

# NOVATO SANITARY DISTRICT

Meeting Date: June 11, 2018

**The Board of Directors of Novato Sanitary District will hold a regular meeting at 5:30 p.m. Monday, June 11, 2018, at the District Offices, 500 Davidson Street, Novato.**

*Materials related to items on this agenda are available for public inspection in the District Office, 500 Davidson Street, Novato, during normal business hours. They are also available on the District's website: [www.novatosan.com](http://www.novatosan.com). Note: All times and order of consideration for agenda items are for reference only. The Board of Directors may consider item(s) in a different order than set forth herein.*

## 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 discussion or any public comments made.*

4. **REVIEW OF MINUTES:**
  - a. Approve minutes of the May 21, 2018 special meeting.
5. **PUBLIC HEARING PURSUANT TO SECTION 5471 ET SEQ. AND 6520.5 OF THE CALIFORNIA HEALTH AND SAFETY CODE – FY2018-19 SEWER SERVICE CHARGE REPORT, AND ELECTING TO COLLECT ON COUNTY TAX ROLLS:**
  - a. Sewer Service Charge Report.
  - b. Open public hearing.
  - c. Consider protests regarding sewer service charge report.
  - d. Close public hearing.
6. **RESOLUTION CONFIRMING FISCAL YEAR FY2018-19 SEWER SERVICE CHARGE REPORT AND ELECTING TO COLLECT ON COUNTY TAX ROLLS:**
  - a. Adoption of Resolution No. 3122 – A Resolution Confirming Sewer Service Charge Report and Collection of Sewer Service Charges for Novato Sanitary District on the County of Marin Tax Rolls for Fiscal Year 2018-19.

**BREAK: THE BOARD WILL RECONVENE AFTER A SHORT BREAK.**

(Next Page)

**7. CONSENT CALENDAR:**

*The General Manager-Chief Engineer has reviewed the following item(s). To his knowledge, there is no opposition to the consent action. The item(s) 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, May 29 – June 11, 2018.
- b. Ratify payroll and payroll related disbursements, May 2018.
- c. Receive Deposit Summary, May 2018.
- d. Cancel meetings of June 25, July 23, and August 13, 2018.
- e. *Biofilter Media Replacement - Account No. 73004 (Odor Control & NTP Landscaping)*: Approve a contract in the not-to-exceed amount of \$49,300 with Cagwin & Dorward Landscape Contractors (C&D), and authorize the General Manager-Chief Engineer to execute it.

**8. COMMITTEE REPORTS:**

- a. Solid Waste: Receive report and recommendation to adopt preliminary Solid and Household Waste (S&HHW) budget for FY18-20.
- b. Capital Improvements: Receive report and recommendation to adopt preliminary Capital Improvements Program (CIP) Budget for FY18-20
- c. Wastewater Operations: Receive report and recommendation to adopt preliminary Operating Budget for FY18-20.

**9. ANNUAL BUDGET:**

- a. Approve and adopt the 2018-20 Preliminary Budget.

**10. WASTEWATER OPERATIONS:**

- a. Receive Wastewater Operations Report, May 2018:
  - i. Collection Systems
  - ii. Treatment Facilities
  - iii. Reclamation Facilities

**11. CAPITAL PROJECTS:**

- a. *Collection System Improvements, Account No. 72706 - Birdie Drive Sewer Relocation*: Make CEQA findings that the project is statutorily exempt; authorize the General Manager-Chief Engineer to accept plans and specifications and advertise for bids: Birdie Drive Sewer Relocation; Project No. 72706-2017-06.

**12. ADMINISTRATION:**

- a. Approve cost-of-living increase of 3.4% as determined by the April 2017 to April 2018 Consumer Price Index (CPI) (SF Bay Area 82-100) – Urban Wage Earners and Clerical Workers, US Bureau of Labor Statistics, non-represented group (management and confidential personnel), effective July 1, 2018.
- b. Approve cost-of-living increase of 3.4% as determined by the April 2017 to April 2018 Consumer Price Index (CPI) (SF Bay Area 82-100) – Urban Wage

Earners and Clerical Workers, US Bureau of Labor Statistics, General Manager-Chief Engineer, effective July 1, 2018.

**13. BOARD OF DIRECTORS:**

- a. Appoint officers, and designate and authorize check signers, Fiscal Year FY18-19.

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

- a. North Bay Watershed Association (NBWA) meeting, June 8, 2018.

**15. INFORMATIONAL ITEMS:**

*These items are for information only - no action will be taken on these items as a result of any discussion or any comments made.*

- a. New York Times article dated May 29, 2018: "Your Recycling Gets Recycled, Right? Maybe, or Maybe Not".
- b. New York Times article dated May 29, 2018: "6 Things You're Recycling Wrong".
- c. Marin Independent Journal article dated June 6, 2018: "Plastic is finding its way into beer".

**16. GENERAL MANAGER'S REPORT AND ANNOUNCEMENTS:**

**17. ADJOURN:**

Next Resolution No. 3123.

**Next regular meeting date: Monday, July 9, 2018, 5:30 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 21, 2018

A special meeting of the Board of Directors of the Novato Sanitary District was held at 4:00 p.m., Monday, May 21, 2018, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Jerry Peters, Directors Carole Dillon-Knutson, William Long, Jean Mariani, and Brant Miller.

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

ALSO PRESENT: Dale Thrasher, Administrative Risk Services/Safety Officer  
John O'Hare, Pretreatment Programs Manager, Veolia  
John Bailey, Project Manager, Veolia  
Jeff Boheim, Field Services Manager, NSD  
Erik Brown, Deputy General Manager, NSD  
Lynda Farmery, Admin/Scheduler Planner/Safety Coordinator, Veolia  
Laura Creamer, Finance Officer, NSD  
Helene Marsh, advocate for clean energy and a healthy environment  
Ed Mainland, Novato resident, on behalf of Sustainable Novato  
Joe Moreno, Collections System Worker, NSD, arrived at 4:30,  
Javier Vega, Collections System Leadworker, NSD, arrived at 4:30

### PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as presented.

### PUBLIC COMMENT:

Helene Marsh, advocate for clean energy and a healthy environment, requested that a future Board meeting discuss the District's possible use of 100% renewable energy. She requested that the District include an agenda item in the forthcoming budget discussions to switch the District's electrical supplier from PG&E to a provider of 100% renewable energy.

Ed Mainland, Novato resident, on behalf of Sustainable Novato, suggested that the District follow an approach to self-produce power. He requested that the Board budget for self-producing power through solar options and biogas, with the goal of significantly reducing future energy costs. He requested that the District include an agenda item in the forthcoming budget discussions to switch the District's electrical supplier to MCE Deep Green 100% renewable electricity.

### CEREMONIAL MATTERS – AWARDS AND RECOGNITIONS:

- Announcement of award of Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA). The General Manager was pleased to announce that the District had received the award for the

seventh year in a row. He congratulated District staff and Finance Officer Laura Creamer on this achievement.

- Announcement of California Water Environment Association (CWEA) Collection System of the Year (Small), Second Place Award. The General Manager was pleased to announce that the District's Collections System received the CWEA Collection System of Year (Small) Second Place Award at the CWEA Annual Conference in April, 2018. He noted that the District had earlier achieved a first place award in the same category at the regional Redwood Empire Section of CWEA. He congratulated the Collections System Department for its role in achieving this award.

- Announcement of National Association of Clean Water Agencies (NACWA) Novato Wastewater Treatment Plant Platinum6 Peak Performance Award. The General Manager was pleased to announce that the District has had a sixth year of 100% permit compliance and was therefore recognized by the National Association of Clean Water Agencies (NACWA). He noted that the award will be presented at NACWA's National Conference in July. He congratulated Veolia Water staff for their role in achieving the award.

- Announcement of award of Certificate of Excellence to District laboratory from national accreditation entity, ERA-QC, for achieving 100% acceptable data in proficiency testing from among 1,004 participating laboratories nationwide. The General Manager was pleased to announce that the District laboratory was awarded the Certificate of Excellence from ERA-QC, a national accreditation entity, for 100% acceptable data in proficiency testing. He congratulated Veolia and North Marin Water District (NMWD) laboratory staff for their role in achieving this award.

President Peters congratulated District and Veolia staff for their combined accomplishments, which resulted in these awards.

#### TREATMENT PLANT OPERATIONS:

- Receive overview of treatment plant contract operations under the ongoing contract with Veolia Water NA, and their Annual 2017 Operations and Maintenance report. The General Manager stated that consistent with Board members' requests, Veolia staff was present to provide a PowerPoint presentation with an overview of the treatment plant operations, and the contract history with Veolia Water NA (Veolia). He stated that this presentation would give the Board the opportunity to ask questions and discuss matters from prior Operations and Maintenance reports/meetings. The General Manager stated that he would conclude the presentation by recapping overall cost estimates of treatment plant operations through the District's most recent completed fiscal year of operation, i.e. FY 16/17.

The General Manager began the presentation, stating that the initial contract with Veolia for the operation of the Novato Sanitary District Treatment Facility was awarded in October 2009, and then updated in August 2010. He stated that in March 2014, an amended and restated contract was approved, and that this contract now runs through June 2021. He highlighted the contract reporting requirements, noting that the contract mandates Veolia to prepare MOR's (monthly operations reports) which are reviewed by

the full Board at their first regular monthly board meeting. He stated that District and Veolia staff consistently hold weekly meetings to discuss treatment plant operation details. He noted that the MORs presented to the Board are a formal consolidation of the information presented in these meetings. Similarly, the information presented in the MORs is consolidated into the Annual Operations and Maintenance reports presented to the Board.

Veolia's Pretreatment Programs Manager, John O'Hare, and Project Manager, John Bailey, continued with a presentation titled, "Veolia Contract Review, May 21, 2018". The presentation provided a detailed financial review of the Contract, including the service fee adjustment, compensation, and incentives and usage caps. The Veolia managers then provided a detailed maintenance review, including the Veolia Repair and Maintenance Program, and Asset Management Program, and discussed the replacement of capital items that were less than \$10,000. The presentation concluded with an operations review, including management plans, odor management within the McClelland and Lea Drive neighborhoods, and a review of Veolia project support staff.

The General Manager continued the discussion, noting that the District has had stable and consistently high quality treatment through the contract period with Veolia. Additionally, he noted that the estimated value of District savings is approximately \$9 million since the contract began.

The Board expressed their sincere appreciation to Veolia staff for their hard work and for holding the costs steady.

At 5:13PM, President Peters called for a short recess. Ed Mainland left the meeting after the recess. The meeting was reconvened at 5:38PM.

#### REVIEW OF MINUTES:

Consider approval of minutes of the April 9, 2018 regular meeting.

*On motion of Director Mariani, seconded by Director Long, and carried unanimously, the April 9, 2018 Board meeting minutes were approved.*

#### CONSENT CALENDAR:

Director Miller requested that Item f: "Statement of Investment Policy – Policy 3120: Investment of Public Funds", be removed from the Consent Calendar for further discussion.

President Peters called for a motion on the remaining Consent Calendar items:

- a. Approve capital project disbursements in the amount of \$138,585.05, and regular disbursements in the amount of \$415,446.62. Ratification of April 23<sup>rd</sup> capital project disbursements in the amount of \$15,275.40, and regular disbursements in the amount of \$169,880.44.
- b. Approve and ratify payroll and payroll related disbursements for the month of April, 2018, in the amount of \$272,058.19.

- c. Receive deposit summary, April 2018.
- d. Receive 3<sup>rd</sup> Quarter Investment Report, Fiscal Year (FY) 2017-18.
- e. Receive FY2017-18 Third Quarter Financial Report.
- g. Approve contract in not-to-exceed amount of \$56,300 with Duke's Root Control, Inc., and authorize General Manager-Chief Engineer to execute it.

*On motion of Director Miller, seconded by Director Mariani, and carried unanimously, the remaining listed Consent Calendar items were approved.*

President Peters stated that the following Consent Calendar item would now be discussed:

- f. District Statement of Investment Policy – Policy 3120: Investment of Public Funds.

The General Manager stated that this policy was originally adopted in December 2012, and updated in March 2014. He stated that although there were no proposed changes at this time, CA Government Code Section 53600 requires periodic Board review and acceptance. He noted that District Counsel had originally prepared this version. Director Miller asked if the District's PARS post-employment benefits trusts should be referenced in this policy. President Peters requested that the General Manager-Chief Engineer review Policy 3120 with District Counsel, and bring it back at a future Board meeting for approval.

ADMINISTRATION:

- Adopt Resolution No. 3121, amending Resolution No. 2932 to designate the position of General Manager-Chief Engineer rather than a named person in that role to be the District's designated signatory or representative. The General Manager stated that the District Board had adopted Resolution No. 2932 in 2006, authorizing then District Manager-Engineer Beverly James, to sign and file an application for a loan/grant from the State Water Resources Control Board (SWRCB) for the planning, design, and construction of the District's Wastewater Facility Upgrade. He stated that given Ms. James' retirement in 2014, the SWRCB has asked the District to adopt an updated Resolution, which reflects only the title of the authorized representative for the District, rather than a named person.

*On motion of Director Mariani, seconded by Director Dillon-Knutson, and carried unanimously, Resolution No. 3121: Amending Resolution No. 2932, Authorizing Financial Assistance Application, was adopted.*

NORTH BAY WATER ENTITY:

- Receive update – proposed consolidation of North Bay Water Reuse Authority (NBWRA) into a new entity named North Bay Water. The General Manager briefly updated the Board on a proposed consolidation of the North Bay Water Reuse Authority (NBWRA) into a new (as of yet) unnamed entity: North Bay Water. He stated that this transition will potentially include more holistic water management goals and programs. Additionally, he stated that the District's cost commitments towards Phase 2 have largely been satisfied for the fiscal periods FY14/15 through FY17/18. However, the Sonoma

County Water Agency (SCWA) which is the NBWRA administrative agency, has not completed the truing up process for Phase 2. Therefore, while the District's Preliminary Budget includes a budget amount of \$10,000 for this line item, it will be increased by about \$75,000 in the final budget, as the truing up process will likely not occur by the time the District adopts its FY18/19 budget.

Director Miller stated that he is not in favor of sanitary districts funding projects related to flood control and drought contingency. He stated that our agency is strictly in place to provide services for human health. The General Manager stated that he and Director Long have been emphasizing to the NBWRA organization, as they transition, that the Novato Sanitary District cannot have the same role as when the NBWRA organization was more focused on recycled water. He stated that the District's role within this organization will be refined, and that the intent is for the District to have a very modest commitment level in the future.

ANNUAL BUDGET:

- Receive Preliminary Budget for Fiscal Years FY18-19 and FY19-20.

The General Manager stated that the District's Preliminary Budget for Fiscal Years (FY) 2018-20 was included as Attachment 1 in the Agenda Packet for the Board's review.

- Receive schedule of Committee meetings to review Annual Solid Waste, Operating, and Capital Improvements Program (CIP) Budgets.

The General Manager stated that the Board traditionally reviews each of the Solid Waste, Operating, and Capital Improvement Program budgets by Committee, and that based on Board members' feedback, the following review schedule is presented:

1. Solid Waste Budget review: Solid Waste Committee – 3:00pm, Tuesday, May 29, 2018 (Directors Mariani and Peters).
2. Capital Improvement Program (CIP) budget review: Capital Improvements Committee – 3:00pm, Thursday, May 31, 2018 (Directors Long and Dillon-Knutson).
3. Operating Budget review: Wastewater Operations Committee – 3:00pm, Monday, June 4, 2018 (Directors Mariani and Miller).

- Workshop overview of FY18-19 Preliminary Annual Operating and CIP budgets and budget elements. The General Manager provided a PowerPoint presentation titled "FY 2018-19 Budget Workshop Overview". He reviewed FY17-18 (through March 31, 2018), and discussed significant issues over this period. He then discussed budget highlights for FY 18-19, including the Recycled Water Facility Expansion and the Cogeneration/Alt Energy Project. He outlined upcoming projects within the District's collection system and treatment facility, and discussed staffing highlights for the coming fiscal year.

The General Manager concluded the presentation, providing a year-over-year preliminary budget comparison. He stated that the Preliminary FY 18-20 Budget would be agendaized for Board adoption at the June 11<sup>th</sup> Board meeting, and requested that any comments be brought to him as soon as possible.

Helene Marsh, Joe Moreno, and Javier Vega left the meeting at 7:20PM.

WASTEWATER OPERATIONS:

- Receive Wastewater Operations Reports, April 2018: Collection System; Treatment Facilities; Reclamation Facilities:

Collections System Report:

The Deputy General Manager provided the Collections System Report for April 2018. He stated that the Collections Department cleaned 108,944 lineal feet of sewer pipelines and completed 616 maintenance work orders, leaving zero work orders outstanding. He stated that 34,429 feet of sewer main were televised. Staff conducted 189 lift station inspections and completed maintenance inspections on seven (7) air relief/vacuum valves.

The Deputy General Manager then outlined the training provided in April, noting that the Collections Department staff participated in a confined space entry training, and attended four (4) safety tailgate meetings. He stated that members of the Collections department went to the California Water Environment Association (CWEA) Annual Conference and attended classes on various collection systems and pump station courses. He reported that there were no lost time accidents, and no sanitary sewer overflows (SSOs) during the month of April 2018.

Treatment Facilities Report:

Veolia Project Manager John Bailey then provided the April Treatment Facilities Monthly Operations Report (MOR). The Project Manager reviewed the treatment plant performance, and noted that there were no discharge violations or excursions. He stated that the Recycled Water Facility (RWF) produced 5.084 million gallons of recycled water. He reviewed the monthly routine inspections and maintenance for the Novato facility, the Ignacio transfer pump station, and the recycled water facility. He reported that the lab was awarded a Certificate of Excellence for proficiency testing and he commended Environmental Services Supervisor Liz Falejczyk, Environmental Services Analyst Kurt Hawkyard, and North Marin Water District Lab Technician Jessica Bena. He outlined the period's laboratory activities, safety training, and outreach events. He stated that four odor contacts were received. He concluded, noting that there were no lost time accidents in April.

Reclamation Facilities Report:

The Deputy General Manager then summarized the Reclamation Facilities report for April. He stated that the rancher continued annual weed abatement work on Sites 3 and 7, and prepared his equipment for hay cutting operations to begin in early May. He noted that Drainage Pump Stations No. 3 and 7 pumped approximately 94.9 MG (million gallons) and 16.7 MG of storm water, respectively, in April. He concluded, noting that there were no irrigation activities for the month, and that the District's effluent ponds are currently storing 49 MG of water.

BOARD MEMBER REPORTS AND REQUESTS:

- North Bay Water Reuse Authority (NBWRA) Board meeting, May 21, 2018.

Director Long discussed his attendance at the NBWRA meeting earlier on May 21<sup>st</sup>. He stated that discussion took place of the possible integration of NBWRA with NorthBay WATER, and that the FY2018/19 NBWRA budget was approved.

- Board Member Requests.

Director Mariani asked about governmental agencies purchasing renewable electricity and MCE Deep Green customers. She requested that the General Manager provide the Board with an electrical usage comparison of similarly sized sanitary districts to determine if renewable energy may be a good option for the District. The General Manager stated that a high-level analysis of electrical usage and optional providers was completed in 2015, but that the Board decided not to proceed because it was not deemed cost effective at that time.

Director Miller asked if it could be determined what percentage of Novato residents are MCE Deep Green customers.

Director Mariani requested that the topic of renewable energy be agendized for further discussion at a future Board meeting, possibly late summer or fall, and requested that MCE be asked to make a presentation at that time.

INFORMATIONAL ITEMS:

The General Manager stated that the following four articles were included in the agenda packet for informational purposes only:

- 2017-18 Marin County Civil Grand Jury Report: "Consolidation of Sanitation Districts". Report Date: April 13, 2018, Public Release Date: April 20, 2018.
- Marin Independent Journal article dated April 24, 2018, titled "Dick Spotswood – Chances of Marin sewage district consolidation are slim".
- Editorial in the Marin Independent Journal dated April 26, 2018 and titled: "Sewage agency consolidations require leadership".
- Novato Advance article dated May 2, 2018, titled "Grand Jury calls for consolidation – MARIN HAS TOO MANY SPECIAL DISTRICTS".

GENERAL MANAGER'S REPORT AND ANNOUNCEMENTS:

- Reports:
  - A thank-you card was received from Novato Clean and Green, thanking the District for its participation in the Novato Clean and Green Day, which took place on April 21<sup>st</sup>.
  - Veolia Water is in a management transition whereby Project Manager John Bailey and Pretreatment Programs Manager John O'Hare are sharing the duties of Project Manager.

- Announcements:

- The next Regular Board meeting is scheduled for June 11, 2018 at 5:30PM.

ADJOURNMENT: There being no further business to come before the Board, President Peters adjourned the meeting at 7:47 p.m.

Respectfully submitted,

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Sandeep Karkal  
Secretary

Julie Hoover, Recording

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

|  |   |
|--|---|
| <b>TITLE: Public Hearing: 2018-19 Sewer Service Charge Report, and Resolution Confirming Report on Sewer Service Charges</b>   | <b>MEETING DATE: June 11, 2018</b><br><br><b>AGENDA ITEMS NO.: 5.a.b.c.d., &amp; 6.a.</b> |
| <b>RECOMMENDED ACTION: Public Hearing, and adoption of Resolution No. 3122 confirming FY18-19 sewer service charge report and electing to collect on County tax rolls.</b>   |   |
| <b>SUMMARY AND DISCUSSION:</b><br><br><p>Upon completing the appropriate Proposition 218 requirements, the District Board, at its meeting of June 13, 2016, held a public hearing on, and thereafter adopted, Ordinance No. 120 titled “An Ordinance of the Novato Sanitary District Establishing Sewer Service Charges for Fiscal Years 2016-17, 2017-18, 2018-19, 2019-20, and 2020-21”.</p> <p>A copy of Ordinance No. 120 is provided for informational purposes, including its Attachment A – “Sewer Service Charge Schedule for Fiscal Years 2016-17, 2017-18, 2018-19, 2019-20, and 2020-21”.</p> <p>This public hearing of June 11, 2018 is to conduct the Hearing on the FY18-19 Sewer Service Charge report, and receive protests on individual sewer service charges on the sewer service charge report.</p> <p>Following the Hearing, the Board will consider adopting Resolution No. 3122 to collect the FY2018-19 Sewer Service Charges on the Marin County tax rolls. District staff will have the computerized database and the Sewer Service Charge report at the meeting so that anyone may request what their individual sewer service rate will be in the coming year and have an opportunity to protest.</p> <p>This public hearing of June 11, 2018 was “noticed” twice in the Marin Independent Journal (Marin IJ). A copy of the Proof of Publication is attached. Following the public hearing, the Board will consider adoption of Resolution No. 3122, “A Resolution Prescribing and Providing for the Collection of Sewer Service Charges for Novato Sanitary District on the Tax Rolls of the County of Marin for the Fiscal Year 2018-19”.</p> |   |
| <b>Attachments to this Item Summary:</b> <ol style="list-style-type: none"> <li>1. Copy of Ordinance No. 120 adopted June 13, 2016; provided for informational purposes.</li> <li>2. Draft Resolution No. 3122, for consideration and adoption at this meeting.</li> <li>3. Marin Independent Journal - Proof of Publication, Notice of Public Hearing; provided for informational purposes.</li> </ol>  |   |
| <b>BUDGET INFORMATION:</b> The Preliminary Budget for Fiscal Year 2018-19 estimates that the FY18-19 Sewer Service Charges will result in Operating Revenue of about \$10.15 million and Capital Revenue of about \$7.94 million, versus corresponding figures of \$9.69 million and \$7.75 million respectively for FY17-18.  |   |
| <b>DEPT. MGR.:</b> ssk   | <b>GENERAL MANAGER:</b> SSK   |

**ORDINANCE NO. 120**

**AN ORDINANCE OF THE NOVATO SANITARY DISTRICT  
ESTABLISHING SEWER SERVICE CHARGES  
FOR FISCAL YEARS 2016-17, 2017-18, 2018-19, 2019-20, 2020-21**

**WHEREAS**, the Novato Sanitary District has previously developed and instituted a Sewer Service Charge Program to finance the services and facilities furnished by the District, and

**WHEREAS**, Ordinance No. 111, adopted by the Board of Directors on August 6, 2007, set the sewer service charges through fiscal year 2009-2010 and the methodology for calculating the charges; and

**WHEREAS**, in adopting Ordinance No. 111, the Board relied on various studies and documents, which are available for inspection at the District offices; and

**WHEREAS**, Section 23 of Ordinance No. 111 provides that from time to time, when rates and charges are updated but there is no modification of methodology, the Board may modify rates and charges by adopting new tables; and

**WHEREAS**, Ordinance No. 116, adopted by the Board of Directors on June 25, 2012, set the sewer service charges through fiscal year 2015-16; and

**WHEREAS**, on Monday, the 13<sup>th</sup> day of June, 2016, at the hour of 6:00 p.m. at the regular meeting place of the District, 500 Davidson Street, Novato, California, the Board of Directors of the District heard and considered proposed sewer service charge increases for fiscal years 2016-2017 through 2020-2021, and the Secretary published a notice of said hearing once a week for two successive weeks with at least five days intervening between the respective publication dates, with the first publication being at least fourteen days prior to the date set for said hearing, in the Independent Journal, a newspaper of general circulation printed and published in the County; and

**WHEREAS**, the Board of Directors of the District has reviewed the present sewer service charge schedule and has determined that the residential Service Unit rate should be increased by an amount of \$21.00 for each of fiscal years 2016-17; 2017-18; 2018-19; 2019-20; and 2020-21. Non-residential rates will be increased proportionately based on square footage and variable water use charges; and

**WHEREAS**, in determining that the sewer service charges should be increased, the Board of Directors also considered the “2016 Sewer Rate Study” completed by Bartle Wells Associates and dated April 20, 2016; and

**WHEREAS**, the District will consider, at its regular meeting on June 13, 2016, whether to elect, pursuant to Section 5473 of the Health and Safety Code of the State of California, to have the sewer service charges, established pursuant to this Ordinance No. 120, collected on the tax roll of the County of Marin; and

**WHEREAS**, in adopting this Ordinance, the Board of Directors finds that:

- a. Written notices of the proposed increases in sewer service charges were sent by first class U.S. mail to every owner of property connected in the District at least 45 days prior to the Public Hearing on the proposed increases conducted on June 13, 2016.
- b. All proper protests submitted by property owners or occupants (one protest per parcel) against the proposed increases in the sewer service charges, including those provided in person or by U.S. mail or fax or e-mail, were considered and tallied at the public hearing conducted on June 13, 2016, and the District was not presented with protests by a majority of the owners of the identified parcels affected by this change.
- c. Based on the draft budget, the amount of the charges imposed does not exceed the proportional cost of the service attributable to the properties receiving service and the charges are imposed only on those properties actually receiving service or for those which service is immediately available.
- d. Adoption of this Ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21080(b)(8) and Section 15273 of the State CEQA Guidelines codified at 14 CCR §15273 because the Ordinance pertains to the adoption of charges necessary to maintain services within the District’s existing service area.

**NOW, THEREFORE, BE IT ORDAINED** by the Board of Directors of the Novato Sanitary District as follows:

**Section 1.** Table 1A, Table 1, and Table 2 of Section 4 of that certain ordinance entitled “Ordinance No. 111, An Ordinance of the Novato Sanitary District “Repealing District Ordinance No. 42, and Prescribing Rates and Charges for Sewage Disposal Service and Providing Procedures and

Penalties for its Enforcement”, passed by the Board of Directors of the Novato Sanitary District on August 6, 2007 are hereby amended as set forth in Attachment A to this Ordinance.

**Section 2.** The rates for residential customers in Table 1A of Attachment A reflect the inclusion of an annual collection fee of Two and 00/100 Dollars (\$2.00) per County Assessor’s parcel billed. For each non-residential parcel whose service charges are collected on the Marin County tax roll, an additional Two and 00/100 Dollars (\$2.00) fee also will be collected.

**Section 3.** Charges for users of the District’s sewer system set out in this Ordinance will be initiated for the fiscal year beginning July 1, 2016, and shall continue thereafter in effect until further action of the Board of Directors. To the extent this Ordinance No. 120, or the sewer service charges adopted herein, is challenged and set aside for any reason, Ordinance No. 116 and the preexisting 2015-16 sewer service charges adopted therein shall be immediately restored and will be effective until further action of the Board of Directors.

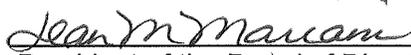
**Section 4.** Except as provided above, all of the balance of said Ordinance No. 111 shall remain in full force and effect.

**Section 5.** Upon adoption, this ordinance shall be entered in the minutes of the Novato Sanitary District Board, shall be published once in the Marin Independent Journal, a newspaper of general circulation published in the District, shall be posted in three (3) public places in the District, and shall take effect on July 1, 2016.

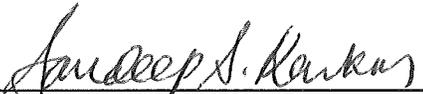
**PASSED AND ADOPTED** this 13<sup>th</sup> day of June, 2016, by the Board of Directors of the Novato Sanitary District by the following vote:

AYES:           Members:     Mariani, Peters, Dillon-Knutson, Long, Miller  
NOES:           Members:     None  
ABSENT:        Members:     None

SIGNED:

  
\_\_\_\_\_  
President of the Board of Directors  
Novato Sanitary District

COUNTERSIGNED:

  
\_\_\_\_\_  
Secretary of the Novato Sanitary District  
County of Marin, State of California

Approved as to Form:

  
\_\_\_\_\_  
Kenton L. Alm  
Counsel for the District

**ATTACHMENT A  
SEWER SERVICE CHARGE SCHEDULE FOR  
FISCAL YEARS 2016-17, 2017-18, 2018-19, 2019-20, 2020-21  
AND THEREAFTER UNTIL MODIFIED BY THE BOARD**

| Table 1A – Residential Rates, annual* | Current Charge | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|---------------------------------------|----------------|---------|---------|---------|---------|---------|
| 1 SU (Average Water Use)              | \$552          | \$573   | \$594   | \$615   | \$636   | \$657   |
| Low Water Use                         | \$332          | \$345   | \$357   | \$370   | \$382   | \$395   |
| High Water use                        | \$992          | \$1,030 | \$1,068 | \$1,105 | \$1,143 | \$1,181 |

\*Rates apply to equivalent dwelling units including, but not limited to, single family residential homes, and each unit of multi-family residential buildings. Includes \$2 County of Marin charge for collection on tax rolls.

Table 1 - Non-Residential Rates

Fixed Charge Per Square Foot  
Including flow factors

| User Type                | Floor Area Flow Factor | Current | FY2016/17 | FY2017/18 | FY2018/19 | FY2019/20 | FY2020/21 |
|--------------------------|------------------------|---------|-----------|-----------|-----------|-----------|-----------|
| Base Charge/square foot  | 1.0                    | \$0.23  | \$0.24    | \$0.25    | \$0.26    | \$0.27    | \$0.27    |
| Office                   | 1.0                    | 0.23    | 0.24      | 0.25      | 0.26      | 0.27      | 0.27      |
| Retail                   | 1.0                    | 0.23    | 0.24      | 0.25      | 0.26      | 0.27      | 0.27      |
| Public office buildings  | 1.0                    | 0.23    | 0.24      | 0.25      | 0.26      | 0.27      | 0.27      |
| School classrooms/admin  | 1.0                    | 0.23    | 0.24      | 0.25      | 0.26      | 0.27      | 0.27      |
| Churches                 | 1.0                    | 0.23    | 0.24      | 0.25      | 0.26      | 0.27      | 0.27      |
| Meeting halls w/kitchens | 1.0                    | 0.23    | 0.24      | 0.25      | 0.26      | 0.27      | 0.27      |
| Auto service stations    | 1.0                    | 0.23    | 0.24      | 0.25      | 0.26      | 0.27      | 0.27      |
| Supermarkets             | 1.0                    | 0.23    | 0.24      | 0.25      | 0.26      | 0.27      | 0.27      |
| Auditoriums theaters     | 1.0                    | 0.23    | 0.24      | 0.25      | 0.26      | 0.27      | 0.27      |
| Gymnasium w/showers      | 1.0                    | 0.23    | 0.24      | 0.25      | 0.26      | 0.27      | 0.27      |
| Hotels/motels (1)        | 1.0                    | 0.23    | 0.24      | 0.25      | 0.26      | 0.27      | 0.27      |
| Mortuary                 | 1.0                    | 0.23    | 0.24      | 0.25      | 0.26      | 0.27      | 0.27      |
| Medical offices          | 1.3                    | 0.30    | 0.31      | 0.32      | 0.33      | 0.35      | 0.36      |
| Veterinary offices       | 1.3                    | 0.30    | 0.31      | 0.32      | 0.33      | 0.35      | 0.36      |
| Dental offices           | 1.3                    | 0.30    | 0.31      | 0.32      | 0.33      | 0.35      | 0.36      |
| Hospitals                | 1.3                    | 0.30    | 0.31      | 0.32      | 0.33      | 0.35      | 0.36      |
| Cafeteria/dining area    | 2.0                    | 0.45    | 0.47      | 0.48      | 0.50      | 0.52      | 0.54      |
| Restaurants/cafes        | 2.0                    | 0.45    | 0.47      | 0.48      | 0.50      | 0.52      | 0.54      |
| Bakeries                 | 2.0                    | 0.45    | 0.47      | 0.48      | 0.50      | 0.52      | 0.54      |
| Ice cream/yogurt shops   | 2.0                    | 0.45    | 0.47      | 0.48      | 0.50      | 0.52      | 0.54      |
| Delicatessens            | 2.0                    | 0.45    | 0.47      | 0.48      | 0.50      | 0.52      | 0.54      |
| Laundry & laundromats    | 3.0                    | 0.68    | 0.71      | 0.73      | 0.76      | 0.78      | 0.81      |

(1) Not including restaurants

Note for Table 1: Warehouses, ministorage buildings and other storage buildings not connected to the sewers are not charged for sewer use.

Table 2 – Non-Residential Rates

Variable Charge  
(water use and strength factors)

| User Type                | Strength Factor | Current Charge | Charge Per Hundred Cubic Feet (1) |           |           |           |           |
|--------------------------|-----------------|----------------|-----------------------------------|-----------|-----------|-----------|-----------|
|                          |                 |                | FY2016/17                         | FY2017/18 | FY2018/19 | FY2019/20 | FY2020/21 |
| Base Charge/square foot  | 1.0             | \$3.00         | \$3.11                            | \$3.23    | \$3.34    | \$3.46    | \$3.57    |
| Office                   | 1.0             | 3.00           | 3.11                              | 3.23      | 3.34      | 3.46      | 3.57      |
| Retail                   | 1.0             | 3.00           | 3.11                              | 3.23      | 3.34      | 3.46      | 3.57      |
| Public office buildings  | 1.0             | 3.00           | 3.11                              | 3.23      | 3.34      | 3.46      | 3.57      |
| School classrooms/admin  | 1.0             | 3.00           | 3.11                              | 3.23      | 3.34      | 3.46      | 3.57      |
| Churches                 | 1.0             | 3.00           | 3.11                              | 3.23      | 3.34      | 3.46      | 3.57      |
| Auto service stations    | 1.0             | 3.00           | 3.11                              | 3.23      | 3.34      | 3.46      | 3.57      |
| Auditoriums theaters     | 1.0             | 3.00           | 3.11                              | 3.23      | 3.34      | 3.46      | 3.57      |
| Gymnasium w/showers      | 1.0             | 3.00           | 3.11                              | 3.23      | 3.34      | 3.46      | 3.57      |
| Hotels/motels (2)        | 1.0             | 3.00           | 3.11                              | 3.23      | 3.34      | 3.46      | 3.57      |
| Medical offices          | 1.0             | 3.00           | 3.11                              | 3.23      | 3.34      | 3.46      | 3.57      |
| Veterinary offices       | 1.0             | 3.00           | 3.11                              | 3.23      | 3.34      | 3.46      | 3.57      |
| Dental offices           | 1.0             | 3.00           | 3.11                              | 3.23      | 3.34      | 3.46      | 3.57      |
| Hospitals                | 1.0             | 3.00           | 3.11                              | 3.23      | 3.34      | 3.46      | 3.57      |
| Laundries & laundromats  | 1.4             | 4.20           | 4.36                              | 4.52      | 4.68      | 4.84      | 5.00      |
| Meeting halls w/kitchens | 1.4             | 4.20           | 4.36                              | 4.52      | 4.68      | 4.84      | 5.00      |
| Cafeteria/dining area    | 2.2             | 6.52           | 6.77                              | 7.02      | 7.26      | 7.51      | 7.76      |
| Restaurants/cafes        | 2.2             | 6.52           | 6.77                              | 7.02      | 7.26      | 7.51      | 7.76      |
| Supermarkets             | 2.2             | 6.52           | 6.77                              | 7.02      | 7.26      | 7.51      | 7.76      |
| Bakeries                 | 2.2             | 6.52           | 6.77                              | 7.02      | 7.26      | 7.51      | 7.76      |
| Ice cream/yogurt shops   | 2.2             | 6.52           | 6.77                              | 7.02      | 7.26      | 7.51      | 7.76      |
| Delicatessens            | 2.2             | 6.52           | 6.77                              | 7.02      | 7.26      | 7.51      | 7.76      |
| Mortuary                 | 2.2             | 6.52           | 6.77                              | 7.02      | 7.26      | 7.51      | 7.76      |

(1) One hundred cubic foot is 748 gallons. Charges based on historical winter water consumption.

(2) Not including restaurants

Notes for Table 2: The annual volume of water use in hundred cubic feet/year is calculated based on the average winter water use. (Winter bimonthly water use x 6 = annual volume of water use.)

Warehouses, ministorage buildings and other storage buildings not connected to the sewers are not charged for sewer use.

**DRAFT RESOLUTION NO. 3122**

**A RESOLUTION CONFIRMING SEWER SERVICE CHARGE REPORT  
AND COLLECTION OF SEWER SERVICE CHARGES FOR  
NOVATO SANITARY DISTRICT  
ON THE COUNTY OF MARIN TAX ROLLS  
FOR FISCAL YEAR FY2018-19**

**RESOLVED**, by the Board of Directors of the Novato Sanitary District, Marin County, California, that:

**WHEREAS**, The District does hereby elect, pursuant to Section 5473 of the Health and Safety Code of the State of California, to have the sewer service charges for the fiscal year 2018-19, established by said District, collected on the tax roll of the County of Marin, State of California, in the manner provided pursuant to Sections 5471 through 5473.11 of the Health and Safety Code of the State of California.

**WHEREAS**, Monday, the 11<sup>th</sup> day of June, 2018, at the hour of 5:30 p.m. at the regular meeting place of said District, Novato Sanitary District, 500 Davidson Street, Novato, California, was fixed as the time and place for hearing on the sewer service charge report filed with the Secretary of this District, pursuant to law, and the Secretary published a notice of said hearing and of the filing of said report, once a week for two successive weeks with at least five days intervening between the respective publication dates, with the first publication being at least fourteen days prior to the date set for said hearing, in the Marin Independent Journal, a newspaper of general circulation printed and published in the County.

**WHEREAS**, notice was given of the time therein stated in the manner provided by law as appears by the affidavits of publication on file in the office of the Secretary of said District;

**WHEREAS**, said matter came on regularly for hearing at the time fixed; and

**WHEREAS**, there were no written or oral protests in placing the sewer service charges on the tax roll;

**NOW, THEREFORE, IT IS ORDERED**, as follows:

1. That objections to and protests against said report were not made by the owners of a majority of the separate parcels of property described in the report against which charges for the services and facilities provided by the District were fixed.
2. No objections to, or protests against, said report were made at the hearing.
3. That said report be, and it is hereby, adopted in full as revised, changed, reduced or modified by the Board, and that said charges shall be collected on the tax roll of the County of Marin, in the manner provided by law.
4. That the Secretary of this District be, and he is hereby, directed to timely file a copy of said report with the Director of Finance of Marin County upon which shall be endorsed, over his signature, a statement that the report has been finally adopted by the Board of Directors of the Novato Sanitary District.
5. The Director of Finance of Marin County shall, upon receipt of said report, enter the amounts of the charges against the respective lots or parcels as they appear on the assessment roll for the fiscal year 2018-19.
6. For premises connected to the sewer system of the District, the average sewer service rate per Service Unit or SU (or Single Family Unit or SFU; or Equivalent Dwelling Unit or EDU) for fiscal year 2018-19 shall be **SIX HUNDRED AND FIFTEEN AND 00/100 DOLLARS (\$615.00)** as established by Novato Sanitary District Ordinance No. 120 adopted June 13, 2016. Said rate shall be subject to modification and change, from time to time, as may be required to permit the District to meet State and Federal revenue program guidelines and as the total number of Service Units and the budgetary requirements of the District change. Service Charges shall be calculated for various sewer user categories as described in Ordinance No. 111, and Ordinance No. 120 (including Tables 1A, 1, and 2).

---

Adoption Date: 06/11/2018

For all users whose service charges are collected on the Marin County tax roll, the fiscal year 2018-19 sewer service rate includes a County collection fee of **TWO AND 00/100 DOLLARS (\$2.00)** per County Assessor's parcel billed.

\* \* \* \* \*

I hereby certify that the foregoing resolution was duly and regularly passed and adopted by the Board of Directors of the Novato Sanitary District, Marin County, California, at a meeting thereof duly held on the 11<sup>th</sup> day of June 2018, by the following vote:

AYES, and in favor thereof, Directors:

NOES, Directors:

ABSENT, Directors:

\_\_\_\_\_  
A. Gerald Peters  
President, Novato Sanitary District

COUNTERSIGNED:

\_\_\_\_\_  
Sandeep Karkal  
Secretary, Board of Directors  
Novato Sanitary District

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Adoption Date: 06/11/2018

**Marin Independent Journal**

4000 Civic Center Drive, Suite 301  
San Rafael, CA 94903  
415-382-7335  
legals@marinij.com

2071871

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

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

**STATE OF CALIFORNIA  
County of Marin**

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

**05/21/2018, 05/28/2018**

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

Dated this 29th day of May, 2018.

*Donna Lazarus*

Signature

**PROOF OF PUBLICATION**

Legal No. **0006156807**

**NOVATO SANITARY DISTRICT  
NOTICE OF PUBLIC HEARING  
SEWER SERVICE CHARGES 2018-19**

**NOTICE IS HEREBY GIVEN** that pursuant to Section 5474 et seq. of the Health and Safety Code of the State of California, the Board of Directors of the NOVATO SANITARY DISTRICT has, by ordinance, adopted its sewer service charges through fiscal year 2020-21 and stated its intent to collect its charges on the tax roll in the same manner as its general taxes. The NOVATO SANITARY DISTRICT has caused to be filed with its Secretary a written report containing a description of each parcel of real property receiving sanitary sewerage service from said District and the anticipated amount of charges for each such parcel.

**NOTICE IS FURTHER GIVEN** that on Monday, the 11th day of June, 2018, at the hour of 5:30 p.m. at the regular meeting place of the District, Novato Sanitary District, 500 Davidson Street, Novato, California, said Board will hear and consider all protests and objections to said report.

By order of the Board of Directors of the Novato Sanitary District.

Dated: May 14, 2018

/s/ Sandeep S. Karkal

Sandeep Karkal  
Secretary, Novato Sanitary District

Publish: May 21 and May 28, 2018  
No. 642

# Novato Sanitary District Board Fees Check Register

For May 2018

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| Date                 | Num  | Name                    | Credit                 |
|----------------------|------|-------------------------|------------------------|
| <b>Jun 1 - 8, 18</b> |      |                         |                        |
| 06/08/2018           | 5521 | Dillon-Knutson-, Carole | 615.57                 |
| 06/08/2018           | 5522 | Long, William C         | 521.58                 |
| 06/08/2018           | 5523 | Mariani, Jean M         | 501.58                 |
| 06/08/2018           | 5524 | Miller, Brant           |                        |
| 06/08/2018           | 5525 | Peters, Arthur Gerald   | 401.58                 |
| <b>Jun 1 - 8, 18</b> |      |                         | <b><u>2,040.31</u></b> |

# Novato Sanitary District Operating Check Register

May 29, 2018

| Date              | Num   | Name                                 | Credit           |
|-------------------|-------|--------------------------------------|------------------|
| <b>May 29, 18</b> |       |                                      |                  |
| 05/29/2018        | 61835 | Citi Visa (Costco)                   | 10,324.40        |
| 05/29/2018        | 61856 | Rauch Communication Consultant...    | 7,983.43         |
| 05/29/2018        | 61859 | WaterSavers Irrigation Inc.          | 5,110.49         |
| 05/29/2018        | 61849 | Leonardi Automotive & Electric, Inc. | 3,149.49         |
| 05/29/2018        | 61838 | Diego Truck Repair Inc.              | 2,459.82         |
| 05/29/2018        | 61834 | Caltest Analytical Lab Inc.          | 2,072.05         |
| 05/29/2018        | 61848 | Leak Detection Pros Inc              | 2,000.00         |
| 05/29/2018        | 61839 | ERA                                  | 1,792.77         |
| 05/29/2018        | 61833 | Calcon Systems, Inc.                 | 1,571.50         |
| 05/29/2018        | 61858 | Veolia Water Recycled Water Oper.    | 1,377.02         |
| 05/29/2018        | 61847 | IEDA, INC                            | 1,184.00         |
| 05/29/2018        | 61851 | North Marin Water District Payroll   | 763.00           |
| 05/29/2018        | 61853 | Pace Supply, Inc.                    | 705.25           |
| 05/29/2018        | 61843 | Frontier California Inc EQ           | 577.89           |
| 05/29/2018        | 61832 | Cagwin & Dorward Inc.                | 448.00           |
| 05/29/2018        | 61845 | Health Promotions Now                | 410.40           |
| 05/29/2018        | 61860 | WECO                                 | 403.76           |
| 05/29/2018        | 61828 | B.W.S. Distributors, Inc.            | 365.72           |
| 05/29/2018        | 61842 | Fishman Supply Company               | 306.29           |
| 05/29/2018        | 61830 | BoundTree Medical, LLC               | 272.55           |
| 05/29/2018        | 61836 | Claremont EAP, Inc.                  | 250.00           |
| 05/29/2018        | 61829 | Batteries Plus Inc                   | 244.07           |
| 05/29/2018        | 61844 | Grainger                             | 209.22           |
| 05/29/2018        | 61827 | Able Tire & Brake Inc.               | 168.00           |
| 05/29/2018        | 61846 | IDEXX Distributing Corp.             | 164.34           |
| 05/29/2018        | 61857 | Ray Morgan, formerly Ricoh           | 151.76           |
| 05/29/2018        | 61850 | North Marin Water District           | 122.50           |
| 05/29/2018        | 61840 | Federal Express                      | 105.36           |
| 05/29/2018        | 61837 | Datco Billing Inc.                   | 54.50            |
| 05/29/2018        | 61831 | Buck's Saw Service, Inc.             | 47.62            |
| 05/29/2018        | 61841 | First Alarm                          | 41.11            |
| 05/29/2018        | 61855 | Petty Cash                           | 36.68            |
| 05/29/2018        | 61854 | Pacific, Gas & Electric              | 18.98            |
| 05/29/2018        | 61852 | O'Reilly Auto Parts                  | 11.91            |
| <b>May 29, 18</b> |       |                                      | <b>44,903.88</b> |

# Novato Sanitary District Operating Check Register

June 11, 2018

| Date              | Num   | Name                                  | Credit                   |
|-------------------|-------|---------------------------------------|--------------------------|
| <b>Jun 11, 18</b> |       |                                       |                          |
| 06/11/2018        | 61892 | Veolia Water North America, Inc.      | 174,642.16               |
| 06/11/2018        | 61886 | PARS-PSRP-Post Employment Be...       | 30,726.57                |
| 06/11/2018        | 61893 | Veolia Water North America, Lab       | 29,612.27                |
| 06/11/2018        | 61869 | California Diesel & Power             | 15,270.54                |
| 06/11/2018        | 61874 | Johnson, Dee                          | 8,910.00                 |
| 06/11/2018        | 61894 | Veolia Water Recycled Water Oper.     | 8,867.83                 |
| 06/11/2018        | 61882 | Nute Engineering Inc.                 | 7,320.50                 |
| 06/11/2018        | 61885 | PARS-OPEB-Post Employment Be...       | 6,782.75                 |
| 06/11/2018        | 61878 | Miksis Services Inc                   | 3,000.00                 |
| 06/11/2018        | 61884 | Pace Supply, Inc.                     | 2,369.70                 |
| 06/11/2018        | 61879 | National Blinds & Flooring, Inc.      | 2,240.00                 |
| 06/11/2018        | 61868 | Cagwin & Dorward Inc.                 | 2,004.00                 |
| 06/11/2018        | 61877 | Meyers, Nave, Riback, Silver & Wil... | 1,475.00                 |
| 06/11/2018        | 61875 | Linscott Engineering Contractors Inc  | 1,179.17                 |
| 06/11/2018        | 61881 | North Marin Water District            | 1,083.73                 |
| 06/11/2018        | 61873 | Jan-Pro Cleaning Systems              | 1,005.00                 |
| 06/11/2018        | 61861 | Alliant Insurance Services, Inc       | 950.00                   |
| 06/11/2018        | 61889 | Steven Engineering Inc.               | 898.98                   |
| 06/11/2018        | 61862 | Alpha Analytical Lab, Inc.            | 888.00                   |
| 06/11/2018        | 61887 | Pini Hardware                         | 574.24                   |
| 06/11/2018        | 61895 | Vision Service Plan                   | 553.94                   |
| 06/11/2018        | 61888 | Recology Sonoma Marin                 | 511.87                   |
| 06/11/2018        | 61876 | MarinScope Inc.                       | 495.00                   |
| 06/11/2018        | 61867 | BoundTree Medical, LLC                | 466.56                   |
| 06/11/2018        | 61871 | Grainger                              | 378.40                   |
| 06/11/2018        | 61896 | VWR International Inc.                | 371.79                   |
| 06/11/2018        | 61865 | B.W.S. Distributors, Inc.             | 290.21                   |
| 06/11/2018        | 61891 | UniFirst Corporation                  | 232.83                   |
| 06/11/2018        | 61890 | U.S. Bank Equipment Finance           | 218.63                   |
| 06/11/2018        | 61866 | Barnett Medical LLC                   | 135.00                   |
| 06/11/2018        | 61864 | AT&T Mobility                         | 64.00                    |
| 06/11/2018        | 61863 | American Messaging                    | 59.07                    |
| 06/11/2018        | 61872 | Integrity Shred LLC                   | 50.00                    |
| 06/11/2018        | 61880 | National Notary Association           | 33.00                    |
| 06/11/2018        | 61883 | O'Reilly Auto Parts                   | 21.68                    |
| 06/11/2018        | 61870 | EEC                                   | 16.01                    |
| <b>Jun 11, 18</b> |       |                                       | <b><u>303,698.43</u></b> |

# Novato Sanitary District Capital Projects Check Register

May 29, 2018

---

| Date              | Num  | Name                                 | Credit                  |
|-------------------|------|--------------------------------------|-------------------------|
| <b>May 29, 18</b> |      |                                      |                         |
| 05/29/2018        | 3281 | Covello Group, The                   | 16,820.00               |
| 05/29/2018        | 3283 | Linscott Engineering Contractors ... | 5,330.47                |
| 05/29/2018        | 3282 | Lateral-Forrester                    | 2,000.00                |
| <b>May 29, 18</b> |      |                                      | <b><u>24,150.47</u></b> |

# Novato Sanitary District Capital Projects Check Register

June 11, 2018

---

| Date              | Num  | Name                                 | Credit                   |
|-------------------|------|--------------------------------------|--------------------------|
| <b>Jun 11, 18</b> |      |                                      |                          |
| 06/11/2018        | 3289 | Pacific Infrastructure Corporation   | 116,204.95               |
| 06/11/2018        | 3290 | Woodard & Curran formerly RMC        | 52,974.41                |
| 06/11/2018        | 3284 | Covello Group, The                   | 16,990.00                |
| 06/11/2018        | 3288 | Pacific Infrastructure Corp - Escrow | 6,116.05                 |
| 06/11/2018        | 3285 | GHD Inc.                             | 3,453.00                 |
| 06/11/2018        | 3286 | Lateral-Garcia                       | 2,000.00                 |
| 06/11/2018        | 3287 | Nute Engineering Inc.                | 1,886.00                 |
| <b>Jun 11, 18</b> |      |                                      | <b><u>199,624.41</u></b> |

**Novato Sanitary District  
Payroll and Payroll Related Disbursements  
May - 2018**

Item 7.b.

| Date                        | Description                        | Amount                   |
|-----------------------------|------------------------------------|--------------------------|
| 05/31/2018                  | April Payroll                      | 115,641.41               |
| 05/31/2018                  | United States Treasury             | 20,823.15                |
| 05/31/2018                  | EDD                                | 7,340.48                 |
| 05/23/2018                  | CalPERS Health                     | 32,401.93                |
| 05/23/2018                  | April - Retirees Health Benefits   | 16,098.06                |
| 05/23/2018                  | Deltal Dental                      | 3,189.34                 |
| 05/23/2018                  | Dearborn National                  | 2,815.58                 |
| 05/23/2018                  | PARS-OPEB Contribution             | 6,782.75                 |
| 05/23/2018                  | PARS-Pension Contribution          | 30,726.57                |
| 05/23/2018                  | CALPERS Retirement                 | 11,139.55                |
| 05/23/2018                  | CALPERS Retirement                 | 8,484.04                 |
| 05/23/2018                  | CalPers Supplemental Income Plan   | 2,000.00                 |
| 05/23/2018                  | Lincoln Financial Group 457        | 8,320.37                 |
| 05/23/2018                  | Lincoln Financial Group 457 Roth   | 0.00                     |
| 05/23/2018                  | Lincoln Financial Group-401a Plan  | 8,257.44                 |
| 05/23/2018                  | Local Union 315                    | 580.00                   |
| 05/23/2018                  | California State Disbursement Unit | 571.00                   |
| 05/23/2018                  | ICMA-RC Retiree Health Program     | 1,441.72                 |
| <b>Total for April 2018</b> |                                    | <b><u>276,613.39</u></b> |

**Novato Sanitary District**  
**Deposit Detail**  
May 2018

Item 7.c.  
(Pages 29 to 30)

| Date              | Name                               | Account                                 | Amount     |
|-------------------|------------------------------------|---|------------|
| <b>05/01/2018</b> |                                    | <b>11113 · Westamerica - Operations</b> |            |
|                   | County of Marin                    | 51015 · Property Taxes                  | 71,791.78  |
|                   | Ben Franklin Plumbing              | 41040 · Permit & Inspection Fee         | 60.00      |
|                   | North Marin Water District-        | 11200 - Accounts Receivable (1)         | 3,085.69   |
| TOTAL             |                                    |   | 74,937.47  |
| <b>05/09/2018</b> |                                    | <b>11113 · Westamerica - Operations</b> |            |
| TOTAL             | USCG-Finance Center                | 11200 - Accounts Receivable             | 15,342.70  |
| <b>05/15/2018</b> |                                    | <b>11113 · Westamerica - Operations</b> |            |
|                   | Sewer Connection                   | 41040 · Permit & Inspection Fee         | 40.00      |
|                   | Peter Levi Plumbing                | 41040 · Permit & Inspection Fee         | 40.00      |
|                   | Roto Rooter                        | 41090 · Non-domestic Permit Fees        | 85.00      |
|                   | Gagne Brothers                     | 41040 · Permit & Inspection Fee         | 40.00      |
|                   | CSRMA                              | 66100 · Engineering Supplies (2)        | 213.74     |
|                   | CSRMA                              | 60085 · Safety (2)                      | 511.10     |
|                   | CSRMA                              | 60100 · Operating Supplies (2)          | 1,004.97   |
|                   | Sewer Works Inc                    | 41040 · Permit & Inspection Fee         | 40.00      |
|                   | County of Marin                    | 51015 · Property Taxes                  | 10,023.92  |
|                   | County of Marin                    | 51015 · Property Taxes                  | 36.08      |
|                   | County of Marin                    | 51015 · Property Taxes                  | 5,309.88   |
|                   | SMART-                             | 11200 - Accounts Receivable             | 269.43     |
|                   | North Marin Water District-        | 11200 - Accounts Receivable (1)         | 5,010.25   |
|                   | Roy's Sewer Service, Inc.-         | 11200 - Accounts Receivable (3)         | 1,033.06   |
| TOTAL             |                                    |   | 23,657.43  |
| <b>05/22/2018</b> |                                    | <b>11113 · Westamerica - Operations</b> |            |
|                   | Ben Franklin Plumbing              | 41040 · Permit & Inspection Fee         | 40.00      |
|                   | Scan Auto                          | 41040 · Permit & Inspection Fee         | 40.00      |
|                   | Collins, Seamus                    | 41040 · Permit & Inspection Fee         | 40.00      |
|                   | Postage                            | 66090 · Office Expense                  | 37.00      |
|                   | Deasy, Craig-                      | 11200 - Accounts Receivable             | 511.23     |
|                   | Central Marin Sanitation District- | 11200 - Accounts Receivable (4)         | 6,877.77   |
| TOTAL             |                                    |   | 7,546.00   |
| <b>05/22/2018</b> |                                    | <b>11113 · Westamerica - Operations</b> |            |
|                   | Zaragoza Plumbing                  | 41040 · Permit & Inspection Fee         | 40.00      |
|                   | Roto Rooter                        | 11200 - Accounts Receivable (3)         | 568.48     |
|                   | Veolia Water                       | 11200 - Accounts Receivable (5)         | 6,208.45   |
| TOTAL             |                                    |   | 6,816.93   |
| <b>05/24/2018</b> |                                    | <b>11113 · Westamerica - Operations</b> |            |
| TOTAL             | Recology                           | 11200 - Accounts Receivable (6)         | 120,825.50 |

## Novato Sanitary District Deposit Detail May 2018

|   |   |                   |
|---|---|-------------------|
| <b>05/29/2018</b>   | <b>11113 · Westamerica - Operations</b> |                   |
| BSP Rowland Partners  | 41040 · Permit & Inspection Fee         | 60.00             |
| BSP Rowland Partners  | 51020 · Connection Charges              | 36,367.50         |
| Creamer, Laura  | 66090 · Office Expense                  | 8.05              |
| Roto Rooter   | 41040 · Permit & Inspection Fee         | 40.00             |
| County of Marin   | 51015 · Property Taxes                  | 41.00             |
| County of Marin   | 51015 · Property Taxes                  | 3,528.58          |
| County of Marin   | 51015 · Property Taxes                  | 5,273.85          |
| delongh, Dasse-   | 11200 - Accounts Receivable             | 75.18             |
| Foged, Larry -  | 11200 - Accounts Receivable             | 205.00            |
| <b>TOTAL</b>  |   | <b>45,599.16</b>  |
| <b>05/31/2018</b>   | <b>11113 · Westamerica - Operations</b> |                   |
| Home Doctors, Inc.  | 41040 · Permit & Inspection Fee         | 25.00             |
| Shaw, Tom   | 41040 · Permit & Inspection Fee         | 40.00             |
| Sandbank Construction   | 41030 · Plan Check & Inspection Fee     | 1,905.00          |
| Sandbank Construction   | 51020 · Connection Charges              | 4,476.00          |
| <b>TOTAL</b>  |   | <b>6,446.00</b>   |
| <b>Total Deposits</b>   |   | <b>301,171.19</b> |
| <p>(1) Collection of Recycled Water Facility billing for January and February 2018 from North Marin Water District.</p> <p>(2) Received reimbursements for Safety expenditures through CSRMA Safety Grant program and Health &amp; Wellness.</p> <p>(3) Collection on receivable for Septic Haulers invoices.</p> <p>(4) Received reimbursement from Central Marin Sanitation Agency for Safety Officer time and expenses on joint safety program.</p> <p>(5) Collection of Veolia Water third quarter invoice for reimburseable expenses.</p> <p>(6) Collection of fourth quarter billing for AB939 Hazardous household waste fees and second half of franchise fee for FY17-18 from Recology.</p> |   |                   |

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

|   |  |
|---|--|
| <b>TITLE: Consent Calendar: Biofilter Media Replacement - Account No. 73004 (Odor Control &amp; NTP Landscaping)</b>  | <b>MEETING DATE: June 11, 2018</b><br><br><b>AGENDA ITEM NO.: 7.e.</b> |
| <b>RECOMMENDED ACTION: Approve a contract in the not-to-exceed amount of \$49,300 with Cagwin &amp; Dorward Landscape Contractors (C&amp;D), and authorize the General Manager-Chief Engineer to execute it.</b>  |  |
| <b>SUMMARY AND DISCUSSION:</b><br><br><p>To ensure optimal performance of the District’s odor control biofilters located at the Novato Treatment Plant, it is necessary to periodically change out the media. Earlier this year, the District’s treatment plant operator, i.e. Veolia Water, contracted with C&amp;D to perform media exchange in the biofilter that serves Primary Clarifier No. 1 (PC-1). Based on experience gained from the change-out of the PC-1 biofilter media, staff developed a project to change out the media in the large biofilter that serves the Headworks and Primary Clarifier No. 2 (PC-2).</p> <p>Staff has negotiated a scope of services with C&amp;D on a time-and-materials basis in the not-to-exceed amount of \$49,300 to accomplish the media change-out work. The primary tasks associated with work under the contract include removal of the existing media with equipment, hauling and dumping of existing media, and placement of new media. Staff has determined that the negotiated not to exceed amount is commensurate with the level of effort, and therefore recommends that the Board approve a contract with C&amp;D in the not-to-exceed amount of \$49,300 and authorize the General Manager-Chief Engineer to execute it.</p> |  |
| <b>STRATEGIC PLAN INFORMATION:</b> This item addresses Goal 1 (Operational Excellence), and Goal 2 (Reliable and Efficient Facilities), of the latest Strategic Plan Update.  |  |
| <b>BUDGET INFORMATION:</b> This work will be funded from Account No. 73004 – Odor Control and NTP Landscaping. The FY17-18 budget amount for this account is \$50,000. As of June 4, 2018, the budget balance for this account is \$50,000, and there are no other known commitments or related expenditures for Account No. 73004 at this time.  |  |
| <b>DEPT. MGR.: EB</b>   | <b>GENERAL MANAGER: SSK</b>  |

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

|  |  |
|--|--|
| <b>TITLE: Solid Waste Committee - Meeting Report, May 2018.</b>  | <b>MEETING DATE: June 11, 2018</b><br><br><b>AGENDA ITEM NO.: 8.a.</b> |
| <b>RECOMMENDED ACTION:</b> Receive report and recommendation to adopt preliminary Solid and Household Hazardous Waste (HHW) operating budget for FY18-20.  |  |
| <b>SUMMARY AND DISCUSSION:</b><br><br><p>The Solid Waste Committee held its meeting on May 29, 2018. Solid Waste Board Committee members Mariani and Peters attended.</p> <p>The District's Solid and Household Hazardous Waste (HHW) coordinator Ms. Dee Johnson of DLJ Associates was present.</p> <p>A copy of the Solid Waste Committee agenda packet is attached.</p> <p>Ms. Johnson reviewed the preliminary FY18-20 Solid and HHW operating budget with the Committee. The Committee discussed a number of items relating to this preliminary budget including the projected year-over-year increase in anticipated contractor costs in Account No. 67500 - Household Hazardous Waste, budget amounts for outreach to businesses and schools, and the increased participation rate in the HHW events. Ms. Johnson also briefly discussed the provided budget narrative with its summary discussion of projected revenues and expenditures.</p> <p>Upon close of discussion, the Committee unanimously agreed on a recommendation to the full Board of Directors to adopt the preliminary FY18-20 Solid and HHW operating budget at the Board's June 11, 2018 meeting.</p> |  |
| <b>ATTACHMENTS:</b><br>1. Agenda Packet for Solid Waste Committee meeting of May 29, 2018.   |  |
| <b>STRATEGIC PLAN INFORMATION:</b> This item addresses Goal 1 (Operational Excellence), Goal 3 (Alignment and Communications), and Goal 4 (Well Planned Finances with a Long Range Outlook) of the latest Strategic Plan Update.   |  |
| <b>DEPT. MGR.:</b> dlj, ssk  | <b>GENERAL MANAGER:</b> SSK  |

# NOVATO SANITARY DISTRICT

## Solid Waste Committee

Meeting Date: May 29, 2018

The Solid Waste Committee of Novato Sanitary District will hold a meeting at 3:00pm, Tuesday, May 29, 2018 at the District offices, 500 Davidson Street, Novato CA.

*Materials related to items on this agenda that are public records, are available for public inspection in the District Office, 500 Davidson Street, Novato, during normal business hours. They are also available on the District's website: [www.novatosan.com](http://www.novatosan.com). Note: All times and order of consideration for agenda items are for reference only. The Committee may consider item(s) in a different order than set forth herein.*

## AGENDA

### 1. APPROVE AGENDA:

### 2. 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 Committee at this time as a result of any public comments made.*

### 3. ANNUAL SOLID AND HOUSEHOLD HAZARDOUS WASTE (S&HHW) PROGRAMS BUDGET:

- a. Review FY18-20 Preliminary S&HHW budget, and subject to minor changes and edits, recommend its adoption by the District Board of Directors.

### 4. ADJOURN:

*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 SOLID WASTE COMMITTEE AGENDA ITEM SUMMARY

|  |   |
|--|---|
| <b>TITLE: Solid Waste Committee: Fiscal Year (FY) 18-20 Preliminary Solid and Household Hazardous Waste (S&amp;HHW) Budget.</b>  | <b>MEETING DATE: May 29, 2018</b><br><br><b>AGENDA ITEM NO.: 3.a.</b> |
| <b>RECOMMENDED ACTION: Review FY18-20 Preliminary S&amp;HHW budget, and subject to minor changes and edits, recommend its adoption by the Board of Directors.</b>  |   |
| <b>SUMMARY AND DISCUSSION:</b><br><br><p>At the May 21, 2018 Board meeting, staff presented the District’s preliminary Budget for Fiscal Years 2018-20 to the Board.</p> <p>The Solid Waste Committee (Committee) is being presented the proposed preliminary S&amp;HHW budget for the Committee’s review, and subject to minor changes and edits, requested to present its recommendation for adoption to the full Board.</p> <p>The preliminary S&amp;HHW budget and budget narrative are attached for the Solid Waste Committee’s review. Staff suggests that the Committee review these items, and subject to minor changes and edits, recommend the preliminary Solid Waste budget for adoption by the full Board at its June 11, 2018 meeting.</p> |   |
| <b>ATTACHMENTS:</b> <ol style="list-style-type: none"> <li>1. Preliminary Solid and Household Hazardous Waste budget, Fiscal Years FY2018-20.</li> <li>2. Proposed Preliminary FY2018-2020 Solid and Household Hazardous Waste (HHW) Programs Budget Narrative.</li> </ol>   |   |
| <b>DEPT. MGR.:</b> dlj, ssk  | <b>GENERAL MANAGER:</b> SSK   |

**AB939 SOLID, ZERO WASTE AND HAZARDOUS WASTE BUDGET  
FY 2018/2019 AND 2019/2020 PROPOSED BUDGET**

| <b>EXPENDITURES</b>                                   |   | <b>Budget</b>       | <b>Budget</b>       | <b>Expenditures</b> | <b>Projected</b>    | <b>Proposed</b>     | <b>Preliminary</b>  |
|---|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Account</b>  | <b>Program</b>                                    | <b>FY2016/2017</b>  | <b>FY2017/2018</b>  | <b>Thru</b>         | <b>Expenditures</b> | <b>Budget</b>       | <b>Budget</b>       |
|   |   |                     |                     | <b>March 2018</b>   | <b>FY2017/2018</b>  | <b>FY2018/2019</b>  | <b>FY2019/2020</b>  |
| 67400   | Management Services                               | \$134,750.00        | \$138,118.00        | \$66,652.00         | \$100,555.00        | \$142,464.00        | \$146,025.00        |
| 67500   | Household Hazardous Waste & E-Waste               | \$220,000.00        | \$242,500.00        | \$157,208.00        | \$255,000.00        | \$260,000.00        | \$265,000.00        |
| 67530   | Used Oil and Beverage Container grant programs    | \$22,537.00         | \$22,537.00         | \$128.00            | \$22,537.00         | \$22,537.00         | \$22,537.00         |
| 67540   | Outreach/Publicity/Education                      | \$23,500.00         | \$21,000.00         | \$6,563.00          | \$21,000.00         | \$23,500.00         | \$23,500.00         |
| 67600   | Other   | \$5,000.00          | \$5,000.00          | \$0.00              | \$5,000.00          | \$5,000.00          | \$5,000.00          |
| 67610   | City AB939 Admin Services                         | <u>\$10,000.00</u>  | <u>\$10,000.00</u>  | <u>\$0.00</u>       | <u>\$10,000.00</u>  | <u>\$10,000.00</u>  | <u>\$10,000.00</u>  |
| <b>TOTAL AB939 SOLID/HAZARDOUS WASTE EXPENDITURES</b> |   | <b>\$415,787.00</b> | <b>\$439,155.00</b> | <b>\$230,551.00</b> | <b>\$414,092.00</b> | <b>\$463,501.00</b> | <b>\$472,062.00</b> |
| <br>  |   |                     |                     |                     |                     |                     |                     |
| <b>REVENUES</b>                                       |   |                     |                     |                     |                     |                     |                     |
|   | AB939 Solid Waste Fees                            | \$354,134.00        | \$376,426.00        | \$376,426.00        | \$376,426.00        | \$400,772.00        | \$409,333.00        |
|   | Used Oil Grant                                    | \$15,060.00         | \$15,060.00         | \$14,813.00         | \$14,813.00         | \$15,060.00         | \$15,060.00         |
|   | Beverage Container Recycling Grant                | \$13,836.00         | \$13,930.00         | \$13,930.00         | \$13,930.00         | \$13,930.00         | \$13,930.00         |
|   | JPA reimbursement & self haul fees                | \$32,757.00         | \$33,739.00         | \$33,739.00         | \$33,739.00         | \$33,739.00         | \$33,739.00         |
|   | <b>TOTAL AB939 SOLID/HAZARDOUS WASTE REVENUES</b> | <b>\$415,787.00</b> | <b>\$439,155.00</b> | <b>\$438,908.00</b> | <b>\$438,908.00</b> | <b>\$463,501.00</b> | <b>\$472,062.00</b> |

**Novato Sanitary District  
Proposed Preliminary FY 2018-2020  
Solid and Household Hazardous Waste (S&HHW) Programs  
Budget Narrative**

Below is the narrative for the proposed preliminary budget for the Solid and Household Hazardous Waste (S&HHW) programs for FY 2018/2019 and estimated FY2019/2020.

**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, chairing and attending Local Task Force meetings, attending JPA meetings, managing Zero Waste programs, monitoring legislation, coordinating with Recology staff 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.

Staff time in FY2018/2019 will continue to be dedicated to HHW programs, including E-Waste events, as well as outreach and education at commercial establishments, multi-family properties and schools. Outreach will focus on organics diversion, as required under AB 1826 and SB1383 the state mandatory organics diversion laws. Ongoing outreach includes participating in community events, school assemblies and working with CalRecycle and Recology on mandatory recycling and organics diversion requirements, Zero Waste issues and HHW programs. Expenditures are also included for consulting services to study and plan for move of the HHW facility to a new location.

67500 – Household Hazardous Waste. Expenditures include contractor costs for the HHW facility, E-Waste events and ongoing maintenance of the HHW facility including any necessary repairs and signage.

Estimated expenditures for the HHW program contractor costs continue to increase due to increased participation and expanding hazardous waste streams. In 2017, participation at the HHW facility increased over 12% from 2016 – the highest participation ever at the facility. Since 2010, participation at the HHW Facility has increased by over 100%. This increased participation results 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 still does not accept many types of paints and related products, such as spray paints, which account for a significant portion of our waste stream. In addition, increased participation and detailed sorting required by the Paintcare program has increased labor costs. With higher participation in the program, HHW contractor costs will continue to increase in FY2018/2019 and beyond. Also maintained in FY2018/2019 budget are expenditures for purchase of sharps containers distributed at 3 Novato pharmacies and the HHW Facility for free, along with disposal of this sharps waste.

67530/67530-1 – 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, organics diversion and multifamily/commercial recycling programs, expenditures include sponsorship and booth rental at many 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 2018/2019, outreach will continue at local community events, farmer's markets and schools, along with increased focus on food waste and organics diversion at commercial facilities.

67600 - Other. A contingency of \$5,000 is included for unanticipated expenses.

67610 - City AB939 Administrative Services. Funds maintained for City staff services.

### **Revenues.**

AB939 Solid Waste Fees. There is an increase (6.5%) in fees for FY2018/2019, as a result of increased HHW program costs. 86% of the revenues to fund these programs come from these fees assessed on the garbage rate. (AB939 fees).

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

Beverage Container Recycling Grant. Grant amount is budgeted at \$13,930. Actual amount is not known until the state budget passes.

JPA reimbursement fees. JPA fee revenues are budgeted at \$33,739. for FY 2018/2019. The \$33,739. accounts for current fees assessed on Novato self haul waste disposed at Redwood Landfill.

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

|   |  |
|---|--|
| <b>TITLE: Capital Improvements Committee – Meeting Report, May 2018.</b>  | <b>MEETING DATE: June 11, 2018</b><br><br><b>AGENDA ITEM NO.: 8.b.</b> |
| <b>RECOMMENDED ACTION:</b> Receive report and recommendation to adopt preliminary Capital Improvements Program (CIP) Budget for FY18-20.  |  |
| <b>SUMMARY AND DISCUSSION:</b><br><br><p>The Capital Improvements Committee (Committee) held its meeting on May 31, 2018. Board Committee members Long and Dillon-Knutson attended. A copy of the agenda packet for the meeting is attached. A brief summary is provided below.</p> <p><b>Strategic Items, FY18-20:</b></p> <p>The Committee and staff reviewed a number of strategic items relating to the District’s FY18-20 budget, and how they would factor into the District’s capital spending strategy for FY18-20.</p> <p>Discussion items included: expansion of the Recycled Water Facility (RWF) at the NTP site; FY18-19 Collection System Improvements projects; Novato Treatment Plant (NTP) projects; and potential alternative energy options, including cogeneration, solar, and energy conservation and use optimization.</p> <p>Staff also discussed the North Bay Water Reuse Authority (NBWRA) related Phase 2 work and the possibility of NBWRA evolving into a more comprehensive “North Bay Water” entity. The General Manager noted that the NBWRA administrative agency, i.e. Sonoma County Water Agency (SCWA), has not completed its reconciliation or “truing up” of funds received from the NBWRA member agencies through FY17-18. The District had hoped to use funds freed up by the truing up process to fund its FY18-19 Phase 2 budget commitment. Therefore, the District will need to budget an additional amount of approximately \$70,000 to meet its Phase 2 FY18-19 commitment to NBWRA. It is anticipated that the eventual truing process will result in a credit back to the District in about this amount. The additional budget amount of about \$70,000 will be included for adoption in the District’s final budget in August.</p> <p><b>Capital Improvements Program (CIP) Budget:</b></p> <p>Staff reviewed the preliminary FY18-20 Capital Budget with the Committee. Upon close of discussion, the Committee unanimously agreed on a recommendation to the full Board of Directors to adopt the preliminary FY18-20 Capital Budget at the Board’s June 11, 2018 meeting.</p> |  |
| <b>ATTACHMENTS:</b><br>1. Agenda Packet for Capital Improvements Committee meeting of May 31, 2018.   |  |
| <b>STRATEGIC PLAN INFORMATION:</b> This item addresses Goal 4 (Well Planned Finances with a Long Range Outlook) of the latest Strategic Plan Update. The item also addresses other goals of the Strategic Plan including Goal 1 (Operational Excellence), and Goal 3 (Alignment and Communications).  |  |
| <b>DEPT. MGR.: EB</b>   | <b>GENERAL MANAGER: SSK</b>  |

## NOVATO SANITARY DISTRICT

Meeting Date: May 31, 2018

The **Capital Improvements Committee** of Novato Sanitary District will hold a meeting at 3:00 PM, Thursday, May 31, 2018, at the District offices, 500 Davidson Street, Novato.

*Materials related to items on this agenda that are public records, are available for public inspection in the District Office, 500 Davidson Street, Novato, during normal business hours. They are also available on the District's website: [www.novatosan.com](http://www.novatosan.com). Note: All times and order of consideration for agenda items are for reference only. The Committee may consider item(s) in a different order than set forth herein.*

### AGENDA

1. **AGENDA APPROVAL:**
2. **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 Committee at this time as a result of any public comments made.*

3. **REVIEW CAPITAL IMPROVEMENTS PROGRAM (CIP) BUDGET HIGHLIGHTS, FY18-20:**

- a. Recycled Water Facility (RWF) Expansion.
- b. Cogeneration/Alternative Energy.
- c. Collection System Improvements.
- d. Treatment Plant.
- e. North Bay Water Reuse Authority (NBWRA).

4. **ANNUAL CAPITAL IMPROVEMENTS PROGRAM (CIP) BUDGET:**

- a. Review FY18-20 proposed preliminary CIP budget, and subject to minor changes and edits, recommend its adoption by the Board of Directors.

5. **ADJOURNMENT:**

*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 CAPITAL IMPROVEMENTS COMMITTEE AGENDA ITEM SUMMARY

|  |   |
|--|---|
| <b>TITLE: Capital Improvements Committee: Annual Capital Improvements Program (CIP) Budget.</b>  | <b>MEETING DATE: May 31, 2018</b><br><br><b>AGENDA ITEM NO.: 4.a.</b> |
| <b>RECOMMENDED ACTION: Review FY18-20 proposed preliminary CIP Budget, and subject to minor changes and edits, recommend its adoption by the Board of Directors.</b>   |   |
| <b>SUMMARY AND DISCUSSION:</b><br><br><p>At the May 21, 2018 Board meeting, staff presented the District’s preliminary Budget for Fiscal Years 2018-20 to the Board.</p> <p>The Capital Improvements Committee (Committee) is being presented the proposed preliminary CIP budget for the Committee’s review, and subject to minor changes and edits, requested to present its recommendation for adoption to the full Board. Similarly, the preliminary Solid Waste budget and the preliminary Operating Budget are being separately presented to the Solid Waste Committee, and the Wastewater Operations Committee, respectively, with the request that each Committee recommend adoption of their respective budgets to the full Board.</p> <p>The Preliminary CIP Budget for FY2018-20, including a memorandum summarizing the anticipated project work, is attached for the Committee’s review. Staff suggests that the Committee review the Preliminary CIP Budget for FY18-20, and subject to minor changes and edits, recommend the Preliminary CIP Budget for adoption by the full Board at its June 11, 2018 meeting.</p> |   |
| <b>ATTACHMENTS:</b><br>1. Preliminary Capital Improvements Program (CIP) Budget for Fiscal Years 2018-20.  |   |
| <b>DEPT. MGR.:</b> eb, ssk   | <b>GENERAL MANAGER:</b> SSK   |



**Preliminary Capital Improvements  
Program (CIP) Budget  
FOR  
FISCAL YEARS 2018-20**

*Capital Improvements Committee  
May 31, 2018*

## Novato Sanitary District

### MEMORANDUM

**TO:** District Board Capital Improvements Committee

**FROM:** Sandeep Karkal, General Manager-Chief Engineer  
Erik Brown, Deputy General Manager

**COMMITTEE**

**MEETING DATE:** May 31, 2018

**SUBJECT:** FY18-20 Preliminary Capital Improvements Program (CIP) Budget  
– Summary of Anticipated Project Work.

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#### Introduction

This memo presents a summary of the potential or anticipated scope of work for projects and project work included within the various Accounts of the Preliminary Capital Improvements Program (CIP) budget for FY18-20.

The proposed two-year FY18-20 CIP Summary of Revenues and CIP Expenditures from the Preliminary Budget for Fiscal Years 2018-20 as presented to the District Board at its May 21, 2018 meeting, are included as tables at the end of this memorandum.

#### **Account No. 72403: Pump Station Rehabilitation**

This ongoing, long-term account provides for replacing the District's underground-type pump stations with submersible pump-type pump stations. The lift stations that remain to be rehabilitated include the two Vintage Oaks Pump Stations and the Rowland Plaza Pump Station. The rehabilitation schedule for these pump stations will be impacted by potential development in the Hanna Ranch and Vintage Oaks area, and work is being deferred until the development plans for the area become clearer.

Therefore, construction work is not anticipated during FY18-19. However, design work on the remaining pump stations may be initiated depending on how development plans for these areas evolve, and a placeholder amount is included in the account to initiate any needed design work.

#### **Account No. 72508: North Bay Water Reuse Authority**

The District is a member agency of the North Bay Water Reuse Authority (NBWRA). FY18-19 will be the fifth year of the multi-year Phase 2 program, including continuing environmental work for currently over \$75 million in recycled water projects across all NBWRA agencies for funding under the US Bureau of Reclamation Title XVI (WaterSMART) program.

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In the scoping study leading into the Phase 2 feasibility work, the District had identified three projects with a total estimated cost of about \$36 million. These projects have been substantially refined in the feasibility phase to Title XVI eligible projects with an estimate of about \$6.5 million, primarily a second (about 2021-22) expansion of the District’s Recycled Water Facility (RWF).

In addition to RWF expansion, the Phase 2 environmental work includes preliminary environmental work for a potential third (after about 2025) non-Title XVI funded RWF expansion project, with a current estimate of about \$5 million. The Phase 2 environmental work also provides programmatic (high level) environmental analyses of two recycled water storage alternatives on District owned property at the site of the existing reclamation facility, with current estimates of about \$6 million and \$8 million respectively.

Also, if the initial Title XVI eligible Phase 2 projects move into the design and construction phases, it is anticipated that grant funding from USBR would pay for up to 50% of design and construction costs for recycled water storage projects, and up to 25% of other recycled water projects (tertiary treatment, pipelines, pumping, etc.). The District would be required to come up with its share (local share) of the project costs, i.e. 50% of design and construction costs for storage projects and 75% of the design and construction costs for additional tertiary treatment facilities, etc.

The District’s cost commitments towards Phase 2 have largely been satisfied in the period from FY14-15 through FY17-18. However, at this time, there are also ongoing discussions to transition the NBWRA program into a more comprehensive North Bay Water Program, which will potentially incorporate more holistic water management goals and programs including flood control and drought contingency planning. It is anticipated that the District’s participation in this expanded program will occur at a very modest level and consistent with its water recycling goals. Therefore, the District’s preliminary FY18-20 CIP budget includes only a “placeholder” type budget amount of \$10,000 for each of these years.

Update from May 21, 2018 Board report: The NBWRA administrative agency i.e. Sonoma County Water Agency (SCWA) has not completed its “truing up” of funds received from the NBWRA member agencies through FY17-18. The District had hoped to use funds freed up by the truing up process to fund its FY18-19 Phase 2 budget commitment. Therefore, the District will need to budget an additional amount of approximately \$70,000 to meet its Phase 2 FY18-19 commitment to NBWRA. It is anticipated that the eventual truing process will result in a credit back to the District in about this amount. The additional budget amount of about \$70,000 will be included for adoption in the District’s final budget in August.

### **Account No. 72706: Collection System Improvements**

This account includes budget amounts for continuing work on rehabilitating the District’s collection system. This fiscal year’s project work includes:

Memorandum:  
FY18-20 Preliminary Capital Improvement Program (CIP) Budget  
– Summary of Anticipated Project Work

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1. The rehabilitation of about 1,850 feet of 12-inch sewer main along Redwood Blvd. between Lamont Avenue and Diablo Avenue.
2. The rehabilitation of about 950 feet of 10-inch and about 1,350 feet of 8-inch sewer main in Bel Marin Keys Blvd.
3. Continuing work associated with the Collection System Master Plan (CSMP) currently underway for the District.
4. The relocation of about 700 feet of 8-inch sewer main that currently runs through an easement on the Marin Country Club's property to extend down Country Club Drive to the existing sewer on Birdie Drive
5. An allowance for the potential design of a relief sewer in San Marin Drive between Simmons Lane and Campus Drive.
6. An allowance for the initial design of the Novato Boulevard Trunk Sewer between Diablo Avenue and Grant Avenue (if the City of Novato revives the Novato Boulevard street widening project).

A number of projects listed above were originally budgeted for construction in FY 17/18. The Redwood Blvd., Bel Marin Keys Blvd. and Birdie Drive projects are in the final stages of design and expected to be bid and constructed in the first half of FY18/19.

### **Account No. 72706-1: Lateral Replacement Program**

The District established this program as a sub-account within Account No. 72706, as part of a long-term approach to reducing infiltration and inflow from private residential laterals into the District's collection system.

The program seeks to incentivize individual homeowners financially to replace the entire sewer lateral between their residence and the sewer main, and currently provides a grant for half of the replacement cost up to \$2,000 to replace a residential sewer lateral in the District's service area. In FY17-18, the District budgeted an overall budget amount of \$80,000 for this program.

The District did not observe the level of participation for the lateral replacement program in FY 17-18 compared with the previous fiscal year, with approximately half of the budget funds being expended in FY 17-18. There could be a variety of reasons for the dip in participation including a drier winter this year. Based on the District's FY17-18 experience with the program, the District's share, i.e. the maximum individual grant amount will remain at \$2,000 and the overall budget for the program will remain \$80,000 in FY2018-19.

As in prior years, the District will continue to monitor and modulate the maximum individual grant and budget amounts on a yearly basis, based on its ongoing experience, and its goal of incentivizing lateral replacement.

Memorandum:  
FY18-20 Preliminary Capital Improvement Program (CIP) Budget  
– Summary of Anticipated Project Work

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### **Account No. 72707: Hamilton Wetlands/Outfall Integration**

Previously, the District cooperated with the California State Coastal Conservancy (SCC) in a study to examine alternatives for a long-term SCC project to integrate the District's outfall into the SCC's Hamilton Wetlands project.

As noted in prior years, the SCC's goal for their project is to utilize the District's effluent as a reliable, long-term fresh water source to establish and maintain a brackish marsh habitat at the SCC's Wetlands project.

While all funding to implement this project will be provided by the SCC, this account will continue to retain a "placeholder" status with nominal budget amounts in FY18-20 to meet any minor or unanticipated District expenses for coordination work with SCC staff.

### **Account No. 72708: Cogeneration/Alternative Energy**

This account will fund the design and construction of a cogeneration project that will utilize digester gas produced in the anaerobic digestion process to produce power that may result in an offset to the District's utility power purchases. This account may also fund alternative energy projects such as a solar array and energy efficiency projects to reduce total energy usage.

The District will also pursue grant-funding opportunities for these projects, and the FY18-19 budget includes funds for initial engineering studies and design, potential California Environmental Quality Act (CEQA) related work, and assistance with securing grant funding.

Also, the budgeted amounts do not include any potential grants that may be received through programs such as the Clean Water State Revolving Fund Green Project Reserve (GPR), or rebates through the California Public Utility Commission's Self Generation Incentive Program (SGIP).

### **Account No. 72802: Annual Sewer Adjustment for City Projects**

The budget in this account is established annually to compensate the City of Novato or County of Marin for work performed on District facilities through City or County Capital Improvement Projects.

An example of work funded through this account would be a City or County street paving or repaving project, when District manholes are raised to grade.

### **Account No. 72803: Annual Collection System Repairs**

This account is established annually primarily to fund smaller projects to repair District collection system facilities, primarily point and spot repairs, or to replace short reaches of sewer main(s).

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Memorandum:  
FY18-20 Preliminary Capital Improvement Program (CIP) Budget  
– Summary of Anticipated Project Work

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The Collection system staff generates the repair list during routine maintenance activities including sewer cleaning and CCTV work. The Field Services Manager then tracks and prioritizes repair projects in conjunction with the Collection System Superintendent, the Deputy General Manager, and the Construction Inspector.

#### **Account 72804: Annual Reclamation Facilities Improvements**

The budget in this account is established annually to fund small projects to repair District facilities at the Reclamation Area.

The work typically includes irrigation system repairs for lines larger than 4” in diameter, parcel rehabilitation work, and other miscellaneous repairs. Also included in the budget for this year is the removal of fallen eucalyptus trees and fence repairs.

#### **Account No. 72805: Annual Treatment Plant Improvements**

This budget account is established to fund small projects to repair District treatment related facilities at the Novato Treatment Plant.

This account is anticipated to fund minor mechanical & electrical work, water line repairs, pavement repairs, painting, and any other small repairs or improvements.

An allowance is also made this fiscal year for work associated with the cleaning of Digester No. 1.

#### **Account No. 72806: Annual Pump Station Improvements**

This budget account was established to fund small projects to repair District pumping facilities at the various pump stations throughout the District.

This account is anticipated to fund minor mechanical & electrical work, water line repairs, pavement repairs, painting, and any other small repairs or improvements at District pump stations.

#### **Account No. 72807: Annual Ignacio Facility Improvements**

This budget account was recently established in FY 17-18 to fund small projects to maintain the Ignacio facility (excluding the Ignacio Transfer Pump Station), or perform demolition/site clean-up work related to the some of the abandoned treatment units of the decommissioned Ignacio Treatment Plant (ITP).

#### **Account No. 72808: Strategic Plan Update:**

The District’s Strategic Plan document was most recently updated in 2016. While no specific updates have been identified or are expected for FY18-19, this account is established to serve as a “placeholder” account if the need to make any potential updates to the District’s Strategic Plan document arise during the fiscal year.

Memorandum:  
FY18-20 Preliminary Capital Improvement Program (CIP) Budget  
– Summary of Anticipated Project Work

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**Account No. 72809: Novato Creek Watershed**

This account and its budget was established as a result of an agreement with the Marin County Flood Control District.

Under this agreement, the District participates in a program with the County of Marin, the City of Novato, and the North Marin Water District to explore alternatives to reduce flooding potential in the lower Novato Creek portion where all of these agencies have facilities that are prone to flood damage.

The budgeted amounts are a minimal amount and function as a “placeholder”, or to meet minimal District commitments to potential, previously unidentified studies, through FY18-19. Future work (FY18-19 and beyond) arising out of these studies may require increased funding, but potential costs are unknown at this point.

**Account No. 73003: Administration Building Upgrades/Maintenance Building**

This account includes allowances for minor improvements to the Administration Building and work associated with providing a new temporary Maintenance Building.

In FY17-18 the District advertised for bids for installation of a temporary modular maintenance building and appurtenances. The District rejected all bids for this project due to the lowest bid coming in well above the engineer’s estimate. District staff have reevaluated the project delivery method and recommend a direct purchase rather than a typical design/bid/build contract. FY 18-19 includes funds for the procurement and placement of a temporary modular maintenance building and appurtenances.

**Account No. 73004: Odor and Landscaping Improvements**

This account budgets further work by District and operations staff and the District’s Odor Specialist consultant(s) to address and manage any odor issues raised by the District’s neighbors. It also includes an allowance to address any landscaping items.

Removal of existing, and installation of new media in select odor control beds was completed in FY17-18 and this work will continue in FY 18-19.

**Account No. 73005: RWF Expansion**

This account will fund the design and construction of an incremental capacity expansion to the existing Recycled Water Facility (RWF) at the Novato Treatment Plant site. This first expansion is necessitated by the planned expansion by the North Marin Water District (NMWD) of its Central Area Project, which will push NMWD’s recycled water distribution pipelines into the Central Novato/Ignacio geographic areas.

The budgeted amounts do not include any potential grants that may be received through State Proposition 84 (Integrated Regional Water Management or IRWM) or Proposition 1 (State Water Bond) funds, or through the US Bureau of Reclamation (USBR) Title XVI (WaterSMART) program.

Memorandum:  
FY18-20 Preliminary Capital Improvement Program (CIP) Budget  
– Summary of Anticipated Project Work

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The project was bid and construction began in 2017-18. The FY 18-19 budget includes funds for the completion of construction of the expansion project, construction/project management and SCADA programming.

**Account No. 73006: NTP Corrosion Control**

This account includes funds for corrosion control projects at the Novato Treatment Plant site. As the recently constructed facilities age, the effects of the aggressive nature of wastewater corrosion start to appear and need to be addressed.

It is anticipated that this account will see budgeting of funds on an ongoing basis. The budgeted funds for FY18-19 will focus on addressing corrosion issues at the Headworks Channels and Effluent Box as well as design work associated with coating of the UV channels.

**Account No. 73090: Vehicle Replacement**

This account includes a budget amount for the purchase a 40kw portable generator and replacement of up to three light duty trucks. Replacement of two additional light trucks, a combination vac/flusher and a utility truck is anticipated in FY 19-20.

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**PRELIMINARY  
CAPITAL IMPROVEMENT BUDGET**

***Tables Abstracted from  
Preliminary Budget for Fiscal Years 2018-20  
as presented to the District Board on May 21, 2018***

**Novato Sanitary District  
2018-20 Preliminary Budget  
Capital Improvement Budget - Summary of Revenues**

|  |                     |                     | <b>Projected</b>  | <b>Proposed</b>   | <b>Preliminary</b> |
|--|---------------------|---------------------|-------------------|-------------------|--------------------|
| <b>Capital Fund</b>  | <b>Adopted</b>      | <b>Adopted</b>      | <b>Revenue</b>    | <b>Budget</b>     | <b>Budget</b>      |
| <b>Revenue Center - 51000</b>  | <b>Budget 16/17</b> | <b>Budget 17/18</b> | <b>2017-18</b>    | <b>2018-19</b>    | <b>2019-20</b>     |
| <b>Accounts</b>  |                     |                     |                   |                   |                    |
| <b>Capital Improvement Income</b>  |                     |                     |                   |                   |                    |
| <b>51010 · Sewer Service Charges(1)</b>  | 7,595,952           | 7,753,152           | 7,753,152         | 7,940,160         | 8,422,128          |
| <b>51015 · Property Taxes</b>  | 1,938,000           | 2,188,693           | 2,244,314         | 2,289,200         | 2,334,984          |
| <b>51015-1 · Redevelopment Agency(2)</b>   | 0                   | 0                   | 50,000            | 0                 | 0                  |
| <b>51020 · Connection Charges(3)</b>   | 434,400             | 447,600             | 300,000           | 461,200           | 475,200            |
| <b>51030 · Collector Sewer Charges</b>   | 1,000               | 1,000               | 0                 | 1,000             | 2,000              |
| <b>51040 · Special Equalization Chrg</b>   | 1,000               | 1,000               | 4,230             | 1,000             | 4,000              |
| <b>51060 · Interest</b>  | 25,000              | 40,000              | 100,000           | 125,000           | 125,000            |
| <b>51070 · Other Revenue</b>   | 20,000              | 20,000              | 20,000            | 20,000            | 20,000             |
| <b>51072 · Grant Revenue - RWF</b>   | 0                   | 475,000             | 24,344            | 383,000           | 0                  |
| <b>Total Capital Improvement Income</b>  | <b>10,015,352</b>   | <b>10,926,445</b>   | <b>10,496,040</b> | <b>11,220,560</b> | <b>11,383,312</b>  |
| <b>Comments:</b>   |                     |                     |                   |                   |                    |
| <b>(1) Sewer Service Charge (SSC) revenue is based on rate increase approved on June 13, 2016 and actual revenue received in prior year. The Sewer Service Charges allocations are as follows:</b>   |                     |                     |                   |                   |                    |
| - For 2018/19 the charge is \$615 split between operating (\$345) and capital (\$270).   |                     |                     |                   |                   |                    |
| - For 2019/20 the charge is \$636 split between operating (\$350) and capital (\$286).   |                     |                     |                   |                   |                    |
| <b>(2) Redevelopment Agency(RDA) related revenues are being shown separately as they have increased over the past few years from the dissolution and distribution of assets of these agencies. Also, projections for future RDA fund distributions are not available at this time.</b> |                     |                     |                   |                   |                    |
| <b>(3) Connection Charges projected at 40 new connections each year.</b>   |                     |                     |                   |                   |                    |
| - Per Ordinance 120, the connection charge beginning July 1, 2018 is \$11,530 per EDU, and increases by 3% on July 1, 2019 to \$11,880 per EDU.  |                     |                     |                   |                   |                    |

Novato Sanitary District  
2018-20 Preliminary Budget  
Capital Improvement Budget - CIP Expenditures

| Capital Improvements                             |                   |                   | Projected        | Proposed          | Preliminary       |
|--|-------------------|-------------------|------------------|-------------------|-------------------|
| Cost Centers - 72000 & 73000                     | Adopted           | Adopted           | Exp              | Budget            | Budget            |
|  | Budget 16/17      | Budget 17/18      | 2017-18          | 2018-19           | 2019-20           |
| <b>Accounts</b>                                  |                   |                   |                  |                   |                   |
| 72403 · Pump Station Rehabilitation              | 50,000            | 150,000           | 8,043            | 50,000            | 250,000           |
| 72508 · North Bay Water Reuse Authority (NBWRA)  | 440,000           | 100,000           | 80,485           | 10,000            | 10,000            |
| 72706 · Collection System Improvments            | 1,200,000         | 1,700,000         | 160,000          | 2,450,000         | 2,200,000         |
| 72706-1 · Lateral Replacement Program            | 60,000            | 80,000            | 48,000           | 80,000            | 100,000           |
| 72707 · Hamilton Wetlands/Outfall Integration    | 10,000            | 10,000            | 0                | 10,000            | 10,000            |
| 72708 · Cogeneration                             | 45,000            | 350,000           | 15,000           | 350,000           | 700,000           |
| 72802 · Annual Sewer Adj. for City Proj          | 10,000            | 40,000            | 10,000           | 25,000            | 25,000            |
| 72803 · Annual Collection Sys Repairs            | 200,000           | 200,000           | 50,000           | 225,000           | 225,000           |
| 72804 · Annual Reclamation Fac Improvements      | 100,000           | 175,000           | 48,000           | 175,000           | 140,000           |
| 72805 · Annual Treatment Plant Improvements      | 100,000           | 300,000           | 25,000           | 300,000           | 100,000           |
| 72806 · Annual Pump Station Improvements         | 100,000           | 100,000           | 58,000           | 140,000           | 100,000           |
| 72807 · Annual Ignacio Facility Improvements     | 0                 | 50,000            | 0                | 50,000            | 50,000            |
| 72808 · Strategic Plan Update                    | 20,000            | 20,000            | 0                | 20,000            | 20,000            |
| 72809 · Novato Creek Watershed                   | 10,000            | 5,000             | 0                | 5,000             | 5,000             |
| 73003 · Admin Building Upgrade/Maint. Building   | 350,000           | 350,000           | 56,170           | 350,000           | 20,000            |
| 73004 · Odor Control and NTP Landscaping         | 75,000            | 50,000            | 50,000           | 50,000            | 50,000            |
| 73005 · RWF Expansion (1)                        | 1,300,000         | 1,460,000         | 410,000          | 2,020,000         | 10,000            |
| 73006 · NTP Corrosion Control                    | 180,000           | 150,000           | 21,000           | 233,000           | 100,000           |
| 73090 · Vehicle Replacement                      | 425,000           | 390,000           | 390,000          | 120,000           | 500,000           |
| <b>Subtotal before Debt Service</b>              | <b>4,675,000</b>  | <b>5,680,000</b>  | <b>1,429,698</b> | <b>6,663,000</b>  | <b>4,615,000</b>  |
| 78500 · Interest - SRF Loan                      | 1,610,195         | 1,519,744         | 1,519,744        | 1,427,123         | 1,332,279         |
| 78500 · Principal - SRF Loan                     | 3,768,762         | 3,859,212         | 3,859,212        | 3,951,833         | 4,046,677         |
| 78500 · Interest - COP Bond/Rev. Refunding Bond  | 775,748           | 739,548           | 517,884          | 670,500           | 631,000           |
| 78500 · Principal - COP Bond/Rev. Refunding Bond | 905,000           | 925,000           | 945,000          | 790,000           | 820,000           |
| <b>Subtotal for Debt Service</b>                 | <b>7,059,705</b>  | <b>7,043,504</b>  | <b>6,841,840</b> | <b>6,839,456</b>  | <b>6,829,956</b>  |
| <b>Totals</b>                                    | <b>11,734,705</b> | <b>12,723,504</b> | <b>8,271,538</b> | <b>13,502,456</b> | <b>11,444,956</b> |

Comments:

(1) FY17-18 expenditures include provisions for USBR Title XVI grant funds through the NBWRA Phase I program, and potential reimbursement from the joint NMWD/NSD Recycled Water Capital Replacement and Expansion Fund.

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

|  |  |
|--|--|
| <b>TITLE: Wastewater Operations Committee – Meeting Report, June 2018.</b>   | <b>MEETING DATE: June 11, 2018</b><br><b>AGENDA ITEM NO.: 8.c.</b> |
| <b>RECOMMENDED ACTION:</b> Receive report and recommendation to adopt preliminary Operating Budget for FY18-20.  |  |
| <b>SUMMARY AND DISCUSSION:</b><br><p>The Wastewater Operations (WWOC) Committee (or Committee) met on June 4, 2018. Board WWOC Committee member Miller and Alternate Mariani attended. A copy of the agenda packet for the meeting is attached. A brief summary is provided below.</p> <p><b>Operating Budget:</b></p> <p>Staff reviewed the preliminary FY18-20 Operating Budget with the Committee. The Committee discussed a number of items relating to this preliminary budget including, but not limited to:</p> <ul style="list-style-type: none"> <li>• Summary of Operating Revenues and Expenditures, FY17-18 (thru' March 31, 2018).</li> <li>• Summary of Revenues for the FY18-20 Preliminary Operating Budget</li> <li>• Summary of Expenditures for the FY2018-20 Preliminary Operating Budget</li> <li>• The Administration and Engineering Cost Center including staffing considerations, and budget amounts for the “benefits” component, and the retiree health and pension liability components.</li> </ul> <p>Upon close of discussion, the Committee unanimously agreed on a recommendation to the full Board of Directors to adopt the preliminary FY18-20 Operating Budget at the Board’s June 11, 2018 meeting.</p> |  |
| <b>ATTACHMENTS:</b><br>1. Agenda Packet for Wastewater Operations Committee meeting of June 4, 2018.   |  |
| <b>STRATEGIC PLAN INFORMATION:</b> This item addresses Goal 4 (Well Planned Finances with a Long Range Outlook) of the latest Strategic Plan Update. The item also addresses other goals of the Strategic Plan including Goal 1 (Operational Excellence), and Goal 3 (Alignment and Communications).   |  |
| <b>DEPT.MGR.:</b> EB   | <b>GENERAL MANAGER:</b> SSK  |

## NOVATO SANITARY DISTRICT

Meeting Date: June 4, 2018

The **Wastewater Operations Committee** of Novato Sanitary District will hold a meeting at 3:00 PM, Monday, June 4, 2018, at the District offices, 500 Davidson Street, Novato.

*Materials related to items on this agenda that are public records are available for public inspection in the District Office, 500 Davidson Street, Novato, during normal business hours. They are also available on the District's website: [www.novatosan.com](http://www.novatosan.com). Note: All times and order of consideration for agenda items are for reference only. The Committee may consider item(s) in a different order than set forth herein.*

### AGENDA

**1. AGENDA APPROVAL:**

**2. 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 Committee at this time as a result of any public comments made.*

**3. ANNUAL OPERATING BUDGET:**

- a. Review FY18-20 proposed preliminary operating budget, and subject to minor changes and edits, recommend its adoption by the Board of Directors.

**4. ADJOURNMENT:**

*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 WASTEWATER OPERATIONS COMMITTEE AGENDA ITEM SUMMARY

|   |   |
|---|---|
| <b>TITLE: Wastewater Operations Committee: FY18-20 Preliminary Operating Budget.</b>  | <b>MEETING DATE: June 4, 2018</b><br><br><b>AGENDA ITEM NO.: 3.a.</b> |
| <b>RECOMMENDED ACTION: Review FY18-20 proposed Preliminary Operating budget, and subject to minor changes and edits, recommend its adoption by the Board of Directors.</b>  |   |
| <b>SUMMARY AND DISCUSSION:</b><br><br><p>At the May 21, 2018 Board meeting, staff presented the District’s Preliminary Budget for Fiscal Years 2018-20 to the Board.</p> <p>The Wastewater Operations Committee (Committee) is being presented the proposed preliminary Operating budget for the Committee’s review, and subject to minor changes and edits, requested to present its recommendation for adoption to the full Board. Similarly, the preliminary Solid Waste budget and the preliminary Capital Improvements Program Budget are being separately presented to the Solid Waste Committee, and the Capital Improvements Committee, respectively, with the request that each committee recommend adoption of their respective budgets to the full Board.</p> <p>The relevant elements of the preliminary Operating Budget are attached for review by the Wastewater Operations Committee. Staff suggests that the Committee review these items, and subject to minor changes and edits, recommend the preliminary Operating Budget for adoption by the full Board at its June 11, 2018 meeting.</p> |   |
| <b>ATTACHMENTS:</b><br>1. Preliminary operating budget for Fiscal Years FY2018-20.  |   |
| <b>DEPT. MGR.: EB</b>   | <b>GENERAL MANAGER: SSK</b>   |



# Preliminary Operating Budget

FOR

FISCAL YEARS 2018-20

*Wastewater Operations Committee*

*June 4, 2018*

**Abstracted from  
Preliminary Budget for Fiscal Years 2018-20  
as presented to the District Board on May 21, 2018**

**Novato Sanitary District  
2018-20 Preliminary Operating Budget  
Summary of Revenues**

| Operating Fund<br>Revenue Center - 41000 | Adopted<br>Budget 16/17 | Adopted<br>Budget 17/18 | Projected<br>Revenues<br>2017-18 | Proposed<br>Budget<br>2018-19 | Preliminary<br>Budget<br>2019-20 |
|--|-------------------------|-------------------------|----------------------------------|-------------------------------|----------------------------------|
| <b>Accounts</b>                          |                         |                         |                                  |                               |                                  |
| 41010 · Sewer Service Charges (1)        | 9,208,992               | 9,691,440               | 9,691,000                        | 10,145,760                    | 10,306,800                       |
| 41030 · Plan Check & Inspection Fee      | 500                     | 500                     | 7,800                            | 500                           | 500                              |
| 41040 · Permit & Inspection Fee          | 6,000                   | 6,000                   | 5,000                            | 6,000                         | 6,000                            |
| 41060 · Interest Income                  | 20,000                  | 43,000                  | 135,000                          | 120,000                       | 130,000                          |
| 41080 · Engineering & Admin Charges      | 165,000                 | 165,000                 | 100,000                          | 165,000                       | 165,000                          |
| 41090 · Non-domestic Permit Fees (2)     | 25,000                  | 20,000                  | 25,000                           | 25,000                        | 25,000                           |
| 41100 · Garbage Franchise Fees           | 52,186                  | 53,438                  | 53,438                           | 55,041                        | 56,692                           |
| 41105 · AB 939 Collector Fees            | 354,134                 | 376,426                 | 376,426                          | 400,772                       | 409,333                          |
| 41107 · Oil/Bev/Tire Grants (3)          | 59,880                  | 62,729                  | 60,000                           | 62,729                        | 62,729                           |
| 41130 · Ranch Income                     | 70,000                  | 70,000                  | 70,000                           | 70,000                        | 70,000                           |
| 41135 · Recycled Water Revenue           | 117,000                 | 135,500                 | 110,000                          | 202,000                       | 208,000                          |
| 41140 · Other Revenue (4)                | 20,000                  | 20,000                  | 20,000                           | 20,000                        | 20,000                           |
| 41142 · Loss on disposal of assets       | 10,000                  | 10,000                  | 0                                | 10,000                        | 10,000                           |
| <b>Totals</b>                            | <b>10,108,692</b>       | <b>10,654,033</b>       | <b>10,653,664</b>                | <b>11,282,802</b>             | <b>11,470,054</b>                |

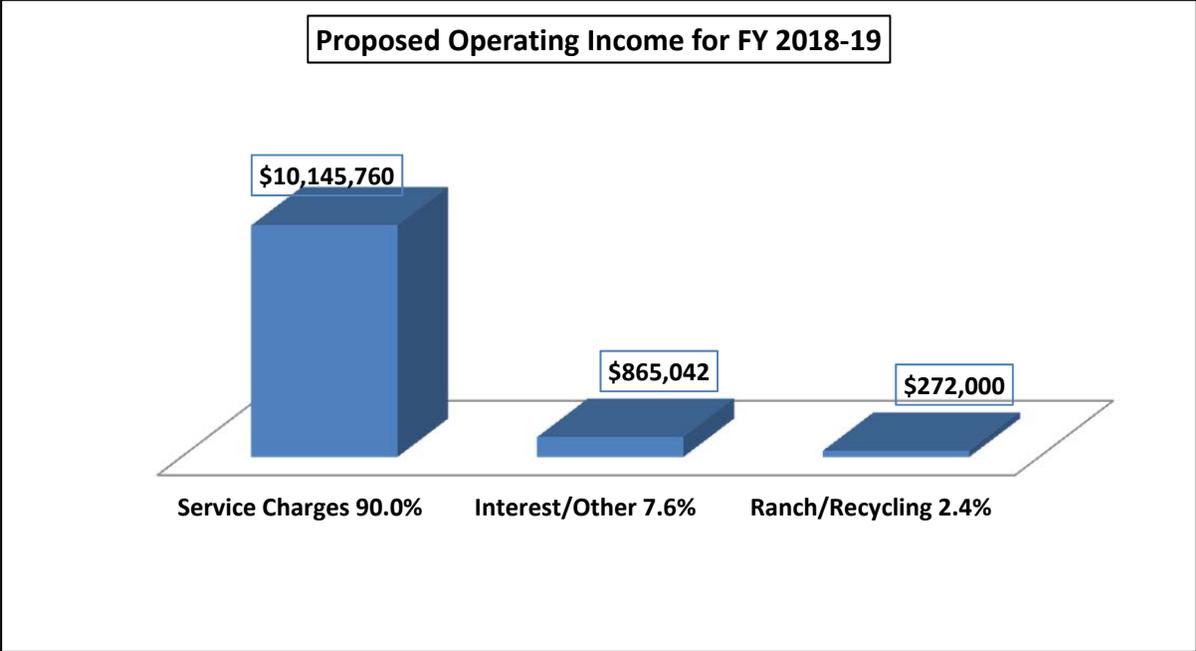
**Comments:**

- (1) Sewer Service Charge (SSC) revenue is based on rate increase approved on June 13, 2016 and actual revenue received in prior year. The Sewer Service Charges allocations are as follows:
  - For 2018/19 the charge is \$615 split between operating (\$345) and capital (\$270).
  - For 2019/20 the charge is \$636 split between operating (\$350) and capital (\$286).
- (2) Includes application fees, permits and monitoring charges.
- (3) Oil/Bev/Tire Grants ~ \$29,000/ JPA Reimb Fees \$33,000
- (4) Other revenue includes septic tank hauling fees, and miscellaneous revenue.

**APPROPRIATIONS LIMITATION**

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

Figure 1



**Novato Sanitary District  
2018-20 Preliminary Budget  
Operating Budget - Summary of Expenditures**

Wastewater Operations  
Committee

| Operating Cost<br>Center               | Adopted<br>Budget 16/17 | Adopted<br>Budget 17/18 | Projected<br>Exp<br>2017-18 | Proposed<br>Budget<br>2018-19 | Preliminary<br>Budget<br>2019-20 |
|--|-------------------------|-------------------------|-----------------------------|-------------------------------|----------------------------------|
| <b>Collections</b>                     | 1,392,148               | 1,359,767               | 1,083,793                   | 1,381,782                     | 1,451,700                        |
| <b>Treatment Facilities</b>            | 3,076,191               | 3,160,475               | 3,093,996                   | 3,282,731                     | 3,474,252                        |
| <b>Reclamation</b>                     | 521,538                 | 521,554                 | 435,080                     | 491,542                       | 538,783                          |
| <b>Laboratory</b>                      | 648,636                 | 599,461                 | 507,013                     | 583,012                       | 620,860                          |
| <b>Pump Stations</b>                   | 854,139                 | 836,309                 | 702,528                     | 838,716                       | 931,956                          |
| <b>Administration/Engineering</b>      | 2,947,210               | 3,277,014               | 2,918,821                   | 3,461,953                     | 3,784,247                        |
| <b>Solid/Hazardous Household Waste</b> | 415,787                 | 439,155                 | 414,092                     | 463,501                       | 472,062                          |
| <b>Recycled Water</b>                  | 117,000                 | 135,500                 | 140,610                     | 202,000                       | 208,000                          |
|  | 9,972,648               | 10,329,235              | 9,295,933                   | 10,705,237                    | 11,481,860                       |

Figure 2

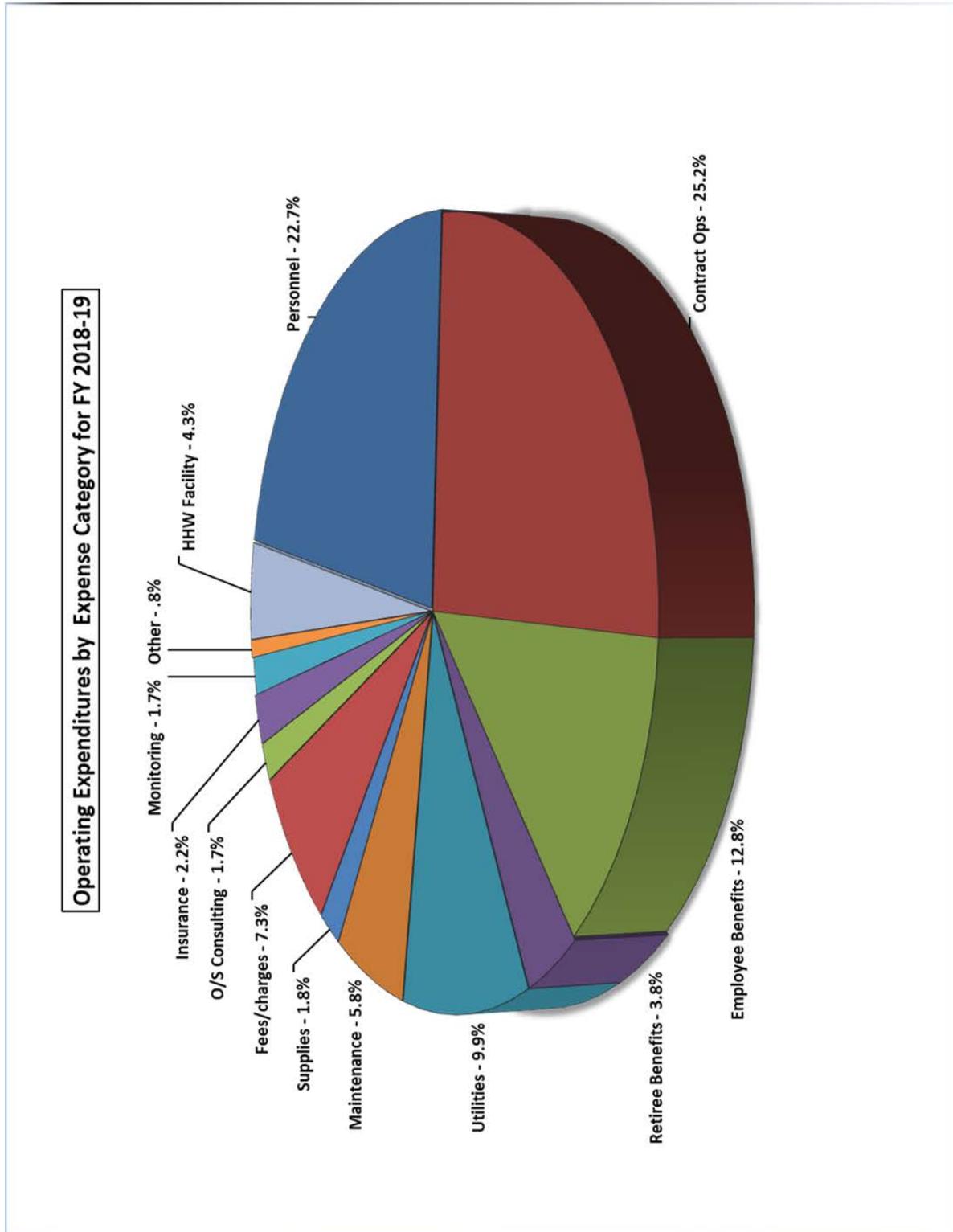
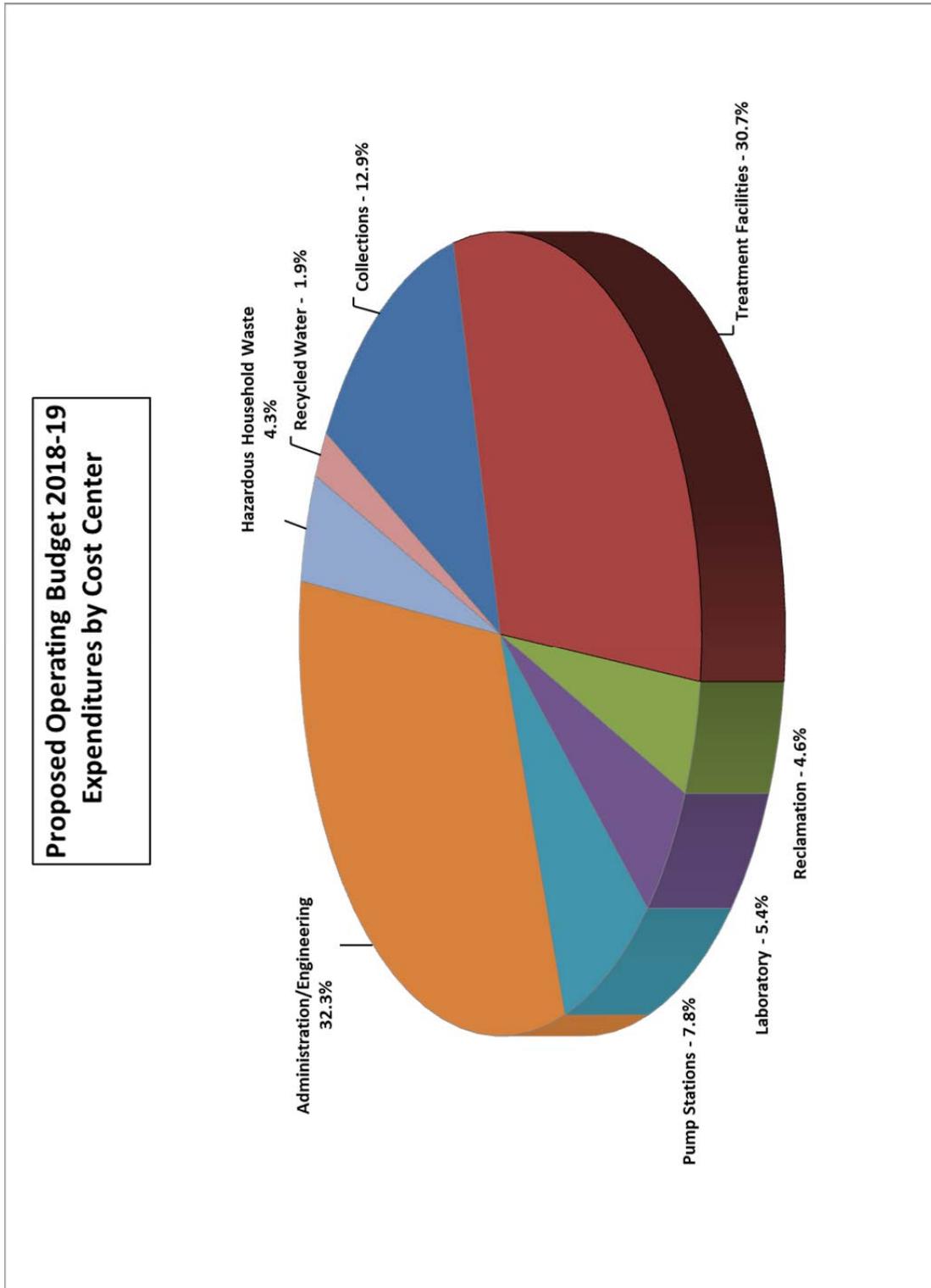


Figure 3



Wastewater Operations  
Committee

| Novato Sanitary District                              |                      |                |                |                |                   |                  |                |                |                   |                      |                      |                        |
|---|----------------------|----------------|----------------|----------------|-------------------|------------------|----------------|----------------|-------------------|----------------------|----------------------|------------------------|
| 2018-19 Preliminary Operating Budget                  |                      |                |                |                |                   |                  |                |                |                   |                      |                      |                        |
| Operating Budget: By Cost Center and Account Category |                      |                |                |                |                   |                  |                |                |                   |                      |                      |                        |
|   | Treatment Facilities | Recl           | L-M            | Pump Stations  | Collection System | A-E              | HHW Program    | Recycled Water | Total             | As Percent of Budget | Over/Under PY Budget | % Over/Under PY Budget |
| Salaries and Wages                                    |                      | 86,292         |                | 346,294        | 668,458           | 1,212,656        |                |                | 2,313,699         | 21.61%               | (2,192)              | -0.09%                 |
| Contract Services (Operations & Lab)                  | 2,262,043            |                | 378,512        |                |                   |                  |                | 55,000         | 2,695,555         | 25.18%               | 107,818              | 4.17%                  |
| Employee Benefits                                     |                      | 23,249         |                | 146,422        | 326,125           | 571,552          |                |                | 1,067,348         | 9.97%                | 84,410               | 8.59%                  |
| Retiree Health Benefits                               |                      |                |                |                |                   | 411,230          |                |                | 411,230           | 3.84%                | 24,067               | 6.22%                  |
| Pension Expense(Trust)                                |                      |                |                |                |                   | 290,016          |                |                | 290,016           | 2.71%                | 66,864               | 29.96%                 |
| Directors' Fees                                       |                      |                |                |                |                   | 34,000           |                |                | 34,000            | 0.32%                | (6,000)              | -15.00%                |
| Election Expense                                      |                      |                |                |                |                   | 60,000           |                |                | 60,000            | 1%                   | 60,000               | 0.00%                  |
| Gasoline, Oil & Fuel                                  |                      | 2,000          | 1,500          | 5,000          | 15,000            | 5,000            |                |                | 28,500            | 0.27%                | -                    | 0.00%                  |
| Insurance   | 14,000               |                |                |                |                   | 180,500          |                |                | 194,500           | 1.82%                | 30,500               | 18.60%                 |
| Ins Claims Expense                                    |                      |                |                |                |                   | 45,000           |                |                | 45,000            | 0.42%                | -                    | 0.00%                  |
| Agency Dues   |                      |                |                |                |                   | 66,000           |                |                | 66,000            | 0.62%                | 12,000               | 22.22%                 |
| Memberships   |                      |                |                |                |                   | 14,000           |                |                | 14,000            | 0.13%                | 4,000                | 40.00%                 |
| Office Expense  |                      |                |                |                |                   | 28,000           |                |                | 28,000            | 0.26%                | 2,000                | 7.69%                  |
| Safety  |                      | 500            | 1,000          | 2,000          | 3,500             | 2,000            |                |                | 9,000             | 0.08%                | -                    | 0.00%                  |
| Software Maint  |                      | 2,000          | 1,000          | 7,000          | 50,000            |                  |                |                | 60,000            | 0.56%                | 29,000               | 93.55%                 |
| Operating Supplies                                    |                      | 2,000          | 20,000         | 10,000         | 25,000            | 5,000            |                | 4,400          | 66,400            | 0.62%                | (5,600)              | -7.78%                 |
| Operating Chemicals                                   |                      |                |                | 2,000          |                   |                  |                | 60,100         | 62,100            | 0.58%                | 32,800               | 111.95%                |
| Sludge Disposal-Contractual                           |                      | 220,000        |                |                |                   |                  |                |                | 220,000           | 2.06%                | (20,000)             | -8.33%                 |
| Accounting & Auditing                                 |                      |                |                |                |                   | 28,000           |                |                | 28,000            | 0.26%                | 2,000                | 7.69%                  |
| Attorney  |                      |                |                |                |                   | 50,000           |                |                | 50,000            | 0.47%                | (15,000)             | -23.08%                |
| Outside Consulting                                    |                      |                |                |                |                   | 181,000          |                |                | 181,000           | 1.69%                | (42,000)             | -18.83%                |
| IT/Misc. Electrical                                   |                      |                |                |                |                   | 43,000           |                |                | 43,000            | 0.40%                | 3,000                | 7.50%                  |
| Safety & Wellness Incentive Program                   |                      |                |                |                |                   | 10,000           |                |                | 10,000            | 0.09%                | -                    | 0.00%                  |
| Printing & Publication                                |                      |                |                |                |                   | 24,000           |                |                | 24,000            | 0.22%                | 2,000                | 9.09%                  |
| Repairs & Maintenance                                 |                      | 60,000         | 10,000         | 120,000        | 75,000            | 50,000           |                | 30,500         | 345,500           | 3.23%                | (7,900)              | -2.24%                 |
| Unusual Equipment Maint                               | 150,000              |                |                |                |                   |                  |                |                | 150,000           | 1.40%                | -                    | 0.00%                  |
| Small Tools   |                      | 500            |                | 2,000          | 2,000             |                  |                |                | 4,500             | 0.04%                | -                    | 0.00%                  |
| Outside Services                                      |                      |                |                | 55,000         | 120,000           |                  |                |                | 175,000           | 1.63%                | (30,000)             | -14.63%                |
| Ditch/Dike Maintenance                                |                      | 10,000         |                |                |                   |                  |                |                | 10,000            | 0.09%                | -                    | 0.00%                  |
| Research & Monitoring                                 |                      |                | 125,000        |                |                   |                  |                | 14,000         | 139,000           | 1.30%                | (22,500)             | -13.93%                |
| Travel, Mtgs & Train.                                 |                      |                |                |                |                   | 70,000           |                |                | 70,000            | 0.65%                | 5,000                | 7.69%                  |
| Pollution Prevention/Pub. Ed.                         |                      |                | 40,000         |                |                   |                  |                |                | 40,000            | 0.37%                | (1,500)              | -3.61%                 |
| Gas & Electricity                                     | 771,689              | 75,000         |                | 105,000        |                   |                  |                | 38,000         | 989,689           | 9.24%                | 30,190               | 3.15%                  |
| Water   |                      | 5,000          |                | 7,000          | 12,000            |                  |                |                | 24,000            | 0.22%                | 2,000                | 9.09%                  |
| Telephone   |                      |                |                | 24,000         | 4,000             | 13,000           |                |                | 41,000            | 0.38%                | 1,000                | 2.50%                  |
| Other/Operational Assistance                          |                      |                |                |                | 700               |                  |                |                | 700               | 0.01%                | (300)                | -30.00%                |
| Permits & Fees  | 85,000               | 5,000          | 6,000          | 7,000          | 80,000            |                  |                | 0              | 183,000           | 1.71%                | 9,000                | 5.17%                  |
| Co. Collection Fees                                   |                      |                |                |                |                   | 63,000           |                |                | 63,000            | 0.59%                | (3,000)              | -4.55%                 |
| Ser. Chg. System Exp                                  |                      |                |                |                |                   | 5,000            |                |                | 5,000             | 0.05%                | -                    | 0.00%                  |
| AB 939 Solid Waste Programs                           |                      |                |                |                |                   |                  | 463,501        |                | 463,501           | 4.33%                | 24,346               | 5.54%                  |
| <b>Total</b>  | <b>3,282,731</b>     | <b>491,542</b> | <b>583,012</b> | <b>838,716</b> | <b>1,381,782</b>  | <b>3,461,953</b> | <b>463,501</b> | <b>202,000</b> | <b>10,705,237</b> | <b>100.00%</b>       | <b>376,002</b>       | <b>3.64%</b>           |
|   | 30.66%               | 4.59%          | 5.45%          | 7.83%          | 12.91%            | 32.34%           | 4.33%          | 2%             | 100.00%           |                      |                      |                        |

***OPERATING BUDGET***  
***By Cost Center and Account Category***

**Novato Sanitary District  
2018-20 Preliminary Budget  
Operating Budget - Collections**

| <b>Collections<br/>Cost Center - 60000</b> | <b>Adopted<br/>Budget 16/17</b> | <b>Adopted<br/>Budget 17/18</b> | <b>Projected<br/>Exp<br/>2017-18</b> | <b>Proposed<br/>Budget<br/>2018-19</b> | <b>Preliminary<br/>Budget<br/>2019-20</b> |
|--|---------------------------------|---------------------------------|--------------------------------------|--|---|
| <b>Accounts</b>                            |                                 |                                 |                                      |  |   |
| <b>60010 · Salaries &amp; Wages</b>        | 627,355                         | 650,120                         | 601,369                              | 668,458                                | 732,897                                   |
| <b>60020 · Employee Benefits</b>           | 286,293                         | 299,148                         | 248,096                              | 326,125                                | 378,103                                   |
| <b>60060 · Gas, Oil &amp; Fuel</b>         | 28,000                          | 15,000                          | 12,000                               | 15,000                                 | 15,500                                    |
| <b>60085 · Safety</b>                      | 3,500                           | 3,500                           | 3,500                                | 3,500                                  | 3,500                                     |
| <b>60091 · Software Maint</b>              | 75,000                          | 20,000                          | 20,000                               | 50,000                                 | 22,000                                    |
| <b>60100 · Operating Supplies</b>          | 30,000                          | 28,000                          | 18,000                               | 25,000                                 | 28,000                                    |
| <b>60150 · Repairs &amp; Maint</b>         | 85,000                          | 80,000                          | 35,000                               | 75,000                                 | 80,000                                    |
| <b>60152 · Small Tools</b>                 | 2,000                           | 2,000                           | 2,000                                | 2,000                                  | 2,000                                     |
| <b>60153 · Outside Services</b>            | 175,000                         | 175,000                         | 115,000                              | 120,000                                | 155,000                                   |
| <b>60192 · Water</b>                       | 12,000                          | 12,000                          | 12,000                               | 12,000                                 | 12,000                                    |
| <b>60193 · Telephone</b>                   | 2,000                           | 4,000                           | 3,500                                | 4,000                                  | 4,000                                     |
| <b>60200 · Other(Garbage Coll)</b>         | 1,000                           | 1,000                           | 600                                  | 700                                    | 700                                       |
| <b>60201 · Permits &amp; Fees</b>          | 65,000                          | 70,000                          | 12,728                               | 80,000                                 | 18,000                                    |
|  | <b>1,392,148</b>                | <b>1,359,767</b>                | <b>1,083,793</b>                     | <b>1,381,782</b>                       | <b>1,451,700</b>                          |

**Novato Sanitary District  
2018-20 Preliminary Budget  
Operating Budget - Treatment Facilities**

Wastewater Operations  
Committee

| Treatment Facilities -<br>Cost Center - 61000 | Adopted<br>Budget 16/17 | Adopted<br>Budget 17/18 | Projected<br>Exp<br>2017-18 | Proposed<br>Budget<br>2018-19 | Preliminary<br>Budget<br>2019-20 |
|---|-------------------------|-------------------------|-----------------------------|-------------------------------|----------------------------------|
| <b>Accounts</b>                               |                         |                         |                             |                               |                                  |
| <b>61000-1 · Fixed Fee(1)</b>                 | 2,113,278               | 2,173,976               | 2,157,898                   | 2,262,043                     | 2,371,395                        |
| <b>61000-2 · Insurance &amp; Bonds</b>        | 14,000                  | 14,000                  | 14,000                      | 14,000                        | 14,000                           |
| <b>61000-3 · Major Repair/Replcmnt</b>        | 150,000                 | 150,000                 | 140,000                     | 150,000                       | 150,000                          |
| <b>61000-4 · Water/Permits/Phone</b>          | 90,000                  | 90,000                  | 80,563                      | 85,000                        | 90,000                           |
| <b>61000-5 · Gas &amp; Electricity(2)</b>     | 708,913                 | 732,499                 | 701,535                     | 771,689                       | 848,857                          |
|   | <b>3,076,191</b>        | <b>3,160,475</b>        | <b>3,093,996</b>            | <b>3,282,731</b>              | <b>3,474,252</b>                 |

**Comments:**

- (1) Fixed fee - 5% increase from prior year, and an allowance for contractual incentive payment.**
- (2) Assumes 10% increase for purchased utility power based on actual expenditures for 2017/18, and an allowance for contractual incentive payment with 50-50 sharing of savings from power usage below contract baseline, between District and Veolia.**

**Novato Sanitary District  
2018-2020 Preliminary Budget  
Operating Budget - Reclamation**

| <b>Reclamation<br/>Cost Center - 63000</b> | <b>Adopted<br/>Budget 16/17</b> | <b>Adopted<br/>Budget 17/18</b> | <b>Projected<br/>Exp<br/>2017-18</b> | <b>Proposed<br/>Budget<br/>2018-19</b> | <b>Preliminary<br/>Budget<br/>2019-20</b> |
|--|---------------------------------|---------------------------------|--------------------------------------|--|---|
| <b>Accounts</b>                            |                                 |                                 |                                      |  |   |
| <b>63010 · Salaries &amp; Wages</b>        | 91,943                          | 71,693                          | 63,489                               | 86,292                                 | 99,806                                    |
| <b>63020 · Employee Benefits</b>           | 36,595                          | 24,860                          | 13,391                               | 23,249                                 | 35,978                                    |
| <b>63060 · Gasoline &amp; Oil</b>          | 4,000                           | 2,000                           | 1,500                                | 2,000                                  | 2,000                                     |
| <b>63085 · Safety</b>                      | 500                             | 500                             | 500                                  | 500                                    | 500                                       |
| <b>63091 · Software Maint</b>              | 2,000                           | 2,000                           | 1,100                                | 2,000                                  | 2,000                                     |
| <b>63100 · Operating Supplies</b>          | 2,000                           | 2,000                           | 1,500                                | 2,000                                  | 2,000                                     |
| <b>63115 · Sludge Disposal</b>             | 190,000                         | 240,000                         | 216,000                              | 220,000                                | 225,000                                   |
| <b>63150 · Repairs &amp; Maint</b>         | 70,000                          | 65,000                          | 50,000                               | 60,000                                 | 70,000                                    |
| <b>63152 · Small Tools</b>                 | 500                             | 500                             | 300                                  | 500                                    | 500                                       |
| <b>63157 · Ditch/Dike Maint</b>            | 20,000                          | 10,000                          | 9,000                                | 10,000                                 | 11,000                                    |
| <b>63191 · Gas &amp; Electricity</b>       | 95,000                          | 95,000                          | 65,000                               | 75,000                                 | 80,000                                    |
| <b>63192 · Water</b>                       | 3,000                           | 3,000                           | 10,000                               | 5,000                                  | 5,000                                     |
| <b>63201 · Permits &amp; Fees</b>          | 6,000                           | 5,000                           | 3,300                                | 5,000                                  | 5,000                                     |
|  | <b>521,538</b>                  | <b>521,554</b>                  | <b>435,080</b>                       | <b>491,542</b>                         | <b>538,783</b>                            |

**Novato Sanitary District  
2018-20 Preliminary Budget  
Operating Budget - Laboratory**

| Laboratory<br>Cost Center - 64000        | Adopted<br>Budget 16/17 | Adopted<br>Budget 17/18 | Projected<br>Exp<br>2017-18 | Proposed<br>Budget<br>2018-19 | Preliminary<br>Budget<br>2019-20 |
|--|-------------------------|-------------------------|-----------------------------|-------------------------------|----------------------------------|
| <b>Accounts</b>                          |                         |                         |                             |                               |                                  |
| <b>64010 · Contract Lab Services (1)</b> | 368,136                 | 363,761                 | 351,219                     | 378,512                       | 406,760                          |
| <b>64060 · Gasoline &amp; Oil</b>        | 2,500                   | 1,500                   | 1,500                       | 1,500                         | 1,600                            |
| <b>64085 · Safety</b>                    | 1,000                   | 1,000                   | 0                           | 1,000                         | 1,000                            |
| <b>64091 · Software Maintenance</b>      | 4,000                   | 1,000                   | 0                           | 1,000                         | 1,000                            |
| <b>64100 · Operating Supplies</b>        | 20,000                  | 20,000                  | 19,000                      | 20,000                        | 20,500                           |
| <b>64150 · Repairs &amp; Maintenance</b> | 25,000                  | 19,200                  | 5,000                       | 10,000                        | 12,000                           |
| <b>64160 · Research &amp; Monitoring</b> | 182,000                 | 147,500                 | 90,000                      | 125,000                       | 130,000                          |
| <b>64170 · Pollution Prev/Public Ed</b>  | 43,000                  | 41,500                  | 35,000                      | 40,000                        | 41,500                           |
| <b>64201 · Permits &amp; Fees</b>        | 3,000                   | 4,000                   | 5,294                       | 6,000                         | 6,500                            |
|  |                         |                         |                             |                               |                                  |
|  | <b>648,636</b>          | <b>599,461</b>          | <b>507,013</b>              | <b>583,012</b>                | <b>620,860</b>                   |

**Comments:**

- (1) Includes fees and charges paid for contract laboratory and environmental services provided by Veolia Water and North Marin Water District (NMWD).

**Novato Sanitary District 2018-20  
Preliminary Budget  
Operating Budget - Pump Stations**

| Pump Stations<br>Cost Center - 65000     | Adopted<br>Budget 16/17 | Adopted<br>Budget 17/18 | Projected<br>Exp<br>2017-18 | Proposed<br>Budget<br>2018-19 | Preliminary<br>Budget<br>2019-20 |
|--|-------------------------|-------------------------|-----------------------------|-------------------------------|----------------------------------|
| <b>Accounts</b>                          |                         |                         |                             |                               |                                  |
| <b>65010 · Salaries &amp; Wages</b>      | 344,528                 | 358,335                 | 297,340                     | 346,294                       | 399,177                          |
| <b>65020 · Employee Benefits</b>         | 154,611                 | 153,974                 | 111,444                     | 146,422                       | 175,179                          |
| <b>65060 · Gasoline &amp; Oil</b>        | 6,000                   | 5,000                   | 4,000                       | 5,000                         | 5,000                            |
| <b>65085 · Safety</b>                    | 2,000                   | 2,000                   | 2,000                       | 2,000                         | 2,000                            |
| <b>65091 · Software Maintenance</b>      | 12,000                  | 8,000                   | 6,000                       | 7,000                         | 8,000                            |
| <b>65100 · Operating Supplies</b>        | 10,000                  | 10,000                  | 7,500                       | 10,000                        | 10,000                           |
| <b>65101 · Operating Chemicals</b>       | 15,000                  | 2,000                   | 0                           | 2,000                         | 2,000                            |
| <b>65150 · Repairs &amp; Maintenance</b> | 115,000                 | 115,000                 | 115,000                     | 120,000                       | 120,000                          |
| <b>65152 · Small Tools</b>               | 2,000                   | 2,000                   | 2,000                       | 2,000                         | 2,100                            |
| <b>65153 · Outside Services, Elect.</b>  | 35,000                  | 30,000                  | 25,000                      | 55,000                        | 55,000                           |
| <b>65191 · Gas &amp; Electricity</b>     | 110,000                 | 115,000                 | 97,344                      | 105,000                       | 115,000                          |
| <b>65192 · Water</b>                     | 7,000                   | 7,000                   | 7,000                       | 7,000                         | 7,000                            |
| <b>65193 · Telephone</b>                 | 24,000                  | 24,000                  | 22,000                      | 24,000                        | 24,000                           |
| <b>65201 · Permits &amp; Fees</b>        | 17,000                  | 4,000                   | 5,900                       | 7,000                         | 7,500                            |
|  |                         |                         |                             |                               |                                  |
|  | <b>854,139</b>          | <b>836,309</b>          | <b>702,528</b>              | <b>838,716</b>                | <b>931,956</b>                   |

**Novato Sanitary District  
2018-20 Preliminary Budget  
Operating Budget - Administration/Engineering**

| Administration and<br>Engineering<br>Cost Center - 66000 | Adopted<br>Budget 16/17 | Adopted<br>Budget 17/18 | Projected<br>Exp<br>2017-18 | Proposed<br>Budget<br>2018-19 | Preliminary<br>Budget<br>2019-20 |
|--|-------------------------|-------------------------|-----------------------------|-------------------------------|----------------------------------|
| <b>Accounts</b>  |                         |                         |                             |                               |                                  |
| 66010 · Salaries & Wages                                 | 1,152,160               | 1,235,744               | 1,048,397                   | 1,212,656                     | 1,368,151                        |
| 66020 · Employee Benefits                                | 473,551                 | 504,956                 | 504,956                     | 571,552                       | 681,275                          |
| 66021 · Retiree Health Benefits(1)                       | 377,348                 | 224,377                 | 224,377                     | 247,223                       | 267,700                          |
| 66021-1 · Retiree Health Benefits(2)                     | 0                       | 162,786                 | 162,786                     | 164,007                       | 149,577                          |
| 66022 · Pension Expense (3)                              | 0                       | 223,152                 | 223,152                     | 290,016                       | 360,743                          |
| 66030 · Director's Fees                                  | 38,000                  | 40,000                  | 27,300                      | 34,000                        | 34,000                           |
| 66040 · Election Expense                                 | 0                       | 0                       | 0                           | 60,000                        | 0                                |
| 66060 · Gasoline & Oil                                   | 10,000                  | 5,000                   | 2,787                       | 5,000                         | 5,000                            |
| 66070 · Insurance  | 150,000                 | 150,000                 | 157,013                     | 180,500                       | 192,500                          |
| 66071 · Insurance Claim Expense                          | 50,000                  | 45,000                  | 10,000                      | 45,000                        | 45,000                           |
| 66075 · Agency Dues                                      | 62,000                  | 54,000                  | 56,500                      | 66,000                        | 69,300                           |
| 66080 · Memberships/Certifications                       | 10,000                  | 10,000                  | 10,000                      | 14,000                        | 15,000                           |
| 66085 · Safety   | 2,000                   | 2,000                   | 2,000                       | 2,000                         | 3,000                            |
| 66090 · Office Expense                                   | 27,000                  | 26,000                  | 27,000                      | 28,000                        | 28,000                           |
| 66100 · Engineering Supplies                             | 10,000                  | 10,000                  | 10,000                      | 5,000                         | 5,000                            |
| 66121 · Accounting & Auditing                            | 27,000                  | 26,000                  | 26,000                      | 28,000                        | 29,000                           |
| 66122 · Attorney Fees                                    | 75,000                  | 65,000                  | 35,000                      | 50,000                        | 55,000                           |
| 66123 · O/S Contractual                                  | 218,000                 | 223,000                 | 140,000                     | 181,000                       | 185,000                          |
| 66124 · IT/Misc Electrical                               | 45,000                  | 40,000                  | 39,000                      | 43,000                        | 45,000                           |
| 66125 · Safety & Wellness Incent Prog                    | 10,000                  | 10,000                  | 2,450                       | 10,000                        | 10,000                           |
| 66130 · Printing & Publications                          | 22,000                  | 22,000                  | 22,000                      | 24,000                        | 24,000                           |
| 66150 · Repairs & Maintenance                            | 50,000                  | 50,000                  | 45,000                      | 50,000                        | 52,500                           |
| 66170 · Travel, Meetings & Training                      | 55,000                  | 65,000                  | 65,000                      | 70,000                        | 75,000                           |
| 66193 · Telephone  | 10,000                  | 12,000                  | 12,549                      | 13,000                        | 13,500                           |
| 66202 · County Fees-Property Taxes                       | 26,000                  | 26,000                  | 31,754                      | 33,000                        | 35,000                           |
| 66203 · County Fees-Sewer Ser Chg                        | 42,000                  | 40,000                  | 28,800                      | 30,000                        | 31,000                           |
| 66250 · Service Charge Sys Exp                           | 5,150                   | 5,000                   | 5,000                       | 5,000                         | 5,000                            |
|  | <b>2,947,210</b>        | <b>3,277,014</b>        | <b>2,918,821</b>            | <b>3,461,953</b>              | <b>3,784,247</b>                 |

**Comments:**

- (1) Projected contribution to current retirees' health care premiums.
  - (2) Represents FY18-19 Unfunded Actuarial Liability (UAL) contributions into the PARS Trust (OPEB sub-account) established in November 2016.
  - (3) Represents FY17-18 projected contributions to PARS Trust (Pension sub-account).
- \*PARS = Public Agency Retirement Services.  
OPEB = Other Post-Employment Benefits.

| Novato Sanitary District  |  |                          |           |           |           |
|---|--|--------------------------|-----------|-----------|-----------|
| Preliminary Operating Budget 2018-20  |  |                          |           |           |           |
| PERSONNEL DETAIL  |  |                          |           |           |           |
| Number  | Position   | Cost Center              | Pay Range | Salaries  |           |
|   |  |                          |           | 2018-19   | 2019-20   |
| 1.00  | General Manager-Chief Engineer.....                  | A/E                      |           | 233,508   | 242,381   |
| 1.00  | Deputy General Manager.....                          | A/E                      | MC122.5   | 177,840   | 193,832   |
| 1.00  | Field Services Manager .....                         | .25AE/.25CS/.25PS/.25Rec | MC119     | 149,265   | 162,691   |
| 1.00  | Senior Engineer.....                                 | .65AE/.25PS/.10Rec       | MC116.5   | 62,160    | 135,496   |
| 0.46  | Administrative Services Specialist .....             | A/E                      | MC117.5   | 69,744    | 72,394    |
| 1.00  | Administrative/Risk Services and Safety Officer (1)  | A/E                      | MC117.5   | 138,206   | 150,630   |
| 1.00  | Administrative Assistant .....                       | A/E                      | MC103     | 30,630    | 66,767    |
| 1.00  | Administrative Secretary.....                        | A/E                      | MC106     | 86,196    | 89,471    |
| 1.00  | Finance Officer.....                                 | A/E                      | MC115     | 133,716   | 138,797   |
| 1.00  | Staff Engineer.....                                  | .5A/E/.5CS               | 47        | 110,016   | 114,197   |
| 1.00  | Construction Inspector.....                          | A/E                      | 44.5      | 81,472    | 88,799    |
| 1.00  | Information System Specialist II.....                | .5A/E/.5CS               | 43.5      | 92,772    | 96,297    |
| 1.00  | Electrical/Instrumentation Tech I.....               | .34A/E/.33PS/.33Rec      | 40.5      | 73,290    | 79,880    |
| 1.00  | Collection System Superintendent.....                | .67CS/.33PS              | MC115     | 112,356   | 122,398   |
| 1.00  | Collection System Leadworker.....                    | .67CS/.33PS              | 47        | 106,520   | 114,197   |
| 0.00  | Collection System Worker III.....                    | .67CS/.33PS              | 43.5      | -         | -         |
| 4.00  | Collection System Worker II.....                     | .67CS/.33PS              | 40.5      | 310,092   | 326,877   |
| 3.00  | Collection System Worker I.....                      | .67CS/.33PS              | 38.5      | 158,701   | 204,196   |
| 1.00  | Admin Intern   | A/E                      | N/A       | 7,200     | 7,200     |
| 1.00  | Engineering Aide - temp                              | A/E                      | N/A       | 8,640     | 8,640     |
| 0.40  | Hourly Electrician                                   | .25AE/.25PS/.50Rec       | N/A       | 32,000    | 32,000    |
|   | Allowance for Overtime.....                          | C/S                      |           | 33,000    | 33,000    |
|   | Allowance for Overtime.....                          | A/E                      |           | 7,500     | 7,500     |
|   | Allowance for Standby Duty Pay.....                  | C/S                      |           | 36,000    | 36,000    |
|   | Adjustment for CMSA Reimbursement(1)                 | A/E                      |           | (17,932)  | (19,582)  |
|   | Subtotal   |                          |           | 2,232,893 | 2,504,059 |
|   | Allowance for Possible COLA - across the board ..... | 3.80%                    |           | 80,806    | 95,973    |
|   |  | 4.00%                    |           |           |           |
|   |  |                          |           | 2,313,699 | 2,600,032 |
| 23.86   | Administration and Engineering (A/E)                 |                          | 1,212,656 | 1,368,151 |           |
|   | Collection System                                    | 67%                      | 668,458   | 732,897   |           |
|   | Pump Stations  | 33%                      | 346,294   | 399,177   |           |
|   | Reclamation Facilities                               |                          | 86,292    | 99,806    |           |
|   | Total/Check  |                          | 2,313,699 | 2,600,032 |           |
| <p>(1) A portion of the compensation for this position to be reimbursed by Central Marin Sanitation Agency (CMSA) under the Joint Safety Program between CMSA and the District.</p> |  |                          |           |           |           |

**Novato Sanitary District  
2018-20 Preliminary Budget  
Operating Budget - Solid/Household Hazardous Waste**

| <b>Solid/HHW Cost Center - 67000</b>     | <b>Adopted Budget<br/>16/17</b> | <b>Adopted Budget<br/>17/18</b> | <b>Projected Exp<br/>2017-18</b> | <b>Proposed Budget<br/>2018-19</b> | <b>Preliminary Budget<br/>2019-20</b> |
|--|---------------------------------|---------------------------------|----------------------------------|------------------------------------|---------------------------------------|
| <b>Accounts</b>                          |                                 |                                 |                                  |                                    |                                       |
| <b>67400 · Management Services</b>       | 134,750                         | 138,118                         | 100,555                          | 142,464                            | 146,025                               |
| <b>67500 · Household Haz. Waste</b>      | 220,000                         | 242,500                         | 255,000                          | 260,000                            | 265,000                               |
| <b>67530 · Used Oil Grant</b>            | 11,269                          | 11,269                          | 11,269                           | 11,269                             | 11,269                                |
| <b>67530-1Beverage Container Grant</b>   | 11,268                          | 11,268                          | 11,268                           | 11,268                             | 11,268                                |
| <b>67540 · Education/Public Outreach</b> | 23,500                          | 21,000                          | 21,000                           | 23,500                             | 23,500                                |
| <b>67600 · Other</b>                     | 5,000                           | 5,000                           | 5,000                            | 5,000                              | 5,000                                 |
| <b>67610 · City AB 939 Admin Service</b> | 10,000                          | 10,000                          | 10,000                           | 10,000                             | 10,000                                |
|  | <b>415,787</b>                  | <b>439,155</b>                  | <b>414,092</b>                   | <b>463,501</b>                     | <b>472,062</b>                        |

**Comments:**

Per proposed budget by HHW Coordinator.

**Novato Sanitary District  
2018-20 Preliminary Budget  
Operating Budget - Recycled Water**

| <b>Recycled Water<br/>Cost Center - 68000</b> | <b>Adopted<br/>Budget 16/17</b> | <b>Adopted<br/>Budget 17/18</b> | <b>Projected<br/>Exp<br/>2017-18</b> | <b>Proposed<br/>Budget<br/>2018-19</b> | <b>Preliminary<br/>Budget<br/>2019-20</b> |
|---|---------------------------------|---------------------------------|--------------------------------------|--|---|
| <b>Accounts</b>                               |                                 |                                 |                                      |  |   |
| <b>68010 · O &amp; M Services (1)</b>         | 50,000                          | 50,000                          | 50,000                               | 55,000                                 | 57,000                                    |
| <b>68100 · Operating Supplies (2)</b>         | 2,000                           | 2,000                           | 2,200                                | 4,400                                  | 5,000                                     |
| <b>68101 · Operating Chemicals (2)</b>        | 26,000                          | 27,300                          | 30,000                               | 60,100                                 | 62,000                                    |
| <b>68150 · Repairs &amp; Maintenance(3)</b>   | 22,000                          | 24,200                          | 25,410                               | 30,500                                 | 31,000                                    |
| <b>68160 · Research &amp; Monitoring</b>      | 14,000                          | 14,000                          | 14,000                               | 14,000                                 | 14,000                                    |
| <b>68191 · Gas &amp; Electricity (2)</b>      | 2,000                           | 17,000                          | 19,000                               | 38,000                                 | 39,000                                    |
| <b>68201 · Permits &amp; Fees</b>             | 1,000                           | 1,000                           | 0                                    | 0                                      | 0   |
|   | <b>117,000</b>                  | <b>135,500</b>                  | <b>140,610</b>                       | <b>202,000</b>                         | <b>208,000</b>                            |

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

|   |  |
|---|--|
| <b>TITLE: ANNUAL BUDGET: Fiscal Years FY18-20 Preliminary Budget</b>  | <b>MEETING DATE: June 11, 2018</b><br><br><b>AGENDA ITEM NO.: 9.a.</b> |
| <b>RECOMMENDED ACTION: Approve and adopt the 2018-20 Preliminary Budget.</b>  |  |
| <b>SUMMARY AND DISCUSSION:</b><br><br><p>At the May 21, 2018 Board meeting, staff presented the District's Preliminary Budget for Fiscal Years FY2018-20, along with a workshop overview of the budget, to the District Board of Directors.</p> <p>Separately, staff reviewed the preliminary Solid Waste budget with the Solid Waste Committee, the preliminary Operating Budget with the Wastewater Operations Committee, and the preliminary Capital Improvement Program (CIP) budget with the Capital Improvements Committee.</p> <p>All three Committees have recommended adoption of the respective budgets to the full Board. Revisions and edits proposed during the respective Committee reviews were minor, and will be corrected in the final Budget presented for Board adoption in August.</p> <p>Accordingly, at this time, staff recommends that the Board approve and adopt the Preliminary Budget for FY18-20.</p> |  |
| <b>ATTACHMENTS:</b><br>1. Preliminary Budget for Fiscal Years 2018-20, as presented on May 21, 2018.  |  |
| <b>STRATEGIC PLAN INFORMATION:</b> This item addresses Goal 4 (Well Planned Finances with a Long Range Outlook) of the latest Strategic Plan Update. The item also addresses other goals of the Strategic Plan including Goal 1 (Operational Excellence), and Goal 3 (Alignment and Communications).  |  |
| <b>DEPT. MGR.:</b> lc, ssk  | <b>GENERAL MANAGER:</b> SSK  |



**Preliminary Budget**  
**FOR**  
**FISCAL YEARS 2018-20**

*Presented May 21, 2018*

**TABLE OF CONTENTS**

|                    |   |             |
|--------------------|---|-------------|
| <b>SECTION I</b>   | <b>Letter of Transmittal.....</b>   | <b>i-xi</b> |
| <b>SECTION II</b>  | <b>Summary of Fund Balances.....</b>  | <b>1</b>    |
|                    | <b>Operating Budget: Summary of Revenues .....</b>  | <b>2</b>    |
|                    | <b>Operating Budget: Summary of Expenditures .....</b>                                    | <b>3</b>    |
|                    | <b>Operating Budget: By Cost Center and Account Category.....</b>                         | <b>4</b>    |
| <b>SECTION III</b> | <b>Operating Budget by Cost Center and Account Category</b>                               |             |
|                    | <b>Collections .....</b>  | <b>5</b>    |
|                    | <b>Treatment Facilities .....</b>   | <b>6</b>    |
|                    | <b>Reclamation Facility .....</b>   | <b>7</b>    |
|                    | <b>Laboratory .....</b>   | <b>8</b>    |
|                    | <b>Pump Stations .....</b>  | <b>9</b>    |
|                    | <b>Administration and Engineering .....</b>   | <b>10</b>   |
|                    | <b>Personnel Detail .....</b>   | <b>11</b>   |
|                    | <b>Solid/Hazardous Household Waste Programs .....</b>                                     | <b>12</b>   |
|                    | <b>Recycled Water Facility.....</b>   | <b>13</b>   |
| <b>SECTION IV</b>  | <b>Capital Improvement Budget</b>   |             |
|                    | <b>Capital Improvement: Summary of Revenues .....</b>                                     | <b>14</b>   |
|                    | <b>Capital Improvement: Summary of Expenditures .....</b>                                 | <b>15</b>   |
| <b>SECTION V</b>   | <b>Wastewater Capital and Certificate of Participation (COP) Reserve Funds</b>            |             |
|                    | <b>Wastewater Capital Reserve Fund.....</b>   | <b>16</b>   |
|                    | <b>COP Reserve Fund.....</b>  | <b>17</b>   |
| <b>SECTION VI</b>  | <b>Rate Stabilization Fund.....</b>   | <b>18</b>   |
| <b>SECTION VII</b> | <b>Debt Service Funds Summary</b>   |             |
|                    | <b>State Revolving Fund Loan,<br/>COP Bond Fund and Revenue Refunding Bond Fund .....</b> | <b>19</b>   |

***SECTION I***

***LETTER OF TRANSMITTAL***

May 21, 2018

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

Honorable Board Members:

The proposed Preliminary District Budget for fiscal years (FY) 2018-19 and 2019-20 fiscal years is attached for your consideration and approval. The Preliminary Budget includes the following components:

- Summary of Fund Balances including Operating, Capital Improvement, and Reserve Funds (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)
- FY18-19 Wastewater Capital Reserve Fund and Certificates of Participation Reserve Fund (Section V)
- FY18-19 Rate Stabilization Fund (Section VI)
- FY18-19 Debt Service Fund Summary (Section VII).

Note that this year's annual Sewer Service Charge (SSC) increases from \$594 to \$615 per service unit, or an increase of 3.5% over the prior year. The basis of the rate increase is District Ordinance No. 120 – AN ORDINANCE OF THE NOVATO SANITARY DISTRICT ESTABLISHING SEWER SERVICE CHARGES FOR FISCAL YEARS 2016-17, 2017-18, 2018-19, 2019-20, AND 2020-21. This Ordinance No. 120 was adopted by the District Board at its regular meeting of June 13, 2016 upon completion of the appropriate Proposition 218 process.

As in prior years, the sewer service charge is divided in FY18-19, with \$345 (55%) allocated to the Operating Budget, and \$270 (45%) allocated to the Capital Budget.

#### **A. BUDGET STRUCTURE**

The District's budget is prepared on a cash basis. Operating and Capital Revenues and Expenditures are summarized in Table 1, and illustrated in Figure 1 at the end of this letter. Table 1 also compares the adopted budget for the immediate past year with the proposed budget for the next year. Total revenues are projected to increase overall by about 4.3 percent from a combination of the sewer service charge increase discussed above and anticipated increases in property tax revenues accruing to the District. Variances between the two budget years are also provided later in this letter.

|                               | FY 17/18<br>Adopted Budget | FY 18/19<br>Proposed Budget | % Change<br>FY 18 to FY 19 |
|-------------------------------|----------------------------|-----------------------------|----------------------------|
| <b>Operating Revenues</b>     | \$ 10,654,033              | \$ 11,282,802               | 5.90%                      |
| <b>Capital Revenues</b>       | \$ 10,926,445              | 11,220,560                  | 2.69%                      |
| <b>Total Revenues</b>         | <b>\$ 21,580,478</b>       | <b>\$ 22,503,362</b>        | 4.28%                      |
| <b>Operating Expenditures</b> | 10,329,235                 | 10,705,237                  | 3.64%                      |
| <b>CIP Expenditures</b>       | 5,680,000                  | 6,663,000                   | 17.31%                     |
| <b>Debt Service</b>           | 7,043,504                  | 6,839,456                   | -2.90%                     |
| <b>Total Expenditures</b>     | <b>\$ 23,052,739</b>       | <b>\$ 24,207,693</b>        | 5.01%                      |

**B. FISCAL YEAR 2018-19 OPERATING BUDGET DETAILS**

*Operating Revenues*

The proposed FY 2018-19 Operating Budget by revenue source is shown in Table 2 below (and graphically in Figure 2), along with the figures for the past two fiscal years. Total operating revenues are budgeted to increase by 5.9% or \$628,769 from FY 2017-18.

| Funding Sources by Category     | FY 16-17<br>Adopted Budget | FY 17-18<br>Adopted Budget | FY 18-19<br>Proposed Budget | % Change<br>FY 18 to FY 19 |
|---------------------------------|----------------------------|----------------------------|-----------------------------|----------------------------|
| Operating Sewer Service Charges | \$ 9,208,992               | \$ 9,691,440               | \$ 10,145,760               | 4.69%                      |
| Permit & Inspection fees        | 31,500                     | 26,500                     | 31,500                      | 18.87%                     |
| Interest Income                 | 20,000                     | 43,000                     | 120,000                     | 179.07%                    |
| Engineering/Admin Chgs          | 165,000                    | 165,000                    | 165,000                     | 0.00%                      |
| Franchise Fees                  | 52,186                     | 53,438                     | 55,041                      | 3.00%                      |
| AB 939 Collector Fees           | 354,134                    | 376,426                    | 400,772                     | 6.47%                      |
| Oil and Beverage Grant          | 59,880                     | 62,729                     | 62,729                      | 0.00%                      |
| Ranch Income                    | 70,000                     | 70,000                     | 70,000                      | 0.00%                      |
| Recycled Water Revenue          | 117,000                    | 135,500                    | 202,000                     | 49.08%                     |
| Other Revenue                   | 30,000                     | 30,000                     | 30,000                      | 0.00%                      |
| <b>Total Operating Revenue</b>  | <b>\$10,108,692</b>        | <b>\$10,654,033</b>        | <b>\$11,282,802</b>         | <b>5.90%</b>               |

**Operating Sewer Service Charges (SSCs)** budgeted increase of \$504,320 or 4.7% primarily from the approved 3.5% rate increase recommended by the 2016 sewer service charge rate study, and adopted by Ordinance No. 120.

**Interest Income** budgeted increase of \$77,000 or 179.1% from the continued potential increase in interest rates.

**AB 939 Collector Fees** budgeted to increase by \$24,346 or 6.5% due to the current projection for the Solid/HHW Cost center revenue.

**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 is shown in Table 3. The proposed FY18-19 Operating Expenditures are also shown graphically in Figure 3 (by expense type) and Figure 4 (by department or cost center), at the end of this letter. Operating expenditures are budgeted to increase by 3.6% or \$376,002 between FY2017-18 and FY2018-19. In terms of staffing, note that FY17-18 expenditures for Salaries and Benefits within individual cost centers were skewed by retirements of the long-term incumbents in the following District positions: Construction Inspector, Senior Engineer, Collection System Superintendent, and Field Services Manager. The actual retirement dates for these individuals ranged from July through November 2017, but the retirements affected budgeted expenditures through the year as the District addressed these staff transitions.

Also, in FY16-17, the District moved forward on addressing its liabilities under Government Accounting Standards Board (GASB) Statement 45 (GASB 45 – Other Post-Employment Benefits or OPEB) and Statement 68 (GASB 68 – Net Pension Liability or NPL). The District set up and initiated funding a trust account with Public Agency Retirement Services (PARS), Irvine, CA, which incorporates separate sub-accounts for each of the GASB 45 and 68 liabilities. Consistent with Board direction (provided November 14, 2016), future District budgets (including the FY18-20 budgets) will include amounts to fund this trust, subject to Board approval.

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

| Expenditures by Department | FY 16-17            | FY 17-18             | FY 18-19             | % Change       |
|----------------------------|---------------------|----------------------|----------------------|----------------|
|                            | Adopted Budget      | Adopted Budget       | Proposed Budget      | FY 18 to FY 19 |
| Collections                | \$ 1,392,148        | \$ 1,359,767         | \$ 1,381,782         | 1.62%          |
| Treatment                  | 3,076,191           | 3,160,475            | 3,282,731            | 3.87%          |
| Reclamation                | 521,538             | 521,554              | 491,542              | -5.75%         |
| Laboratory                 | 648,636             | 599,461              | 583,012              | -2.74%         |
| Pump Stations              | 854,139             | 836,309              | 838,716              | 0.29%          |
| Administration/Engineering | 2,947,210           | 3,277,014            | 3,461,953            | 5.64%          |
| Hazardous Household Waste  | 415,787             | 439,155              | 463,501              | 5.54%          |
| Recycled Water             | 117,000             | 135,500              | 202,000              | 49.08%         |
| <b>Total Expenditures</b>  | <b>\$ 9,972,648</b> | <b>\$ 10,329,235</b> | <b>\$ 10,705,237</b> | <b>3.64%</b>   |

Table 4 summarizes the main anticipated operating budget variances.

**Table 4: Operating Budget Significant Budget Variances 2017-18 to 2018-19**

| Anticipated Budget Variances – Year-over-year, FY 17-18 to FY 18-19                         | Budget Impact |
|---|---------------|
| 1. 8.6% increase in employee benefits category.   | \$ 84,410     |
| 2. 30.0% increase in contributions to fund trust for pension expenses.                      | \$ 66,864     |
| 3. 18.6% increase in insurance expense.   | \$ 30,500     |
| 4. 93.6% increase in District Software maintenance expenses.                                | \$ 29,000     |
| 5. 112.0% increase in District's Operating Chemicals expenses.                              | \$ 32,800     |
| 6. 23.1% decrease in attorney fees in the Admin & Eng. cost center.                         | \$ (15,000)   |
| 7. 18.8% decrease in Outside consulting in the Admin & Eng. cost center.                    | \$ (42,000)   |
| 8. 14.6% decrease in Outside services in the Pump Station & Collection System cost centers. | \$ (30,000)   |
| 9. 13.9% decrease in Research & Monitoring fees in the Lab cost center.                     | \$ (22,500)   |

**C. FISCAL YEAR 2017-18 CAPITAL BUDGET DETAILS**

***Capital Revenues***

The proposed FY2018-19 Capital Budget by Revenue source is shown in Table 5 below, along with the figures for the past two fiscal years. Percentage changes in actual property tax revenue for the last ten years is illustrated in Figure 5. Total capital revenues for FY18-19 are expected to increase by 2.7% or \$ 294,115 from FY 2017-18. Notable items include:

**Capital SSC Revenues** - projected increase of \$187,008 or 2.4% primarily from the 3.5% rate increase recommended by the current sewer service charge rate study.

**Property Taxes** - projected increase of \$100,507 or 4.6% from greater activity in the housing market over the past few years. For comparative purposes, Figure 5 (attached to this letter) illustrates property tax-related revenues for the last ten years.

**Connection Fees** – projected to increase \$13,600 or 3.0% assuming about 40 new connections per year.

**Interest Income** – projected increase of \$85,000 or 212.5% from the continued potential increase in interest rates.

**Grant Revenue** – projected decrease of \$92,000 or 19.37% over FY17-18 anticipated amounts as the project for the Recycled Water Facility expansion project continues to progress and the District receives reimbursement of these funds via the USBR Title XVI grant funds through the North Bay Water Reuse Authority (NBWRA) Phase I Program.

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

| Funding Sources by Category         | FY 16-17            | FY 17-18            | FY 18-19            | % Change       |
|-------------------------------------|---------------------|---------------------|---------------------|----------------|
|                                     | Adopted Budget      | Adopted Budget      | Proposed Budget     | FY 18 to FY 19 |
| Capital Sewer Service Charges       | \$ 7,595,952        | \$ 7,753,152        | \$ 7,940,160        | 2.41%          |
| Property Taxes                      | 1,938,000           | 2,188,693           | 2,289,200           | 4.59%          |
| Connection Charges                  | 434,400             | 447,600             | 461,200             | 3.04%          |
| Collector/Special Equalization Chgs | 2,000               | 2,000               | 2,000               | 0.00%          |
| Interest Income                     | 25,000              | 40,000              | 125,000             | 212.50%        |
| Grant Revenue                       | 0                   | 475,000             | 383,000             | -19.37%        |
| Other Revenue                       | 20,000              | 20,000              | 20,000              | 0.00%          |
| <b>Total Capital Revenues:</b>      | <b>\$10,015,352</b> | <b>\$10,926,445</b> | <b>\$11,220,560</b> | <b>2.69%</b>   |

***Capital Expenditures***

The proposed Capital Improvement Program (CIP) Budget for FY18-19 is \$13,502,456 or \$778,952 more or an increase of 6.1% over last year. Capital projects for 2018-19 will be funded through sewer service charges, property taxes, and connection fees. Notable items include:

**On-going major capital project work**, including Collection System Improvements and the expansion of the Recycled Water Facility (RWF).

**Continuing work on regional efforts** including NBWRA, Novato Creek Watershed, and the Hamilton Wetlands/Outfall study.

Debt service of \$6,839,456 including principal and interest payments on the District's State Revolving Fund (SRF) loan and the 2017 Revenue Refunding Bonds.

Table 6 shows summary Capital Debt Service and Capital Project Costs for three fiscal years.

| Capital Expenditures | FY 16-17<br>Adopted Budget | FY 17-18<br>Adopted Budget | FY 18-19<br>Proposed Budget | % Change<br>FY 18 to FY 19 |
|----------------------|----------------------------|----------------------------|-----------------------------|----------------------------|
| Capital Projects     | \$4,675,000                | \$5,680,000                | \$6,663,000                 | 17.31%                     |
| Debt Service         | 7,059,705                  | 7,043,504                  | 6,839,456                   | -2.9%                      |
| <b>Total</b>         | <b>\$11,734,705</b>        | <b>\$12,723,504</b>        | <b>\$13,502,456</b>         | <b>6.1%</b>                |

**Debt Coverage Ratio**

In the 2011 Certificates of Participation(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, or a debt coverage ratio of 1.20. In October of 2017, the District retired these COPs with the issuance of the 2017 Revenue Refunding Bonds saving the District over \$2 million in debt service over the next twenty years. The new 2017 Revenue Refunding Bonds do not require disclosure of the debt coverage ratio, however, the District's projected Debt Coverage Ratio for 2018-19 is 1.68.

**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. For illustrative purposes, Figure 6 (following this letter) compares the District's SSC changes relative to changes in the Consumer Price Index (CPI) for the Water and Sewer Services industry for the last ten years.

| <b>AGENCY</b>   | <b>RATE (\$/yr.)</b>      |
|---|---------------------------|
| Sanitary District No. 5 – Belvedere                   | 1,985 <sup>(a)</sup>      |
| Tamalpais Community Services District                 | 1,734 <sup>(b)</sup>      |
| Sausalito-Marin City Sanitary District <sup>(1)</sup> | 1,377 <sup>(a)</sup>      |
| Sanitary District No. 1 – City of Larkspur            | 1,178 <sup>(b)</sup>      |
| Sanitary District No. 5 – Tiburon                     | 1,034 <sup>(a)</sup>      |
| City of Santa Rosa                                    | 995 <sup>(b)</sup>        |
| Ross Valley Sanitary District (SD#1)                  | 909 <sup>(b)</sup>        |
| Las Gallinas Valley Sanitary                          | 898 <sup>(b)</sup>        |
| San Rafael Sanitation                                 | 861 <sup>(a)</sup>        |
| City of Petaluma                                      | 824 <sup>(a)</sup>        |
| City of Mill Valley                                   | 779 <sup>(a)</sup>        |
| Napa Sanitation District                              | 676 <sup>(b)</sup>        |
| <b>NOVATO SANITARY DISTRICT</b>                       | <b>615 <sup>(b)</sup></b> |
| Vallejo Sanitation & Flood Control District           | 585 <sup>(b)</sup>        |
| Town of Corte Madera                                  | 500 <sup>(a)</sup>        |

Notes: <sup>(1)</sup> Includes SMCS D charge of \$866 and City of Sausalito charge of \$511  
<sup>a)</sup>FY2017-18 charges; <sup>b)</sup>FY2018-19 (proposed or adopted)

In conclusion, the proposed FY2018-19 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,

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SANDEEP KARKAL, P.E.  
General Manager-Chief Engineer

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LAURA CREAMER, CPA  
Finance Officer

Additional Charts for Informational Purposes:  
Figure 1:

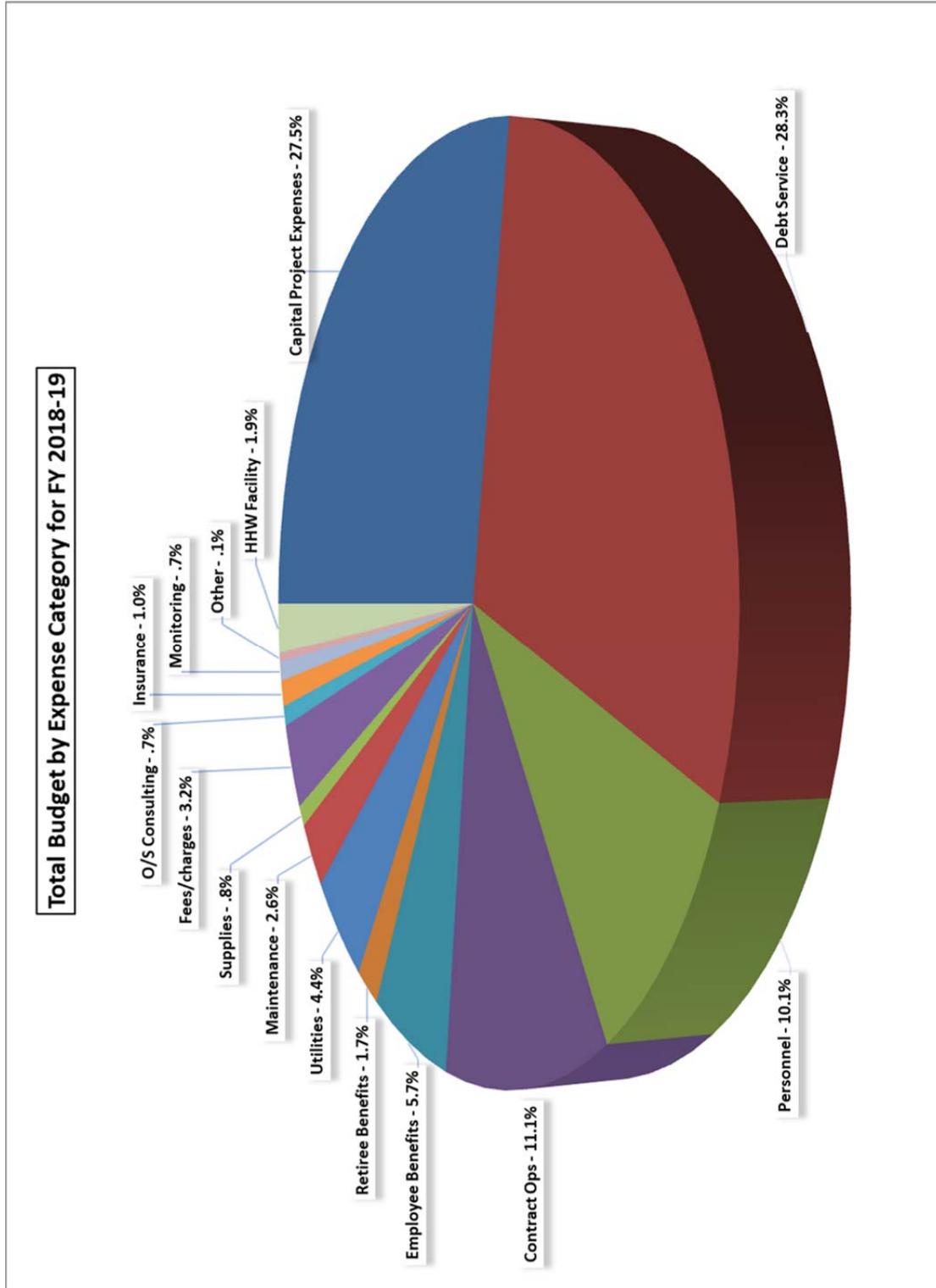


Figure 2:

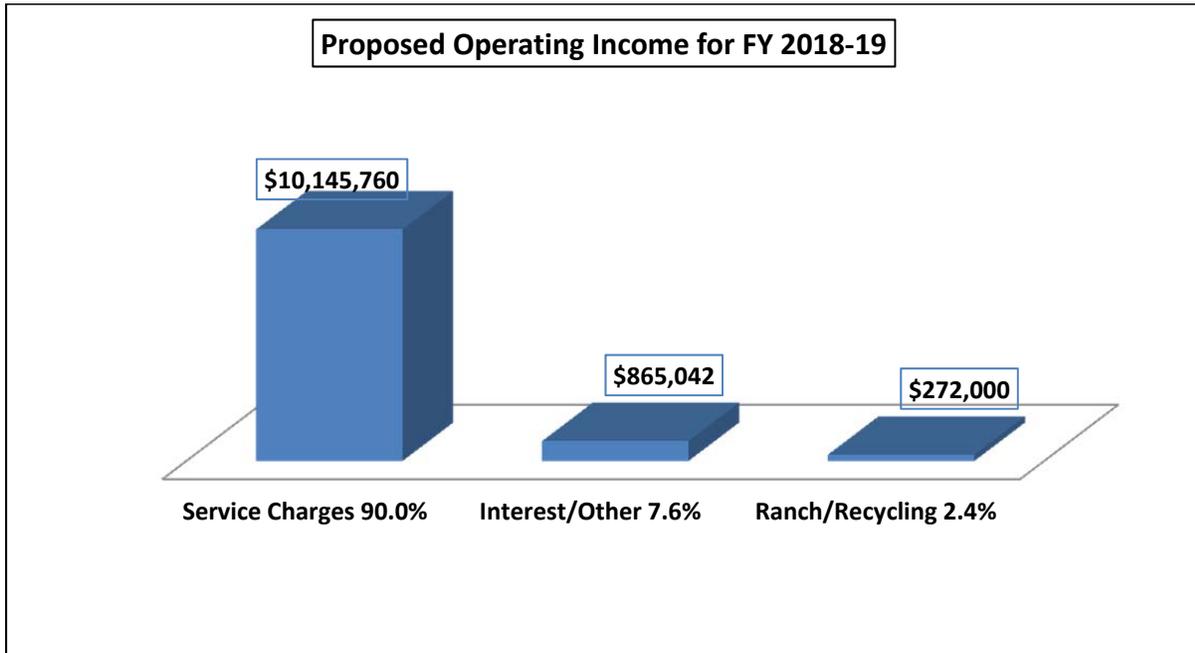


Figure 3:

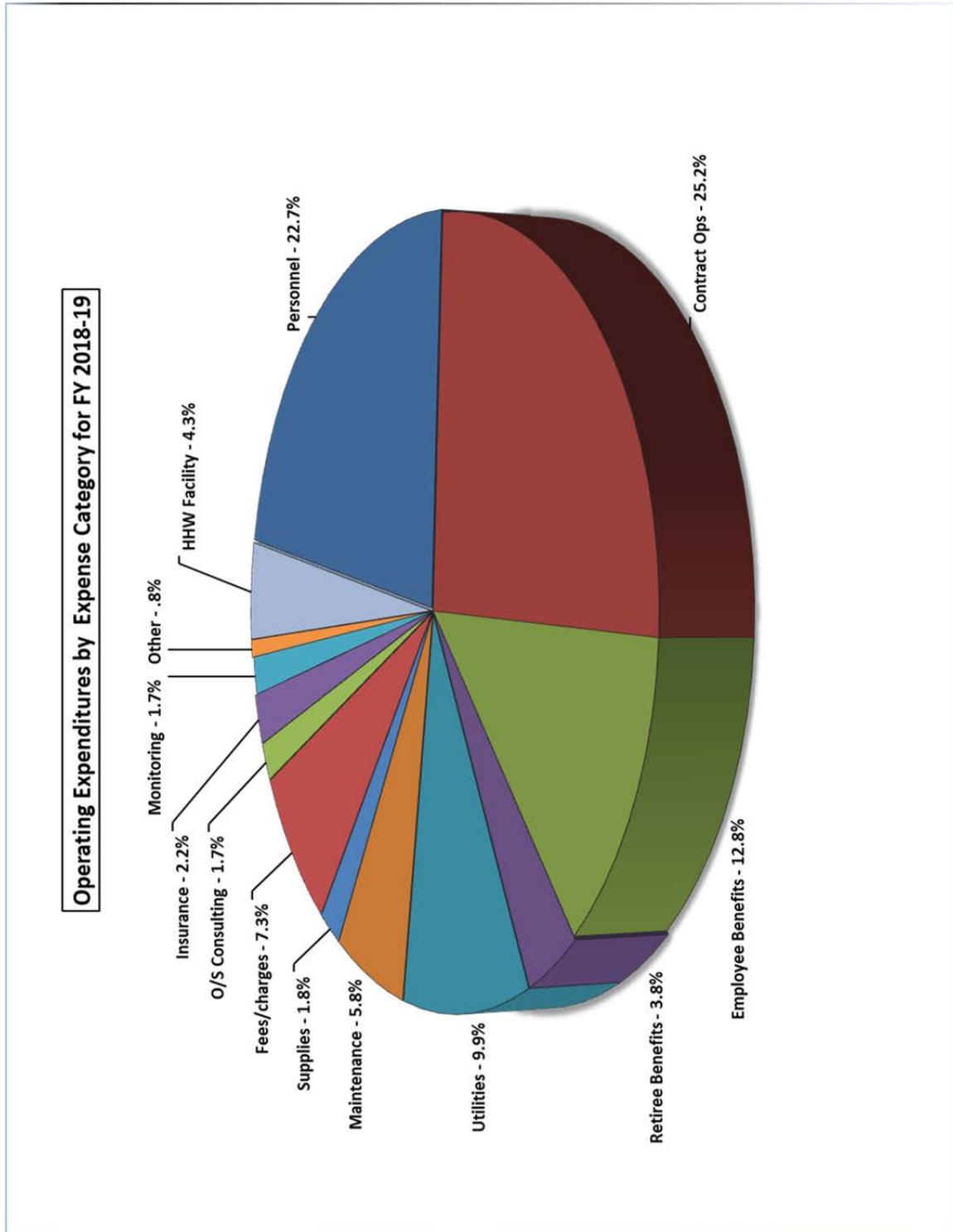


Figure 4:

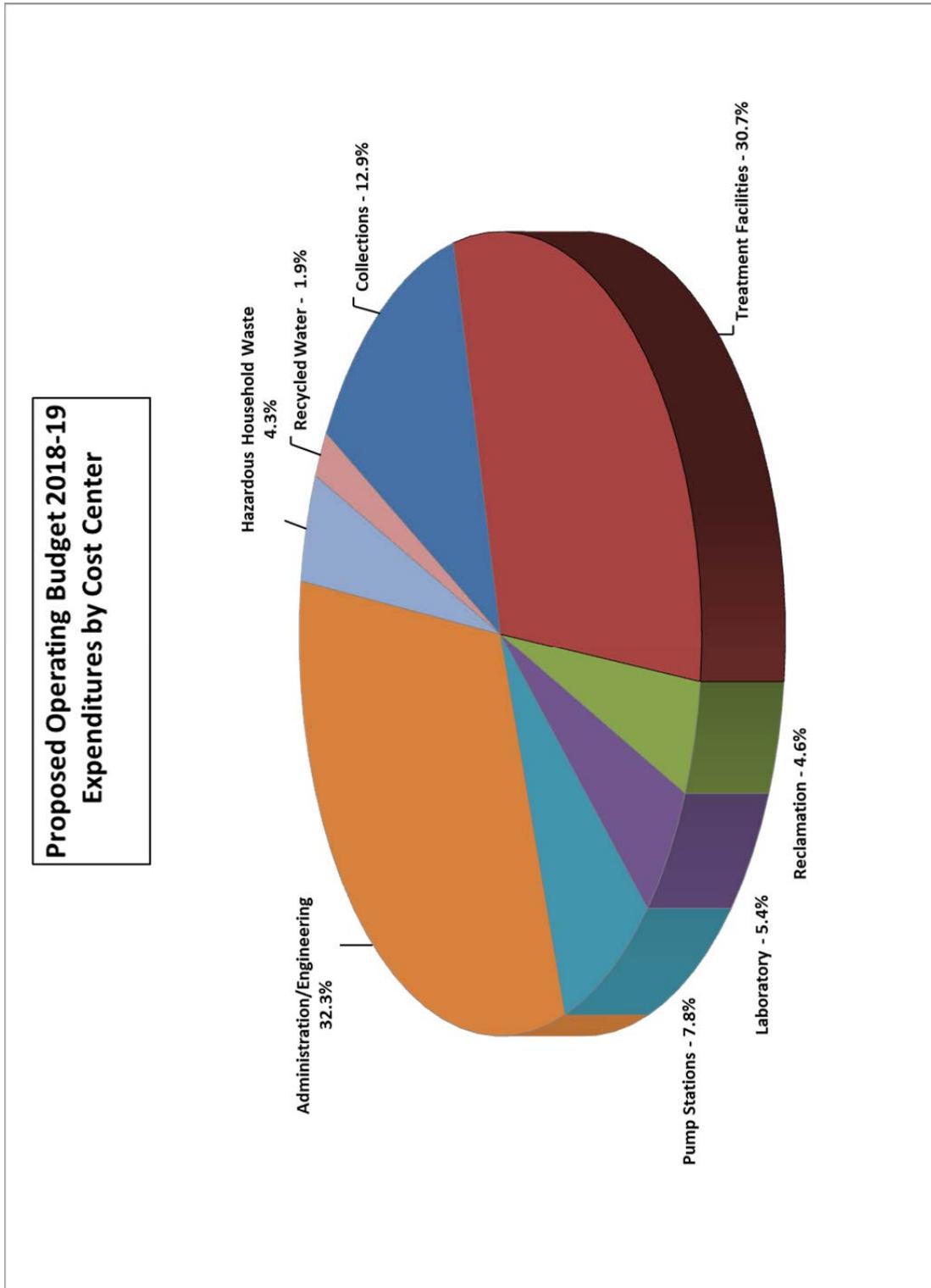
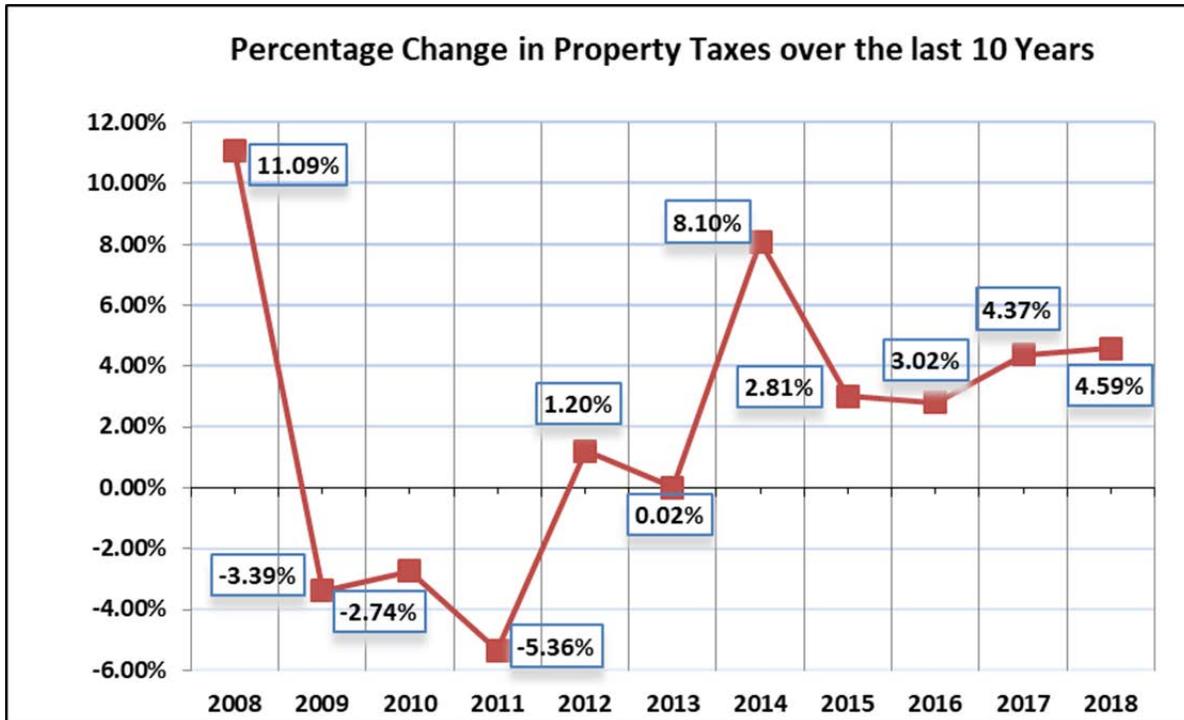
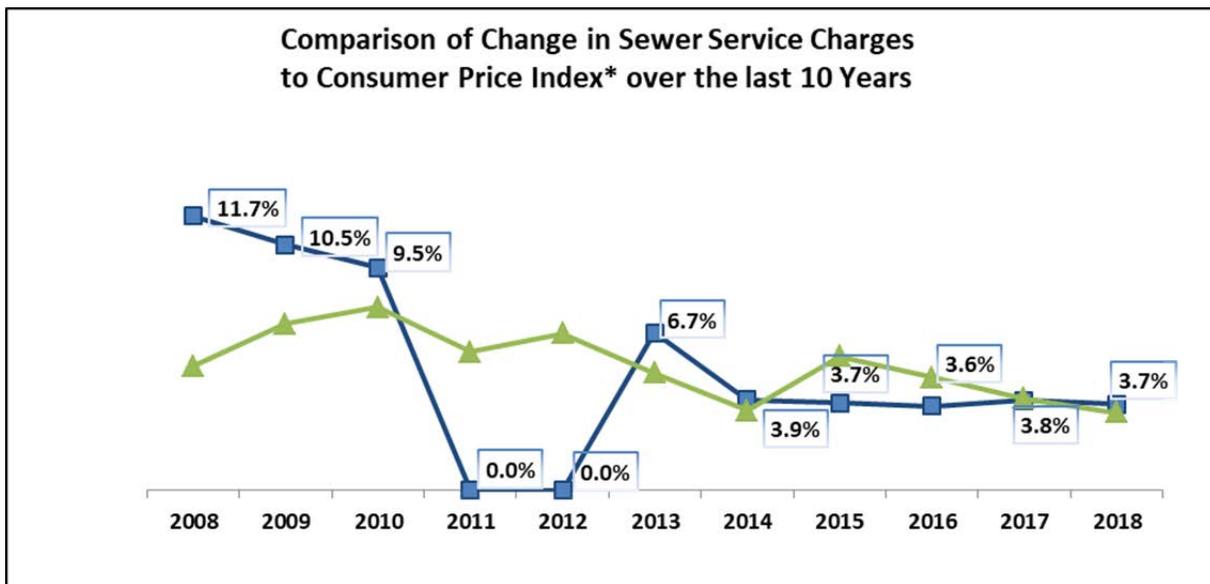


Figure 5:



Note: Based on actual revenues received through 16/17 and projected revenues for 17/18.

Figure 6:



\*CPI – Bureau of Labor Statistics – Series Id: CUUR0000SEHG01; Not Seasonally Adjusted; U.S. city average; Water and sewerage maintenance; Base Period: 1982-84=100

**Novato Sanitary District  
2018-20 Preliminary Budget  
Summary of Fund Balances**

|  | Projected<br>Rev/Exp<br>2017-18 | Proposed<br>Budget<br>2018-19 | Preliminary<br>Budget<br>2019-20 |
|--|---------------------------------|-------------------------------|----------------------------------|
| <b>Operating Fund<br/>at July 1st Beginning of Each Year</b>                       | 12,542,995                      | 12,833,255                    | 13,071,390                       |
| <b>Operating Revenue (p. 2)</b>  | 10,653,664                      | 11,282,802                    | 11,470,054                       |
| <b>Operating Expenditures (p. 3)</b>   | 9,295,933                       | 10,705,237                    | 11,481,860                       |
| <b>Transfers Out (1)</b>   | 1,067,471                       | 339,430                       | 0                                |
| <b>Net Operating Revenue after transfers</b>                                       | 290,260                         | 238,135                       | (11,806)                         |
| <b>Operating Fund<br/>after transfers at the End of Each Year</b>                  | <b>12,833,255</b>               | <b>13,071,390</b>             | <b>13,059,584</b>                |
| <b>Capital Improvement Fund<br/>at July 1st Beginning of Each Year</b>             | 7,857,190                       | 9,376,765                     | 7,086,334                        |
| <b>Capital Revenue (p. 15)</b>   | 10,496,040                      | 11,220,560                    | 11,383,312                       |
| <b>Transfers In (2)</b>  | 1,016,823                       | 288,782                       | 0                                |
| <b>Capital Expenditures (p. 16)</b>  | 1,429,698                       | 6,663,000                     | 4,615,000                        |
| <b>Debt Service (p. 19)</b>  | 6,841,840                       | 6,839,456                     | 6,829,956                        |
| <b>Transfers Out (3)</b>   | 1,721,750                       | 297,317                       | 297,317                          |
| <b>Total Capital Expenditures</b>  | 9,993,288                       | 13,799,773                    | 11,742,273                       |
| <b>Capital Improvement<br/>Fund Balance at the End of Each Year (4)</b>            | <b>9,376,765</b>                | <b>7,086,334</b>              | <b>6,727,373</b>                 |
| <b>Wastewater Capital Reserve<br/>Fund Balance at the End of Each Year (p. 16)</b> | <b>27,336</b>                   | <b>324,653</b>                | <b>621,970</b>                   |
| <b>Rate Stabilization<br/>Fund Balance at the End of Each Year (p. 18)</b>         | <b>1,688,264</b>                | <b>1,738,912</b>              | <b>1,791,079</b>                 |
| <b>Fund Balances at The End of Each Year</b>                                       | <b>23,925,620</b>               | <b>22,221,289</b>             | <b>22,200,006</b>                |

(1) To Rate Stabilization Fund and Capital Improvement Fund.

(2) From Operating Fund.

(3) To Wastewater Capital Reserve Fund and Escrow account for Revenue Refunding Bond issue of 2017.

(4) Includes the 2011 Certificates of Participation(COP) Reserve fund balance. Due to refunding of 2011 COPs and issuance of 2017 Revenue Refunding Bonds reserve balance transferred to Escrow account (See also on p. 17).

***SECTION II***

***SUMMARY OF FUND BALANCES AND  
OPERATING BUDGET SUMMARY SCHEDULES***

**Novato Sanitary District  
2018-20 Preliminary Operating Budget  
Summary of Revenues**

| Operating Fund<br>Revenue Center - 41000 | Adopted<br>Budget 16/17 | Adopted<br>Budget 17/18 | Projected<br>Revenues<br>2017-18 | Proposed<br>Budget<br>2018-19 | Preliminary<br>Budget<br>2019-20 |
|--|-------------------------|-------------------------|----------------------------------|-------------------------------|----------------------------------|
| <b>Accounts</b>                          |                         |                         |                                  |                               |                                  |
| 41010 · Sewer Service Charges (1)        | 9,208,992               | 9,691,440               | 9,691,000                        | 10,145,760                    | 10,306,800                       |
| 41030 · Plan Check & Inspection Fee      | 500                     | 500                     | 7,800                            | 500                           | 500                              |
| 41040 · Permit & Inspection Fee          | 6,000                   | 6,000                   | 5,000                            | 6,000                         | 6,000                            |
| 41060 · Interest Income                  | 20,000                  | 43,000                  | 135,000                          | 120,000                       | 130,000                          |
| 41080 · Engineering & Admin Charges      | 165,000                 | 165,000                 | 100,000                          | 165,000                       | 165,000                          |
| 41090 · Non-domestic Permit Fees (2)     | 25,000                  | 20,000                  | 25,000                           | 25,000                        | 25,000                           |
| 41100 · Garbage Franchise Fees           | 52,186                  | 53,438                  | 53,438                           | 55,041                        | 56,692                           |
| 41105 · AB 939 Collector Fees            | 354,134                 | 376,426                 | 376,426                          | 400,772                       | 409,333                          |
| 41107 · Oil/Bev/Tire Grants (3)          | 59,880                  | 62,729                  | 60,000                           | 62,729                        | 62,729                           |
| 41130 · Ranch Income                     | 70,000                  | 70,000                  | 70,000                           | 70,000                        | 70,000                           |
| 41135 · Recycled Water Revenue           | 117,000                 | 135,500                 | 110,000                          | 202,000                       | 208,000                          |
| 41140 · Other Revenue (4)                | 20,000                  | 20,000                  | 20,000                           | 20,000                        | 20,000                           |
| 41142 · Loss on disposal of assets       | 10,000                  | 10,000                  | 0                                | 10,000                        | 10,000                           |
| <b>Totals</b>                            | <b>10,108,692</b>       | <b>10,654,033</b>       | <b>10,653,664</b>                | <b>11,282,802</b>             | <b>11,470,054</b>                |

**Comments:**

- (1) Sewer Service Charge (SSC) revenue is based on rate increase approved on June 13, 2016 and actual revenue received in prior year. The Sewer Service Charges allocations are as follows:
  - For 2018/19 the charge is \$615 split between operating (\$345) and capital (\$270).
  - For 2019/20 the charge is \$636 split between operating (\$350) and capital (\$286).
- (2) Includes application fees, permits and monitoring charges.
- (3) Oil/Bev/Tire Grants ~ \$29,000/ JPA Reimb Fees \$33,000
- (4) Other revenue includes septic tank hauling fees, and miscellaneous revenue.

**APPROPRIATIONS LIMITATION**

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

**Novato Sanitary District  
2018-20 Preliminary Budget  
Operating Budget - Summary of Expenditures**

| Operating Cost<br>Center               | Adopted<br>Budget 16/17 | Adopted<br>Budget 17/18 | Projected<br>Exp<br>2017-18 | Proposed<br>Budget<br>2018-19 | Preliminary<br>Budget<br>2019-20 |
|--|-------------------------|-------------------------|-----------------------------|-------------------------------|----------------------------------|
| <b>Collections</b>                     | 1,392,148               | 1,359,767               | 1,083,793                   | 1,381,782                     | 1,451,700                        |
| <b>Treatment Facilities</b>            | 3,076,191               | 3,160,475               | 3,093,996                   | 3,282,731                     | 3,474,252                        |
| <b>Reclamation</b>                     | 521,538                 | 521,554                 | 435,080                     | 491,542                       | 538,783                          |
| <b>Laboratory</b>                      | 648,636                 | 599,461                 | 507,013                     | 583,012                       | 620,860                          |
| <b>Pump Stations</b>                   | 854,139                 | 836,309                 | 702,528                     | 838,716                       | 931,956                          |
| <b>Administration/Engineering</b>      | 2,947,210               | 3,277,014               | 2,918,821                   | 3,461,953                     | 3,784,247                        |
| <b>Solid/Hazardous Household Waste</b> | 415,787                 | 439,155                 | 414,092                     | 463,501                       | 472,062                          |
| <b>Recycled Water</b>                  | 117,000                 | 135,500                 | 140,610                     | 202,000                       | 208,000                          |
|  | 9,972,648               | 10,329,235              | 9,295,933                   | 10,705,237                    | 11,481,860                       |

| Novato Sanitary District                              |                      |                |                |                |                   |                  |                |                |                   |                      |                      |                        |
|---|----------------------|----------------|----------------|----------------|-------------------|------------------|----------------|----------------|-------------------|----------------------|----------------------|------------------------|
| 2018-19 Preliminary Operating Budget                  |                      |                |                |                |                   |                  |                |                |                   |                      |                      |                        |
| Operating Budget: By Cost Center and Account Category |                      |                |                |                |                   |                  |                |                |                   |                      |                      |                        |
|   | Treatment Facilities | Recl           | L-M            | Pump Stations  | Collection System | A-E              | HHW Program    | Recycled Water | Total             | As Percent of Budget | Over/Under PY Budget | % Over/Under PY Budget |
| Salaries and Wages                                    |                      | 86,292         |                | 346,294        | 668,458           | 1,212,656        |                |                | 2,313,699         | 21.61%               | (2,192)              | -0.09%                 |
| Contract Services (Operations & Lab)                  | 2,262,043            |                | 378,512        |                |                   |                  |                | 55,000         | 2,695,555         | 25.18%               | 107,818              | 4.17%                  |
| Employee Benefits                                     |                      | 23,249         |                | 146,422        | 326,125           | 571,552          |                |                | 1,067,348         | 9.97%                | 84,410               | 8.59%                  |
| Retiree Health Benefits                               |                      |                |                |                |                   | 411,230          |                |                | 411,230           | 3.84%                | 24,067               | 6.22%                  |
| Pension Expense(Trust)                                |                      |                |                |                |                   | 290,016          |                |                | 290,016           | 2.71%                | 66,864               | 29.96%                 |
| Directors' Fees                                       |                      |                |                |                |                   | 34,000           |                |                | 34,000            | 0.32%                | (6,000)              | -15.00%                |
| Election Expense                                      |                      |                |                |                |                   | 60,000           |                |                | 60,000            | 1%                   | 60,000               | 0.00%                  |
| Gasoline, Oil & Fuel                                  |                      | 2,000          | 1,500          | 5,000          | 15,000            | 5,000            |                |                | 28,500            | 0.27%                | -                    | 0.00%                  |
| Insurance   | 14,000               |                |                |                |                   | 180,500          |                |                | 194,500           | 1.82%                | 30,500               | 18.60%                 |
| Ins Claims Expense                                    |                      |                |                |                |                   | 45,000           |                |                | 45,000            | 0.42%                | -                    | 0.00%                  |
| Agency Dues   |                      |                |                |                |                   | 66,000           |                |                | 66,000            | 0.62%                | 12,000               | 22.22%                 |
| Memberships   |                      |                |                |                |                   | 14,000           |                |                | 14,000            | 0.13%                | 4,000                | 40.00%                 |
| Office Expense  |                      |                |                |                |                   | 28,000           |                |                | 28,000            | 0.26%                | 2,000                | 7.69%                  |
| Safety  |                      | 500            | 1,000          | 2,000          | 3,500             | 2,000            |                |                | 9,000             | 0.08%                | -                    | 0.00%                  |
| Software Maint  |                      | 2,000          | 1,000          | 7,000          | 50,000            |                  |                |                | 60,000            | 0.56%                | 29,000               | 93.55%                 |
| Operating Supplies                                    |                      | 2,000          | 20,000         | 10,000         | 25,000            | 5,000            |                | 4,400          | 66,400            | 0.62%                | (5,600)              | -7.78%                 |
| Operating Chemicals                                   |                      |                |                | 2,000          |                   |                  |                | 60,100         | 62,100            | 0.58%                | 32,800               | 111.95%                |
| Sludge Disposal-Contractual                           |                      | 220,000        |                |                |                   |                  |                |                | 220,000           | 2.06%                | (20,000)             | -8.33%                 |
| Accounting & Auditing                                 |                      |                |                |                |                   | 28,000           |                |                | 28,000            | 0.26%                | 2,000                | 7.69%                  |
| Attorney  |                      |                |                |                |                   | 50,000           |                |                | 50,000            | 0.47%                | (15,000)             | -23.08%                |
| Outside Consulting                                    |                      |                |                |                |                   | 181,000          |                |                | 181,000           | 1.69%                | (42,000)             | -18.83%                |
| IT/Misc. Electrical                                   |                      |                |                |                |                   | 43,000           |                |                | 43,000            | 0.40%                | 3,000                | 7.50%                  |
| Safety & Wellness Incentive Program                   |                      |                |                |                |                   | 10,000           |                |                | 10,000            | 0.09%                | -                    | 0.00%                  |
| Printing & Publication                                |                      |                |                |                |                   | 24,000           |                |                | 24,000            | 0.22%                | 2,000                | 9.09%                  |
| Repairs & Maintenance                                 |                      | 60,000         | 10,000         | 120,000        | 75,000            | 50,000           |                | 30,500         | 345,500           | 3.23%                | (7,900)              | -2.24%                 |
| Unusual Equipment Maint                               | 150,000              |                |                |                |                   |                  |                |                | 150,000           | 1.40%                | -                    | 0.00%                  |
| Small Tools   |                      | 500            |                | 2,000          | 2,000             |                  |                |                | 4,500             | 0.04%                | -                    | 0.00%                  |
| Outside Services                                      |                      |                |                | 55,000         | 120,000           |                  |                |                | 175,000           | 1.63%                | (30,000)             | -14.63%                |
| Ditch/Dike Maintenance                                |                      | 10,000         |                |                |                   |                  |                |                | 10,000            | 0.09%                | -                    | 0.00%                  |
| Research & Monitoring                                 |                      |                | 125,000        |                |                   |                  |                | 14,000         | 139,000           | 1.30%                | (22,500)             | -13.93%                |
| Travel, Mtgs & Train.                                 |                      |                |                |                |                   | 70,000           |                |                | 70,000            | 0.65%                | 5,000                | 7.69%                  |
| Pollution Prevention/Pub. Ed.                         |                      |                | 40,000         |                |                   |                  |                |                | 40,000            | 0.37%                | (1,500)              | -3.61%                 |
| Gas & Electricity                                     | 771,689              | 75,000         |                | 105,000        |                   |                  |                | 38,000         | 989,689           | 9.24%                | 30,190               | 3.15%                  |
| Water   |                      | 5,000          |                | 7,000          | 12,000            |                  |                |                | 24,000            | 0.22%                | 2,000                | 9.09%                  |
| Telephone   |                      |                |                | 24,000         | 4,000             | 13,000           |                |                | 41,000            | 0.38%                | 1,000                | 2.50%                  |
| Other/Operational Assistance                          |                      |                |                |                | 700               |                  |                |                | 700               | 0.01%                | (300)                | -30.00%                |
| Permits & Fees  | 85,000               | 5,000          | 6,000          | 7,000          | 80,000            |                  |                | 0              | 183,000           | 1.71%                | 9,000                | 5.17%                  |
| Co. Collection Fees                                   |                      |                |                |                |                   | 63,000           |                |                | 63,000            | 0.59%                | (3,000)              | -4.55%                 |
| Ser. Chg. System Exp                                  |                      |                |                |                |                   | 5,000            |                |                | 5,000             | 0.05%                | -                    | 0.00%                  |
| AB 939 Solid Waste Programs                           |                      |                |                |                |                   |                  | 463,501        |                | 463,501           | 4.33%                | 24,346               | 5.54%                  |
| <b>Total</b>  | <b>3,282,731</b>     | <b>491,542</b> | <b>583,012</b> | <b>838,716</b> | <b>1,381,782</b>  | <b>3,461,953</b> | <b>463,501</b> | <b>202,000</b> | <b>10,705,237</b> | <b>100.00%</b>       | <b>376,002</b>       | <b>3.64%</b>           |
|   | 30.66%               | 4.59%          | 5.45%          | 7.83%          | 12.91%            | 32.34%           | 4.33%          | 2%             | 100.00%           |                      |                      |                        |

***SECTION III***

***OPERATING BUDGET  
By Cost Center and Account Category***

**Novato Sanitary District  
2018-20 Preliminary Budget  
Operating Budget - Collections**

| <b>Collections<br/>Cost Center - 60000</b> | <b>Adopted<br/>Budget 16/17</b> | <b>Adopted<br/>Budget 17/18</b> | <b>Projected<br/>Exp<br/>2017-18</b> | <b>Proposed<br/>Budget<br/>2018-19</b> | <b>Preliminary<br/>Budget<br/>2019-20</b> |
|--|---------------------------------|---------------------------------|--------------------------------------|--|---|
| <b>Accounts</b>                            |                                 |                                 |                                      |  |   |
| <b>60010 · Salaries &amp; Wages</b>        | 627,355                         | 650,120                         | 601,369                              | 668,458                                | 732,897                                   |
| <b>60020 · Employee Benefits</b>           | 286,293                         | 299,148                         | 248,096                              | 326,125                                | 378,103                                   |
| <b>60060 · Gas, Oil &amp; Fuel</b>         | 28,000                          | 15,000                          | 12,000                               | 15,000                                 | 15,500                                    |
| <b>60085 · Safety</b>                      | 3,500                           | 3,500                           | 3,500                                | 3,500                                  | 3,500                                     |
| <b>60091 · Software Maint</b>              | 75,000                          | 20,000                          | 20,000                               | 50,000                                 | 22,000                                    |
| <b>60100 · Operating Supplies</b>          | 30,000                          | 28,000                          | 18,000                               | 25,000                                 | 28,000                                    |
| <b>60150 · Repairs &amp; Maint</b>         | 85,000                          | 80,000                          | 35,000                               | 75,000                                 | 80,000                                    |
| <b>60152 · Small Tools</b>                 | 2,000                           | 2,000                           | 2,000                                | 2,000                                  | 2,000                                     |
| <b>60153 · Outside Services</b>            | 175,000                         | 175,000                         | 115,000                              | 120,000                                | 155,000                                   |
| <b>60192 · Water</b>                       | 12,000                          | 12,000                          | 12,000                               | 12,000                                 | 12,000                                    |
| <b>60193 · Telephone</b>                   | 2,000                           | 4,000                           | 3,500                                | 4,000                                  | 4,000                                     |
| <b>60200 · Other(Garbage Coll)</b>         | 1,000                           | 1,000                           | 600                                  | 700                                    | 700                                       |
| <b>60201 · Permits &amp; Fees</b>          | 65,000                          | 70,000                          | 12,728                               | 80,000                                 | 18,000                                    |
|  | <b>1,392,148</b>                | <b>1,359,767</b>                | <b>1,083,793</b>                     | <b>1,381,782</b>                       | <b>1,451,700</b>                          |

**Novato Sanitary District  
2018-20 Preliminary Budget  
Operating Budget - Treatment Facilities**

| <b>Treatment Facilities -<br/>Cost Center - 61000</b> | <b>Adopted<br/>Budget 16/17</b> | <b>Adopted<br/>Budget 17/18</b> | <b>Projected<br/>Exp<br/>2017-18</b> | <b>Proposed<br/>Budget<br/>2018-19</b> | <b>Preliminary<br/>Budget<br/>2019-20</b> |
|---|---------------------------------|---------------------------------|--------------------------------------|--|---|
| <b>Accounts</b>                                       |                                 |                                 |                                      |  |   |
| <b>61000-1 · Fixed Fee(1)</b>                         | 2,113,278                       | 2,173,976                       | 2,157,898                            | 2,262,043                              | 2,371,395                                 |
| <b>61000-2 · Insurance &amp; Bonds</b>                | 14,000                          | 14,000                          | 14,000                               | 14,000                                 | 14,000                                    |
| <b>61000-3 · Major Repair/Replcmnt</b>                | 150,000                         | 150,000                         | 140,000                              | 150,000                                | 150,000                                   |
| <b>61000-4 · Water/Permits/Phone</b>                  | 90,000                          | 90,000                          | 80,563                               | 85,000                                 | 90,000                                    |
| <b>61000-5 · Gas &amp; Electricity(2)</b>             | 708,913                         | 732,499                         | 701,535                              | 771,689                                | 848,857                                   |
|   | <b>3,076,191</b>                | <b>3,160,475</b>                | <b>3,093,996</b>                     | <b>3,282,731</b>                       | <b>3,474,252</b>                          |

**Comments:**

- (1) Fixed fee - 5% increase from prior year, and an allowance for contractual incentive payment.  
(2) Assumes 10% increase for purchased utility power based on actual expenditures for 2017/18, and an allowance for contractual incentive payment with 50-50 sharing of savings from power usage below contract baseline, between District and Veolia.

**Novato Sanitary District  
2018-2020 Preliminary Budget  
Operating Budget - Reclamation**

| Reclamation<br>Cost Center - 63000   | Adopted<br>Budget 16/17 | Adopted<br>Budget 17/18 | Projected<br>Exp<br>2017-18 | Proposed<br>Budget<br>2018-19 | Preliminary<br>Budget<br>2019-20 |
|--------------------------------------|-------------------------|-------------------------|-----------------------------|-------------------------------|----------------------------------|
| <b>Accounts</b>                      |                         |                         |                             |                               |                                  |
| <b>63010 · Salaries &amp; Wages</b>  | 91,943                  | 71,693                  | 63,489                      | 86,292                        | 99,806                           |
| <b>63020 · Employee Benefits</b>     | 36,595                  | 24,860                  | 13,391                      | 23,249                        | 35,978                           |
| <b>63060 · Gasoline &amp; Oil</b>    | 4,000                   | 2,000                   | 1,500                       | 2,000                         | 2,000                            |
| <b>63085 · Safety</b>                | 500                     | 500                     | 500                         | 500                           | 500                              |
| <b>63091 · Software Maint</b>        | 2,000                   | 2,000                   | 1,100                       | 2,000                         | 2,000                            |
| <b>63100 · Operating Supplies</b>    | 2,000                   | 2,000                   | 1,500                       | 2,000                         | 2,000                            |
| <b>63115 · Sludge Disposal</b>       | 190,000                 | 240,000                 | 216,000                     | 220,000                       | 225,000                          |
| <b>63150 · Repairs &amp; Maint</b>   | 70,000                  | 65,000                  | 50,000                      | 60,000                        | 70,000                           |
| <b>63152 · Small Tools</b>           | 500                     | 500                     | 300                         | 500                           | 500                              |
| <b>63157 · Ditch/Dike Maint</b>      | 20,000                  | 10,000                  | 9,000                       | 10,000                        | 11,000                           |
| <b>63191 · Gas &amp; Electricity</b> | 95,000                  | 95,000                  | 65,000                      | 75,000                        | 80,000                           |
| <b>63192 · Water</b>                 | 3,000                   | 3,000                   | 10,000                      | 5,000                         | 5,000                            |
| <b>63201 · Permits &amp; Fees</b>    | 6,000                   | 5,000                   | 3,300                       | 5,000                         | 5,000                            |
|                                      | <b>521,538</b>          | <b>521,554</b>          | <b>435,080</b>              | <b>491,542</b>                | <b>538,783</b>                   |

**Novato Sanitary District  
2018-20 Preliminary Budget  
Operating Budget - Laboratory**

| Laboratory<br>Cost Center - 64000        | Adopted<br>Budget 16/17 | Adopted<br>Budget 17/18 | Projected<br>Exp<br>2017-18 | Proposed<br>Budget<br>2018-19 | Preliminary<br>Budget<br>2019-20 |
|--|-------------------------|-------------------------|-----------------------------|-------------------------------|----------------------------------|
| <b>Accounts</b>                          |                         |                         |                             |                               |                                  |
| <b>64010 · Contract Lab Services (1)</b> | 368,136                 | 363,761                 | 351,219                     | 378,512                       | 406,760                          |
| <b>64060 · Gasoline &amp; Oil</b>        | 2,500                   | 1,500                   | 1,500                       | 1,500                         | 1,600                            |
| <b>64085 · Safety</b>                    | 1,000                   | 1,000                   | 0                           | 1,000                         | 1,000                            |
| <b>64091 · Software Maintenance</b>      | 4,000                   | 1,000                   | 0                           | 1,000                         | 1,000                            |
| <b>64100 · Operating Supplies</b>        | 20,000                  | 20,000                  | 19,000                      | 20,000                        | 20,500                           |
| <b>64150 · Repairs &amp; Maintenance</b> | 25,000                  | 19,200                  | 5,000                       | 10,000                        | 12,000                           |
| <b>64160 · Research &amp; Monitoring</b> | 182,000                 | 147,500                 | 90,000                      | 125,000                       | 130,000                          |
| <b>64170 · Pollution Prev/Public Ed</b>  | 43,000                  | 41,500                  | 35,000                      | 40,000                        | 41,500                           |
| <b>64201 · Permits &amp; Fees</b>        | 3,000                   | 4,000                   | 5,294                       | 6,000                         | 6,500                            |
|  |                         |                         |                             |                               |                                  |
|  | <b>648,636</b>          | <b>599,461</b>          | <b>507,013</b>              | <b>583,012</b>                | <b>620,860</b>                   |

**Comments:**

- (1) Includes fees and charges paid for contract laboratory and environmental services provided by Veolia Water and North Marin Water District (NMWD).

**Novato Sanitary District  
2018-20 Preliminary Budget  
Operating Budget - Pump Stations**

| Pump Stations<br>Cost Center - 65000     | Adopted<br>Budget 16/17 | Adopted<br>Budget 17/18 | Projected<br>Exp<br>2017-18 | Proposed<br>Budget<br>2018-19 | Preliminary<br>Budget<br>2019-20 |
|--|-------------------------|-------------------------|-----------------------------|-------------------------------|----------------------------------|
| <b>Accounts</b>                          |                         |                         |                             |                               |                                  |
| <b>65010 · Salaries &amp; Wages</b>      | 344,528                 | 358,335                 | 297,340                     | 346,294                       | 399,177                          |
| <b>65020 · Employee Benefits</b>         | 154,611                 | 153,974                 | 111,444                     | 146,422                       | 175,179                          |
| <b>65060 · Gasoline &amp; Oil</b>        | 6,000                   | 5,000                   | 4,000                       | 5,000                         | 5,000                            |
| <b>65085 · Safety</b>                    | 2,000                   | 2,000                   | 2,000                       | 2,000                         | 2,000                            |
| <b>65091 · Software Maintenance</b>      | 12,000                  | 8,000                   | 6,000                       | 7,000                         | 8,000                            |
| <b>65100 · Operating Supplies</b>        | 10,000                  | 10,000                  | 7,500                       | 10,000                        | 10,000                           |
| <b>65101 · Operating Chemicals</b>       | 15,000                  | 2,000                   | 0                           | 2,000                         | 2,000                            |
| <b>65150 · Repairs &amp; Maintenance</b> | 115,000                 | 115,000                 | 115,000                     | 120,000                       | 120,000                          |
| <b>65152 · Small Tools</b>               | 2,000                   | 2,000                   | 2,000                       | 2,000                         | 2,100                            |
| <b>65153 · Outside Services, Elect.</b>  | 35,000                  | 30,000                  | 25,000                      | 55,000                        | 55,000                           |
| <b>65191 · Gas &amp; Electricity</b>     | 110,000                 | 115,000                 | 97,344                      | 105,000                       | 115,000                          |
| <b>65192 · Water</b>                     | 7,000                   | 7,000                   | 7,000                       | 7,000                         | 7,000                            |
| <b>65193 · Telephone</b>                 | 24,000                  | 24,000                  | 22,000                      | 24,000                        | 24,000                           |
| <b>65201 · Permits &amp; Fees</b>        | 17,000                  | 4,000                   | 5,900                       | 7,000                         | 7,500                            |
|  |                         |                         |                             |                               |                                  |
|  | <b>854,139</b>          | <b>836,309</b>          | <b>702,528</b>              | <b>838,716</b>                | <b>931,956</b>                   |

**Novato Sanitary District  
2018-20 Preliminary Budget  
Operating Budget - Administration/Engineering**

| Administration and<br>Engineering<br><br>Cost Center - 66000 | Adopted<br><br>Budget 16/17 | Adopted<br><br>Budget 17/18 | Projected<br>Exp<br><br>2017-18 | Proposed<br>Budget<br><br>2018-19 | Preliminary<br>Budget<br><br>2019-20 |
|--|-----------------------------|-----------------------------|---------------------------------|-----------------------------------|--------------------------------------|
| <b>Accounts</b>  |                             |                             |                                 |                                   |                                      |
| 66010 · Salaries & Wages                                     | 1,152,160                   | 1,235,744                   | 1,048,397                       | 1,212,656                         | 1,368,151                            |
| 66020 · Employee Benefits                                    | 473,551                     | 504,956                     | 504,956                         | 571,552                           | 681,275                              |
| 66021 · Retiree Health Benefits(1)                           | 377,348                     | 224,377                     | 224,377                         | 247,223                           | 267,700                              |
| 66021-1 · Retiree Health Benefits(2)                         | 0                           | 162,786                     | 162,786                         | 164,007                           | 149,577                              |
| 66022 · Pension Expense (3)                                  | 0                           | 223,152                     | 223,152                         | 290,016                           | 360,743                              |
| 66030 · Director's Fees                                      | 38,000                      | 40,000                      | 27,300                          | 34,000                            | 34,000                               |
| 66040 · Election Expense                                     | 0                           | 0                           | 0                               | 60,000                            | 0                                    |
| 66060 · Gasoline & Oil                                       | 10,000                      | 5,000                       | 2,787                           | 5,000                             | 5,000                                |
| 66070 · Insurance  | 150,000                     | 150,000                     | 157,013                         | 180,500                           | 192,500                              |
| 66071 · Insurance Claim Expense                              | 50,000                      | 45,000                      | 10,000                          | 45,000                            | 45,000                               |
| 66075 · Agency Dues  | 62,000                      | 54,000                      | 56,500                          | 66,000                            | 69,300                               |
| 66080 · Memberships/Certifications                           | 10,000                      | 10,000                      | 10,000                          | 14,000                            | 15,000                               |
| 66085 · Safety   | 2,000                       | 2,000                       | 2,000                           | 2,000                             | 3,000                                |
| 66090 · Office Expense                                       | 27,000                      | 26,000                      | 27,000                          | 28,000                            | 28,000                               |
| 66100 · Engineering Supplies                                 | 10,000                      | 10,000                      | 10,000                          | 5,000                             | 5,000                                |
| 66121 · Accounting & Auditing                                | 27,000                      | 26,000                      | 26,000                          | 28,000                            | 29,000                               |
| 66122 · Attorney Fees  | 75,000                      | 65,000                      | 35,000                          | 50,000                            | 55,000                               |
| 66123 · O/S Contractual                                      | 218,000                     | 223,000                     | 140,000                         | 181,000                           | 185,000                              |
| 66124 · IT/Misc Electrical                                   | 45,000                      | 40,000                      | 39,000                          | 43,000                            | 45,000                               |
| 66125 · Safety & Wellness Incent Prog                        | 10,000                      | 10,000                      | 2,450                           | 10,000                            | 10,000                               |
| 66130 · Printing & Publications                              | 22,000                      | 22,000                      | 22,000                          | 24,000                            | 24,000                               |
| 66150 · Repairs & Maintenance                                | 50,000                      | 50,000                      | 45,000                          | 50,000                            | 52,500                               |
| 66170 · Travel, Meetings & Training                          | 55,000                      | 65,000                      | 65,000                          | 70,000                            | 75,000                               |
| 66193 · Telephone  | 10,000                      | 12,000                      | 12,549                          | 13,000                            | 13,500                               |
| 66202 · County Fees-Property Taxes                           | 26,000                      | 26,000                      | 31,754                          | 33,000                            | 35,000                               |
| 66203 · County Fees-Sewer Ser Chg                            | 42,000                      | 40,000                      | 28,800                          | 30,000                            | 31,000                               |
| 66250 · Service Charge Sys Exp                               | 5,150                       | 5,000                       | 5,000                           | 5,000                             | 5,000                                |
|  | <b>2,947,210</b>            | <b>3,277,014</b>            | <b>2,918,821</b>                | <b>3,461,953</b>                  | <b>3,784,247</b>                     |

**Comments:**

- (1) Projected contribution to current retirees' health care premiums.
  - (2) Represents FY18-19 Unfunded Actuarial Liability (UAL) contributions into the PARS Trust (OPEB sub-account) established in November 2016.
  - (3) Represents FY17-18 projected contributions to PARS Trust (Pension sub-account).
- \*PARS = Public Agency Retirement Services.  
OPEB = Other Post-Employment Benefits.

| Novato Sanitary District   |  |                          |           |           |           |  |
|--|--|--------------------------|-----------|-----------|-----------|--|
| Preliminary Operating Budget 2018-20   |  |                          |           |           |           |  |
| PERSONNEL DETAIL   |  |                          |           |           |           |  |
| Number   | Position   | Cost Center              | Pay Range | Salaries  |           |  |
|  |  |                          |           | 2018-19   | 2019-20   |  |
| 1.00   | General Manager-Chief Engineer.....                  | A/E                      |           | 233,508   | 242,381   |  |
| 1.00   | Deputy General Manager.....                          | A/E                      | MC122.5   | 177,840   | 193,832   |  |
| 1.00   | Field Services Manager .....                         | .25AE/.25CS/.25PS/.25Rec | MC119     | 149,265   | 162,691   |  |
| 1.00   | Senior Engineer.....                                 | .65AE/.25PS/.10Rec       | MC116.5   | 62,160    | 135,496   |  |
| 0.46   | Administrative Services Specialist .....             | A/E                      | MC117.5   | 69,744    | 72,394    |  |
| 1.00   | Administrative/Risk Services and Safety Officer (1)  | A/E                      | MC117.5   | 138,206   | 150,630   |  |
| 1.00   | Administrative Assistant .....                       | A/E                      | MC103     | 30,630    | 66,767    |  |
| 1.00   | Administrative Secretary.....                        | A/E                      | MC106     | 86,196    | 89,471    |  |
| 1.00   | Finance Officer.....                                 | A/E                      | MC115     | 133,716   | 138,797   |  |
| 1.00   | Staff Engineer.....                                  | .5A/E/.5CS               | 47        | 110,016   | 114,197   |  |
| 1.00   | Construction Inspector.....                          | A/E                      | 44.5      | 81,472    | 88,799    |  |
| 1.00   | Information System Specialist II.....                | .5A/E/.5CS               | 43.5      | 92,772    | 96,297    |  |
| 1.00   | Electrical/Instrumentation Tech I.....               | .34A/E/.33PS/.33Rec      | 40.5      | 73,290    | 79,880    |  |
| 1.00   | Collection System Superintendent.....                | .67CS/.33PS              | MC115     | 112,356   | 122,398   |  |
| 1.00   | Collection System Leadworker.....                    | .67CS/.33PS              | 47        | 106,520   | 114,197   |  |
| 0.00   | Collection System Worker III.....                    | .67CS/.33PS              | 43.5      | -         | -         |  |
| 4.00   | Collection System Worker II.....                     | .67CS/.33PS              | 40.5      | 310,092   | 326,877   |  |
| 3.00   | Collection System Worker I.....                      | .67CS/.33PS              | 38.5      | 158,701   | 204,196   |  |
| 1.00   | Admin Intern   | A/E                      | N/A       | 7,200     | 7,200     |  |
| 1.00   | Engineering Aide - temp                              | A/E                      | N/A       | 8,640     | 8,640     |  |
| 0.40   | Hourly Electrician                                   | .25AE/.25PS/.50Rec       | N/A       | 32,000    | 32,000    |  |
|  | Allowance for Overtime.....                          | C/S                      |           | 33,000    | 33,000    |  |
|  | Allowance for Overtime.....                          | A/E                      |           | 7,500     | 7,500     |  |
|  | Allowance for Standby Duty Pay.....                  | C/S                      |           | 36,000    | 36,000    |  |
|  | Adjustment for CMSA Reimbursement(1)                 | A/E                      |           | (17,932)  | (19,582)  |  |
|  | Subtotal   |                          |           | 2,232,893 | 2,504,059 |  |
|  | Allowance for Possible COLA - across the board ..... | 3.80%                    |           | 80,806    | 95,973    |  |
|  |  | 4.00%                    |           |           |           |  |
|  |  |                          |           | 2,313,699 | 2,600,032 |  |
| 23.86  | Administration and Engineering (A/E)                 |                          | 1,212,656 | 1,368,151 |           |  |
|  | Collection System                                    | 67%                      | 668,458   | 732,897   |           |  |
|  | Pump Stations  | 33%                      | 346,294   | 399,177   |           |  |
|  | Reclamation Facilities                               |                          | 86,292    | 99,806    |           |  |
|  | Total/Check  |                          | 2,313,699 | 2,600,032 |           |  |
| (1) A portion of the compensation for this position to be reimbursed by Central Marin Sanitation Agency (CMSA) under the Joint Safety Program between CMSA and the District. |  |                          |           |           |           |  |

**Novato Sanitary District  
2018-20 Preliminary Budget  
Operating Budget - Solid/Household Hazardous Waste**

| <b>Solid/HHW Cost Center - 67000</b>     | <b>Adopted Budget<br/>16/17</b> | <b>Adopted Budget<br/>17/18</b> | <b>Projected Exp<br/>2017-18</b> | <b>Proposed Budget<br/>2018-19</b> | <b>Preliminary Budget<br/>2019-20</b> |
|--|---------------------------------|---------------------------------|----------------------------------|------------------------------------|---------------------------------------|
| <b>Accounts</b>                          |                                 |                                 |                                  |                                    |                                       |
| <b>67400 · Management Services</b>       | 134,750                         | 138,118                         | 100,555                          | 142,464                            | 146,025                               |
| <b>67500 · Household Haz. Waste</b>      | 220,000                         | 242,500                         | 255,000                          | 260,000                            | 265,000                               |
| <b>67530 · Used Oil Grant</b>            | 11,269                          | 11,269                          | 11,269                           | 11,269                             | 11,269                                |
| <b>67530-1Beverage Container Grant</b>   | 11,268                          | 11,268                          | 11,268                           | 11,268                             | 11,268                                |
| <b>67540 · Education/Public Outreach</b> | 23,500                          | 21,000                          | 21,000                           | 23,500                             | 23,500                                |
| <b>67600 · Other</b>                     | 5,000                           | 5,000                           | 5,000                            | 5,000                              | 5,000                                 |
| <b>67610 · City AB 939 Admin Service</b> | 10,000                          | 10,000                          | 10,000                           | 10,000                             | 10,000                                |
|  | <b>415,787</b>                  | <b>439,155</b>                  | <b>414,092</b>                   | <b>463,501</b>                     | <b>472,062</b>                        |

**Comments:**

Per proposed budget by HHW Coordinator.

**Novato Sanitary District  
2018-20 Preliminary Budget  
Operating Budget - Recycled Water**

| Recycled Water<br>Cost Center - 68000       | Adopted<br>Budget 16/17 | Adopted<br>Budget 17/18 | Projected<br>Exp<br>2017-18 | Proposed<br>Budget<br>2018-19 | Preliminary<br>Budget<br>2019-20 |
|---|-------------------------|-------------------------|-----------------------------|-------------------------------|----------------------------------|
| <b>Accounts</b>                             |                         |                         |                             |                               |                                  |
| <b>68010 · O &amp; M Services (1)</b>       | 50,000                  | 50,000                  | 50,000                      | 55,000                        | 57,000                           |
| <b>68100 · Operating Supplies (2)</b>       | 2,000                   | 2,000                   | 2,200                       | 4,400                         | 5,000                            |
| <b>68101 · Operating Chemicals (2)</b>      | 26,000                  | 27,300                  | 30,000                      | 60,100                        | 62,000                           |
| <b>68150 · Repairs &amp; Maintenance(3)</b> | 22,000                  | 24,200                  | 25,410                      | 30,500                        | 31,000                           |
| <b>68160 · Research &amp; Monitoring</b>    | 14,000                  | 14,000                  | 14,000                      | 14,000                        | 14,000                           |
| <b>68191 · Gas &amp; Electricity (2)</b>    | 2,000                   | 17,000                  | 19,000                      | 38,000                        | 39,000                           |
| <b>68201 · Permits &amp; Fees</b>           | 1,000                   | 1,000                   | 0                           | 0                             | 0                                |
|   | <b>117,000</b>          | <b>135,500</b>          | <b>140,610</b>              | <b>202,000</b>                | <b>208,000</b>                   |

***SECTION IV***

***CAPITAL IMPROVEMENT BUDGET***

**Novato Sanitary District  
2018-20 Preliminary Budget  
Capital Improvement Budget - Summary of Revenues**

|  |                   |                   | Projected         | Proposed          | Preliminary       |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Capital Fund   | Adopted           | Adopted           | Revenue           | Budget            | Budget            |
| Revenue Center - 51000   | Budget 16/17      | Budget 17/18      | 2017-18           | 2018-19           | 2019-20           |
| <b>Accounts</b>  |                   |                   |                   |                   |                   |
| <b>Capital Improvement Income</b>  |                   |                   |                   |                   |                   |
| <b>51010 · Sewer Service Charges(1)</b>  | 7,595,952         | 7,753,152         | 7,753,152         | 7,940,160         | 8,422,128         |
| <b>51015 · Property Taxes</b>  | 1,938,000         | 2,188,693         | 2,244,314         | 2,289,200         | 2,334,984         |
| <b>51015-1 · Redevelopment Agency(2)</b>   | 0                 | 0                 | 50,000            | 0                 | 0                 |
| <b>51020 · Connection Charges(3)</b>   | 434,400           | 447,600           | 300,000           | 461,200           | 475,200           |
| <b>51030 · Collector Sewer Charges</b>   | 1,000             | 1,000             | 0                 | 1,000             | 2,000             |
| <b>51040 · Special Equalization Chrg</b>   | 1,000             | 1,000             | 4,230             | 1,000             | 4,000             |
| <b>51060 · Interest</b>  | 25,000            | 40,000            | 100,000           | 125,000           | 125,000           |
| <b>51070 · Other Revenue</b>   | 20,000            | 20,000            | 20,000            | 20,000            | 20,000            |
| <b>51072 · Grant Revenue - RWF</b>   | 0                 | 475,000           | 24,344            | 383,000           | 0                 |
| <b>Total Capital Improvement Income</b>  | <b>10,015,352</b> | <b>10,926,445</b> | <b>10,496,040</b> | <b>11,220,560</b> | <b>11,383,312</b> |
|  |                   |                   |                   |                   |                   |
| <b>Comments:</b>   |                   |                   |                   |                   |                   |
| <b>(1) Sewer Service Charge (SSC) revenue is based on rate increase approved on June 13, 2016 and actual revenue received in prior year. The Sewer Service Charges allocations are as follows:</b>   |                   |                   |                   |                   |                   |
| - For 2018/19 the charge is \$615 split between operating (\$345) and capital (\$270).   |                   |                   |                   |                   |                   |
| - For 2019/20 the charge is \$636 split between operating (\$350) and capital (\$286).   |                   |                   |                   |                   |                   |
| <b>(2) Redevelopment Agency(RDA) related revenues are being shown separately as they have increased over the past few years from the dissolution and distribution of assets of these agencies. Also, projections for future RDA fund distributions are not available at this time.</b> |                   |                   |                   |                   |                   |
| <b>(3) Connection Charges projected at 40 new connections each year.</b>   |                   |                   |                   |                   |                   |
| - Per Ordinance 120, the connection charge beginning July 1, 2018 is \$11,530 per EDU, and increases by 3% on July 1, 2019 to \$11,880 per EDU.  |                   |                   |                   |                   |                   |
|  |                   |                   |                   |                   |                   |
|  |                   |                   |                   |                   |                   |
|  |                   |                   |                   |                   |                   |

**Novato Sanitary District  
2018-20 Preliminary Budget  
Capital Improvement Budget - CIP Expenditures**

| Capital Improvements                             |                   |                   | Projected        | Proposed          | Preliminary       |
|--|-------------------|-------------------|------------------|-------------------|-------------------|
| Cost Centers - 72000 & 73000                     | Adopted           | Adopted           | Exp              | Budget            | Budget            |
|  | Budget 16/17      | Budget 17/18      | 2017-18          | 2018-19           | 2019-20           |
| <b>Accounts</b>                                  |                   |                   |                  |                   |                   |
| 72403 · Pump Station Rehabilitation              | 50,000            | 150,000           | 8,043            | 50,000            | 250,000           |
| 72508 · North Bay Water Reuse Authority (NBWRA)  | 440,000           | 100,000           | 80,485           | 10,000            | 10,000            |
| 72706 · Collection System Improvments            | 1,200,000         | 1,700,000         | 160,000          | 2,450,000         | 2,200,000         |
| 72706-1 · Lateral Replacement Program            | 60,000            | 80,000            | 48,000           | 80,000            | 100,000           |
| 72707 · Hamilton Wetlands/Outfall Integration    | 10,000            | 10,000            | 0                | 10,000            | 10,000            |
| 72708 · Cogeneration                             | 45,000            | 350,000           | 15,000           | 350,000           | 700,000           |
| 72802 · Annual Sewer Adj. for City Proj          | 10,000            | 40,000            | 10,000           | 25,000            | 25,000            |
| 72803 · Annual Collection Sys Repairs            | 200,000           | 200,000           | 50,000           | 225,000           | 225,000           |
| 72804 · Annual Reclamation Fac Improvements      | 100,000           | 175,000           | 48,000           | 175,000           | 140,000           |
| 72805 · Annual Treatment Plant Improvements      | 100,000           | 300,000           | 25,000           | 300,000           | 100,000           |
| 72806 · Annual Pump Station Improvements         | 100,000           | 100,000           | 58,000           | 140,000           | 100,000           |
| 72807 · Annual Ignacio Facility Improvements     | 0                 | 50,000            | 0                | 50,000            | 50,000            |
| 72808 · Strategic Plan Update                    | 20,000            | 20,000            | 0                | 20,000            | 20,000            |
| 72809 · Novato Creek Watershed                   | 10,000            | 5,000             | 0                | 5,000             | 5,000             |
| 73003 · Admin Building Upgrade/Maint. Building   | 350,000           | 350,000           | 56,170           | 350,000           | 20,000            |
| 73004 · Odor Control and NTP Landscaping         | 75,000            | 50,000            | 50,000           | 50,000            | 50,000            |
| 73005 · RWF Expansion (1)                        | 1,300,000         | 1,460,000         | 410,000          | 2,020,000         | 10,000            |
| 73006 · NTP Corrosion Control                    | 180,000           | 150,000           | 21,000           | 233,000           | 100,000           |
| 73090 · Vehicle Replacement                      | 425,000           | 390,000           | 390,000          | 120,000           | 500,000           |
| <b>Subtotal before Debt Service</b>              | <b>4,675,000</b>  | <b>5,680,000</b>  | <b>1,429,698</b> | <b>6,663,000</b>  | <b>4,615,000</b>  |
| 78500 · Interest - SRF Loan                      | 1,610,195         | 1,519,744         | 1,519,744        | 1,427,123         | 1,332,279         |
| 78500 · Principal - SRF Loan                     | 3,768,762         | 3,859,212         | 3,859,212        | 3,951,833         | 4,046,677         |
| 78500 · Interest - COP Bond/Rev. Refunding Bond  | 775,748           | 739,548           | 517,884          | 670,500           | 631,000           |
| 78500 · Principal - COP Bond/Rev. Refunding Bond | 905,000           | 925,000           | 945,000          | 790,000           | 820,000           |
| <b>Subtotal for Debt Service</b>                 | <b>7,059,705</b>  | <b>7,043,504</b>  | <b>6,841,840</b> | <b>6,839,456</b>  | <b>6,829,956</b>  |
| <b>Totals</b>                                    | <b>11,734,705</b> | <b>12,723,504</b> | <b>8,271,538</b> | <b>13,502,456</b> | <b>11,444,956</b> |

**Comments:**

(1) FY17-18 expenditures include provisions for USBR Title XVI grant funds through the NBWRA Phase I program, and potential reimbursement from the joint NMWD/NSD Recycled Water Capital Replacement and Expansion Fund.

***SECTION V***

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

**Novato Sanitary District  
2018-20 Preliminary Budget  
Wastewater Capital Reserve Fund**

|  |                                | <b>2018-20 Budget</b> |       |
|--|--------------------------------|-----------------------|-------|
|  |                                | Prelim                | Final |
| <b><u>Wastewater Capital Reserve Fund</u></b>  |                                |                       |       |
| <b>FUND BALANCE 6/30/17 . . . . .</b>  |                                | 3,275,000             |       |
|  | Required Deposits              | 27,336                |       |
| <b>FUND BALANCE 6/30/18 . . . . .</b>  |                                | <b>3,302,336</b>      |       |
|  | Required Deposits/Transfers In | 297,317               |       |
| <b>ANTICIPATED FUND BALANCE 6/30/19 . . . . .</b>  |                                | <b>3,599,653</b>      |       |
|  | Proposed Deposits/Transfers In | 297,317               |       |
| <b>ANTICIPATED FUND BALANCE 6/30/20 . . . . .</b>  |                                | <b>3,896,970</b>      | 0     |
| <b>Note:</b> The District borrowed \$81,307,947 between 2008 and 2011 from the State Revolving Fund (SRF) program, under a loan agreement with the State Water Resources Control Board (SWRCB). The loan agreement requires the District to 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, beginning in FY08-09. The District's unused bonding capacity of \$3,275,000 from the 1970 and 1986 General Obligation (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 by the unused GO bonding capacity. District Policy No. 3500 (adopted August 8, 2013), paragraph 3500.33, sets the reserve amounts in accordance with the terms of the loan, and requires the remainder to be funded as follows: \$27,336 in FY17-18, and \$297,317 in FY18-19. These amounts are being funded from unreserved amounts in the capital improvement fund, and the total of these required deposits (i.e. \$324,653) is included in the Summary of Fund Balances table (Page 1). |                                |                       |       |

**Novato Sanitary District  
2018-20 Preliminary Budget  
COP Reserve Fund**

|   |  | <b>2018-20 Budget</b> |                    |
|---|--|-----------------------|--------------------|
|   |  | Preliminary           | Final              |
| <b><u>Certificates of Participation Reserve Fund</u></b>  |  |                       |                    |
| <b>FUND BALANCE 6/30/17 . . . . .</b>   |  | 1,694,034             | -                  |
|   | Interest Income                                    | 695                   | -                  |
|   | Transfer to Escrow account for Bond Refunding 2017 | (1,694,414)           |                    |
| <b>FUND BALANCE 6/30/18 . . . . .</b>   |  | <b>315</b>            | <b>-</b>           |
|   |  |                       |                    |
|   |  |                       |                    |
|   |  |                       |                    |
|   |  |                       |                    |
|   |  |                       |                    |
|   |  |                       |                    |
| <b>Summary of COP Activity:</b>   |  | <b>16/17</b>          | <b>17/18</b>       |
| <b>Beginning Balance each year</b>  |  | <b>1,693,858</b>      | <b>1,694,034</b>   |
| <b>Cop Proceeds</b>   |  | -                     | -                  |
| <b>Less Withdrawals</b>   |  | -                     | <b>(1,694,414)</b> |
| <b>Interest earned and Reinvested</b>   |  | <b>176</b>            | <b>695</b>         |
| <b>Cash Balance for COP Expenditures</b>  |  | <b>1,694,034</b>      | <b>315</b>         |
|   |  |                       |                    |
| <b>Note 1:</b> In the new bond refunding of 2017, there is no longer a need for the reserve fund, thus this fund was closed in November of 2017 to the escrow fund to fund the upcoming debt payment for the previous bond issue of 2011. |  |                       |                    |
|   |  |                       |                    |
|   |  |                       |                    |
|   |  |                       |                    |
|   |  |                       |                    |

***SECTION VI***

***RATE STABILIZATION FUND***

**Novato Sanitary District  
2018-20 Preliminary Budget  
Rate Stabilization Fund**

|  |  | <b>2018-20 Budget</b> |          |
|--|--|-----------------------|----------|
|  |  | Prelim                | Final    |
| <b><u>RATE STABILIZATION FUND</u></b>  |  |                       |          |
|  | <b>FUND BALANCE 6/30/17 .....</b>          | 1,639,091             | 0        |
|  | Required Deposits/Transfers from Operating | 49,173                | 0        |
|  | <b>FUND BALANCE 6/30/18.....</b>           | <b>1,688,264</b>      | <b>0</b> |
|  | Required Deposits/Transfers from Operating | 50,648                |          |
|  | <b>FUND BALANCE 6/30/19 .....</b>          | <b>1,738,912</b>      | <b>0</b> |
|  | Required Deposits/Transfers from Operating | 52,167                |          |
|  | <b>FUND BALANCE 6/30/20 .....</b>          | <b>1,791,079</b>      | <b>0</b> |
| <b>Note:</b> This fund is maintained at a minimum balance of \$1,500,000 adjusted annually for inflation from unreserved amounts in the operating fund. Beginning FY17-18, this Fund is also included in the Summary of Fund Balances table (Page 1) to relate the cash based methodology of the budget document with the accrual methodology of the Comprehensive Annual Financial Report (CAFR). |  |                       |          |

***SECTION VII***

***DEBT SERVICE FUND SUMMARY***

**Novato Sanitary District  
2018-20 Preliminary Budget  
State Revolving Fund Loan  
COP Bond Fund  
Revenue Refunding Bond**

|   |  | 2018-20 Budget      |                    |                    |                |
|---|--|---------------------|--------------------|--------------------|----------------|
|   |  | Preliminary         | Final              |                    |                |
| <b><u>State Revolving Fund Loan</u></b>   |  |                     |                    |                    |                |
| <b>DEBT BALANCE 6/30/17 . . . . .</b>   |  | 63,322,683          | -                  |                    |                |
| Principal Payment 2017-18   |  | (3,859,211)         | -                  |                    |                |
| Interest payments 2017-18   |  | (1,519,744)         | -                  |                    |                |
| Transfer from Capital Improvement Fund 2017-18  |  | 1,519,744           | -                  |                    |                |
| <b>DEBT BALANCE 6/30/18 . . . . .</b>   |  | 59,463,472          | -                  |                    |                |
| Principal Payment 2018-19   |  | (3,951,833)         | -                  |                    |                |
| Interest payments 2018-19   |  | (1,427,123)         | -                  |                    |                |
| Transfer from Capital Improvement Fund 2018-19  |  | 1,427,123           | -                  |                    |                |
| <b>ANTICIPATED DEBT BALANCE 6/30/19 . . . . .</b>   |  | 55,511,639          | -                  |                    |                |
| <b><u>COP Bond Financing Issued October 2011</u></b>  |  |                     |                    |                    |                |
| <b>DEBT BALANCE 6/30/17 . . . . .</b>   |  | 17,475,000          | -                  |                    |                |
| Principal Payment 2017-18   |  | (925,000)           | -                  |                    |                |
| Interest payments 2017-18   |  | (775,748)           | -                  |                    |                |
| Transfer from Capital Improvement Fund 2017-18  |  | 775,748             | -                  |                    |                |
| Refunded COP with Revenue Bond listed below   |  | (16,550,000)        | -                  |                    |                |
| <b>DEBT BALANCE 6/30/18 . . . . .</b>   |  | 0                   | -                  |                    |                |
| <b><u>Revenue Refunding Bond Financing Issued October 2017</u></b>                            |  |                     |                    |                    |                |
| <b>DEBT BALANCE 6/30/17 . . . . .</b>   |  | 0                   | -                  |                    |                |
| Revenue Refunding Bond Issued to Refund COP 2011  |  | 14,355,000.00       |                    |                    |                |
| Principal Payment 2017-18   |  | (945,000)           | -                  |                    |                |
| Interest payments 2017-18   |  | (165,481)           | -                  |                    |                |
| Transfer from Capital Improvement Fund 2018-19  |  | 165,481             | -                  |                    |                |
| <b>DEBT BALANCE 6/30/18 . . . . .</b>   |  | 13,410,000          | -                  |                    |                |
| Principal Payment 2018-19   |  | (790,000)           | -                  |                    |                |
| Interest payments 2018-19   |  | (670,500)           | -                  |                    |                |
| Transfer from Capital Improvement Fund 2018-19  |  | 670,500             | -                  |                    |                |
| <b>ANTICIPATED DEBT BALANCE 6/30/19 . . . . .</b>   |  | 12,620,000          | -                  |                    |                |
| Note: Second payment for COP Bond payable paid with escrow funds.                             |  |                     |                    |                    |                |
|   |  | <b>Projected</b>    | <b>Preliminary</b> | <b>Preliminary</b> |                |
|   |  | <b>Rev/Exp</b>      | <b>Budget</b>      | <b>Budget</b>      |                |
| <b>Debt Coverage Ratio(1)</b>   |  | <b>Budget 17/18</b> | <b>2017-18</b>     | <b>2018-19</b>     | <b>2019-20</b> |
| <b>Net Operating Revenue</b>  |  | 113,226             | 290,260            | 238,135            | (11,806)       |
| <b>Capital Revenue</b>  |  | 10,926,445          | 10,496,040         | 11,220,560         | 11,383,312     |
| <b>Annual Debt Service</b>  |  | 7,043,504           | 6,841,840          | 6,839,456          | 6,829,956      |
| <b>Debt Coverage Ratio</b>  |  | 1.57                | 1.58               | 1.68               | 1.66           |
| <b>Net revenues covenant requires a 1.20 coverage ratio</b>                                   |  |                     |                    |                    |                |
| <b>(1) Net Operating Revenue + Capital Revenue/ Annual Debt Service = Debt Coverage Ratio</b> |  |                     |                    |                    |                |

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

**TITLE:** Wastewater Operations Report, May 2018.

**MEETING DATE:** June 11, 2018

**AGENDA ITEM NO.:** 10.a.

**RECOMMENDED ACTIONS:** Receive Wastewater Operations Reports for May 2018:

- Collection System
- Treatment Facilities Operations
- Reclamation Facilities

**SUMMARY AND DISCUSSION:**

The May 2018 Wastewater Operations Report incorporating operations reports for collections systems, wastewater treatment operations, and the reclamation facilities is attached.

District and Veolia staff will be present at the meeting to provide overviews of the reports for their operational areas, and be available to discuss the reports or respond to any questions.

**ATTACHMENTS:** 1. Wastewater Operations Reports for the month of May 2018.

**STRATEGIC PLAN INFORMATION:** This item addresses Goal 1 (Operational Excellence) and Goal 2 (Reliable and Efficient Facilities) of the latest Strategic Plan Update.

**DEPT. MGR.:** JB (Veolia), EB

**GENERAL MANAGER:** SSK

**Novato Sanitary District  
Wastewater Operations - Collection System Operations Report  
May 2018**

**1.0 General:**

The equivalent of about seven (7) full time employees (FTE) worked in the Collection System Department during the month. The breakdown of staff time for the month in terms of equivalent FTE hours utilized, works out approximately as follows:

- 2.3 FTE field workers for Sewer Maintenance (main line cleaning)
- 1.3 FTE field workers for Pump Station Maintenance
- 0.8 FTE field workers for Closed Circuit Television (CCTV) work
- 0.3 FTE field workers for Underground Service Alert Mark and Locate (USA)
- 1.4 FTE field workers for time spent on data input, training, service calls, overflow response, or any other activity that does not directly relate to the activities listed above, or special activities (for e.g. smoke testing of mainlines), and
- 1.0 FTE field workers for vacation, holiday or sick leave.

**2.0 Collection System Maintenance:**

Performance metrics for the department are presented in the attached graphs showing the length of line cleaned/month, footage cleaned/hour worked, overflows/month, and the CCTV footage achieved. A brief discussion is also provided below.

Line Cleaning Performance

The sewer system ICOM3 Computerized Maintenance Management System (CMMS) generated 432 work orders for the month. Collections staff completed 432 work orders, leaving zero (0) work orders outstanding. The completed work orders resulted in 81,366 feet of sewer pipelines cleaned by staff.

CCTV Performance:

The District's CCTV equipment was in the field for fifteen (15) working days and televised a total of 25,605 feet of sewer main.

CCTV Findings:

- Infrastructure related: CCTV work identified some tree root intrusions and sources of inflow and infiltration (I&I). The lines identified with root intrusion are scheduled to be included in the upcoming root treatment work. Lines identified to have I&I have been documented and placed on the spot repair list for future repair.
- O&M related: CCTV work did not identify any area that would require a change in sewer line maintenance operations.



**Removal of pump #3 at Olive Pump Station.**

**Novato Sanitary District  
Wastewater Operations - Collection System Operations Report  
May 2018**

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**3.0 Pump Station Maintenance:**

The Collection System Department conducted 195 lift station inspections this month. 71 of the inspections were generated through the District's JobsCal Plus CMMS system. There are no outstanding work orders for the month. A Pump Stations Work Order Statistics summary is attached.

**4.0 Air Relief/Vacuum Valves (ARVs):**

Staff completed maintenance inspections on four (4) air relief/vacuum valves this month.

**5.0 Safety and Training:**

General:

Collections Department staff attended four (4) safety tailgate meetings in May.

Specialized Training:

Collections Department staff attended a LOTO (Lock out, Tag out) Training.

Members of Collections Department went to the MSA Public works training. In addition, two members attended a Supervisors Safety Training.

Safety performance:

For the Collections Department, there were no lost time accidents this month.

**6.0 Miscellaneous Projects:**

Collections Department staff assisted a contractor with the removal of pump #3 at Olive PS. They also assisted a contractor with the repair of a hole in the sidewall of the wet well at Vintage Oaks PS #2. The radiator from the backup generator at Bahia Main PS was removed, repaired, and reinstalled. A small sink hole in Palomino Road was discovered and confirmed and is scheduled to be repaired in early June. At the end of the month while doing routine maintenance on Golden Gate Place, a collapsed portion of line was discovered and has been scheduled for repair by a contractor (update: repaired week of June 3<sup>rd</sup>).

**7.0 Sanitary Sewer Overflows (SSOs):**

There were no (0) sanitary sewer overflows in May.

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Novato Sanitary District  
Collection System Monthly Report For May 2018 (as of May 31, 2018)

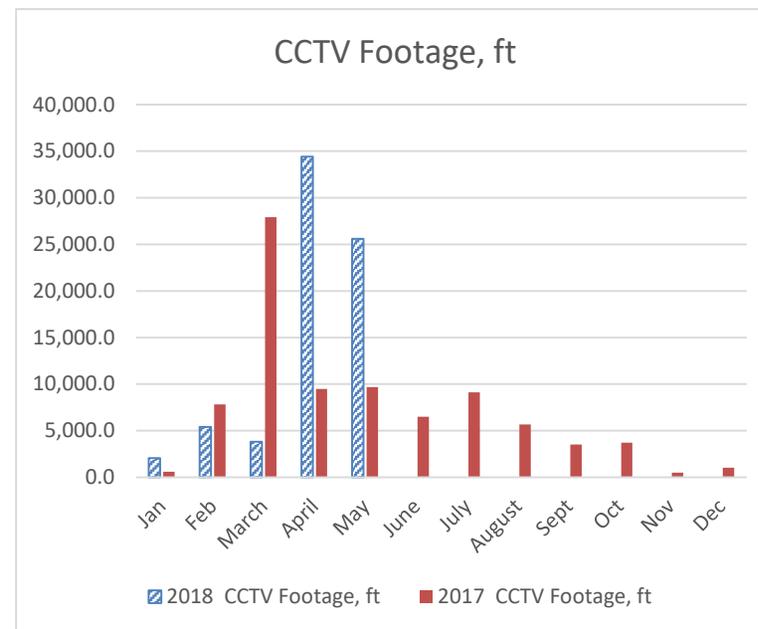
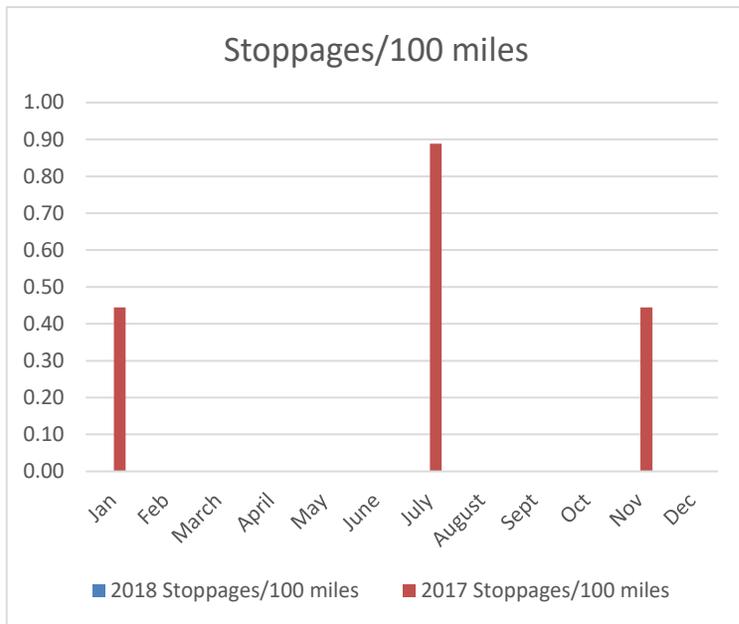
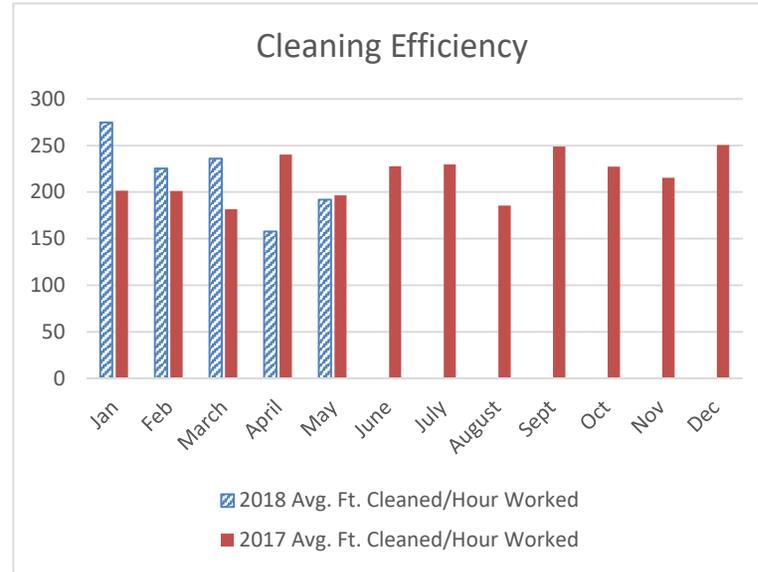
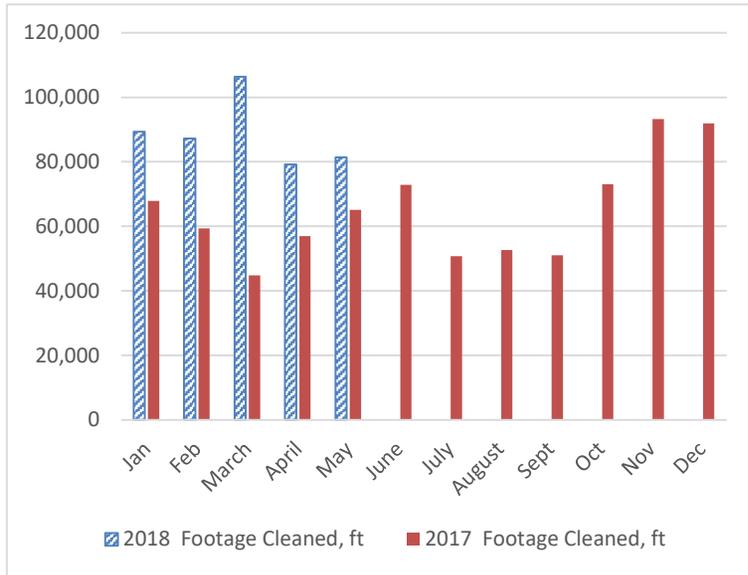
|   | Jan    | Feb    | March   | April  | May    | June | July | August | Sept | Oct | Nov | Dec | Total Year to Date | Average Year to Date |
|---|--------|--------|---------|--------|--------|------|------|--------|------|-----|-----|-----|--------------------|----------------------|
| <b>A. Employee Hours Worked</b>                 |        |        |         |        |        |      |      |        |      |     |     |     |                    |                      |
| Number of FTEs (main line cleaning), hrs.       | 1.8    | 2.4    | 2.5     | 3.0    | 2.3    | 0.0  | 0.0  | 0.0    | 0.0  | 0.0 | 0.0 | 0.0 | NA                 | 1.0                  |
| Number of FTEs (other)                          | 1.8    | 1.9    | 1.9     | 1.7    | 1.4    | 0.0  | 0.0  | 0.0    | 0.0  | 0.0 | 0.0 | 0.0 | NA                 | 0.7                  |
| Number of FTEs (USAs)                           | 0.3    | 0.3    | 0.2     | 0.3    | 0.3    | 0.0  | 0.0  | 0.0    | 0.0  | 0.0 | 0.0 | 0.0 | NA                 | 0.2                  |
| Number of FTEs (CCTV)                           | 0.2    | 0.2    | 0.2     | 0.3    | 0.8    | 0.0  | 0.0  | 0.1    | 0.0  | 0.0 | 0.0 | 0.0 | NA                 | 0.2                  |
| Total, FTEs                                     | 4.0    | 4.9    | 4.8     | 5.4    | 4.7    | 0.0  | 0.0  | 0.1    | 0.0  | 0.0 | 0.0 | 0.0 | NA                 | 2.0                  |
| Regular Time Worked, (main line cleaning), hrs  | 325    | 387    | 451     | 502    | 425    | 0    | 0    | 0      | 0    | 0   | 0   | 0   |                    |                      |
| Regular Time Worked on Other, hrs (1)           | 324    | 303    | 352     | 288    | 263    | 0    | 0    | 0      | 0    | 0   | 0   | 0   |                    |                      |
| Regular Time Worked on USAs                     | 51     | 59     | 41      | 53     | 49     |      |      |        |      |     |     |     |                    |                      |
| Regular Time Worked on CCTV (2)                 | 32     | 40     | 40      | 57     | 149    | 0    | 0    | 0      | 0    | 0   | 0   | 0   |                    |                      |
| Total Regular time, worked, hrs                 | 732    | 788    | 882     | 900    | 885    | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 4,186              | 349                  |
| Total Vacation/Sick Leave/Holiday, hrs          | 216    | 106    | 123     | 70     | 186    | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 699                | 58                   |
| Vacation/Sick Leave/Holiday, FTEs               | 1.2    | 0.7    | 0.7     | 0.4    | 1.0    | 0.0  | 0.0  | 0.0    | 0.0  | 0.0 | 0.0 | 0.0 | 3.9                | 0.3                  |
| Overtime Worked on Coll. Sys., hrs              | 11     | 7      | 3       | 6      | 11     | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 37                 | 3                    |
| Overtime Worked on Other, hrs (1)               | 4      | 0      | 0       | 0      | 4      | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 8                  | 1                    |
| Overtime Worked on USAs, hrs                    | 0      | 0      | 0       | 0      | 0      |      |      |        |      |     |     |     |                    |                      |
| Overtime Worked on CCTV (2)                     | 0      | 0      | 0       | 0      | 0      | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 0                  | 0                    |
| Total Overtime, hrs                             | 15     | 7      | 3       | 6      | 15     | NA   | NA   | NA     | NA   | NA  | NA  | NA  | 45                 | 9                    |
| <b>B. Productivity</b>                          |        |        |         |        |        |      |      |        |      |     |     |     |                    |                      |
| <b>1. Line Cleaning</b>                         |        |        |         |        |        |      |      |        |      |     |     |     |                    |                      |
| Rodder Work Orders generated                    | 28     | 33     | 65      | 65     | 28     | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 219                | 18                   |
| Rodder 3208 ft. cleaned                         | 6,241  | 6,875  | 12,729  | 10,481 | 4,023  | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 40,349             | 3,362                |
| Rodder - outside services, ft cleaned           | 0      | 0      | 0       | 0      | 0      | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 0                  | 0                    |
| Flusher Work Orders generated                   | 401    | 413    | 472     | 403    | 404    | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 2,093              | 174                  |
| Truck 3205V ft. cleaned                         | 22,719 | 28,924 | 43,973  | 2,861  | 0      | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 98,477             | 8,206                |
| Truck 3206V ft. cleaned                         | 60,376 | 51,396 | 18,896  | 28,966 | 6,896  | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 166,530            | 13,878               |
| Truck 3209F ft. cleaned                         | 0      | 0      | 30,733  | 36,879 | 70,447 | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 138,059            | 11,505               |
| Flusher - outside services, ft. cleaned         | 0      | 0      | 0       | 0      | 0      | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 0                  | 0                    |
| Total Footage cleaned(3)                        | 89,336 | 87,195 | 106,331 | 79,187 | 81,366 | NA   | NA   | NA     | NA   | NA  | NA  | NA  | 443,415            | 88,683               |
| Work Orders completed                           | 429    | 446    | 537     | 616    | 432    | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 2,460              | 224                  |
| Work Orders backlog                             | 0      | 0      | 0       | 0      | 0      | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 0                  | 0                    |
| <b>2. Closed Circuit Television (CCTV)</b>      |        |        |         |        |        |      |      |        |      |     |     |     |                    |                      |
| Camera Work Orders generated                    | 0      | 0      | 0       | 0      | 0      | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 0                  | 0                    |
| CCTV Truck 3126T, ft. videoed                   | 2,048  | 5,420  | 3,805   | 0      | 20,712 | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 31,985             | 2,665                |
| CCTV (hand cam), ft. videoed                    | 0      | 0      | 0       | 34,429 | 4,893  | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 39,322             |                      |
| CCTV Inspection - outside services, ft. videoed | 0      | 0      | 0       | 0      | 0      | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 0                  | 0                    |
| Total CCTV footage(3)                           | 2,048  | 5,420  | 3,805   | 34,429 | 25,605 | NA   | NA   | NA     | NA   | NA  | NA  | NA  | 71,307             |                      |
| <b>C. Sanitary Sewer Overflows (SSOs)</b>       |        |        |         |        |        |      |      |        |      |     |     |     |                    |                      |
| Minor (Category III)                            | 0      | 0      | 0       | 0      | 0      | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 0                  | NA                   |
| Major (Category II)                             | 0      | 0      | 0       | 0      | 0      | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 0                  | NA                   |
| Major (Category I)                              | 0      | 0      | 0       | 0      | 0      | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 0                  | NA                   |
| Overflow Gallons                                | 0      | 0      | 0       | 0      | 0      | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 0                  | NA                   |
| Volume Recovered                                | 0      | 0      | 0       | 0      | 0      | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 0                  | NA                   |
| Percent Recovered                               | NA     | NA     | NA      | NA     | NA     | NA   | NA   | NA     | NA   | NA  | NA  | NA  | #DIV/0!            | NA                   |
| <b>D. Service Calls (non-SSO related)</b>       |        |        |         |        |        |      |      |        |      |     |     |     |                    |                      |
| Service calls, normal hours, #                  | 8      | 4      | 2       | 2      | 0      | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 16                 | 1                    |
| Normal hours S.C. response time, mins (avg.)    | 39     | 29.25  | 17      | 18.5   | 0      | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 104                | 9                    |
| Service Callouts, after hours, #                | 1      | 0      | 0       | 0      | 0      | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 1                  | 0                    |
| After Hours S.C. response time, mins (avg.)     | 37     | 0      | 0       | NA     | NA     | NA   | NA   | NA     | NA   | NA  | N/A | 0   | 37                 | 7                    |
| <b>E. Benchmarks</b>                            |        |        |         |        |        |      |      |        |      |     |     |     |                    |                      |
| Average Ft. Cleaned/Hour Worked                 | 275    | 225    | 236     | 158    | 192    | NA   | NA   | NA     | NA   | NA  | NA  | NA  | NA                 | 217                  |
| Total Stoppages/100 Miles                       | 0.0    | 0.0    | 0.0     | 0.0    | 0.0    | 0.0  | 0.0  | 0.0    | 0.0  | 0.0 | 0.0 | 0.0 | 0.0                | NA                   |
| Average spill response time (mins)              | 0      | 0      | 0       | NA     | NA     | NA   | NA   | NA     | NA   | NA  | 0   | NA  | NA                 | 0                    |
| Callouts/100 Miles                              | 0.4    | 0.0    | 0.0     | 0.0    | 0.0    | 0.0  | 0.0  | 0.0    | 0.0  | 0.0 | 0.0 | 0.0 | 0.4                | 0.0                  |
| Overtime hours/100 Miles                        | 5      | 3      | 1       | 3      | 5      | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 16.44              | 1                    |
| Overflow Gallons/100 Miles                      | 0      | 0      | 0       | 0      | 0      | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 0                  | 0                    |

(1) This category includes time spent on: Data input, Training, Service Calls, Overflow Response, as well as any other activity that does not directly relate to main line cleaning or CCTV work.

(2) This category separates time spent on CCTV from other Collection System maintenance activities.

(3) Does not include outside services (tracked separately)

# Collection System: 2018 & 2017 Graphs



**Novato Sanitary District**  
**Pump Station Monthly Report For May 2018 (as of May 31, 2018)**

|                                      | Jan | Feb | March | April | May | June | July | August | Sept | Oct | Nov | Dec | Total Year to Date | Average Year to Date |
|--------------------------------------|-----|-----|-------|-------|-----|------|------|--------|------|-----|-----|-----|--------------------|----------------------|
| <b>Employee Hours Worked</b>         | 372 | 254 | 212   | 251   | 276 | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 1,364              |                      |
| Number of Employees (FTEs)           | 1.8 | 1.4 | 1.2   | 1.2   | 1.3 | 0.0  | 0.0  | 0.0    | 0.0  | 0.0 | 0.0 | 0.0 |                    | 0.6                  |
| Regular Time Worked on Pump Sta      | 325 | 226 | 212   | 197   | 238 | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 1,197              |                      |
| Overtime Worked on Pump Sta          | 47  | 28  | 32    | 54    | 38  | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 198                |                      |
| After Hours Callouts                 | 3   | 1   | 1     | 1     | 1   | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 7                  |                      |
| Average Callout response time (mins) | 36  | 28  | 6     | 9     | 8   | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 87                 | 7                    |
| <b>Work Orders</b>                   |     |     |       |       |     |      |      |        |      |     |     |     |                    |                      |
| Number generated in month            | 95  | 89  | 77    | 85    | 71  | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 417                | 35                   |
| Number closed in month               | 95  | 89  | 77    | 85    | 71  | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 417                | 35                   |
| Backlog                              | 0   | 0   | 0     | 0     | 0   | 0    | 0    | 0      | 0    | 0   | 0   | 0   | 0                  | 0                    |

**PUMP STATIONS  
WORK ORDER STATISTICS  
May 1, 2018-May 31, 2018**

|            | <b>Open Work Orders<br/>Due Prior to 5/1/2018</b> | <b>Open Work Orders<br/>5/1/2018-5/31/2018</b> | <b>Total Open<br/>Work Orders</b> |
|------------|---|--|-----------------------------------|
| Preventive | 0   | 71   | 71                                |
| Corrective | 0   | 0  | 0                                 |
| Total      | 0   | 71   | 71                                |

|            | <b>Closed Work Orders<br/>5/1/2018 -5/31/2018</b> |
|------------|---|
| Preventive | 71  |
| Corrective | 0   |
| Total      | 71  |

|  |          |
|--|----------|
| <b>Total<br/>Outstanding<br/>Work Orders as<br/>of 5/31/2018</b> | <b>0</b> |
|--|----------|



**MONTHLY OPERATIONS REPORT  
May 2018**

Prepared for

**NOVATO SANITARY DISTRICT (NSD)  
WASTEWATER TREATMENT PLANT  
500 Davidson Street  
Novato, CA 94945**

Prepared by

**Veolia Water West Operating Services, Inc. (VWWOS)**

**TABLE OF CONTENTS**

---

- A: TREATMENT PLANT PERFORMANCE SUMMARY
- B: SAFETY AND TRAINING
- C: OPERATIONS AND MAINTENANCE STATUS / REVIEW
- D: ENVIRONMENTAL SERVICES ACTIVITIES SUMMARY
- E: ADMINISTRATION
- F: ODORS & LANDSCAPING
- G: MISCELLANEOUS

**ATTACHMENTS**

- 1) Photos
  - 2) Laboratory Data
  - 3) Recycled Water Report
  - 4) Annual Compliance Summary - Graph
  - 5) Process Control Data / Graphs
  - 6) Neighborhood Contacts (Odor / Noise)
  - 7) Jerome Meter Readings and Locations
-

**A: TREATMENT PLANT PERFORMANCE SUMMARY - May 2018**

| Parameter  | Value  |        | Limits |     |
|--|--------|--------|--------|-----|
|  | Ave    | Max    |        |     |
| Flow, MGD (monthly ave/max)                          | 4.03   | 4.64   | N/A    |     |
| <b>Influent</b>                                      |        |        |        |     |
| BOD <sub>5</sub> , lb/day (month ave/max)            | 12,867 | 17,694 | N/A    |     |
| TSS, lb/day (monthly ave/max)                        | 10,892 | 12,039 | N/A    |     |
| <b>Effluent</b>                                      |        |        |        |     |
| BOD <sub>5</sub> , mg/L (monthly ave/max weekly ave) | <6     | 10     | 15     | 30  |
| TSS, mg/L (monthly ave/max weekly ave)               | <4     | 6      | 10     | 20  |
| BOD <sub>5</sub> - % Removal, Average                | 98     |        | 85     |     |
| TSS - % Removal, Average                             | 99     |        | 85     |     |
| Ammonia, mg/L – (monthly ave/daily max)              | 1.50   | 1.50   | 5.9    | 21  |
| pH, su (min / max)                                   | 6.9    | 7.1    | 6.5    | 8.5 |
| Enterococcus, MPN/100 ml (30 day geo mean)           | 4.26   |        | 35     |     |
| Fecal Coliform, MPN/100 ml (monthly median)          | N/A    |        | 140    |     |
| Fecal Coliform, MPN/100 ml (90 <sup>th</sup> PCTL)   | N/A    |        | 430    |     |
| Total Coliform, MPN/100 ml (5 sample median)         | 33     |        | 240    |     |
| Total Coliform, MPN/100 ml (monthly maximum)         | 540    |        | 10,000 |     |

**Title 22 - Recycled Water Production and Quality**

| Description                              | Units           | Value  | Limit          |
|--|-----------------|--------|----------------|
| Volume Produced                          | Million Gallons | 16.318 | N/A            |
| Average Turbidity                        | NTU             | 1.1    | 2.0            |
| Turbidity > 5 NTU (in 24 hour)           | Minutes         | 18     | 72             |
| Minimum CT (disinfection)                | mg-min/L        | >450   | 450 minimum    |
| Minimum Dissolved Oxygen (DO)            | mg/L            | 8.0    | 2 mg/L minimum |
| Maximum Total Coliform                   | MPN/100 ml      | <1     | 240            |
| Maximum Total Coliform 2 Samples 30 days | MPN/100 ml      | <1     | 23             |
| Total Coliform 7 Sample Median           | MPN/100 ml      | <1     | 2.2            |

**Discussion of Violations / Excursions**

- Bay Discharge, May 1<sup>st</sup> – May 13<sup>th</sup>, (NPDES Limits) — None
- Reclamation / Irrigation, May 14<sup>th</sup> – May 31<sup>st</sup>, Waste Discharge Requirements (WDR Limits) - None
- Recycled Water – None
- Bay Area Air Quality Management District – None.

**B: SAFETY AND TRAINING:**

- Monthly plant safety inspections for Novato WWTP and Ignacio Transfer Pump Station completed.



- Five minute tailgate training was held during morning meetings with all staff.
- No safety incidents for the month of May 2018.  
Monthly Safety Topics and Training: Personal Protective Equipment – Employee Essentials

**C: OPERATIONS & MAINTENANCE STATUS / REVIEW:**

**Key events for the period:**

**Novato**

- Routine rounds, readings and maintenance.
- Replaced batteries in main uninterruptable power supply unit in operations area.
- Flare air flow modifications performed.
- Generator #3 voltage regulator troubleshooting.
- New stationary sampler installed at Primary Clarifier #1.

**Equipment Out of Service – Due to Planned Servicing, Maintenance, or Replacement**

- Aeration basin #1 & #3 (standby).
- Primary clarifier #2 (standby).
- Secondary clarifier #1 (not required at current facility flow).

**Ignacio Transfer Pump Station**

- Routine rounds, readings and preventative maintenance.

**Equipment Out of Service – Due to Planned Servicing, Maintenance, or Replacement**

- None

**Recycled Water Plant (RWP)**

- Routine rounds and maintenance.
- Assisting with contractor needs during construction.

**Equipment Out of Service – Due to Planned Servicing, Maintenance, or Replacement**

- None

**Sludge Lagoons (and Reclamation Area)**

- Performed routine rounds and inspection.
- Cleared weeds surrounding the monitoring wells.

**D: ENVIRONMENTAL SERVICES ACTIVITIES SUMMARY**

**Discharge to the San Pablo Bay May 1- 13, 2018**

**Discharge to Reclamation Irrigation May 14 – 31, 2018**



**BACWA**

Liz Falejczyk Veolia Water Environmental Services Supervisor attended the BACWA Laboratory Committee Meetings and the Optimization/Upgrade Study Draft Report Review.

**Training**

Liz Falejczyk attended the State of California Environmental Laboratory Accreditation Program TNI 2016 Standard Training Series/Session 3 of 6 trainings.

**Whole Effluent Toxicity Testing**

Acute (96 hours) and Chronic Toxicity (7 days) were completed in April 4, 2018 for the March through May quarter. The details were reported in the April 2018 monthly report. Both results were in compliance with NPDES Permit limitations.

**Wildlife Pond and Reclamation Activities****Wildlife Pond**

Samples and weekly/monthly observations at the Wildlife pond were taken according to the WDR (Order No. 92-065).

**Irrigation Wet Well Sampling**

Monthly sampling of the irrigation wet well was initiated in May 2018 and will continue as long as recycled water irrigation is occurring. The data collected will be compiled and reported in the 2018 Triennial Irrigated Pasture Report.

**Monitoring Wells**

The sampling of the recycled water irrigation groundwater monitoring wells was conducted on May 24, 2018. This biannual monitoring is to assure the protection of groundwater around the Designated Land Disposal locations and the old sludge disposal site at the former Ignacio Wastewater Treatment Plant as part of the U.S. EPA Part 503 Biosolids requirements. Sampling and data collection was performed by Kurt Hawkyard, Veolia Water Laboratory Technician, and Jessica Bena, North Marin Water District Laboratory Technician.

**Pasture Inspection**

Stephanie Larson, PhD, Director of University of California Cooperative Extension, Sonoma County toured and inspected all the irrigated pastureland with Jeff Boheim, Novato Sanitary District Field Service Manager and Liz Falejczyk. Dr. Larson will be returning after the grazing season to reassess the pastures and report her findings and recommendations which is to be included in the 2018 Triennial Irrigated Pasture Report.

**Proficiency Testing**

Water Supply Proficiency Testing was conducted in May 2018 for Source Water Coliforms, Heterotrophic Plate Count HPC), Enterococcus and Dissolved Oxygen. All of the results received were 100% acceptable.



**CERTIFICATE OF EXCELLENCE**

In recognition of the quality of your laboratory in proficiency testing for

WS-261

Novato Sanitary District Laboratory

is issued this certificate of achievement by ERA. This laboratory has been recognized as a Laboratory of Excellence for achieving 100% acceptable data in this study which included 736 participating laboratories. This achievement is a demonstration of the superior quality of the laboratory in evaluation of the standards listed below.

Heterotrophic Plate Count  
WS SourceWatR™  
MicroBE™

**CERTIFICATE OF EXCELLENCE**

In recognition of the quality of your laboratory in proficiency testing for

WP-279

Novato Sanitary District Laboratory

is issued this certificate of achievement by ERA. This laboratory has been recognized as a Laboratory of Excellence for achieving 100% acceptable data in this study which included 1036 participating laboratories. This achievement is a demonstration of the superior quality of the laboratory in evaluation of the standards listed below.

Dissolved Oxygen  
Enterococci

**Regional Monitoring Program (RMP)**

The 2017 mass discharge loads for Chromium, Copper, Nickel, and Selenium were submitted online to the San Francisco Estuary Institute as requested by the San Francisco Regional Water Quality Control Board to determine the RMP annual fee.

**Pretreatment Program****Permits**

- Received one renewal application for a septic waste hauler

**Inspections and Sampling**

- Sampled one Significant Industrial User
- Continued monitoring one Food Service Establishment (FSE) grease removal several times per week
- Received support documentation confirming compliance from 3 FSEs

**General**

Liz Falejczk served on an interview panel for an open laboratory analyst position at the Central Marin Sanitary Agency on May 17, 2018.

**E: ADMINISTRATION:**

- April Electronic Self-Monitoring Report (eSMR) submitted on May 25, 2018.
- April Electronic Discharge Monitoring Report (DMR) submitted on May 25, 2018.



**F: ODORS & LANDSCAPING:**

- Jerome meter (H2S) parts per million (ppm) readings performed in neighborhood.
- All readings in neighborhood were 0 ppm.
- Met with two neighbors on May 24<sup>th</sup>.
- Telephone and text dialogue with neighbor regarding primary clarifier cleaning operation and potential odors.

**G: MISCELLANEOUS**

- Process Control Management Plan (PCMP) meetings held weekly with all of the Veolia staff.
- Transitioned to Reclamation discharge May 14, 2018.
- Contract review presentation to Novato Sanitary District Board May 21, 2018.

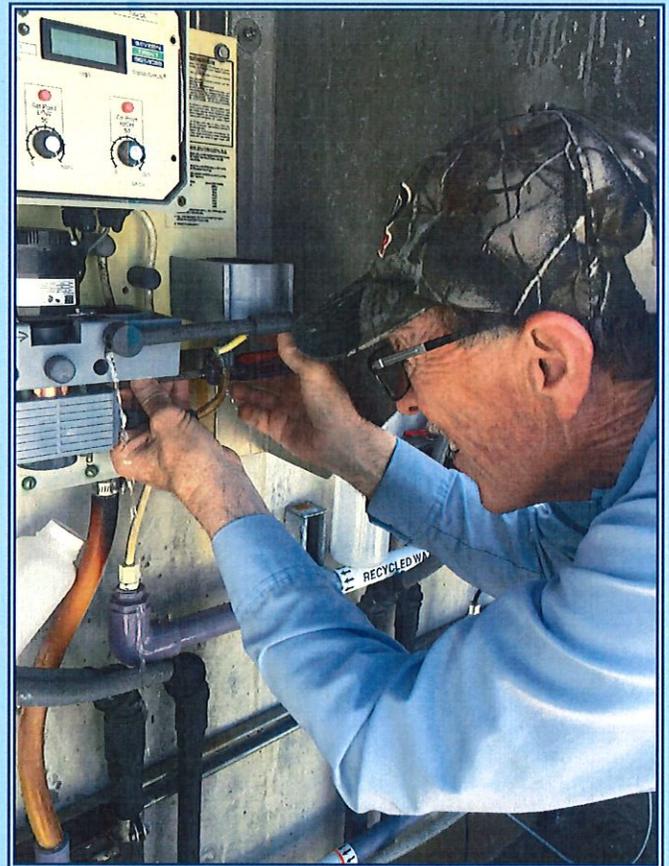
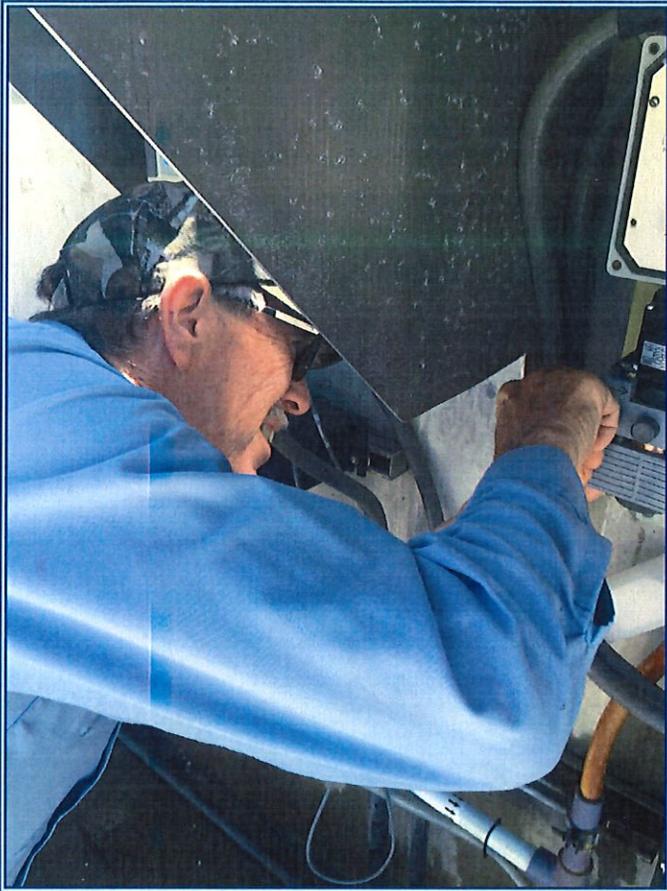
**Veolia Support Staff On/Off Site (Various Times)**

Ed Dix, West Region Technical Director



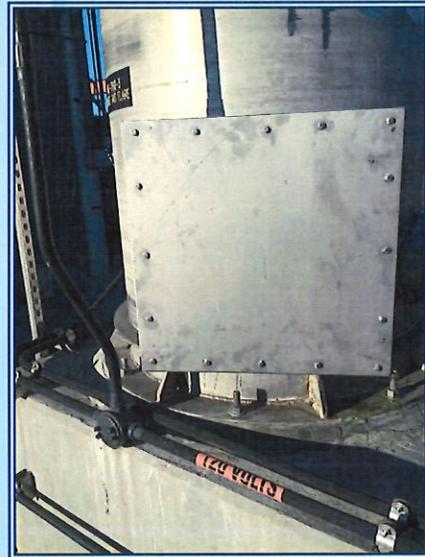
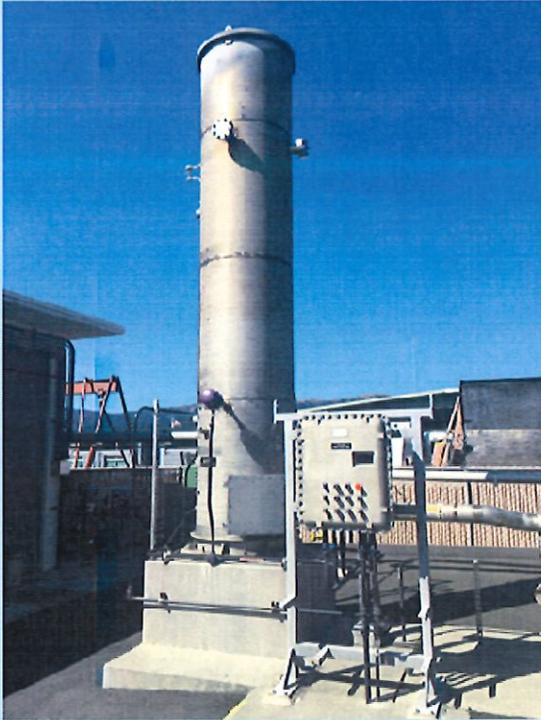
# ***PHOTOS***

CLEAN AND CALIBRATE – CHLORINE RESIDUAL ANALYZER  
MAY 2018



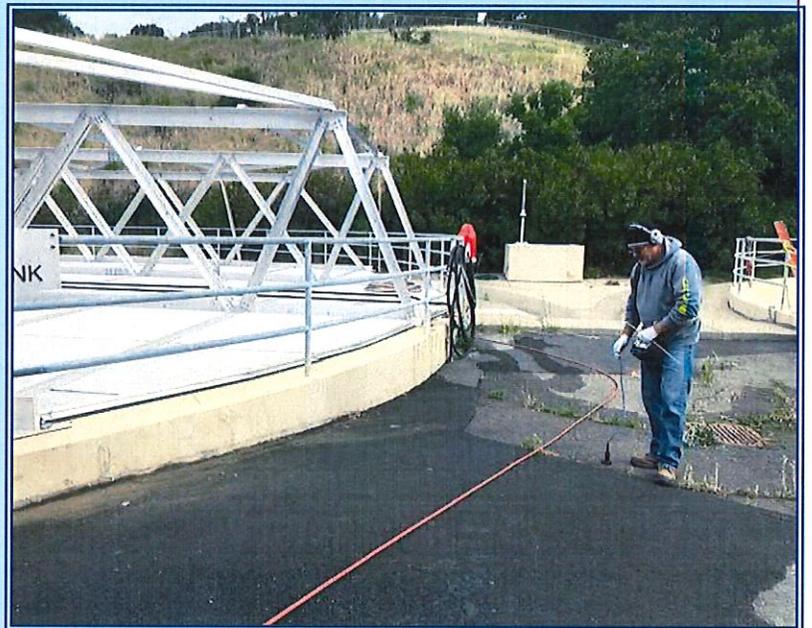
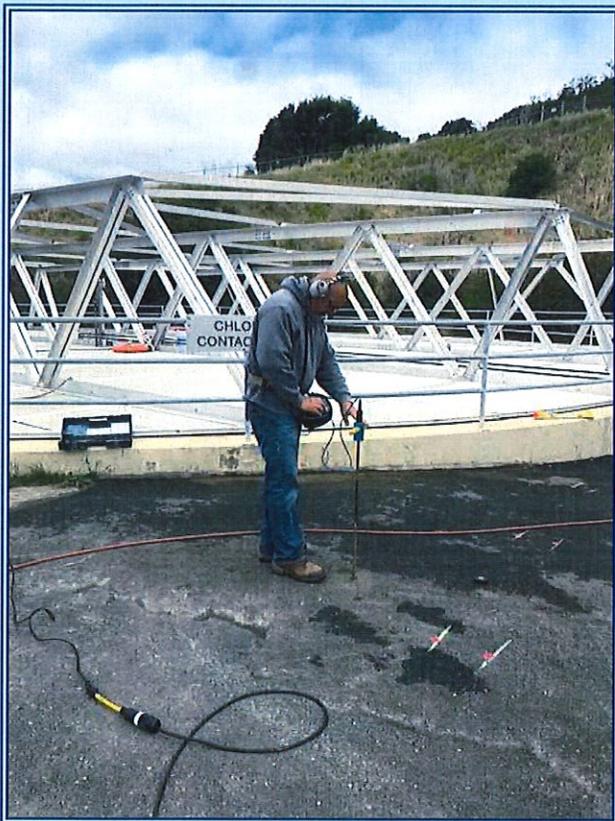
Preston Ingram – Cleaning and calibrating chlorine residual analyzer on recycled water facility.

BIOGAS FLARE RETROFIT  
MAY 2018



Upper Left: Digester Flare, Upper Right: New Digester Inlet Pipe Enclosure,  
Lower Left: Existing Airflow Damper, Lower Right: Replacement Static Damper  
Blind Flange – Elimination of uncontrolled air into combustion chamber.

LOCATING WATER LEAK NEAR CHLORINE CONTACT TANK  
MAY 2018



Leak Detection Pro – locating water leak between chlorine contact tank and clear well.

## ***LABORATORY DATA***

Novato Sanitary District  
BOD/TSS Report



May, 2018

| Date                   | Flow<br>MGD | Influent |        |      |        | Effluent |      |      |      | BOD %<br>Removal<br>PERCENT | TSS %<br>Removal<br>PERCENT |
|------------------------|-------------|----------|--------|------|--------|----------|------|------|------|-----------------------------|-----------------------------|
|                        |             | BOD      |        | TSS  |        | BOD      |      | TSS  |      |                             |                             |
|                        |             | mg/l     | lb/d   | mg/l | lb/d   | mg/l     | lb/d | mg/l | lb/d |                             |                             |
| 05/01/18               | 4.24        | 280      | 9,901  | 256  | 9,053  | 8        | 237  | 5    | 148  | 97.1                        | 98.0                        |
| 05/02/18               | 4.62        |          |        |      |        | 7        | 236  | 5    | 168  |                             |                             |
| 05/03/18               | 4.33        |          |        |      |        |          |      |      |      |                             |                             |
| 05/04/18               | 3.87        |          |        |      |        |          |      |      |      |                             |                             |
| 05/05/18               | 4.11        |          |        |      |        |          |      |      |      |                             |                             |
| 05/06/18               | 4.34        |          |        |      |        |          |      |      |      |                             |                             |
| 05/07/18               | 4.11        |          |        |      |        |          |      |      |      |                             |                             |
| 05/08/18               | 4.03        |          |        |      |        |          |      |      |      |                             |                             |
| 05/09/18               | 4.16        | 510      | 17,694 | 347  | 12,039 | 10       | 292  | 6    | 175  | 98.0                        | 98.3                        |
| 05/10/18               | 3.95        |          |        |      |        |          |      |      |      |                             |                             |
| 05/11/18               | 3.73        |          |        |      |        |          |      |      |      |                             |                             |
| 05/12/18               | 4.11        |          |        |      |        |          |      |      |      |                             |                             |
| 05/13/18               | 4.03        |          |        |      |        |          |      |      |      |                             |                             |
| 05/14/18               | 3.99        |          |        |      |        |          |      |      |      |                             |                             |
| 05/15/18               | 4.13        |          |        |      |        |          |      |      |      |                             |                             |
| 05/16/18               | 3.84        |          |        |      |        | 6        | 192  | 5    | 160  |                             |                             |
| 05/17/18               | 4.23        | 320      | 11,289 | 335  | 11,818 | <5       | <142 | 4    | 114  | 98.4                        | 98.8                        |
| 05/18/18               | 3.70        |          |        |      |        | <5       | <139 | 3    | 83   |                             |                             |
| 05/19/18               | 4.28        |          |        |      |        |          |      |      |      |                             |                             |
| 05/20/18               | 4.64        |          |        |      |        |          |      |      |      |                             |                             |
| 05/21/18               | 4.22        |          |        |      |        |          |      |      |      |                             |                             |
| 05/22/18               | 3.97        | 380      | 12,582 | 343  | 11,357 | <5       | <150 | 4    | 120  | 98.7                        | 98.8                        |
| 05/23/18               | 3.75        |          |        |      |        | 5        | 135  | <3   | <81  |                             |                             |
| 05/24/18               | 4.12        |          |        |      |        |          |      | <3   | <101 |                             |                             |
| 05/25/18               | 3.69        |          |        |      |        |          |      |      |      |                             |                             |
| 05/26/18               | 3.83        |          |        |      |        |          |      |      |      |                             |                             |
| 05/27/18               | 3.60        |          |        |      |        |          |      |      |      |                             |                             |
| 05/28/18               | 3.90        |          |        |      |        |          |      |      |      |                             |                             |
| 05/29/18               | 3.79        |          |        |      |        |          |      | 3    | 82   |                             |                             |
| 05/30/18               | 3.76        |          |        | 325  | 10,191 |          |      | <3   | <80  |                             | 99.1                        |
| 05/31/18               | 3.77        |          |        |      |        |          |      | <3   | <79  |                             |                             |
| <b>Weekly Averages</b> |             |          |        |      |        |          |      |      |      |                             |                             |
| 05/05/18               | Week 1      | 280      | 9,901  | 256  | 9,053  | 8        | 236  | 5    | 158  |                             |                             |
| 05/12/18               | Week 2      | 510      | 17,694 | 347  | 12,039 | 10       | 292  | 6    | 175  |                             |                             |
| 05/19/18               | Week 3      | 320      | 11,289 | 335  | 11,818 | 5        | 158  | 4    | 119  |                             |                             |
| 05/26/18               | Week 4      | 380      | 12,582 | 343  | 11,357 | 5        | 143  | 3    | 101  |                             |                             |
|                        | Week 5      |          |        |      |        |          |      |      |      |                             |                             |
| <b>Monthly</b>         |             |          |        |      |        |          |      |      |      |                             |                             |
| Minimum                | 3.60        | 280      | 9,901  | 256  | 9,053  | <5       | 135  | <3   | <79  | 97                          | 98                          |
| Maximum                | 4.64        | 510      | 17,694 | 347  | 12,039 | 10       | 292  | 6    | 175  | 99                          | 99                          |
| Total                  | 124.84      |          |        |      |        |          |      |      |      |                             |                             |
| Average                | 4.03        | 373      | 12,867 | 321  | 10,892 | <6       | <190 | <4   | <116 | 98                          | 99                          |

Novato Sanitary District  
Conventional Pollutants Report



May, 2018

| Date           | INFLUENT - A001 |     |         | Effluent - E002     |        |       |     |         |              |       |          |
|----------------|-----------------|-----|---------|---------------------|--------|-------|-----|---------|--------------|-------|----------|
|                | Flow            | pH  | Ammonia | Coliform / Bacteria |        |       | pH  | Ammonia | Oil & Grease | Temp  | Rainfall |
|                | Total           |     |         | Fecal               | Entero | Total |     |         |              |       |          |
|                | MGD             | su  | mg/L    | MPN/100 mL          |        |       | su  | mg/L    | mg/L         | Deg C | Inches   |
| 05/01/18       | 4.24            | 7.7 |         |                     | 3.0    |       | 6.9 |         |              | 19.5  |          |
| 05/02/18       | 4.62            |     |         |                     | 5.1    |       | 6.9 | 1.50    | 2.6          | 20.0  |          |
| 05/03/18       | 4.33            |     |         |                     | 3.0    |       | 6.9 |         |              | 20.0  |          |
| 05/04/18       | 3.87            |     |         |                     |        |       | 6.9 |         |              | 20.4  |          |
| 05/05/18       | 4.11            |     |         |                     |        |       |     |         |              |       |          |
| 05/06/18       | 4.34            |     |         |                     |        |       |     |         |              |       |          |
| 05/07/18       | 4.11            |     |         |                     |        |       | 7.0 |         |              | 20.6  |          |
| 05/08/18       | 4.03            |     |         |                     | 10.6   |       | 7.0 |         |              | 20.6  |          |
| 05/09/18       | 4.16            |     |         |                     | 3.0    |       | 7.0 |         |              | 20.8  |          |
| 05/10/18       | 3.95            |     |         |                     | 4.1    |       | 7.0 |         |              | 21.5  |          |
| 05/11/18       | 3.73            | 7.6 |         |                     |        |       | 6.9 |         |              | 21.2  |          |
| 05/12/18       | 4.11            |     |         |                     |        |       |     |         |              |       |          |
| 05/13/18       | 4.03            |     |         |                     |        |       |     |         |              |       |          |
| 05/14/18       | 3.99            |     |         |                     |        | 23    | 7.0 |         |              | 20.4  |          |
| 05/15/18       | 4.13            |     |         |                     |        | 33    | 7.1 |         |              | 20.9  |          |
| 05/16/18       | 3.84            | 7.6 |         |                     |        | 33    | 7.0 |         |              | 21.2  |          |
| 05/17/18       | 4.23            |     |         |                     |        |       | 6.9 |         |              | 21.7  |          |
| 05/18/18       | 3.70            |     |         |                     |        |       | 7.1 |         |              | 21.1  |          |
| 05/19/18       | 4.28            |     |         |                     |        |       |     |         |              |       |          |
| 05/20/18       | 4.64            |     |         |                     |        |       |     |         |              |       |          |
| 05/21/18       | 4.22            |     |         |                     |        | 33    | 7.0 |         |              | 21.2  |          |
| 05/22/18       | 3.97            |     |         |                     |        | 33    | 7.0 |         |              | 21.3  |          |
| 05/23/18       | 3.75            |     |         |                     |        | 540   | 7.0 |         |              | 21.2  |          |
| 05/24/18       | 4.12            |     |         |                     |        |       | 6.9 |         |              | 20.7  |          |
| 05/25/18       | 3.69            | 7.3 |         |                     |        |       | 6.9 |         |              | 21.2  |          |
| 05/26/18       | 3.83            |     |         |                     |        |       |     |         |              |       |          |
| 05/27/18       | 3.60            |     |         |                     |        |       |     |         |              |       |          |
| 05/28/18       | 3.90            |     |         |                     |        |       | 7.1 |         |              | 22.4  |          |
| 05/29/18       | 3.79            |     |         |                     |        | 33    | 7.0 |         |              | 22.7  |          |
| 05/30/18       | 3.76            |     |         |                     |        | 7     | 7.1 |         |              | 21.7  |          |
| 05/31/18       | 3.77            | 7.2 |         |                     |        | 70    | 7.0 |         |              | 21.6  |          |
| <b>Monthly</b> |                 |     |         |                     |        |       |     |         |              |       |          |
| Minimum        | 3.60            | 7.2 |         |                     | 3.0    | 7     | 6.9 | 1.50    |              | 19.5  |          |
| Maximum        | 4.64            | 7.7 |         |                     | 10.6   | 540   | 7.1 | 1.50    | 2.6          | 22.7  |          |
| Total          | 124.84          |     |         |                     |        |       |     |         |              |       |          |
| Average        | 4.03            | 7.5 |         |                     |        |       | 7.0 | 1.50    | 2.6          | 21.0  |          |
|                |                 |     |         |                     | 4.26   |       |     |         |              |       |          |

# ***RECYCLED WATER REPORT***

**NOVATO SANITARY DISTRICT  
RECYCLED WATER  
COMPLIANCE SUMMARY REPORT**

| Date           | Filter Influent Flow | Recycled Water Flow to Plum St. | Recycled Water Banked | Banked Water To Plum Street Tank | Potable Water To Plum St Tank | Recycled Water Influent Turbidity Max | Recycled Water Influent Turbidity Ave. | Minutes Over 5 NTU | Filter Effluent 24 Hr Average Turbidity | Recycled Water Inf Chlorine Dose | Filter Effluent Dissolved Oxygen | Filter Effluent Total Coliform | Chlorint Contact Time |
|----------------|----------------------|---------------------------------|-----------------------|----------------------------------|-------------------------------|---------------------------------------|--|--------------------|---|----------------------------------|----------------------------------|--------------------------------|-----------------------|
|                | MGD                  | MGD                             | MG                    | MGD                              | NTU                           | NTU                                   | (m)                                    | NTU                | (mg/l)                                  | (mg/l)                           | MPN/100m                         | Minutes                        |                       |
| 5/1/2018       | 0.790                | 0.686                           |                       |                                  |                               | 3.0                                   | 0                                      | 1.6                |   | 8.3                              | <1                               | >450.000                       |                       |
| 5/2/2018       | 0.730                | 0.585                           |                       |                                  |                               | 2.9                                   | 18                                     | 1.6                |   |                                  | <1                               | >450.000                       |                       |
| 5/3/2018       | 1.040                | 0.802                           |                       |                                  |                               | 4.1                                   | 0                                      | 1.5                |   |                                  | <1                               | >450.000                       |                       |
| 5/4/2018       | 1.130                | 0.859                           |                       |                                  |                               |                                       | 0                                      | 1.8                |   |                                  | <1                               | >450.000                       |                       |
| 5/5/2018       | 0.680                | 0.561                           |                       |                                  |                               | 3.6                                   | 0                                      | 1.4                |   |                                  | <1                               | >450.000                       |                       |
| 5/6/2018       | 0.880                | 0.769                           |                       |                                  |                               | 3.9                                   | 0                                      | 1.8                |   | 8.4                              | <1                               | >450.000                       |                       |
| 5/7/2018       | 0.970                | 0.773                           |                       |                                  |                               | 4.1                                   | 0                                      | 1.7                |   | 8.4                              | <1                               | >450.000                       |                       |
| 5/8/2018       | 0.940                | 0.681                           |                       |                                  |                               | 3.7                                   | 0                                      | 1.6                |   | 8.3                              | <1                               | >450.000                       |                       |
| 5/9/2018       | 0.870                | 0.657                           |                       |                                  |                               | 3.5                                   | 0                                      | 1.7                |   |                                  | <1                               | >450.000                       |                       |
| 5/10/2018      | 0.850                | 0.661                           |                       |                                  |                               | 6.2                                   | 0                                      | 1.7                |   |                                  | <1                               | >450.000                       |                       |
| 5/11/2018      | 0.820                | 0.627                           |                       |                                  |                               |                                       | 0                                      | 1.5                |   |                                  | <1                               | >450.000                       |                       |
| 5/12/2018      | 0.760                | 0.509                           |                       |                                  |                               | 2.4                                   | 0                                      | 1.6                |   |                                  | <1                               | >450.000                       |                       |
| 5/13/2018      | 0.650                | 0.445                           |                       |                                  |                               | 4.8                                   | 0                                      | 0.8                |   | 8.1                              | <1                               | >450.000                       |                       |
| 5/14/2018      | 0.660                | 0.429                           |                       |                                  |                               | 3.1                                   | 0                                      | 0.5                |   | 8.0                              | <1                               | >450.000                       |                       |
| 5/15/2018      | 0.670                | 0.000                           |                       |                                  |                               |                                       |  |                    |   |                                  |                                  |                                |                       |
| 5/16/2018      | 0.150                | 0.000                           |                       |                                  |                               |                                       |  |                    |   |                                  |                                  |                                |                       |
| 5/17/2018      | 1.060                | 0.825                           |                       |                                  |                               | 3.5                                   | 0                                      | 1.3                |   | 8.3                              | <1                               | >450.000                       |                       |
| 5/18/2018      | 0.620                | 0.377                           |                       |                                  |                               | 4.7                                   | 0                                      | 0.6                |   |                                  | <1                               | >450.000                       |                       |
| 5/19/2018      | 0.690                | 0.240                           |                       |                                  |                               | 4.3                                   | 0                                      | 0.4                |   |                                  | <1                               | >450.000                       |                       |
| 5/20/2018      | 0.670                | 0.399                           |                       |                                  |                               | 3.8                                   | 0                                      | 0.4                |   | 8.5                              | <1                               | >450.000                       |                       |
| 5/21/2018      | 0.720                | 0.601                           |                       |                                  |                               | 1.8                                   | 0                                      | 0.5                |   | 8.5                              | <1                               | >450.000                       |                       |
| 5/22/2018      | 0.640                | 0.372                           |                       |                                  |                               | 2.9                                   | 0                                      | 0.4                |   | 8.5                              | <1                               | >450.000                       |                       |
| 5/23/2018      | 0.690                | 0.507                           |                       |                                  |                               | 2.1                                   | 0                                      | 0.6                |   |                                  | <1                               | >450.000                       |                       |
| 5/24/2018      | 0.680                | 0.102                           |                       |                                  |                               | 2.1                                   | 0                                      | 0.7                |   |                                  | <1                               | >450.000                       |                       |
| 5/25/2018      | 0.850                | 0.734                           |                       |                                  |                               | 1.9                                   | 0                                      | 0.7                |   |                                  | <1                               | >450.000                       |                       |
| 5/26/2018      | 0.680                | 0.488                           |                       |                                  |                               | 1.3                                   | 9                                      | 1.0                |   | 8.7                              | <1                               | >450.000                       |                       |
| 5/27/2018      | 0.640                | 0.438                           |                       |                                  |                               | 1.2                                   | 0                                      | 0.4                |   | 8.6                              | <1                               | >450.000                       |                       |
| 5/28/2018      | 0.660                | 0.454                           |                       |                                  |                               | 1.2                                   | 0                                      | 0.4                |   | 8.9                              | <1                               | >450.000                       |                       |
| 5/29/2018      | 0.650                | 0.531                           |                       |                                  |                               | 1.2                                   | 0                                      | 0.4                |   | 8.6                              | <1                               | >450.000                       |                       |
| 5/30/2018      | 0.660                | 0.580                           |                       |                                  |                               | 2.0                                   | 0                                      | 0.8                |   |                                  | <1                               | >450.000                       |                       |
| 5/31/2018      | 0.740                | 0.626                           |                       |                                  |                               | 2.0                                   | 0                                      | 1.2                |   |                                  | <1                               | >450.000                       |                       |
| <b>Total</b>   | <b>23.240</b>        | <b>16.318</b>                   |                       |                                  |                               |                                       |  |                    |   |                                  |                                  |                                |                       |
| <b>Minimum</b> | <b>0.150</b>         | <b>0.000</b>                    |                       |                                  |                               | <b>1.2</b>                            | <b>0</b>                               | <b>0.4</b>         |   | <b>8.0</b>                       | <b>&lt;1</b>                     | <b>&gt;450.0</b>               |                       |
| <b>Maximum</b> | <b>1.130</b>         | <b>0.859</b>                    |                       |                                  |                               | <b>6.2</b>                            | <b>18</b>                              | <b>1.8</b>         |   | <b>8.9</b>                       | <b>&lt;1</b>                     | <b>&gt;450.0</b>               |                       |
| <b>Average</b> | <b>0.750</b>         | <b>0.526</b>                    |                       |                                  |                               | <b>3.0</b>                            | <b>1</b>                               | <b>1.1</b>         |   | <b>8.4</b>                       | <b>&lt;1</b>                     | <b>&gt;450.0</b>               |                       |

# ***ANNUAL COMPLIANCE SUMMARY – GRAPHS***

Novato Sanitary District  
BOD/TSS Report



May, 2018

| Date                   | Flow<br>MGD | Influent |        |      |        | Effluent |      |      |      | BOD %<br>Removal | TSS %<br>Removal |
|------------------------|-------------|----------|--------|------|--------|----------|------|------|------|------------------|------------------|
|                        |             | BOD      |        | TSS  |        | BOD      |      | TSS  |      |                  |                  |
|                        |             | mg/l     | lb/d   | mg/l | lb/d   | mg/l     | lb/d | mg/l | lb/d | PERCENT          | PERCENT          |
| 05/01/18               | 4.24        | 280      | 9,901  | 256  | 9,053  | 8        | 237  | 5    | 148  | 97.1             | 98.0             |
| 05/02/18               | 4.62        |          |        |      |        | 7        | 236  | 5    | 168  |                  |                  |
| 05/03/18               | 4.33        |          |        |      |        |          |      |      |      |                  |                  |
| 05/04/18               | 3.87        |          |        |      |        |          |      |      |      |                  |                  |
| 05/05/18               | 4.11        |          |        |      |        |          |      |      |      |                  |                  |
| 05/06/18               | 4.34        |          |        |      |        |          |      |      |      |                  |                  |
| 05/07/18               | 4.11        |          |        |      |        |          |      |      |      |                  |                  |
| 05/08/18               | 4.03        |          |        |      |        |          |      |      |      |                  |                  |
| 05/09/18               | 4.16        | 510      | 17,694 | 347  | 12,039 | 10       | 292  | 6    | 175  | 98.0             | 98.3             |
| 05/10/18               | 3.95        |          |        |      |        |          |      |      |      |                  |                  |
| 05/11/18               | 3.73        |          |        |      |        |          |      |      |      |                  |                  |
| 05/12/18               | 4.11        |          |        |      |        |          |      |      |      |                  |                  |
| 05/13/18               | 4.03        |          |        |      |        |          |      |      |      |                  |                  |
| 05/14/18               | 3.99        |          |        |      |        |          |      |      |      |                  |                  |
| 05/15/18               | 4.13        |          |        |      |        |          |      |      |      |                  |                  |
| 05/16/18               | 3.84        |          |        |      |        | 6        | 192  | 5    | 160  |                  |                  |
| 05/17/18               | 4.23        | 320      | 11,289 | 335  | 11,818 | <5       | <142 | 4    | 114  | 98.4             | 98.8             |
| 05/18/18               | 3.70        |          |        |      |        | <5       | <139 | 3    | 83   |                  |                  |
| 05/19/18               | 4.28        |          |        |      |        |          |      |      |      |                  |                  |
| 05/20/18               | 4.64        |          |        |      |        |          |      |      |      |                  |                  |
| 05/21/18               | 4.22        |          |        |      |        |          |      |      |      |                  |                  |
| 05/22/18               | 3.97        | 380      | 12,582 | 343  | 11,357 | <5       | <150 | 4    | 120  | 98.7             | 98.8             |
| 05/23/18               | 3.75        |          |        |      |        | 5        | 135  | <3   | <81  |                  |                  |
| 05/24/18               | 4.12        |          |        |      |        |          |      | <3   | <101 |                  |                  |
| 05/25/18               | 3.69        |          |        |      |        |          |      |      |      |                  |                  |
| 05/26/18               | 3.83        |          |        |      |        |          |      |      |      |                  |                  |
| 05/27/18               | 3.60        |          |        |      |        |          |      |      |      |                  |                  |
| 05/28/18               | 3.90        |          |        |      |        |          |      |      |      |                  |                  |
| 05/29/18               | 3.79        |          |        |      |        |          |      | 3    | 82   |                  |                  |
| 05/30/18               | 3.76        |          |        | 325  | 10,191 |          |      | <3   | <80  |                  | 99.1             |
| 05/31/18               | 3.77        |          |        |      |        |          |      | <3   | <79  |                  |                  |
| <b>Weekly Averages</b> |             |          |        |      |        |          |      |      |      |                  |                  |
| 05/05/18               | Week 1      | 280      | 9,901  | 256  | 9,053  | 8        | 236  | 5    | 158  |                  |                  |
| 05/12/18               | Week 2      | 510      | 17,694 | 347  | 12,039 | 10       | 292  | 6    | 175  |                  |                  |
| 05/19/18               | Week 3      | 320      | 11,289 | 335  | 11,818 | 5        | 158  | 4    | 119  |                  |                  |
| 05/26/18               | Week 4      | 380      | 12,582 | 343  | 11,357 | 5        | 143  | 3    | 101  |                  |                  |
|                        | Week 5      |          |        |      |        |          |      |      |      |                  |                  |
| <b>Monthly</b>         |             |          |        |      |        |          |      |      |      |                  |                  |
| Minimum                | 3.60        | 280      | 9,901  | 256  | 9,053  | <5       | 135  | <3   | <79  | 97               | 98               |
| Maximum                | 4.64        | 510      | 17,694 | 347  | 12,039 | 10       | 292  | 6    | 175  | 99               | 99               |
| Total                  | 124.84      |          |        |      |        |          |      |      |      |                  |                  |
| Average                | 4.03        | 373      | 12,867 | 321  | 10,892 | <6       | <190 | <4   | <116 | 98               | 99               |

Novato Sanitary District  
Conventional Pollutants Report



May, 2018

| Date           | INFLUENT - A001 |      |            | Effluent - E002     |        |       |      |         |              |        |          |
|----------------|-----------------|------|------------|---------------------|--------|-------|------|---------|--------------|--------|----------|
|                | Flow            | pH   | Ammonia    | Coliform / Bacteria |        |       | pH   | Ammonia | Oil & Grease | Temp   | Rainfall |
|                | Total           |      |            | Fecal               | Entero | Total |      |         |              |        |          |
| MGD            | su              | mg/L | MPN/100 mL |                     |        | su    | mg/L | mg/L    | Deg C        | Inches |          |
| 05/01/18       | 4.24            | 7.7  |            |                     | 3.0    |       | 6.9  |         |              | 19.5   |          |
| 05/02/18       | 4.62            |      |            |                     | 5.1    |       | 6.9  | 1.50    | 2.6          | 20.0   |          |
| 05/03/18       | 4.33            |      |            |                     | 3.0    |       | 6.9  |         |              | 20.0   |          |
| 05/04/18       | 3.87            |      |            |                     |        |       | 6.9  |         |              | 20.4   |          |
| 05/05/18       | 4.11            |      |            |                     |        |       |      |         |              |        |          |
| 05/06/18       | 4.34            |      |            |                     |        |       |      |         |              |        |          |
| 05/07/18       | 4.11            |      |            |                     |        |       | 7.0  |         |              | 20.6   |          |
| 05/08/18       | 4.03            |      |            |                     | 10.6   |       | 7.0  |         |              | 20.6   |          |
| 05/09/18       | 4.16            |      |            |                     | 3.0    |       | 7.0  |         |              | 20.8   |          |
| 05/10/18       | 3.95            |      |            |                     | 4.1    |       | 7.0  |         |              | 21.5   |          |
| 05/11/18       | 3.73            | 7.6  |            |                     |        |       | 6.9  |         |              | 21.2   |          |
| 05/12/18       | 4.11            |      |            |                     |        |       |      |         |              |        |          |
| 05/13/18       | 4.03            |      |            |                     |        |       |      |         |              |        |          |
| 05/14/18       | 3.99            |      |            |                     |        | 23    | 7.0  |         |              | 20.4   |          |
| 05/15/18       | 4.13            |      |            |                     |        | 33    | 7.1  |         |              | 20.9   |          |
| 05/16/18       | 3.84            | 7.6  |            |                     |        | 33    | 7.0  |         |              | 21.2   |          |
| 05/17/18       | 4.23            |      |            |                     |        |       | 6.9  |         |              | 21.7   |          |
| 05/18/18       | 3.70            |      |            |                     |        |       | 7.1  |         |              | 21.1   |          |
| 05/19/18       | 4.28            |      |            |                     |        |       |      |         |              |        |          |
| 05/20/18       | 4.64            |      |            |                     |        |       |      |         |              |        |          |
| 05/21/18       | 4.22            |      |            |                     |        | 33    | 7.0  |         |              | 21.2   |          |
| 05/22/18       | 3.97            |      |            |                     |        | 33    | 7.0  |         |              | 21.3   |          |
| 05/23/18       | 3.75            |      |            |                     |        | 540   | 7.0  |         |              | 21.2   |          |
| 05/24/18       | 4.12            |      |            |                     |        |       | 6.9  |         |              | 20.7   |          |
| 05/25/18       | 3.69            | 7.3  |            |                     |        |       | 6.9  |         |              | 21.2   |          |
| 05/26/18       | 3.83            |      |            |                     |        |       |      |         |              |        |          |
| 05/27/18       | 3.60            |      |            |                     |        |       |      |         |              |        |          |
| 05/28/18       | 3.90            |      |            |                     |        |       | 7.1  |         |              | 22.4   |          |
| 05/29/18       | 3.79            |      |            |                     |        | 33    | 7.0  |         |              | 22.7   |          |
| 05/30/18       | 3.76            |      |            |                     |        | 7     | 7.1  |         |              | 21.7   |          |
| 05/31/18       | 3.77            | 7.2  |            |                     |        | 70    | 7.0  |         |              | 21.6   |          |
| <b>Monthly</b> |                 |      |            |                     |        |       |      |         |              |        |          |
| Minimum        | 3.60            | 7.2  |            |                     | 3.0    | 7     | 6.9  | 1.50    |              | 19.5   |          |
| Maximum        | 4.64            | 7.7  |            |                     | 10.6   | 540   | 7.1  | 1.50    | 2.6          | 22.7   |          |
| Total          | 124.84          |      |            |                     |        |       |      |         |              |        |          |
| Average        | 4.03            | 7.5  |            |                     |        |       | 7.0  | 1.50    | 2.6          | 21.0   |          |
|                |                 |      |            |                     | 4.26   |       |      |         |              |        |          |

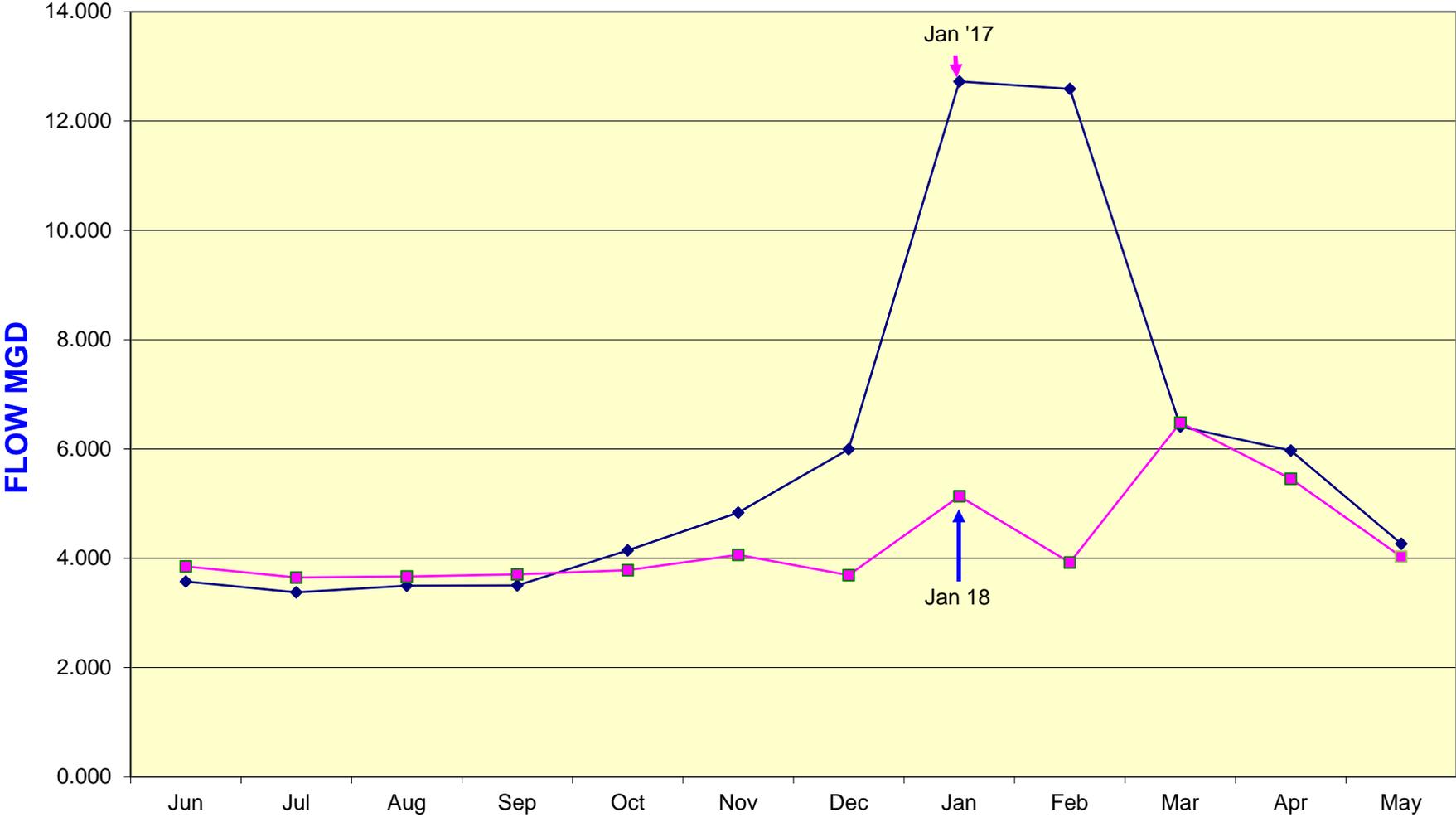
# ***RECYCLED WATER REPORT***

**NOVATO SANITARY DISTRICT  
RECYCLED WATER  
COMPLIANCE SUMMARY REPORT**

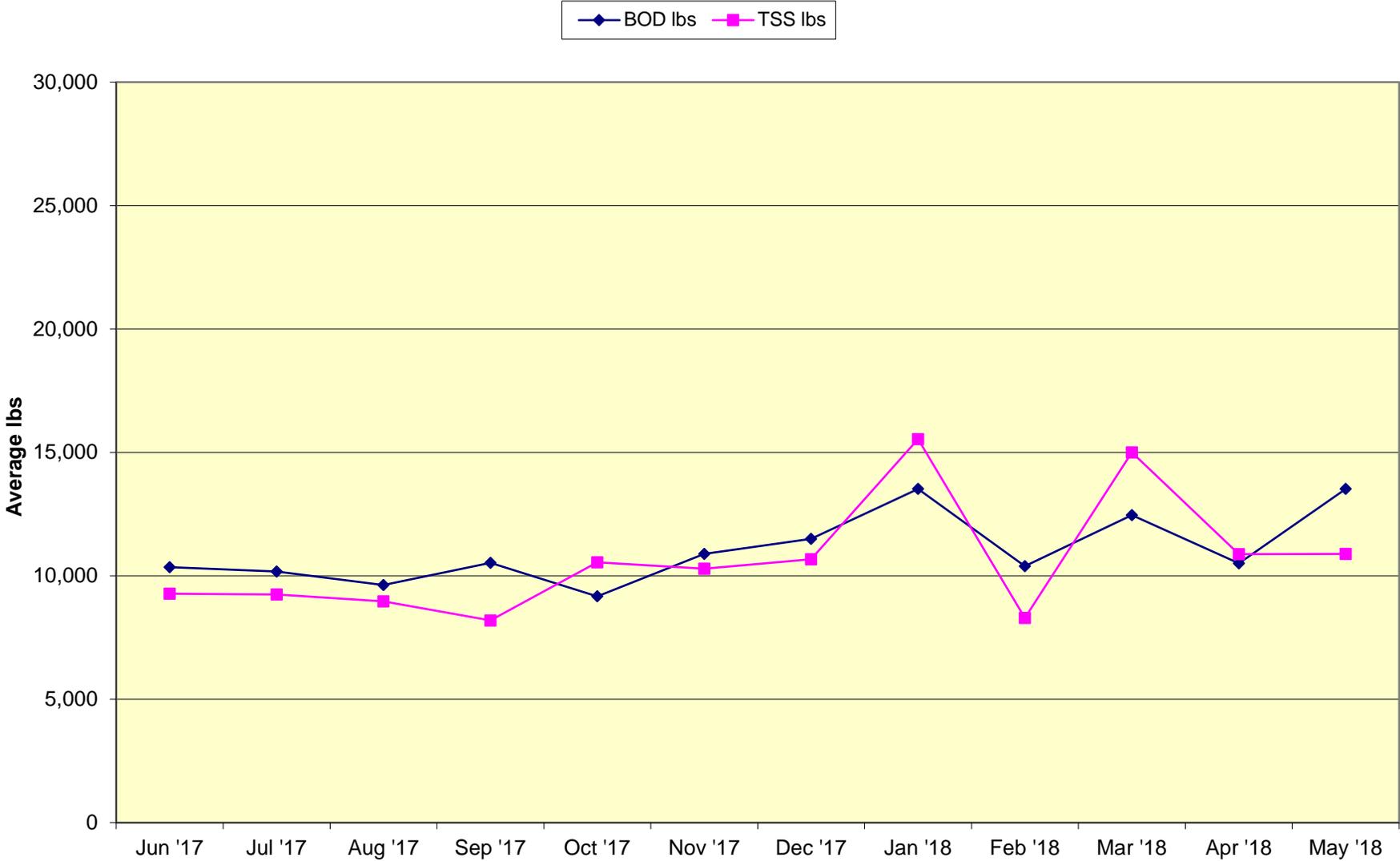
| Date         | Filter Influent Flow | Recycled Water Flow to Plum St. | Recycled Water Banked | Banked Water To Plum Street Tank | Potable Water To Plum St Tank | Recycled Water Influent Turbidity Max | Recycled Water Influent Turbidity Ave. | Minutes Over 5 NTU | Filter Effluent 24 Hr Average Turbidity | Recycled Water Inf Chlorine Dose | Filter Effluent Dissolved Oxygen | Filter Effluent Total Coliform | Chlorint Contact Time |
|--------------|----------------------|---------------------------------|-----------------------|----------------------------------|-------------------------------|---------------------------------------|--|--------------------|---|----------------------------------|----------------------------------|--------------------------------|-----------------------|
|              | MGD                  | MGD                             | MG                    | MGD                              |                               | NTU                                   | NTU                                    | (m)                | NTU                                     | (mg/l)                           | (mg/l)                           | MPN/100m                       | Minutes               |
| 5/1/2018     | 0.790                | 0.686                           |                       |                                  |                               |                                       | 3.0                                    | 0                  | 1.6                                     |                                  | 8.3                              | <1                             | >450.000              |
| 5/2/2018     | 0.730                | 0.585                           |                       |                                  |                               |                                       | 2.9                                    | 18                 | 1.6                                     |                                  |                                  | <1                             | >450.000              |
| 5/3/2018     | 1.040                | 0.802                           |                       |                                  |                               |                                       | 4.1                                    | 0                  | 1.5                                     |                                  |                                  | <1                             | >450.000              |
| 5/4/2018     | 1.130                | 0.859                           |                       |                                  |                               |                                       |  | 0                  | 1.8                                     |                                  |                                  | <1                             | >450.000              |
| 5/5/2018     | 0.680                | 0.561                           |                       |                                  |                               |                                       | 3.6                                    | 0                  | 1.4                                     |                                  |                                  | <1                             | >450.000              |
| 5/6/2018     | 0.880                | 0.769                           |                       |                                  |                               |                                       | 3.9                                    | 0                  | 1.8                                     |                                  | 8.4                              | <1                             | >450.000              |
| 5/7/2018     | 0.970                | 0.773                           |                       |                                  |                               |                                       | 4.1                                    | 0                  | 1.7                                     |                                  | 8.4                              | <1                             | >450.000              |
| 5/8/2018     | 0.940                | 0.681                           |                       |                                  |                               |                                       | 3.7                                    | 0                  | 1.6                                     |                                  | 8.3                              | <1                             | >450.000              |
| 5/9/2018     | 0.870                | 0.657                           |                       |                                  |                               |                                       | 3.5                                    | 0                  | 1.7                                     |                                  |                                  | <1                             | >450.000              |
| 5/10/2018    | 0.850                | 0.661                           |                       |                                  |                               |                                       | 6.2                                    | 0                  | 1.7                                     |                                  |                                  | <1                             | >450.000              |
| 5/11/2018    | 0.820                | 0.627                           |                       |                                  |                               |                                       |  | 0                  | 1.5                                     |                                  |                                  | <1                             | >450.000              |
| 5/12/2018    | 0.760                | 0.509                           |                       |                                  |                               |                                       | 2.4                                    | 0                  | 1.6                                     |                                  |                                  | <1                             | >450.000              |
| 5/13/2018    | 0.650                | 0.445                           |                       |                                  |                               |                                       | 4.8                                    | 0                  | 0.8                                     |                                  | 8.1                              | <1                             | >450.000              |
| 5/14/2018    | 0.660                | 0.429                           |                       |                                  |                               |                                       | 3.1                                    | 0                  | 0.5                                     |                                  | 8.0                              | <1                             | >450.000              |
| 5/15/2018    | 0.670                | 0.000                           |                       |                                  |                               |                                       |  |                    |   |                                  |                                  |                                |                       |
| 5/16/2018    | 0.150                | 0.000                           |                       |                                  |                               |                                       |  |                    |   |                                  |                                  |                                |                       |
| 5/17/2018    | 1.060                | 0.825                           |                       |                                  |                               |                                       | 3.5                                    | 0                  | 1.3                                     |                                  | 8.3                              | <1                             | >450.000              |
| 5/18/2018    | 0.620                | 0.377                           |                       |                                  |                               |                                       | 4.7                                    | 0                  | 0.6                                     |                                  |                                  | <1                             | >450.000              |
| 5/19/2018    | 0.690                | 0.240                           |                       |                                  |                               |                                       | 4.3                                    | 0                  | 0.4                                     |                                  |                                  | <1                             | >450.000              |
| 5/20/2018    | 0.670                | 0.399                           |                       |                                  |                               |                                       | 3.8                                    | 0                  | 0.4                                     |                                  | 8.5                              | <1                             | >450.000              |
| 5/21/2018    | 0.720                | 0.601                           |                       |                                  |                               |                                       | 1.8                                    | 0                  | 0.5                                     |                                  | 8.5                              | <1                             | >450.000              |
| 5/22/2018    | 0.640                | 0.372                           |                       |                                  |                               |                                       | 2.9                                    | 0                  | 0.4                                     |                                  | 8.5                              | <1                             | >450.000              |
| 5/23/2018    | 0.690                | 0.507                           |                       |                                  |                               |                                       | 2.1                                    | 0                  | 0.6                                     |                                  |                                  | <1                             | >450.000              |
| 5/24/2018    | 0.680                | 0.102                           |                       |                                  |                               |                                       | 2.1                                    | 0                  | 0.7                                     |                                  |                                  | <1                             | >450.000              |
| 5/25/2018    | 0.850                | 0.734                           |                       |                                  |                               |                                       | 1.9                                    | 0                  | 0.7                                     |                                  |                                  | <1                             | >450.000              |
| 5/26/2018    | 0.680                | 0.488                           |                       |                                  |                               |                                       | 1.3                                    | 9                  | 1.0                                     |                                  | 8.7                              | <1                             | >450.000              |
| 5/27/2018    | 0.640                | 0.438                           |                       |                                  |                               |                                       | 1.2                                    | 0                  | 0.4                                     |                                  | 8.6                              | <1                             | >450.000              |
| 5/28/2018    | 0.660                | 0.454                           |                       |                                  |                               |                                       | 1.2                                    | 0                  | 0.4                                     |                                  | 8.9                              | <1                             | >450.000              |
| 5/29/2018    | 0.650                | 0.531                           |                       |                                  |                               |                                       | 1.2                                    | 0                  | 0.4                                     |                                  | 8.6                              | <1                             | >450.000              |
| 5/30/2018    | 0.660                | 0.580                           |                       |                                  |                               |                                       | 2.0                                    | 0                  | 0.8                                     |                                  |                                  | <1                             | >450.000              |
| 5/31/2018    | 0.740                | 0.626                           |                       |                                  |                               |                                       | 2.0                                    | 0                  | 1.2                                     |                                  |                                  | <1                             | >450.000              |
| <b>Total</b> | <b>23.240</b>        | <b>16.318</b>                   |                       |                                  |                               |                                       |  |                    |   |                                  |                                  |                                |                       |
| Minimum      | 0.150                | 0.000                           |                       |                                  |                               |                                       | 1.2                                    | 0                  | 0.4                                     |                                  | 8.0                              | <1                             | >450.0                |
| Maximum      | 1.130                | 0.859                           |                       |                                  |                               |                                       | 6.2                                    | 18                 | 1.8                                     |                                  | 8.9                              | <1                             | >450.0                |
| Average      | 0.750                | 0.526                           |                       |                                  |                               |                                       | 3.0                                    | 1                  | 1.1                                     |                                  | 8.4                              | <1                             | >450.0                |

***ANNUAL COMPLIANCE SUMMARY – GRAPHS***

# WASTEWATER INFLUENT FLOW COMPARISON

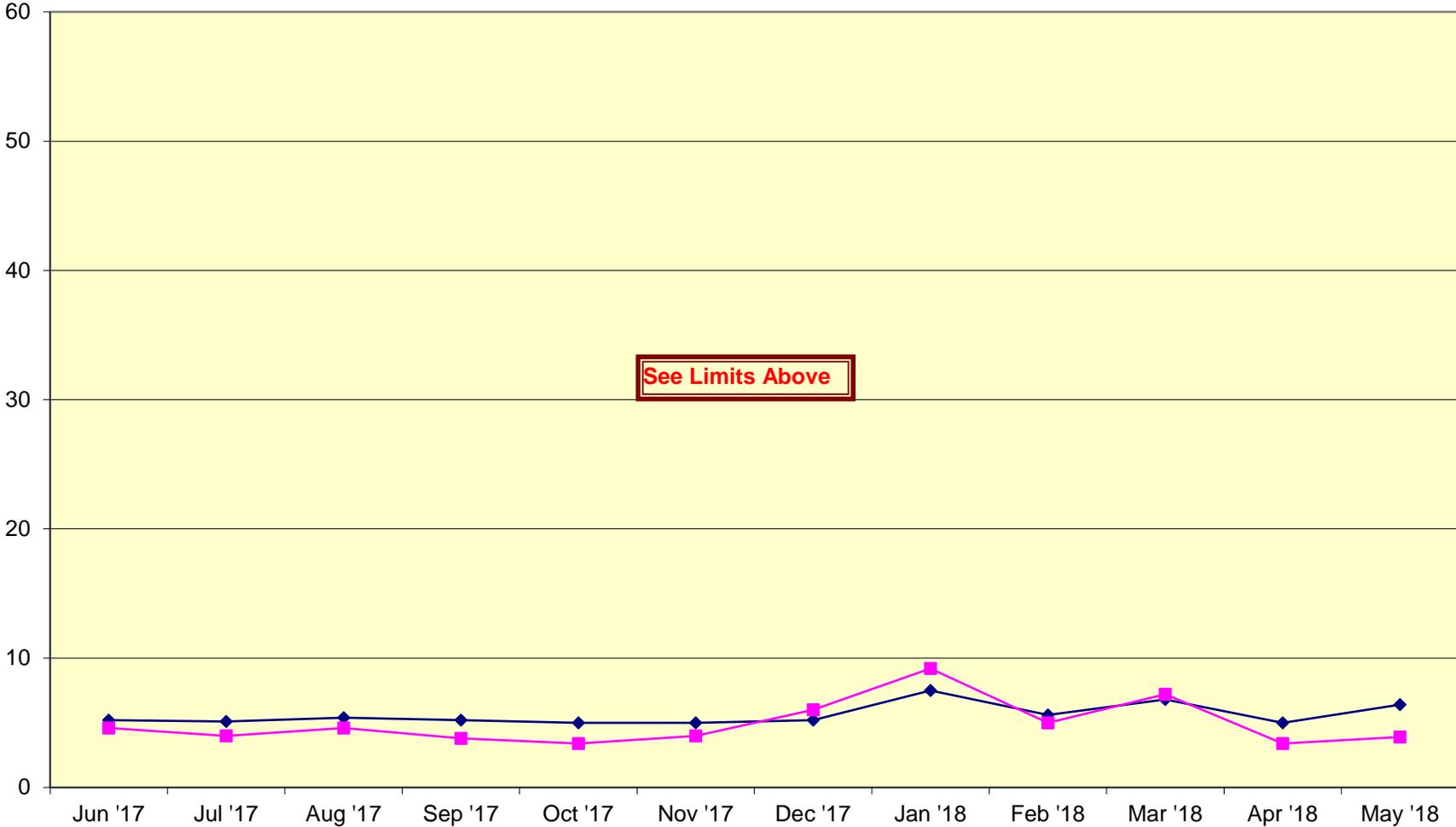


### Influent Load BOD / TSS lbs



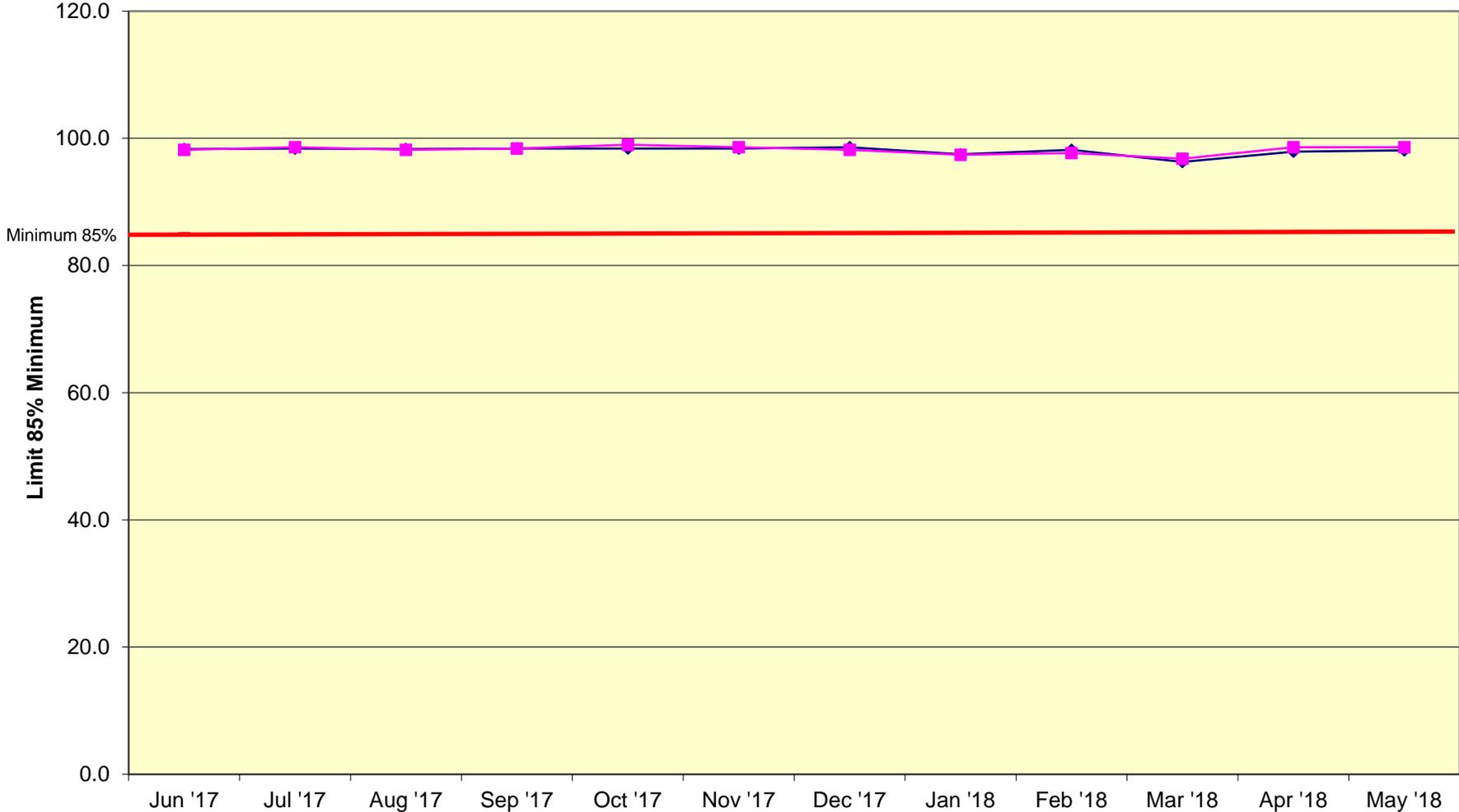
# Effluent BOD / TSS Concentration

NPDES LIMITS WET SEASON  
 BOD & TSS - 30 mg/L Monthly Ave, 45 mg/L Weekly Ave  
**NPDES LIMITS DRY SEASON**  
**BOD - 15 mg/L Monthly Ave, 30 mg/L Weekly Ave**  
**TSS - 10 mg/L Monthly Ave, 20 mg/L Weekly Ave**  
 WDR (Waste Discharge Requirements) RECLAMATION  
 BOD - 40 mg/L

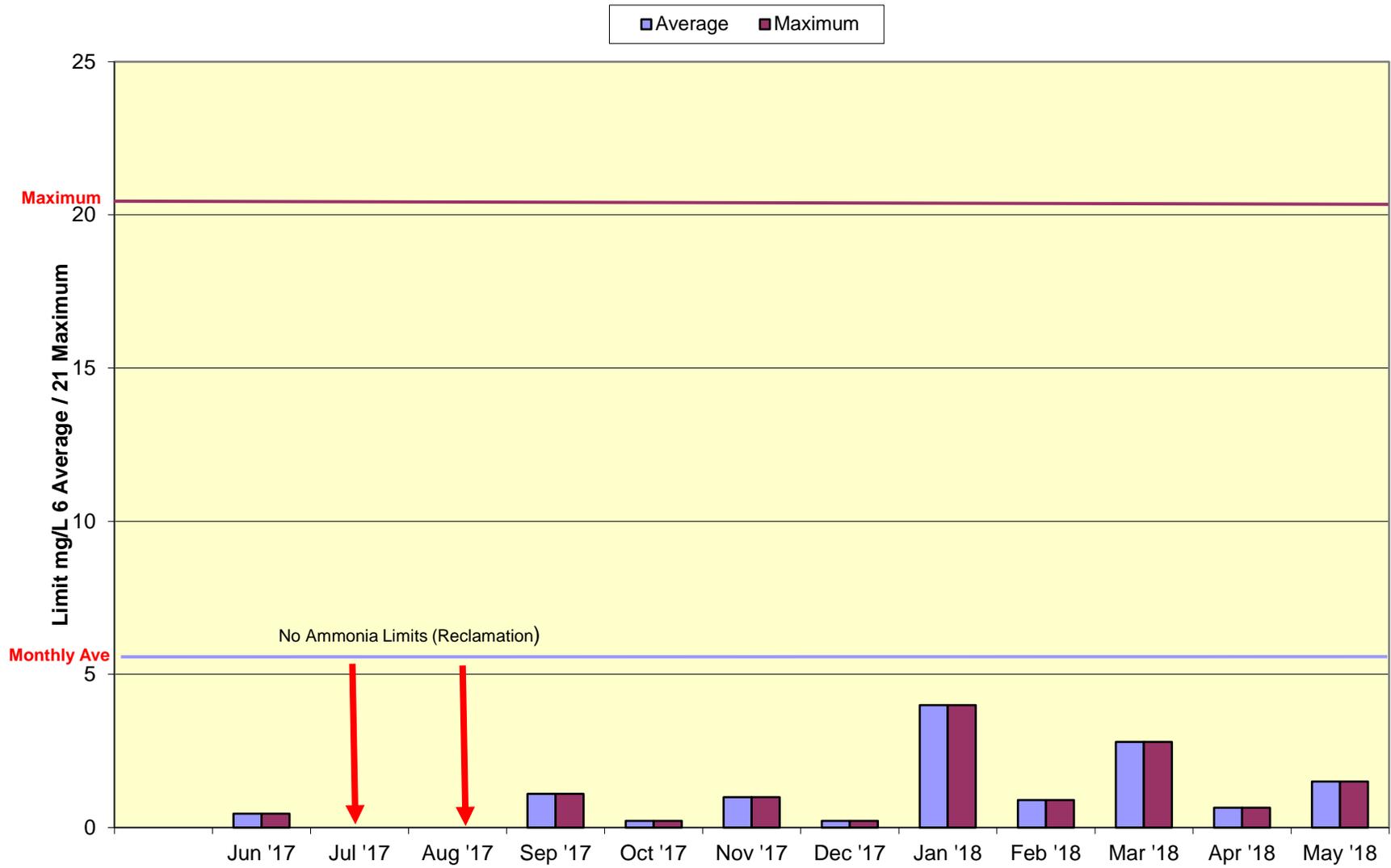


# BOD / TSS Percent Removal

◆ BOD ■ TSS

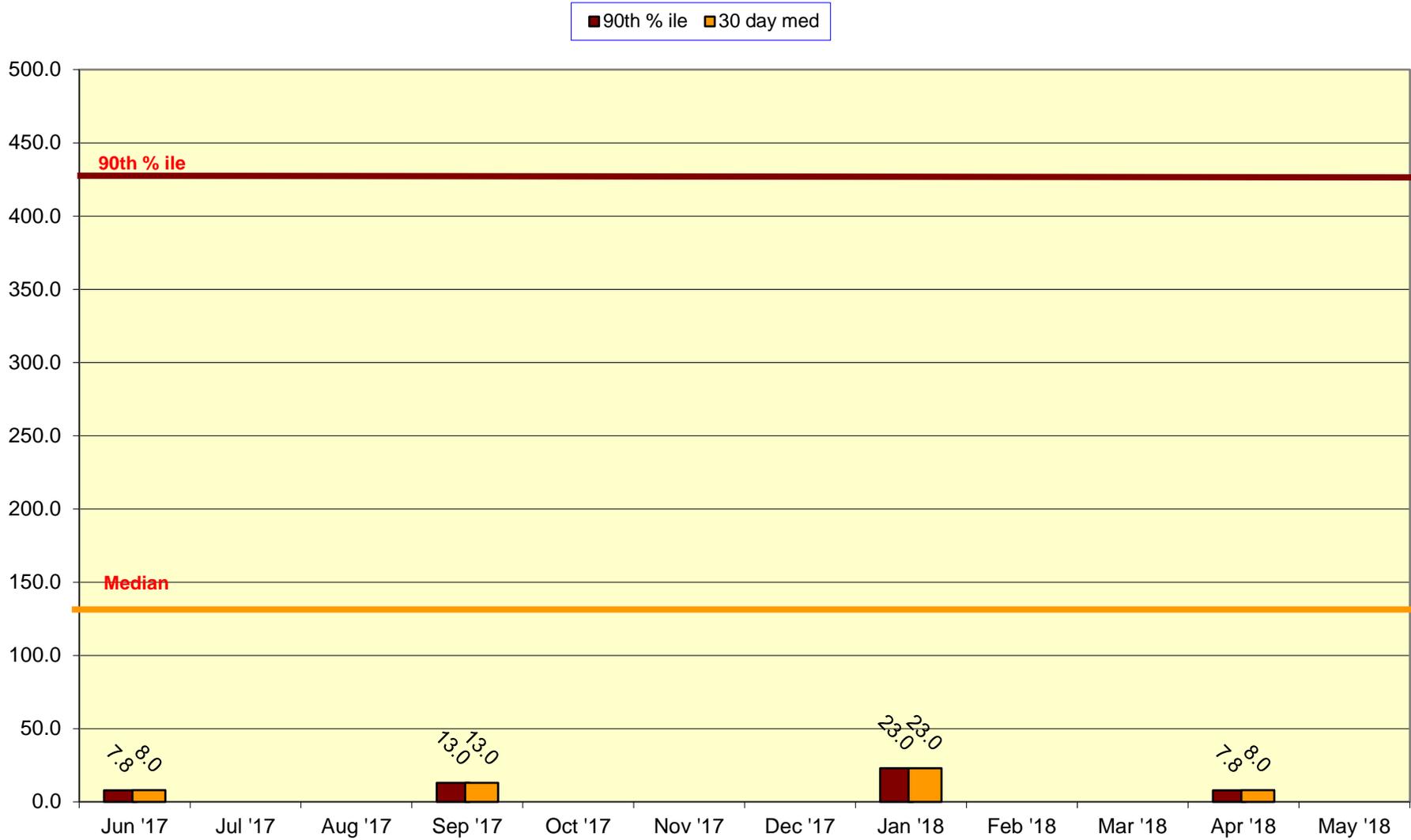


# Effluent Ammonia



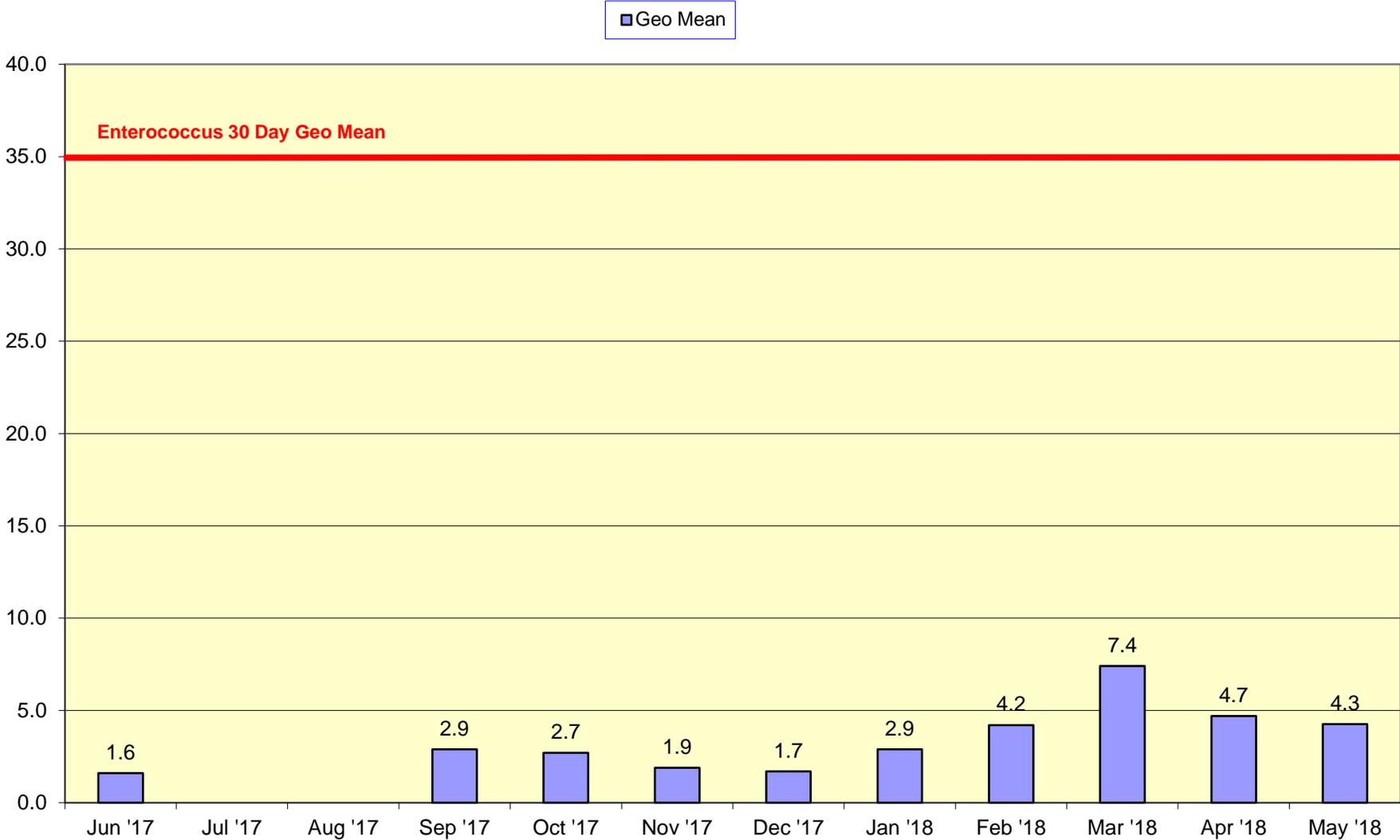
# Disinfection - Fecal Coliform

**LIMITS - NPDES**  
 Fecal 140 mpn monthly median  
 Fecal 430 mpn 90th percentile 30 day



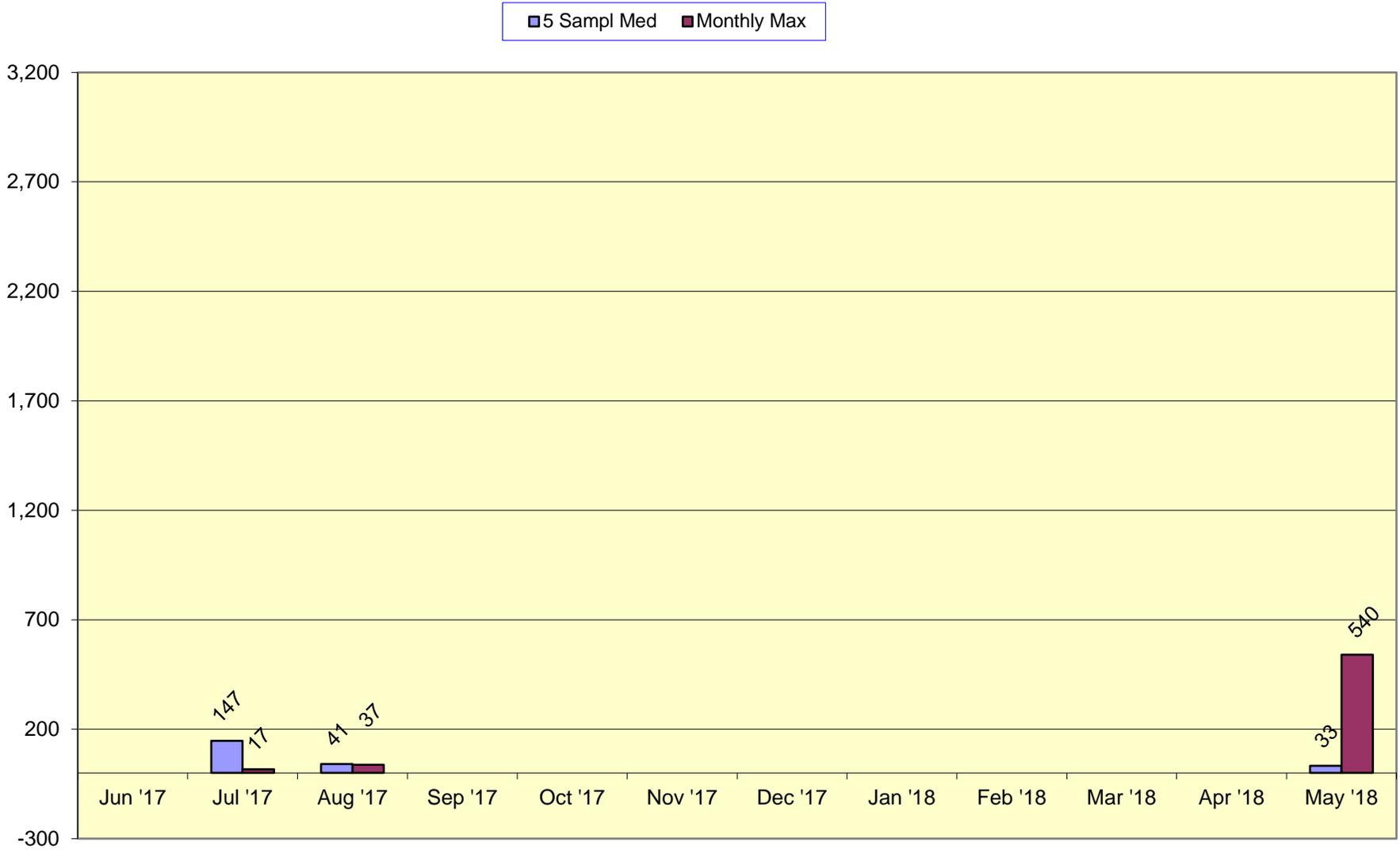
# Disinfection - Enterococcus

LIMITS - NPDES  
Entero 30 day geo mean 35 mpn /100ml

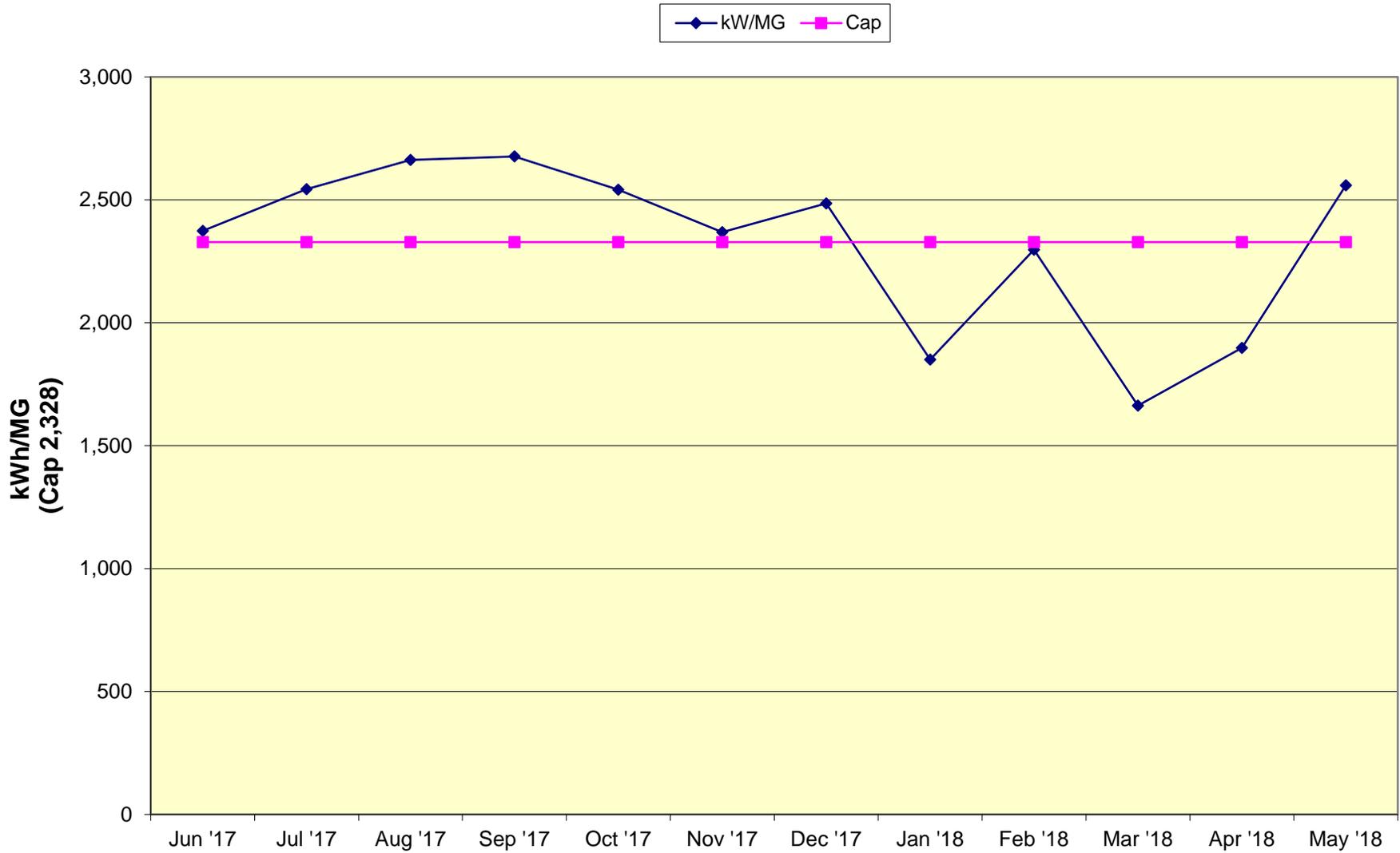


# Disinfection - Total Coliform

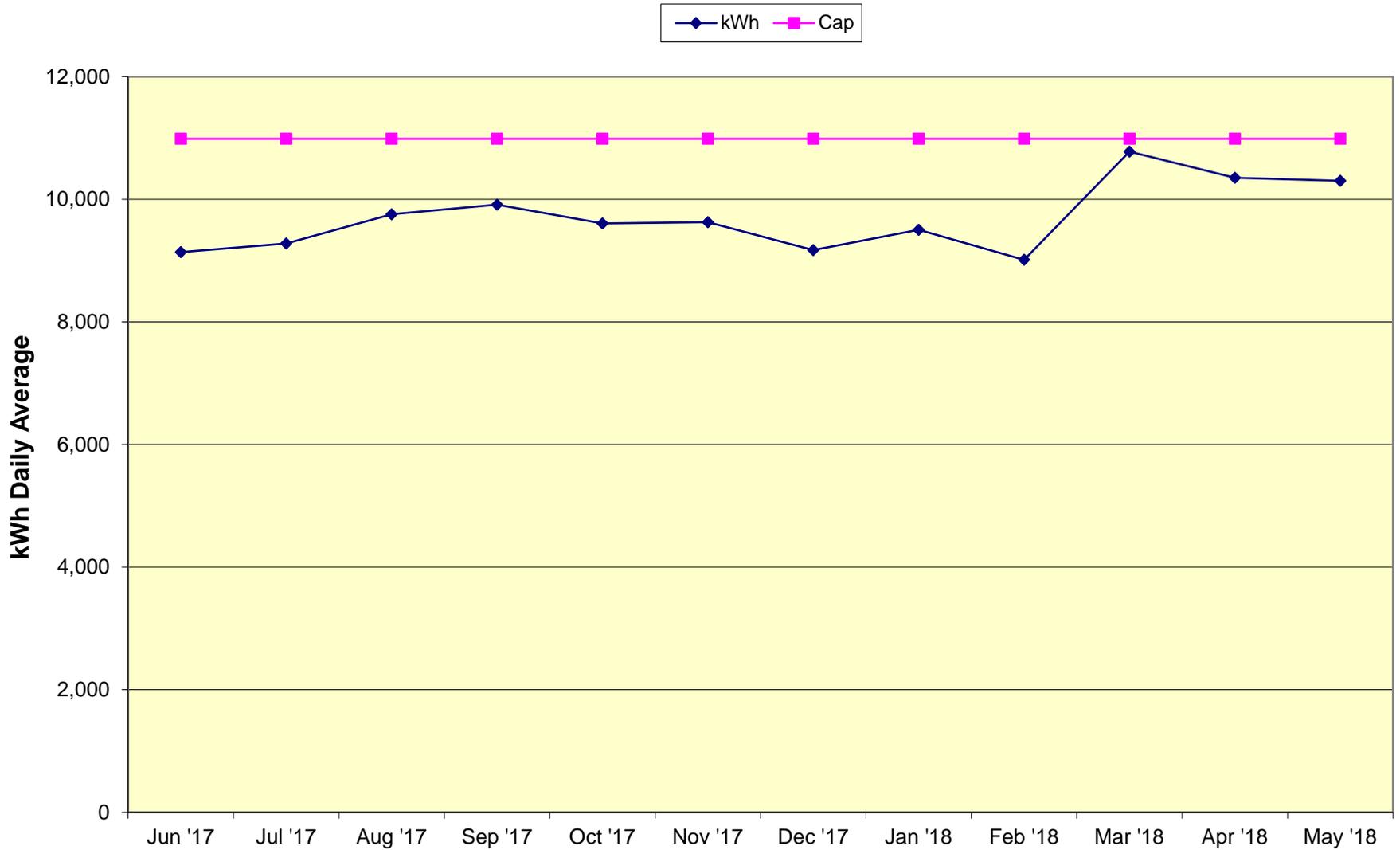
**TOTAL COLIFORM LIMITS - WDR**  
5 Sample Median - 240 mpn /100 ml  
Maximum - 10,000 mpn/100 ml



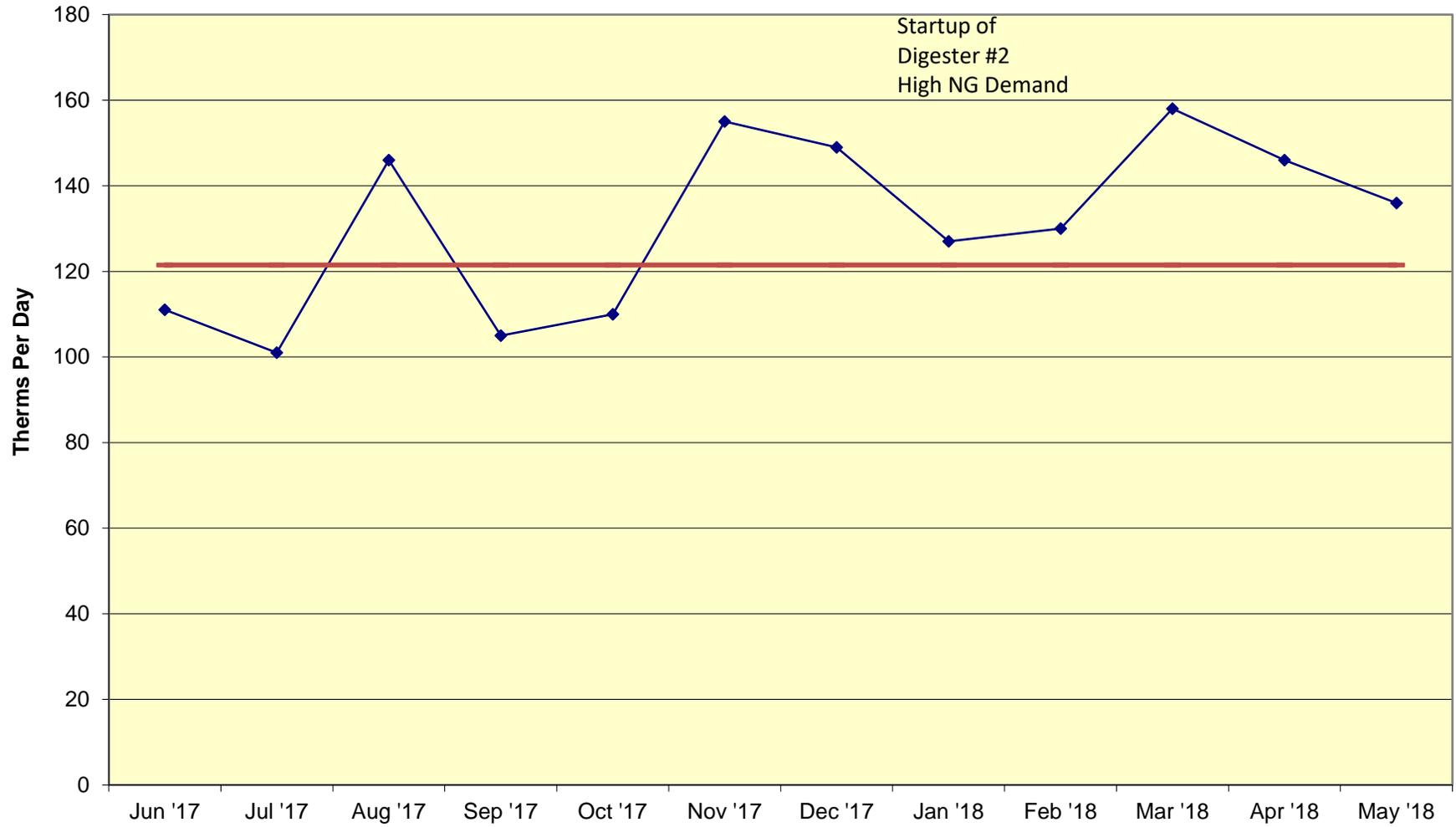
### Energy kWh/MG



### Energy kWh

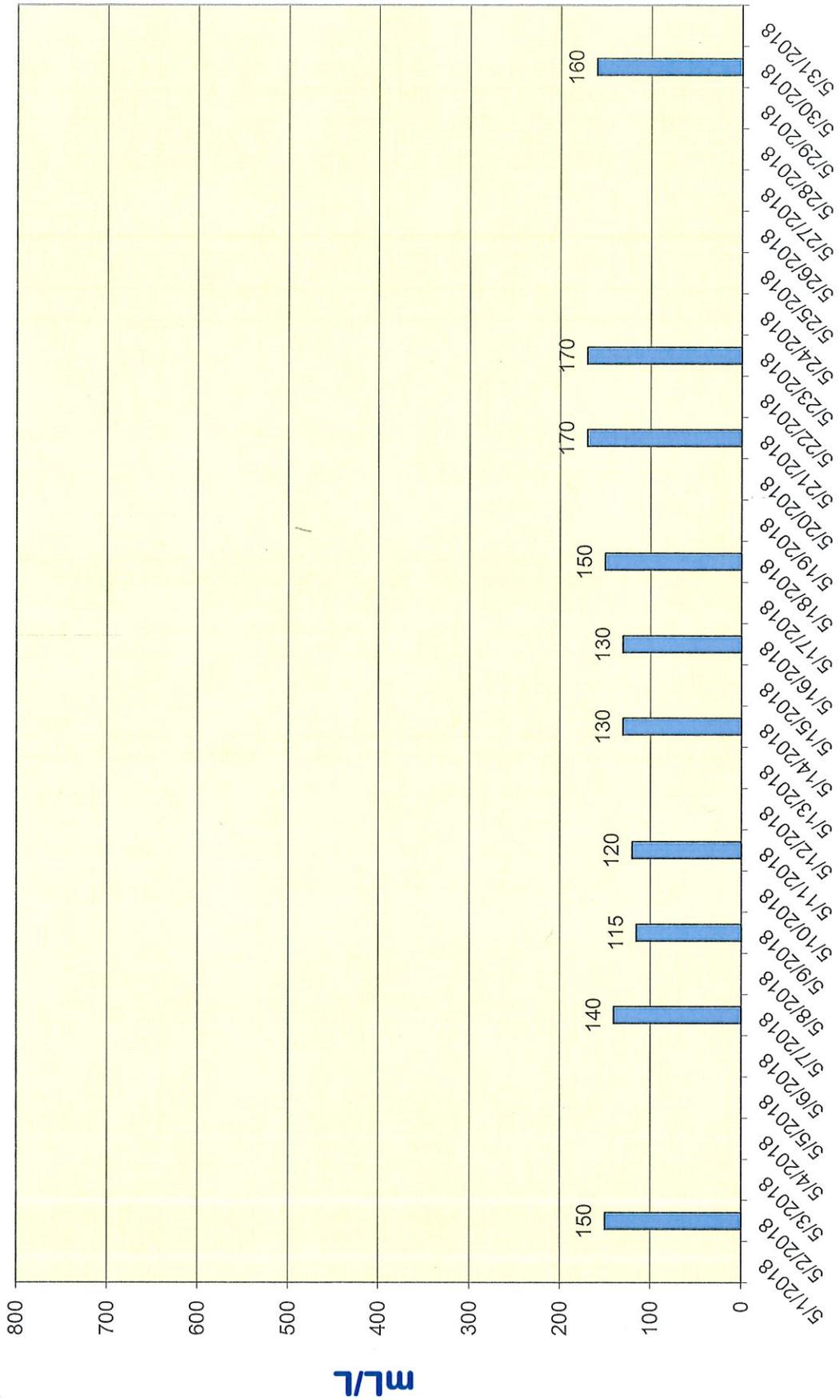


### Natural Gas Use

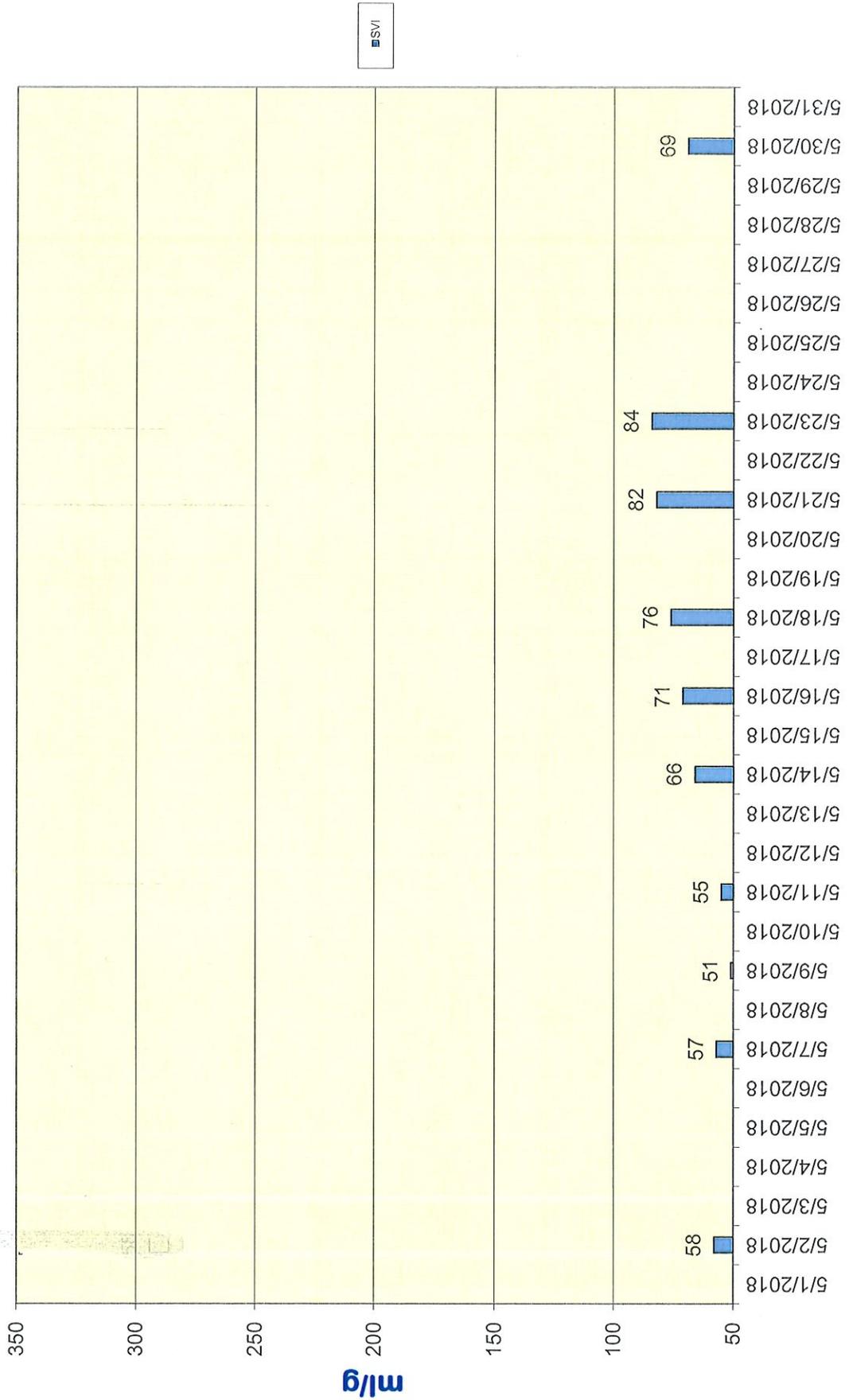


## ***PROCESS CONTROL DATA / GRAPHS***

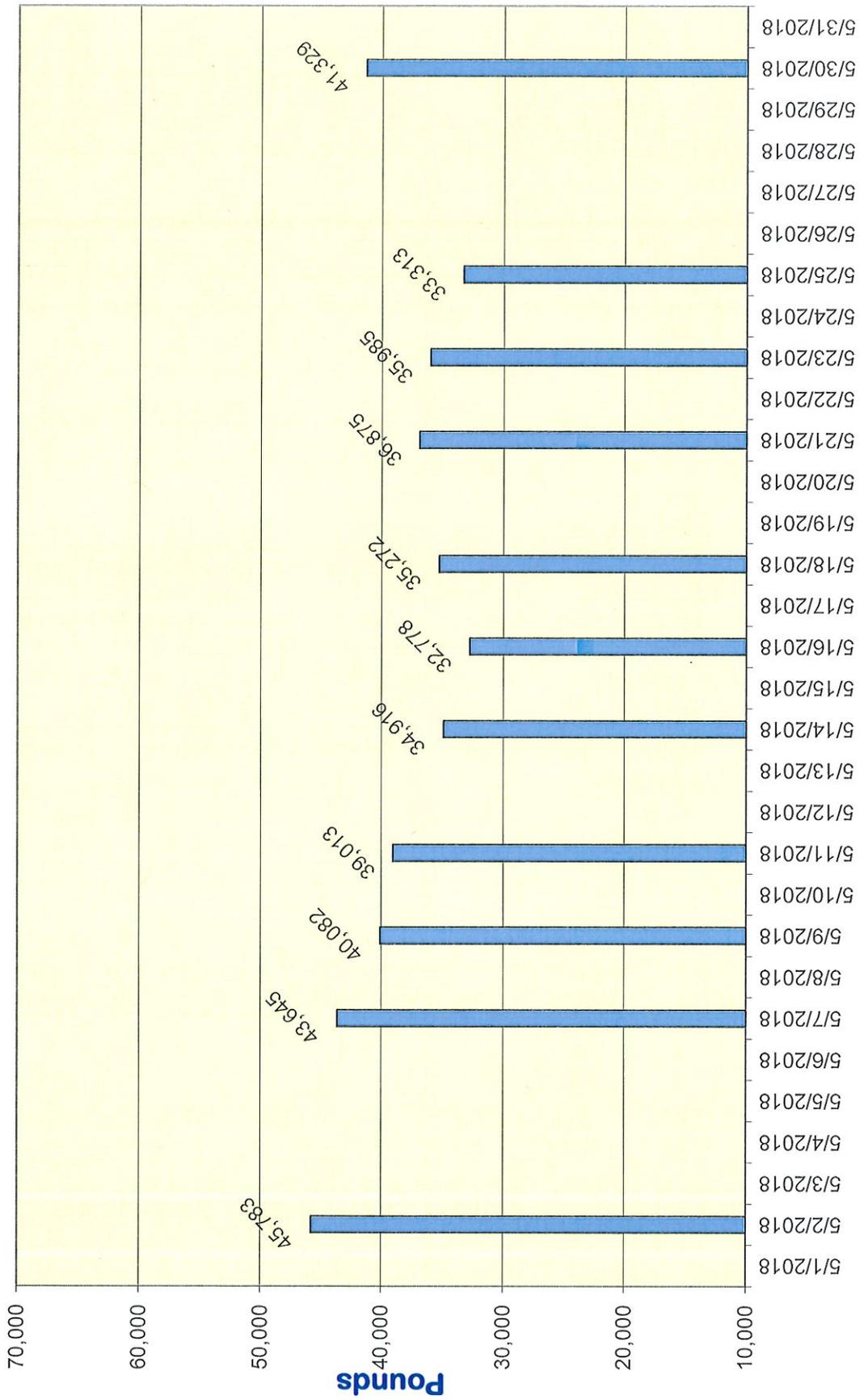
# Settleability



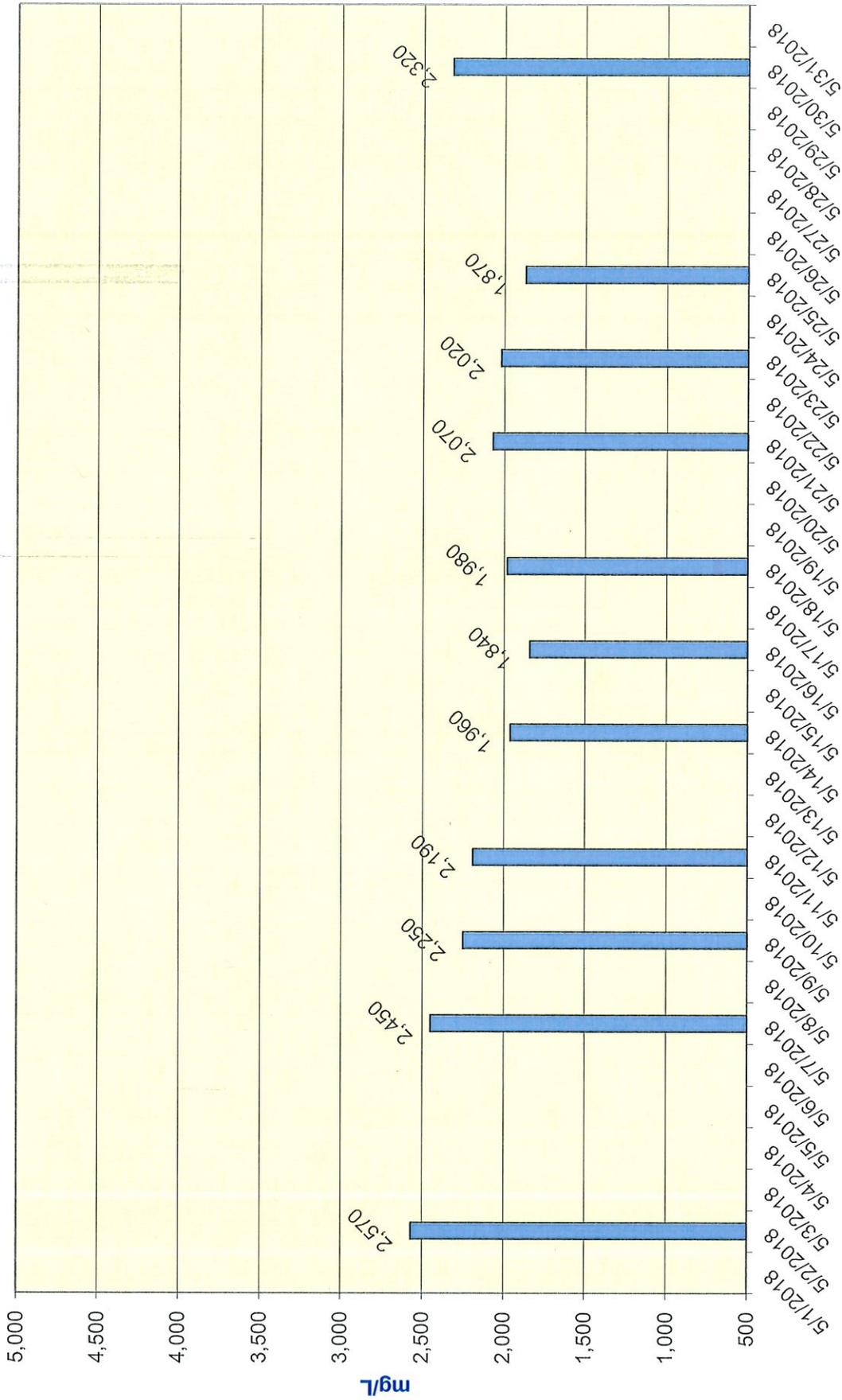
# Sludge Volume Index



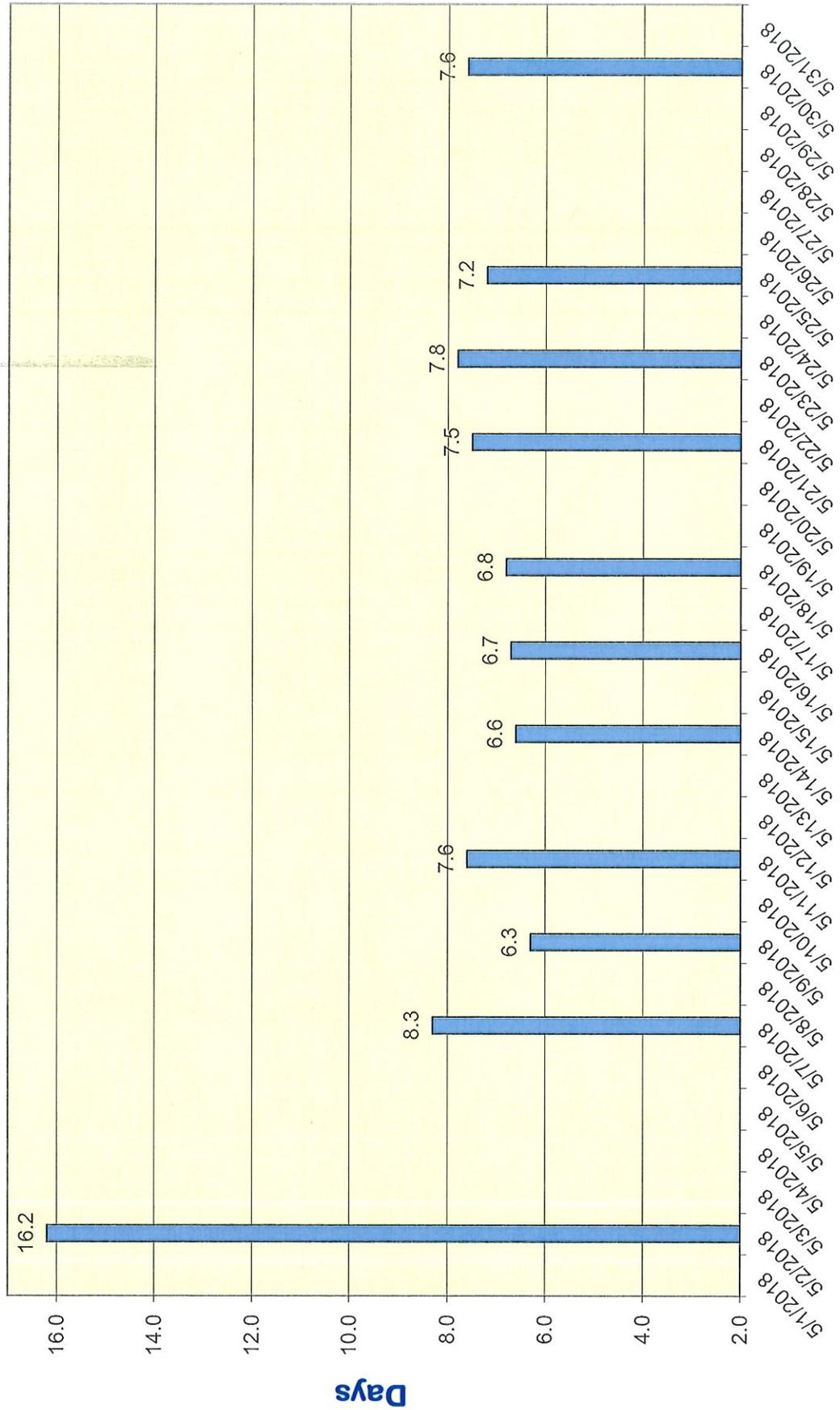
# MLSS Inventory



**MLSS Concentration**



# Mean Cell Residence Time

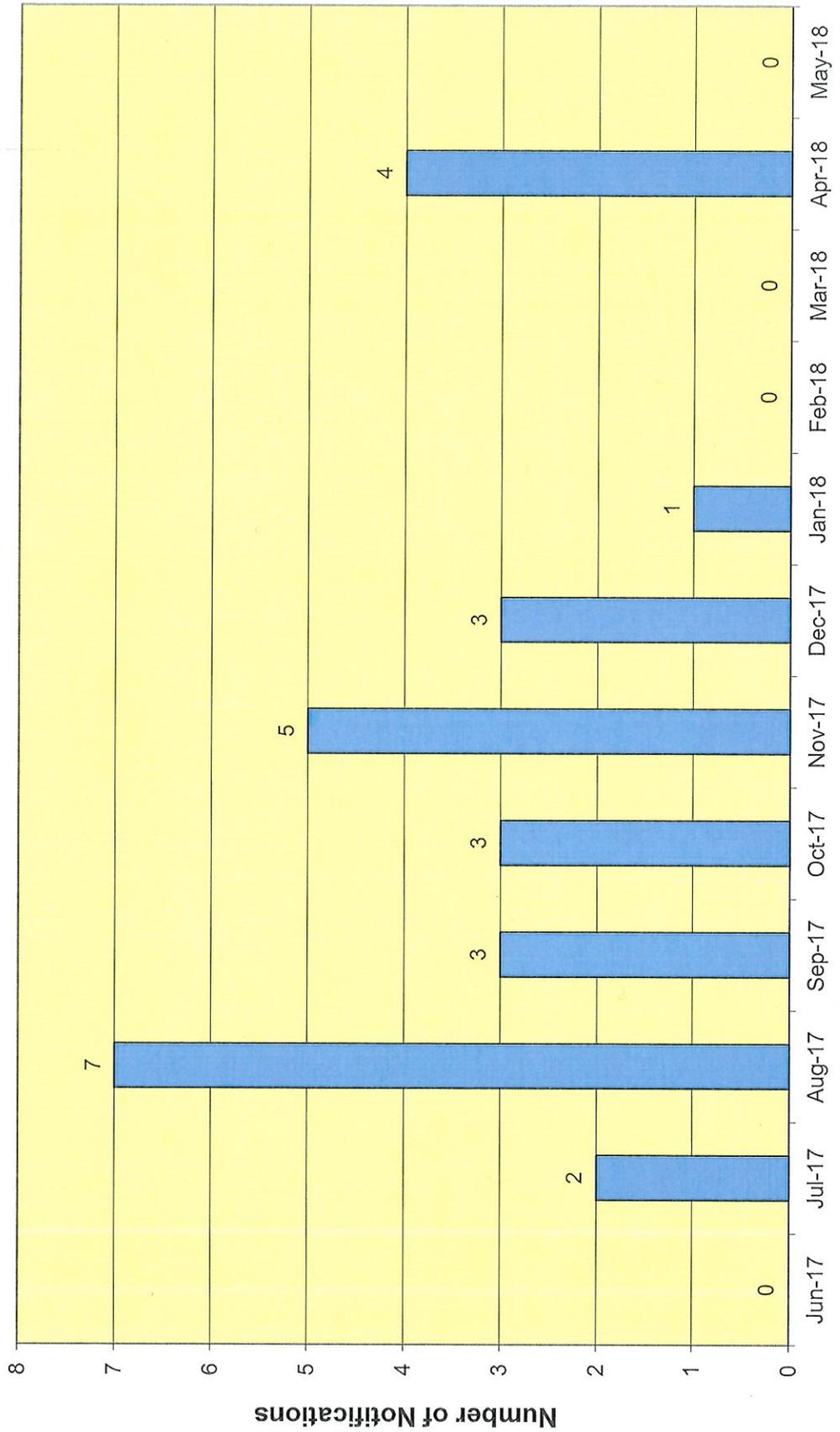


## Process Control Data

|           | Influent Flow | Settleability | MLSS Concentration | MLSS Inventory | MCRT | SVI |
|-----------|---------------|---------------|--------------------|----------------|------|-----|
| 5/1/2018  | 4.24          |               |                    |                |      |     |
| 5/2/2018  | 4.62          | 150           | 2,570              | 45,783         | 16.2 | 58  |
| 5/3/2018  | 4.33          |               |                    |                |      |     |
| 5/4/2018  | 3.87          |               |                    |                |      |     |
| 5/5/2018  | 4.11          |               |                    |                |      |     |
| 5/6/2018  | 4.34          |               |                    |                |      |     |
| 5/7/2018  | 4.11          | 140           | 2,450              | 43,645         | 8.3  | 57  |
| 5/8/2018  | 4.03          |               |                    |                |      |     |
| 5/9/2018  | 4.16          | 115           | 2,250              | 40,082         | 6.3  | 51  |
| 5/10/2018 | 3.95          |               |                    |                |      |     |
| 5/11/2018 | 3.73          | 120           | 2,190              | 39,013         | 7.6  | 55  |
| 5/12/2018 | 4.11          |               |                    |                |      |     |
| 5/13/2018 | 4.03          |               |                    |                |      |     |
| 5/14/2018 | 3.99          | 130           | 1,960              | 34,916         | 6.6  | 66  |
| 5/15/2018 | 4.13          |               |                    |                |      |     |
| 5/16/2018 | 3.84          | 130           | 1,840              | 32,778         | 6.7  | 71  |
| 5/17/2018 | 4.23          |               |                    |                |      |     |
| 5/18/2018 | 3.70          | 150           | 1,980              | 35,272         | 6.8  | 76  |
| 5/19/2018 | 4.28          |               |                    |                |      |     |
| 5/20/2018 | 4.64          |               |                    |                |      |     |
| 5/21/2018 | 4.22          | 170           | 2,070              | 36,875         | 7.5  | 82  |
| 5/22/2018 | 3.97          |               |                    |                |      |     |
| 5/23/2018 | 3.75          | 170           | 2,020              | 35,985         | 7.8  | 84  |
| 5/24/2018 | 4.12          |               |                    |                |      |     |
| 5/25/2018 | 3.69          |               | 1,870              | 33,313         | 7.2  |     |
| 5/26/2018 | 3.83          |               |                    |                |      |     |
| 5/27/2018 | 3.60          |               |                    |                |      |     |
| 5/28/2018 | 3.90          |               |                    |                |      |     |
| 5/29/2018 | 3.79          |               |                    |                |      |     |
| 5/30/2018 | 3.76          | 160           | 2,320              | 41,329         | 7.6  | 69  |
| 5/31/2018 | 3.77          |               |                    |                |      |     |
| Minimum   | 3.60          | 115           | 1,840              | 32,778         | 6.3  | 51  |
| Maximum   | 4.64          | 170           | 2,570              | 45,783         | 16.2 | 84  |
| Total     | 124.84        |               |                    |                |      |     |
| Average   | 4.03          | 144           | 2,138              | 38,090         | 8.1  | 67  |

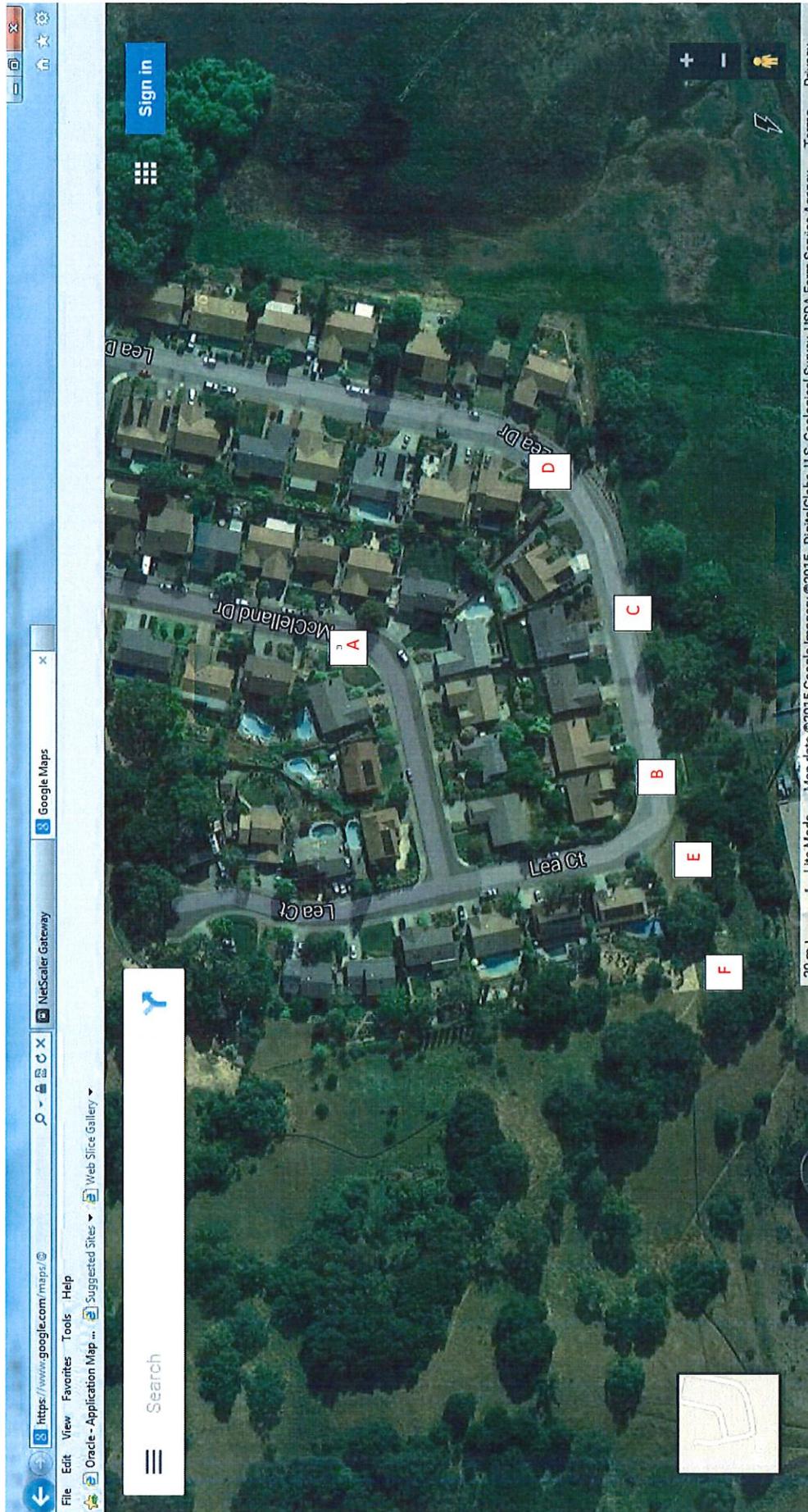
## ***NEIGHBORHOOD CONTACTS***

# Neighborhood Contacts Received



# ***JEROME METER READINGS & LOCATIONS***

# NEIGHBORHOOD JEROME METER LOCATIONS – LEA AND McCLELLAND



JEROME METER READINGS -MAY 2018

| Sample Location | Min   | Max   | Ave   | NOTES / COMMENTS |
|-----------------|-------|-------|-------|------------------|
| A: McLelland    | 0.000 | 0.000 | 0.000 | Neighborhood     |
| B: Lea 1        | 0.000 | 0.000 | 0.000 | Neighborhood     |
| C: Lea 2        | 0.000 | 0.000 | 0.000 | Neighborhood     |
| D: Lea 3        | 0.000 | 0.000 | 0.000 | Neighborhood     |
| E: Lea 4        | 0.000 | 0.000 | 0.000 | Neighborhood     |
| F: Lea 5        | 0.000 | 0.000 | 0.000 | Neighborhood     |
|                 |       |       |       |                  |
|                 |       |       |       |                  |
|                 |       |       |       |                  |
|                 |       |       |       |                  |

**NOVATO SANITARY DISTRICT**  
**Wastewater Operations - Reclamation Facilities Report**  
**May 2018**

**1.0 Summary:**

The Rancher began cutting pasture grass in Sites 3 and 7. Marin County Flood Control Staff continued to send water from Simmons Slough to Drainage Pump Station No. 3 through May 7<sup>th</sup> when the gate was lowered to the closed position.

**2.0 Ranch Operations:**

The Rancher continued weed abatement in Sites 3 and 7 and cut significant portions of hay in Sites 3 and 7. As the hay dried, some of it was bailed. The rancher is experiencing multiple breakdowns of harvesting equipment, which is slowing harvesting production. Drainage Pump Stations No. 3 and 7 pumped approximately 1.9 MG and 0.9 MG of storm water, respectively this month.

High weed mowing was performed at Site 2 around both reclaimed water storage ponds, around the sludge lagoons, and around the monitoring wells.

A potable water leak at Site 2 that had been previously isolated to stop leakage was scheduled for permanent repair for 6/1/2018.

On May 22, 2018 Dr. Stephanie Larson from UC Davis Extension in Santa Rosa was on site to evaluate the condition of the NSD pastures at Sites 2, 3, and 7.

NSD staff continued to troubleshoot and repair various electric actuators and related wiring in Sites 3 and 7 in preparation for irrigation season.



**Dr. Stephanie Larson evaluating pasture in Site 3**

As was reported last month, the gate valve between Simmons Slough and the drainage channel that routes flow to Drainage Pump No. 3 was opened on April 6<sup>th</sup>. The gate valve was closed on May 7<sup>th</sup>. It is estimated that the majority of any stormwater flow contributed by Simmons Slough was routed to Drainage Pump No. 3 in April.

**3.0 Irrigation Parcels:**

Pastures 1, 2, and 4 at Site 2 were irrigated in May as part of irrigation system testing prior to irrigation season.

An acacia tree which was interfering with the PG&E electrical service drop to Drainage Pump Station No. 3 was removed in May. On May 14, 2018, the 54-inch bay outfall pipe valve was closed which allows the filling of storage ponds Nos. 1 and 2 at Site 2.

**NOVATO SANITARY DISTRICT**  
**Wastewater Operations - Reclamation Facilities Report**  
**May 2018**

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**4.0 Irrigation Pump Station:**

Irrigation activities this month consisted of the testing of all 3 irrigation pumps, controls, and strainers, to irrigate pastures at Site #2. The District's effluent ponds are currently storing 102 MG of water. The Wildlife Pond circulation pump put into service on April 2<sup>nd</sup> continues to circulate the wildlife pond.

**5.0 Sludge Handling & Disposal:**

There were no sludge handling activities this month.

Custom Tractor was on site on May 21, 2018 to discuss the annual sludge transfer process. A revised proposal was provided on May 25, 2018.

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**NOVATO SANITARY DISTRICT**  
**Reclamation Facility - Monthly Statistics for Calendar Year 2018, as of May 2018**

|   | January | February | March | April | May    | June | July | August | September | October | November | December | Total Year<br>to Date | Annualized<br>Monthly<br>Average |
|---|---------|----------|-------|-------|--------|------|------|--------|-----------|---------|----------|----------|-----------------------|----------------------------------|
| <b>Irrigation Pump Station</b>              |         |          |       |       |        |      |      |        |           |         |          |          |                       |                                  |
| Plant flow to ponds (MG)                    |         | 0        | 0     | 0     | 0      | 63.5 |      |        |           |         |          |          | 63.5                  | 5.29                             |
| Irrigation (MG)                             |         | 0        | 0     | 0.0   | 0      | 7.3  |      |        |           |         |          |          | 7.3                   | 0.61                             |
| Irrigation Pump 1 Hours                     |         |          |       |       | 11.6   |      |      |        |           |         |          |          | 11.6                  | 0.97                             |
| Irrigation Pump 2 Hours                     |         |          |       |       | 12.8   |      |      |        |           |         |          |          | 12.8                  | 1.07                             |
| Irrigation Pump 3 Hours                     |         |          |       |       | 1.3    |      |      |        |           |         |          |          | 1.3                   | 0.11                             |
| Washdown Water Pump Hours                   |         |          |       |       |        |      |      |        |           |         |          |          | -                     | 0.00                             |
| Wildlife Feed Pump Hours                    |         | 0        | 0     | 0     | 688    | 744  |      |        |           | 0       | 0        | 0        | 1,432.0               | 119.33                           |
| Water Circulated through Wildlife Pond (MG) |         | 0        | 0     | 0     | 43.344 | 47   | 0    | 0      | 0         | 0.00    | 0        | 0        | 90.2                  | 7.52                             |
| Strainer No. 1 Hours                        |         |          |       |       |        |      |      |        |           |         | 0        | 0        | 0                     | 0.00                             |
| Strainer No. 2 Hours                        |         |          |       |       |        |      |      |        |           |         | 0        | 0        | 0                     | 0.00                             |
| Pond 1 Gauge @ Beginning of Month           | 2.5     | 3.2      | 3     | 3.5   | 3.2    |      |      |        |           |         |          |          |                       |                                  |
| Pond 1 Gauge @ End of Month                 | 3.2     | 3        | 3.5   | 3.2   | 6      |      |      |        |           |         |          |          |                       |                                  |
| Pond 1 Gallons Stored @ End of Month(MG)    | 22      | 20       | 24    | 22    | 45     |      |      |        |           |         |          |          |                       |                                  |
| Pond 2 Gauge @ Beginning of Month           | 2.5     | 3.2      | 3     | 3.5   | 3.2    |      |      |        |           |         |          |          |                       |                                  |
| Pond 2 Gauge @ End of Month                 | 3.2     | 3        | 3.5   | 3.2   | 6      |      |      |        |           |         |          |          |                       |                                  |
| Pond 2 Gallons Stored @ End of Month(MG)    | 27      | 25       | 31    | 27    | 57     |      |      |        |           |         |          |          |                       |                                  |
| Total Irrigation Water Stored               | 49      | 45       | 55    | 49    | 102    | 0    | 0    | 0      | 0         | 0       | 0        | 0        |                       |                                  |
| <b>Drainage Pump Station No. 3</b>          |         |          |       |       |        |      |      |        |           |         |          |          |                       |                                  |
| Drainage Pump No. 1 Hours                   |         | 0        | 0.1   | 0     |        |      |      |        |           |         |          |          |                       |                                  |
| Drainage Pump No. 2 Hours                   | 11.1    | 5.8      | 83.9  | 297.8 | 6.6    |      |      |        |           |         |          |          |                       |                                  |
| Drainage Pump No. 3 Hours                   | 31.9    | 0        | 0     | 18.6  |        |      |      |        |           |         |          |          |                       |                                  |
| Total Gallons Stormwater Pumped (MG)        | 12.9    | 1.74     | 25.2  | 94.92 | 1.98   | 0    | 0    | 0      | 0         | 0       | 0        | 0        | 136.74                | 27.35                            |
| <b>Drainage Pump Station No. 7</b>          |         |          |       |       |        |      |      |        |           |         |          |          |                       |                                  |
| Drainage Pump No. 1 Hours                   | 14.8    | 0        | 0.3   | 27.1  | 2      |      |      |        |           |         |          |          |                       |                                  |
| Drainage Pump No. 2 Hours                   | 0       | 0        | 69.5  | 10.1  |        |      |      |        |           |         |          |          |                       |                                  |
| Drainage Pump No. 3 Hours                   | 10.7    | 11.7     | 20.8  | 0     |        |      |      |        |           |         |          |          |                       |                                  |
| Total Gallons Stormwater Pumped (MG)        | 11.48   | 5        | 41    | 16.74 | 0.9    | 0    | 0    | 0      | 0         | 0       | 0        | 0        | 75.15                 | 15.03                            |

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

|   |  |
|---|--|
| <b>TITLE: Capital Projects: Collection System Improvements (Birdie Drive Sewer Relocation), Account No. 72706.</b>  | <b>MEETING DATE: June 11, 2018</b><br><br><b>AGENDA ITEMS NO.: 11.a.</b> |
| <b>RECOMMENDED ACTION: Make CEQA findings that the project is statutorily exempt; authorize the General Manager-Chief Engineer to accept plans and specifications and advertise for bids– Birdie Drive Sewer Relocation; Project No. 72706-2017-06.</b>   |  |
| <b>SUMMARY AND DISCUSSION:</b><br><br>District staff worked with the District’s consultant Nute Engineering to prepare plans and specifications for the project, and the project is ready for bid. The project consists of the installation of 705 lineal feet of new 8-inch PVC sewer main, 2 new sanitary sewer manholes, modifying 2 existing manholes, abandonment of 605 lineal feet of existing sewer, and associated tasks to perform the work including excavation, shoring, bypass pumping, traffic control, and surface restoration. The purpose of this project is to replace the existing sewer main with a new PVC main in a new alignment in the public right-of-way. The new alignment will provide improved access for maintenance and relocate the main further away from the Arroyo de San Jose, which has become too close to the District’s main due to bank erosion.<br><br>The Engineer’s Estimate for this work is \$413,000. Staff has completed the California Environmental Quality Act (CEQA) documentation and determined that the project is statutorily exempt. This determination is made because the work is considered installation of a new pipeline where the project does not exceed one mile in length.<br><br>Staff recommends that the Board approve the CEQA findings, authorize the General Manager-Chief Engineer to accept plans and specifications and advertise for bids. Bids are expected to be received on July 3, 2018 and will be presented to the Board at a subsequent meeting. |  |
| <b>STRATEGIC PLAN INFORMATION:</b> This item addresses Goal 1 (Operational Excellence) and Goal 2 (Build and Maintain Safe, Reliable, and Efficient Facilities) of the latest Strategic Plan Update.  |  |
| <b>BUDGET INFORMATION:</b> This work will be funded from the budget for Account No. 72706: Collection System Improvements, which has an FY18-19 preliminary budget amount of \$2,450,000.   |  |
| <b>DEPT. MGR.:</b> eb,  | <b>GENERAL MANAGER:</b> SSK  |

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

|   |  |
|---|--|
| <b>TITLE: Administration: Cost-of-living increase, non-represented group (management and confidential personnel).</b>   | <b>MEETING DATE: June 11, 2018</b><br><br><b>AGENDA ITEMS NO.: 12.a.</b> |
| <b>RECOMMENDED ACTION:</b> Approve cost-of-living increase of 3.4% as determined by the April 2017 to April 2018 Consumer Price Index (CPI) (SF Bay Area 82-100) – Urban Wage Earners and Clerical Workers, US Bureau of Labor Statistics, for non-represented group (management and confidential personnel), effective July 1, 2018.   |  |
| <b>SUMMARY AND DISCUSSION:</b><br><br><p>In terms of annual cost of living salary increases, it is customary for the non-represented group (management and confidential personnel) to receive an annual increase as determined by the annual April-to-April Consumer Price Index (CPI) (SF Bay Area 82-100) – Urban Wage Earners and Clerical Workers, published by the US Bureau of Labor Statistics (BLS).</p> <p>The BLS' April 2017 to April 2018 CPI (SF Bay Area 82-100) – Urban Wage Earners and Clerical Workers is 3.4%.</p> <p>Therefore, it is recommended that the Board approve a cost-of-living increase for the non-represented group of 3.4%, effective July 1, 2018.</p> |  |
| <b>STRATEGIC PLAN INFORMATION:</b> This item addresses Goal 5 (Effective Governance and Administration) of the latest Strategic Plan Update.  |  |
| <b>BUDGET INFORMATION:</b> The preliminary FY18-19 budget includes a provision for a projected 3.8% salary increase.  |  |
| <b>DEPT. MGR.:</b> ssk  | <b>GENERAL MANAGER:</b> SSK  |

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

|  |  |
|--|--|
| <b>TITLE: Administration: Cost-of-living increase, General Manager-Chief Engineer.</b>   | <b>MEETING DATE: June 11, 2018</b><br><br><b>AGENDA ITEMS NO.: 12.b.</b> |
| <b>RECOMMENDED ACTION:</b> Approve cost-of-living increase of 3.4% as determined by the April 2017 to April 2018 Consumer Price Index (CPI) (SF Bay Area 82-100) – Urban Wage Earners and Clerical Workers, US Bureau of Labor Statistics, General Manager-Chief Engineer, effective July 1, 2018.   |  |
| <b>SUMMARY AND DISCUSSION:</b><br><br><p>The terms of the General Manager-Chief Engineer’s agreement stipulate that he shall be eligible for an annual cost-of-living increase that shall be no greater than that authorized for the non-represented group (management and confidential personnel). Therefore, if a 3.4% increase is approved for the non-represented group as per Agenda item 12.a., it is requested that the Board also approve a 3.4% increase for the General Manager-Chief Engineer effective July 1, 2018.</p> |  |
| <b>STRATEGIC PLAN INFORMATION:</b> This item addresses Goal 5 (Effective Governance and Administration) of the latest Strategic Plan Update.   |  |
| <b>BUDGET INFORMATION:</b> The preliminary FY18-19 budget includes a provision for a projected 3.8% salary increase.   |  |
| <b>DEPT. MGR.:</b> ssk   | <b>GENERAL MANAGER:</b> SSK  |

# NOVATO SANITARY DISTRICT

## BOARD AGENDA ITEM SUMMARY

|   |   |
|---|---|
| <b>TITLE: Board of Directors: Secretary/Treasurer, Secretary Pro-tem, and check signers, Fiscal Year (FY) 2017-18.</b>  | <b>MEETING DATE: June 11, 2018</b><br><br><b>AGENDA ITEM NO.: 13.a.</b> |
| <b>RECOMMENDED ACTION: Appoint officers, and designate and authorize check signers, FY18-19.</b>  |   |
| <b>SUMMARY AND DISCUSSION:</b><br><br><u>Election of Officers:</u> The District Board traditionally votes in June to appoint individual Directors to serve as Board President and President Pro-Tem. Information on Board Officers for prior years is provided in Attachment 1 - List of Board Officers and Authorized Check Signers.<br><br>It is recommended that the Board appoint a Board President and President Pro-tem.<br><br><u>Secretary/Treasurer and Secretary Pro-tem:</u> The Board appoints the Secretary-Treasurer and the Secretary Pro-tem annually. Currently, the General Manager-Chief Engineer serves as the Secretary-Treasurer, and the Administrative Secretary that normally attends Board meetings serves as the Secretary Pro-tem. It is recommended that the Board re-appoint Sandeep Karkal as Secretary-Treasurer and Julie Hoover as Secretary Pro-tem for FY18-19.<br><br><u>Check Signers:</u> Information on authorized check signers for prior years is also in Attachment 1. The authorized signers are typically the Board President, President Pro-tem, another Board member, and the General Manager. It is recommended that this practice be maintained. |   |
| <b>ATTACHMENTS:</b><br>1. List of Board Officers and Check Signers FY08-09 to FY17-18.  |   |
| <b>STRATEGIC PLAN INFORMATION:</b> This item addresses Goal 5 (Effective Governance and Administration) of the latest Strategic Plan Update.  |   |
| <b>DEPT. MGR.:</b> ssk  | <b>GENERAL MANAGER:</b> SSK   |

**NOVATO SANITARY DISTRICT  
LIST OF BOARD OFFICERS  
AND CHECK SIGNERS**

**FY2008-09 TO FY2017-18**

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- 1. OFFICERS, 2017-18:**  
President: Jerry Peters  
President Pro-Tem: Carole Dillon-Knutson  
Secretary/Treasurer: Sandeep Karkal  
Secretary Pro-Tem: Julie Hoover  
Check Signers: Jean Mariani, Jerry Peters,  
Carol Dillon-Knutson, Sandeep Karkal
- 2. OFFICERS, 2016-17:**  
President: Jerry Peters  
President Pro-Tem: Carole Dillon-Knutson  
Secretary/Treasurer: Sandeep Karkal  
Secretary Pro-Tem: Julie Swoboda  
Check Signers: Jean Mariani, Jerry Peters,  
Carol Dillon-Knutson, Sandeep Karkal
- 3. OFFICERS, 2015-16:**  
President: Jean Mariani  
President Pro-Tem: Jerry Peters  
Secretary/Treasurer: Sandeep Karkal  
Secretary Pro-Tem: Julie Swoboda  
Check Signers: Jean Mariani, Brant Miller, Jerry Peters  
Sandeep Karkal
- 4. OFFICERS, 2014-15:**  
President: Jean Mariani  
President Pro-Tem: Jerry Peters  
Secretary/Treasurer: Sandeep Karkal  
Secretary Pro-Tem: Julie Swoboda  
Check Signers: Jean Mariani, Brant Miller, Jerry Peters  
Sandeep Karkal
- 5. OFFICERS, 2013-14:**  
President: Michael Di Giorgio  
President Pro-Tem: Jean Mariani  
Secretary/Treasurer: Sandeep Karkal – effective April 1, 2014  
Secretary Pro-Tem: Julie Swoboda  
Check Signers: Michael Di Giorgio, Jean Mariani,  
Brant Miller, Beverly B. James,  
Sandeep Karkal
- 6. OFFICERS, 2012-13:**  
President: Michael Di Giorgio  
President Pro-Tem: Jean Mariani  
Secretary/Treasurer: Beverly B. James  
Secretary Pro-Tem: Julie Swoboda  
Check Signers: Michael Di Giorgio, Jean Mariani,  
Dennis Welsh, Beverly B. James,  
Sandeep Karkal

**NOVATO SANITARY DISTRICT  
LIST OF BOARD OFFICERS  
AND CHECK SIGNERS**

**FY2008-09 TO FY2017-18**

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**7. OFFICERS, 2011-12:**

|                      |  |
|----------------------|--|
| President:           | William C. Long  |
| President Pro-Tem:   | Michael Di Giorgio   |
| Secretary/Treasurer: | Beverly B. James   |
| Secretary Pro-Tem:   | Julie Borda  |
| Check Signers:       | Michael Di Giorgio, William C. Long,<br>Dennis Welsh, Beverly B. James,<br>June Penn Brown |

**8. OFFICERS, 2010-11:**

|                      |  |
|----------------------|--|
| President:           | William C. Long  |
| President Pro-Tem:   | James D. Fritz/ Michael Di Giorgio   |
| Secretary/Treasurer: | Beverly B. James   |
| Secretary Pro-Tem:   | Julie Borda  |
| Check Signers:       | Michael Di Giorgio, William C. Long,<br>James D. Fritz, Beverly B. James,<br>June Penn Brown |

**9. OFFICERS, 2009-10:**

|                      |  |
|----------------------|--|
| President:           | Michael Di Giorgio   |
| President Pro-Tem:   | William C. Long  |
| Secretary/Treasurer: | Beverly B. James   |
| Secretary Pro-Tem:   | June Penn Brown  |
| Check Signers:       | Michael Di Giorgio, William C. Long,<br>James D. Fritz, Beverly B. James,<br>June Penn Brown |

**10. OFFICERS, 2008-09:**

|                      |  |
|----------------------|--|
| President:           | Michael Di Giorgio   |
| President Pro-Tem:   | William C. Long  |
| Secretary/Treasurer: | Beverly B. James   |
| Secretary Pro-Tem:   | June Penn Brown  |
| Check Signers:       | Michael Di Giorgio, William C. Long,<br>James D. Fritz, Beverly B. James,<br>June Penn Brown |

## *Your Recycling Gets Recycled, Right? Maybe, or Maybe Not*

Plastics and papers from dozens of American cities and towns are being dumped in landfills after China stopped recycling most “foreign garbage.”

By **Livia Albeck-Ripka**

May 29, 2018

Oregon is serious about recycling. Its residents are accustomed to dutifully separating milk cartons, yogurt containers, cereal boxes and kombucha bottles from their trash to divert them from the landfill. But this year, because of a far-reaching rule change in China, some of the recyclables are ending up in the local dump anyway.

In recent months, in fact, thousands of tons of material left curbside for recycling in dozens of American cities and towns — including several in Oregon — have gone to landfills.

In the past, the municipalities would have shipped much of their used paper, plastics and other scrap materials to China for processing. But as part of a broad antipollution campaign, China announced last summer that it no longer wanted to import “foreign garbage.” Since Jan. 1 it has banned imports of various types of plastic and paper, and tightened standards for materials it does accept.

While some waste managers already send their recyclable materials to be processed domestically, or are shipping more to other countries, others have been unable to find a substitute for the Chinese market. “All of a sudden, material being collected on the street doesn’t have a place to go,” said Pete Keller, vice president of recycling and sustainability at Republic Services, one of the largest waste managers in the country.

China’s stricter requirements also mean that loads of recycling are more likely to be considered contaminated if they contain materials that are not recyclable. That has compounded a problem that waste managers call wishful or aspirational recycling: people setting aside items for recycling because they believe or hope they are recyclable, even when they aren’t.

**[Here’s a guide to avoiding “aspirational recycling.” First lesson: Don’t recycle greasy pizza boxes.]**

In the Pacific Northwest, Republic has diverted more than 2,000 tons of paper to landfills since the Chinese ban came into effect, Mr. Keller said. The company has been unable to move that material to a market “at any price or cost,” he said. Though Republic is dumping only a small portion of its total inventory so far — the company handles over five million tons of recyclables nationwide each year — it sent little to no paper to landfills last year.

But for smaller companies, like Rogue Disposal and Recycling, which serves much of Oregon, the Chinese ban has upended operations. Rogue sent all its recycling to landfills for the first few months of the year, said Garry Penning, a spokesman.



Wiqan Ang for The New York Times

Western states, which have relied the most on Chinese recycling plants, have been hit especially hard. In some areas — like Eugene, Ore., and parts of Idaho, Washington, Alaska and Hawaii — local officials and garbage haulers will no longer accept certain items for recycling, in some cases refusing most plastics, glass and certain types of paper. Instead, they say, customers should throw these items in the trash.

Theresa Byrne, who lives in Salem, Ore., said the city took too long to inform residents that most plastics and egg and milk cartons were now considered garbage. “I was angry,” she said. “I believe in recycling.”

Other communities, like Grants Pass, Ore., home to about 37,000 people, are continuing to encourage their residents to recycle as usual, but the materials are winding up in landfills anyway. Local waste managers said they were concerned that if they told residents to stop recycling, it could be hard to get them to start again.

It is “difficult with the public to turn the spigot on and off,” said Brian Fuller, a waste manager with the Oregon Department of Environmental Quality.

The fallout has spread beyond the West Coast. Ben Harvey, the president of E.L. Harvey & Sons, a recycling company based in Westborough, Mass., said that he had around 6,000 tons of paper and cardboard piling up, when he would normally have a couple hundred tons stockpiled. The bales are filling almost half of his 80,000-square-foot facility.

“It’s really impacted our day-to-day operations,” Mr. Harvey said. “It’s stifling me.”

Recyclers in Canada, Australia, Britain, Germany and other parts of Europe have also scrambled to find alternatives.

Still, across much of the United States, including most major cities, recycling is continuing as usual. Countries like India, Vietnam and Indonesia are importing more of the materials that are not processed domestically. And some waste companies have responded to China’s ban by stockpiling material while looking for new processors, or hoping that China reconsiders its policy.



Republic Services collecting recycled materials in Kent, Wash. Wiqan Ang for The New York Times

Americans recycle roughly 66 million tons of material each year, according to the most recent figures from the Environmental Protection Agency, about one-third of which is exported. The majority of those exports once went to China, said David Biderman, the executive director of the Solid Waste Association of North America, a research and advocacy group.

But American scrap exports to China fell by about 35 percent in the first two months of this year, after the ban was implemented, said Joseph Pickard, chief economist for the Institute of Scrap Recycling Industries, a trade group.

“It’s a huge concern, because China has just been such a dominant overseas market for us,” Mr. Pickard said.

In particular, exports of scrap plastic to China, valued at more than \$300 million in 2015, totaled just \$7.6 million in the first quarter of this year, down 90 percent from a year earlier, Mr. Pickard said. Other countries have stepped in to accept more plastics, but total scrap plastic exports are still down by 40 percent this year, he said.

“There is a significant disruption occurring to U.S. recycling programs,” Mr. Biderman said. “The concern is if this is the new normal.”

Curbside recycling is typically hauled by a private company to a sorting plant, where marketable goods are separated out. Companies or local governments then sell the goods to domestic or overseas processors. Some states and cities prohibit these companies from dumping plastic, paper and cardboard, but some local officials — including in Oregon, Massachusetts and various municipalities in Washington State — have granted waivers so that unmarketable materials can be sent to the landfill.

Recycling companies “used to get paid” by selling off recyclable materials, said Peter Spendelow, a policy analyst for the Department of Environmental Quality in Oregon. “Now they’re paying to have someone take it away.”

In some places, including parts of Idaho, Maine and Pennsylvania, waste managers are continuing to recycle but are passing higher costs on to customers, or are considering doing so.

“There are some states and some markets where mixed paper is at a negative value,” said Brent Bell, vice president of recycling at Waste Management, which handles 10 million tons of recycling per year. “We’ll let our customers make that decision, if they’d like to pay more and continue to recycle or to pay less and have it go to landfill.”



Wiqan Ang for The New York Times

Mr. Spendelow said companies in rural areas, which tend to have higher expenses to get their materials to market, were being hit particularly hard. “They’re literally taking trucks straight to the landfill,” he said.

Will Posegate, the chief operations officer for Garten Services, which processes recycling for a number of counties in Oregon, said his company had tried to stockpile recyclables but eventually used a waiver to dump roughly 900 tons. “The warehouse builds up so much that it’s unsafe,” he said.

In California, officials are concerned that improperly stored bales of paper could become hazards during wildfire season, said Zoe Heller, the policy director for the state’s recycling department.

While China has entirely banned 24 materials, including post-consumer plastic and mixed paper, it has also demanded that other materials, such as cardboard and scrap metal, be only 0.5 percent impure. Even a small amount of food scraps or other rubbish, if undetected, can ruin a batch of recycling.

Some waste managers say that China’s new contamination standards are impossible to meet, while others are trying to clean up their recycling streams by slowing down their processing facilities, limiting the types of materials they accept or trying to better educate customers on what belongs in the recycling bin.



Waste traveling along a conveyor belt to be sorted. Wiqan Ang for The New York Times

Mr. Bell, the Waste Management executive, said he had seen everything from Christmas lights to animal carcasses to artillery shells come through the company's recycling facilities. "Most of our facilities get a bowling ball every day or two," he said.

Some materials can ruin a load, he said, while others pose fire or health hazards and can force facilities to slow their operations and in some cases temporarily shut down. (And a bowling ball could do serious damage to the equipment.) Approximately 25 percent of all recycling picked up by Waste Management is contaminated to the point that it is sent to landfills, Mr. Bell said.

Recyclers have always disposed of some of their materials. But the percentage has climbed as China and other buyers of recyclable material have ratcheted up quality standards.

Most contamination, Mr. Bell said, happens when people try to recycle materials they shouldn't. Disposable coffee cups — which are usually lined with a thin film that makes them liquid-proof but challenging and expensive to reprocess — are an example. Unwashed plastics can also cause contamination.

"If we don't get it clean, we're not going to be able to market it, and if we can't market it unfortunately it's going to go to the landfill," said Mr. Penning, the Rogue spokesman. In March, Rogue told customers to put everything in the trash except for corrugated cardboard, milk jugs, newspapers and tin and aluminum cans, which the company is finding domestic markets for, Mr. Penning said.

Rogue customers who make mistakes might see an “Oops” sticker the next time they check their recycling bin, he said.

In Eugene, similar restrictions have been imposed by the waste company Sanipac. These have not sat well with some residents. “Eugene is a very green city and people love their recycling here,” said Diane Peterson, a resident. “There are a lot of things like yogurt containers that we get all the time, and now we can’t recycle them.”

Leah Geocaris, another Eugene resident, said the change had prompted her to try to consume less overall. “On the one hand, I hate it, because I don’t want stuff to end up in landfill,” she said. “On the other hand, it’s a wake-up call.”

“Recycling is the third R,” she said. “You have to reduce and reuse first.”

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### Here’s how to recycle smarter



## 6 Things You’re Recycling Wrong

Can you recycle coffee cups or greasy pizza boxes? If you’re tossing things in the recycling bin out of sheer hope, you might be an “aspirational recycler.”

May 29, 2018

Livia Albeck-Ripka, a former James Reston reporting fellow at The Times, is a freelance journalist covering the environment. @livia\_ar

A version of this article appears in print on May 30, 2018, on Page B1 of the New York edition with the headline: Your Recyclables Get Recycled, Right?

# 6 Things You're Recycling Wrong

Can you recycle coffee cups or greasy pizza boxes? If you're tossing things in the recycling bin out of sheer hope, you might be an "aspirational recycler."

By Livia Albeck-Ripka

May 29, 2018



Tony Cenicola/The New York Times

We have all done it: a greasy pizza box, a disposable coffee cup, the odd plastic bag. Sometimes, we want things to be recyclable, so we put them in the recycling bin.

Waste managers often call this wishful or aspirational recycling. But, unfortunately, putting these objects in with the rest of the recycling can do more harm than good. While rules differ in every municipality (check your local recycling website to find out what's acceptable), we have picked out some key offenders to keep in mind.

Too many of these items will contaminate a batch of recycling. That means waste managers might not be able to find buyers for the materials — especially now that China, one of the world's main importers of recyclable waste, has said it will reject shipments that are more than 0.5 percent impure. Contaminated loads could be sent to the landfill instead.

## Disposable cups

Your disposable coffee cup might seem like it can be recycled, but most single-use cups are lined with a fine film of polyethylene, which makes the cups liquid-proof but also difficult and expensive to reprocess (because the materials have to be separated). Most waste management facilities will treat the cups as trash.

If you're putting these cups in with your recycling, they are likely contaminating the rest of the materials, said Jim Ace, a senior campaigner at Stand.earth, an environmental group. In an experiment this year, the group affixed electronic trackers inside Starbucks cups, put the cups in recycling bins in Denver, then traced them to a landfill.

"There's no way a consumer would know if a cup was lined," Mr. Ace said, so it's best to throw it away. (You can also check if your local recycler has special equipment to handle coffee cups; some do, a Starbucks spokeswoman said. The New York City Department of Sanitation says it accepts "paper cups with non-paper lining.")

The plastic lid might be recyclable in your area; check the number inside it against your local recycling guidelines.

## Greasy pizza boxes

Pizza boxes are among the most common offenders when it comes to contamination, waste managers say. The problem is that oil often seeps into the cardboard. The oil cannot be separated from the fiber, making that material less valuable, and less marketable, to buyers.

But that's not to say you can never recycle a pizza box, said Marjorie Griek, executive director of the National Recycling Coalition, which promotes recycling in the United States. "If you've got a few crumbs in there, that's not an issue," she said.

Pizza boxes with "small amounts of grease" are O.K. to recycle in New York City, a sanitation department spokeswoman said. If the grease seeps through the cardboard, the box should be put in a composting bin or thrown out, she said.

Remember, there are also two sides to a pizza box. If there's a side that's not oily, tear that off and recycle it.

## Yogurt cups (and other non-recyclable plastics)

After China banned used plastics this year, many municipalities in the United States no longer accept plastics numbered 3 to 7, which can include things like yogurt cups, butter tubs and vegetable oil bottles. Look at the bottom of a container for a number inside a triangle to see what type it is.

Without China, there is little market for these types of plastic, said Will Posegate, chief operations officer for Garten Services, which manages waste in parts of Oregon. “It’s expensive to get rid of it right now,” he said.

Should you keep the caps on your bottles? Some waste managers say it’s fine (as long as they are screwed on tight), while others advise throwing them in the trash.

Check your local recycling website to see which plastic types are still acceptable in your area.

## Oily takeout containers

Even if a container is labeled correctly for recycling in your area, another contamination culprit is food residue: scraps of pad thai in a plastic tray, or those few drops of bad milk at the bottom of the jug.

Washing out food scraps from recyclables can be just as important as putting the right thing in the recycling bin, said Jackie Lang, a spokeswoman for Waste Management in Oregon. You don’t have to scrub containers until they are sparkling clean — that could waste water. But too many scraps of food and liquid can contaminate a load, which could then be sent to a landfill, Ms. Lang said. As much as possible, “keep food and liquids out,” she said.

## Plastic bags

If you have a trash chute in your building, or a long walk down to the recycling bin, you might have gotten into the habit of collecting your paper, plastics and glass in used plastic bags, but it’s important to note that the bags themselves should not be put in the recycling cart.

While we might wish that plastic bags — notorious for dissolving into microplastics and killing wildlife — could be sent to processors with our other recycling, they shouldn’t be. They create a nightmare for waste managers by plugging up machinery. So remember to dump your recyclables out of the plastic bag when putting them in the recycling bin. Some areas do offer plastic bag drop-offs, which send these nonrigid plastics to special facilities for recycling. Other cities and states have moved to tax, limit or ban the use of plastic bags altogether.

## Dirty diapers (yes, people do this)

O.K., we're not accusing you of attempting to recycle used diapers. But people out there are trying. Waste managers around the United States say they turn up at their recycling facilities often.

In some cases, people might think that a diaper should be recyclable because it is mostly made of plastic, said Garry Penning, a spokesman for Rogue Disposal and Recycling, which operates throughout Oregon. But diapers are made of a number of materials, and usually more than one type of plastic. Of course, once they are used, they are also filled with human waste.

In other cases, Mr. Penning said, the recycling bin has simply become "the overflow for the garbage pail." While there have been some attempts at diaper recycling, for the most part dirty one-use diapers are not considered recyclable and are best put straight in the trash.

"As a result of China's waste import restrictions, we need to educate the public how to recycle properly," said David Biderman, executive director of the Solid Waste Association of North America. "I think the public can make a significant difference," he said.



## Your Recycling Gets Recycled, Right? Maybe, or Maybe Not

## Plastic is finding its way into beer

By Alastair Bland, Marin Independent Journal

Tuesday, June 5, 2018



The 21st century is ushering humanity forward into an era that will present monumental challenges for us and our children. Overpopulation, ocean acidification and global warming all threaten us and our resources.

Then, there is plastic pollution — and few things illustrate the magnitude of this problem more vividly than the simple and appalling fact that there is now plastic in our beer. This insidious plague of the fossil fuel age, once seen as a miracle material of convenience, is now overwhelming our environment, with much of the waste in pieces so small that scientists call it micro- — and even nano- — plastic. These particles drift through the ocean and have entered the food chain. They

are present in the fish we eat.

Microplastic also occurs in beer — possibly most of it — thanks to the fact that microplastic is accumulating in the freshwater sources humans rely on. According to a [study](#) published in April in the journal PLOS One, each of 12 brands of beer brewed with water from the Laurentian Great Lakes — that’s Michigan, Superior, Eerie, Huron and Ontario — contained microplastic particles at an average concentration of 4.05 particles per liter, and with as many as 14. The plastic particles got there via the water. In fact, the same research found that 81 percent of tapwater samples from around the world contained microplastic at concentrations as high as 61 particles per liter. The scientists also found plastic in each of 12 sea salt samples tested. The researchers estimated that “the average person ingests over 5,800 particles of synthetic debris from these three sources annually.”

The study compels me to wonder what would be found in Marin County’s beers, many of them brewed with a seemingly pristine source of water — the reservoirs of the Marin Municipal Water District. However, if we know one thing by now about plastic, it’s that the stuff is everywhere. Upstream of the lakes, car tires leave synthetic material on the surface of the highways to Mount Tamalpais. Soulless bugs toss their candy wrappers and cigarette butts on the ground. The material breaks apart — though never entirely — and migrates downslope. Rainfall accelerates the transport and the stuff winds up in our water, and it is transferred to beer.

The scientists who conducted the Great Lakes water study, led by Mary Kosuth of the University of Minnesota, reported that humans produced 30 million tons of plastic in 1970 and 322 million tons in 2015. Closing the loop on waste streams of plastic debris that enter the environment will mean more recycling — something Americans need to do more of. The scientists found that Europeans recycled about a quarter of their plastic waste in 2012, and Americans just 8 percent.

The new paper echoes the results of a [study](#) conducted in Germany and published in 2014 that found plastic in all of 24 beers tested. That research, though, was [challenged](#) in 2015 by scientists who suspected that laboratory sample contamination may have skewed the results.

Plastic may be a miracle material. It’s also the stuff of fables — like the wings of Icarus. Plastic is indeed a wonder. It is strong, lightweight, flexible and versatile. But its chief virtue is the fact that it essentially never

breaks down. That means every scrap that we make, we must carry with us for centuries or longer. That virtue is now the curse we bear. Seventy years ago, we were given the key to making plastic — and we got carried away. We have overproduced it, and now we use it to bubble wrap and shrink wrap almost our entire world — just about every product, scrap of food and bottle of beer we consume.

You could say we flew too close to the sun, and our wings — were they made of wax or some other wonder material? — melted, and now here we are, in 2018, drinking plastic in our beer.

Alastair Bland's Through the Hopvine runs every week in Zest. Contact him at [allybland79@gmail.com](mailto:allybland79@gmail.com).

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URL: [http://www .marinij.com/lifestyle/20180605/plastic-is-finding-its-way-into-beer](http://www.marinij.com/lifestyle/20180605/plastic-is-finding-its-way-into-beer)

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