

NOVATO SANITARY DISTRICT

Meeting Date: June 8, 2015

The Board of Directors of Novato Sanitary District will hold a regular meeting at 6:00 p.m., Monday, June 8, 2015, at the District Offices, 500 Davidson Street, Novato, CA.

Materials related to items on this agenda are available for public inspection in the District Office, 500 Davidson Street, Novato, during normal business hours. They are also available on the District's website: www.novatosan.com.

AGENDA

1. **PLEDGE OF ALLEGIANCE:**
2. **AGENDA APPROVAL:**
3. **PUBLIC COMMENT (Please observe a three-minute time limit):**

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

4. **REVIEW OF MINUTES:**
 - a. Consider approval of minutes of the May 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 meeting schedule: July 13th, August 10th, and August 24th. Cancel meeting of July 27th.
6. **SOLID WASTE COMMITTEE:**
 - a. Receive report, and accept recommendation to adopt preliminary Household Hazardous Waste (HHW) operating budget for FY15-17.
 - b. Approve contract with DLJ Associates to provide AB939, household hazardous waste (HHW), and related services for Fiscal Year FY2015-16 in the amount of \$101,464, and authorize the Manager-Engineer to execute it.

7. ANNUAL BUDGET:

- a. Presentation of Preliminary Budget for Fiscal Years FY15-16 and FY16-17.
- b. Set the date of July 13, 2015 for the public hearing on individual sewer service charges and adoption of a resolution confirming report on sewer service charges.

8. BOARD OF DIRECTORS:

- a. Ratify appointment of Secretary/Treasurer and Secretary Pro Tem for FY15-16, and designate and authorize check signers for FY15-16.
- b. Presidential appointment of Committee members for FY15-16.

9. STAFF REPORTS:

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

10. BOARD MEMBER REPORTS AND REQUESTS:

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

11. INFORMATIONAL ITEMS/NEWS ARTICLES:

(These items are for information only, no action will be taken on these items).

- a. University of North Carolina (Chapel Hill) Public Finance Center blog article: "\$napshot: Federal Funding Trends for Water and Wastewater Utilities (1956-2014)".
- b. Thank you note for District participation in Novato's "Clean and Green Day".

12. MANAGER'S ANNOUNCEMENTS:

13. ADJOURN:

Next resolution no. **3086**.

Next regular meeting date: Monday, June 22, 2015, 6:00 p.m. at the Novato Sanitary District office, 500 Davidson Street, Novato, CA

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

NOVATO SANITARY DISTRICT

Board Meeting Minutes

Meeting Date: May 26, 2015

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Tuesday, May 26, 2015, preceded by a closed session beginning at 5:30 p.m. at the District offices, 500 Davidson Street, Novato.

At 5:30 p.m. President Mariani announced the Board would meet in closed session to discuss the following matters on the Closed Session Agenda:

CLOSED SESSION:

- Public Employee Evaluation: Manager-Engineer: (Government Code Section 54957)

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

STAFF PRESENT: None.

The closed Session ended at 6:13 p.m.
Open session began at 6:16 p.m.

BOARD MEMBERS PRESENT FOR OPEN SESSION: 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: Steve Krautheim, Field Services Manager, Novato Sanitary District
John Bailey, Project Manager, Veolia

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as written.

PUBLIC COMMENT: None

ANNOUNCEMENT FROM CLOSED SESSION:

President Mariani stated that there was no reportable action from the closed session.

REVIEW OF MINUTES:

- Consider approval of minutes of the May 11, 2015 meeting. Director Miller requested the minutes on page 6, paragraph 6, regarding his attendance at the NBWA meeting, be

modified. He read the modifications he was seeking and provided the Administrative Secretary with a copy of the modifications.

On motion of Director Peters, seconded by Director Miller, and carried unanimously, the May 11, 2015 Board meeting minutes were approved as revised.

CONSENT CALENDAR:

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

- a. Approval of regular disbursements in the amount of \$330,192.08, capital project disbursements in the amount of \$168,172.83.
- b. Ratification of May payroll and payroll-related disbursements in the amount of \$196,690.16.
- c. Approved extending the current contract term with Regional Government Services, (RGS), to provide the temporary Laboratory Project Advisor for part-time, as needed services, and authorized the Manager-Engineer to execute the extension on a month-to-month basis.
- d. Approved a contract in the not-to-exceed amount of \$80,000 with Duke's Root Control, Inc., and authorized the Manager-Engineer to execute it.

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

WASTEWATER OPERATIONS:

- Receive Wastewater Operations Committee Report. The Manager-Engineer stated that the Wastewater Operations Committee met on May 18, 2015 at 2:00 p.m. at the District office. John Bailey, Veolia Plant Manager, stated that page one of the original Monthly Operations Report, as presented at the May 18th meeting, was incorrect and he gave the Board members a revised page one. The Administrative Secretary was directed to include this revised page in the final Board packet as posted on the District website.

The Plant Manager provided an overview of the Monthly Operations Report for April 2015. He stated that the monthly average flow for April was 3.88 MGD (million gallons per day) and that there were no NPDES permit exceedances. He stated that the Recycled Water Facility produced 10.267 MG (million gallons) in April. He stated that there were three coliform excursions at the Recycled Water Facility and provided details to the Board. He outlined the monthly safety and training activities and stated that in April there was one odor complaint. He stated that Veolia has operated the treatment facility for 1,792 days without a lost time accident.

The Manager-Engineer provided a summary of the odor control and landscaping report. He stated that staff continued to perform liquid phase sulfide sampling and analysis. He stated that the media in the large odor control bed appears to be performing well after

being topped off in November. He stated that the redwood trees replanted to the northeast corner of the plant site in late February/early March, appear to be doing well.

The Field Services Manager provided a summary of the Collection System Operations Report, and reviewed the department's performance for April 2015. He noted that staff cleaned a total of 107,261 ft. of sewer lines and televised a total of 303 ft. He stated that as of April 30th, District staff and the Collections Department have worked a total of 1,507 accident-free days. He stated that there were no sanitary sewer overflows in April.

The Field Services Manager discussed a draft Core Competency Checklist which will be used to track training of Collections Department employees. He stated that the checklist is being used to track the initial training of a recently hired employee and that the final version will be used for annual core competency training for all Collections Department employees.

The Field Services Manager provided a summary of the Reclamation Facilities report. He stated that the rancher began cutting hay on April 16th and continued throughout the month. He stated that accumulated silt around the two drainage pump stations was removed. He discussed repairs and progress made for leak detection on the wildlife pond feed pipeline.

At 6:50 p.m. President Mariani declared the Board would take a short recess.

At 6:55 p.m. President Mariani reconvened the meeting.

ANNUAL BUDGET WORKSHOP:

- Fiscal Year FY 2015-16 Budget Workshop: Outline FY 15-16 strategic issues. The Manager-Engineer initiated discussion on the FY15-16 Budget Workshop. He made a PowerPoint presentation which provided a "look-back" at FY14-15, provided an outline of FY15-16 strategic items (including preliminary FY15-16 budget highlights), and the Budget review process. The presentation also included the following:

The Manager-Engineer provided an update of the renewal of the District's NPDES Permit, noting that the current permit expires June 30, 2015. He stated that the permit is in the AD/TO (administrative draft/tentative order) status, and that a new order (permit) is expected in September 2015. He noted that the new permit is more favorable towards the District than originally expected.

In addition, the Manager-Engineer also provided an update on the Hamilton Wetlands/Outfall Study, being funded in cooperation with the State Coastal Conservancy (SCC). He noted that the Study addresses the SCC's goal of managing the presence of the District's outfall on the Wetlands site, while also addressing the District's goal of beneficial reuse of its effluent. Both goals are being coordinated in the NPDES permit, with the current concept being to truncate the District's outfall to provide a year-round discharge to a brackish marsh.

A general discussion followed on the presented information. No action was taken.

- Receive preliminary Capital Improvements Program (CIP) work plan and budget. The Manager-Engineer provided a summary of the potential and/or anticipated scope of work for projects and project work included within the various accounts of the Capital Improvements Program (CIP) budget for FY 15-17.

Discussion followed.

STAFF REPORTS:

None.

BOARD MEMBER REPORTS AND REQUESTS:

Director Long requested that the HVAC unit that operates in the Board room be serviced to run quieter.

MANAGER'S ANNOUNCEMENTS:

- A Solid Waste Committee meeting will be held on Monday, June 1st at 3:00 p.m. at the District Office.
- The next Regular Board Meeting will be held on Monday, June 8th at 6:00 p.m. at the District Office. An initial presentation of the 2015/16 budget will be made.
- The California Association of Sanitation Agencies (CASA) will hold their Annual meeting in San Diego on August 19th and 20th. Board members planning to attend should notify the Administrative Secretary.

ADJOURNMENT: There being no further business to come before the Board, President Mariani adjourned the meeting at 8:20 p.m.

Respectfully submitted,

Sandeep Karkal
Secretary

Julie Swoboda, Recording

**Novato Sanitary District
Board Fees for May 2015**

June 5, 2015

Date	Num	Name	Credit
Jun 5, 15			
06/05/2015	4025	Long, William C	974.25
06/05/2015	4027	Miller, Brant	974.25
06/05/2015	4026	Mariani, Jean M	788.77
06/05/2015	4028	Peters, A. Gerald	575.36
06/05/2015	4024	Butler, Gary	
Jun 5, 15			<u>3,312.63</u>

Novato Sanitary District Capital Projects Check Register

June 8, 2015

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
Jun 8, 15			
06/08/2015	2874	County of Marin-public works	50,000.00
06/08/2015	2877	W.R. Forde	24,150.00
06/08/2015	2873	California Diesel & Power	11,113.00
06/08/2015	2875	Linscott Engineering Contractors Inc	10,583.96
06/08/2015	2879	Nute Engineering Inc.	10,290.25
06/08/2015	2878	Water Components & Building, Inc.	5,736.46
06/08/2015	2876	VOID	0.00
Jun 8, 15			<u>111,873.67</u>

Novato Sanitary District Operating Check Register

For June 8, 2015

Date	Num	Name	Credit
Jun 8, 15			
06/08/2015	58271	Veolia Water North America, Inc.	164,327.77
06/08/2015	58242	Aqua Science	12,050.00
06/08/2015	58272	Veolia Water Recycled Water Oper.	8,385.00
06/08/2015	58260	Johnson, Dee	7,200.00
06/08/2015	58248	Calltest Analytical Lab Inc.	6,155.05
06/08/2015	58249	CDW Government, Inc.	3,227.08
06/08/2015	58253	Dearborn National	2,249.62
06/08/2015	58239	Able Tire & Brake Inc.	1,750.21
06/08/2015	58256	Frontier Analytical Laboratory, Inc.	1,650.00
06/08/2015	58261	Leonardi Automotive & Electric, Inc.	1,636.29
06/08/2015	58252	Custom Tractor Service	1,400.00
06/08/2015	58274	Water Components & Building, Inc.	1,017.07
06/08/2015	58264	Milanis Autocraft	988.09
06/08/2015	58251	CT Promotions	982.52
06/08/2015	58268	Pape Material Handling	969.19
06/08/2015	58240	Airgas USA, LLC	926.50
06/08/2015	58262	Maltby Electric	721.49
06/08/2015	58245	BoundTree Medical, LLC	497.92
06/08/2015	58273	Vision Service Plan	490.54
06/08/2015	58247	Cagwin & Dorward Inc.	435.00
06/08/2015	58254	Evoqua Water Technologies - Lab	402.50
06/08/2015	58258	International Fire Inc.	399.89
06/08/2015	58266	Novato Disposal-	353.14
06/08/2015	58250	Claremont EAP, Inc.	295.00
06/08/2015	58263	Marin Mechanical II, Inc.	280.00
06/08/2015	58257	Grainger	278.96
06/08/2015	58243	AT&T Wireless	258.12
06/08/2015	58269	R & B Company	203.59
06/08/2015	58244	Barnett Medical LLC	170.00
06/08/2015	58259	Jackson's Hardware Inc.	169.31
06/08/2015	58246	Butler, Gary.	154.93
06/08/2015	58267	Orkin Pest Control, Inc.	131.42
06/08/2015	58265	North Marin Water District	116.00
06/08/2015	58270	Staples Business Adv Inc.	83.03
06/08/2015	58241	American Messaging	81.58
06/08/2015	58255	First Alarm	38.74
Jun 8, 15			<u>220,475.55</u>

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Solid Waste: Solid Waste Committee - meeting report, June 1, 2015.

MEETING DATE: June 8, 2015

AGENDA ITEM NO.: 6.a.

RECOMMENDED ACTION: Receive report, and accept recommendation to adopt preliminary Household Hazardous Waste (HHW) operating budget for FY15-17.

SUMMARY AND DISCUSSION:

The Solid Waste Committee held its meeting on June 1, 2015. Solid Waste Board Committee members Mariani and Butler 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. There were no other attendees. Ms. Johnson presented the Solid Waste report.

A copy of the Solid Waste Committee agenda packet including the report is attached.

Also, staff reviewed the preliminary FY15-17 HHW operating budget with the Committee. The Committee unanimously agreed to recommend the preliminary FY15-17 HHW operating budget for adoption by the full Board of Directors.

DEPT. MGR.: dj, ssk

MANAGER-ENGINEER: SSK

**NOVATO SANITARY DISTRICT
Solid Waste Committee**

Meeting Date: June 1, 2015

The Solid Waste Committee of Novato Sanitary District will hold a meeting at 3:00pm at the District offices, 500 Davidson Street, Novato CA

AGENDA

1. AGENDA APPROVAL:

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

This item is to allow anyone present to speak on an item not on the agenda, or to request consideration to place on 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 public comments made.

3. CONSIDER APPROVAL OF MINUTES OF THE OCTOBER 21, 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. Next meeting – September 2015 (exact date TBD).

5. PROPOSED FY2015-2016 SOLID AND HOUSEHOLD HAZARDOUS WASTE (HHW) PROGRAMS BUDGET.

- a. Review and make recommendation to District Board for adoption

6. ZERO WASTE PROGRAMS CALENDAR/TIMETABLE STATUS.

7. DISPOSAL/DIVERSION REPORTS 2014 AND 1ST QUARTER 2015

8. HOUSEHOLD HAZARDOUS WASTE PROGRAMS

- a. 2015 HHW programs report
- b. E-Waste event update

9. ADJOURN

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**NOVATO SANITARY DISTRICT
SOLID WASTE COMMITTEE MEETING
October 21, 2014**

MINUTES

Members Present:

Jean Mariani Gary Butler

Others in Attendance:

Sandeep Karkal	Dee Johnson	Latisha Richardson	Delyn Kies
Steve McCaffrey	Scott Pariani	John Warren	Casey Williams
Pat Eklund	June Brown	William Schoen	

1. Approve agenda. The agenda for October 21, 2014 was approved as submitted.
2. Public Comment. There was no comment from the public.
3. Minutes of September 23, 2014. The minutes of September 23, 2014 were approved as submitted. .
4. Calendar Year 2015 Solid Waste Rate Adjustments. Sandeep Karkal described the rate adjustment request by Novato Disposal. The franchise agreement provides for an annual adjustment to Novato Disposal's rates based on the changes in the specified Refuse Rate Index(RRI). Novato Disposal requested a rate increase of 4.41 percent, based on an RRI adjustment of 1.95 percent and an additional request of 2.46 percent to mitigate the impacts on their revenues of account migration from large to smaller can size. The District engaged R3 Consulting to review Novato Disposal' rate request. R3 recommends an RRI adjustment of 1.94 percent and notes that the District is not obligated to compensate Novato Disposal for account migration impacts. However, R3 indicates that an impact of 1.85 percent could account for the account migration issue. Recognizing that account migration is, and will likely continue to be, a result of Novato's successful recycling efforts, staff negotiated a proposed overall rate increase of 3.00 percent with Novato Disposal, subject to the Board's approval. William Schoen from R3 indicated that they also looked at the balancing account. William indicated that account migration was becoming more common to all the industry. There was discussion regarding the balancing account. Gary Butler expressed concern over the balancing account and the data used. John Warren indicated that the issue will continue and the data will be updated. Novato Disposal agrees with the 3% increase. Following further discussion Committee members agreed to forward the request to the full Board.
5. Updates/Routine Business Items.
 - City of Novato. There was no update from the City. .
 - Redwood Landfill. Redwood Landfill, in a letter to Novato Disposal, restated their position that the compost operation would not be fully operational until mid 2015. Steve McCaffrey indicated that the next option for commercial food waste is to bring the material to Recology's operation in Vacaville, which would have significant cost implications.
 - Novato Disposal - Novato Disposal is continuing to work with restaurants and markets on commercial food waste.
 - Marin County JPA and Local Task Force(LTF). Dee indicated that the JPA Board was meeting on Thursday. Nothing to report from the Local Task Force.
6. 2014 Disposal/Diversion Monitoring Reports. Dee reviewed the reports. 2nd Qtr. diversion was at 57.08%.
7. Household Hazardous Waste Programs
 - a. 2014 HHW Programs update. Dee reviewed the 2014 report, indicating that July, August and September were extremely busy, with participation increasing over 15% from 2013.
8. Adjourn. The meeting adjourned at 3:55pm.

CITY OF NOVATO
1st Quarterly Report
January- March 2015

Submitted by Novato Disposal Service

A. Solid Waste Data

A. Tons Delivered to Disposal Site

		This Quarter	Same Quarter One Year Ago
Residential	*	3,515.15	3,474.27
Commercial	**	2,761.90	2,729.78
TOTAL:		6,277.05	6,204.50

*includes commercial/multifamily locations served with carts

**includes multifamily accounts service with bins

B. Recycling Data

Tons Collected and Processed

This Quarter:	1,990.56
Same Quarter One Year Ago	3,049.69

Commodity	Curbside	Buyback	Total
	Commercial Multifamily Residential		
Cardboard	402.74	-	402.74
Paper (News & Mixed)	737.28	-	737.28
Paper (Overages)*	118.59	-	118.59
Aluminum Cans & Foil	4.47	10.20	14.67
Metal Cans	32.80	-	32.80
**Glass	507.81	51.03	558.84
Plastic PET	60.63	-	60.63
Plastic NHDPE	9.91	.44	10.34
Plastic All Other	9.27	13.08	22.35
Other diverted materials	17.42	-	17.42
Total	1,915.80	74.75	1,990.56

* 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: 3,619.64

Same Quarter One Year Ago: 3,047.53

Final Disposition:

All green waste was used as compost.

D. Construction and Demolition Data, including inert solids

Tons Collected and Processed

This Quarter: 692.85

Same Quarter One Year Ago: 711.70

E. Service Accounts

Residential Cart Weekly		Same Quarter One Year Ago
Can size	Number of Customers	Number of Customers
20 gallon	2,171	1,972
32 gallon	11,221	11,344
68 gallon	3,068	3,054
95 gallon	307	302
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	13	0	1	0
32 gallon	306	0	21	0
68 gallon	112	0	12	0
95 gallon	21	0	6	0

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.	18	4	2	20	3	1
3 yd.	38	40	56	25	22	25
4 yd.	0	0	2	0	0	2
6 yd	0	1	7	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	230	124
68 gallon	174	111
95 gallon	132	86

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	10	3	97	9	3
3 yd.	158	91	84	158	87	74
4 yd.	13	12	7	17	11	1
6 yd	7	3	10	4	3	6

Commercial Special Service*		Same Quarter One Year Ago
Bin Size	Number of Customers	Number of Customers
3 yd.	7	10
15 yd.	2	2
20 yd.	3	2
30 yd.	2	2
Compactor	11	4

*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 5th-9th. Novato Disposal also provided boxes and tree removal service to San Marin High School's tree drop-off Project Safe Grad Fundraiser. Over 52 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 25th -27th.

Community Education/Outreach

- Novato Disposal Outreach staff spoke with Chelsea and Valerie at Marine Human Society. Staff conducted an audit throughout the inside and outside of facility. Staff answered employee questions and reviewed materials to see if they were recyclable or not. Staff also provided signage for the facility to increase recycling on site.
- Novato Disposal Outreach staff met with Jill at John & Jill's Bakery. Staff answered questions about recycling materials. Staff also spoke of presentations for staff in future.
- Novato Disposal Outreach staff met owner of Good Earth Natural Foods. Staff answered questions about recycling and a business packet on how to sustain a recycling team on site and increase recycling on site.
- Novato Disposal Outreach staff met with Jesus at Dollar Tree. Staff conducted a waste audit and noticed there is no recycling on site. However, he was proud of their hazmat system. Staff provided updated signage for back room.
- Novato Disposal Outreach staff met with Manager of Wardrobe Cleaners. Staff provided a business packet and answered questions about materials.
- Novato Disposal Outreach staff met with staff at Cosabella Nails. Staff provided educational materials to increase recycling on site.
- Novato Disposal Outreach staff spoke with Julieana at US Pure Water Corporation. Staff provided updated signage for yard waste carts on site.
- Novato Disposal Outreach staff met with Larry at Baskin Robbins. Staff answered questions about recycling and provided business packet.
- Novato Disposal Outreach staff met with Lisa at Country Villa Novato. Staff guided driver to drop off box and provided staff with educational materials. Staff spoke of future presentations for residents.
- Novato Disposal Outreach spoke with Desiree at Pasta Pomodoro. Staff provided educational materials about recycling to assist with their certificate program.
- Novato Disposal Outreach spoke with Peru at Morning Glory flowers. Staff answered questions about green waste recycling and provided more information about our yard waste cart acceptable list.
- Novato Disposal Outreach spoke with Chris at Poolcraft. Staff provided updated newsletter as requested and updated signage.
- Novato Disposal Outreach spoke with Heather at Villa Maria Apartments. Staff increased recycling on site by having (1) 3yrd recycling bin on site along with educational materials for all tenants.

- Novato Disposal Outreach spoke with Kelly at Mackey Terrace. Staff completed a presentation for staff and increased recycling on site. Staff spoke with owner to get composting started on site and showed residents materials that are recyclable and what is not. Staff also answered many questions and spoke with janitor about setting up stations for batteries, light bulbs, and medications.
- Novato Disposal Outreach spoke with manager at Bay Vista apartments. Staff provided an updated move-in packet and spoke of presentations in the future.
- Novato Disposal Outreach phoned Jose at Sycamore Glades. Staff provided move-in packet with updated information about recycling.
- Novato Disposal Outreach spoke with Bob at Redwood Blvd Apartments. Staff provided updated move in packet about recycling.
- Novato Disposal Outreach spoke with David at Vallejo Apartments. Staff provided educational materials about composting and recycling to manager.
- Novato Disposal Outreach spoke with Leslie at Creekwood Properties. Staff provided updated move in packet of educational materials about recycling.
- Novato Disposal Staff spoke with Steve at La Casa Novato Apartments. Staff provided more signage for the yard waste carts that were added last quarter and would like to increase food scrap carts on site.
- Novato Disposal Staff spoke with Charlene at the 8th Street Apartments. Staff provided information about recycling to increase recycling activity on site with tenants.

Schools

During the 1st quarter of 2015, various contacts at each school in Novato were sent a quarterly recycle update email about Earth Day highlighting the importance of recycling and the free recycle services/education available to them.

- Novato Disposal Outreach staff visited Novato Charter School. Staff conducted a visual survey and delivered signage and business information to principal as well as dropped off (12) compost pails for purchase.
- Novato Disposal Outreach staff provided educational materials to Olive Elementary School. Staff provided Alexandra school posters about recycling and composting to help with their new garden. Staff also provided contact information for training classes from the Marin Garden Masters.
- Novato Disposal Outreach staff spoke with Amy from Glenwood Elementary School. Staff provided thorough education about the journey of milk carton recycling once it leaves our materials recovery facility. Staff also spoke of presentation in the future.

I. Additional Information

Mailers

Please find attached:

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

Donations

- Novato Disposal service donated (8) 30 cubic yard, yard waste boxes to the City of Novato for the Annual Holiday Tree Drop off.
- Novato Disposal service donated (4) 4 yard garbage bins to Idesi for the Crab Feed on January 17th, 2015 and March 6, 2015.
- Novato Disposal service donated (1) 4 yard garbage bin to the Novato Rotary for the Novato Rotary Polenta Feed on February 6, 2015.
- Novato Disposal service donated (1) 4 yard garbage bin to Novato High School Baseball for the Novato High Baseball and Novato High Softball on March 6 2015.
- Novato Disposal service donated (1) 3 yard garbage bin to Idesi for the Fado Dinner Show on March 13, 2015.
- Novato Disposal service donated (1) 3 yard garbage bin, (1) 3 yard recycle bin to Knights of Columbus for the KC St. Patrick's Day Dinner Dance on March 13, 2015.

2015/2017 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 2015/2016 and estimated FY2016/2017.

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 FY2015/2016 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.

Estimated expenditures for the current fiscal year increased due to a significant increase in participation at the HHW facility – expected to be 10-15% over 2014. This resulted in higher waste disposal and labor costs. Although the Paintcare program launched in March 2014 resulted in lower costs for disposal of latex and some oil base paints, Paintcare does not accept many paints and related products, which account for a significant portion of our waste stream. In addition, the Paintcare program requires a detailed sorting process, which has increased staff time. It is expected that these contractor costs will continue to increase with increased participation in FY2015/2016. Also included for FY2015/2016 are expenditures for purchase of sharps containers distributed at 4 Novato pharmacies for free, along with disposal of sharps waste. Costs for the E-Waste events and HHW site maintenance remain the same.

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 advertising. Included are costs for website development, Facebook monitoring, newsletter articles, print advertising, and social media outreach. For FY 2015/2016, outreach will continue at local community events, farmer's markets and schools, along with increased focus on food waste diversion at commercial facilities.

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 an increase (15.0%) in fees for FY2015/2016, as a result of increased HHW program and Zero Waste program outreach costs. 85% 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 2015/2016. 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 2015/2016 AND 2016/2017 PROPOSED BUDGET**

EXPENDITURES		Budget	Est Expenditures	Preliminary	Estimated
Account	Program	FY2014/2015	Thru 6/30/15	Budget	Preliminary
				FY2015/2016	Budget
					FY2016/2017
67400	Management Services	\$130,161.00	\$90,555.00	\$131,464.00	\$134,750.00
67500	Household Hazardous Waste & E-Waste	\$164,000.00	\$201,500.00	\$211,500.00	\$214,000.00
67530	Used Oil/Beverage Container grant programs	\$22,537.00	\$22,026.00	\$22,537.00	\$22,537.00
67540	Outreach/Publicity/Education	\$37,000.00	\$16,000.00	\$22,000.00	\$23,500.00
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>
TOTAL AB939 SOLID/HAZARDOUS WASTE EXPENDITURES		\$368,698.00	\$343,581.00	\$402,501.00	\$409,787.00
REVENUES					
	AB939 Solid Waste Fees	\$297,586.00	\$297,586.00	\$342,621.00	\$349,907.00
	Used Oil Grant	\$15,060.00	\$15,060.00	\$15,060.00	\$15,060.00
	Beverage Container Recycling Grant	\$13,836.00	\$13,836.00	\$13,836.00	\$13,836.00
	JPA reimbursement & self haul fees	\$30,984.00	\$30,984.00	\$30,984.00	\$30,984.00
TOTAL AB939 SOLID/HAZARDOUS WASTE REVENUES		\$357,466.00	\$357,466.00	\$402,501.00	\$409,787.00

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/Latisha	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 articles include Food Waste FAQ's; "Brown is the New Green"; HHW/Ask the Unicycler (Dee)</i>
2. Promote 20 gallon cans	Casey/Latisha	Ongoing	Ongoing	Promote in newsletters & bills <i>Note: 20 gal can use increased 11% from 4th Q 2013</i>
3. Promote backyard compost bins	Steve/Casey/Latisha	Ongoing	Ongoing	Promote 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 2015 campaign submitted	October of each year to District for approval	<u>2015 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/Latisha	Ongoing	Ongoing	New customer to be directed to website; packets upon request and update annually
7. Visit all commercial businesses with 4 c.y. service	Scott/Dee	(see AB32 item)	Ongoing	Visits to determine service level, contact business owners

ITEM/GOAL	PERSON(S) RESPONSIBLE	TIMELINE	FINAL DUE DATE	OBJECTIVES/ ADDITIONAL ITEMS
or more and multi-family complexes of 5 units or more annually				and/or property managers; visits with multi-family also identify resident outreach methods;conduct presentations
8. Participate in 10 events annually	Steve/Casey/Latisha/Dee	Submit ideas for events to District by 4 th quarter of each year for following year	List submitted to District for 2015 events	<p>2015 Events</p> <ul style="list-style-type: none"> • Novato’s Clean & Green Day – April 25 • E-Waste Events handouts Spring 2015 • School Tour of Novato – May 2 • Novato Art & Wine Festival June 13 & 14 • 4th of July Parade • Farmer’s Markets – at least 2 • Sr. Center Health Fair – October • E-Waste event handouts – Fall 2015 • Rotary presentations • Novato Nostalgia Days - August
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	Latisha/MCC/Dee	(See Ex. 5 School Recycling and Food Waste Program)	Ongoing	Novato Disposal sends email out to all schools re: recycling education opportunities; schedule meeting with School District; work with San Marin & Novato H.S. re: food waste
10. Annual Waste Audit of City facilities and work with City on Zero Waste goals	Steve/Scott/Dee/City staff	Ongoing	Ongoing	<p><u>Sites for 2015</u></p> <ul style="list-style-type: none"> • Work with City staff on sites

ITEM/GOAL	PERSON(S) RESPONSIBLE	TIMELINE	FINAL DUE DATE	OBJECTIVES/ ADDITIONAL ITEMS
11. Bilingual Zero Waste recycling and diversion guides	Casey/Latisha	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 annually	March 2015, June 2015, Sept 2015 & December 2015	<i>March insert – paperless billing & E-Waste event</i> <i>June insert –HHW facility</i> <i>Sept. insert.- E-Waste event & paperless billing</i> <i>Dec. insert - Xmas tree recycling</i> <i>Permanent 2nd side – debris box & Recycling Center</i>
14. Annual selective route audits to gauge program success	Steve/ Scott	Annual baseline audit	Ongoing	Conducted route audits in 2011, 2012 and 2013 for food waste program and green waste program participation; <i>route audit for “set out rates” now scheduled for 2015</i>
15. Corrective action cart hangers	Steve/Route supervisor	As needed	As needed	

Exhibit 5: School Recycling and Food Waste Program outline

Latisha 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
Food/Green Waste Composting				
1. Single family residential	Steve/Scott/Casey/Latisha/Dee	Ongoing	Ongoing	Work with HOA's without green carts, but with single family service; List of Novato HOA's updated; residential food waste audit in 2013; meet with HOA's to provide carts for food and green waste
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 free 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; NDS notice in newsletters re: can stickers and availability of food scrap pails for purchase at \$6.00 each
3. Supermarket food waste diversion	Steve/Scott/Casey	Begin early 2013	Ongoing	Redwood accepting commercial food waste in compost program; promote businesses diverting food waste in newsletters and with window stickers

ITEM/GOAL	PERSON(S) RESPONSIBLE	TIMELINE	FINAL DUE DATE	OBJECTIVES/ ADDITIONAL ITEMS
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 with window stickers</i>
5. Multi-family food waste diversion	Steve/Scott/Casey	Ongoing	Ongoing	<i>Continue work with multifamily units on food waste diversion; review cost structure</i>
C&D Recycling, reports & enforcement				
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	Sandeep/Dee	Ongoing	2014	District solid waste ordinance to be reviewed, updated & enforced
AB32 /AB341/AB818 Multi-family & Commercial mandated recycling				
1. Identify all multifamily & commercial sites & review recent legislation for changes to program	Casey/Dee/Scott/Latisha	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

ITEM/GOAL	PERSON(S) RESPONSIBLE	TIMELINE	FINAL DUE DATE	OBJECTIVES/ ADDITIONAL ITEMS
2. Develop materials for commercial & multifamily residents	Latisha/Dee review	Current	Ongoing	Novato Disposal mailers, door hangers and web page; District web page & Patch ads; develop additional handouts & mailers for property managers
3. Make site visits	Scott/Dee/Latisha	Ongoing	Ongoing	Visits to include information on AB32 recycling requirements, waste audit availability; Dee, Latisha & Scott to make ongoing site visits; conducted Bel Marin Keys area walk-thru on May 19
4. Participate in workshops for multifamily & commercial property managers	Dee/Scott/Latisha	Ongoing	Ongoing	District and Novato Disposal to develop materials and schedule meetings with property managers as necessary; revised HOA list; contact rental housing associations, HOA's and property managers; follow-up with site visits
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	District to provide ongoing outreach/ education

ITEM/GOAL	PERSON(S) RESPONSIBLE	TIMELINE	FINAL DUE DATE	OBJECTIVES/ ADDITIONAL ITEMS
Schools Campaign				
1. Institute food waste recycling	District & Novato Disposal	Ongoing	Ongoing	Program instituted in select schools; <i>meet with School District staff re: food waste in new San Marin & Novato H.S. cafeterias</i>
2. Monitor food waste & recycling programs; meet with teachers & students	Latisha & MCC	Ongoing	Ongoing	Separate calendar & schedule to be developed
Backyard Composting				
1. Promote backyard composting through compost bin promotion	Steve/Casey/Latisha	Ongoing	Ongoing	See Item EX 4, Item 3
Wet/Dry Route Collections				
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
Discuss feasibility & diversion potential of conversion technology systems	District & Novato Disposal		2025	
Zero waste diversion goals				
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

ITEM/GOAL	PERSON(S) RESPONSIBLE	TIMELINE	FINAL DUE DATE	OBJECTIVES/ ADDITIONAL ITEMS
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

CITY OF NOVATO & DISTRICT AB939 DISPOSAL AND DIVERSION MONITORING

Haulers: Novato Disposal
Self Haulers

Reporting period: January - December 2014

A. 2014 DIVERSION	1st Qtr.	2nd Qtr	3rd Qtr.	4th Qtr.	TOTAL 2014
Novato Disposal Recycled (Curbside & Buyback)	3,047.00	2,996.00	3,279.00	2,769.00	12,091.00
MRRC recovery	587.81	796.09	540.92	410.91	2,335.73
Self haul Inerts Diverted Redwood Landfill	1,357.07	1,444.50	1,555.19	860.18	5,216.94
Redwood Landfill self haul C&D& wood waste recycled	127.67	80.63	76.66	33.15	318.11
City of Novato C&D diverted(included in Novato Disposal)	N/A	N/A	N/A	N/A	
ADC from MRRC	0.00	0.00	0.00	0.00	0.00
Compost from MRRC	46.34	56.88	45.58	40.64	189.44
Greenwaste From Redwood Landfill self haul/compost	79.31	101.68	97.90	56.17	335.06
Novato Disposal Inerts	717.00	1,042.00	1,038.00	537.00	3,334.00
Novato Disposal Green/Food Waste used for compost	3,048.00	3,360.00	2,997.00	3,758.00	13,163.00
Novato Disposal commercial food waste used for compost	19.00	27.00	15.00	27.00	88.00
North Marin Metal Recycling	10.36	N/A	21.92	18.66	50.94
2014 TOTAL TONS DIVERTED	9,039.56	9,904.78	9,667.17	8,510.71	37,122.22
B. 2014 DISPOSAL					
MSW& Debris Box/Novato Disposal	6,204.00	6,537.00	6,688.00	6,664.00	26,093.00
MRRC Residuals	332.61	290.72	301.92	210.45	1,135.70
MRRC Wood/Yard Waste incinerated/transformation	99.72	108.75	100.73	67.59	376.79
Redwood Landfill self haul C&D waste disposed	526.76	707.84	889.79	605.85	2,730.24
Novato waste disposed out-of-county	11.48	N/A	N/A	N/A	11.48
2014 TOTAL TONS DISPOSED	7,174.57	7,644.31	7,980.44	7,547.89	30,347.21
C. 2014 TOTAL WASTE GENERATED(TONS)	16,214.13	17,549.09	17,647.61	16,058.60	67,469.43
D. COMPLIANCE WITH AB939 DIVERSION MANDATE	56.37%	57.06%	55.35%	53.42%	55.58%
Percent Diverted Using Generation Based Calculation Method(includes 10% incineration waste)					

REDWOOD LANDFILL SELF HAUL BREAKDOWN (TONS)

	1st Qtr.	2nd Qtr	3rd Qtr.	4th Qtr.	TOTAL 2014
Inerts/ Diverted	1,357.07	1,444.50	1,555.19	860.18	5,216.94
Greenwaste Diverted/compost	79.31	101.68	97.90	56.17	335.06
C&D/ Disposed	526.76	707.84	889.79	605.85	2,730.24
C&D & Wood Waste Recycled	127.67	80.63	76.66	33.15	318.11
Total	2,090.81	2,334.65	2,619.54	1,555.35	8,600.35
Percent Redwood self haul diverted	74.81%	69.68%	66.03%	61.05%	68.25%

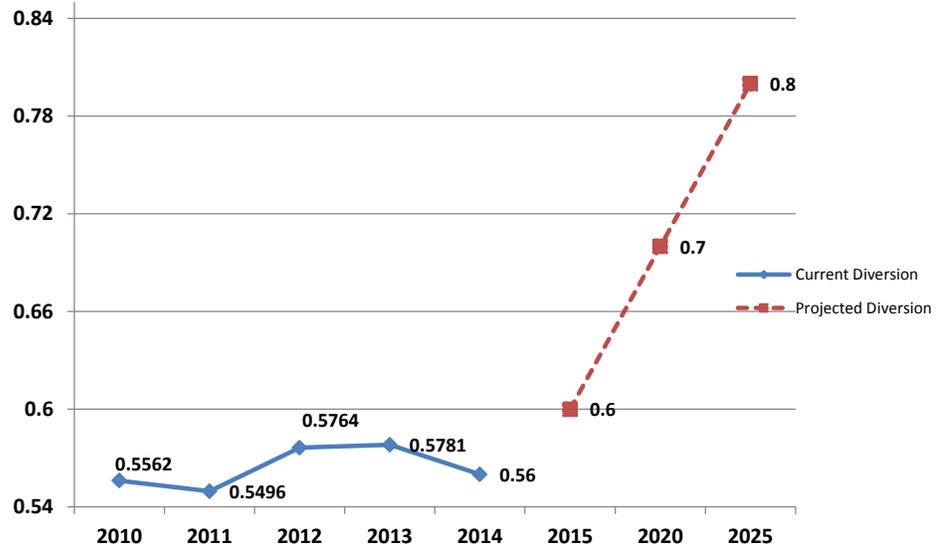
NOVATO DISPOSAL SERVICES DISPOSAL/DIVERSION 2014

DIVERSION	<u>1stQ</u>	<u>2ndQ</u>	<u>3rdQ</u>	<u>4thQ</u>	<u>TOTAL</u>
Novato Disposal Recycled (Curbside & Buyback)	3,047	2,996	3,279	2,769	12,091
Novato Disposal C&D, Wood, Inerts & Bulky waste	717	1,042	1,038	537	3,333
Novato Disposal Green waste & residential food waste for compost	3,048	3,360	2,997	3,758	13,162
Novato Disposal Commercial Food Waste for compost	19	27	15	27	88
TOTAL TONS DIVERTED	6,830	7,425	7,328	7,091	28,674
DISPOSAL					
MSW& Debris Box/Novato Disposal	6,204	6,537	6,688	6,664	26,093
TOTAL TONS DISPOSED	6,204	6,537	6,688	6,664	26,093
TOTAL WASTE GENERATED(TONS)	13,034	13,962	14,016	13,755	54,767
PERCENT DIVERTED	52.40%	53.18%	52.28%	51.55%	52.36%

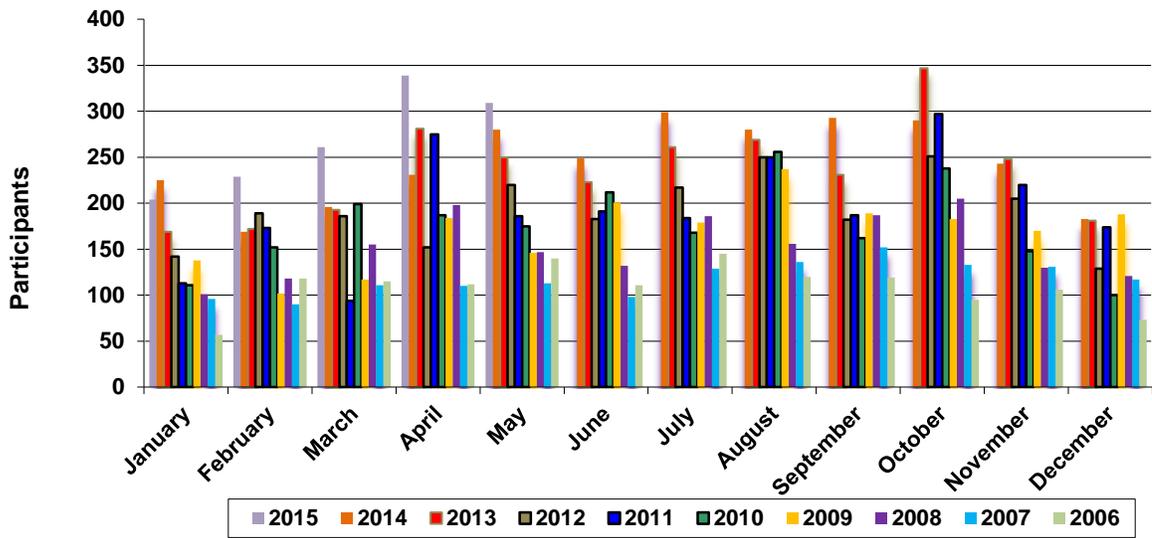
NOVATO DISPOSAL SERVICES DISPOSAL/DIVERSION 2015

DIVERSION	<u>1stQ</u>	<u>2ndQ</u>	<u>3rdQ</u>	<u>4thQ</u>	<u>TOTAL</u>
Novato Disposal Recycled (Curbside & Buyback)	1,991				
Novato Disposal C&D, Wood, Inerts & Bulky waste	728				
Novato Disposal Green waste & residential food waste for compost	3,586				
Novato Disposal Commercial Food Waste for compost	19				
TOTAL TONS DIVERTED	6,323				
DISPOSAL					
MSW& Debris Box/Novato Disposal	6,277				
TOTAL TONS DISPOSED	6,277				
TOTAL WASTE GENERATED(TONS)	12,600				
PERCENT DIVERTED	50.18%				

Zero Waste Goals



HHW Facility Monthly Participation 2006- 2015



NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Solid Waste: Household Hazardous Waste (HHW) Management Contract	MEETING DATE: June 8, 2015. AGENDA ITEM NO.: 6.b.
RECOMMENDED ACTION: Approve contract with DLJ Associates to provide AB939, household hazardous waste (HHW), and related services for FY2015-16 in the amount of \$101,464, and authorize the Manager-Engineer to execute it.	
SUMMARY AND DISCUSSION: Dee Johnson of DLJ Associates has managed the District's Household Hazardous Waste and AB 939 services for many years. For the past four 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 \$101,464. <ul style="list-style-type: none"> • HHW facility administering, promoting, and monitoring: \$72,500. • AB939 and 341 and Zero Waste Program administrative, technical support, outreach, monitoring & reporting, and commercial and multi-family recycling: \$26,000. • Administering the Department of Conservation Beverage Container Recycling program: \$2,964. <p>For comparison purposes, Ms. Johnson's FY14-15 proposal was in the not-to-exceed amount of \$120,161.</p> <p>Staff recommends approving the contract with a not-to-exceed limit of \$101,464.</p>	
BUDGET INFORMATION: This work will be funded in the preliminary FY2015-16 budget under HHW Management Services with a budget amount of \$101,464.	
DEPT. MGR.: dlj, ssk	MANAGER- ENGINEER: SSK



DLJ ASSOCIATES
4032 Coolidge Avenue
Oakland, CA 94602

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

June 3, 2015

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 2015/16 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 2015/2016 and approved by the Solid and Hazardous Waste Committee meeting on June 1, 2015.

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; developing a 2015 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 **(\$70,000.)**. 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 **(\$2,500.)**, 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 (\$10,000.)** 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 (\$1,000.)** 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 2015 annual report and comparative analysis over the past several years and projections for year 2016. This also includes reports and monitoring for the per capita disposal monitoring system (SB1016).
 - **Business/commercial technical assistance (\$1,500.)** 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. (\$5,000). As a result of passage of AB32, 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. (\$8,500). This level of funding, consistent with the Zero Waste programs calendar, includes participation at a minimum of 10 events, to include farmer's markets, 4th of July parade, Art & Wine festival, Novato School Tour, Earth Day events, compost workshops, Sr. Center Health Fair, Rotary presentations 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 **\$101,464.** for the 2015/16 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**.

<u>HOUSEHOLD HAZARDOUS WASTE SERVICES</u>		
I.	PERMANENT HOUSEHOLD HAZARDOUS WASTE FACILITY	
	<u>TASKS</u>	<u>PERSON HOURS</u>
	<u>Administration, Planning & 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	25
3.	Plan for potential move of HHW facility, work with planning cinsultant on sites and design; work with local and state agencies as required	50
4.	Manage & monitor HHW operations contract; review pricing, contract requirements, etc.; monitor Paintcare services	20
	<u>Contractor Administration</u>	
5.	Hold regular meetings with contractor	15
6.	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	20
12.	Review and develop additional programs and sites to deal with regulated wastes, such as sharps, pharmaceuticals, household batteries, fluorescents and additional E-Wastes, as required	35
	TOTAL HOURS PERMANENT HHW FACILITY COORDINATION	765
<u>PERMANENT HHW FACILITY COORDINATION COSTS</u>		
	Professional Staff Time 765 hrs. @ \$90.00/hr.	\$ 68,850.
	<u>Direct Expenses</u>	
	Clerical; reproduction costs for reports, fliers; brochures; handouts	\$ 1,150.
	Subtotal Direct Expenses	\$ 1,150.
	TOTAL PERMANENT HHW FACILITY COORDINATION COSTS	\$ 70,000.

II. CAL RECYCLE USED OIL PAYMENT PROGRAM

<u>TASKS</u>	<u>PERSON HOURS</u>
1. <u>Publicity & 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	15
4. <u>Administer grant.</u> Prepare reports; payment requests, etc.	<u>5</u>
TOTAL USED OIL PAYMENT PROGRAM	25

USED OIL PAYMENT PROGRAM ADMINISTRATION COSTS

Professional Staff Time 25 hrs. @ \$90.00/hr. \$ 2,250.

Direct Expenses

Clerical; reproduction costs \$ 250.

Subtotal Direct Expenses \$ 250.

TOTAL USED OIL PAYMENT PROGRAM ADMINISTRATION COSTS \$ 2,500.

SUMMARY HAZARDOUS WASTE CONSULTING SERVICES:

I. PERMANENT HHW FACILITY COORDINATION \$ 70,000.

II. CALRECYCLE USED OIL PAYMENT PROGRAM 2,500.

TOTAL HAZARDOUS WASTE CONSULTING \$ 72,500.

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.

III.	<u>AB 939 & ZERO WASTE PROGRAM SERVICES</u>	<u>PERSON HOURS</u>
	<u>TASKS</u> ADMINISTRATIVE AND TECHNICAL SUPPORT	
1.	Prepare agendas, minutes, reports for staff meetings, District Solid Waste Committee; attend Committee meeting, take minutes (based on 4 per year)	30
2.	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	30
3.	Serve on AB939 Local Task Force and attend meetings and subcommittee meetings; attend staff and JPA Board meetings; report to Committee	30
4.	Monitor state and federal legislation; report to Committee	10
5.	Preparation of staff and committee requested special reports	10
	TOTAL ADMINISTRATIVE AND TECHNICAL SUPPORT	110
	WASTE DISPOSAL & DIVERSION MONITORING	
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	3
4.	Prepare reports for per capita disposal monitoring requirement	3
	TOTAL WASTE DISPOSAL/DIVERSION MONITORING	10
	BUSINESS TECHNICAL ASSISTANCE	
1.	Provide outreach to small businesses & public agencies re: hazardous waste disposal, recycling; assist with waste inventory, sorting, pricing & disposal	10
2.	Mailings to small businesses & agencies re: hazardous waste disposal	5
	TOTAL BUSINESS TECHNICAL ASSISTANCE	15
	AB341 COMMERCIAL/MULTI-FAMILY RECYCLING	
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
	TOTAL AB341 COMMERCIAL/MULTI-FAMILY RECYCLING	50
	EDUCATION & PUBLIC OUTREACH	
1.	Prepare, staff/attend at least 10 outreach events, including farmer's markets, 4 th of July parade, Art & Wine festival, Novato School Tour, Hamilton Hometown Festival, Earth Day events, compost workshops, Sr. Center Health Fair, Rotary presentations and other prospective community events; maintain and update annual outreach calendar for participation in various local events; coordinate with Novato schools and Novato Disposal	60
2.	Work with Novato Disposal and District's consultant to provide coordinated, consistent messages in print, websites, social media	15

3.	Maintain and update Reuse & Recycling Guide; distribute in public locations & Novato Disposal's and District's website; draft articles for Novato Disposal and District newsletters and newspaper ads; update information in websites; develop & update fliers	15
	TOTAL EDUCATION & OUTREACH	90

AB 939 & ZERO WASTE PROGRAM SERVICES COSTS

Professional Staff Time

Administration & Technical Support 110 hrs. @ \$90.00/hr.	\$ 9,900
Monitoring & Reporting 10 hrs. @ \$90.00/hr	900
Business Technical Assistance 15 hrs. @ \$90.00/hr.	1,350
AB341 Commercial/multi-family recycling 50 hrs. @\$90.00	4,500
Education & Public Outreach 90 hrs. @ \$90.00/hr.	<u>8,100</u>
SUBTOTAL PROFESSIONAL STAFF TIME	\$ 24,750.

Direct Expenses

Clerical; reproduction costs; technical materials development	\$ 1,250
SUBTOTAL DIRECT EXPENSES	\$ 1,250

TOTAL AB 939 & ZERO WASTE PROGRAM SERVICES COSTS \$ 26,000.

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
	TOTAL DOC GRANT	30

DOC BEVERAGE CONTAINER RECYCLING

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

TOTAL TASK & COST PROPOSAL FOR SERVICES

TOTAL HAZARDOUS WASTE CONSULTING	\$ 72,500
TOTAL AB 939 & ZERO WASTE PROGRAM SERVICES COSTS	\$ 26,000
TOTAL DOC BEVERAGE CONTAINER RECYCLING	<u>\$ 2,964</u>
TOTAL COST PROPOSAL FOR SERVICES	\$ 101,464



NOVATO SANITARY DISTRICT

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Preliminary BUDGET

FOR

FISCAL YEARS 2015-17

Presented June 8, 2015

**NOVATO SANITARY DISTRICT
2015-17 Preliminary Budget**

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SECTION I

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

June 8, 2015

Honorable Board of Directors
Novato Sanitary District
500 Davidson Street
Novato, California 94945

Honorable Board Members:

The proposed Preliminary District Budget for the 2015-16 and 2016-17 fiscal years is attached for your consideration and approval.

The FY 2015-16 Preliminary Budget includes the following components:

- Summary of the Operating and Capital Improvement Funds, and Summary of Fund Balances (Section I).
- Operating Budget: Summary Revenues/Expenditures, and Summary Budget by Cost Center and Account Category (Section II).
- Detailed Operating Budget by Cost Center and Account Category (Section III).
- Capital Improvement Budget: Revenue and Expenditures Budget, (Section IV)
- Wastewater Capital Reserve Fund and the Certificates of Participation Reserve Fund (Section V)
- Debt Service Fund Summary for State Revolving Fund (SRF) Loan and Certificates of Participation (COP) Bond Fund (Section VI).

Note that this year's annual Sewer Service Charge (SSC) increases from \$533 to \$552 per service unit, or an increase of 3.6% over the prior year.

The basis of the rate increase is District Ordinance No. 116 - AN ORDINANCE OF THE NOVATO SANITARY DISTRICT ESTABLISHING SEWER SERVICE CHARGES FOR FISCAL YEARS 2012-13, 2013-14, 2014-15, 2015-16. This Ordinance No. 116 was adopted by the District Board at its regular meeting of June 25, 2012 upon completion of the appropriate Proposition 218 process.

As in prior years, the sewer service charge is divided with \$304 (55%) allocated to the Operating Budget, and \$248 (45%) allocated to the Capital Budget.

A. 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 sewer service charge rate increase approved on June 25, 2012 and discussed above. More detailed information regarding the variances between the two budget years both by cost center and account are also provided in this letter.

Table 1: Summary of Revenues and Expenditures for FY 15 and FY 16:

	FY 14/15 Adopted Budget	FY 15/16 Proposed Budget	% Change FY 15 to FY 16
Operating Revenues	\$ 9,601,856	\$ 10,000,483	4.15%
Capital Revenues	9,482,700	9,901,040	4.41%
Total Revenues	\$ 19,084,556	\$ 19,901,523	4.28%
Operating Expenditures	9,406,216	9,681,013	2.92%
CIP Expenditures	5,735,223	3,360,500	-41.41%
Debt Service	7,070,654	7,075,104	0.06%
Total Expenditures	\$ 22,212,093	\$ 20,116,617	-9.43%

B. FISCAL YEAR 2015-16 OPERATING BUDGET DETAILS

Operating Revenues

The proposed FY 2015-16 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 4.2% or \$398,627 from FY 2014-15.

Table 2: Operating Budget Revenue Three-Year Summary:

Funding Sources by Category	FY 13-14 Adopted Budget	FY 14-15 Adopted Budget	FY 15-16 Proposed Budget	% Change FY 15 to FY 16
Operating Sewer Service Charges	\$ 8,506,680	\$ 8,776,815	\$ 9,121,520	3.93%
Permit & Inspection Fees	34,183	31,500	31,500	0.00%
Interest Income	15,000	15,000	18,000	20.00%
Engineering/Admin Charges	165,000	165,000	165,000	0.00%
Franchise Fees	48,602	49,768	50,962	2.40%
AB 939 Collector Fees	297,586	297,586	342,621	15.13%
Oil and Beverage Grant	50,234	50,187	59,880	19.31%
Ranch Income	70,000	70,000	70,000	0.00%
Recycled Water Revenue	75,000	116,000	111,000	-4.31%
Other Revenue	50,000	30,000	30,000	0.00%
Total Operating Revenue	\$9,312,285	\$9,601,856	\$10,000,483	4.15%

Operating Sewer Service Charges - expected increase of \$344,705 or 3.9% primarily from the 3.6% rate increase.

Interest Income - expected increase of \$3,000 or 20% from potential increase in interest rates.

AB 939 Collector Fees expected to increase by \$342,621 or 15.1% due to the current projection for the HHW Cost center revenue. In the same cost center, **Oil and Beverage Grant** are expected to increase by \$59,880 or 19.3% based on the projections provide by the District's HHW consultant coordinator.

Recycled Water Revenue is based on projections for cost recovery of operating costs through an agreement with the North Marin Water District (NMWD).

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 2.9% or \$274,797 between FY2014-15 and FY2015-16.

Note that in general, FY14-15 expenditures for Salaries and Benefits within the individual cost centers represent one-time “savings” from vacant positions which will be filled during FY15-16.

Table 3: Operating Budget Expenditures 3-year Summary

Expenditures by Department	FY 13-14 Adopted Budget	FY 14-15 Adopted Budget	FY 15-16 Proposed Budget	% Change FY 15 to FY 16
Collections	\$ 1,316,424	\$ 1,389,859	\$ 1,408,761	1.36%
Treatment	2,699,200	2,827,499	2,918,041	3.20%
Reclamation	534,268	484,649	492,380	1.60%
Laboratory	685,376	593,829	601,633	1.31%
Pump Stations	822,016	807,072	826,927	2.46%
Administration/Engineering	2,766,336	2,818,610	2,919,770	3.59%
Hazardous Household Waste	371,301	368,698	402,501	9.17%
Recycled Water	108,000	116,000	111,000	-4.31%
Total Expenditures	\$ 9,302,921	\$ 9,406,216	\$ 9,681,013	2.92%

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

Table 4: Operating Budget - Significant Budget Variances 2014-15 to 2015-16

Main Budget Variances – FY 15 to FY 16	Budget Impact
1. Contract Services for the Laboratory Cost Center is a new account this year to reflect the contract with Veolia Water in February 2015. Funding for this account was reallocated from the Salaries and Benefits Accounts of the FY14-15 Laboratory Cost Center.	\$ 357,133
2. Anticipated cost of District election.	\$ 50,000
3. Anticipated decrease of 35.4% for the District liability insurance premium.	\$ (80,870)
4. Anticipated decrease of 23.3% for the District's agency fees.	\$ (14,000)
5. Anticipated decrease of 35.9% operating chemicals expenses over prior year.	\$ (23,000)
6. Anticipated decrease of 25% for the District's attorney fees.	\$ (30,000)
7. Anticipated decrease of 18.4% for outside services for Collection and Pump Station cost centers.	\$ (58,000)
8. Anticipated decrease of 34% for Research and Monitoring fees.	\$ (84,000)

C. FISCAL YEAR 2015-16 CAPITAL BUDGET DETAILS

Capital Revenues

The proposed FY2015-16 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 4.4% or \$418,740 from FY 2014-15.

Capital SSC Revenues - projected increase of \$251,840 or 3.5% primarily from the 3.6% rate increase.

Property Taxes - projected increase of 8.6% from greater activity in the housing market over the past few years.

Connection Fees – projected to be relatively flat assuming about 50 new connections per year.

Grants/Loans - no anticipated grant income, and no more funds from the 2011 Certificates of Participation (COPS).

Interest Income – projected decrease of 26.6% from loss of interest with completion of draw-down of COP funds.

Table 5: Capital Budget Revenue 3-year Summary

Funding Sources by Category	FY 13-14 Adopted Budget	FY 14-15 Adopted Budget	FY 15-16 Proposed Budget	% Change FY 15 to FY 16
Capital Sewer Service Charges	\$ 6,728,280	\$ 7,183,200	\$ 7,435,040	3.51%
Property Taxes	1,740,000	1,750,000	1,900,000	8.57%
Connection Charges	470,000	493,500	518,000	4.96%
Collector/Special Equalization Charges	6,000	6,000	6,000	0.00%
Interest Income	50,000	30,000	22,000	-26.67%
Grant and Other Revenue	20,000	20,000	20,000	0.00%
Total Capital Revenues:	\$9,014,280	\$9,482,700	\$9,901,040	4.41%

Capital Expenditures

The proposed Capital Improvement Program (CIP) Budget for FY15-16 is \$10,435,604 or \$2,370,273 less than last year. Capital projects for 2015-16 will be funded through sewer service charges, property taxes and connection fees.

New accounts for odor control and landscaping work, and corrosion control at the Treatment Plant site.

On-going major capital project work, including Collection System Improvements, demolition to make site space available for a future Maintenance Building, and the expansion of the Recycled Water Facility (RWF).

Continuing work on regional efforts including North Bay Water Reuse Authority (NBWRA), Novato Creek Watershed, and the Hamilton Wetlands/Outfall study.

Debt service of \$7,075,104 will be funded similar to capital projects. 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 13-14 Adopted Budget	FY 14-15 Adopted Budget	FY 15-16 Proposed Budget	% Change FY 15 to FY 16
Capital Projects	\$8,076,377	\$5,735,223	\$3,360,500	-41.41%
Debt Service	7,070,654	7,070,654	7,075,104	0.1%
Total	\$15,147,031	\$12,805,877	\$10,435,604	-18.5%

Debt Coverage Ratio

In the 2011 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 2015-16 is **1.44**.

D. COMPARISON OF ANNUAL SEWER SERVICE CHARGES LEVIED BY NEIGHBORING AGENCIES

The following table compares the District's rate with those of other nearby sanitation agencies.

AGENCY	RATE (\$/yr.)
Sausalito-Marin City Sanitary District ⁽¹⁾	1,309 ^(b)
Tamalpais Community Services District	1,111 ^(b)
City of Petaluma	1,075 ^(b)
City of Santa Rosa	1,005 ^(b)
City of Larkspur	961 ^(a)
San Rafael Sanitation District	788 ^(b)
Las Gallinas Valley Sanitary District	748 ^(b)
Ross Valley Sanitary District (SD #1)	692 ^(a)
City of Mill Valley	685 ^(a)
NOVATO SANITARY DISTRICT	552 ^(b)
Vallejo Sanitation & Flood Control District	520 ^(a)
Napa Sanitation District	470 ^(a)

Notes: ⁽¹⁾ Includes SMCS D charge of \$817 and City of Sausalito charge of \$492.
^(a)FY2014-15 charges; ^(b)FY2015-16 (proposed or adopted)

In conclusion, the proposed FY2015-16 budget will be able to accomplish the District's commitments to achieving the key goals set forth in its Strategic Plan while maintaining reasonable rates for its customers.

Sincerely,

SANDEEP KARKAL
Manager-Engineer

**Novato Sanitary District
2015-17 Preliminary Budget
Summary of Operating Fund
And Capital Improvement Fund Balances**

	Budget 14/15	Projected Rev/Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
Operating Fund at July 1st Beginning of Each Year	9,287,659	9,281,819	10,139,284	10,458,754
Operating Revenue (p. 2)	9,601,856	9,523,854	10,000,483	10,003,907
Operating Expenditures (p. 3)	9,406,216	8,666,389	9,681,013	9,986,731
Net Operating Revenue	195,640	857,465	319,470	17,176
Operating Fund at the End of Each Year	9,483,299	10,139,284	10,458,754	10,475,930
Capital Improvement Fund at July 1st Beginning of Each Year	7,482,115	7,482,059	5,787,502	5,252,938
Capital Revenue (p. 20)	9,482,700	9,159,322	9,901,040	9,939,440
Total Capital Revenues	9,482,700	9,159,322	9,901,040	9,939,440
Capital Expenditures (p. 21)	5,735,123	3,783,125	3,360,500	4,450,000
Debt Service (p. 21)	7,070,754	7,070,754	7,075,104	7,059,705
Total Capital Expenditures	12,805,877	10,853,879	10,435,604	11,509,705
Capital Improvement Fund Balance at the End of Each Year	4,158,938	5,787,502	5,252,938	3,682,673
Reserved	2,284,897	1,500,000	1,500,000	1,500,000
Unreserved	11,357,340	14,426,786	14,211,692	12,658,603
Operating and Capital Improvement Fund Balances at The End of Each Year	13,642,237	15,926,786	15,711,692	14,158,603

SECTION II

OPERATING BUDGET SUMMARY SCHEDULES

**Novato Sanitary District
2015-17 Preliminary Operating Budget
Revenue Summary**

	Budget 13/14	Budget 14/15	Est Rev 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
41010 · Sewer Service Charges (1)	8,506,680	8,776,815	8,710,000	9,121,520	9,136,720
41030 · Plan Check & Inspection Fee	500	500	6,000	500	500
41040 · Permit & Inspection Fee	7,500	6,000	7,500	6,000	6,000
41060 · Interest Income	15,000	15,000	18,000	18,000	18,000
41080 · Engineering & Admin Charges	165,000	165,000	165,000	165,000	165,000
41090 · Non-domestic Permit Fees (2)	26,183	25,000	25,000	25,000	15,000
41100 · Garbage Franchise Fees	48,602	49,768	49,768	50,962	52,186
41105 · AB 939 Collector Fees	297,586	297,586	297,586	342,621	342,621
41107 · Oil/Bev/Tire Grants (3)	50,234	50,187	60,000	59,880	59,880
41130 · Ranch Income	70,000	70,000	70,000	70,000	70,000
41135 · Recycled Water Revenue	75,000	116,000	75,000	111,000	108,000
41140 · Other Revenue (4)	40,000	20,000	20,000	20,000	20,000
41142 · Loss on disposal of assets	10,000	10,000	20,000	10,000	10,000
Totals	9,312,285	9,601,856	9,523,854	10,000,483	10,003,907

Comments:

- (1) Sewer Service Charge (SSC) revenue is based on rate increase approved on June 25, 2012 and actual revenue received in prior year. The Sewer Service Charges allocations are as follows:
 - For 2015/16 the charge is \$552 split between operations(\$304) and capital (\$248).
 - For 2016/17 the charge remains at \$552 split between operations(\$304) and capital(\$248).
- (2) Includes application fees, permits and monitoring charges.
- (3) Oil/Bev/Tire Grants \$28,896/ JPA Reimb Fees \$30,984.
- (4) Other revenue includes septic tank hauling fees, and miscellaneous revenue.

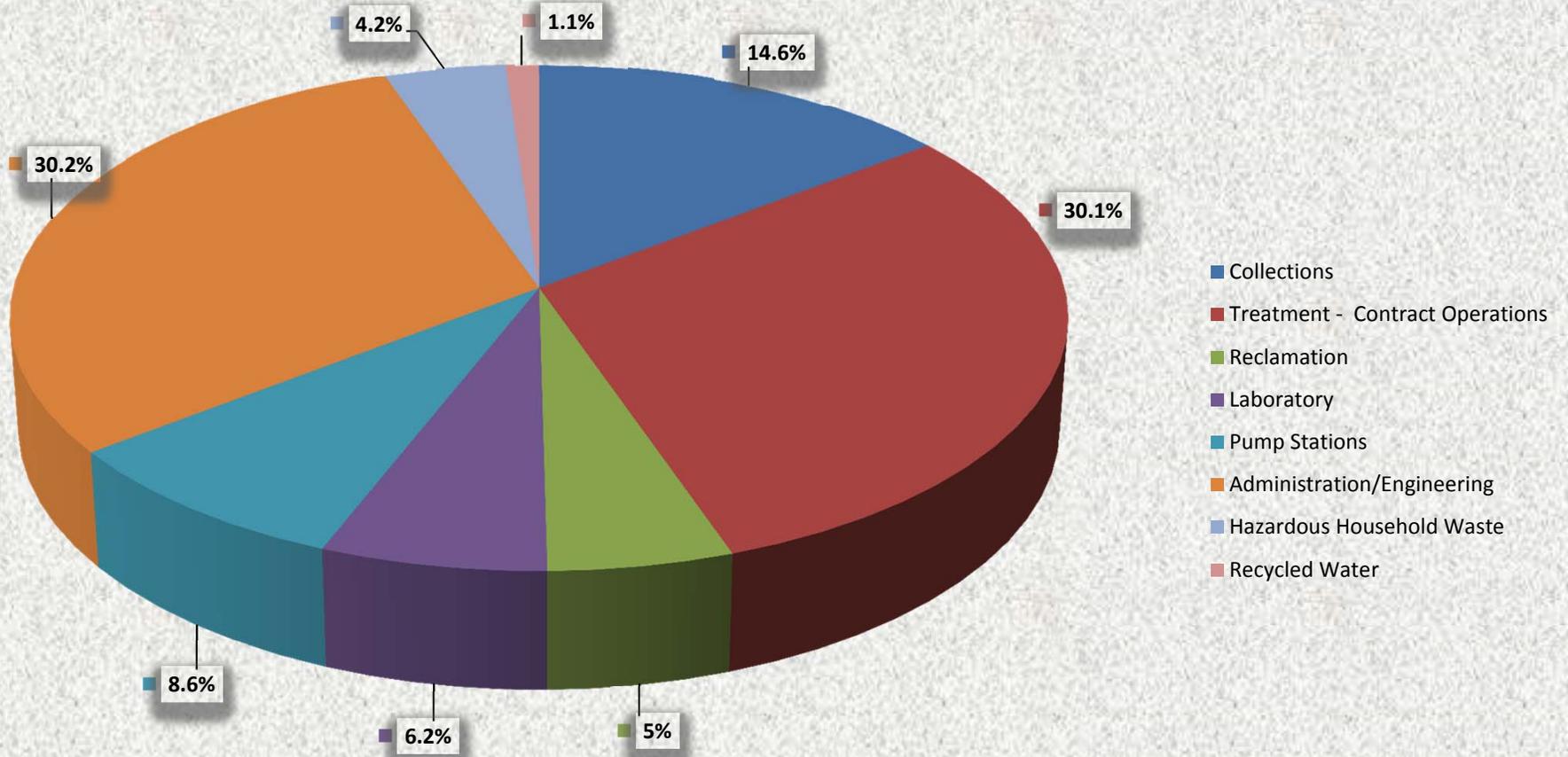
APPROPRIATIONS LIMITATION

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
2015-17 Preliminary Budget
Operating Budget - Summary of Expenditures**

	Budget 13/14	Budget 14/15	Est Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
Collections	1,316,424	1,389,859	1,262,110	1,408,761	1,402,003
Treatment - Contract Operations	2,699,200	2,827,499	2,811,004	2,918,041	3,044,531
Reclamation	534,268	484,649	439,490	492,380	520,839
Laboratory	685,376	593,829	584,229	601,633	637,767
Pump Stations	822,016	807,072	705,799	826,927	878,794
Administration/Engineering	2,766,336	2,818,610	2,405,676	2,919,770	2,989,295
Hazardous Household Waste	371,301	368,698	343,581	402,501	402,501
Recycled Water	108,000	116,000	114,500	111,000	111,000
	9,302,921	9,406,216	8,666,389	9,681,013	9,986,731

Preliminary Operating Budget 2015-16 Expenditures by Cost Center



Novato Sanitary District 2015-16 Preliminary Operating Budget Operating Budget Detail by Account Category												
	Treatment Facilities	Recd	L-M	Pump Stations	Collection System	A-E	HHW Program	Recycled Water	Total	As Percent of Budget	Over/Under PY Budget	% Over/Under Budget
Salaries and Wages		75,669		347,650	654,553	1,098,396			2,176,267	22.48%	17,707	0.82%
Contract Services (Operations & Lab)	2,019,201		357,133					50,000	2,426,334	25.06%	418,805	20.86%
Employee Benefits		28,711	0	149,277	272,208	448,115			898,311	9.28%	27,608	3.17%
Retiree Health Benefits						375,260			375,260	3.88%	(20,895)	-5.27%
Directors' Fees						43,000			43,000	0.44%	(2,000)	-4.44%
Election Expense						50,000			50,000	1%	50,000	100.00%
Gasoline, Oil & Fuel		4,000	3,000	5,000	28,000	10,000			50,000	0.52%	-	0.00%
Insurance	12,700					135,000			147,700	1.55%	(80,870)	-35.38%
Ins Claims Expense						40,000			40,000	0.41%	(5,000)	-11.11%
Agency Dues						46,000			46,000	0.48%	(14,000)	-23.33%
Memberships						9,000			9,000	0.09%	500	5.88%
Office Expense						25,000			25,000	0.26%	(4,000)	-13.79%
Safety		500	1,000	2,000	7,000	2,000			12,500	0.13%	6,000	92.31%
Software Maint		2,000	4,000	12,000	25,000				43,000	0.44%	(1,100)	-2.49%
Operating Supplies		2,000	20,000	10,000	30,000	8,000		2,000	72,000	0.74%	(7,500)	-9.43%
Operating Chemicals				15,000				26,000	41,000	0.42%	(23,000)	-35.94%
Sludge Disposal-Contractual		190,000							190,000	1.96%	(10,000)	-5.00%
Accounting & Auditing						24,000			24,000	0.25%	6,000	33.33%
Attorney						90,000			90,000	0.93%	(30,000)	-25.00%
Outside Consulting						269,000			269,000	2.78%	(6,000)	-2.18%
IT/Misc. Electrical						36,000			36,000	0.37%	(4,000)	-10.00%
Safety & Wellness Incentive Program						10,000			10,000	0.10%	10,000	100.00%
Printing & Publication						22,000			22,000	0.23%	-	0.00%
Repairs & Maintenance		70,000	10,500	110,000	85,000	40,000		22,000	337,500	3.49%	(5,000)	-1.46%
Unusual Equipment Maint	150,000	0							150,000	1.55%	-	0.00%
Small Tools		500		1,000	2,000				3,500	0.04%	-	0.00%
Outside Services				32,000	225,000				257,000	2.65%	(58,000)	-18.41%
Ditch/Dike Maintenance		20,000							20,000	0.21%	-	0.00%
Research & Monitoring						163,000			163,000	1.68%	(84,000)	-34.01%
Travel, Mtgs & Train.						55,000			55,000	0.57%	(15,000)	-21.43%
Pollution Prevention/Pub. Ed.			40,000						40,000	0.41%	5,000	14.29%
Gas & Electricity	646,140	90,000		95,000				10,000	841,140	8.69%	63,740	8.20%
Water		3,000		7,000	12,000				22,000	0.23%	2,000	10.00%
Telephone				24,000	2,000	10,000			36,000	0.37%	(5,000)	-12.20%
Other/Operational Assistance					1,000			1,000	1,000	0.01%	-	0.00%
Permits & Fees	90,000	6,000	3,000	17,000	65,000			1,000	182,000	1.88%	-	0.00%
Co. Collection Fees						69,000			69,000	0.71%	9,000	15.00%
Ser. Chg. System Exp						5,000			5,000	0.05%	-	0.00%
AB 939 Solid Waste Programs						402,501			402,501	4.16%	33,803	9.17%
Total	2,918,041	492,380	601,633	826,927	1,408,761	2,919,770	402,501	111,000	9,681,013	100.00%	274,798	2.92%

SECTION III

OPERATING FUND BUDGET

**Novato Sanitary District
2015-17 Preliminary Budget
Operating Budget - Collections**

Collections Cost Center - 60000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
60010 · Salaries & Wages	549,300	604,357	500,920	654,553	693,853
60020 · Employee Benefits	250,124	262,502	238,190	272,208	284,650
60060 · Gas, Oil & Fuel	30,000	28,000	28,000	28,000	28,000
60085 · Safety	5,000	2,000	2,000	7,000	3,500
60091 · Software Maint	20,000	25,000	25,000	25,000	20,000
60100 · Operating Supplies	30,000	30,000	30,000	30,000	30,000
60150 · Repairs & Maint	85,000	85,000	85,000	85,000	85,000
60152 · Small Tools	2,000	2,000	2,000	2,000	2,000
60153 · Outside Services	225,000	275,000	275,000	225,000	175,000
60192 · Water	7,000	8,000	8,000	12,000	12,000
60193 · Telephone	2,000	2,000	2,000	2,000	2,000
60200 · Other(Garbage Coll)	1,000	1,000	1,000	1,000	1,000
60201 · Permits & Fees	110,000	65,000	65,000	65,000	65,000
	1,316,424	1,389,859	1,262,110	1,408,761	1,402,003

**Novato Sanitary District
2015-17 Preliminary Budget
Operating Budget - Treatment Facilities Contract Operations**

Treatment Facilities - Contract Operations Cost Center - 61000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
61000-1 · Fixed Fee(1)	1,940,900	1,957,529	1,973,604	2,019,201	2,079,777
61000-2 · Insurance & Bonds(2)	50,600	42,570	10,000	12,700	14,000
61000-3 · Major Repr/Replacement	109,200	150,000	150,000	150,000	150,000
61000-4 · Water/Permits/Ph	65,000	90,000	90,000	90,000	90,000
61000-5 · Gas & Electricity(2)	533,500	587,400	587,400	646,140	710,754
	2,699,200	2,827,499	2,811,004	2,918,041	3,044,531

Comments:

(1) Fixed fee - 3% increase from prior year.

(2) Account 61000-5-Gas and Electricity, 10% increase based on actual expenditures for 2014/15.

**Novato Sanitary District
2015-2017 Preliminary Budget
Operating Budget - Reclamation**

Reclamation Cost Center - 63000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
63010 · Salaries & Wages	51,991	60,549	36,042	75,669	85,007
63020 · Employee Benefits	17,277	22,500	16,848	28,711	30,332
63060 · Gasoline & Oil	5,000	4,000	4,000	4,000	4,000
63085 · Safety	1,000	500	500	500	500
63091 · Software Maint	3,000	3,100	3,100	2,000	2,000
63100 · Operating Supplies	3,000	2,500	2,500	2,000	2,500
63115 · Sludge Disposal	190,000	200,000	185,000	190,000	195,000
63150 · Repairs & Maint	60,000	70,000	70,000	70,000	70,000
63151 · Unusual Equipment Maint	60,000	0	0	0	0
63152 · Small Tools	1,000	500	500	500	500
63157 · Ditch/Dike Maint	20,000	20,000	20,000	20,000	20,000
63191 · Gas & Electricity	110,000	90,000	90,000	90,000	100,000
63192 · Water	10,000	5,000	5,000	3,000	5,000
63201 · Permits & Fees	2,000	6,000	6,000	6,000	6,000
	534,268	484,649	439,490	492,380	520,839

**Novato Sanitary District
2015-17 Preliminary Budget
Operating Budget - Laboratory**

Laboratory Cost Center - 64000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
64010 · Contract Lab Services (1)	217,324	194,138	194,138	357,133	366,767
64020 · Employee Benefits	80,402	72,191	72,191	0	0
64060 · Gasoline & Oil	3,000	3,000	2,000	3,000	3,000
64085 · Safety	1,000	1,000	1,000	1,000	1,000
64091 · Software Maintenance	8,500	4,000	1,000	4,000	2,000
64100 · Operating Supplies	25,000	25,000	20,000	20,000	25,000
64150 · Repairs & Maintenance	10,000	9,500	9,500	10,500	7,000
64160 · Research & Monitoring	297,150	247,000	247,000	163,000	190,000
64170 · Pollution Prev/Public Ed	40,000	35,000	35,000	40,000	40,000
64201 · Permits & Fees	3,000	3,000	2,400	3,000	3,000
	685,376	593,829	584,229	601,633	637,767

Comments:

- (1) This account, previously titled "Salaries and Wages" is renamed to reflect fees paid for contract laboratory and environmental services provided by Veolia Water and NMWD.

**Novato Sanitary District
2015-2017 Preliminary Budget
Operating Budget - Pump Stations**

Pump Stations Cost Center - 65000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
65010 · Salaries & Wages	315,414	316,295	247,439	347,650	371,290
65020 · Employee Benefits	146,602	137,777	110,360	149,277	156,504
65060 · Gasoline & Oil	5,000	5,000	5,000	5,000	6,000
65085 · Safety	3,000	2,000	2,000	2,000	2,000
65091 · Software Maintenance	12,000	12,000	12,000	12,000	12,000
65100 · Operating Supplies	10,000	10,000	10,000	10,000	10,000
65101 · Operating Chemicals	45,000	30,000	30,000	15,000	20,000
65150 · Repairs & Maintnnce	115,000	115,000	115,000	110,000	115,000
65152 · Small Tools	2,000	1,000	1,000	1,000	2,000
65153 · Outside Services, Electric	45,000	40,000	35,000	32,000	35,000
65191 · Gas & Electricity	90,000	90,000	90,000	95,000	100,000
65192 · Water	5,000	7,000	7,000	7,000	8,000
65193 · Telephone	23,000	24,000	24,000	24,000	24,000
65201 · Permits & Fees	5,000	17,000	17,000	17,000	17,000
	822,016	807,072	705,799	826,927	878,794

**Novato Sanitary District
2015-2017 Preliminary Budget
Operating Budget - Administration**

Administration and Engineering Cost Center - 66000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
66010 · Salaries & Wages	1,007,722	983,222	864,845	1,098,396	1,231,864
66020 · Employee Benefits	402,036	375,733	308,177	448,114	476,150
66021 · Retiree Health Benefits	387,078	396,155	396,155	375,260	383,281
66030 · Director's Fees	45,000	45,000	45,000	43,000	43,000
66040 · Election Expense	0	0	0	50,000	0
66060 · Gasoline & Oil	9,000	10,000	10,000	10,000	11,000
66070 · Insurance	129,000	186,000	120,000	135,000	142,000
66071 · Insurance Claim Expense	45,000	45,000	40,000	40,000	40,000
66075 · Agency Dues	46,000	60,000	46,000	46,000	47,000
66080 · Memberships	8,000	8,500	8,500	9,000	9,500
66085 · Safety	1,000	1,000	1,000	2,000	1,500
66090 · Office Expense	27,000	29,000	29,000	25,000	30,000
66100 · Engineering Supplies	9,000	9,000	9,000	8,000	9,000
66121 · Accounting & Auditing	22,500	18,000	18,000	24,000	28,000
66122 · Attorney Fees	140,000	120,000	50,000	90,000	50,000
66123 · O/S Contractual (2)	235,000	275,000	229,000	269,000	230,000
66124 · IT/Misc Electrical	40,000	40,000	40,000	36,000	40,000
66125 · Safety & Wellness Incentive Prog	0	0	0	10,000	10,000
66130 · Printing & Publications	18,000	22,000	22,000	22,000	22,000
66150 · Repairs & Maintenance	40,000	45,000	42,000	40,000	42,000
66170 · Travel, Meetings & Training	70,000	70,000	50,000	55,000	60,000
66193 · Telephone	15,000	15,000	10,000	10,000	10,000
66202 · County Fees-Property Taxes	33,000	25,000	27,000	27,000	26,000
66203 · County Fees-Sewer Ser Chg	32,000	35,000	35,000	42,000	42,000
66250 · Service Charge Sys Exp	5,000	5,000	5,000	5,000	5,000
	2,766,336	2,818,610	2,405,676	2,919,770	2,989,295

Novato Sanitary District						
Preliminary Operating Budget 2015-17						
PERSONNEL DETAIL						
Number	Position	Dept.	Pay Range	Total		
				2014-15 Salaries	2016-17 Salaries	
1.00	Manager-Engineer.....	A/E		190,764	197,441	
1.00	Technical Services Manager.....	A/E	MC119	121,800	151,276	
1.00	Field Services Manager25AE/.25CS/.25PS/.25Rec	MC119	146,160	151,276	
1.00	Senior Engineer.....	.75AE/.25PS	MC116.5	129,432	133,962	
0.46	Administrative Services Specialist	A/E	MC117.5	62,726	64,922	
1.00	Administrative Services Officer	A/E	MC115	85,896	124,463	
1.00	Administrative Assistant	A/E	MC103	43,380	62,858	
1.00	Administrative Secretary.....	A/E	MC106	77,520	80,233	
1.00	Finance Officer.....	A/E	MC115	114,528	124,463	
1.00	Project Specialist	.25AE/.25CS/.25PS/.25Rec	MC112.5	68,985	99,959	
1.00	Staff Engineer.....	.5A/E/.5CS	47	98,940	102,403	
1.00	Construction Inspector.....	A/E	44.5	87,600	90,666	
1.00	Information System Specialist II.....	.5A/E/.5CS	43.5	83,424	86,344	
1.00	Environmental Services Supervisor...(Note 1)	L/M	MC115.5	-	-	
1.00	ECA II...(Note 1)	L/M	45.5	-	-	
1.00	Collection System Superintendent.....	.67CS/.33PS	MC115	120,252	124,461	
1.00	Collection System Leadworker.....	.67CS/.33PS	47	98,940	102,403	
1.00	Collection System Worker III.....	.67CS/.33PS	43.5	83,424	86,344	
1.00	Collection System Worker II.....	.67CS/.33PS	40.5	72,072	74,595	
5.00	Collection System Worker I.....	.67CS/.33PS	38.5	291,980	317,309	
1.00	Admin Intern	A/E	N/A	8,640	9,000	
1.00	Engineering Aide - temp	A/E	N/A	10,080	11,000	
0.40	Hourly Electrician	.25AE/.25PS/.50Rec	N/A	40,000	40,000	
	Allowance for Overtime.....	C/S		35,000	35,000	
	Allowance for Overtime.....	A/E		7,500	7,500	
	Allowance for Standby Duty Pay.....	C/S		28,000	28,000	
	Subtotal			2,107,043	2,305,877	
	Allowance for Possible COLA - across the board	3.50%		69,224	76,138	
				2,176,267	2,382,015	
25.86	Administration and Engineering (A/E)		1,098,396	1,231,864		
Note 1:	Laboratory and Monitoring (L/M)		-	-		
	Collection System	67%	654,553	693,853		
	Pump Stations	33%	347,650	371,290		
	Reclamation Facilities		75,669	85,007		
	Total/Check		2,176,267	2,382,015		
Note 1:	Work for these positions now performed through contract services with Veolia Water and NMWD.					

**Novato Sanitary District
2015-2017 Preliminary Budget
Operating Budget - Hazardous Household Waste**

HHW Cost Center - 67000			Projected Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
	Budget 13/14	Budget 14/15			
67400 · Management Services	119,264	130,161	90,555	131,464	131,464
67500 · Household Hazardous Wst	187,500	164,000	201,500	211,500	211,500
67530 · Used Oil Grant	5,000	11,963	11,013	11,269	11,269
67530-1 Beverage Container Grant	22,537	10,574	11,013	11,268	11,268
67540 · Education/Public Outreach	22,000	37,000	16,000	22,000	22,000
67600 · Other	5,000	5,000	3,500	5,000	5,000
67610 · City AB 939 Admin Service	10,000	10,000	10,000	10,000	10,000
	371,301	368,698	343,581	402,501	402,501

**Novato Sanitary District
2015-2017 Preliminary Budget
Operating Budget - Recycled Water**

Recycled Water Cost Center - 68000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
68010 · O & M Services	50,000	50,000	50,000	50,000	50,000
68100 · Operating Supplies	2,000	3,000	2,500	2,000	2,000
68101 · Operating Chemicals	20,000	34,000	26,000	26,000	26,000
68150 · Repairs & Maintenance	25,000	18,000	25,000	22,000	22,000
68191 · Gas & Electricity	10,000	10,000	10,000	10,000	10,000
68201 · Permits & Fees	1,000	1,000	1,000	1,000	1,000
	108,000	116,000	114,500	111,000	111,000

SECTION IV

CAPITAL IMPROVEMENT BUDGET

**Novato Sanitary District
2015-17 Preliminary Budget
Capital Improvement Budget - Revenue Summary**

				Preliminary	Preliminary
			Est Rev	Budget	Budget
	Budget 13/14	Budget 14/15	2014-15	2015-16	2016-17
Capital Improvement Income					
51010 · Sewer Service Charges(1)	6,728,280	7,183,200	7,014,322	7,435,040	7,447,440
51015 · Property Taxes	1,740,000	1,750,000	1,900,000	1,900,000	1,900,000
51020 · Connection Charges(2)	470,000	493,500	200,000	518,000	544,000
51030 · Collector Sewer Charges	2,000	2,000	0	2,000	2,000
51040 · Special Equalization Chrg	4,000	4,000	0	4,000	4,000
51060 · Interest	50,000	30,000	25,000	22,000	22,000
51062 · Grant Revenue	0	0	0	0	0
51070 · Other Revenue	20,000	20,000	20,000	20,000	20,000
Total Capital Improvement Income	9,014,280	9,482,700	9,159,322	9,901,040	9,939,440
Comments:					
(1) Sewer Service Charge (SSC) revenue is based on rate increase approved on June 25, 2012 and actual revenue received in prior year. The Sewer Service Charges allocations are as follows:					
- For 2015/16 the charge is \$552 split between operations(\$304) and capital (\$248).					
- For 2016/17 the charge remains at \$552 split between operations(\$304) and capital(\$248).					
(2) Connection Charges projected on 50 new connections each year.					

**Novato Sanitary District
2015-2017 Preliminary Budget
Capital Improvement Budget - CIP Expenditures**

Capital Improvements Cost Center - 72000 & 73000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
72110 · Drainage PS 3&7 Outfall Rehab	150,000	265,000	250,000	5,000	0
72403 · Pump Station Rehabilitation	1,440,000	1,082,185	510,000	50,000	50,000
72508 · North Bay Water Reuse Authority (NBWRA)	150,000	355,000	340,000	403,000	440,000
72609 · WWTP Upgrade - Contract B	100,000	0	45,000	0	0
72611 · Bayside Sewer	3,000	45,000	0	0	0
72612 · Southgate Sewer	1,000	0	0	0	0
72706 · Collection System Improvments	1,730,000	1,600,000	1,476,125	1,050,000	900,000
72706-1 · Lateral Replacement Program	30,000	50,000	18,000	50,000	50,000
72707 · Hamilton Wetlands/Outfall Integration	90,000	36,542	14,000	22,500	0
72708 · Cogeneration	50,000	40,000	0	20,000	20,000
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	200,000	175,000	200,000	200,000
72804 · Annual Reclamation Fac Improvements	250,000	150,000	75,000	100,000	100,000
72805 · Annual Trtmt Plnt/Pump St Improvements	275,000	200,000	120,000	300,000	200,000
72809 · Novato Creek Watershed	50,000	50,000	50,000	15,000	0
73001 · WWTP Upgrade - Contract C (Solids handling)	2,858,377	461,396	417,000	10,000	0
73002 · WWTP Up-Contract D-Recycled Water	150,000	10,000	3,000	0	0
73003 · Admin Building Upgrade/Maint. Building	400,000	1,000,000	100,000	750,000	1,130,000
73004 · Odor Control and NTP Landscaping	0	0	0	50,000	50,000
73005 · RWF Expansion	0	0	0	150,000	1,200,000
73006 · NTP Corrosion Control	0	0	0	150,000	75,000
73090 · Vehicle Replacement	64,000	180,000	180,000	25,000	25,000
78500 · Interest - SRF/COP Bond	2,730,721	2,621,583	2,621,583	2,509,673	2,385,943
78500 · Principal	4,339,933	4,449,171	4,449,171	4,565,431	4,673,762
Totals	15,147,031	12,805,877	10,853,879	10,435,604	11,509,705

SECTION V

**WASTEWATER CAPITAL RESERVE FUND &
CERTIFICATE OF PARTICIPATION (COP)
RESERVE FUND**

**Novato Sanitary District
2015-17 Preliminary Budget
Wastewater Capital Reserve Fund**

		2015-16 Budget	
		Prelim	Final
<u>Wastewater Capital Reserve Fund</u>			
	FUND BALANCE 6/30/14	3,275,000	3,275,000
	Required Deposits	0	0
	FUND BALANCE 6/30/15	3,275,000	3,275,000
	Required Deposits	0	0
	ANTICIPATED FUND BALANCE 6/30/16	3,275,000	3,275,000
	Note:	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**

		2015-16 Budget			
		Prelim	Final		
Certificates of Participation Reserve Fund					
FUND BALANCE 6/30/14		1,500,000	1,500,000		
	Contribution to/from Operating Fund to COP Reserve Fund	-	-		
FUND BALANCE 6/30/15		1,500,000	1,500,000		
	Contribution to/from Operating Fund to COP Reserve Fund	-	-		
ANTICIPATED FUND BALANCE 6/30/16		1,500,000	1,500,000		
Summary of COP Activity:					
		12/13	13/14	14/15	15/16
	Beginning Balance each year	14,431,619	9,610,463	4,804,012	1,500,000
	Cop Proceeds	-	-	-	-
	Less Withdrawals	(4,859,140)	(4,824,518)	(3,309,012)	-
	Interest earned and Reinvested	37,984	18,067	5,000	1,000
	Cash Balance for COP Expenditures	9,610,463	4,804,012	1,500,000	1,501,000
Note: The Trust Agreement established a reserve fund in October 2011.					
The reserve fund is funded at \$1.5 million, and is held by the Trustee.					
This amount will be used to make the final payment on the COPs,					
and the Reserve Fund will be closed out at that time.					

SECTION VI

DEBT SERVICE FUNDS

**Novato Sanitary District
2015-17 Preliminary Budget
State Revolving Fund Loan
and
COP Bond Fund**

		2015-16 Budget			
		Prelim	Final		
<u>State Revolving Fund Loan</u>					
DEBT BALANCE 6/30/14		74,366,046			
Principal Payment 2014-15		(3,594,171)			
Interest payments 2014-15		(1,784,785)			
Transfer from Capital Improvement Fund 2014-15		1,784,785			
DEBT BALANCE 6/30/15		70,771,875	0		
Principal Payment 2015-16		(3,680,431)			
Interest payments 2015-16		(1,698,525)			
Transfer from Capital Improvement Fund 2015-16		1,698,525			
ANTICIPATED DEBT BALANCE 6/30/16		67,091,444	0		
<u>COP Bond Financing Issued October 2011</u>					
DEBT BALANCE 6/30/14		20,120,000	-		
Principal Payment 2014-15		(855,000)			
Interest payments 2014-15		(836,798)			
Transfer from Capital Improvement Fund 2014-15		836,798			
DEBT BALANCE 6/30/15		19,265,000	0		
Principal Payment 2015-16		(885,000)			
Interest payments 2015-16		(811,148)			
Transfer from Capital Improvement Fund 2015-16		811,148			
ANTICIPATED DEBT OWED 6/30/16		18,380,000	0		
		Projected	Preliminary	Preliminary	
		Rev/Exp	Budget	Budget	
Debt Coverage Ratio(1)		Budget 14/15	2014-15	2015-16	2016-17
Net Operating Revenue		195,640	857,465	319,470	17,176
Capital Revenue		9,482,700	9,159,322	9,901,040	9,939,440
Annual Debt Service		7,070,754	7,070,754	7,075,104	7,059,705
Debt Coverage Ratio		1.37	1.42	1.44	1.41
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

TITLE: Sewer Service Charge: Set Public Hearing	MEETING DATE: June 8, 2015. AGENDA ITEMS NO.: 7.b.
RECOMMENDED ACTION: Set date of July 13, 2015 for a public hearing on individual sewer service charges, and adoption of resolution confirming report on sewer service charges and collection on county tax rolls.	
SUMMARY AND DISCUSSION: 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 computerized database available at the meeting of July 13 th 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. Similar to previous years, the content of the resolution will be as specified by the County of Marin, which collects the District's sewer service charges for the District on the County tax rolls.	
DEPT. MGR.: ssk	MANAGER-ENGINEER: SSK

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Board of Directors: Secretary/Treasurer and Secretary Pro Tem, and check signers, for FY2015-16.	MEETING DATE: June 8, 2015 AGENDA ITEM NO.: 8.a.
RECOMMENDED ACTION: Appoint Secretary-Treasurer and Secretary Pro-Tem, and designate and authorize check signers, for FY15-16.	
SUMMARY AND DISCUSSION: <p>The Board appoints the Secretary-Treasurer and the Secretary Pro-Tem annually. 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"> • 2014-15: Jean Mariani, Jerry Peters, Brant Miller, Sandeep Karkal • 2013-14 (effective 4/14/2014): Jean Mariani, Jerry Peters, Brant Miller, Sandeep Karkal • 2013-14: Michael DiGiorgio, Jean Mariani, Brant Miller, Beverly James, Sandeep Karkal • 2012-13: Michael DiGiorgio, Jean Mariani, Dennis Welsh, Beverly James, Sandeep Karkal • 2011-12: Michael DiGiorgio, Bill Long, Dennis Welsh, Beverly James, June Brown • 2010-11: Michael DiGiorgio, Bill Long, Jim Fritz, Beverly James, June Brown <p>For FY15-16, staff suggests that the Board: (a) Retain the Manager-Engineer and the Administrative Secretary as the Secretary-Treasurer and Secretary Pro-Tem respectively; and (b) Designate President Mariani, President Pro-Tem Peters, Director Butler, and Manager-Engineer Karkal to be the authorized check signers.</p>	
DEPT. MGR.: ssk	MANAGER-ENGINEER: SSK

NOVATO SANITARY DISTRICT
LIST OF BOARD COMMITTEE ASSIGNMENTS
Presidential appointment of Committee members for fiscal years 2013-15
(Last Assignment: June 1, 2014)

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:

- | | |
|--|---|
| <ol style="list-style-type: none">1. Ad Hoc Labor Relations:
William C. Long
Gary Butler3. Ad Hoc Personnel Committee*
Jean Mariani
William C. Long | <ol style="list-style-type: none">2. Ad Hoc Recycled Water Committee
William C. Long
Jean Mariani |
|--|---|

*(created 3/23/15 for Technical Services Manager position, and 4/13/15 to discuss Manager-Engineer Performance).

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Staff Report: Comprehensive Annual Financial Report (CAFR).

MEETING DATE: June 8, 2015

AGENDA ITEM NO.: 9.a.

RECOMMENDED ACTION: Information only. Receive report.

SUMMARY AND DISCUSSION:

The District submitted its Comprehensive Annual Financial Report (CAFR) for Fiscal Year ended June 30, 2014 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.

By letter dated May 26, 2015, GFOA has announced that the District has been awarded the Certificate. A copy of the certificate is attached.

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 (AFRA) has been presented to her by GFOA. This will be the fourth year in a row that the District and Ms. Creamer have achieved these distinctions.

DEPT. MGR.: ssk

MANAGER-ENGINEER: SSK



Government Finance Officers Association
203 N. LaSalle Street - Suite 2700
Chicago, IL 60601

Phone (312) 977-9700 Fax (312) 977-4806

May 26, 2015

Bandeep Karkal
Manager-Engineer
Novato Sanitary District
500 Davidson Street
Novato CA 94945

RECEIVED
JUN 01 2015
NOVATO SANITARY DISTRICT

Dear Ms. Karkal:

We are pleased to notify you that your comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2014, qualifies for a Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

Each entity submitting a report to the Certificate of Achievement review process is provided with a "Summary of Grading" form and a confidential list of comments and suggestions for possible improvements in its financial reporting techniques. Your list has been enclosed. You are strongly encouraged to implement the recommended improvements into the next report and submit it to the program. If it is unclear what must be done to implement a comment or if there appears to be a discrepancy between the comment and the information in the CAFR, please contact the Technical Services Center (312) 977-9700 and ask to speak with a Certificate of Achievement Program in-house reviewer.

Certificate of Achievement program policy requires that written responses to the comments and suggestions for improvement accompany the next fiscal year's submission. Your written responses should provide detail about how you choose to address each item that is contained within this report. These responses will be provided to those Special Review Committee members participating in the review.

When a Certificate of Achievement is awarded to a government, an Award of Financial Reporting Achievement (AFRA) is also presented to the individual(s) or department designated by the government as primarily responsible for its having earned the Certificate. Enclosed is an AFRA for:

Laura Creamer, Finance Officer

Continuing participants will find a certificate and brass medallion enclosed with these results. First-time recipients will find a certificate enclosed with these results followed by a plaque in about 10 weeks. We hope that you will arrange for a formal presentation of the Certificate and Award of Financial Reporting Achievement, and that appropriate publicity will be given to this notable achievement. A sample news release has been enclosed. We suggest that you provide copies of it to local newspapers, radio stations and television stations. In addition, details of recent recipients of the Certificate of Achievement and other information about Certificate Program results are available in the "Awards Program" area of our website, www.gfoa.org.

A current holder of a Certificate of Achievement may include a reproduction of the award in its immediately subsequent CAFR. A camera ready copy of your Certificate is enclosed for that purpose. If you reproduce your Certificate in your next report, please refer to the enclosed instructions. A Certificate of Achievement is valid for a period of one year. To continue to participate in the Certificate of Achievement Program it will be necessary for you to submit your next CAFR to our review process.

In order to expedite your submission we have enclosed a Certificate of Achievement Program application form to facilitate a timely submission of your next report. This form should be completed and sent (postmarked) with three copies of your report, three copies of your application, three copies of your written responses to the program's comments and suggestions for improvement from the prior year, and any other pertinent material with the appropriate fee by December 31, 2015.

Your continued interest in and support of the Certificate of Achievement Program is most appreciated. If we may be of any further assistance, please contact Delores Smith (dsmith@gfoa.org or (312) 578-5454).

Sincerely,
Government Finance Officers Association

A handwritten signature in cursive script that reads "Stephen J. Gauthier". The signature is written in black ink and is positioned above the typed name.

Stephen J. Gauthier, Director
Technical Services Center

SJG/ds



Government Finance Officers Association
203 N. LaSalle Street - Suite 2700
Chicago, IL 60601

Phone (312) 977-9700 Fax (312) 977-4806

05/26/2015

NEWS RELEASE

For Information contact:
Stephen Gauthier (312) 977-9700

(Chicago)--The Certificate of Achievement for Excellence in Financial Reporting has been awarded to **Novato Sanitary District** by the Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

An Award of Financial Reporting Achievement has been awarded to the individual(s), department or agency designated by the government as primarily responsible for preparing the award-winning CAFR. This has been presented to:

Laura Creamer, Finance Officer

The CAFR has been judged by an impartial panel to meet the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

The GFOA is a nonprofit professional association serving approximately 17,500 government finance professionals with offices in Chicago, IL, and Washington, D.C.

PRESENTATION OF THE CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Certificate of Achievement for Excellence in Financial Reporting is the highest form of recognition in governmental accounting and financial reporting. The Certificate program thereby advocates that recipients be formally recognized for their outstanding accomplishments. If you would like a formal presentation of the Certificate of Achievement plaque, you should contact your GFOA State Representative. The contact information follows:

Mr. Damien Charley
Debt Analyst
City of Sacramento
915 I Street
HCH, 3rd Floor
Sacramento, CA 95814
UNITED STATES

Phone:
(916) 808-5517

Fax:

Email:
dcharley@cityofsacramento.org

**CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING
COMMENTS AND SUGGESTIONS FOR IMPROVEMENTS**

The detailed comments and suggestions for improvements are comprised of: 1) an indication above the comment that provides either the specific certificate program checklist question to which the item directly relates or the notation "Additional Comment" to indicate the comment does not directly relate to a specific checklist question and 2) text that generally identifies the location of the item in your CAFR, the reason for the comment, and the particular item you should address. Following is the legend for the references to specific authoritative literature that are provided for the majority of comments.

SLG	-	<i>Audits of State and Local Governments</i> , American Institute of Certified Public Accountants, March 1, 2013
GAAFR	-	<i>Governmental Accounting, Auditing, and Financial Reporting</i> , GFOA 2012
GASB - I	-	GASB Interpretation
GASB - S	-	GASB Statement
GASB - TB	-	GASB Technical Bulletin
Q&A	-	2012-2013 <i>Comprehensive Implementation Guide</i> , GASB
NCGA - I	-	National Council on Governmental Accounting Interpretation
NCGA - S	-	National Council on Governmental Accounting Statement

All references listed above, except those for "GAAFR," "Q&A," and *Audits of State and Local Governments*, are followed by the number of the pronouncement, if applicable, and the specific paragraph(s), footnote(s), or appendix (appendices) within the publication that is being referenced. The references to "GAAFR" are to pages in that publication. For "Q&A," the references are to the applicable chapters and questions in that publication. For *Audits of State and Local Governments*, the references are to the chapter and specific paragraph.

Certificate of Achievement For Excellence in Financial Reporting

Summary of Grading

Name of Unit: Novato Sanitary District
Fiscal Year of Report FY2014

Report # 2,148.00

The Certificate of Achievement Program Special Review Committee (SRC) has completed its review of your comprehensive annual financial report (CAFR). Listed below are the grading categories used and a summary of the SRC's evaluation of your CAFR. The detailed comments and suggestions for reporting improvements on the attached listing are grouped under similar grading categories. Any category which received a grade of "Needs Significant Improvement" indicates an area of particular concern to the SRC and the related comments and suggestions for improvement in this category should be given special attention. An indication is provided on the list by the specific comments(s) or category(ies) that were the cause of receiving this grade. For each item, the notation also states whether it is 1) the basis or part of the basis for the CAFR not receiving the Certificate of Achievement, 2) a serious deficiency which will almost certainly preclude the awarding of the Certificate of Achievement if it is not corrected in your next CAFR, or 3) a deficiency, that if not corrected in future CAFRs, could result in the Certificate of Achievement not being awarded.

Grading Category

Grade

Cover, table of contents, and formatting	Proficient
Introductory section	Proficient
Report of the independent auditor	Proficient
Management's discussion and analysis (MD&A)	Proficient
Basic financial statements (preliminary considerations)	Proficient
Statement of net position/balance sheet	Proficient
Statement of revenues, expenses, and changes in net position/equity	Proficient
Statement of cash flows	Proficient
Summary of significant accounting policies (SSAP)	Proficient
Note disclosure (other than the SSAP and pension-related disclosures)	Proficient
Pension-related note disclosures	Proficient
Required supplementary information (RSI)	Proficient
Statistical section	Proficient
Other considerations	Proficient



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, 2014

Executive Director/CEO

efc.web.unc.edu

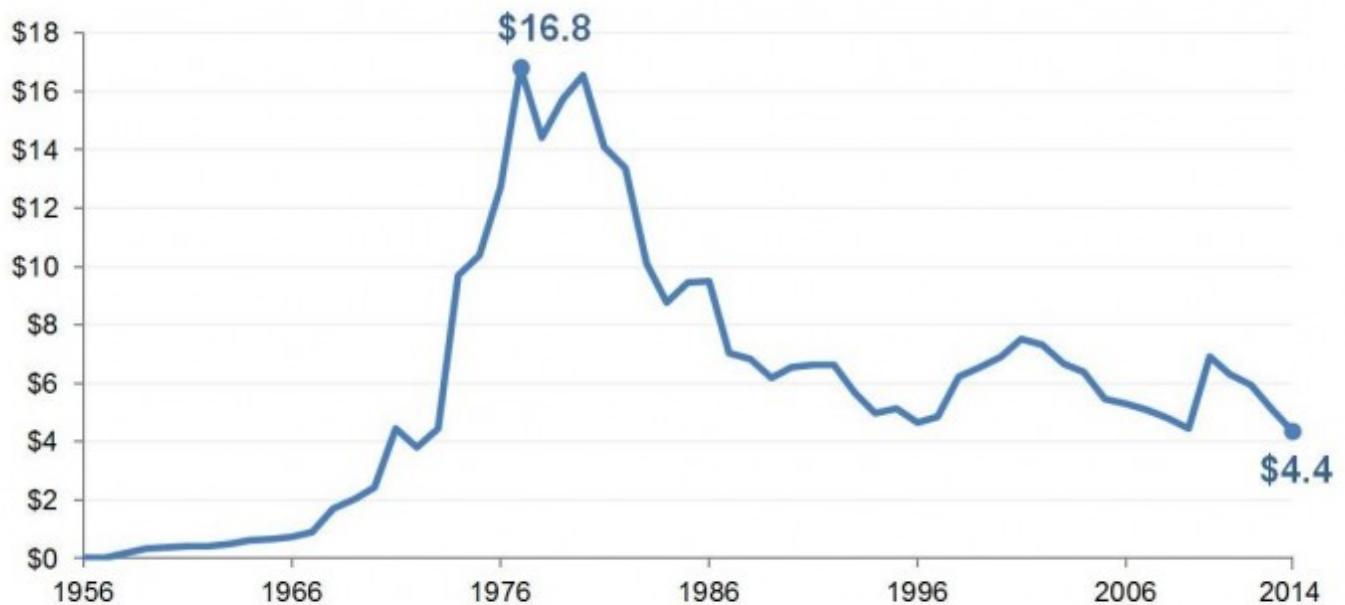
http://efc.web.unc.edu/2015/05/14/federal-funding-trends-for-water-and-wastewater/?utm_source=EFC+Blog&utm_campaign=d90bce25f8-&utm_medium=email&utm_term=0_a946d249ba-d90bce25f8-194077745

\$napshot: Federal Funding Trends for Water and Wastewater Utilities (1956-2014)

Francine Stefan

Federal spending on water and wastewater utility infrastructure decreased in the 1980s and after 2000

Reported in billions of 2014 dollars



Source: Congressional Budget Office (March 2015), *Public Spending on Transportation and Water Infrastructure, 1956 to 2014*.

In honor of [Infrastructure Week](#) (May 11-15, 2015), we dug into a report published by the Congressional Budget Office (CBO) in March. [Public Spending on Transportation and Water Infrastructure, 1956 to 2014](#) reports on trends in federal, state, and local government spending on infrastructure, using data acquired from the Office of Management and Budget (OMB). This graph illustrates the federal funding trends for water and wastewater utilities between 1956 and 2014, in 2014 dollars. Funding levels have decreased dramatically — nearly fourfold between 1980 and 2014. The consequence for communities nationwide is even more significant when considering that a majority of the federal funds in the 1970s and 1980s were provided as grants, while the majority of the funds provided since the 1990s have primarily been loans.

CBO's report includes more detailed breakdowns on federal, state, and local spending on water and wastewater infrastructure. Be on the lookout for a more in-depth look at these funding trends and their financial implications for water and wastewater systems in a blog post soon.

THANK YOU

FOR YOUR SUPPORT

OF

NOVATO'S

CLEAN & GREEN DAY

2015

**OUR 20TH ANNUAL CLEAN &
GREEN DAY ACHIEVED A LOT**

**MANY THANKS TO NOVATO
SANITARY DISTRICT FOR
ENABLING US TO PRINT UP
SIGNS TO PROMOTE THE EVENT!
WE HAD A GOOD TURNOUT AND
A VERY PRODUCTIVE DAY!**

Ed Schulze
Ed Schulze

Susan Stompe
Susan Stompe

co-chairs

RECEIVED
JUN 03 2015

NOVATO SANITARY DISTRICT