b>38.63%</b>
<b>67000 · AB 939 SOLID WASTE PROGRAMS</b>				
67400 · Consulting Services	42,711.57	130,161.00	(87,449.43)	32.81%
67500 · Household Hazardous Waste	53,533.13	164,000.00	(110,466.87)	32.64%
67530 · Used Oil/Beverage Cont Grant	2,430.00	22,537.00	(20,107.00)	10.78%
67540 · Outreach/Publicity/Education	1,644.25	37,000.00	(35,355.75)	4.44%
67600 · Other	0.00	5,000.00	(5,000.00)	0.0%
67610 · City AB 939 Admin Services	0.00	10,000.00	(10,000.00)	0.0%
<b>Total 67000 · AB 939 SOLID WASTE PROGRA</b>	<b>100,318.95</b>	<b>368,698.00</b>	<b>(268,379.05)</b>	<b>27.21%</b>
<b>68000 · Recycled Water</b>				
68010 · O & M Services	22,305.00	50,000.00	(27,695.00)	44.61%
68100 · Operating Supplies	11.84	3,000.00	(2,988.16)	0.4%
68101 · Operating Chemicals	12,868.51	34,000.00	(21,131.49)	37.85%
68150 · Repairs & Maintenance	5,099.51	18,000.00	(12,900.49)	28.33%
68191 · Gas & Electricity	0.00	10,000.00	(10,000.00)	0.0%
68201 · Permits & Fees	0.00	1,000.00	(1,000.00)	0.0%
<b>Total 68000 · Recycled Water</b>	<b>40,284.86</b>	<b>116,000.00</b>	<b>(75,715.14)</b>	<b>34.73%</b>
<b>Total Expense</b>	<b>4,079,106.05</b>	<b>9,406,216.00</b>	<b>(5,327,109.95)</b>	<b>43.37%</b>
<b>Net Income</b>	<b>885,389.10</b>	<b>195,640.00</b>	<b>689,749.10</b>	<b>452.56%</b>

**Novato Sanitary District**  
**Capital Revenue and Expenditures Report - Budget to Actual**  
 July through December 2014

	Jul - Dec 14	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>51000 · CAPITAL IMPROVEMENT INCOME</b>				
51010 · Sewer Service Charges	3,869,852.17	7,183,200.00	(3,313,347.83)	53.87%
51015 · Property Taxes	1,058,784.25	1,750,000.00	(691,215.75)	60.5%
51020 · Connection Charges	119,696.78	493,500.00	(373,803.22)	24.26%
51030 · Collector Sewer Charges	1,000.00	2,000.00	(1,000.00)	50.0%
51040 · Special Equalization Charge	0.00	4,000.00	(4,000.00)	0.0%
51060 · Interest	11,392.65	30,000.00	(18,607.35)	37.98%
51070 · Other Revenue	0.00	20,000.00	(20,000.00)	0.0%
<b>Total 51000 · CAPITAL IMPROVEMENT INCOME</b>	<b>5,060,725.85</b>	<b>9,482,700.00</b>	<b>(4,421,974.15)</b>	<b>53.37%</b>
<b>Expense</b>				
<b>72000 · CAPITAL IMPROVEMENT PROJECTS</b>				
72110 · Drainage PS 3&7 Outfall Rehab	4,028.77	265,000.00	(260,971.23)	1.52%
72403 · Pump Station Rehabilitation	446,599.81	1,082,185.00	(635,585.19)	41.27%
72508 · N. Bay Water Recycling Auth	329,099.78	355,000.00	(25,900.22)	92.7%
72609 · WWTP Upgrade - Contract B	21,445.10	45,000.00	(23,554.90)	47.66%
72706 · Collection System Improv				
72706-1 · Lateral Replacement Program	9,950.00	50,000.00	(40,050.00)	19.9%
72706 · Collection System Improv - Other	53,792.24	1,600,000.00	(1,546,207.76)	3.36%
<b>Total 72706 · Collection System Improv</b>	<b>63,742.24</b>	<b>1,650,000.00</b>	<b>(1,586,257.76)</b>	<b>3.86%</b>
72707 · Hamilton Wetlands/Outfall Monit	10,771.37	36,542.00	(25,770.63)	29.48%
72708 · Cogeneration	0.00	40,000.00	(40,000.00)	0.0%
72802 · Annual Sewer Adj. for City Proj	9,050.00	10,000.00	(950.00)	90.5%
72803 · Annual Collection Sys Repairs	26,420.11	200,000.00	(173,579.89)	13.21%
72804 · Annual Reclamation Fac Imp	850.63	150,000.00	(149,149.37)	0.57%
72805 · Annual Trtmt Plnt/Pump St Impr	50,212.93	200,000.00	(149,787.07)	25.11%
72809 · Novato Creek Watershed	0.00	50,000.00	(50,000.00)	0.0%
73001 · WWTP Upgrade - Contract C	256,893.25	461,396.00	(204,502.75)	55.68%
73002 · Recycled Water - Cont D	0.00	10,000.00	(10,000.00)	0.0%
73003 · Admin Bldg/Maint.Bldg Upgrades	31,168.64	1,000,000.00	(968,831.36)	3.12%
73090 · Vehicle Replacement	153,098.65	180,000.00	(26,901.35)	85.06%
78500 · Interest - Capital Projects	2,203,183.87	2,621,583.00	(418,399.13)	84.04%
78501 · Principal - Capital Projects	3,594,171.07	4,449,171.00	(854,999.93)	80.78%
<b>Total 72000 · CAPITAL IMPROVEMENT PROJECTS</b>	<b>7,200,736.22</b>	<b>12,805,877.00</b>	<b>(5,605,140.78)</b>	<b>56.23%</b>
<b>Total Expense</b>	<b>7,200,736.22</b>	<b>12,805,877.00</b>	<b>(5,605,140.78)</b>	<b>56.23%</b>
<b>Net Ordinary Income</b>	<b>(2,140,010.37)</b>	<b>(3,323,177.00)</b>	<b>1,183,166.63</b>	<b>64.4%</b>

**Novato Sanitary District  
State Revolving Fund Loan Payable  
and  
COP Bond Payable Balances**

**State Revolving Fund Loan**

SRF Loan Payable 6/30/14.....	74,366,046
Principal Payment 2014-15	(3,594,171)
Interest payments 2014-15	1,784,785
	(1,784,785)
SRF Loan Payable Balance 12/31/14.....	70,771,875

**COP Bond Financing Issued October 2011**

COP Payable Balance 6/30/14.....	20,120,000
Principal Payment 2014-15	
Interest payments 2014-15	418,399
	(418,399)
COP Payable Balance 12/31/14.....	20,120,000

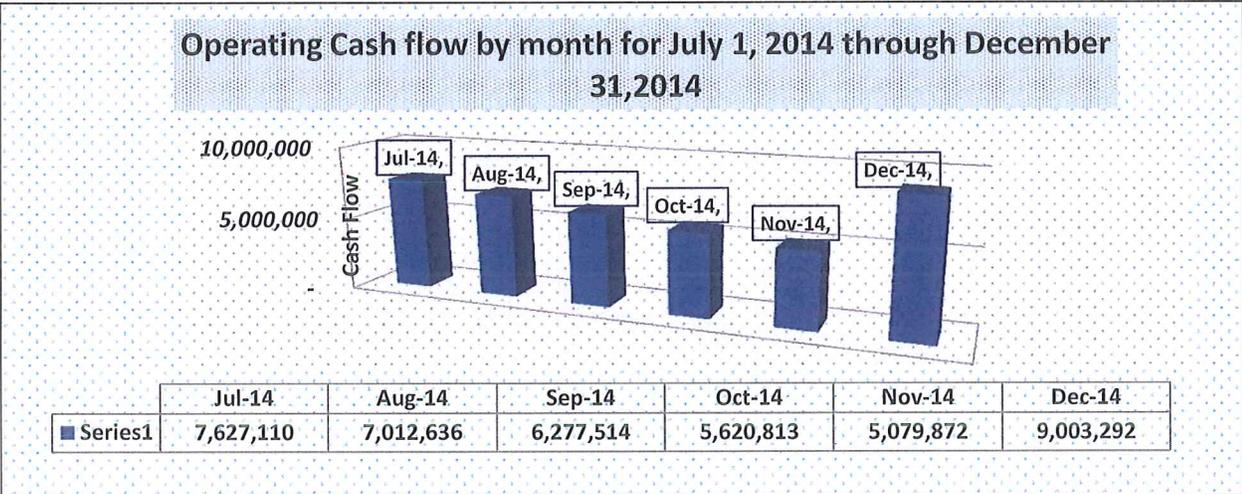
Note: Principal and Interest payment for SRF Loan Payable paid in December 2014.  
Principal and Interest payment for COP Bond Payable due in February 2015.

**3.0 OPERATING AND CAPITAL CASH FLOW**

**Operating:**  
**Cash Flow Projection For Novato Sanitary District**  
**July 1, 2014 - December 31, 2014**  
**Dated: February 2, 2015**

Month Earned	Operating Revenue	Monthly Operating Expenditures	Cash Balance
			8,117,905
Jul-14	75,188	565,983	7,627,110
Aug-14	43,615	658,089	7,012,636
Sep-14	28,910	764,032	6,277,514
Oct-14	30,120	686,821	5,620,813
Nov-14	183,262	724,203	5,079,872
Dec-14	4,603,400	679,980	9,003,292
	4,964,495	4,079,108	

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



**Capital:**

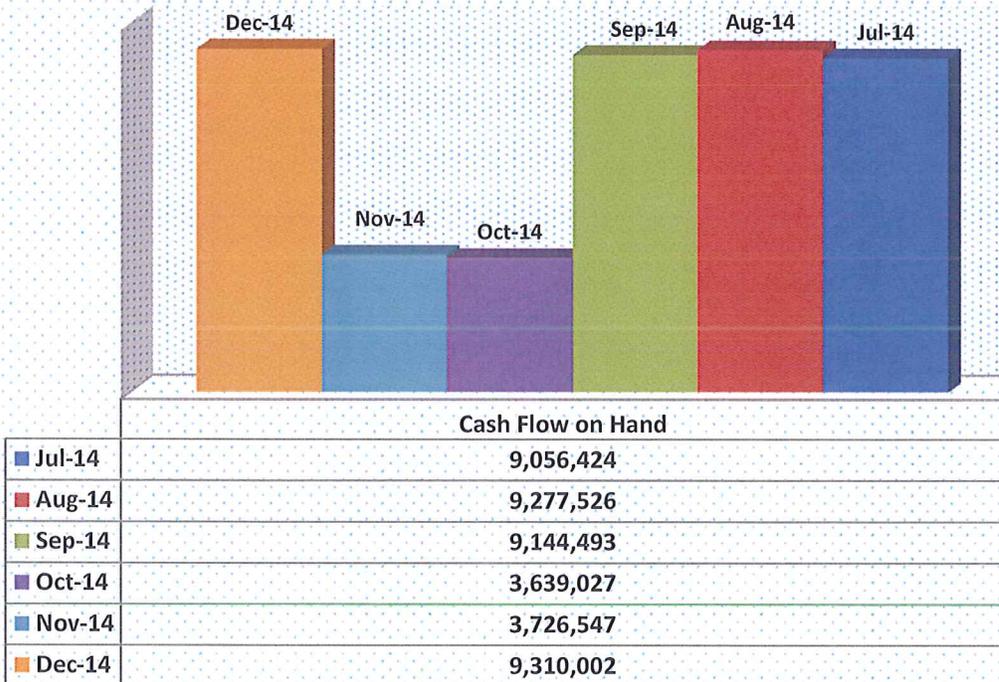
**Cash Flow Projection For Novato Sanitary District**

**July 1, 2014 - December 31, 2014**

**Dated: February 2, 2015**

Month Earned	Monthly Operating Expenditures	Debt Service	Capital Revenue	COP Reimb	Cash Balance
Jul-14	517,009	418,399	10,270		9,981,562
Aug-14	448,723		50,479	619,346	9,056,424
Sep-14	166,038		33,005		9,277,526
Oct-14	180,498	5,378,956	53,988		9,144,493
Nov-14	46,366		133,886		3,639,027
Dec-14	44,745		4,779,098	849,102	3,726,547
	1,403,379	5,797,355	5,060,726		9,310,002

**Capital Cash Flow by Month for July 1, 2014 through December 31, 2014**



# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE:</b> Submittal of 2014 Annual Self-Monitoring Report (SMR).	<b>MEETING DATE:</b> February 9, 2015  <b>AGENDA ITEM NO.:</b> 7.a.
<b>RECOMMENDED ACTION:</b> Informational only – receive report.	
<b>SUMMARY AND DISCUSSION:</b>  The 2014 Annual Self-Monitoring Report was electronically submitted on January 31, 2015 into the California Integrated Water Quality System (CIWQS) by Veolia Water. The report is filed to comply with the District’s National Pollutant Discharge Elimination System (NPDES) discharge permit for its Wastewater Treatment Plant and Collection System. The report can be accessed at the CIWQS website as follows:  <a href="https://ciwqs.waterboards.ca.gov/ciwqs/readOnly/PublicReportEsmrAtGlanceServlet?reportID=2&amp;isDrilldown=true&amp;documentID=786256">https://ciwqs.waterboards.ca.gov/ciwqs/readOnly/PublicReportEsmrAtGlanceServlet?reportID=2&amp;isDrilldown=true&amp;documentID=786256</a>	
<b>DEPT.MGR.:</b> JB (Veolia)	<b>MANAGER-ENGINEER:</b> SSK

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

**TITLE: Capital Projects – Annual  
Collection System Repairs: Redwood  
Blvd. Sewer Repair, Project Work Order  
No. 72803-14-01**

**MEETING DATE: February 9, 2015**

**AGENDA ITEM NO.: 8.a.**

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

## **SUMMARY AND DISCUSSION:**

On September 22, 2014 the District's Board of Directors awarded the Contract for the Redwood Blvd. Sewer Repairs to WR Forde & Associates for a low bid amount of \$68,087.00. The Notice to Proceed was issued on November 10, 2014, and work was completed by the end of January 2015.

In summary, the Contractor has completed the contract work and the project is ready for final acceptance. The final cost of the project is \$71,694 or \$3,607.00 (5.3%) above the bid amount. The increased costs were due to additional quantities of materials paid for by unit price as follows:

- 5.48 tons of additional asphalt pavement material
- 2 additional potholes for unknown utilities
- 20 square feet of concrete flatwork

There were no change orders on this project.

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

**DEPT. MGR.: SRK**

**MANAGER-ENGINEER: SSK**



**California Special  
Districts Association**

*Districts Stronger Together*

**DATE:** January 27, 2015

**TO:** CSDA Voting Members – BAY AREA NETWORK

**FROM:** CSDA Elections and Bylaws Committee

**SUBJECT: CSDA CALL FOR NOMINATIONS – Board of Directors  
Bay Area Network, Seat A**

CSDA is conducting a call for nominations for a Bay Area Network, Seat A Director for the remainder of the 2013-2015 term.

The leadership of CSDA is elected from its six geographical networks. Each of the six networks has three seats on the Board with staggered 3-year terms. Candidates must be affiliated with an independent special district that is a CSDA regular member located within the geographic network that they seek to represent. (See attached Network Map)

The CSDA Board of Directors is the governing body responsible for all policy decisions related to CSDA's member services, legislative advocacy, education and resources. The Board of Directors is crucial to the operation of the Association and to the representation of the common interests of all California's special districts before the Legislature and the State Administration. Serving on the Board requires one's interest in the issues confronting special districts statewide.

**Commitment and Expectations:**

- Attend all Board meetings, held every other month at the CSDA office in Sacramento.
- Participate on at least one committee, meets 3-5 times a year at the CSDA office in Sacramento.  
*(CSDA reimburses Directors for their related expenses for Board and committee meetings as outlined in Board policy).*
- Attend CSDA's two annual events: Special District Legislative Days (held in the spring) and the CSDA Annual Conference (held in the fall).
- **Complete all four modules of CSDA's Special District Leadership Academy within 2 years.**  
*(CSDA does not reimburse for expenses for the two conferences or the Academy classes even if a Board or committee meeting is held in conjunction with the events).*

**Nomination Procedures:** Any regular member Independent Special District is eligible to nominate one person, a board member or managerial employee (as defined by that district's Board of Directors), for election to the CSDA Board of Directors. **A copy of the member district's resolution or minute action and Candidate Information Sheet**

RECEIVED  
JAN 30 2015

**must accompany the nomination. The deadline for receiving nominations is March 31, 2015.** Nominations and supporting documentation may be mailed or faxed.

Nominated candidates will then be interviewed by the Networks's existing directors and the successful candidate will be appointed by vote of the CSDA Board.

If you have any questions, please contact Charlotte Lowe at 877-924-CSDA or [charlottel@cda.net](mailto:charlottel@cda.net).



**California Special  
Districts Association**  
*Districts Stronger Together*

## BOARD OF DIRECTORS NOMINATION FORM

PLEASE BE SURE THE CANDIDATE'S PHONE NUMBER IS ONE WHERE WE CAN REACH THE CANDIDATE

Name of Candidate: \_\_\_\_\_

District: \_\_\_\_\_

Mailing  
Address: \_\_\_\_\_  
\_\_\_\_\_

Network: Bay Area Network

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

Nominated by (optional): \_\_\_\_\_

Return this form and a Board resolution/minute action supporting the candidate and Candidate Information Sheet by fax or mail to:

CSDA  
Attn: Charlotte Lowe  
1112 I Street, Suite 200  
Sacramento, CA 95814  
(877) 924-2732      (916) 442-7889 fax

***DEADLINE FOR RECEIVING NOMINATIONS – March 31, 2015***



**California Special  
Districts Association**  
*Districts Stronger Together*

## **CSDA BOARD CANDIDATE INFORMATION SHEET**

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: \_\_\_\_\_

District/Company: \_\_\_\_\_

Title: \_\_\_\_\_

Elected/Appointed/Staff: \_\_\_\_\_

Length of Service with District: \_\_\_\_\_

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

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2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

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3. List local government involvement (such as LAFCo, Association of Governments, etc.):

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4. List civic organization involvement:

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December 17, 2014

The Adhoc Recycled Water Committee of Novato Sanitary District held a joint meeting with the North Marin Water District Adhoc Recycled Water Committee at 3:00 p.m., Wednesday, December 17, 2014, at the District office, 500 Davidson Street, Novato.

COMMITTEE MEMBERS PRESENT:

Novato Sanitary District Members: William C. Long and Jean Mariani.

North Marin Water District Members: John Schoonover and John (Jack) Baker

STAFF PRESENT:

Novato Sanitary District: Manager-Engineer-Secretary Sandeep Karkal and Administrative Secretary Julie Swoboda

North Marin Water District: General Manager Chris DeGabriele and Chief Engineer Drew McIntyre

NORTH BAY WATER REUSE AUTHORITY PHASE 1 STATUS REVIEW AND PHASE 2 UPDATE:

North Marin Water District (NMWD) Chief Engineer reviewed the status of the North Bay Water Reuse Authority Phase 1 projects and provided two documents to those present: "North Bay Water Reuse Program Phase 1 Federal Funding Status and Summary – November 2014" and "North Marin Water District, Recycled Water Service Alternatives to Service the Marin Country Club". He provided an overview of the recycled water expansion into Southern Novato, and the Ignacio area recycled water service alternatives to the Marin Country Club.

The NMWD Chief Engineer then reviewed recycled water capacity/reliability issues and the cooperative arrangement between the Novato Sanitary District (NSD) and North Marin Water District (NMWD). He discussed the Deer Island recycled water treatment facility (RWTF), and stated that a study is needed to determine how to utilize current assets to meet future demands. He discussed upcoming NMWD Phase 1 projects: Central Service Area Expansion and Ignacio Area Extension, and the anticipated completion dates. Discussion followed.

The NMWD General Manager, Chris DeGabriele reviewed the Inter-Agency agreement. He stated that the agreement reflects the North Bay Water Reuse Authority (NBWRA) project as well as the Deer Island RWTF. He discussed the Recycled Water Capital Replacement and Expansion Fund annual report and summarized its financial aspects. Discussion followed.

The NSD Manager-Engineer provided a NBWRA Phase 2 update and reviewed NSD's scoping study projects. He discussed the potential loss of the District's leased reclamation area and the option for a 10 year lease extension when the facilities lease expires in 2023.

The NSD Manager-Engineer then provided a PowerPoint presentation and reviewed the ongoing Hamilton Wetlands/outfall study which is a joint NSD and State Coastal Conservancy (SCC) project. He stated that the overall project goals are to manage the presence of the NSD's outfall on the Wetlands site and to achieve beneficial reuse of NSD's effluent. He discussed the alternatives considered by the study including: truncating NSD's outfall pipeline and utilizing the effluent year round for propagation and maintenance of a newly created brackish marsh, and potential future storage options. Discussion followed.

ADJOURNMENT: There being no further discussion, the meeting was adjourned at 4:52 p.m.

Respectfully submitted,

---

Sandeep Karkal  
Secretary

Julie Swoboda, Recording

# Informational Items Following:

## New sewer pipe rule adds cost for Ross Valley home sellers, but district offers funding

By Janis Mara [jmara@marinij.com](mailto:jmara@marinij.com) @jmara on Twitter

Posted: 02/01/2015 05:20:21 PM PST

marinij.com

Selling a home just became more complicated and expensive for homeowners in the Ross Valley Sanitary District, thanks to a new ordinance governing private sewer laterals.

As of Jan. 1, sewer laterals, the pipes that whisk waste from homes to the sewer main in the street, must be inspected before transferring property title. The inspection costs around \$200; if the inspection shows the lateral must be repaired, once it is repaired, it must pass a pressure test costing between \$600 and \$1,000. Should it need replacement, this costs around \$7,000 plus the cost of a pressure test.

"In the last six months we have been involved in a painful process to make it palatable," said Blaine Morris, past president of the Marin Association of Realtors, who has been working with the district to find ways to make it easier for home sellers to obey the ordinance.

"If your sewer lateral is more than 20 years old, it must pass a pressure test. In Ross Valley, almost all the homes are more than 20 years old. About 650 homes sell in the district every year," Morris said.

The sanitary district's service area covers properties in the City of Larkspur, Town of Ross, Town of San Anselmo, Town of Fairfax, and the unincorporated areas of Sleepy Hollow, Kentfield and Greenbrae.

The new ordinance came about because in 2013 California's water board ordered the district to fix old, cracked sewer pipes. The pipes must be repaired to avoid rainwater getting into the pipes and causing sewer overflows or discharges of wastewater into the bay.

"We've had some spills in the past and that's what we're trying to eliminate," said Thomas Gaffney, president of the district's board. "We need to fix our sewers and our laterals. We have an old system, both the laterals and the sewer mains. We are the oldest sanitary district in the state, founded in 1899."

Morris said, "The Realtors in Marin County as a standard of care do an inspection of the sewer lateral when you sell a house. Virtually every house that gets sold has the sewer lateral checked out."

Gaffney and the district's general manager, Greg Norby, said the district is going all out to assist home sellers in complying with the ordinance.

"We have a grant program that will fund either \$4,000, or half of the total cost of the lowest bid to replace a homeowner's lateral, whichever is less," Gaffney said. More than \$300,000 is available for these grants, he said.

"Last night at our board meeting we added a new component, a loan program that gives the property owner a 10-year low-interest loan to pay the upfront costs of the lateral replacements," Norby said Thursday. "It will come with the property tax bill. You'll pay it back in two payments a year."

The interest rate will be around 3.5 percent, Norby said.

Initially, the real estate agent's association was most concerned about an element of the law affecting sewer laterals shared by neighbors.

"The code says you cannot have a shared line any more," Morris said. "This was adopted 20-30 years ago."

What they did with this ordinance, it's no longer grandfathered in. In order to sell your house, you must solve this issue."

In order for a homeowner to remove his or her pipe from a common lateral, it could be necessary to go onto a neighbor's property and dig a hole to access the lateral — something to which a neighbor might not agree.

"Without permission to access a neighbor's property, a homeowner might not be able to sell the home," Morris said.

When asked about this, Norby said that after consultation with its attorney and much study, the district had just changed its stance.

"We will work with the approximately 10 percent of homeowners in our district who have common laterals," Norby said Thursday, who was returning from a half-hour-long meeting with such a homeowner.

"The common laterals that are properly grandfathered in under then-applicable standards, we are generally going to only require them to address the lateral physically located on their property," Norby said.

"We will work one-on-one with homeowners in this situation and we will find practical solutions," Norby said.