



The Mission of the Las Gallinas Valley Sanitary District is to protect public health and the environment by providing effective wastewater collection, treatment, and recycling services.

DISTRICT BOARD
Megan Clark
Rabi Elias
Craig K. Murray
Judy Schriebman
Crystal J. Yezman

DISTRICT ADMINISTRATION
Mike Prinz,
General Manager
Michael Cortez,
District Engineer
Mel Liebmann,
Plant Manager
Greg Pease,
Collection System/Safety Manager
Robert Ruiz,
Administrative Services Manager

BOARD MEETING AGENDA

June 6, 2019

MATERIALS RELATED TO ITEMS ON THIS AGENDA ARE AVAILABLE FOR PUBLIC INSPECTION DURING NORMAL BUSINESS HOURS AT THE DISTRICT OFFICE, 300 SMITH RANCH ROAD, SAN RAFAEL, OR ON THE DISTRICT WEBSITE WWW.LGVSD.ORG

Estimated
Time

- 4:00 PM 1. PUBLIC COMMENT**
This portion of the meeting is reserved for persons desiring to address the Board on matters not on the agenda and within the jurisdiction of the Las Gallinas Valley Sanitary District. Presentations are generally limited to three minutes. All matters requiring a response will be referred to staff for reply in writing and/or placed on a future meeting agenda. Please contact the General Manager before the meeting.

CLOSED SESSION:

- 4:05 PM 2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION – GENERAL MANAGER:** pursuant to subdivision (b)(1) of Government Code Section 54957.

OPEN SESSION:

- 4:30 PM 1. PUBLIC COMMENT**
This portion of the meeting is reserved for persons desiring to address the Board on matters not on the agenda and within the jurisdiction of the Las Gallinas Valley Sanitary District. Presentations are generally limited to three minutes. All matters requiring a response will be referred to staff for reply in writing and/or placed on a future meeting agenda. Please contact the General Manager before the meeting.

4:35 PM

2. RESOLUTION NO. 2019-2165 – A RESOLUTION CERTIFYING THAT LEGAL NOTICE HAS BEEN GIVEN FOR THE HEARING ON THE BUDGET FOR THE FISCAL YEAR 2019-20

Staff to present Resolution No. 2019-2165 - A Resolution Certifying that Legal Notice has been given for the Hearing on the Budget for the Fiscal Year 2019-20.

Possible Expenditure of Funds: None.

Staff Recommendation: Adopt Resolution No. 2019-2165 - A Resolution Certifying that Legal Notice has been given for the Hearing on the Budget for the Fiscal Year 2019-20.

4:40 PM

3. RESOLUTION NO. 2019-2166 – A RESOLUTION CERTIFYING THAT LEGAL NOTICE HAS BEEN GIVEN FOR THE HEARING ON THE SEWER SERVICE CHARGE RATE INCREASE FOR THE FISCAL YEAR 2019-20

Staff to present Resolution No. 2019-2166 – A Resolution Certifying that Legal Notice has been given for the Hearing on the Sewer Service Charge Rate Increase for the Fiscal Year 2019-20.

Possible expenditure of funds: None.

Staff recommendation: Board adopt Resolution 2019-2166 – A Resolution Certifying that Legal Notice has been given for the Hearing on the Sewer Service Charge Rate Increase for the Fiscal Year 2019-20.

4:45 PM

4. PUBLIC HEARING – SEWER SERVICE CHARGE RATE INCREASE: A HEARING TO CONSIDER RAISING THE ANNUAL SEWER SERVICE CHARGE FOR THE NEXT YEAR CONSISTENT WITH REQUIREMENTS OF THE GOVERNMENT CODE

A. OPEN PUBLIC HEARING

B. RATE INCREASE PRESENTATION:

District staff presentation on the proposed sewer service charge rate increases for Fiscal Year 2019-20. The proposed increases are: Fiscal year 2019-20, not to exceed \$927.

C. REVIEW DISTRICT STAFF RECOMMENDATIONS:

Board to consider staff recommendation to increase sewer service charges.

D. PUBLIC COMMENT:

This portion of the meeting is reserved for persons desiring to address the Board regarding the proposed rate increase. Presentations are generally limited to three minutes.

E. CLOSE THE PUBLIC HEARING:

Board to close the public hearing.

F. BOARD DETERMINATION AND ACTION

Board to consider comments from public, review administrative record and make determination regarding action to increase annual sewer service charge. The Board shall make a finding that its action is consistent with the requirements of the Government Code that implemented Proposition 218.

5:00 PM 5. PUBLIC HEARING – BUDGET FOR THE 2019-20 FISCAL YEAR**A. OPEN PUBLIC HEARING****B. BUDGET 2019-20 PRESENTATION:**

District staff to present the following proposed budgets for the fiscal year July 1, 2019 to June 30, 2020:

- a. Revenue
- b. Operating and Maintenance
- c. Reserves
- d. Debt Service
- e. Capital Outlay

C. REVIEW DISTRICT STAFF RECOMMENDATIONS:

Board consider approval of the 2019-20 Budgets as proposed.

D. PUBLIC COMMENT:

This portion of the meeting is reserved for persons desiring to address the Board regarding the proposed Budgets. Presentations are generally limited to three minutes.

E. CLOSE THE PUBLIC HEARING:

Board to close the public hearing.

F. BOARD DETERMINATION AND ACTION

Board to consider comments from public, review administrative record and make determination regarding action to approve the proposed Budgets.

5:15 PM 6. RESOLUTIONS FOR 2019-20 BUDGET:

- A. RESOLUTION NO. 2019-2167– A RESOLUTION CONFIRMING THE ANNUAL SEWER SERVICE CHARGE AND SUPPLEMENTAL SERVICE CHARGES FOR THE LAS GALLINAS VALLEY SANITARY DISTRICT FOR THE FISCAL YEAR 2019-20.
- B. RESOLUTION NO. 2019-2168 – A RESOLUTION FIXING AND APPROVING THE BUDGET FOR THE FISCAL YEAR 2019-20.
- C. RESOLUTION NO. 2019-2169 – A RESOLUTION PROVIDING FOR THE COLLECTION OF SEWER SERVICE CHARGES ON THE TAX ROLL.
- D. RESOLUTION NO. 2019-2170– A RESOLUTION DETERMINING THE 2019-20 APPROPRIATION OF TAX PROCEEDS.
- E. RESOLUTION NO. 2019-2171 – A RESOLUTION REQUESTING ALLOCATION OF TAXES FOR THE FISCAL YEAR 2019-20.

5:25 PM

7. CONSENT CALENDAR:

These items are considered routine and will be enacted, approved or adopted by one motion unless a request for removal for discussion or explanation is received from the staff or the Board.

- A. Approve the Board Minutes for May 16th and May 21st , 2019
- B. Approve the Modified Warrant List for May 16th and the Warrant List for June 6, 2019
- C. Approve Board Compensation for May 2019
- D. Approve Conference requests for Elias, Clark and Yezman to attend the Special District Leadership Conference in Napa July 7-10 and Clark and Yezman to attend the CASA Conference in San Diego August 21-23 and Clark and Elias to attend the WaterReuse Conference in San Diego September 7-11.
- E. Approve Resolution 2019-2172 Adopting the Pay Scales Effective July 1, 2019
- F. Approve Award of Contract for On-Call Contract for Construction Projects to Piazza Construction

Possible expenditure of funds: Yes, Items B through F.

Staff recommendation: Adopt Consent Calendar – Items A through F.

5:35 PM

8. APPROVE RENEWAL OF EMPLOYMENT AGREEMENTS BETWEEN LAS GALLINAS VALLEY SANITARY DISTRICT AND MICHAEL CORTEZ, DISTRICT ENGINEER; ROBERT LIEBMANN, PLANT MANAGER; ROBERT RUIZ, ADMINSTRATIVE SERVICES MANAGER; GREG PEASE, COLLECTION SYSTEM AND SAFETY MANAGER AND MIKE PRINZ, GENERAL MANAGER

Board to approve renewal of employment agreements.

5:50 PM

9. PURCHASE OF DISTRICT VEHICLE FOR GENERAL MANAGER

Board to approve purchase of District Vehicle for General Manager.

6:00 PM

10. INFORMATION ITEMS:

- A. STAFF/CONSULTANT REPORTS:
 1. General Manager Report – Verbal
 2. Contract for On-Call Contract Engineering Services with Hazen and Sawyer

6:10 PM

11. BOARD REPORTS:

1. LAFCO - Verbal
2. Gallinas Watershed Council / Miller Creek Watershed Council– Verbal
3. JPA Local Task Force on Solid and Hazardous Waste – Verbal
4. Flood Zone 7 - Verbal
5. NBWA – Verbal
6. NBWRA/North Bay Water – Verbal
7. Engineering Subcommittee – Verbal
8. Other Reports – Verbal

6:20 PM

12. BOARD REQUESTS:

- A. Board Meeting Attendance Requests – Verbal
- B. Board Agenda Item Requests – Verbal

6:25 PM

13. VARIOUS ARTICLES AND MISCELLANEOUS DISTRICT CORRESPONDENCE

6:30 PM

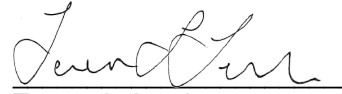
14. ADJOURNMENT

FUTURE BOARD MEETING DATES – JUNE 20, 2019, JUNE 27 AND JULY 18, 2019

AGENDA APPROVED:	Craig K. Murray, Board President	Pat Richardson, Legal Counsel
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CERTIFICATION: I, Teresa Lerch, District Secretary of the Las Gallinas Valley Sanitary District, hereby declare under penalty of perjury that on or before June 3, 2019 at 4:00 p.m., I posted the Agenda for the Board Meeting of said Board to be held June 6, 2019 at the District Office, located at 300 Smith Ranch Road, San Rafael, CA.

DATED: June 3, 2019



Teresa L. Lerch
District Secretary

The Board of the Las Gallinas Valley Sanitary District meets regularly on the first and third Thursday of each month. The District may also schedule additional special meetings for the purpose of completing unfinished business and/or study session. Regular meetings are held at the District Office, 300 Smith Ranch Road, San Rafael.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District at (415) 472-1734 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.

RESOLUTION No. 2019-2165

A RESOLUTION CERTIFYING THAT LEGAL NOTICE
HAS BEEN GIVEN FOR THE HEARING
ON THE BUDGET FOR THE FISCAL YEAR 2019-20

LAS GALLINAS VALLEY SANITARY DISTRICT

RESOLVED, by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, as follows:

WHEREAS, this District has reviewed a preliminary budget and has invited the public comment on the budget.

WHEREAS, the District has duly published legal notice in the Marin Independent Journal, a newspaper of general circulation, posted said notice at the District's offices at 300 Smith Ranch Road, San Rafael, CA, 94903; and at its website at www.lgvsd.org in accordance with the requirements of the Government Code § 54954.2 and the Sanitary District Act of 1923, Health and Safety Code §§ 6400 et seq., said notice specifying, among other things, that the District will conduct such hearing on Thursday, June 6, 2019 at 4:30 p.m. at the District's offices.

NOW THEREFORE, THE BOARD certifies that legal notice has been given.

* * * * *

I hereby certify that the forgoing is a full, true and correct copy of a resolution duly and regularly passed and adopted by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, at a meeting thereof held on June 6, 2019, by the following vote of the members thereof:

AYES, and in the favor thereof, Members:

NOES, Members:

ABSENT, Members:

ABSTAIN, Members:

Teresa L. Lerch, District Secretary,
Las Gallinas Valley Sanitary District

APPROVED:

Craig K. Murray, Board President

(seal)

Marin Independent Journal

4000 Civic Center Drive, Suite 301
San Rafael, CA 94903
415-382-7335
legals@marinij.com
2074259

LAS GALLINAS VALLEY SANITARY
300 SMITH RANCH ROAD
SAN RAFAEL, CA 94903

**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:

05/17/2019, 05/23/2019, 05/30/2019

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

Dated this 30th day of May, 2019.

Donna Lajanus

Signature

PROOF OF PUBLICATION

Legal No. **0006333943**

**NOTICE OF PUBLIC HEARING
LAS GALLINAS VALLEY SANITARY DISTRICT**

The Sanitary District is desirous of public comments on the Annual Budget and the Annual Sewer Charge Report prior to adoption. Copies of the reports are available at the District Office free of charge to the public as well as on the District's website at www.LGVSD.org

Effective Date July 1, 2019

Proposed Residential Charges: Single-family home or residential units such as condominiums and mobile homes - Annual Sewer Charge Rate per living unit. Multi-family residential units such as apartments - 90% of the Annual Sewer Service Charge per living unit.

Current Rate: \$898 per year.

Proposed Maximum Rate:
2019/20 - \$ 927 per year, increase of \$29

Proposed Non-Residential Sewer Service Charges: Rates for non-residential customers are proportional to the rise in residential rates. Rates are calculated individually for each type of non-residential use, based on water usage and a strength factor, which is an average cost to treat wastewater from a particular type of non-residential customer.

Copies of the Sewer Rate Methodology are available for public review at the District Office.

FURTHERMORE, said Board intends to adopt the District Budget for 2019-20 and the District Annual Sewer Service Charge Report with or without modification at the public hearing set for June 6, 2019.

NOTICE IS HERBY GIVEN, that on June 6, 2019 at 4:30 PM at the regular meeting place of said District, Las Gallinas Valley Sanitary District Treatment Plant, 300 Smith Ranch Road, San Rafael, said Board will hear and consider all comments to the Annual Sewer Service Charge Report for 2019-20 and the District Budget for 2019-20.

Dated: May 8, 2019

Mike Prinz
General Manager
Las Gallinas Valley Sanitary District

No. 611 May 17, 23, 30, 2019

RESOLUTION No. 2019-2166

**A RESOLUTION CERTIFYING THAT LEGAL NOTICE
HAS BEEN GIVEN FOR THE HEARING
ON THE SEWER SERVICE CHARGE RATE INCREASE FOR THE
FISCAL YEAR 2019-20**

LAS GALLINAS VALLEY SANITARY DISTRICT

RESOLVED, by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, as follows:

WHEREAS, this District at public workshops held on March 12, 2015 regarding a five year rate plan and on April 12, 2019 to review the proposed Sewer Charge for 2019-20; and

WHEREAS, this District has invited the public comment on the proposed maximum rates for 2019-20 at a public hearing on June 11, 2015 regarding a five year rate plan; and

WHEREAS, the District has duly published legal notice in the Marin Independent Journal, a newspaper of general circulation, posted said notice at the District's offices at 300 Smith Ranch Road, San Rafael, CA, 94903; and at its website at www.lgvsd.org in accordance with the requirements of the Government Code § 54954.2 and the Sanitary District Act of 1923, Health and Safety Code §§ 6400 et seq., said notice specifying, among other things, that the District will conduct such hearing on Thursday, June 6, 2019 at 4:30 p.m. at the District's offices.

NOW THEREFORE, the Board certifies that legal notice has been given.

* * * * *

I hereby certify that the forgoing is a full, true and correct copy of a resolution duly and regularly passed and adopted by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, at a meeting thereof held on June 6, 2019, by the following vote of the members thereof:

AYES, and in the favor thereof, Members:
NOES, Members:
ABSENT, Members:
ABSTAIN, Members:

Teresa L. Lerch, District Secretary,
Las Gallinas Valley Sanitary District

APPROVED:

Craig K. Murray, Board President

(seal)

Marin Independent Journal

4000 Civic Center Drive, Suite 301
San Rafael, CA 94903
415-382-7335
legals@marinij.com
2074259

LAS GALLINAS VALLEY SANITARY
300 SMITH RANCH ROAD
SAN RAFAEL, CA 94903

**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:

05/17/2019, 05/23/2019, 05/30/2019

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

Dated this 30th day of May, 2019.

Donna Lazarus

Signature

PROOF OF PUBLICATION

Legal No. **0006333943**

**NOTICE OF PUBLIC HEARING
LAS GALLINAS VALLEY SANITARY DISTRICT**

The Sanitary District is desirous of public comments on the Annual Budget and the Annual Sewer Charge Report prior to adoption. Copies of the reports are available at the District Office free of charge to the public as well as on the District's website at www.LGVSD.org

Effective Date July 1, 2019

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Current Rate: \$898 per year.

Proposed Maximum Rate:
2019/20 - \$ 927 per year, Increase of \$29

Proposed Non-Residential Sewer Service Charges: Rates for non-residential customers are proportional to the rise in residential rates. Rates are calculated individually for each type of non-residential use, based on water usage and a strength factor, which is an average cost to treat wastewater from a particular type of non-residential customer.

Copies of the Sewer Rate Methodology are available for public review at the District Office.

FURTHERMORE, said Board intends to adopt the District Budget for 2019-20 and the District Annual Sewer Service Charge Report with or without modification at the public hearing set for June 6, 2019.

NOTICE IS HERBY GIVEN, that on June 6, 2019 at 4:30 PM at the regular meeting place of said District, Las Gallinas Valley Sanitary District Treatment Plant, 300 Smith Ranch Road, San Rafael, said Board will hear and consider all comments to the Annual Sewer Service Charge Report for 2019-20 and the District Budget for 2019-20.

Dated: May 8, 2019

Mike Prinz
General Manager
Las Gallinas Valley Sanitary District

No. 611 May 17, 23, 30, 2019



Agenda Summary Report

To: Mike Prinz, General Manager *[Signature]*
 From: Robert D. Ruiz, Administrative Services Manager
 Mtg. Date: June 6, 2019
 Re: Public Hearing for the Sewer Service Charge for Fiscal Year 2019-20

Item Type: Consent _____ Discussion X Information _____ Other _____
 Standard Contract: Yes _____ No _____ (See attached) Not Applicable X

BACKGROUND:

Legal and Technical Aspects

California Constitution Article XIII D (adopted by voter initiative, Proposition 218, effective November 1996) provides the legal framework against which the District's charges must be measured. Sewer user fees are "Property Related Fees and Charges" governed by Article XIII D, Section 6. (See Paland v. Brooktrails Township Community Services District (2009) 176 Cal. App. 4th 158.) Article XIII D defines fee or charge as "any levy other than an ad valorem tax, a special tax, or an assessment, imposed by an agency upon a parcel or upon a person as an incident of property ownership, including a user fee or charge for a property-related service." (Article XIII D, Section 2, Subdivision (e).) "Property-related service" is defined as "a public service having a direct relationship to property ownership." (Article XIII D, Section 2, Subdivision (h).)

Under Article XIII D, Section 6, Subdivision (b), an agency may not impose or increase property related fees and charges unless they meet certain substantive requirements, including:

- (1) Revenues derived from the fee or charge shall not exceed the funds required to provide the property related service.
- (2) Revenues derived from the fee or charge shall not be used for any purpose other than that for which the fee or charge was imposed.
- (3) The amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel.
- (4) No fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question.

Each year the District analyzes the cost of providing service and the related revenue requirement as part of the budget process. The majority of the District's costs are fixed related to operating, maintaining and upgrading the facilities for all levels of flow, high or low. The variable costs related to the level of flow are primarily power and chemical costs. The infrastructure required to



convey 1 million gallons a day or 3 million gallons a day of sewage to the plant for treatment is substantially the same. The District must provide standby sewer service capacity regardless of the number of occupants which can vary from day to day, owner to owner. The District's sewer systems must be on standby to serve high or low sewage flows. In fact, too low of a flow results in increased costs and operational issues in the sewer conveyance lines and at the treatment plant.

During 2014-15, the District undertook a series of studies to determine the operating expense and capital outlay requirements for the fiscal years 2015-16 through 2019-20. Staff presented the reports to the Board over several months at regular Board meetings. The Board reviewed many capital projects and selected the most critical ones for inclusion in the 5-year capital outlay plan. Both of the District's fall 2014 and spring 2015 newsletters discussed the need for treatment plant upgrades to address the changes in the characteristics of wastewater since the plant was built in the 1950's as well as new more stringent regulations. The District invited the public to tour the plant and attend a public workshop on March 12, 2015 to discuss the plan. The District may adopt a 5-year rate plan pursuant to Government Code § 53756(a). A legal notice of the five-year rate plan was mailed to all property owners in the District on April 27, 2015 and the plan was adopted at the public hearing on June 11, 2015. The maximum rates that can be charged pursuant to the adopted are as follows:

Fiscal Year	Maximum Rate	Adopted Rate
2015/16	\$748	\$734
2016/17	\$835	\$835
2017/18	\$868	\$867
2018/19	\$898	\$898
2019/20	\$927	\$TBD

On April 11, 2019 the Board set the public hearing for the budget and sanitary sewer service charges for June 6, 2019 and on April 12, 2019 the Board reviewed the preliminary budget for 2019-20. The legal notice was mailed to all property owners of the District on April 22, 2019; a public notice of the hearings was published in the Marin Independent Journal on May 17, May 23 and May 30, and a notice was posted on the home page of the District website.

Rate Calculation Methods

On January 30, 2014, the Board adopted the Sewer Rate Methodology and Connection Fee study, which was prepared by HDR Engineering, Inc (HDR). This study recommended:

1. Maintaining flat rate sewer charges for all residential customers.
2. Adjusting the rate for multi-family residential customers to 90% of a single-family customer based on the findings in the study that, on average in examining the winter water use, multi-family units use 90% of a single-family home.
3. Multi-family residential customers are those that are defined by the County of Marin Assessor's office as multi-family. Typically, they have a use code of 21 and more than 1 living unit; however, properties that are owned by a non-profit or governmental entity may have a use code of 61 and 81, respectively. Identification of properties with a use code of 61 and 81 that meet the requirements to be classified as multi-family will similarly have living units in excess of 1.



4. Adjusting the calculation of commercial customer sewer charges, which are based on water usage, to utilize 8 CCF per month rather than 10 CCF per month.
5. In calculating the commercial customers sewer charges, the calculation is taken out one more decimal point rather than rounding up to the next whole number i.e. 19.2 rather than 20.
6. Adjusting the strength factor for certain customers:
 - a.

Customer Class	Old Strength Factor	New Strength Factor
Restaurants/Cafes	2.6	2.4
Bakeries	2.6	3.2
Mortuaries	1.0	2.0

- b. An additional strength factor category was added for Hospitals/Convalescent Homes/Assisted Living Facilities with a domestic strength factor of 1.0.
- c. Elimination of strength factor classifications for Rooming Houses and Motels with and without kitchen since these categories are better categorized with Hotels and Motels.

The Board also agreed to re-examine the application of the 90% of a sewer charge to multi-family units in subsequent years. During 2014, the Board commissioned HDR to update its finding from the prior study. At the April 23, 2015 meeting the Board adopted the Technical Memorandum prepared by HDR which stated that using 90% of a single-family residential sewer charge was still a reasonable method based on a review of the water consumption data for multi-family residential units. Updates may occur in future years.

The District is continuing to use a flat fee per residential dwelling unit which is the predominant practice of stand-alone sewage collection and treatment agencies in California. Moreover, the flat fee methodology ensures that the charge does not exceed the proportional cost of the service attributable to the parcel. Since most of the District's costs are fixed the only proportional way to adequately assess the charge is by a fixed rate. The District can neither determine the number of residents in a dwelling unit each day nor the daily or daily maximum wastewater production. No government agency regulates the number of residents that can live in a residential unit or their use of plumbing fixtures. No evidence presently exists regarding the wastewater production characteristics of single-family residences and multi-unit housing. Since the primary component of the District's costs are fixed and no limitation is imposed on any residential parcel preventing the occupants from using plumbing fixtures, a fixed flat fee is the best methodology to proportionally distribute the District's costs over its residential ratepayers. The District has approximately 9,700 parcels which are charged for sewer service, of these approximately 600 are non-residential customers for which individual calculations are required. These calculations are performed by one staff member and require approximately 120 hours performing the calculations, updating the information for the County of Marin billing system, and verifying the charges. Calculating every sewer charge for all of the parcels would require at least one staff person to perform the work and respond to billing inquiries. This would increase the District's staff levels and require the sewer service charge to be increased. Using the flat rate system for the majority of the customers is more efficient and cost effective.

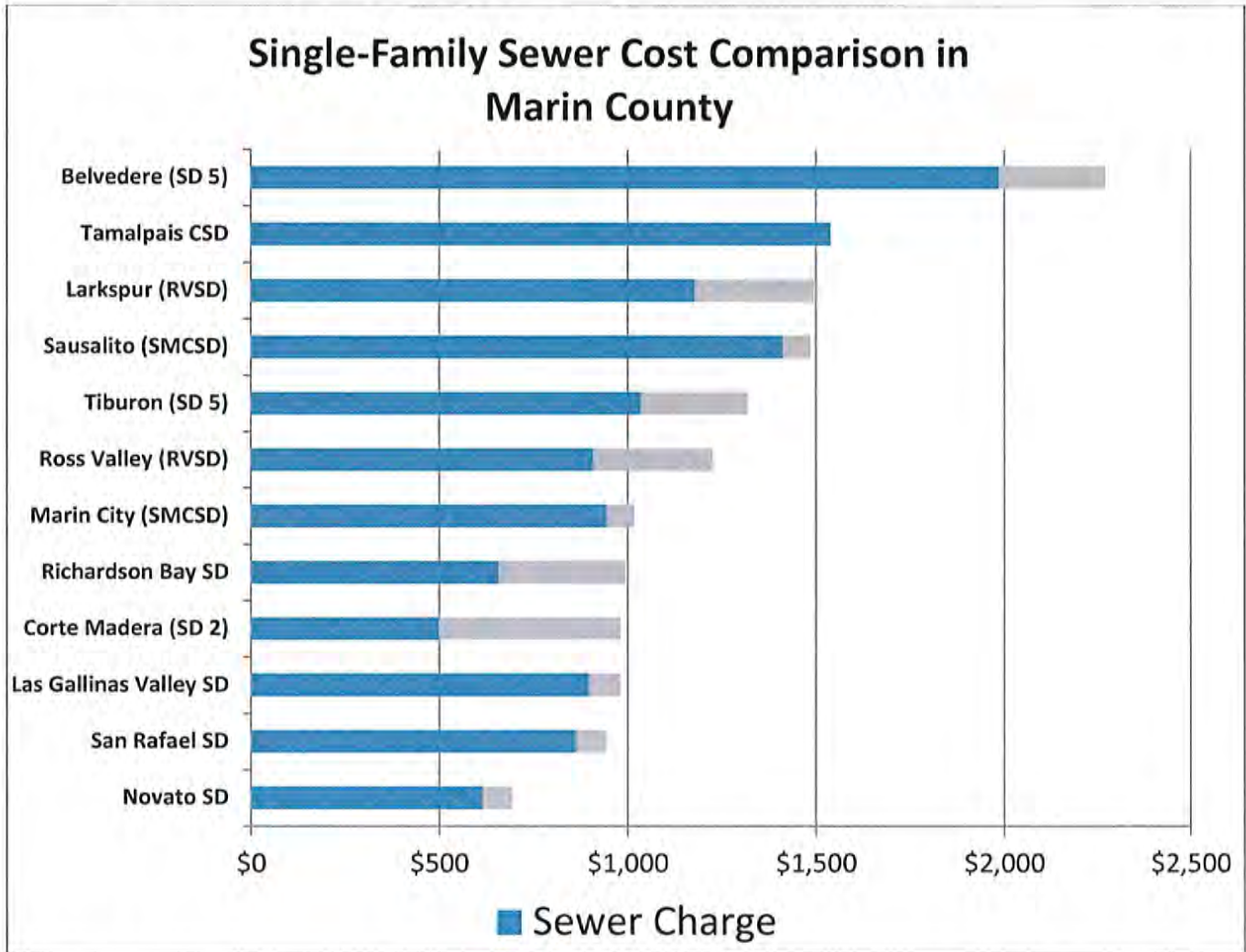
Five Year Rate Proposal

As part of the 5-year capital outlay plan, the Board set as a target the median combined sewer charge and property taxes for Marin County. Sewer agencies in Marin receive varying amounts of property taxes per capita depending on several factors including property tax values, turnover



of housing stock, and the level of services provided by the agencies when Proposition 13 was passed. Other agencies and cities have implemented multiple rate schedules for residential users including volumetric rates and reduced charges for multi-family residential properties. In addition, the sewer user charge for commercial users is calculated based on the volume of water used during the summer and winter billing periods. This user groups makes up only 3% of users but generates 21% of the sanitary sewer charges. With the ongoing drought, reduction in use by commercial users has had a significant impact on the revenue of the District.

Below is a graph of the sewer user charges and property taxes estimated to be collected by other Marin County sewer agencies during the fiscal year ending June 30, 2019:



During the 2015 rate setting process, staff presented the Board with a proposal to set the sewer service charge based on the historical number of sanitary units, 15,800, but to also allow for a rate that reflected a 5% and 10% drought adjustment. The Board adopted this proposal. The rate increases are scheduled as follows:



Year	Planned Rate Increase	Base Rate	Drought Adjustment	Final Rate	Status
2015-16	\$85	\$647	\$ 2	\$734	Adopted
2016-17	\$85	\$734	\$16	\$835	Adopted
2017-18	\$32	\$835	\$ 0	\$867	Adopted
2018-19	\$30	\$868	\$ 0	\$898	Adopted
2019-20	\$29	\$927	\$ 0	\$927	Proposed

Each year, staff develops a budget which takes into account the planned upgrades and expenditures. The Board reviews the budget at a workshop in March and makes a determination as to which projects will proceed in the coming fiscal year. Staff then updates the budget as additional information becomes available. The maximum rate that was established may or may not be the one chosen. For the 2019-20-year, staff is proposing a budget which established the sewer charge revenue at \$927 per sanitary unit. The rate considers the revenue projections prepared after the commercial customer bills were calculated in late April. The annual charge equates to \$2.54 per day, up from \$2.46 in 2018-19, for single-family residential customers for service that is available seven days a week, 24 hours a day.

The budget expenditures are comprised of four components:

1. Operating and Maintenance – set at \$7,148,015 which is a 12.09% increase over the prior year.
2. Reserve Funding – set at \$2,998,776 for various reserve categories.
3. Debt Service – set at \$4,617,777, an increase of \$627,212 over the prior year. The additional funds reflect an addition of a \$12,000,000 loan from the State for the District’s major construction project.
4. Capital Outlay – set at \$53,660,494 consisting of carryover projects of \$39,592,193 use of bond funds and grants for the Secondary Treatment Plant Upgrade and Recycled Water Treatment Facility Expansion projects of \$11,439,300; and new funding for projects of \$2,629,000. Other carryover projects and funding will be included when the revised budget is presented in the fall.

PREVIOUS BOARD ACTION:

On April 11, 2019 the Board set the public hearing for the budget and sanitary sewer service charges for June 6, 2019 and on April 12, 2019 the Board reviewed the preliminary budget for 2019-20 and also reviewed the budget at the May 16, 2019 board meeting.

ENVIRONMENTAL REVIEW:

N/A

FISCAL IMPACT:

Projected revenue is \$68,670,476 for the fiscal year 2019/20.

STAFF RECOMMENDATION:

Staff recommends that the Board set the fiscal year 2019-20 annual sewer service charges at \$927 per sanitary unit by passing Resolution 2019-2167, which is Confirming the Annual Sewer Service Charge and Supplemental Service Charges for the Las Gallinas Valley Sanitary District for the Fiscal Year 2019-20.



**Proposed Budget for
Fiscal Year 2019-2020**

**Presented to the Board of Directors
At the Board Meeting
June 6, 2019
Board Room
300 Smith Ranch Road**

Annual Operating Budget Fiscal Year 2019-2020



Board of Directors

Craig K. Murray, President

Rabi Elias, Vice President

Megan Clark, Board Member

Judy Schriebman, Board Member

Crystal Yezman, Board Member

Prepared under the direction of:

Mike Prinz,

General Manager

With the aid of:

Robert D. Ruiz,

Administrative Services Manager

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 REVENUE & FUNDS BUDGET
PRESENTED JUNE 6, 2019**

FUNDS AVAILABLE	2016-17	2017-18	2018-19	2019-20		
	Final	Final	Projected	Proposed	Change	% Change
	Actual	Actual	Actual	Budget		from PY
OPERATING REVENUE						
User Charges	\$ 13,059,850	\$ 13,634,548	\$ 14,220,000	\$ 14,602,912	\$ 382,912	2.69%
Educational Revenue Augmentation Fund	366,078	372,411	319,000	325,000	\$ 6,000	1.88%
Recycled Water	45,548	61,080	39,000	42,000	\$ 3,000	7.69%
Franchise Fees	25,000	25,000	70,000	149,422	\$ 79,422	113.46%
Inspections/Permits/Application Fee	8,957	11,678	22,038	8,500	\$ (13,538)	-61.43%
Interest	532	425	531	500	\$ (31)	-5.89%
Interest on Reserves	72,856	269,180	388,665	400,000	\$ 11,335	2.92%
Suppl. Property Tax Assess.	15,409	27,670	13,000	16,000	\$ 3,000	23.08%
Homeowner Property Tax Relief	4,363	4,354	3,240	4,300	\$ 1,060	32.70%
Private Sewer Lateral Assistance Program	76,027	101,368	87,721	80,000	\$ (7,721)	-8.80%
Miscellaneous Revenue	33,057	29,521	1,575	-	\$ (1,575)	-100.00%
Sale of Assets	(6,267)	29,012	75	-	\$ (75)	-100.00%
Operating Transfer In	-	-	-	-	\$ -	0.00%
Total Operating Revenue	13,701,410	14,566,247	15,164,845	15,628,634	\$ 463,789	3.06%
OTHER SOURCES OF FUNDS						
CAPACITY RELATED FUNDS						
Annex and Capital Facility Charges	39,580	228,625	-	-	\$ -	0.00%
Interest on Connection Fees	451	242	124	300	\$ 176	141.25%
Total Capacity Related Revenue	40,031	228,867	124	300	\$ 176	141.25%
GENERAL CONSTRUCTION FUNDS						
Property Tax	856,873	890,205	888,554	890,000	\$ 1,446	0.16%
Operating Transfer In	-	-	-	-	\$ -	0.00%
	856,873	890,205	888,554	890,000	\$ 1,446	0.16%
OTHER SOURCES						
		1,04171				
Marin Municipal Water District	436,837	455,057	463,145	463,353	\$ 208	0.04%
2017 Bond Sale	41,039,514	-	-	-	\$ -	0.00%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 REVENUE & FUNDS BUDGET
PRESENTED JUNE 6, 2019**

FUNDS AVAILABLE	2016-17 Final Actual	2017-18 Final Actual	2018-19 Projected Actual	2019-2020 Proposed Budget	Change	% Change from PY
2019 Ibank Loan			12,000,000	-	\$ (12,000,000)	-100.00%
Federal Grant	-	-	169,004	847,150	\$ 678,147	401.26%
State Grant	-	362,033	-	-	\$ -	0.00%
	<u>41,476,351</u>	<u>817,090</u>	<u>12,632,149</u>	<u>1,310,503</u>	\$ (11,321,646)	-89.63%
UTILIZATION OF BOND FUNDS AND RESERVES						
Reserves	366,256	-	-	-	\$ -	
Private Sewer Lateral Assistance Funds	-	-	-	-	\$ -	
Prior Year Capital Project Carryover	4,046,259	1,359,494	-	10,592,150	\$ 10,592,150	0.00%
Construction Project Reserve		791,158		-	\$ -	0.00%
Interest Earned on Unspent Bond Funds		567,986	709,744	580,000	\$ (129,744)	-18.28%
Transfers from Bond Fund	65,955	-	-	39,592,193	\$ 39,592,193	0.00%
Marin Lagoon Reserve Fund	-	13,580	74,000	74,000	\$ -	0.00%
Captains Cove Reserve Fund	-	236	2,695	2,695	\$ -	0.00%
Capital Facilities Fund	350,056	300,300	-	-	\$ -	0.00%
	<u>4,828,526</u>	<u>3,032,754</u>	<u>786,439</u>	<u>50,841,039</u>	\$ 50,054,600	6364.72%
					\$ -	
TOTAL FUNDS AVAILABLE FOR EXPENDITURES	\$ 60,903,191	\$ 19,535,163	\$ 29,472,111	\$ 68,670,476	\$ 39,198,364	133.00%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Total Employee Wages	2,523,313	2,762,763	2,690,528	3,037,074	\$ 346,545	12.88%
Total Employee Benefits	1,235,695	1,259,817	1,598,842	1,602,445	\$ 3,603	0.23%
Total Insurance Expense	146,770	145,909	159,950	173,780	\$ 13,830	8.65%
Total Repairs and Maintenance	353,808	466,690	339,700	611,000	\$ 271,300	79.86%
Total Small Tools & Supplies	324,387	260,533	345,906	391,442	\$ 45,536	13.16%
Total Contracted Services	719,755	685,508	725,021	787,100	\$ 62,079	8.56%
Total Utilities	351,917	203,649	238,011	197,805	\$ (40,206)	-16.89%
Total General & Administrative	271,179	342,752	278,829	347,370	\$ 68,541	24.58%
OPERATING EXPENSE TOTALS	5,926,824	6,127,621	6,376,788	7,148,015	\$ 771,227	12.09%
		3.39%	4.07%	12.09%		

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Employee Wages & Benefits Expenses

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Regular Staff Salaries	2,252,470	2,458,142	2,389,273	2,761,056	\$ 371,784	15.56%
Over Time	87,008	83,452	90,951	75,607	(15,343)	-16.87%
Vacation and Sick Accrual	51,592	67,515	37,796	39,000	1,204	3.19%
Stand By	76,396	78,263	100,490	87,030	(13,460)	-13.39%
Directors Salary	55,847	75,391	72,020	74,380	2,361	3.28%
Directors Benefits	9,000	8,400	9,713	5,690	(4,022)	-41.41%
Payroll Taxes	178,182	191,210	210,491	208,702	(1,789)	-0.85%
Group Life Insurance	5,462	5,683	6,789	6,094	(695)	-10.24%
PERS	350,789	340,354	562,116	592,455	30,339	5.40%
Health Insurance	531,839	526,814	622,318	580,676	(41,641)	-6.69%
Dental Insurance	17,479	21,551	24,740	19,200	(5,540)	-22.39%
Vision Insurance	2,019	2,324	2,712	2,752	40	1.48%
Long Term Disability	17,786	19,686	23,439	23,091	(348)	-1.49%
Auto Allowance	12,730	10,338	10,592	19,259	8,666	81.82%
Commute Stipend	28,037	28,845	36,345	35,626	(719)	-1.98%
Payroll Processing	9,657	9,466	10,727	10,500	(227)	-2.11%
Conferences	P 46,090	64,232	37,940	56,000	18,060	47.60%
Mileage and Travel	P 5,881	8,025	8,759	10,800	2,041	23.30%

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**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Employee Wages & Benefits Expenses

Expense Description		2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Employee Recognition	P	2,481	6,616	6,883	6,000	(883)	-12.82%
Employee Training and Education	P	18,263	16,273	25,279	25,600	321	1.27%
Total Employee Expense		3,759,008	4,022,580	4,289,371	4,639,519	350,148	8.16%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Insurance Expenses

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Workers' Comp Insurance	41,785	41,159	46,000	48,482	\$ 2,482	5.40%
Unemployment Insurance	-	-	-	-		
Pooled Liability Insurance	103,753	103,800	113,000	124,300	11,300	10.00%
Fidelity Bond	1,232	950	950	998	48	5.00%
Total Insurance Expense	146,770	145,909	159,950	173,780	13,830	8.65%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Repairs and Maintenance Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Vehicle Parts & Maintenance	42,093	52,880	62,426	51,500	\$ (10,926)	-17.50%
Building maintenance	12,117	15,317	6,620	35,000	\$ 28,380	428.70%
Grounds Maintenance	7,161	21,410	25,471	40,000	\$ 14,529	57.04%
Power Generation Maint & Repair	3,748	2,418	70,505	85,000	\$ 14,495	20.56%
Reclamation Maintenance			6,609	25,000	\$ 18,391	278.27%
Equipment Maintenance	50,442	35,848	80,599	115,000	\$ 34,401	42.68%
Equipment Repair	71,465	72,211	31,070	104,500	\$ 73,430	236.34%
Capital Repairs/Replacements	166,782	266,606	56,399	155,000	\$ 98,601	174.83%
Total Repairs and Maintenance	\$ 353,808	\$ 466,690	\$ 339,700	\$ 611,000	\$ 271,300	79.86%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Contract Services Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Outside Services	17,111	16,721	18,843	69,500	\$ 50,657	268.83%
Pollution Prevention Program	16,905	12,264	8,981	12,500	\$ 3,519	39.19%
Lab Contract Services	50,748	37,425	38,000	43,000	\$ 5,000	13.16%
Special Monitoring/Pilot Testing	2,800	-	-	-	\$ -	
Janitorial	9,771	11,557	17,500	12,000	\$ (5,500)	-31.43%
Aquatic Review	3,536	3,421	3,008	3,800	\$ 792	26.32%
Uniform Service	4,913	6,005	5,914	6,500	\$ 586	9.91%
Damage Claim	992	407	17,214	10,000	\$ (7,214)	-41.91%
Sludge Disposal (Inject)	47,984	67,573	67,565	69,500	\$ 1,935	2.86%
Regulatory Consultant (Environmental)	158,591	80,414	168,064	177,300	\$ 9,236	5.50%
Engineering Consultant (General Small)	27,337	73,106	15,767	15,000	\$ (767)	-4.86%
Lateral Rehab Assistance Program C	116,091	52,406	95,000	100,000	\$ 5,000	5.26%
Legal C	195,643	197,981	120,000	120,000	\$ -	0.00%
Audit C	30,570	25,570	25,635	28,000	\$ 2,365	9.23%
Consultants	36,763	100,658	123,530	120,000	\$ (3,530)	-2.86%
Total Contracted Services	719,755	685,508	725,021	787,100	\$ 62,079	8.56%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Small Tools & Supplies Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Hypochlorite	45,585	39,888	63,219	54,000	\$ (9,219)	-14.58%
Bisulfite	57,425	35,755	58,260	46,000	\$ (12,260)	-21.04%
Miscellaneous Chemicals	88,131	62,975	97,700	117,000	\$ 19,300	19.75%
General Operating Supplies	52,110	44,017	41,846	52,100	\$ 10,254	24.51%
Fuel & Oil	26,380	23,420	27,839	28,992	\$ 1,153	4.14%
Safety Equipment & Supplies	22,775	20,054	26,317	32,350	\$ 6,033	22.93%
Safety Services	28,720	28,619	29,892	53,000	\$ 23,108	77.31%
Small Tools	<u>3,261</u>	<u>5,805</u>	<u>834</u>	<u>8,000</u>	\$ 7,166	859.61%
Total Small Tools & Supplies	<u>\$ 324,387</u>	<u>\$ 260,533</u>	<u>\$ 345,906</u>	<u>\$ 391,442</u>	\$ 45,536	13.16%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Utilities Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Utility Power	314,316	161,943	187,994	154,300	\$ (33,694)	-17.92%
Telephone	32,704	33,072	40,890	33,505	\$ (7,385)	-18.06%
Water	4,897	8,634	9,127	10,000	\$ 873	9.56%
Total Utilities	351,917	203,649	238,011	197,805	\$ (40,206)	-16.89%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

General & Administrative Expense

Expense Description		2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Election	O	1,043	-	25,000	25,000	\$ -	0.00%
Office Supplies	O	16,432	14,072	15,549	15,620	\$ 71	0.46%
Computer Support and Supplies	O	40,418	121,468	76,432	84,500	\$ 8,068	10.56%
Bank Charges	O	2,574	1,594	114	1,500	\$ 1,386	1215.79%
User Charge Collection Fee	O	32,908	33,379	30,000	35,000	\$ 5,000	16.67%
Publication and Legal Ads	O	13,779	12,128	11,663	15,000	\$ 3,338	28.62%
Public Education and Outreach	O	33,462	34,037	40,000	65,000	\$ 25,000	62.50%
Taxes, Other	O	7,766	8,917	3,883	9,000	\$ 5,117	131.76%
Memberships		44,083	44,810	44,078	56,000	\$ 11,923	27.05%
Permits		48,604	55,985	19,812	23,250	\$ 3,438	17.35%
Fines		9,000	-	-	-	\$ -	
Rents and Leases		21,008	16,362	11,284	16,500	\$ 5,216	46.22%
Miscellaneous expense		102	-	1,014	1,000	\$ (14)	-1.38%
Total General & Administrative		271,179	342,752	278,829	347,370	\$ 68,541	24.58%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 DEBT SERVICE BUDGET
PRESENTED JUNE 6, 2019**

	Source of Funds	2016-17 Total Actual	2017-18 Total Actual	2018-19 Projected Actual	Total Payout 2019-20 Proposed Budget	Interest 2019-20 Proposed Budget
2005 Certificates of Participation/ Refunded 2014	Gen Fund	\$ 689,876	\$ 697,963	\$ 690,473	\$ 692,488	\$ 137,488
2019 IBank Loan	Loan Reserve				623,197	331,192
2010 State Revolving Fund Loan	Gen Fund	285,464	285,464	285,464	285,464	83,564
2011 Bank of Marin Loan	Gen Fund	332,681	332,682	332,682	332,681	112,764
2012 Bank of Marin Loan	Gen Fund	235,346	235,346	235,346	235,346	20,113
2017 Revenue Bonds ⁽¹⁾	Loan Reserve	-	2,369,505	2,446,600	2,448,600	1,458,600
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		\$ 1,638,401	\$ 3,920,960	\$ 3,990,565	\$ 4,617,777	\$ 2,143,721

	2018-19 Total Payout	2019-20 Total Payout	2019-20 Interest
Gen Fund	1,543,965	1,545,980	353,929
Loan Reserve	2,446,600	3,071,797	1,789,792
	<u>3,990,565</u>	<u>4,617,777</u>	<u>2,143,721</u>
		2,474,056	

(1) Includes treatment plant upgrade, recycled water treatment plant expansion and operations control center.

(2) Per Board action on May 25, 2017, the amounts collected for the treatment plant upgrade and operations control center projects prior to the bonds being issued will be reclassified as Reserves and are reflected in the Reserve Budget for all years presented.

Las Gallinas Valley Sanitary District

Loans Payable Balance Estimates & Details at 06/30/2019

Note Payable	Started	Reason for Loan	End Date	Years	Interest %	Original Amount	Secured by:	Debt Coverage	Audited Balance @ June 30, 2018	Estimated Balance @ June 30, 2019
Bank of Marin #1	6/10/2011	Recycled Water Facility	6/10/2031	20.01	3.88%	\$ 4,600,000.00	Constructed Asset	1.20%	\$ 3,380,751.97	\$ 3,177,436.06
Bank of Marin #2	7/27/2012	Recycled Water Facility	8/10/2022	10.04	3.25%	\$ 2,000,000.00	Constructed Asset	1.20%	\$ 915,027.78	\$ 706,711.66
City National Bank for Municipal Finance Corporation	4/1/2014	Refinance 2005 COP ⁽¹⁾ (Certificates of Participation) Bonds	6/1/2025	11.18	3.30%	\$ 6,880,000.00	Net Revenues	1.15%	\$ 4,978,800.00	\$ 4,443,800.00
State Water Resources Control Board State Revolving fund	11/1/2012	Construction	6/1/2032	19.59	2.70%	\$ 3,778,805.82	Constructed Asset	1.20%	\$ 3,291,572.00	\$ 3,094,980.65
US Bank 2017 Revenue Bonds	4/28/2017	Bonds for Construction	4/1/2042	24.94	3.30%	\$38,365,000.00	Net Revenues	1.25%	\$37,415,000.00	\$36,465,000.00
Premium on 2017 Bonds	4/1/2017	Revenue Bonds	4/1/2042	25.02					\$ 2,882,139.00	\$ 2,882,139.00
California Infrastructure & Economic Developmental Bank for I-Bank Loan	5/1/2019	Construction	5/1/2039	20.01	3.00%	\$12,000,000.00	Net Revenue	1.25%	\$ -	\$ 12,000,000.00
TOTAL DEBT									\$ 52,863,290.75	\$ 58,885,919.65

Per Audited 2017-18 FS \$ 52,863,292.00
Difference \$ (1.25)

1. Certificates of Participation:

A municipal government will typically issue muni bonds from which the proceeds from the bond investors will be used to undergo a project. The certificate of participation is an alternative to municipal bonds in which an investor buys a share in the improvements or infrastructure the government entity intends to fund. The authority usually uses the proceeds from a COP to construct a facility that is leased to the municipality, releasing the municipality from restrictions on the amount of debt that they can incur. The COP contrasts with a bond, in which the investor loans the government or municipality money in order to make these improvements.

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 RESERVE FUNDING BUDGET
PRESENTED JUNE 6, 2019**

Expenditure	2016-17 Total Actual	2017-18 Adopted Budget	2018-19 Adopted Budget	2018-19 Revised Budget	2019-20 Proposed Budget
Working Cash Flow	\$ 126,408	\$ 158,045	\$ 166,286	\$ 166,286	\$ 166,286 (3)
Emergency Repair ⁽²⁾	43,622	-	-	-	-
Capital Reserves					
Undesignated	111,536	139,451	\$ 146,722	\$ 146,722	\$ 146,722 (3)
Plant Upgrade and Recycled Water Treatment Plant Expansion Projects	2,591,715	301,210	224,115	224,115	222,115 (4)
Capacity Fund	-	-	-	300	300
Captains Cove	-	5,060	-	-	- (5)
Marin Lagoon	6,263	9,695	-	-	- (5)
MMWD Recycled Water Facility Buy in	333,563	-	-	-	-
Equipment Reserves					2,000,000
MMWD Debt Reimbursement					
Bank of Marin	-	206,549	206,549	206,549	206,549 (6)
2017 Revenue Bonds	-	248,509	256,595	256,595	256,804 (6)
	<u>\$ 3,213,107</u>	<u>\$ 1,068,519</u>	<u>\$ 1,000,267</u>	<u>\$ 1,000,567</u>	<u>\$ 2,998,776</u>

\$ 245,413

(1) Target balance is \$300,000 and was met prior to June 30, 2009.

(2) Target balance is \$1,000,000 and will be met in fiscal year ended June 30, 2017.

(3) Check total agrees to budgeted amount \$ 281,566 \$ 297,496 \$ 313,008

(4) Debt service per rate setting/adopted budget	2,591,715	2,670,715	2,670,715	2,670,715	2,670,715
Actual debt service on 2017 Revenue Bonds	NA	2,369,505	2,446,600	2,446,600	2,448,600
		<u>301,210</u>	<u>224,115</u>	<u>224,115</u>	<u>222,115</u>

(5) CC and ML amounts are the excess of special assessments over allocated budget amounts in O&M budget

(6) See Debt Service section for MMWD reimbursement amounts

**LAS GALLINAS VALLEY SANITARY DISTRICT
REVENUE, EXPENSES, DEBT SERVICE COVERAGE
PRESENTED JUNE 6, 2019**

Revenue Description	2017-18 Final Actual	2018-19 Projected Actual	2019-2020 Proposed Budget	Change	% Change from PY
OPERATING REVENUE					
User Charges	\$ 13,634,548	\$ 14,220,000	\$ 14,602,912	\$ 382,912	2.69%
Educational Revenue Augmentation Fund	372,411	319,000	325,000	\$ 6,000	1.88%
Recycled Water	61,080	39,000	42,000	\$ 3,000	7.69%
Franchise Fees	25,000	70,000	149,422	\$ 79,422	113.46%
Inspections/Permits/Application Fee	11,678	22,038	8,500	\$ (13,538)	-61.43%
Interest	425	531	500	\$ (31)	-5.89%
Interest on Reserves	269,180	388,665	400,000	\$ 11,335	2.92%
Suppl. Property Tax Assess.	27,670	13,000	16,000	\$ 3,000	23.08%
Homeowner Property Tax Relief	4,354	3,240	4,300	\$ 1,060	32.70%
Private Sewer Lateral Assistance Program	101,368	87,721	80,000	\$ (7,721)	-8.80%
Reimbursement for Lateral Repairs		0	0	\$ -	0.00%
Miscellaneous Revenue	29,521	1,575	-	\$ (1,575)	-100.00%
Sale of Assets	29,012	75	-	\$ (75)	-100.00%
Operating Transfer In	-	-	-	\$ -	0.00%
TOTAL OPERATING REVENUES	<u>\$ 14,566,247</u>	<u>\$ 15,164,845</u>	<u>\$ 15,628,634</u>	\$ 463,789	3.06%
Property Tax	890,205	888,554	890,000	\$ 1,446	0.16%
Marin Municipal Water District	<u>455,057</u>	<u>463,145</u>	<u>463,353</u>	\$ 208	0.04%
Net Revenues	<u>\$ 15,911,509</u>	<u>\$ 16,516,544</u>	<u>\$ 16,981,987</u>		
TOTAL OPERATING EXPENDITURES	<u>\$ 6,127,621</u>	<u>\$ 6,376,788</u>	<u>\$ 7,148,015</u>	\$ 771,227	
NET POSITION	<u>\$ 9,783,888</u>	<u>\$ 10,139,756</u>	<u>\$ 9,833,971</u>	\$ (305,785)	
DEBT EXPENDITURES	<u>\$ 3,920,960</u>	<u>\$ 3,990,565</u>	<u>\$ 4,617,777</u>	\$ 627,212	
Convenant Regarding Gross Revenues	<u>250%</u>	<u>254%</u>	<u>213%</u>		
125% Requirement					

2019-2020 CAPITAL PROJECTS SUMMARY

DEPARTMENT	PROJ#	CAPITAL OUTLAY DESCRIPTION	Type	2018-19		Expenditures	FUNDING SOURCE						Available
				2018-19	2019-20		Carryover		General Fund		Total		
				Previous Yr	Proposed		2018-2019	Bond Fund	Grants	Bond Fund		Reserves	
		Projects	Reserve		Reserve	(Allocated)	(Unallocated)						
100 ADMINISTRATION													
	4361	19100-01	PHONE SYSTEM	E	20,000	20,000							
	4306	19100-02	ROOF REPLACEMENT	R	107,480	107,480							
	4307	19100-03	HVAC SYSTEM REPLACEMENT	E	70,000	70,000							
Finance		20100-01	INTEGRATED FINANCIAL SOFTWARE-ASM	S		100,000					100,000	100,000	125,000
GM	4306	20100-02	ADMINISTRATION BUILDING	F		100,000					100,000	100,000	10,100,000
GM	4801	20100-03	REDESIGN OF OFFICES IN ADMIN BUILDING	E		20,000					20,000	20,000	20,000
GM		20100-04	GENERAL MANAGER AUTO	V		40,000					40,000	40,000	40,000
GM	4342	20100-05	MASTER PLAN (2018-19 Funds from Collections 19200-04)	C		200,000					200,000	200,000	800,000
ADMINISTRATION SUMMARY					197,480	460,000							
115-ENGINEERING													
Engineering		20125-01	On-Call Construction Contract	C		100,000						100,000	500,000
200 COLLECTION SYSTEM													
Engineering	4377	11200-03	JOHN DUCKETT SEWAGE MAIN CAPACITY AND STORAGE	I	8,413,900	1,685,457	6,728,443					6,728,443	8,928,443
Collections	4153	19200-01	SEWER MAIN REHABILITATION - 2018	F	3,053,167		379,803					379,803	2,053,167
Collections	4153	20200-01	SEWER MAIN REHABILITATION -2020-2024	F									5,000,000
Collections	4153a	17200-03	GIS SOFTWARE IMPLEMENTATION-UPGRADE EXISTING	S	1,740		1,740					1,740	21,740
Collections	4153b	18200-01	SEWER MAIN REHABILITATION 2018	I	8,580								8,580
Collections	4240	19200-02	MANHOLE/ROD HOLE REPAIR AND REPLACEMENT	I	94,510	50,000					50,000	50,000	344,510
Collections	4484	19200-03	VACTOR	V	325,000		325,000					325,000	325,000
Moved	4808	19200-04	COLLECTIONS SYSTEM MASTER PLAN (Moved to Admin)	C	200,000		200,000					200,000	200,000
Engineering		11200-03	Marinwood Trunk Sewer Repair	I		300,000						300,000	300,000
Collections		20200-03	VEHICLE - PER GUIDE DOG AGREEMENT	V		145,000						300,000	300,000
COLLECTION SYSTEM SUMMARY					11,098,897	495,000				112,669	32,331	145,000	145,000
300 PUMP STATIONS/FRC MNS													
	4492	12300-05	RAFAEL MEADOWS PUMP STATION	I		100,000						100,000	600,000
	4801	14300-05	FORCE MAIN REPAIR/REPLACEMENT	I	1,838,145	1,838,145						1,838,145	1,838,145
		19300-01	SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA)	S	27,099								27,099
		19300-02	PUMP STATION PANEL UPGRADES AND REPLACEMENTS	R									
	4481	18360-01	MARIN LAGOON PUMP STATION	I	193,115		193,115					193,115	193,115
	4801	18300-05	HAWTHORNE PUMP STATION FENCING-REPLACEMENT	R	75,000		75,000					75,000	75,000
	4801	18300-06	TRASH PUMP 8"-EMERGENCY BYPASS PUMPS	E	97,500								97,500
	4801	18300-07	TRASH PUMP 8"-EMERGENCY BYPASS PUMPS	E	105,000								105,000
	4601	18300-08	RED FLAG PREP - EMERGENCY GENERATORS	E		200,000					200,000	200,000	200,000
	4245	18350-01	CAPTAINS COVE PUMP STATION UPGRADES-UPGRADE AL	R	29,765		29,765					29,765	29,765
PUMP STATIONS / FORCE MAINS SUMMARY					2,365,624	300,000							
500 RECLAMATION													
	4412	11500-09	MILLER CREEK - REPAIR, MAINTAIN & MODIFY	I	326,376	78,000						78,000	78,000
	4412	17500-05	MCINNIS MARSH RESTORATION	I	100,000		100,000					100,000	100,000
		21500-01	LEVEE MAINTENANCE	I									275,000
	4332	18500-02	NORTH BAY WATER REUSE AUTHORITY AND	I	38,000								38,000
Plant		20500-01	PASTURE IRRIGATION PUMP REBUILDS	R		40,000					40,000	40,000	40,000
Plant		20500-02	STORAGE POND SLUICE GATE REPLACE OR REPAIR	R		30,000					30,000	30,000	30,000
Plant/Engineer		20500-03	ST. VINCENT P. S. DISCHARGE PIPE LEVEE REPAIR	R		50,000					50,000	50,000	50,000
Plant		20500-04	SHARP SOLAR PANEL REPLACEMENT PROJECT	R		100,000					100,000	100,000	100,000
Plant		20500-05	MARSH POND VEGETATION REMOVAL	I		150,000					150,000	150,000	150,000
Plant		20300-06	SPARE 10HP FLYGT SUBMERSIBLE PUMP	E		10,000					10,000	10,000	10,000
Plant		20300-07	BYPASS PUMP CONNECTION COMPONENTS AND PIPE	E		40,000					40,000	40,000	40,000
Engineering		20300-08	SMITH RANCH P.S. FLOW METER VAULT SUMP PUMP	E		15,000					15,000	15,000	15,000
RECLAMATION SUMMARY					461,376	513,000							

2019-2020 CAPITAL PROJECTS SUMMARY

DEPARTMENT	PROJ#	CAPITAL OUTLAY DESCRIPTION	Type	2018-19		2019-20	Expenditures	FUNDING SOURCE						Available	
				2018-19	2019-20			Carryover		General Fund					
								2018-2019 Projects	Bond Fund Reserve	Grants	Bond Fund Reserve	Reserves (Allocated)	Reserves (Unallocated)		Total
600 TREATMENT PLANT															
4142	12600-02	PLANT IMPROVEMENTS 2018	I	840,000	71,000		118,860	721,140					71,000	792,140	792,140
4125	12600-07	SECONDARY PLANT UPGRADES	I	8,615,010	24,362,737		3,724,272		4,891,738		24,362,737			29,254,474	44,923,034
4163	14600-04	BIOGAS ENERGY RECOVERY SYSTEM	I	247,498	-		247,498							-	-
4161	19600-01	SUPERVISORY CONTROL AND DATA ACQUISITION	S	27,099	-									-	27,099
4161	19600-02	MISCELLANEOUS PLANT EQUIPMENT	E	12,500	-									-	12,500
Plant	20600-01	INFLUENT SCREEN OVERHAUL - 2	I	-	130,000								130,000	130,000	130,000
Plant	20600-02	LAB CABINET REHAB FOR DISHWASHER AND SINK	E	-	10,000								10,000	10,000	10,000
Engineering	20600-03	CANOPY INSTALLATION - CNG FUELING	F	-	150,000								150,000	150,000	150,000
	20600-04	FLOW EQUALIZATION BASIN	F	-	400,000								400,000	400,000	4,900,000
TREATMENT PLANT SUMMARY				9,743,107	25,123,737									-	-
650 TERTIARY FACILITY															
4286	18650-02	UV PIPING REPAIR	I	240,000	-									-	240,000
4250	19650-01	SUPERVISORY CONTROL AND DATA ACQUISITION	S	27,099	-									-	27,099
4501	16650-02	RECYCLED WATER FACILITY EXPANSION	I	6,591,160	4,299,306		552,747		8,038,413	847,150	4,299,306		11,184,869	13,102,759	
TERTIARY FACILITY SUMMARY				6,858,259	4,299,306									-	-
TOTALS				10,592,150	31,291,043			10,592,150	10,930,150	847,150	28,662,043	112,669	2,516,331	53,660,494	

NEEDED FOR FUTURE INFRASTRUCTURE PROJECTS

6,852,691

Capital Expenditures by Category:

Category	Type	2018-19	2019-20
Infrastructure	I	39,600,461	29,541,043
Vehicle	V	325,000	185,000
Facility	F	-	650,000
Equipment	E	309,000	295,000
Software	S	83,037	100,000
Repair	R	212,248	220,000
Contract	C	200,000	300,000
Total Capital Projects		30,729,746	31,291,043

Capital Funding by Category:

Category	2018-2019 Projects	Bond Fund Reserve	Grants	Bond Fund Reserve	Reserves (Allocated)	Reserves (Unallocated)	Total
Infrastructure	9,960,645	10,930,150	847,150	28,662,043	-	879,000	51,278,989
Vehicle	325,000	-	-	-	112,669	72,331	510,000
Facility	-	-	-	-	-	650,000	650,000
Equipment	-	-	-	-	-	295,000	295,000
Software	1,740	-	-	-	-	100,000	101,740
Repair	104,765	-	-	-	-	220,000	324,765
Contract	200,000	-	-	-	-	300,000	500,000
Total Capital Projects	10,592,150	10,930,150	847,150	28,662,043	112,669	2,516,331	53,660,494
						31,291,043	

Allocation of Big Project Costs

	Alloc.	2018-19	2019-20
SECONDARY PLANT UPGRADES	85.0%	8,616,010	24,362,737
RECYCLED WATER FACILITY EXPANSION	15.0%	6,591,160	4,299,306
Total		15,207,170	28,662,043

Agenda Summary Report

To: Mike Prinz, General Manager *MPZ*
From: Robert D. Ruiz, Administrative Services Manager
Mtg. Date: June 6, 2019
Re: Public Hearing – Budget for the 2019-20 Fiscal Year
Item Type: Consent _____ Discussion X Information _____ Other _____
Standard Contract: Yes _____ No _____ (See attached) Not Applicable X

BACKGROUND:

The Board met initially on April 25, 2019 at the Budget Workshop to review the Proposed Fiscal 2019-2020 Budget. The Board then was given an update of the Budget on May 16, 2019 on changes that had been made to the budget.

A few items were requested for additional review. Those items were as follows:

May 16, 2019:

- Memberships with other organization detailed and discussed.
- Reserves available to meet operations and debt obligations.
- Debt Coverage Percentages are positively being met.
- \$200,000 had been added to capital for Red Flag Power Outage preparation. ⁽¹⁾

Revisions included in this presentation:

- Computer Works software for equipment maintenance needed to be included of \$12,000.
- Office modernization/redesign costs have been added to capital \$20,000.
- Re-allocation of reserves to revenue for current year capital projects (\$1,500,000).

Comparison of the originally presented budget to this current version is depicted on the next page:

	Revised Budget	Workshop Budget	Change	Reason
Revenue Budget	\$ 68,630,476	\$70,189,476	\$1,559,000	Re-allocation from Reserves to current year's revenue.
Operations and Maintenance	\$7,348,015	\$7,155,108	\$192,907	Increase - Red Flag Prep ⁽¹⁾ /Decrease - memberships
Capital Outlay Budget	53,420,494	\$53,440,494	(\$20,000)	General Office Modifications
Debt Service Budget	\$ 4,617,777	\$4,798,026	(\$180,249)	Due to decrease in payments to I-Bank
Reserve Budget	2,998,776	\$4,498,776	(\$1,500,000)	Re-allocate reserves to current year revenue.
Total Change	\$245,413	\$297,072	\$51,659	

(1) This is in relation to the purchase of fuel and rental of generators to protect the pump stations from expected power outages.



The budget expenditures are comprised of four components:

1. Operating and Maintenance – set at \$7,348,015 which is a 15.23% increase over the prior year.
2. Reserve Funding – set at \$2,998,776 for various reserve categories.
3. Debt Service – set at \$4,617,777, an increase of \$627,212 over the prior year. The additional funds reflect an addition of a \$12,000,000 loan from the State for the District's major construction project.
4. Capital Outlay – set at \$53,420,494 consisting of carryover projects of \$39,592,193 use of bond funds and grants for the Secondary Treatment Plant Upgrade and Recycled Water Treatment Facility Expansion projects of \$11,339,300; and new funding for projects of \$2,429,000. Other carryover projects and funding will be included when the revised budget is presented in the fall.

PREVIOUS BOARD ACTION:

Resolution No. 2019-2158 set the public hearing for the budget. The Board met on April 25, 2019 for a Budget Workshop to review the Proposed Fiscal 2019-2020 Budget. The Board then was given an update of the Budget on May 16, 2019.

ENVIRONMENTAL REVIEW:

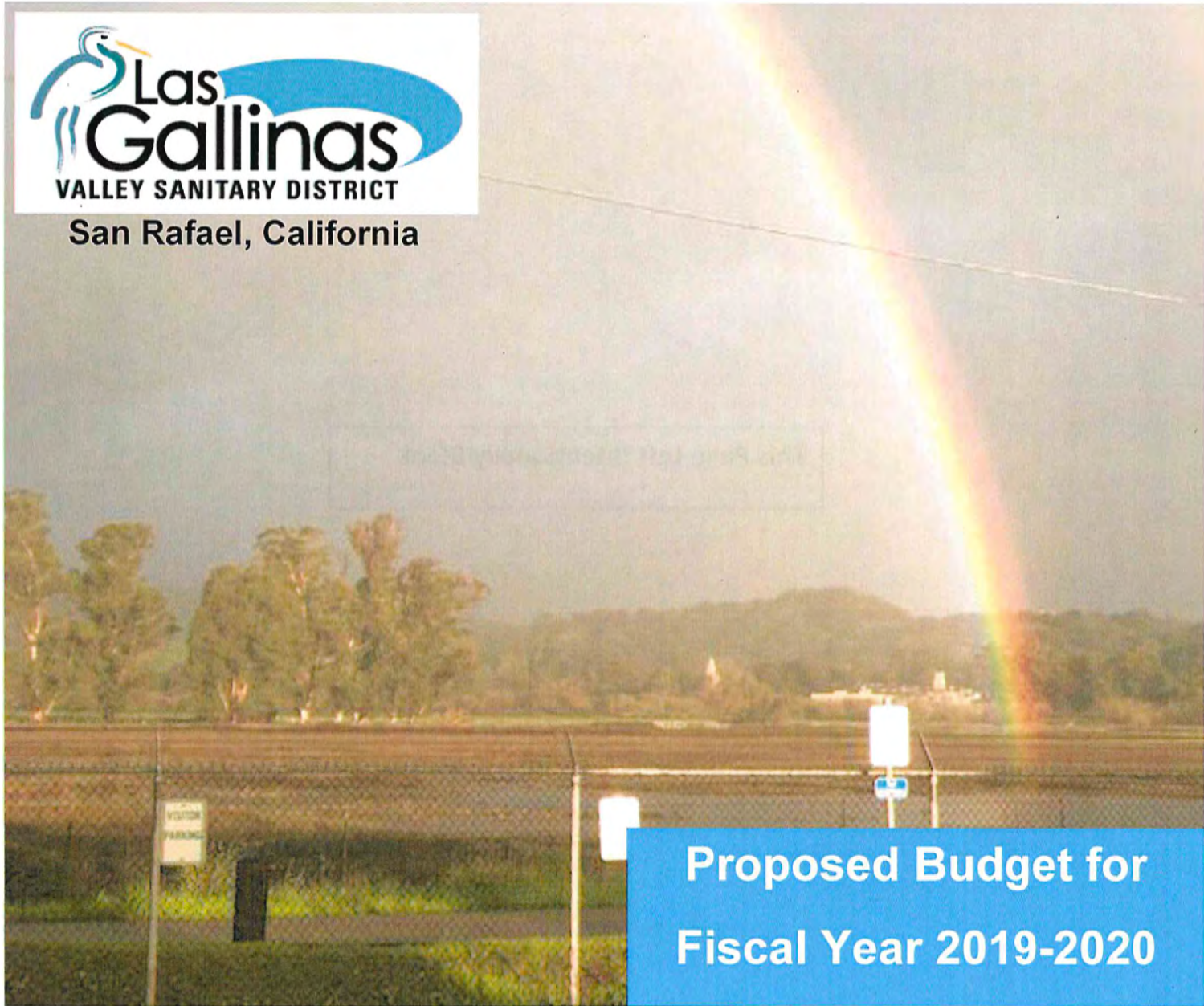
N/A

FISCAL IMPACT:

The resolutions allow the District to be in compliance with state and county regulations regarding the public hearings. Total revenue of \$68,630,476.

STAFF RECOMMENDATION:

Staff requests that the board open the public hearing to solicit public input.



**Proposed Budget for
Fiscal Year 2019-2020**

**Presented to the Board of Directors
At the Board Meeting
June 6, 2019
Board Room
300 Smith Ranch Road**

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DISTRICT BOARD

Megan Clark

Rabi Elias

Craig K. Murray

Judy Schriebman

Crystal J. Yezman

DISTRICT ADMINISTRATION

Mike Prinz,

General Manager

Michael Cortez,

District Engineer

Mel Liebmann,

Plant Manager

Greg Pease,

Collection System/Safety Manager

Robert Ruiz

Administrative Services Manager

May 16, 2019

To the Board of Directors of the Las Gallinas Valley Sanitary District,

The management staff of the District is pleased to present to the Board the 2019-20 Preliminary Revenue, Operating and Maintenance Expense, Debt Service, Reserve Funding, and Capital Outlay Budgets for review. These budgets reflect the District's progress in the five-year capital improvement plan adopted by the Board in June 2015 for the 2016 through 2020 fiscal years.

Operating Revenue is expected to increase by approximately \$462,000 primarily from a \$29 increase in the sanitary sewer service charge from \$898 to \$927. Operating and Maintenance costs are expected to increase over the prior year by \$971,000 due to a serious problem with deferred maintenance in equipment, buildings and grounds by \$271,000 or 79.86%. Another major component is the PG&E Red Flag prep for power outages, which increased the budget by \$200,000. Staffing levels are projected to increase by one full time equivalent in order to help alleviate the deferred maintenance problem, but Staff expects that it will take at least a year to see positive results. Salaries will increase by 3.25%, which is based on COLA for the region over the last year. Also, we have a new permanent GM and a newly hired ASM. We are expecting that the changes in those positions will bring stability to many issues regarding personnel and deferred maintenance that have been plaguing the district.

As has been anticipated, Debt service will increase from \$3,990,000 to \$4,617,777 due to the \$12,000,000 I-Bank loan agreement that the District executed on May 1st, which was additional borrowing for the Secondary Treatment Plant construction.

The Capital Outlay effort for 2019 will be focused on the Secondary Treatment Upgrade and Recycled Water Expansion projects, which will not be completed until January 2021. This will result in Capital Expenditures of approximately \$40 million in this fiscal year. Other equipment purchases, major repairs, planning for future projects and accumulation of funding for large projects will continue as normal.

Sincerely,

Robert D. Ruiz, CPA
Administrative Services Manager

Mike Prinz, PE
General Manager

Annual Operating Budget Fiscal Year 2019-2020



Board of Directors
Craig K. Murray, President
Rabi Elias, Vice President
Megan Clark, Board Member
Judy Schriebman, Board Member
Crystal Yezman, Board Member

Prepared under the direction of:
Mike Prinz,
General Manager

With the aid of:
Robert D. Ruiz,
Administrative Services Manager

Las Gallinas Valley Sanitary District

Preliminary Budget 2019-20

Operating Revenue

The District is in the final year of a five-year rate increase based on the capital outlay plan adopted by the Board in June 2015. The maximum rate for 2019-20 FY of \$927 per equivalent dwelling unit, consistent with the five-year rate plan, is utilized in preparing the proposed budget.

Educational Revenue Augmentation Funds (ERAF) are determined by state statute. Special districts are allocated a certain amount of property tax revenues; however, a portion is shifted from counties, cities, special districts, and redevelopment agencies to K-12 schools and community colleges. The District is subject to ERAF I and II tax shifts, which are specified by the State, using population and other factors and are adjusted yearly per the incremental growth rate in assessed property tax values. Staff has budgeted \$320,000 based on projected 2018-19 receipts.

Recycled water revenue is the estimated cost of providing water to North Marin Water District based on the projected costs for 2019.

Inspections, Permits, and Application fees reflect projected revenue from inspecting laterals as required by the planned changes to the District's Ordinance code. The revenue is conservatively projected based on historical sales data for properties within the District for half the year.

Franchise fees include new revenues based on projections created by RG3 solutions for Marin Sanitary Services. Bank interest, supplemental property taxes, and Homeowner Property Tax Relief funds are projected to remain the same, which is consistent with prior year budgets.

Interest on reserves, which are invested in the Bank of Marin and the Local Agency Investment Fund (a State of California fund), are expected to reduce slightly from the prior year as we start using these funds to make payments on the Secondary Treatment Plant Upgrade and Recycled Water Expansion projects, since the District will be proceeding with construction. Staff expects reserves to be drawn down substantially this year due to this construction.

The Private Sewer Lateral Assistance program began in July 2012; the budget reflects the projected repayments for 2020.

Funds in excess of the amount needed to fund the Operating and Maintenance and Debt Service budgets are transferred to General Construction Reserves.

Capacity Related Revenue

Activity for remodel permits and second units has increased from prior years, but larger projects are proceeding slowly. Since the District is substantially built out and the pace of development is difficult to predict, staff is conservatively not budgeting any capital facility charges for 2020. The interest income for this category is for existing funds on deposit, which have been substantially expended for capital projects.

General Construction Revenue

Secured property taxes are calculated based on the value of real property, land and personal property, such as structures, located upon real property. Secured property is taxed at a general rate of 1% of the assessed value. Property tax projections for 2019 are expected to be higher than budgeted.

Las Gallinas Valley Sanitary District Preliminary Budget 2019-20

Operating Transfer In consists of funds in excess of the amount needed to fund the Operating and Maintenance and Debt Service budgets. There was no need to budget an amount this year.

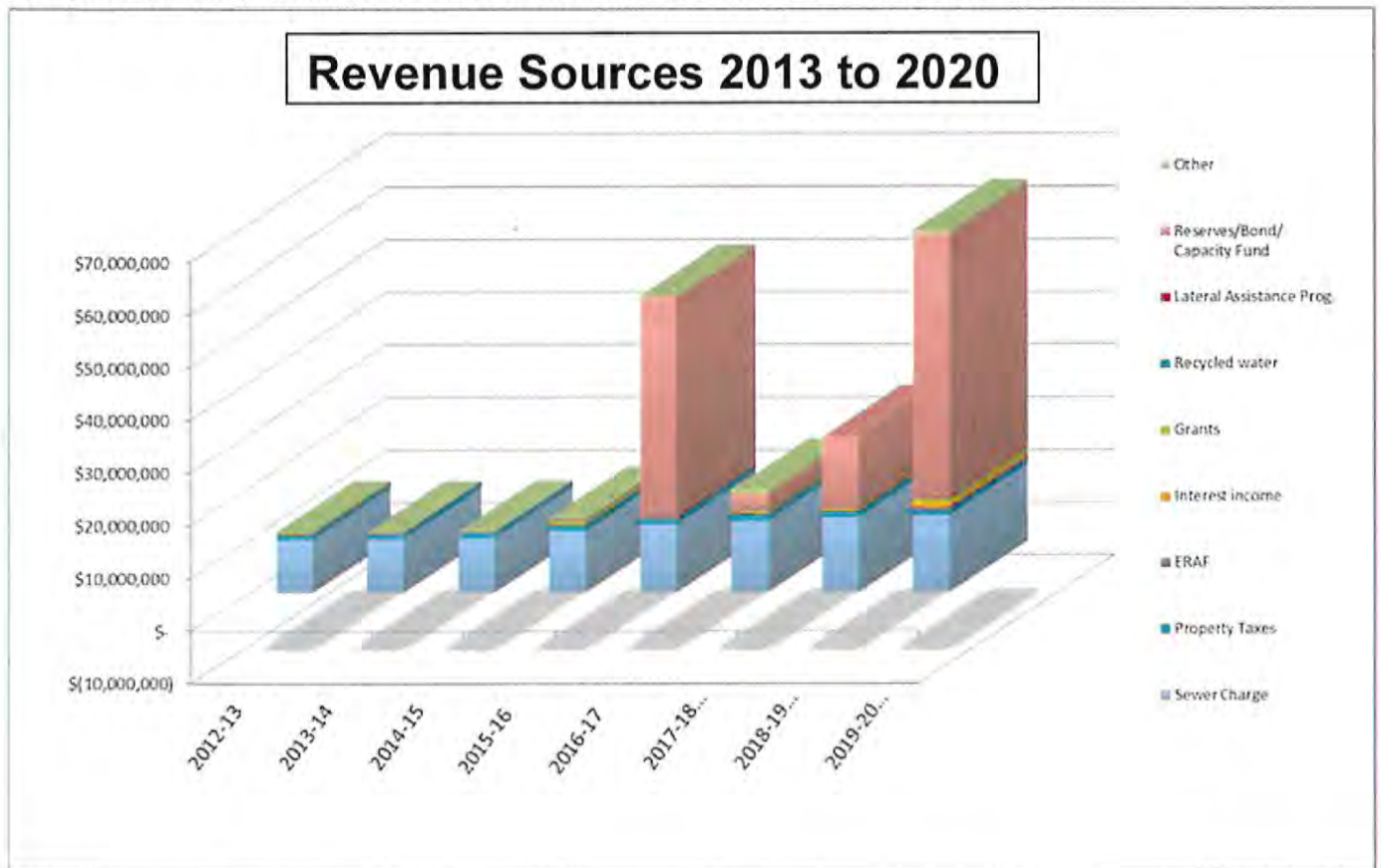
Other Sources of Funds

Marin Municipal Water District entered into an agreement in March 2017, to buy into the existing capacity of the Recycled Water Treatment Facility as well as participating in the debt service of the 2017 Revenue Bonds associated with the estimated cost for the expansion of the facility. These funds are allocated to the reserve funding for the cost of the project.

Utilization of Bond Funds and Reserves

The District has projects budgeted for 2018-19 which either will not begin prior to yearend and are expected to proceed in 2019-20 FY or are accumulating funds over several years. These projects are included in the Capital Outlay budget and the related funding which will carry forward from 2018-19.

\$40 Million in Bond Fund revenue was received in 2016-17 and then transferred to the Bond savings account in LAIF. Those funds will be transferred back into revenue 2019-20 to pay for constructions. The following graph depicts the composition of District revenues and funds over the last several years.



Las Gallinas Valley Sanitary District

Preliminary Budget 2019-20

Operating and Maintenance Expenses

Employee Expenses:

Regular staff salaries have been calculated based on a two-year MOU contract extension, which begins on July 1, 2019. At the start of this fiscal year salaries are to be increased by 3.25% per the extensor agreement. In the next fiscal year, the agreement includes a 3.50% salary increase. There is one vacant position from the previous year that will be filled in this budget. 2 part time positions were combined in order to create a new administrative position that will be shared by the Administrative and Engineering departments. Scheduled step changes have been applied where appropriate.

Overtime is estimated based on projected 2019 amounts and reflect additional staffing for storm events.

Vacation and sick accrual are also being estimated based on the prior amounts; however, it is difficult to predict how much time staff will accumulate rather than use.

Stand by time is based on projected wages, the regular rotation of personnel on duty, and additional staff who are on call during storm events.

Board Member salaries are projected based on the 2019 amounts. Board members have received the same per meeting compensation since 2008.

Director benefits are based on the maximum allowance of \$200 per month per eligible director.

Social security tax is 7.65% of covered wages for all employees.

Group life insurance and long-term disability insurance are projected from year to date 2018 amounts with adjustments for changes in census data.

CalPERS contributions are projected from regular wages with the anticipated employer contribution rate for 2020. Staff who became CalPERS members after 2013 are covered by a plan which requires a limited retirement contribution paid by the District.

Health insurance is projected based on the known rates for July through December 2018 and the application of the health trend rate of +5% for 2020. Other Post-Employment Benefits are retiree health benefits for prior and current employees, which is based on the actuarial valuation for the post-employment benefits dated January 1, 2018.

Dental insurance is paid through a self-insured plan and is based on actual claims made. Since claim expenses vary from person to person and from year to year, the budget is based on the average of the prior three years.

Vision insurance is a set amount and is projected based on current employees and projected new staff. Auto allowance and commute stipend are based on the known amounts for covered staff. The manager allowances for auto and telephone have been set to increase annually with board approved COLA changes.

Las Gallinas Valley Sanitary District

Preliminary Budget 2019-20

Insurance:

Workers compensation insurance is based on projected wages for 2020 and application of the existing rates and a decrease in the experience modification factor based on lower District claims in the past two years.

Unemployment insurance is paid based on claims made. The District has not had a claim since 2004.

Pooled liability insurance includes general liability and mobile equipment, billed separately. The general liability insurance premium period is based on a calendar year and the mobile equipment on a fiscal year basis. The liability insurance is the larger premium for which half of the yearly cost is known based on the current billing. The budget for 2020 has been increased by 5% over the prior year.

Fidelity bond for the cost of commercial crime insurance coverage is based on prior years.

Repairs and Maintenance:

Vehicle parts and maintenance is primarily based on 2019 year to date results with adjustments for projected activity during the remainder of the fiscal year. There has been substantial deferred maintenance on the vehicles, grounds and buildings. We, therefore, added 20% additional amounts to the 2020 projections to begin addressing needed maintenance throughout the District.

Grounds maintenance is budgeted to include an outside firm to perform yard work on the main building landscape and also contains budget for deferred maintenance from a new skilled maintenance employee.

Power generation maintenance and repairs consists of work performed on the photo voltaic system, a maintenance contract for the BERS turbines, and maintenance of the CNG fill stations at the treatment plant and the pump station.

The maintenance amounts for Captains Cove and Marin Lagoon pump stations are fixed by ordinance and have not changed for the current budget as compared to the previous year.

Capital repairs/replacements consist of items that are long-lived or life extending in nature but are not included in the capital improvements budget. They are either items that are capital in nature, but the replacement/repair is not anticipated as part of the initial capital outlay budget or items such as small pumps and equipment with a cost under the \$5,000 capitalization threshold.

Other Operating Expenses:

Chemical costs are estimated based on past usage with an increase for 2019, which was an exceptionally wet year. Not only have we replaced the supplies used up during the bad weather season, but have added to the allotment due to the possibility of another year at that level.

Pollution prevention program is contracted with Central Marin Sanitary Agency. The budget is based on prior year experience and projected amounts for 2020.

Las Gallinas Valley Sanitary District

Preliminary Budget 2019-20

Lab contract services are budgeted based on year to date 2019 charges for the treatment plant and the recycled water facility.

Small tools and supplies are being budgeted at levels requested by the departments.

Outside services consist of the cost of pagers, answering service, alarm system monitoring, security patrol, pre-employment screening, and portable restrooms in the reclamation area. Janitorial cost is projected based on adding one additional cleaning per week. Uniform service is projected for 2020 based on current year costs. This year we will have to prepare for the Red Flag events from PG&E initiated by wildfires in the mountains or the area. These events are power outages in our area and will require that we have standby generators and fuel ready for power outages during possible wildfires. An extra \$200K was added to this item.

Aquatic review is conducted twice a year by contract.

Damage claims are budgeted based on the maximum deductible for one sewer overflow claim for the year.

Sludge Disposal is the cost for injecting digested biosolids in the District's dedicated disposal site. The amount is based on prior year activity.

Regulatory consultant budget is based on a proposal for 2019. The budget appears substantially in excess of current year to date expenditures; however, work performed in connection with the Secondary Treatment Plant Upgrade and Recycled Water Expansion projects are charged to the capital budget and not reflected in the year to date Operating and Maintenance Expense. The costs incurred to date are 60% of the budgeted amount and the proposal for 2019-20 is approximately 5% more than 2018-19.

Engineering consultant is an estimate by staff based on the average activity during recent years. Some of this cost is reimbursed by project owners who apply for capacity.

Consultants include costs for updating the strategic plan, implementing the Canada goose management plan, the biennial actuarial valuation for the Other Post Employment Benefit Plan, recruiting, performance of a compensation and classification study, and labor relations with RGS HR consulting.

General operating supplies are budgeted by department based on prior year trends.

Utility power is for the treatment plant and the pump stations. For the pump stations, a small increase is budgeted for converting to the Deep Green alternative with MCE. For the treatment plant, the budget includes charges in excess of any rebates due to power consumption required for construction. The decrease in charges are due to the warranty replacement of a few hundred solar panels during this fiscal year.

Telephone and water are budgeted based on year to date 2019 costs.

Fuel and oil budget is based on year to date 2019. Diesel usage is projected to remain about the same as the previous year, even with the utilization of the CNG powered vehicle for Collections.

Las Gallinas Valley Sanitary District

Preliminary Budget 2019-20

Safety equipment and supplies and safety services are budgeted to increase this year due to additional services being requested by Due-All Company.

Lateral rehab assistance program is budgeted based on the amount in the 2019 rate plus reinvestment of the projected repayments from existing agreements.

General and Administrative:

Conferences and mileage/travel are budgeted based on year to date 2019 activity, but with an expectation of additional conferences to be allowed for more of the staff to take advantage of.

Election costs are being budgeted the same as the previous year.

Office supplies and expense is budgeted based on annualizing 2019 activity.

Computer support and supplies includes annual software renewals, the replacement of computers as needed and outside computer network support. The District is using more software from outside vendors which has increased the cost.

User charge collection fee is charged by the County of Marin for collecting the property taxes and sanitary sewer service charges on the tax rolls. Staff is projecting the amount based on 2019 rates.

Publications and legal ads are for contract/public bidding advertising, chemical procurement, public hearings, and recruiting.

Public education and outreach is for the joint efforts with other Marin County sewage treatment agencies, web site maintenance, special mailings and for the District's newsletter and annual sewer rate change mailings. An additional \$25,000 was added to this budget in order to do more inter-district advertising.

Taxes, other is the annual LAFCO charge and is based on the projected 2019 charge.

Memberships and permits are based on the 2019 invoices with an increase for some permits.

Rents and leases for administration are costs for the lease of the postage machine, off-site records storage, railroad easements and copiers. Rents and leases for pump stations are for portable stand by generators for regular storm events.

Legal expense is projected to remain the same from 2019 activity as certain personnel matters and legal issues concerning the treatment plant upgrade are anticipated to be resolved.

Audit expense is based on the 2017 request for proposals which covers three years of audit engagements.

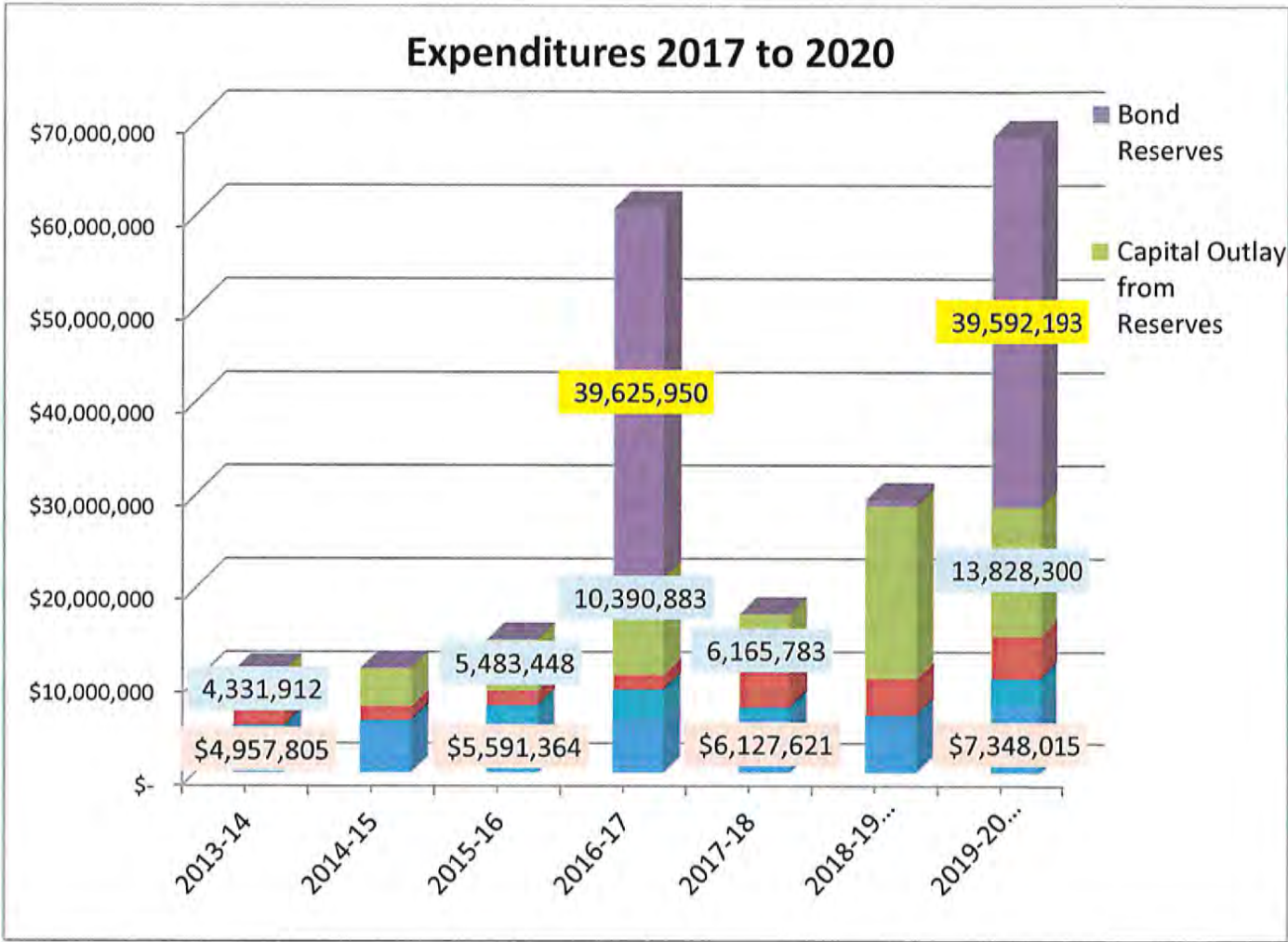
Employee recognition is based on year to date and projected 2019 activity.

Employee training and education includes the cost for the District to participate in the Liebert Cassidy Whitmore employment relations consortium and other offsite training. The District expects to continue to

Las Gallinas Valley Sanitary District Preliminary Budget 2019-20

send staff for training in 2019. Continued training for staff development is budgeted in the consultant category.

The following is a graph showing the composition of District expenditures for the past nine fiscal years plus the budget for 2019.



Reserves

- Working Cash Flow and Undesignated Capital reserves are budgeted based on the target balance established in 2009 and increase each year by 5%.
- The Capital Reserves for the Secondary Treatment Plant Upgrade and Recycled Water Expansion projects are based on the actual payment required to service the 2017 Revenue Bonds and the

Las Gallinas Valley Sanitary District

Preliminary Budget 2019-20

amount that was included in the five year rate increase. These funds will be used to pay for the project expenses. These amounts are tracked in the CIP worksheet and not included in this area.

- Captains Cove and Marin Lagoon reserves are the excess of special assessments over projected operations, maintenance and capital expenditures which are collected for these developments.
- MMWD Debt Reimbursement reserves are the amounts MMWD is paying to the District for the buy-in for the existing recycled water treatment plant and the allocated share of the 2017 Revenue Bonds for the expansion project.

Debt Service

The District has five issuances of debt outstanding. They are as follows:

- Certificates of Participation (COP) with an original principal amount of \$10,000,000, which were issued in 2005, and have annual principal and interest payments through December 2025. The District refinanced them at a reduced interest rate of 3.3% which will save interest over the remaining life and will result in lower annual payments. The principal balance remaining is scheduled to be \$4,443,800 as of July 1, 2019.
- State Revolving Fund Loan (SRF) was a construction loan which originated in 2010 and was completely drawn down in 2012. The original principal amount was \$4,314,750 with annual principal and interest payments through June 2032. The interest rate is 2.7%. The principal balance remaining is scheduled to be \$3,094,981 as of July 1, 2019.
- Bank of Marin Loan which originated in 2011 with a principal amount of \$4,600,000. Monthly principal and interest payments are due through June 2031. The interest rate is 3.88%. The principal balance remaining is scheduled to be \$3,177,436 as of July 1, 2019.
- Bank of Marin Loan which originated in 2012 with a principal amount of \$2,000,000. Monthly principal and interest payments are due through August 2022. The interest rate is 3.25%. The principal balance remaining is scheduled to be \$706,712 as of July 1, 2019.
- 2017 Revenue Bonds were issued in April 2017 with a principal amount of \$38,365,000. The true interest rate to maturity is 3.298476%. Annual principal and interest payments are due through April 2042. The principal balance remaining is scheduled to be \$36,465,000 as of July 1, 2019.
- 2019 I-Bank Loan with a principal amount of \$12,000,000. Semi-annual payments will be made at an interest rate of 3%, but the first payment is not due until after the July 1, 2019.

The debt service does not reflect the reimbursement to be received from MMWD for buying into the existing recycled water treatment facility or their portion of the 2017 Revenue Bonds. The payments to be received from MMWD are transferred to the reserves budget.

Las Gallinas Valley Sanitary District

Preliminary Budget 2019-20

Capital Outlay

A Summary of Capital Projects for the 2019-20 Fiscal Year Budget is listed below. See the separate Capital Outlay Budget detail for the list of projects and summary descriptions.

CAPITAL OUTLAY DESCRIPTION	Type	Expenditures		Capital Funding by Category:						
		2018-19	2019-20	2018-2019 Projects	Bond Fund Reserve	Grants	Bond Fund Reserve	Reserves (Allocated)	Reserves (Unallocated)	Total
Capital Expenditures by Category:										
Infrastructure	I	29,600,461	29,541,043	9,960,645	10,930,150	847,150	28,662,043	-	879,000	51,278,989
Vehicle	V	325,000	185,000	285,000	-	-	-	112,669	72,331	470,000
Facility	F	-	650,000	-	-	-	-	-	650,000	650,000
Equipment	E	305,000	95,000	-	-	-	-	-	95,000	95,000
Software	S	83,037	100,000	1,740	-	-	-	-	100,000	101,740
Repair	R	212,245	220,000	104,765	-	-	-	-	220,000	324,765
Contract	C	200,000	300,000	200,000	-	-	-	-	300,000	500,000
Total Capital Projects		30,725,743	31,091,043	10,552,150	10,930,150	847,150	28,662,043	112,669	2,316,331	53,420,494

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 REVENUE & FUNDS BUDGET
PRESENTED JUNE 6, 2019**

FUNDS AVAILABLE	2016-17 Final Actual	2017-18 Final Actual	2018-19 Projected Actual	2019-2020 Proposed Budget	Change	% Change from PY
OPERATING REVENUE						
User Charges	\$ 13,059,850	\$ 13,634,548	\$ 14,220,000	\$ 14,602,912	\$ 382,912	2.69%
Educational Revenue Augmentation Fund	366,078	372,411	319,000	325,000	\$ 6,000	1.88%
Recycled Water	45,548	61,080	39,000	42,000	\$ 3,000	7.69%
Franchise Fees	25,000	25,000	70,000	149,422	\$ 79,422	113.46%
Inspections/Permits/Application Fee	8,957	11,678	22,038	8,500	\$ (13,538)	-61.43%
Interest	532	425	531	500	\$ (31)	-5.89%
Interest on Reserves	72,856	269,180	388,665	400,000	\$ 11,335	2.92%
Suppl. Property Tax Assess.	15,409	27,670	13,000	16,000	\$ 3,000	23.08%
Homeowner Property Tax Relief	4,363	4,354	3,240	4,300	\$ 1,060	32.70%
Private Sewer Lateral Assistance Program	76,027	101,368	87,721	80,000	\$ (7,721)	-8.80%
Miscellaneous Revenue	33,057	29,521	1,575	-	\$ (1,575)	-100.00%
Sale of Assets	(6,267)	29,012	75	-	\$ (75)	-100.00%
Operating Transfer In	-	-	-	-	\$ -	0.00%
Total Operating Revenue	13,701,410	14,566,247	15,164,845	15,628,634	\$ 463,789	3.06%
OTHER SOURCES OF FUNDS						
CAPACITY RELATED FUNDS						
Annex and Capital Facility Charges	39,580	228,625	-	-	\$ -	0.00%
Interest on Connection Fees	451	242	124	300	\$ 176	141.25%
Total Capacity Related Revenue	40,031	228,867	124	300	\$ 176	141.25%
GENERAL CONSTRUCTION FUNDS						
Property Tax	856,873	890,205	888,554	890,000	\$ 1,446	0.16%
Operating Transfer In	-	-	-	-	\$ -	0.00%
	856,873	890,205	888,554	890,000	\$ 1,446	0.16%
OTHER SOURCES						
Marin Municipal Water District	436,837	455,057	463,145	463,353	\$ 208	0.04%
2017 Bond Sale	41,039,514	-	-	-	\$ -	0.00%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 REVENUE & FUNDS BUDGET
PRESENTED JUNE 6, 2019**

FUNDS AVAILABLE	2016-17 Final Actual	2017-18 Final Actual	2018-19 Projected Actual	2019-2020 Proposed Budget	Change	% Change from PY
2019 Ibank Loan			12,000,000	-	\$ (12,000,000)	-100.00%
Federal Grant	-	-	169,004	847,150	\$ 678,147	401.26%
State Grant	-	362,033	-	-	\$ -	0.00%
	<u>41,476,351</u>	<u>817,090</u>	<u>12,632,149</u>	<u>1,310,503</u>	\$ (11,321,646)	-89.63%
UTILIZATION OF BOND FUNDS AND RESERVES						
Reserves	366,256	-	-	-	\$ -	
Private Sewer Lateral Assistance Funds	-	-	-	-	\$ -	
Prior Year Capital Project Carryover	4,046,259	1,359,494	-	10,552,150	\$ 10,552,150	0.00%
Construction Project Reserve		791,158		-	\$ -	0.00%
Interest Earned on Unspent Bond Funds		567,986	709,744	580,000	\$ (129,744)	-18.28%
Transfers from Bond Fund	65,955	-	-	39,592,193	\$ 39,592,193	0.00%
Marin Lagoon Reserve Fund	-	13,580	74,000	74,000	\$ -	0.00%
Captains Cove Reserve Fund	-	236	2,695	2,695	\$ -	0.00%
Capital Facilities Fund	350,056	300,300	-	-	\$ -	0.00%
	<u>4,828,526</u>	<u>3,032,754</u>	<u>786,439</u>	<u>50,801,039</u>	\$ 50,014,600	6359.63%
					\$ -	
TOTAL FUNDS AVAILABLE FOR EXPENDITURES	<u>\$ 60,903,191</u>	<u>\$ 19,535,163</u>	<u>\$ 29,472,111</u>	<u>\$ 68,630,476</u>	\$ 39,158,364	132.87%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Overall Summary of Expenses

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Total Employee Wages	2,523,313	2,762,763	2,690,528	3,037,074	\$ 346,545	12.88%
Total Employee Benefits	1,235,695	1,259,817	1,598,842	1,602,445	\$ 3,603	0.23%
Total Insurance Expense	146,770	145,909	159,950	173,780	\$ 13,830	8.65%
Total Repairs and Maintenance	353,808	466,690	339,700	611,000	\$ 271,300	79.86%
Total Small Tools & Supplies	324,387	260,533	345,906	391,442	\$ 45,536	13.16%
Total Contracted Services	719,755	685,508	725,021	987,100	\$ 262,079	36.15%
Total Utilities	351,917	203,649	238,011	197,805	\$ (40,206)	-16.89%
Total General & Administrative	271,179	342,752	278,829	347,370	\$ 68,541	24.58%
OPERATING EXPENSE TOTALS	\$ 5,926,824	\$ 6,127,621	\$ 6,376,788	\$ 7,348,015	\$ 971,227	15.23%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Employee Wages & Benefits Expenses

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Regular Staff Salaries	2,252,470	2,458,142	2,389,273	2,761,056	\$ 371,784	15.56%
Over Time	87,008	83,452	90,951	75,607	(15,343)	-16.87%
Vacation and Sick Accrual	51,592	67,515	37,796	39,000	1,204	3.19%
Stand By	76,396	78,263	100,490	87,030	(13,460)	-13.39%
Directors Salary	55,847	75,391	72,020	74,380	2,361	3.28%
Directors Benefits	9,000	8,400	9,713	5,690	(4,022)	-41.41%
Payroll Taxes	178,182	191,210	210,491	208,702	(1,789)	-0.85%
Group Life Insurance	5,462	5,683	6,789	6,094	(695)	-10.24%
PERS	350,789	340,354	562,116	592,455	30,339	5.40%
Health Insurance	551,337	550,689	649,770	602,629	(47,141)	-7.26%
Long Term Disability	17,786	19,686	23,439	23,091	(348)	-1.49%
Auto Allowance	12,730	10,338	10,592	19,259	8,666	81.82%
Commute Stipend	28,037	28,845	36,345	35,626	(719)	-1.98%
Payroll Processing	9,657	9,466	10,727	10,500	(227)	-2.11%
Conferences	46,090	64,232	37,940	56,000	18,060	47.60%
Mileage and Travel	5,881	8,025	8,759	10,800	2,041	23.30%
Employee Recognition	2,481	6,616	6,883	6,000	(883)	-12.82%
Employee Training and Education	18,263	16,273	25,279	25,600	321	1.27%
Total Employee Expense	\$ 3,759,008	\$ 4,022,580	\$ 4,289,371	\$ 4,639,519	350,148	8.16%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Insurance Expenses

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Workers' Comp Insurance	41,785	41,159	46,000	48,482	\$ 2,482	5.40%
Unemployment Insurance	-	-	-	-		
Pooled Liability Insurance	103,753	103,800	113,000	124,300	11,300	10.00%
Fidelity Bond	<u>1,232</u>	<u>950</u>	<u>950</u>	<u>998</u>	48	5.00%
Total Insurance Expense	<u>\$ 146,770</u>	<u>\$ 145,909</u>	<u>\$ 159,950</u>	<u>\$ 173,780</u>	13,830	8.65%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Repairs and Maintenance Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Vehicle Parts & Maintenance	42,093	52,880	62,426	51,500	\$ (10,926)	-17.50%
Building maintenance	12,117	15,317	6,620	35,000	\$ 28,380	428.70%
Grounds Maintenance	7,161	21,410	25,471	40,000	\$ 14,529	57.04%
Power Generation Maint & Repair	3,748	2,418	70,505	87,000	\$ 16,495	23.40%
Reclamation Maintenance			6,609	25,000	\$ 18,391	278.27%
Equipment Maintenance	50,442	35,848	80,599	115,000	\$ 34,401	42.68%
Equipment Repair	71,465	72,211	31,070	104,500	\$ 73,430	236.34%
Capital Repairs/Replacements	<u>166,782</u>	<u>266,606</u>	<u>56,399</u>	<u>153,000</u>	\$ 96,601	171.28%
Total Repairs and Maintenance	<u>\$ 353,808</u>	<u>\$ 466,690</u>	<u>\$ 339,700</u>	<u>\$ 611,000</u>	\$ 271,300	79.86%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Contract Services Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Outside Services	17,111	16,721	18,843	269,500	\$ 250,657	1330.22%
Pollution Prevention Program	16,905	12,264	8,981	12,500	\$ 3,519	39.19%
Lab Contract Services	50,748	37,425	38,000	43,000	\$ 5,000	13.16%
Special Monitoring/Pilot Testing	2,800	-	-	-	\$ -	
Janitorial	9,771	11,557	17,500	12,000	\$ (5,500)	-31.43%
Aquatic Review	3,536	3,421	3,008	3,800	\$ 792	26.32%
Uniform Service	4,913	6,005	5,914	6,500	\$ 586	9.91%
Damage Claim	992	407	17,214	10,000	\$ (7,214)	-41.91%
Sludge Disposal (Inject)	47,984	67,573	67,565	69,500	\$ 1,935	2.86%
Regulatory Consultant (Environmental)	158,591	80,414	168,064	177,300	\$ 9,236	5.50%
Engineering Consultant (General Small)	27,337	73,106	15,767	15,000	\$ (767)	-4.86%
Lateral Rehab Assistance Program	116,091	52,406	95,000	100,000	\$ 5,000	5.26%
Legal	195,643	197,981	120,000	120,000	\$ -	0.00%
Audit	30,570	25,570	25,635	28,000	\$ 2,365	9.23%
Consultants	36,763	100,658	123,530	120,000	\$ (3,530)	-2.86%
Total Contracted Services	\$ 719,755	\$ 685,508	\$ 725,021	\$ 987,100	\$ 262,079	36.15%

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**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Small Tools & Supplies Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Hypochlorite	45,585	39,888	63,219	54,000	\$ (9,219)	-14.58%
Bisulfite	57,425	35,755	58,260	46,000	\$ (12,260)	-21.04%
Miscellaneous Chemicals	88,131	62,975	97,700	117,000	\$ 19,300	19.75%
General Operating Supplies	52,110	44,017	41,846	52,100	\$ 10,254	24.51%
Fuel & Oil	26,380	23,420	27,839	28,992	\$ 1,153	4.14%
Safety Equipment & Supplies	22,775	20,054	26,317	32,350	\$ 6,033	22.93%
Safety Services	28,720	28,619	29,892	53,000	\$ 23,108	77.31%
Small Tools	<u>3,261</u>	<u>5,805</u>	<u>834</u>	<u>8,000</u>	\$ 7,166	859.61%
Total Small Tools & Supplies	<u>\$ 324,387</u>	<u>\$ 260,533</u>	<u>\$ 345,906</u>	<u>\$ 391,442</u>	\$ 45,536	13.16%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Utilities Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Utility Power	314,316	161,943	187,994	154,300	\$ (33,694)	-17.92%
Telephone	32,704	33,072	40,890	33,505	\$ (7,385)	-18.06%
Water	4,897	8,634	9,127	10,000	\$ 873	9.56%
Total Utilities	<u>\$ 351,917</u>	<u>\$ 203,649</u>	<u>\$ 238,011</u>	<u>\$ 197,805</u>	<u>\$ (40,206)</u>	<u>-16.89%</u>

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

General & Administrative Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Election	1,043	-	25,000	25,000	\$ -	0.00%
Office Supplies	16,432	14,072	15,549	15,620	\$ 71	0.46%
Computer Support and Supplies	40,418	121,468	76,432	84,500	\$ 8,068	10.56%
Bank Charges	2,574	1,594	114	1,500	\$ 1,386	1215.79%
User Charge Collection Fee	32,908	33,379	30,000	35,000	\$ 5,000	16.67%
Publication and Legal Ads	13,779	12,128	11,663	15,000	\$ 3,338	28.62%
Public Education and Outreach	33,462	34,037	40,000	65,000	\$ 25,000	62.50%
Taxes, Other	7,766	8,917	3,883	9,000	\$ 5,117	131.76%
Memberships	44,083	44,810	44,078	56,000	\$ 11,923	27.05%
Permits	48,604	55,985	19,812	23,250	\$ 3,438	17.35%
Fines	9,000	-	-	-	\$ -	
Rents and Leases	21,008	16,362	11,284	16,500	\$ 5,216	46.22%
Miscellaneous expense	102	-	1,014	1,000	\$ (14)	-1.38%
Total General & Administrative	<u>\$ 271,179</u>	<u>\$ 342,752</u>	<u>\$ 278,829</u>	<u>\$ 347,370</u>	\$ 68,541	24.58%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 RESERVE FUNDING BUDGET
PRESENTED JUNE 6, 2019**

Expenditure	2016-17 Total Actual	2017-18 Adopted Budget	2018-19 Adopted Budget	2018-19 Revised Budget	2019-20 Proposed Budget
Working Cash Flow	\$ 126,408	\$ 158,045	\$ 166,286	\$ 166,286	\$ 166,286
Emergency Repair ⁽¹⁾	43,622	-	-	-	1,000,000
Capital Reserves					
Undesignated	111,536	139,451	\$ 146,722	\$ 146,722	\$ 146,722
Plant Upgrade and Recycled Water Treatment Plant Expansion Projects	2,591,715	301,210	224,115	224,115	222,115
Capacity Fund	-	-	-	300	300
Captains Cove	-	5,060	-	-	-
Marin Lagoon	6,263	9,695	-	-	-
MMWD Recycled Water Facility Buy in	333,563	-	-	-	-
Equipment Reserves					1,000,000
MMWD Debt Reimbursement					
Bank of Marin	-	206,549	206,549	206,549	206,549
2017 Revenue Bonds	-	248,509	256,595	256,595	256,804
	<u>\$ 3,213,107</u>	<u>\$ 1,068,519</u>	<u>\$ 1,000,267</u>	<u>\$ 1,000,567</u>	<u>\$ 2,998,776</u>

(1) These are reserves not taken into account in the CIP worksheet.

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 RESERVE FUNDING BUDGET
PRESENTED JUNE 6, 2019**

Expenditure	2016-17 Total Actual	2017-18 Adopted Budget	2018-19 Adopted Budget	2018-19 Revised Budget	2019-20 Proposed Budget
Working Cash Flow	\$ 126,408	\$ 158,045	\$ 166,286	\$ 166,286	\$ 166,286
Emergency Repair ⁽¹⁾	43,622	-	-	-	1,000,000
Capital Reserves					
Undesignated	111,536	139,451	\$ 146,722	\$ 146,722	\$ 146,722
Plant Upgrade and Recycled Water Treatment Plant Expansion Projects	2,591,715	301,210	224,115	224,115	222,115
Capacity Fund	-	-	-	300	300
Captains Cove	-	5,060	-	-	-
Marin Lagoon	6,263	9,695	-	-	-
MMWD Recycled Water Facility Buy in	333,563	-	-	-	-
Equipment Reserves					1,000,000
MMWD Debt Reimbursement					
Bank of Marin	-	206,549	206,549	206,549	206,549
2017 Revenue Bonds	-	248,509	256,595	256,595	256,804
	<u>\$ 3,213,107</u>	<u>\$ 1,068,519</u>	<u>\$ 1,000,267</u>	<u>\$ 1,000,567</u>	<u>\$ 2,998,776</u>

(1) These are reserves not taken into account in the CIP worksheet.

2019-2020 CAPITAL PROJECTS SUMMARY

FUNDING SOURCE

DEPARTMENT	PROJ#	CAPITAL OUTLAY DESCRIPTION	Type	2019-20		Expenditures	Carryover			General Fund		Total	Available	
				2018-19	2019-20		2018-2019	Bond Fund	Grants	Bond Fund	Reserves			Reserves
				Previous Yr	Proposed		Projects	Reserve		Reserve	(Allocated)			(Unallocated)
100 ADMINISTRATION														
	4361	19100-01 PHONE SYSTEM	E	20,000		20,000								
	4306	19100-02 ROOF REPLACEMENT	A	107,480		107,480								
	4307	19100-03 HVAC SYSTEM REPLACEMENT	E	10,000		70,000								
Finance		20100-01 INTEGRATED FINANCIAL SOFTWARE-ASM	S		100,000						100,000	100,000	125,000	
GM	4306	20100-02 ADMINISTRATION BUILDING	F		100,000						100,000	100,000	10,100,000	
GM	4801	20100-03 REDESIGN OF OFFICES IN ADMIN BUILDING	E		20,000						20,000	20,000	20,000	
GM		20100-04 GENERAL MANAGER AUTO	V	40,000										
GM	4362	20100-05 MASTER PLAN (2018-19 Funds from Collections 19200-04)	C	200,000	200,000	200,000					200,000	400,000	1,000,000	
ADMINISTRATION SUMMARY					491,480	420,000								
125-ENGINEERING														
Engineering		20125-01 On-Call Construction Contract	C		100,000							100,000	100,000	500,000
200 COLLECTION SYSTEM														
Engineering	4377	11200-03 JOHN DUCKETT SEWAGE MAIN CAPACITY AND STORAGE	I	6,412,000		1,685,457	6,728,443					6,728,443	8,928,443	
Collections	4153	19200-01 SEWER MAIN REHABILITATION - 2018	I	2,363,167		379,803	379,803					379,803	2,053,167	
Collections	4153	20200-01 SEWER MAIN REHABILITATION -2020-2024	I										5,000,000	
Collections	4153a	17200-03 GIS SOFTWARE IMPLEMENTATION-UPGRADE EXISTING	S	1,740		1,740	1,740					1,740	21,740	
Collections	4153b	18200-01 SEWER MAIN REHABILITATION 2018	I	8,580									8,580	
Collections	4240	19200-02 MANHOLE/ROD HOLE REPAIR AND REPLACEMENT	I	54,510	50,000							50,000	344,510	
Collections	4488	19200-03 VACTOR	V	285,000	40,000	285,000	285,000				40,000	325,000	325,000	
Moved	4804	19200-04 COLLECTIONS SYSTEM MASTER PLAN (Moved to Admin)	C											
Engineering		11200-03 Marinwood Trunk Sewer Repair	I		300,000							300,000	300,000	
Collections		20200-03 VEHICLE - PER GUIDE DOG AGREEMENT	V		145,000							145,000	145,000	
COLLECTION SYSTEM SUMMARY					10,385,857	535,000					112,669	32,331	145,000	145,000
300 PUMP STATIONS/FRC MNS														
	4492	12300-05 RAFAEL MEADOWS PUMP STATION	I		100,000							100,000	100,000	600,000
	4801	14300-05 FORCE MAIN REPAIR/REPLACEMENT	I	1,838,145		1,838,145	1,838,145					1,838,145	1,838,145	
		19300-01 SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA)	S	27,099									27,099	
		19300-02 PUMP STATION PANEL UPGRADES AND REPLACEMENTS	R											
	4481	18360-01 MARIN LAGOON PUMP STATION	I	193,115		193,115	193,115					193,115	193,115	
	4801	18300-05 HAWTHORNE PUMP STATION FENCING-REPLACEMENT	R	75,000		75,000	75,000					75,000	75,000	
	4901	18300-06 TRASH PUMP 6"-EMERGENCY BYPASS PUMPS	E	97,500									97,500	
	4801	18300-07 TRASH PUMP 8"-EMERGENCY BYPASS PUMPS	E	105,000									105,000	
	4801	18300-08 RED FLAG PREP - EMERGENCY GENERATORS	E											
	4165	18350-01 CAPTAINS COVE PUMP STATION UPGRADES-UPGRADE AL	R	29,765		29,765	29,765						29,765	
PUMP STATIONS / FORCE MAINS SUMMARY					3,905,624	100,000								
500 RECLAMATION														
	4412	11500-09 MILLER CREEK - REPAIR, MAINTAIN & MODIFY	I	78,000		326,376						78,000	78,000	
	4412	17500-05 MCINNIS MARSH RESTORATION	I	100,000		100,000	100,000					100,000	100,000	
		21500-01 LEVEE MAINTENANCE	I										275,000	
	4332	18500-02 NORTH BAY WATER REUSE AUTHORITY AND	I	38,000									38,000	
Plant		20500-01 PASTURE IRRIGATION PUMP REBUILDS	R	40,000								40,000	40,000	
Plant		20500-02 STORAGE POND SLUICE GATE REPLACE OR REPAIR	R	30,000								30,000	30,000	
Plant/Engineer		20500-03 ST. VINCENT P. S. DISCHARGE PIPE LEVEE REPAIR	R	50,000								50,000	50,000	
Plant		20500-04 SHARP SOLAR PANEL REPLACEMENT PROJECT	R	100,000								100,000	100,000	
Plant		20500-05 MARSH POND VEGETATION REMOVAL	I	150,000								150,000	150,000	
Plant		20300-06 SPARE 10HP FLYGT SUBMERSIBLE PUMP	E	10,000								10,000	10,000	
Plant		20300-07 BYPASS PUMP CONNECTION COMPONENTS AND PIPE	E	40,000								40,000	40,000	
Engineering		20300-09 SMITH RANCH P.S. FLOW METER VAULT SUMP PUMP	E	15,000								15,000	15,000	
RECLAMATION SUMMARY					668,376	513,000								
600 TREATMENT PLANT														
	4142	12600-02 PLANT IMPROVEMENTS 2018	I	71,000		118,860	721,140					71,000	792,140	
	4225	12600-07 SECONDARY PLANT UPGRADES	I	24,362,737		3,724,272	4,891,738			24,362,737		29,254,474	44,923,034	
Canopy/Engine	4161	14600-04 BIOGAS ENERGY RECOVERY SYSTEM	I			247,498								
	4161	19600-01 SUPERVISORY CONTROL AND DATA ACQUISITION	S	27,099									27,099	
	4161	19600-02 MISCELLANEOUS PLANT EQUIPMENT	E	12,500									12,500	
Plant		20600-01 INFLUENT SCREEN OVERHAUL - 2	I	130,000								130,000	130,000	
Plant		20600-02 LAB CABINET REHAB FOR DISHWASHER AND SINK	E	10,000								10,000	10,000	
Engineering		20600-03 CANOPY INSTALLATION - CNG FUELING	F	150,000								150,000	150,000	
		20600-04 FLOW EQUALIZATION BASIN	F	400,000								400,000	4,900,000	
TREATMENT PLANT SUMMARY					9,983,107	25,123,737								
650 TERTIARY FACILITY														
	4786	18650-02 UV PIPING REPAIR	I	240,000									240,000	

2019-2020 CAPITAL PROJECTS SUMMARY

FUNDING SOURCE

DEPARTMENT	PROJ#	CAPITAL OUTLAY DESCRIPTION	Type	2018-19	2019-20	Expenditures	Carryover		General Fund			Available	
							2018-2019 Projects	Bond Fund Reserve	Grants	Bond Fund Reserve	Reserves (Allocated)		Reserves (Unallocated)
4250	19650-01	SUPERVISORY CONTROL AND DATA ACQUISITION-	S	27,099								27,099	
4501	16650-02	RECYCLED WATER FACILITY EXPANSION	F	6,591,160	4,299,306	552,747	6,038,413	847,150	4,299,306			11,184,869	
		TERTIARY FACILITY SUMMARY		6,618,259	4,299,306								
		TOTALS			31,091,043		10,552,150	10,930,150	847,150	28,662,043	112,669	2,316,331	53,420,494

NEEDED FOR FUTURE INFRASTRUCTURE PROJECTS

6,892,691

CAPITAL OUTLAY DESCRIPTION	Type	2018-19	2019-20	Expenditures	2018-2019 Projects	Bond Fund Reserve	Grants	Bond Fund Reserve	Reserves (Allocated)	Reserves (Unallocated)	Total	Available
Capital Expenditures by Category:												
Capital Funding by Category:												
Infrastructure	I	29,600,461	29,541,043		9,960,645	10,930,150	847,150	28,662,043	-	879,000	51,278,989	
Vehicle	V	326,000	185,000		285,000	-	-	-	112,669	72,331	470,000	
Facility	F		650,000		-	-	-	-	-	650,000	650,000	
Equipment	E	305,000	95,000		-	-	-	-	-	95,000	95,000	
Software	S	88,037	100,000		1,740	-	-	-	-	100,000	101,740	
Repair	R	212,245	220,000		104,765	-	-	-	-	220,000	324,765	
Contract	C	200,000	300,000		200,000	-	-	-	-	300,000	500,000	
Total Capital Projects		30,726,743	31,091,043		10,552,150	10,930,150	847,150	28,662,043	112,669	2,316,331	53,420,494	
										31,091,043		
Allocation of Big Project Costs												
		2018-19	2019-20									
SECONDARY PLANT UPGRADES	Alloc.	85.0%	8,616,010	24,362,737								
RECYCLED WATER FACILITY EXPANSION	Alloc.	15.0%	6,591,160	4,299,306								
Total			15,207,170	28,662,043								

Las Gallinas Valley Sanitary District

Loans Payable Balance Estimates & Details at 06/30/2019

Note Payable	Started	Reason for Loan	End Date	Years	Interest %	Original Amount	Secured by:	Debt Coverage	Audited Balance @ June 30, 2018	Estimated Balance @ June 30, 2019
Bank of Marin #1	6/10/2011	Recycled Water Facility	6/10/2031	20.01	3.88%	\$ 4,600,000.00	Constructed Asset	1.20%	\$ 3,380,751.97	\$ 3,177,436.06
Bank of Marin #2	7/27/2012	Recycled Water Facility	8/10/2022	10.04	3.25%	\$ 2,000,000.00	Constructed Asset	1.20%	\$ 915,027.78	\$ 706,711.66
City National Bank for Municipal Finance Corporation	4/1/2014	Refinance 2005 COP ⁽¹⁾ (Certificates of Participation) Bonds	6/1/2025	11.18	3.30%	\$ 6,880,000.00	Net Revenues	1.15%	\$ 4,978,800.00	\$ 4,443,800.00
State Water Resources Control Board State Revolving fund	11/1/2012	Construction	6/1/2032	19.59	2.70%	\$ 3,778,805.82	Constructed Asset	1.20%	\$ 3,291,572.00	\$ 3,094,980.65
US Bank 2017 Revenue Bonds	4/28/2017	Bonds for Construction	4/1/2042	24.94	3.30%	\$38,365,000.00	Net Revenues	1.25%	\$ 37,415,000.00	\$ 36,465,000.00
Premium on 2017 Bonds	4/1/2017	Revenue Bonds	4/1/2042	25.02					\$ 2,882,139.00	\$ 2,882,139.00
California Infrastructure & Economic Developmental Bank for I-Bank Loan	5/1/2019	Construction	5/1/2039	20.01	3.00%	\$12,000,000.00	Net Revenue	1.25%	\$ -	\$ 12,000,000.00
TOTAL DEBT									\$ 52,863,290.75	\$ 58,885,919.65

1. Certificates of Participation:


A municipal government will typically issue *muni bonds* from which the proceeds from the bond investors will be used to undergo a project. The certificate of participation is an alternative to municipal bonds in which an investor buys a share in the improvements or infrastructure the government entity intends to fund. The authority usually uses the proceeds from a COP to construct a facility that is leased to the municipality, releasing the municipality from restrictions on the amount of debt that they can incur. The COP contrasts with a bond, in which the investor loans the government or municipality money in order to make these improvements.

**LAS GALLINAS VALLEY SANITARY DISTRICT
REVENUE, EXPENSES, DEBT SERVICE COVERAGE
PRESENTED JUNE 6, 2019**

Revenue Description	2017-18 Final Actual	2018-19 Projected Actual	2019-2020 Proposed Budget	Change	% Change from PY
OPERATING REVENUE					
User Charges	\$ 13,634,548	\$ 14,220,000	\$ 14,602,912	\$ 382,912	2.69%
Educational Revenue Augmentation Fund	372,411	319,000	325,000	\$ 6,000	1.88%
Recycled Water	61,080	39,000	42,000	\$ 3,000	7.69%
Franchise Fees	25,000	70,000	149,422	\$ 79,422	113.46%
Inspections/Permits/Application Fee	11,678	22,038	8,500	\$ (13,538)	-61.43%
Interest-Bank	425	531	500	\$ (31)	-5.89%
Interest on All Reserves	269,180	1,112,198	980,300	\$ (131,898)	-11.86%
Suppl. Property Tax Assess.	27,670	13,000	16,000	\$ 3,000	23.08%
Homeowner Property Tax Relief	4,354	3,240	4,300	\$ 1,060	32.70%
Private Sewer Lateral Assistance Program	101,368	87,721	80,000	\$ (7,721)	-8.80%
Reimbursement for Lateral Repairs		0	0	\$ -	0.00%
Miscellaneous Revenue	29,521	1,575	-	\$ (1,575)	-100.00%
Sale of Assets	29,012	75	-	\$ (75)	-100.00%
Operating Transfer In	-	-	-	\$ -	0.00%
TOTAL OPERATING REVENUES	<u>14,566,247</u>	<u>15,888,378</u>	<u>16,208,934</u>	<u>\$ 320,555</u>	<u>2.02%</u>
Property Tax	890,205	888,554	890,000	\$ 1,446	0.16%
Marin Municipal Water District	<u>455,057</u>	<u>463,145</u>	<u>463,353</u>	\$ 208	0.04%
Net Revenues	<u>15,911,509</u>	<u>17,240,078</u>	<u>17,562,287</u>		
TOTAL OPERATING EXPENDITURES	<u>\$ 6,127,621</u>	<u>6,376,788</u>	<u>7,348,015</u>	<u>\$ 971,227</u>	
NET POSITION	<u>\$ 9,783,888</u>	<u>\$ 10,863,290</u>	<u>\$ 10,214,271</u>	<u>\$ (649,018)</u>	
DEBT EXPENDITURES	<u>\$ 3,920,960</u>	<u>\$ 3,990,565</u>	<u>\$ 4,617,777</u>	<u>\$ 627,212</u>	
Convenant Regarding Gross Revenues	<u>250%</u>	<u>272%</u>	<u>221%</u>		
	125% Requirement				



Agenda Summary Report

To: Mike Prinz, General Manager 

From: Robert D. Ruiz, Administrative Services Manager

Mtg. Date: June 6, 2019

Re: Five Resolutions Regarding the 2019-20 Budget

Item Type: Consent _____ Discussion X Information _____ Other _____

Standard Contract: Yes _____ No _____ (See attached) Not Applicable X

BACKGROUND:

Each year at this time, the Board is presented with several budget related resolutions for review and approval. These resolutions are required by the State and Marin County to verify the budget, request billing services and to request funds due the District. These resolutions are as follows:

- A. Resolution No. 2019-2167 – Confirming the annual sewer service charge and supplement service charges.
- B. Resolution No. 2019-2168 – Approving the 2019-20 Budget.
- C. Resolution No. 2019-2169 – Authorizing the County to bill sewer service charges by placing them on the tax roll.
- D. Resolution No. 2019-2170 – Determining the maximum limit appropriation of tax per state law of \$2,962,615.
- E. Resolution No. 2019-2171 – Requesting allocation of taxes from Marin County for the 2019-20 fiscal year (\$890,000).

PREVIOUS BOARD ACTION:

N/A

ENVIRONMENTAL REVIEW:

N/A

FISCAL IMPACT:

The resolutions allow the District to be in compliance with state and county regulations and improve the efficiency of billing the users for our services.

STAFF RECOMMENDATION:

Staff requests that the board approve the five resolutions.

RESOLUTION NO. 2019-2167

**A RESOLUTION CONFIRMING THE ANNUAL SEWER SERVICE CHARGE
AND SUPPLEMENTAL SERVICE CHARGES FOR THE
LAS GALLINAS VALLEY SANITARY DISTRICT
FOR THE FISCAL YEAR 2019-20**

RESOLVED, by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, as follows:

WHEREAS, the District did on June 6, 2019 have a Public Hearing on the Proposed Increase in Sewer Service Charges and,

WHEREAS, the Board did on June 11, 2015 adopt Ordinance No. 166, which adopted the annual rate increases as outlined in the Proposition 218 Notification, a copy of which is attached as Exhibit A and incorporated into this resolution and,

WHEREAS, the Board pursuant to the adoption of Ordinance No. 166 desires to affirm that the maximum annual sewer service charge for the fiscal year 2019-20 is \$927 per year starting on July 1, 2019 as indicated in the Proposition 218 Notification referred to above and,

WHEREAS, the Board finds that the annual sewer service charge is supported by evidence in the study it commissioned by its consultant and the charge meets the legal requirements of the California Constitution, Article XIII D, § 6 and Government Code §§ 53750 et seq., and

WHEREAS, on June 4, 2009, the Board approved Ordinance No. 142, An Ordinance Amending Title 5, Chapter 2, of the Ordinance Code of the Las Gallinas Valley Sanitary District, Regarding the Marin Lagoon Sewer Service Surcharge that the following sanitary sewer service surcharge, in addition to the annual sewer service charge, shall be:

Marin Lagoon Homeowners Association \$110 per annum, and

WHEREAS, on June 4, 2009, the Board approved Ordinance No.143, An Ordinance Adding Title 5, Chapter 3, of the Ordinance Code of the Las Gallinas Valley Sanitary District, Regarding the Captains Cove Sewer Service Surcharge that the following sanitary sewer service surcharge, in addition to the annual sewer service charge, shall be:

Captains Cove Homeowners Association \$100 per annum,

NOW THEREFORE, THE SANITARY BOARD OF THE LAS GALLINAS VALLEY SANITARY DISTRICT, MARIN COUNTY, CALIFORNIA, HEREBY RESOLVES THAT,

1. The annual sewer service charge of \$927 per sanitary unit shall be the rate for the fiscal year 2019-20;
2. The annual sanitary sewer service surcharge for the Marin Lagoon and Captains Cove areas will be as referenced above for the fiscal year 2019-20.

* * * * *

I hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly passed and adopted by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, at a meeting thereof held on June 6, 2019, by the following vote of the members thereof:

- AYES, and in favor thereof, Members:
- NOES, Members:
- ABSENT, Members:
- ABSTAIN, Members:

Teresa L. Lerch, District Secretary,
Las Gallinas Valley Sanitary District

APPROVE:

(seal)

Craig K. Murray, Board President

RESOLUTION No. 2019-2168

**A RESOLUTION FIXING AND APPROVING THE BUDGET
FOR THE FISCAL YEAR 2019-20**

LAS GALLINAS VALLEY SANITARY DISTRICT

RESOLVED, by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, as follows:

1. That balances on hand as of June 30, 2019, and in each of the funds of the District shall be reserved for use by the District during the fiscal year 2019-20.
2. That the budget for said District for the fiscal year 2019-20 heretofore presented to this Board, a copy of which is hereto attached as Exhibit A and by reference incorporated herein, be, and the same is hereby approved.
3. That the Treasurer of this District shall be, and is hereby, authorized and directed to file a certified copy of this resolution with the budget of this District thereto attached, with the Board of Supervisors and the Treasurer of Marin County.

* * * * *

I hereby certify that the forgoing is a full, true and correct copy of a resolution duly and regularly passed and adopted by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, at a meeting thereof held on June 6, 2019, by the following vote of the members thereof:

AYES, and in the favor thereof, Members:

NOES, Members:

ABSENT, Members:

ABSTAIN, Members:

Teresa L. Lerch, District Secretary,
Las Gallinas Valley Sanitary District

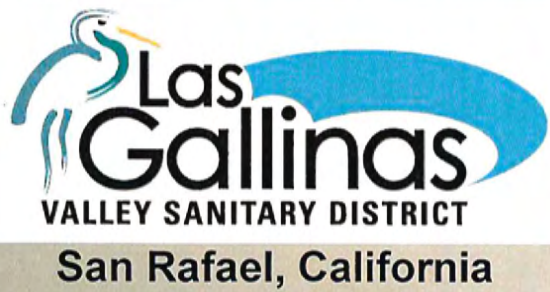
APPROVED:

(seal)

Craig K. Murray, Board President

Exhibit A

Las Gallinas Valley Sanitary District
2019-20 Budget



**Proposed Budget for
Fiscal Year 2019-2020**

**Presented to the Board of Directors
At the Board Meeting
June 6, 2019
Board Room
300 Smith Ranch Road**

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DISTRICT BOARD

Megan Clark
Rabi Elias
Craig K. Murray
Judy Schriebman
Crystal J. Yezman

DISTRICT ADMINISTRATION

Mike Prinz,
General Manager
Michael Cortez,
District Engineer
Mel Liebmann,
Plant Manager
Greg Pease,
Collection System/Safety Manager
Robert Ruiz
Administrative Services Manager

May 16, 2019

To the Board of Directors of the Las Gallinas Valley Sanitary District,

The management staff of the District is pleased to present to the Board the 2019-20 Preliminary Revenue, Operating and Maintenance Expense, Debt Service, Reserve Funding, and Capital Outlay Budgets for review. These budgets reflect the District's progress in the five-year capital improvement plan adopted by the Board in June 2015 for the 2016 through 2020 fiscal years.

Operating Revenue is expected to increase by approximately \$462,000 primarily from a \$29 increase in the sanitary sewer service charge from \$898 to \$927. Operating and Maintenance costs are expected to increase over the prior year by \$971,000 due to a serious problem with deferred maintenance in equipment, buildings and grounds by \$271,000 or 79.86%. Another major component is the PG&E Red Flag prep for power outages, which increased the budget by \$200,000. Staffing levels are projected to increase by one full time equivalent in order to help alleviate the deferred maintenance problem, but Staff expects that it will take at least a year to see positive results. Salaries will increase by 3.25%, which is based on COLA for the region over the last year. Also, we have a new permanent GM and a newly hired ASM. We are expecting that the changes in those positions will bring stability to many issues regarding personnel and deferred maintenance that have been plaguing the district.

As has been anticipated, Debt service will increase from \$3,990,000 to \$4,617,777 due to the \$12,000,000 I-Bank loan agreement that the District executed on May 1st, which was additional borrowing for the Secondary Treatment Plant construction.

The Capital Outlay effort for 2019 will be focused on the Secondary Treatment Upgrade and Recycled Water Expansion projects, which will not be completed until January 2021. This will result in Capital Expenditures of approximately \$40 million in this fiscal year. Other equipment purchases, major repairs, planning for future projects and accumulation of funding for large projects will continue as normal.

Sincerely,

Robert D. Ruiz, CPA
Administrative Services Manager

Mike Prinz, PE
General Manager

Annual Operating Budget Fiscal Year 2019-2020



Board of Directors

Craig K. Murray, President

Rabi Elias, Vice President

Megan Clark, Board Member

Judy Schriebman, Board Member

Crystal Yezman, Board Member

Prepared under the direction of:

Mike Prinz,

General Manager

With the aid of:

Robert D. Ruiz,

Administrative Services Manager

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 REVENUE & FUNDS BUDGET
PRESENTED JUNE 6, 2019**

FUNDS AVAILABLE	2016-17 Final Actual	2017-18 Final Actual	2018-19 Projected Actual	2019-2020 Proposed Budget	Change	% Change from PY
OPERATING REVENUE						
User Charges	\$ 13,059,850	\$ 13,634,548	\$ 14,220,000	\$ 14,602,912	\$ 382,912	2.69%
Educational Revenue Augmentation Fund	366,078	372,411	319,000	325,000	\$ 6,000	1.88%
Recycled Water	45,548	61,080	39,000	42,000	\$ 3,000	7.69%
Franchise Fees	25,000	25,000	70,000	149,422	\$ 79,422	113.46%
Inspections/Permits/Application Fee	8,957	11,678	22,038	8,500	\$ (13,538)	-61.43%
Interest	532	425	531	500	\$ (31)	-5.89%
Interest on Reserves	72,856	269,180	388,665	400,000	\$ 11,335	2.92%
Suppl. Property Tax Assess.	15,409	27,670	13,000	16,000	\$ 3,000	23.08%
Homeowner Property Tax Relief	4,363	4,354	3,240	4,300	\$ 1,060	32.70%
Private Sewer Lateral Assistance Program	76,027	101,368	87,721	80,000	\$ (7,721)	-8.80%
Miscellaneous Revenue	33,057	29,521	1,575	-	\$ (1,575)	-100.00%
Sale of Assets	(6,267)	29,012	75	-	\$ (75)	-100.00%
Operating Transfer In	-	-	-	-	\$ -	0.00%
Total Operating Revenue	13,701,410	14,566,247	15,164,845	15,628,634	\$ 463,789	3.06%
OTHER SOURCES OF FUNDS						
CAPACITY RELATED FUNDS						
Annex and Capital Facility Charges	39,580	228,625	-	-	\$ -	0.00%
Interest on Connection Fees	451	242	124	300	\$ 176	141.25%
Total Capacity Related Revenue	40,031	228,867	124	300	\$ 176	141.25%
GENERAL CONSTRUCTION FUNDS						
Property Tax	856,873	890,205	888,554	890,000	\$ 1,446	0.16%
Operating Transfer In	-	-	-	-	\$ -	0.00%
	856,873	890,205	888,554	890,000	\$ 1,446	0.16%
OTHER SOURCES						
Marin Municipal Water District	436,837	455,057	463,145	463,353	\$ 208	0.04%
2017 Bond Sale	41,039,514	-	-	-	\$ -	0.00%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 REVENUE & FUNDS BUDGET
PRESENTED JUNE 6, 2019**

FUNDS AVAILABLE	2016-17 Final Actual	2017-18 Final Actual	2018-19 Projected Actual	2019-2020 Proposed Budget	Change	% Change from PY
2019 Ibank Loan			12,000,000	-	\$ (12,000,000)	-100.00%
Federal Grant	-	-	169,004	847,150	\$ 678,147	401.26%
State Grant	-	362,033	-	-	\$ -	0.00%
	<u>41,476,351</u>	<u>817,090</u>	<u>12,632,149</u>	<u>1,310,503</u>	\$ (11,321,646)	-89.63%
UTILIZATION OF BOND FUNDS AND RESERVES						
Reserves	366,256	-	-	-	\$ -	
Private Sewer Lateral Assistance Funds	-	-	-	-	\$ -	
Prior Year Capital Project Carryover	4,046,259	1,359,494	-	10,552,150	\$ 10,552,150	0.00%
Construction Project Reserve		791,158		-	\$ -	0.00%
Interest Earned on Unspent Bond Funds		567,986	709,744	580,000	\$ (129,744)	-18.28%
Transfers from Bond Fund	65,955	-	-	39,592,193	\$ 39,592,193	0.00%
Marin Lagoon Reserve Fund	-	13,580	74,000	74,000	\$ -	0.00%
Captains Cove Reserve Fund	-	236	2,695	2,695	\$ -	0.00%
Capital Facilities Fund	350,056	300,300	-	-	\$ -	0.00%
	<u>4,828,526</u>	<u>3,032,754</u>	<u>786,439</u>	<u>50,801,039</u>	\$ 50,014,600	6359.63%
					\$ -	
TOTAL FUNDS AVAILABLE FOR EXPENDITURES	<u>\$ 60,903,191</u>	<u>\$ 19,535,163</u>	<u>\$ 29,472,111</u>	<u>\$ 68,630,476</u>	\$ 39,158,364	132.87%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Overall Summary of Expenses

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Total Employee Wages	2,523,313	2,762,763	2,690,528	3,037,074	\$ 346,545	12.88%
Total Employee Benefits	1,235,695	1,259,817	1,598,842	1,602,445	\$ 3,603	0.23%
Total Insurance Expense	146,770	145,909	159,950	173,780	\$ 13,830	8.65%
Total Repairs and Maintenance	353,808	466,690	339,700	611,000	\$ 271,300	79.86%
Total Small Tools & Supplies	324,387	260,533	345,906	391,442	\$ 45,536	13.16%
Total Contracted Services	719,755	685,508	725,021	987,100	\$ 262,079	36.15%
Total Utilities	351,917	203,649	238,011	197,805	\$ (40,206)	-16.89%
Total General & Administrative	<u>271,179</u>	<u>342,752</u>	<u>278,829</u>	<u>347,370</u>	\$ 68,541	24.58%
OPERATING EXPENSE TOTALS	<u>\$ 5,926,824</u>	<u>\$ 6,127,621</u>	<u>\$ 6,376,788</u>	<u>\$ 7,348,015</u>	\$ 971,227	15.23%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Employee Wages & Benefits Expenses

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Regular Staff Salaries	2,252,470	2,458,142	2,389,273	2,761,056	\$ 371,784	15.56%
Over Time	87,008	83,452	90,951	75,607	(15,343)	-16.87%
Vacation and Sick Accrual	51,592	67,515	37,796	39,000	1,204	3.19%
Stand By	76,396	78,263	100,490	87,030	(13,460)	-13.39%
Directors Salary	55,847	75,391	72,020	74,380	2,361	3.28%
Directors Benefits	9,000	8,400	9,713	5,690	(4,022)	-41.41%
Payroll Taxes	178,182	191,210	210,491	208,702	(1,789)	-0.85%
Group Life Insurance	5,462	5,683	6,789	6,094	(695)	-10.24%
PERS	350,789	340,354	562,116	592,455	30,339	5.40%
Health Insurance	551,337	550,689	649,770	602,629	(47,141)	-7.26%
Long Term Disability	17,786	19,686	23,439	23,091	(348)	-1.49%
Auto Allowance	12,730	10,338	10,592	19,259	8,666	81.82%
Commute Stipend	28,037	28,845	36,345	35,626	(719)	-1.98%
Payroll Processing	9,657	9,466	10,727	10,500	(227)	-2.11%
Conferences	46,090	64,232	37,940	56,000	18,060	47.60%
Mileage and Travel	5,881	8,025	8,759	10,800	2,041	23.30%
Employee Recognition	2,481	6,616	6,883	6,000	(883)	-12.82%
Employee Training and Education	18,263	16,273	25,279	25,600	321	1.27%
Total Employee Expense	\$ 3,759,008	\$ 4,022,580	\$ 4,289,371	\$ 4,639,519	350,148	8.16%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Insurance Expenses

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Workers' Comp Insurance	41,785	41,159	46,000	48,482	\$ 2,482	5.40%
Unemployment Insurance	-	-	-	-		
Pooled Liability Insurance	103,753	103,800	113,000	124,300	11,300	10.00%
Fidelity Bond	<u>1,232</u>	<u>950</u>	<u>950</u>	<u>998</u>	48	5.00%
Total Insurance Expense	<u>\$ 146,770</u>	<u>\$ 145,909</u>	<u>\$ 159,950</u>	<u>\$ 173,780</u>	13,830	8.65%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Repairs and Maintenance Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Vehicle Parts & Maintenance	42,093	52,880	62,426	51,500	\$ (10,926)	-17.50%
Building maintenance	12,117	15,317	6,620	35,000	\$ 28,380	428.70%
Grounds Maintenance	7,161	21,410	25,471	40,000	\$ 14,529	57.04%
Power Generation Maint & Repair	3,748	2,418	70,505	87,000	\$ 16,495	23.40%
Reclamation Maintenance			6,609	25,000	\$ 18,391	278.27%
Equipment Maintenance	50,442	35,848	80,599	115,000	\$ 34,401	42.68%
Equipment Repair	71,465	72,211	31,070	104,500	\$ 73,430	236.34%
Capital Repairs/Replacements	<u>166,782</u>	<u>266,606</u>	<u>56,399</u>	<u>153,000</u>	\$ 96,601	171.28%
Total Repairs and Maintenance	<u>\$ 353,808</u>	<u>\$ 466,690</u>	<u>\$ 339,700</u>	<u>\$ 611,000</u>	\$ 271,300	79.86%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Contract Services Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Outside Services	17,111	16,721	18,843	269,500	\$ 250,657	1330.22%
Pollution Prevention Program	16,905	12,264	8,981	12,500	\$ 3,519	39.19%
Lab Contract Services	50,748	37,425	38,000	43,000	\$ 5,000	13.16%
Special Monitoring/Pilot Testing	2,800	-	-	-	\$ -	-
Janitorial	9,771	11,557	17,500	12,000	\$ (5,500)	-31.43%
Aquatic Review	3,536	3,421	3,008	3,800	\$ 792	26.32%
Uniform Service	4,913	6,005	5,914	6,500	\$ 586	9.91%
Damage Claim	992	407	17,214	10,000	\$ (7,214)	-41.91%
Sludge Disposal (Inject)	47,984	67,573	67,565	69,500	\$ 1,935	2.86%
Regulatory Consultant (Environmental)	158,591	80,414	168,064	177,300	\$ 9,236	5.50%
Engineering Consultant (General Small)	27,337	73,106	15,767	15,000	\$ (767)	-4.86%
Lateral Rehab Assistance Program	116,091	52,406	95,000	100,000	\$ 5,000	5.26%
Legal	195,643	197,981	120,000	120,000	\$ -	0.00%
Audit	30,570	25,570	25,635	28,000	\$ 2,365	9.23%
Consultants	<u>36,763</u>	<u>100,658</u>	<u>123,530</u>	<u>120,000</u>	\$ (3,530)	-2.86%
Total Contracted Services	\$ 719,755	\$ 685,508	\$ 725,021	\$ 987,100	\$ 262,079	36.15%

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**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Small Tools & Supplies Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Hypochlorite	45,585	39,888	63,219	54,000	\$ (9,219)	-14.58%
Bisulfite	57,425	35,755	58,260	46,000	\$ (12,260)	-21.04%
Miscellaneous Chemicals	88,131	62,975	97,700	117,000	\$ 19,300	19.75%
General Operating Supplies	52,110	44,017	41,846	52,100	\$ 10,254	24.51%
Fuel & Oil	26,380	23,420	27,839	28,992	\$ 1,153	4.14%
Safety Equipment & Supplies	22,775	20,054	26,317	32,350	\$ 6,033	22.93%
Safety Services	28,720	28,619	29,892	53,000	\$ 23,108	77.31%
Small Tools	3,261	5,805	834	8,000	\$ 7,166	859.61%
Total Small Tools & Supplies	\$ 324,387	\$ 260,533	\$ 345,906	\$ 391,442	\$ 45,536	13.16%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Utilities Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Utility Power	314,316	161,943	187,994	154,300	\$ (33,694)	-17.92%
Telephone	32,704	33,072	40,890	33,505	\$ (7,385)	-18.06%
Water	<u>4,897</u>	<u>8,634</u>	<u>9,127</u>	<u>10,000</u>	\$ 873	9.56%
Total Utilities	<u>\$ 351,917</u>	<u>\$ 203,649</u>	<u>\$ 238,011</u>	<u>\$ 197,805</u>	\$ (40,206)	-16.89%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

General & Administrative Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Election	1,043	-	25,000	25,000	\$ -	0.00%
Office Supplies	16,432	14,072	15,549	15,620	\$ 71	0.46%
Computer Support and Supplies	40,418	121,468	76,432	84,500	\$ 8,068	10.56%
Bank Charges	2,574	1,594	114	1,500	\$ 1,386	1215.79%
User Charge Collection Fee	32,908	33,379	30,000	35,000	\$ 5,000	16.67%
Publication and Legal Ads	13,779	12,128	11,663	15,000	\$ 3,338	28.62%
Public Education and Outreach	33,462	34,037	40,000	65,000	\$ 25,000	62.50%
Taxes, Other	7,766	8,917	3,883	9,000	\$ 5,117	131.76%
Memberships	44,083	44,810	44,078	56,000	\$ 11,923	27.05%
Permits	48,604	55,985	19,812	23,250	\$ 3,438	17.35%
Fines	9,000	-	-	-	\$ -	
Rents and Leases	21,008	16,362	11,284	16,500	\$ 5,216	46.22%
Miscellaneous expense	102	-	1,014	1,000	\$ (14)	-1.38%
Total General & Administrative	<u>\$ 271,179</u>	<u>\$ 342,752</u>	<u>\$ 278,829</u>	<u>\$ 347,370</u>	\$ 68,541	24.58%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 RESERVE FUNDING BUDGET
PRESENTED JUNE 6, 2019**

Expenditure	2016-17 Total Actual	2017-18 Adopted Budget	2018-19 Adopted Budget	2018-19 Revised Budget	2019-20 Proposed Budget
Working Cash Flow	\$ 126,408	\$ 158,045	\$ 166,286	\$ 166,286	\$ 166,286
Emergency Repair ⁽¹⁾	43,622	-	-	-	1,000,000
Capital Reserves					
Undesignated	111,536	139,451	\$ 146,722	\$ 146,722	\$ 146,722
Plant Upgrade and Recycled Water Treatment Plant Expansion Projects	2,591,715	301,210	224,115	224,115	222,115
Capacity Fund	-	-	-	300	300
Captains Cove	-	5,060	-	-	-
Marin Lagoon	6,263	9,695	-	-	-
MMWD Recycled Water Facility Buy in	333,563	-	-	-	-
Equipment Reserves					1,000,000
MMWD Debt Reimbursement					
Bank of Marin	-	206,549	206,549	206,549	206,549
2017 Revenue Bonds	-	248,509	256,595	256,595	256,804
	<u>\$ 3,213,107</u>	<u>\$ 1,068,519</u>	<u>\$ 1,000,267</u>	<u>\$ 1,000,567</u>	<u>\$ 2,998,776</u>

(1) These are reserves not taken into account in the CIP worksheet.

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 RESERVE FUNDING BUDGET
PRESENTED JUNE 6, 2019**

Expenditure	2016-17 Total Actual	2017-18 Adopted Budget	2018-19 Adopted Budget	2018-19 Revised Budget	2019-20 Proposed Budget
Working Cash Flow	\$ 126,408	\$ 158,045	\$ 166,286	\$ 166,286	\$ 166,286
Emergency Repair ⁽¹⁾	43,622	-	-	-	1,000,000
Capital Reserves					
Undesignated	111,536	139,451	\$ 146,722	\$ 146,722	\$ 146,722
Plant Upgrade and Recycled Water Treatment Plant Expansion Projects	2,591,715	301,210	224,115	224,115	222,115
Capacity Fund	-	-	-	300	300
Captains Cove	-	5,060	-	-	-
Marin Lagoon	6,263	9,695	-	-	-
MMWD Recycled Water Facility Buy in	333,563	-	-	-	-
Equipment Reserves					1,000,000
MMWD Debt Reimbursement					
Bank of Marin	-	206,549	206,549	206,549	206,549
2017 Revenue Bonds	-	248,509	256,595	256,595	256,804
	<u>\$ 3,213,107</u>	<u>\$ 1,068,519</u>	<u>\$ 1,000,267</u>	<u>\$ 1,000,567</u>	<u>\$ 2,998,776</u>

(1) These are reserves not taken into account in the CIP worksheet.

2019-2020 CAPITAL PROJECTS SUMMARY

FUNDING SOURCE

DEPARTMENT	PROJ#	CAPITAL OUTLAY DESCRIPTION	Type	2018-19 Previous Yr	2019-20 Proposed	Expenditures	Carryover		General Fund		Total	Available
							2018-2019 Projects	Bond Fund Reserve	Grants	Bond Fund Reserve		
100 ADMINISTRATION												
	4361	19100-01 PHONE SYSTEM	E	20,000		20,000						
	4306	19100-02 ROOF REPLACEMENT	R	107,480		107,480						
	4307	19100-03 HVAC SYSTEM REPLACEMENT	E	70,000		70,000						
Finance		20100-01 INTEGRATED FINANCIAL SOFTWARE-ASM	S		100,000						100,000	125,000
4306 GM		20100-02 ADMINISTRATION BUILDING	F		100,000						100,000	10,100,000
4601 GM		20100-03 REDESIGN OF OFFICES IN ADMIN BUILDING	E		20,000						20,000	20,000
GM		20100-04 GENERAL MANAGER AUTO	V	40,000		40,000						
4362 GM		20100-05 MASTER PLAN (2018-19 Funds from Collections 19200-04)	C	200,000	200,000		200,000				200,000	1,000,000
ADMINISTRATION SUMMARY					437,480	420,000						
125-ENGINEERING												
Engineering	20125-01	On-Call Construction Contract	C		100,000						100,000	500,000
200 COLLECTION SYSTEM												
4377 Engineering	11200-03	JOHN DUCKETT SEWAGE MAIN CAPACITY AND STORAGE	I	8,413,900		1,685,457	6,728,443				6,728,443	8,928,443
4153 Collections	19200-01	SEWER MAIN REHABILITATION - 2018	I	2,053,167			379,803				379,803	2,053,167
4153 Collections	20200-01	SEWER MAIN REHABILITATION -2020-2024	I									5,000,000
4153a Collections	17200-03	GIS SOFTWARE IMPLEMENTATION-UPGRADE EXISTING	S	1,740			1,740				1,740	21,740
4153b Collections	18200-01	SEWER MAIN REHABILITATION 2018	I	8,580								8,580
4240 Collections	19200-02	MANHOLE/ROD HOLE REPAIR AND REPLACEMENT	I	94,510	50,000						50,000	344,510
4488 Collections	19200-03	VACTOR	V	265,000	40,000		285,000				40,000	325,000
4608 Moved	19200-04	COLLECTIONS SYSTEM MASTER PLAN (Moved to Admin)	C									
Engineering	11200-03	Marinwood Trunk Sewer Repair	I		300,000						300,000	300,000
Collections	20200-03	VEHICLE - PER GUIDE DOG AGREEMENT	V		145,000					112,669	32,331	145,000
COLLECTION SYSTEM SUMMARY					10,856,697	535,000						
300 PUMP STATIONS/FRC MNS												
	4492	12300-05 RAFAEL MEADOWS PUMP STATION	I		100,000						100,000	600,000
	4801	14300-05 FORCE MAIN REPAIR/REPLACEMENT	I	1,838,145		1,838,145					1,838,145	1,838,145
	4801	19300-01 SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA)	S	27,099								27,099
	4801	19300-02 PUMP STATION PANEL UPGRADES AND REPLACEMENTS	R									
	4481	18360-01 MARIN LAGOON PUMP STATION	I	193,115			193,115				193,115	193,115
	4601	18300-05 HAWTHORNE PUMP STATION FENCING-REPLACEMENT	R	75,000			75,000				75,000	75,000
	4601	18300-06 TRASH PUMP 6"-EMERGENCY BYPASS PUMPS	E	87,500								97,500
	4601	18300-07 TRASH PUMP 8"-EMERGENCY BYPASS PUMPS	E	105,000								105,000
	4601	18300-08 RED FLAG PREP - EMERGENCY GENERATORS	E									
	4265	18350-01 CAPTAINS COVE PUMP STATION UPGRADES-UPGRADE AL	R	29,765			29,765				29,765	29,765
PUMP STATIONS / FORCE MAINS SUMMARY					2,385,624	100,000						
500 RECLAMATION												
	4412	11500-09 MILLER CREEK - REPAIR, MAINTAIN & MODIFY	I	326,376	78,000	326,376					78,000	78,000
	4412	17500-05 MCINNIS MARSH RESTORATION	I	100,000			100,000				100,000	100,000
		21500-01 LEVEE MAINTENANCE	I									275,000
	4332	18500-02 NORTH BAY WATER REUSE AUTHORITY AND	I	38,000								38,000
Plant		20500-01 PASTURE IRRIGATION PUMP REBUILDS	R		40,000						40,000	40,000
Plant		20500-02 STORAGE POND SLUICE GATE REPLACE OR REPAIR	R		30,000						30,000	30,000
Plant/Engineer		20500-03 ST. VINCENT P. S. DISCHARGE PIPE LEVEE REPAIR	R		50,000						50,000	50,000
Plant		20500-04 SHARP SOLAR PANEL REPLACEMENT PROJECT	R		100,000						100,000	100,000
Plant		20500-05 MARSH POND VEGETATION REMOVAL	I		150,000						150,000	150,000
Plant		20300-06 SPARE 10HP FLYGT SUBMERSIBLE PUMP	E		10,000						10,000	10,000
Plant		20300-07 BYPASS PUMP CONNECTION COMPONENTS AND PIPE	E		40,000						40,000	40,000
Engineering		20300-09 SMITH RANCH P.S. FLOW METER VAULT SUMP PUMP	E		15,000						15,000	15,000
RECLAMATION SUMMARY					464,376	513,000						
600 TREATMENT PLANT												
	4142	12600-02 PLANT IMPROVEMENTS 2018	I	840,000	71,000	118,860	721,140				71,000	792,140
	4235	12600-07 SECONDARY PLANT UPGRADES	I	8,618,010	24,362,737	3,724,272		4,591,738			24,362,737	44,923,034
	4161 Canopy/Engine	14600-04 BIOGAS ENERGY RECOVERY SYSTEM	I	247,498		247,498						
	4161	19600-01 SUPERVISORY CONTROL AND DATA ACQUISITION	S	27,099								27,099
	4161	19600-02 MISCELLANEOUS PLANT EQUIPMENT	E	12,500								12,500
Plant		20600-01 INFLUENT SCREEN OVERHAUL - 2	I		130,000						130,000	130,000
Plant		20600-02 LAB CABINET REHAB FOR DISHWASHER AND SINK	E		10,000						10,000	10,000
Engineering		20600-03 CANOPY INSTALLATION - CNG FUELING	F		150,000						150,000	150,000
		20600-04 FLOW EQUALIZATION BASIN	F		400,000						400,000	4,900,000
TREATMENT PLANT SUMMARY					9,743,107	25,123,737						
650 TERTIARY FACILITY												
	4286	18650-02 UV PIPING REPAIR	I	240,000								240,000

2019-2020 CAPITAL PROJECTS SUMMARY

				FUNDING SOURCE										
DEPARTMENT	PROJ#	CAPITAL OUTLAY DESCRIPTION	Type	2018-19	2019-20	Carryover		General Fund			Available			
						2018-2019 Projects	Bond Fund Reserve	Grants	Bond Fund Reserve	Reserves (Allocated)		Reserves (Unallocated)	Total	
A250	19650-01	SUPERVISORY CONTROL AND DATA ACQUISITION-	S	27,099								27,099		
A501	16650-02	RECYCLED WATER FACILITY EXPANSION	I	6,591,160	4,299,306		6,038,413	847,150	4,299,306			11,184,869		
				6,858,259	4,299,306									
TERTIARY FACILITY SUMMARY														
NEEDED FOR FUTURE INFRASTRUCTURE PROJECTS														
TOTALS					31,091,043		10,930,150	847,150	28,662,043	112,669	2,316,331	53,420,494		
							6,892,691							
CAPITAL OUTLAY DESCRIPTION				Type	2018-19	2019-20	2018-2019 Projects	Bond Fund Reserve	Grants	Bond Fund Reserve	Reserves (Allocated)	Reserves (Unallocated)	Total	Available
Capital Expenditures by Category:							Capital Funding by Category:							
Infrastructure	I	29,600,461	29,541,043	9,960,645	10,930,150	847,150	28,662,043	-	-	-	879,000	51,278,989		
Vehicle	V	325,000	185,000	285,000	-	-	-	-	-	112,669	72,331	470,000		
Facility	F	-	650,000	-	-	-	-	-	-	-	650,000	650,000		
Equipment	E	305,000	95,000	-	-	-	-	-	-	-	95,000	95,000		
Software	S	83,037	100,000	1,740	-	-	-	-	-	-	100,000	101,740		
Repair	R	212,345	220,000	104,765	-	-	-	-	-	-	220,000	324,765		
Contract	C	200,000	300,000	200,000	-	-	-	-	-	-	300,000	500,000		
Total Capital Projects					30,725,743	31,091,043	10,552,150	10,930,150	847,150	28,662,043	112,669	2,316,331	53,420,494	
												31,091,043		
Allocation of Big Project Costs														
				Alloc.	2018-19	2019-20								
SECONDARY PLANT UPGRADES				85.0%	8,616,010	24,362,737								
RECYCLED WATER FACILITY EXPANSION				15.0%	6,591,160	4,299,306								
Total					15,207,170	28,662,043								

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 DEBT SERVICE BUDGET
PRESENTED JUNE 6, 2019**

	Source of Funds	2016-17 Total Actual	2017-18 Total Actual	2018-19 Projected Actual	Total Payout	Interest
					2019-20 Proposed Budget	2019-20 Proposed Budget
2005 Certificates of Participation/ Refunded 2014	Gen Fund	\$ 689,876	\$ 697,963	\$ 690,473	\$ 692,488	\$ 137,488
2019 IBank Loan	Loan Reserve				623,197	258,063
2010 State Revolving Fund Loan	Gen Fund	285,464	285,464	285,464	285,464	83,564
2011 Bank of Marin Loan	Gen Fund	332,681	332,682	332,682	332,681	112,764
2012 Bank of Marin Loan	Gen Fund	235,346	235,346	235,346	235,346	20,113
2017 Revenue Bonds ⁽¹⁾	Loan Reserve	-	2,369,505	2,446,600	2,448,600	1,458,600
		-	-	-	-	-
		<u>\$ 1,638,401</u>	<u>\$ 3,920,960</u>	<u>\$ 3,990,565</u>	<u>\$ 4,617,777</u>	<u>\$ 2,070,592</u>

	2018-19 Total Payout	2019-20 Total Payout	2019-20 Interest
Gen Fund	1,543,965	1,545,980	353,929
Loan Reserve	2,446,600	3,071,797	1,716,663
	<u>3,990,565</u>	<u>4,617,777</u>	<u>2,070,592</u>
		2,547,185	

(1) Includes treatment plant upgrade, recycled water treatment plant expansion and operations control center.

(2) Per Board action on May 25, 2017, the amounts collected for the treatment plant upgrade and operations control center projects prior to the bonds being issued will be reclassified as Reserves and are reflected in the Reserve Budget for all years presented.

Las Gallinas Valley Sanitary District

Loans Payable Balance Estimates & Details at 06/30/2019

Note Payable	Started	Reason for Loan	End Date	Years	Interest %	Original Amount	Secured by:	Debt Coverage	Audited Balance @ June 30, 2018	Estimated Balance @ June 30, 2019
Bank of Marin #1	6/10/2011	Recycled Water Facility	6/10/2031	20.01	3.88%	\$ 4,600,000.00	Constructed Asset	1.20%	\$ 3,380,751.97	\$ 3,177,436.06
Bank of Marin #2	7/27/2012	Recycled Water Facility	8/10/2022	10.04	3.25%	\$ 2,000,000.00	Constructed Asset	1.20%	\$ 915,027.78	\$ 706,711.66
City National Bank for Municipal Finance Corporation	4/1/2014	Refinance 2005 COP ⁽¹⁾ (Certificates of Participation) Bonds	6/1/2025	11.18	3.30%	\$ 6,880,000.00	Net Revenues	1.15%	\$ 4,978,800.00	\$ 4,443,800.00
State Water Resources Control Board State Revolving fund	11/1/2012	Construction	6/1/2032	19.59	2.70%	\$ 3,778,805.82	Constructed Asset	1.20%	\$ 3,291,572.00	\$ 3,094,980.65
US Bank 2017 Revenue Bonds	4/28/2017	Bonds for Construction	4/1/2042	24.94	3.30%	\$38,365,000.00	Net Revenues	1.25%	\$37,415,000.00	\$36,465,000.00
Premium on 2017 Bonds	4/1/2017	Revenue Bonds	4/1/2042	25.02					\$ 2,882,139.00	\$ 2,882,139.00
California Infrastructure & Economic Developmental Bank for I-Bank Loan	5/1/2019	Construction	5/1/2039	20.01	3.00%	\$12,000,000.00	Net Revenue	1.25%	\$ -	\$ 12,000,000.00
TOTAL DEBT									<u>\$ 52,863,290.75</u>	<u>\$ 58,885,919.65</u>

1. Certificates of Participation:

A municipal government will typically issue muni bonds from which the proceeds from the bond investors will be used to undergo a project. The certificate of participation is an alternative to municipal bonds in which an investor buys a share in the improvements or infrastructure the government entity intends to fund. The authority usually uses the proceeds from a COP to construct a facility that is leased to the municipality, releasing the municipality from restrictions on the amount of debt that they can incur. The COP contrasts with a bond, in which the investor loans the government or municipality money in order to make these improvements.

**LAS GALLINAS VALLEY SANITARY DISTRICT
REVENUE, EXPENSES, DEBT SERVICE COVERAGE
PRESENTED JUNE 6, 2019**

Revenue Description	2017-18 Final Actual	2018-19 Projected Actual	2019-2020 Proposed Budget	Change	% Change from PY
OPERATING REVENUE					
User Charges	\$ 13,634,548	\$ 14,220,000	\$ 14,602,912	\$ 382,912	2.69%
Educational Revenue Augmentation Fund	372,411	319,000	325,000	\$ 6,000	1.88%
Recycled Water	61,080	39,000	42,000	\$ 3,000	7.69%
Franchise Fees	25,000	70,000	149,422	\$ 79,422	113.46%
Inspections/Permits/Application Fee	11,678	22,038	8,500	\$ (13,538)	-61.43%
Interest-Bank	425	531	500	\$ (31)	-5.89%
Interest on All Reserves	269,180	1,112,198	980,300	\$ (131,898)	-11.86%
Suppl. Property Tax Assess.	27,670	13,000	16,000	\$ 3,000	23.08%
Homeowner Property Tax Relief	4,354	3,240	4,300	\$ 1,060	32.70%
Private Sewer Lateral Assistance Program	101,368	87,721	80,000	\$ (7,721)	-8.80%
Reimbursement for Lateral Repairs		0	0	\$ -	0.00%
Miscellaneous Revenue	29,521	1,575	-	\$ (1,575)	-100.00%
Sale of Assets	29,012	75	-	\$ (75)	-100.00%
Operating Transfer In	-	-	-	\$ -	0.00%
TOTAL OPERATING REVENUES	<u>14,566,247</u>	<u>15,888,378</u>	<u>16,208,934</u>	\$ 320,555	2.02%
Property Tax	890,205	888,554	890,000	\$ 1,446	0.16%
Marin Municipal Water District	<u>455,057</u>	<u>463,145</u>	<u>463,353</u>	\$ 208	0.04%
Net Revenues	<u>15,911,509</u>	<u>17,240,078</u>	<u>17,562,287</u>		
TOTAL OPERATING EXPENDITURES	<u>\$ 6,127,621</u>	<u>6,376,788</u>	<u>7,348,015</u>	\$ 971,227	
NET POSITION	<u>\$ 9,783,888</u>	<u>\$ 10,863,290</u>	<u>\$ 10,214,271</u>	\$ (649,018)	
DEBT EXPENDITURES	<u>\$ 3,920,960</u>	<u>\$ 3,990,565</u>	<u>\$ 4,617,777</u>	\$ 627,212	
Convenant Regarding Gross Revenues	<u>250%</u>	<u>272%</u>	<u>221%</u>		
	125% Requirement				

RESOLUTION No. 2019-2169

**A RESOLUTION PROVIDING FOR THE
COLLECTION OF SEWER SERVICE CHARGES ON THE TAX ROLL**

LAS GALLINAS VALLEY SANITARY DISTRICT

RESOLVED, by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California,

That the Las Gallinas Valley Sanitary District, Marin County does hereby elect, pursuant to section 5473 of the Health and Safety Code of the State of California, to have those certain sewer charges established by said District for services and facilities furnished by it, pursuant to ordinances thereof duly passed and adopted by the Sanitary Board of the District, collected on the tax roll of the County of Marin, State of California, in the manner provided pursuant to Sections 5470 through 5473.11 of the Health and Safety Code of the State of California and said ordinances of said District.

* * * * *

I hereby certify that the forgoing is a full, true and correct copy of a resolution duly and regularly passed and adopted by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, at a meeting thereof held on June 6, 2019 by the following vote of the members thereof:

AYES, and in the favor thereof, Members:

NOES, Members:

ABSENT, Members:

ABSTAIN, Members:

Teresa Lerch, District Secretary,
Las Gallinas Valley Sanitary District

APPROVED:

(seal)

Craig K. Murray, Board President



**Presented to the Board of Directors
At the Board Meeting
June 6, 2019
Board Room
300 Smith Ranch Road**

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DISTRICT BOARD

Megan Clark

Rabi Elias

Craig K. Murray

Judy Schriebman

Crystal J. Yezman

DISTRICT ADMINISTRATION

Mike Prinz,

General Manager

Michael Cortez,

District Engineer

Mel Liebmann,

Plant Manager

Greg Pease,

Collection System/Safety Manager

Robert Ruiz

Administrative Services Manager

May 16, 2019

To the Board of Directors of the Las Gallinas Valley Sanitary District,

The management staff of the District is pleased to present to the Board the 2019-20 Preliminary Revenue, Operating and Maintenance Expense, Debt Service, Reserve Funding, and Capital Outlay Budgets for review. These budgets reflect the District's progress in the five-year capital improvement plan adopted by the Board in June 2015 for the 2016 through 2020 fiscal years.

Operating Revenue is expected to increase by approximately \$462,000 primarily from a \$29 increase in the sanitary sewer service charge from \$898 to \$927. Operating and Maintenance costs are expected to increase over the prior year by \$971,000 due to a serious problem with deferred maintenance in equipment, buildings and grounds by \$271,000 or 79.86%. Another major component is the PG&E Red Flag prep for power outages, which increased the budget by \$200,000. Staffing levels are projected to increase by one full time equivalent in order to help alleviate the deferred maintenance problem, but Staff expects that it will take at least a year to see positive results. Salaries will increase by 3.25%, which is based on COLA for the region over the last year. Also, we have a new permanent GM and a newly hired ASM. We are expecting that the changes in those positions will bring stability to many issues regarding personnel and deferred maintenance that have been plaguing the district.

As has been anticipated, Debt service will increase from \$3,990,000 to \$4,617,777 due to the \$12,000,000 I-Bank loan agreement that the District executed on May 1st, which was additional borrowing for the Secondary Treatment Plant construction.

The Capital Outlay effort for 2019 will be focused on the Secondary Treatment Upgrade and Recycled Water Expansion projects, which will not be completed until January 2021. This will result in Capital Expenditures of approximately \$40 million in this fiscal year. Other equipment purchases, major repairs, planning for future projects and accumulation of funding for large projects will continue as normal.

Sincerely,

Robert D. Ruiz, CPA
Administrative Services Manager

Mike Prinz, PE
General Manager

Annual Operating Budget Fiscal Year 2019-2020



Board of Directors

Craig K. Murray, President

Rabi Elias, Vice President

Megan Clark, Board Member

Judy Schriebman, Board Member

Crystal Yezman, Board Member

Prepared under the direction of:

Mike Prinz,

General Manager

With the aid of:

Robert D. Ruiz,

Administrative Services Manager

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 REVENUE & FUNDS BUDGET
PRESENTED JUNE 6, 2019**

FUNDS AVAILABLE	2016-17	2017-18	2018-19	2019-2020		
	Final	Final	Projected	Proposed		% Change
	Actual	Actual	Actual	Budget	Change	from PY
OPERATING REVENUE						
User Charges	\$ 13,059,850	\$ 13,634,548	\$ 14,220,000	\$ 14,602,912	\$ 382,912	2.69%
Educational Revenue Augmentation Fund	366,078	372,411	319,000	325,000	\$ 6,000	1.88%
Recycled Water	45,548	61,080	39,000	42,000	\$ 3,000	7.69%
Franchise Fees	25,000	25,000	70,000	149,422	\$ 79,422	113.46%
Inspections/Permits/Application Fee	8,957	11,678	22,038	8,500	\$ (13,538)	-61.43%
Interest	532	425	531	500	\$ (31)	-5.89%
Interest on Reserves	72,856	269,180	388,665	400,000	\$ 11,335	2.92%
Suppl. Property Tax Assess.	15,409	27,670	13,000	16,000	\$ 3,000	23.08%
Homeowner Property Tax Relief	4,363	4,354	3,240	4,300	\$ 1,060	32.70%
Private Sewer Lateral Assistance Program	76,027	101,368	87,721	80,000	\$ (7,721)	-8.80%
Miscellaneous Revenue	33,057	29,521	1,575	-	\$ (1,575)	-100.00%
Sale of Assets	(6,267)	29,012	75	-	\$ (75)	-100.00%
Operating Transfer In	-	-	-	-	\$ -	0.00%
Total Operating Revenue	13,701,410	14,566,247	15,164,845	15,628,634	\$ 463,789	3.06%
OTHER SOURCES OF FUNDS						
CAPACITY RELATED FUNDS						
Annex and Capital Facility Charges	39,580	228,625	-	-	\$ -	0.00%
Interest on Connection Fees	451	242	124	300	\$ 176	141.25%
Total Capacity Related Revenue	40,031	228,867	124	300	\$ 176	141.25%
GENERAL CONSTRUCTION FUNDS						
Property Tax	856,873	890,205	888,554	890,000	\$ 1,446	0.16%
Operating Transfer In	-	-	-	-	\$ -	0.00%
	856,873	890,205	888,554	890,000	\$ 1,446	0.16%
OTHER SOURCES						
Marin Municipal Water District	436,837	455,057	463,145	463,353	\$ 208	0.04%
2017 Bond Sale	41,039,514	-	-	-	\$ -	0.00%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 REVENUE & FUNDS BUDGET
PRESENTED JUNE 6, 2019**

FUNDS AVAILABLE	2016-17 Final Actual	2017-18 Final Actual	2018-19 Projected Actual	2019-2020 Proposed Budget	Change	% Change from PY
2019 Ibank Loan			12,000,000	-	\$ (12,000,000)	-100.00%
Federal Grant	-	-	169,004	847,150	\$ 678,147	401.26%
State Grant	-	362,033	-	-	\$ -	0.00%
	<u>41,476,351</u>	<u>817,090</u>	<u>12,632,149</u>	<u>1,310,503</u>	\$ (11,321,646)	-89.63%
UTILIZATION OF BOND FUNDS AND RESERVES						
Reserves	366,256	-	-	-	\$ -	
Private Sewer Lateral Assistance Funds	-	-	-	-	\$ -	
Prior Year Capital Project Carryover	4,046,259	1,359,494	-	10,552,150	\$ 10,552,150	0.00%
Construction Project Reserve		791,158		-	\$ -	0.00%
Interest Earned on Unspent Bond Funds		567,986	709,744	580,000	\$ (129,744)	-18.28%
Transfers from Bond Fund	65,955	-	-	39,592,193	\$ 39,592,193	0.00%
Marin Lagoon Reserve Fund	-	13,580	74,000	74,000	\$ -	0.00%
Captains Cove Reserve Fund	-	236	2,695	2,695	\$ -	0.00%
Capital Facilities Fund	350,056	300,300	-	-	\$ -	0.00%
	<u>4,828,526</u>	<u>3,032,754</u>	<u>786,439</u>	<u>50,801,039</u>	\$ 50,014,600	6359.63%
					\$ -	
TOTAL FUNDS AVAILABLE FOR EXPENDITURES	<u>\$ 60,903,191</u>	<u>\$ 19,535,163</u>	<u>\$ 29,472,111</u>	<u>\$ 68,630,476</u>	\$ 39,158,364	132.87%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Overall Summary of Expenses

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Total Employee Wages	2,523,313	2,762,763	2,690,528	3,037,074	\$ 346,545	12.88%
Total Employee Benefits	1,235,695	1,259,817	1,598,842	1,602,445	\$ 3,603	0.23%
Total Insurance Expense	146,770	145,909	159,950	173,780	\$ 13,830	8.65%
Total Repairs and Maintenance	353,808	466,690	339,700	611,000	\$ 271,300	79.86%
Total Small Tools & Supplies	324,387	260,533	345,906	391,442	\$ 45,536	13.16%
Total Contracted Services	719,755	685,508	725,021	987,100	\$ 262,079	36.15%
Total Utilities	351,917	203,649	238,011	197,805	\$ (40,206)	-16.89%
Total General & Administrative	<u>271,179</u>	<u>342,752</u>	<u>278,829</u>	<u>347,370</u>	\$ 68,541	24.58%
OPERATING EXPENSE TOTALS	<u>\$ 5,926,824</u>	<u>\$ 6,127,621</u>	<u>\$ 6,376,788</u>	<u>\$ 7,348,015</u>	\$ 971,227	15.23%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Employee Wages & Benefits Expenses

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Regular Staff Salaries	2,252,470	2,458,142	2,389,273	2,761,056	\$ 371,784	15.56%
Over Time	87,008	83,452	90,951	75,607	(15,343)	-16.87%
Vacation and Sick Accrual	51,592	67,515	37,796	39,000	1,204	3.19%
Stand By	76,396	78,263	100,490	87,030	(13,460)	-13.39%
Directors Salary	55,847	75,391	72,020	74,380	2,361	3.28%
Directors Benefits	9,000	8,400	9,713	5,690	(4,022)	-41.41%
Payroll Taxes	178,182	191,210	210,491	208,702	(1,789)	-0.85%
Group Life Insurance	5,462	5,683	6,789	6,094	(695)	-10.24%
PERS	350,789	340,354	562,116	592,455	30,339	5.40%
Health Insurance	551,337	550,689	649,770	602,629	(47,141)	-7.26%
Long Term Disability	17,786	19,686	23,439	23,091	(348)	-1.49%
Auto Allowance	12,730	10,338	10,592	19,259	8,666	81.82%
Commute Stipend	28,037	28,845	36,345	35,626	(719)	-1.98%
Payroll Processing	9,657	9,466	10,727	10,500	(227)	-2.11%
Conferences	46,090	64,232	37,940	56,000	18,060	47.60%
Mileage and Travel	5,881	8,025	8,759	10,800	2,041	23.30%
Employee Recognition	2,481	6,616	6,883	6,000	(883)	-12.82%
Employee Training and Education	18,263	16,273	25,279	25,600	321	1.27%
Total Employee Expense	\$ 3,759,008	\$ 4,022,580	\$ 4,289,371	\$ 4,639,519	350,148	8.16%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Insurance Expenses

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Workers' Comp Insurance	41,785	41,159	46,000	48,482	\$ 2,482	5.40%
Unemployment Insurance	-	-	-	-		
Pooled Liability Insurance	103,753	103,800	113,000	124,300	11,300	10.00%
Fidelity Bond	<u>1,232</u>	<u>950</u>	<u>950</u>	<u>998</u>	48	5.00%
Total Insurance Expense	<u>\$ 146,770</u>	<u>\$ 145,909</u>	<u>\$ 159,950</u>	<u>\$ 173,780</u>	13,830	8.65%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Repairs and Maintenance Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Vehicle Parts & Maintenance	42,093	52,880	62,426	51,500	\$ (10,926)	-17.50%
Building maintenance	12,117	15,317	6,620	35,000	\$ 28,380	428.70%
Grounds Maintenance	7,161	21,410	25,471	40,000	\$ 14,529	57.04%
Power Generation Maint & Repair	3,748	2,418	70,505	87,000	\$ 16,495	23.40%
Reclamation Maintenance			6,609	25,000	\$ 18,391	278.27%
Equipment Maintenance	50,442	35,848	80,599	115,000	\$ 34,401	42.68%
Equipment Repair	71,465	72,211	31,070	104,500	\$ 73,430	236.34%
Capital Repairs/Replacements	<u>166,782</u>	<u>266,606</u>	<u>56,399</u>	<u>153,000</u>	\$ 96,601	171.28%
Total Repairs and Maintenance	<u>\$ 353,808</u>	<u>\$ 466,690</u>	<u>\$ 339,700</u>	<u>\$ 611,000</u>	\$ 271,300	79.86%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Contract Services Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year	
Outside Services	17,111	16,721	18,843	269,500	\$ 250,657	1330.22%	1
Pollution Prevention Program	16,905	12,264	8,981	12,500	\$ 3,519	39.19%	
Lab Contract Services	50,748	37,425	38,000	43,000	\$ 5,000	13.16%	
Special Monitoring/Pilot Testing	2,800	-	-	-	\$ -	-	
Janitorial	9,771	11,557	17,500	12,000	\$ (5,500)	-31.43%	
Aquatic Review	3,536	3,421	3,008	3,800	\$ 792	26.32%	
Uniform Service	4,913	6,005	5,914	6,500	\$ 586	9.91%	
Damage Claim	992	407	17,214	10,000	\$ (7,214)	-41.91%	
Sludge Disposal (Inject)	47,984	67,573	67,565	69,500	\$ 1,935	2.86%	
Regulatory Consultant (Environmental)	158,591	80,414	168,064	177,300	\$ 9,236	5.50%	2
Engineering Consultant (General Small)	27,337	73,106	15,767	15,000	\$ (767)	-4.86%	
Lateral Rehab Assistance Program	116,091	52,406	95,000	100,000	\$ 5,000	5.26%	
Legal	195,643	197,981	120,000	120,000	\$ -	0.00%	
Audit	30,570	25,570	25,635	28,000	\$ 2,365	9.23%	
Consultants	<u>36,763</u>	<u>100,658</u>	<u>123,530</u>	<u>120,000</u>	\$ (3,530)	-2.86%	
Total Contracted Services	\$ 719,755	\$ 685,508	\$ 725,021	\$ 987,100	\$ 262,079	36.15%	

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Small Tools & Supplies Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Hypochlorite	45,585	39,888	63,219	54,000	\$ (9,219)	-14.58%
Bisulfite	57,425	35,755	58,260	46,000	\$ (12,260)	-21.04%
Miscellaneous Chemicals	88,131	62,975	97,700	117,000	\$ 19,300	19.75%
General Operating Supplies	52,110	44,017	41,846	52,100	\$ 10,254	24.51%
Fuel & Oil	26,380	23,420	27,839	28,992	\$ 1,153	4.14%
Safety Equipment & Supplies	22,775	20,054	26,317	32,350	\$ 6,033	22.93%
Safety Services	28,720	28,619	29,892	53,000	\$ 23,108	77.31%
Small Tools	<u>3,261</u>	<u>5,805</u>	<u>834</u>	<u>8,000</u>	\$ 7,166	859.61%
Total Small Tools & Supplies	<u>\$ 324,387</u>	<u>\$ 260,533</u>	<u>\$ 345,906</u>	<u>\$ 391,442</u>	\$ 45,536	13.16%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

Utilities Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Utility Power	314,316	161,943	187,994	154,300	\$ (33,694)	-17.92%
Telephone	32,704	33,072	40,890	33,505	\$ (7,385)	-18.06%
Water	<u>4,897</u>	<u>8,634</u>	<u>9,127</u>	<u>10,000</u>	\$ 873	9.56%
Total Utilities	<u>\$ 351,917</u>	<u>\$ 203,649</u>	<u>\$ 238,011</u>	<u>\$ 197,805</u>	\$ (40,206)	-16.89%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 OPERATING AND MAINTENANCE EXPENSE BUDGET
PRESENTED JUNE 6, 2019**

General & Administrative Expense

Expense Description	2016-17 Total Actual	2017-18 Total Actual	2018/19 Projected Actual	2019/20 Proposed Budget	Increase Over Projection	Percent Change from Prior Year
Election	1,043	-	25,000	25,000	\$ -	0.00%
Office Supplies	16,432	14,072	15,549	15,620	\$ 71	0.46%
Computer Support and Supplies	40,418	121,468	76,432	84,500	\$ 8,068	10.56%
Bank Charges	2,574	1,594	114	1,500	\$ 1,386	1215.79%
User Charge Collection Fee	32,908	33,379	30,000	35,000	\$ 5,000	16.67%
Publication and Legal Ads	13,779	12,128	11,663	15,000	\$ 3,338	28.62%
Public Education and Outreach	33,462	34,037	40,000	65,000	\$ 25,000	62.50%
Taxes, Other	7,766	8,917	3,883	9,000	\$ 5,117	131.76%
Memberships	44,083	44,810	44,078	56,000	\$ 11,923	27.05%
Permits	48,604	55,985	19,812	23,250	\$ 3,438	17.35%
Fines	9,000	-	-	-	\$ -	
Rents and Leases	21,008	16,362	11,284	16,500	\$ 5,216	46.22%
Miscellaneous expense	102	-	1,014	1,000	\$ (14)	-1.38%
Total General & Administrative	\$ 271,179	\$ 342,752	\$ 278,829	\$ 347,370	\$ 68,541	24.58%

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 RESERVE FUNDING BUDGET
PRESENTED JUNE 6, 2019**

Expenditure	2016-17 Total Actual	2017-18 Adopted Budget	2018-19 Adopted Budget	2018-19 Revised Budget	2019-20 Proposed Budget
Working Cash Flow	\$ 126,408	\$ 158,045	\$ 166,286	\$ 166,286	\$ 166,286
Emergency Repair ⁽¹⁾	43,622	-	-	-	1,000,000
Capital Reserves					
Undesignated	111,536	139,451	\$ 146,722	\$ 146,722	\$ 146,722
Plant Upgrade and Recycled Water Treatment Plant Expansion Projects	2,591,715	301,210	224,115	224,115	222,115
Capacity Fund	-	-	-	300	300
Captains Cove	-	5,060	-	-	-
Marin Lagoon	6,263	9,695	-	-	-
MMWD Recycled Water Facility Buy in	333,563	-	-	-	-
Equipment Reserves					1,000,000
MMWD Debt Reimbursement					
Bank of Marin	-	206,549	206,549	206,549	206,549
2017 Revenue Bonds	-	248,509	256,595	256,595	256,804
	<u>\$ 3,213,107</u>	<u>\$ 1,068,519</u>	<u>\$ 1,000,267</u>	<u>\$ 1,000,567</u>	<u>\$ 2,998,776</u>

(1) These are reserves not taken into account in the CIP worksheet.

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 RESERVE FUNDING BUDGET
PRESENTED JUNE 6, 2019**

Expenditure	2016-17 Total Actual	2017-18 Adopted Budget	2018-19 Adopted Budget	2018-19 Revised Budget	2019-20 Proposed Budget
Working Cash Flow	\$ 126,408	\$ 158,045	\$ 166,286	\$ 166,286	\$ 166,286
Emergency Repair ⁽¹⁾	43,622	-	-	-	1,000,000
Capital Reserves					
Undesignated	111,536	139,451	\$ 146,722	\$ 146,722	\$ 146,722
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Capacity Fund	-	-	-	300	300
Captains Cove	-	5,060	-	-	-
Marin Lagoon	6,263	9,695	-	-	-
MMWD Recycled Water Facility Buy in	333,563	-	-	-	-
Equipment Reserves					1,000,000
MMWD Debt Reimbursement					
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2017 Revenue Bonds	-	248,509	256,595	256,595	256,804
	<u>\$ 3,213,107</u>	<u>\$ 1,068,519</u>	<u>\$ 1,000,267</u>	<u>\$ 1,000,567</u>	<u>\$ 2,998,776</u>

(1) These are reserves not taken into account in the CIP worksheet.

2019-2020 CAPITAL PROJECTS SUMMARY

FUNDING SOURCE

DEPARTMENT	PROJ#	CAPITAL OUTLAY DESCRIPTION	Type	Expenditures		Carryover		General Fund		Total	Available
				2018-19	2019-20	2018-2019	Bond Fund Reserve	Reserves (Allocated)	Reserves (Unallocated)		
				Previous Yr	Proposed	Projects					
100 ADMINISTRATION											
	4361	19100-01 PHONE SYSTEM	E	20,000							
	4306	19100-02 ROOF REPLACEMENT	R	107,480							
	4307	19100-03 HVAC SYSTEM REPLACEMENT	E	70,000							
Finance		20100-01 INTEGRATED FINANCIAL SOFTWARE-ASM	S		100,000				100,000	100,000	125,000
4306 GM		20100-02 ADMINISTRATION BUILDING	F		100,000				100,000	100,000	10,100,000
4803 GM		20100-03 REDESIGN OF OFFICES IN ADMIN BUILDING	E		20,000				20,000	20,000	20,000
GM		20100-04 GENERAL MANAGER AUTO	V	40,000							
4362 GM		20100-05 MASTER PLAN (2018-19 Funds from Collections 19200-04)	C	200,000	200,000	200,000			200,000	400,000	1,000,000
ADMINISTRATION SUMMARY				437,480	420,000						
125-ENGINEERING											
Engineering	20125-01	On-Call Construction Contract	C		100,000					100,000	500,000
200 COLLECTION SYSTEM											
4377 Engineering	11200-03	JOHN DUCKETT SEWAGE MAIN CAPACITY AND STORAGE	I	8,413,900		6,728,443				6,728,443	8,928,443
4153 Collections	19200-01	SEWER MAIN REHABILITATION - 2018	I	2,053,167		379,803				379,803	2,053,167
4153 Collections	20200-01	SEWER MAIN REHABILITATION -2020-2024	I								5,000,000
4153a Collections	17200-03	GIS SOFTWARE IMPLEMENTATION-UPGRADE EXISTING	S	1,740		1,740				1,740	21,740
4153b Collections	18200-01	SEWER MAIN REHABILITATION 2018	I	8,580							8,580
4240 Collections	19200-02	MANHOLE/ROD HOLE REPAIR AND REPLACEMENT	I	94,510	50,000				50,000	50,000	344,510
4488 Collections	19200-03	VACTOR	V	285,000	40,000	285,000			40,000	325,000	325,000
4808 Moved	19200-04	COLLECTIONS SYSTEM MASTER PLAN (Moved to Admin)	C								
Engineering	11200-03	Marinwood Trunk Sewer Repair	I		300,000					300,000	300,000
Collections	20200-03	VEHICLE - PER GUIDE DOG AGREEMENT	V		145,000					32,331	145,000
COLLECTION SYSTEM SUMMARY				10,856,897	535,000				112,669	145,000	145,000
300 PUMP STATIONS/FRC MHS											
	4492	12300-05 RAFAEL MEADOWS PUMP STATION	I		100,000					100,000	600,000
	4492	14300-05 FORCE MAIN REPAIR/REPLACEMENT	I	1,838,145		1,838,145				1,838,145	1,838,145
	4801	19300-01 SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA)	S	27,099							27,099
	4801	19300-02 PUMP STATION PANEL UPGRADES AND REPLACEMENTS	R								
	4481	18360-01 MARIN LAGOON PUMP STATION	I	193,115		193,115				193,115	193,115
	4801	18300-05 HAWTHORNE PUMP STATION FENCING-REPLACEMENT	R	75,000		75,000				75,000	75,000
	4801	18300-06 TRASH PUMP 6"-EMERGENCY BYPASS PUMPS	E	97,500							97,500
	4801	18300-07 TRASH PUMP 8"-EMERGENCY BYPASS PUMPS	E	105,000							105,000
	4801	18300-08 RED FLAG PREP - EMERGENCY GENERATORS	E								
	4265	18350-01 CAPTAINS COVE PUMP STATION UPGRADES-UPGRADE AL	R	29,765		29,765				29,765	29,765
PUMP STATIONS / FORCE MAINS SUMMARY				2,385,624	100,000						
500 RECLAMATION											
	4412	11500-09 MILLER CREEK - REPAIR, MAINTAIN & MODIFY	I	326,376	78,000					78,000	78,000
	4412	17500-05 MCINNIS MARSH RESTORATION	I	100,000		100,000				100,000	100,000
		21500-01 LEVEE MAINTENANCE	I								275,000
	4332	18500-02 NORTH BAY WATER REUSE AUTHORITY AND	I	36,000							38,000
Plant		20500-01 PASTURE IRRIGATION PUMP REBUILDS	R		40,000				40,000	40,000	40,000
Plant		20500-02 STORAGE POND SLUICE GATE REPLACE OR REPAIR	R		30,000				30,000	30,000	30,000
Plant/Engineer		20500-03 ST. VINCENT P. S. DISCHARGE PIPE LEVEE REPAIR	R		50,000				50,000	50,000	50,000
Plant		20500-04 SHARP SOLAR PANEL REPLACEMENT PROJECT	R		100,000				100,000	100,000	100,000
Plant		20500-05 MARSH POND VEGETATION REMOVAL	I		150,000				150,000	150,000	150,000
Plant		20300-06 SPARE 10HP FLYGT SUBMERSIBLE PUMP	E		10,000				10,000	10,000	10,000
Plant		20300-07 BYPASS PUMP CONNECTION COMPONENTS AND PIPE	E		40,000				40,000	40,000	40,000
Engineering		20300-09 SMITH RANCH P.S. FLOW METER VAULT SUMP PUMP	E		15,000				15,000	15,000	15,000
RECLAMATION SUMMARY				464,376	513,000						
600 TREATMENT PLANT											
	4142	12600-02 PLANT IMPROVEMENTS 2018	I	840,000	71,000	118,860	721,140			71,000	792,140
	4225	12600-07 SECONDARY PLANT UPGRADES	I	8,616,010	24,362,737	3,724,272	4,891,738		24,362,737	29,254,474	44,923,034
1611 Canopy/Engineer		14600-04 BIOGAS ENERGY RECOVERY SYSTEM	I	247,498							
	4161	19800-01 SUPERVISORY CONTROL AND DATA ACQUISITION	S	27,099							27,099
	4161	19800-02 MISCELLANEOUS PLANT EQUIPMENT	E	12,500							12,500
Plant		20800-01 INFLUENT SCREEN OVERHAUL - 2	I		130,000				130,000	130,000	130,000
Plant		20600-02 LAB CABINET REHAB FOR DISHWASHER AND SINK	F		10,000				10,000	10,000	10,000
Engineering		20600-03 CANOPY INSTALLATION - CNG FUELING	E		150,000				150,000	150,000	150,000
		20600-04 FLOW EQUALIZATION BASIN	F		400,000				400,000	400,000	4,900,000
TREATMENT PLANT SUMMARY				9,743,107	25,123,737						
650 TERTIARY FACILITY											
4286	18850-02	UV PIPING REPAIR	I	240,000							240,000

2019-2020 CAPITAL PROJECTS SUMMARY

FUNDING SOURCE

DEPARTMENT	PROJ#	CAPITAL OUTLAY DESCRIPTION	Type	2018-19	2019-20	Expenditures	FUNDING SOURCE					Available	
							Carryover		General Fund				Total
							2018-2019 Projects	Bond Fund Reserve	Grants	Bond Fund Reserve	Reserves (Allocated)	Reserves (Unallocated)	
4250	19650-01	SUPERVISORY CONTROL AND DATA ACQUISITION-	S	27,099	-	-	-	-	-	-	-	-	27,099
4501	16650-02	RECYCLED WATER FACILITY EXPANSION	I	6,591,160	4,299,306	552,747	-	6,038,413	847,150	4,299,306	-	-	11,184,869
TERTIARY FACILITY SUMMARY				6,618,259	4,299,306	-	-	-	-	-	-	-	-
TOTALS				6,645,358	31,091,043	6,892,691	10,552,150	10,930,150	847,150	28,662,043	112,669	2,316,331	53,420,494

NEEDED FOR FUTURE INFRASTRUCTURE PROJECTS

CAPITAL OUTLAY DESCRIPTION	Type	2018-19	2019-20	Expenditures	FUNDING SOURCE					Available		
					2018-2019 Projects	Bond Fund Reserve	Grants	Bond Fund Reserve	Reserves (Allocated)		Reserves (Unallocated)	Total
Capital Expenditures by Category:					Capital Funding by Category:							
Infrastructure	I	29,600,461	29,541,043	9,960,645	10,930,150	847,150	28,662,043	-	879,000	51,278,989		
Vehicle	V	325,000	185,000	285,000	-	-	-	112,669	72,331	470,000		
Facility	F	-	650,000	-	-	-	-	-	650,000	650,000		
Equipment	E	305,000	95,000	-	-	-	-	-	95,000	95,000		
Software	S	83,037	100,000	1,740	-	-	-	-	100,000	101,740		
Repair	R	212,245	220,000	104,765	-	-	-	-	220,000	324,765		
Contract	C	300,000	300,000	200,000	-	-	-	-	300,000	500,000		
Total Capital Projects		30,725,743	31,091,043	10,552,150	10,930,150	847,150	28,662,043	112,669	2,316,331	53,420,494		
Allocation of Big Project Costs												
	Alloc.	2018-19	2019-20									
SECONDARY PLANT UPGRADES	85.0%	8,616,010	24,362,737									
RECYCLED WATER FACILITY EXPANSION	15.0%	6,591,160	4,299,306									
Total		15,207,170	28,662,043									

31,091,043

**LAS GALLINAS VALLEY SANITARY DISTRICT
2019-20 DEBT SERVICE BUDGET
PRESENTED JUNE 6, 2019**

					Total Payout	Interest
	Source of Funds	2016-17 Total Actual	2017-18 Total Actual	2018-19 Projected Actual	2019-20 Proposed Budget	2019-20 Proposed Budget
2005 Certificates of Participation/ Refunded 2014	Gen Fund	\$ 689,876	\$ 697,963	\$ 690,473	\$ 692,488	\$ 137,488
2019 IBank Loan	Loan Reserve				623,197	258,063
2010 State Revolving Fund Loan	Gen Fund	285,464	285,464	285,464	285,464	83,564
2011 Bank of Marin Loan	Gen Fund	332,681	332,682	332,682	332,681	112,764
2012 Bank of Marin Loan	Gen Fund	235,346	235,346	235,346	235,346	20,113
2017 Revenue Bonds ⁽¹⁾	Loan Reserve	-	2,369,505	2,446,600	2,448,600	1,458,600
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>\$ 1,638,401</u>	<u>\$ 3,920,960</u>	<u>\$ 3,990,565</u>	<u>\$ 4,617,777</u>	<u>\$ 2,070,592</u>

	2018-19 Total Payout	2019-20 Total Payout	2019-20 Interest
Gen Fund	1,543,965	1,545,980	353,929
Loan Reserve	2,446,600	3,071,797	1,716,663
	<u>3,990,565</u>	<u>4,617,777</u>	<u>2,070,592</u>
		2,547,185	

(1) Includes treatment plant upgrade, recycled water treatment plant expansion and operations control center.

(2) Per Board action on May 25, 2017, the amounts collected for the treatment plant upgrade and operations control center projects prior to the bonds being issued will be reclassified as Reserves and are reflected in the Reserve Budget for all years presented.

Las Gallinas Valley Sanitary District

Loans Payable Balance Estimates & Details at 06/30/2019

Note Payable	Started	Reason for Loan	End Date	Years	Interest %	Original Amount	Secured by:	Debt Coverage	Audited Balance @ June 30, 2018	Estimated Balance @ June 30, 2019
Bank of Marin #1	6/10/2011	Recycled Water Facility	6/10/2031	20.01	3.88%	\$ 4,600,000.00	Constructed Asset	1.20%	\$ 3,380,751.97	\$ 3,177,436.06
Bank of Marin #2	7/27/2012	Recycled Water Facility	8/10/2022	10.04	3.25%	\$ 2,000,000.00	Constructed Asset	1.20%	\$ 915,027.78	\$ 706,711.66
City National Bank for Municipal Finance Corporation	4/1/2014	Refinance 2005 COP ⁽¹⁾ (Certificates of Participation) Bonds	6/1/2025	11.18	3.30%	\$ 6,880,000.00	Net Revenues	1.15%	\$ 4,978,800.00	\$ 4,443,800.00
State Water Resources Control Board State Revolving fund	11/1/2012	Construction	6/1/2032	19.59	2.70%	\$ 3,778,805.82	Constructed Asset	1.20%	\$ 3,291,572.00	\$ 3,094,980.65
US Bank 2017 Revenue Bonds	4/28/2017	Bonds for Construction	4/1/2042	24.94	3.30%	\$38,365,000.00	Net Revenues	1.25%	\$37,415,000.00	\$36,465,000.00
Premium on 2017 Bonds	4/1/2017	Revenue Bonds	4/1/2042	25.02					\$ 2,882,139.00	\$ 2,882,139.00
California Infrastructure & Economic Developmental Bank for I-Bank Loan	5/1/2019	Construction	5/1/2039	20.01	3.00%	\$12,000,000.00	Net Revenue	1.25%	\$ -	\$12,000,000.00
TOTAL DEBT									\$ 52,863,290.75	\$ 58,885,919.65

1. Certificates of Participation:

A municipal government will typically issue muni bonds from which the proceeds from the bond investors will be used to undergo a project. The certificate of participation is an alternative to municipal bonds in which an investor buys a share in the improvements or infrastructure the government entity intends to fund. The authority usually uses the proceeds from a COP to construct a facility that is leased to the municipality, releasing the municipality from restrictions on the amount of debt that they can incur. The COP contrasts with a bond, in which the investor loans the government or municipality money in order to make these improvements.

**LAS GALLINAS VALLEY SANITARY DISTRICT
REVENUE, EXPENSES, DEBT SERVICE COVERAGE
PRESENTED JUNE 6, 2019**

Revenue Description	2017-18 Final Actual	2018-19 Projected Actual	2019-2020 Proposed Budget	Change	% Change from PY
OPERATING REVENUE					
User Charges	\$ 13,634,548	\$ 14,220,000	\$ 14,602,912	\$ 382,912	2.69%
Educational Revenue Augmentation Fund	372,411	319,000	325,000	\$ 6,000	1.88%
Recycled Water	61,080	39,000	42,000	\$ 3,000	7.69%
Franchise Fees	25,000	70,000	149,422	\$ 79,422	113.46%
Inspections/Permits/Application Fee	11,678	22,038	8,500	\$ (13,538)	-61.43%
Interest-Bank	425	531	500	\$ (31)	-5.89%
Interest on All Reserves	269,180	1,112,198	980,300	\$ (131,898)	-11.86%
Suppl. Property Tax Assess.	27,670	13,000	16,000	\$ 3,000	23.08%
Homeowner Property Tax Relief	4,354	3,240	4,300	\$ 1,060	32.70%
Private Sewer Lateral Assistance Program	101,368	87,721	80,000	\$ (7,721)	-8.80%
Reimbursement for Lateral Repairs		0	0	\$ -	0.00%
Miscellaneous Revenue	29,521	1,575	-	\$ (1,575)	-100.00%
Sale of Assets	29,012	75	-	\$ (75)	-100.00%
Operating Transfer In	-	-	-	\$ -	0.00%
TOTAL OPERATING REVENUES	<u>14,566,247</u>	<u>15,888,378</u>	<u>16,208,934</u>	\$ 320,555	2.02%
Property Tax	890,205	888,554	890,000	\$ 1,446	0.16%
Marin Municipal Water District	<u>455,057</u>	<u>463,145</u>	<u>463,353</u>	\$ 208	0.04%
Net Revenues	<u>15,911,509</u>	<u>17,240,078</u>	<u>17,562,287</u>		
TOTAL OPERATING EXPENDITURES	<u>\$ 6,127,621</u>	<u>6,376,788</u>	<u>7,348,015</u>	\$ 971,227	
NET POSITION	<u>\$ 9,783,888</u>	<u>\$ 10,863,290</u>	<u>\$ 10,214,271</u>	\$ (649,018)	
DEBT EXPENDITURES	<u>\$ 3,920,960</u>	<u>\$ 3,990,565</u>	<u>\$ 4,617,777</u>	\$ 627,212	
Convenant Regarding Gross Revenues	<u>250%</u>	<u>272%</u>	<u>221%</u>		
125% Requirement					

RESOLUTION No. 2019-2170

**A RESOLUTION DETERMINING THE 2019-20
APPROPRIATION OF TAX PROCEEDS**

LAS GALLINAS VALLEY SANITARY DISTRICT

RESOLVED, by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, that the calculated maximum limit applicable to the 2019-20 appropriations of tax proceeds is \$2,962,615 in accordance with Article XIII B of the Constitution of the State of California. The Board selects the change in California per capita income as the cost of living factor to be used in the calculation of the appropriation limit. The Board selects the change in population of Marin County as the change of population factor to be used in the calculation of the appropriations limit. The District's 2019-20 appropriations subject to tax proceeds limitations are \$890,000. Detailed schedules are hereto attached as Exhibit A and by reference incorporated herein.

* * * * *

I hereby certify that the forgoing is a full, true and correct copy of a Resolution duly and regularly passed and adopted by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, at a meeting thereof held on June 6, 2019, by the following vote of the members thereof:

AYES, and in the favor thereof, Members:

NOES, Members:

ABSENT, Members:

ABSTAIN, Members:

Teresa L. Lerch, District Secretary,
Las Gallinas Valley Sanitary District

APPROVED:

(seal)

Craig K. Murray, Board President

**CALCULATION OF APPROPRIATION LIMIT FOR
2019-20 PROCEEDS OF TAXES**

Appropriations Adjustment Limit Factors					Calculated Maximum Limit
CPI 2019-20	1.0385				
Population 2018-19	x 0.9999	Growth for Marin County			
Combined Factor	1.0384				
		\$2,853,068	x	1.0384	=
					\$2,962,615
CPI 2018-19	1.0367				
Population 2017-18	x 1.0017				
Combined Factor	1.0385				
		\$2,747,397	x	1.0385	=
					\$2,853,068
CPI 2017-18	1.0369				
Population 2016-17	x 1.0018				
Combined Factor	1.0388				
		\$2,644,865	x	1.0388	=
					\$2,747,397
CPI 2016-17	1.0537				
Population 2015-16	x 1.0033				
Combined Factor	1.0572				
		\$2,501,818	x	1.0572	=
					\$2,644,865

RESOLUTION No. 2019-2171

**A RESOLUTION REQUESTING ALLOCATION OF TAXES
FOR THE FISCAL YEAR 2019-20**

LAS GALLINAS VALLEY SANITARY DISTRICT

RESOLVED, by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, as follows:

1. That the minimum amount of money required by said District to be raised by taxes during the fiscal year ending June 30, 2020 for the purpose of paying the maintenance and operation expense of said District, as it comes due, is the amount of \$890,000.

2. That it is hereby estimated that said sum is the minimum amount of money required by said District for such purposes during said ensuing fiscal year.

3. That said Sanitary Board further respectfully requests the Honorable Board of Supervisors of the County of Marin to direct the County Auditor to allocate to the Las Gallinas Valley Sanitary District the amount of \$890,000, or such other amount as shall be determined to be said District's share of the 2019-20 property tax revenue generated pursuant to Section 93 of the Revenue and Taxation Code and allocated pursuant to Section 97 of said Code.

* * * * *

I hereby certify that the forgoing is a full, true and correct copy of a resolution duly and regularly passed and adopted by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, at a meeting thereof held on June 6, 2019, by the following vote of the members thereof:

AYES, and in the favor thereof, Members:

NOES, Members:

ABSENT, Members:

ABSTAIN, Members:

Teresa L. Lerch, District Secretary,
Las Gallinas Valley Sanitary District

APPROVED:

(seal)

Craig K. Murray, Board President

MINUTES OF MAY 16, 2019

1
2
3 THE BOARD OF DIRECTORS OF THE LAS GALLINAS VALLEY SANITARY DISTRICT MET IN OPEN
4 SESSION ON MAY 16, 2019 AT 3:07 PM, AT THE DISTRICT OFFICE, 300 SMITH RANCH ROAD,
5 SAN RAFAEL, CALIFORNIA.

6
7 **BOARD MEMBERS PRESENT:** M. Clark, R. Elias, C. Murray, J. Schriebman and
8 C. Yezman

9
10 **BOARD MEMBERS ABSENT:** None.

11
12 **STAFF PRESENT:** Mike Prinz , General Manager; Teresa Lerch, District
13 Secretary; Robert Ruiz, District Treasurer
14 (Present for Closed Sessions)

15
16 **OTHERS PRESENT:** Patrick Richardson, District Counsel;

17
18 **ANNOUNCEMENT:** President Murray announced that the agenda had been
19 posted as evidenced by the certification on file in
20 accordance with the law.

21
22 **PUBLIC COMMENT:** None.

23
24 **ADJOURNMENT:**

25
26 **ACTION:**

27
28 THE BOARD OF DIRECTORS OF THE LAS GALLINAS VALLEY SANITARY DISTRICT ADJOURNED TO
29 CLOSED SESSION ON MAY 16th 2019 , AT 3:08 PM, AT THE DISTRICT OFFICE, 300 SMITH RANCH ROAD,
30 SAN RAFAEL, CALIFORNIA.

31
32 Lerch left at 3:08 PM.

33
34 **CLOSED SESSION:**

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36 **PUBLIC EMPLOYEE PERFORMANCE EVALUATION** – General Manager: pursuant to subdivision
37 (b)(1) of Government Code Section 54957.

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39 **CONFERENCE WITH LABOR NEGOTIATORS** – Agency designated representatives: General Manager
40 and Administrative Services Manager; Unrepresented employees: Administrative Services Manager,
41 Collection System/Safety Manager, District Engineer, Plant Manager, pursuant to Governmental Code
42 Section 54957.6

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44 **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION** – Significant exposure to
45 litigation pursuant to Paragraph (2) of Subdivision (d) of Government Code Section 54956.9: Two
46 Potential Cases.

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48 **ADJOURNMENT:**

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50 **ACTION:**

51 The Board of Directors of the Las Gallinas Valley Sanitary District reconvened the Regular Session on
52 May 16, 2019 at 4:50 pm.

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54 **STAFF PRESENT:** Mike Cortez, District Engineer; Mel Liebmann, Plant
55 Supervisor; Teresa Lerch, District Secretary;

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OTHERS PRESENT: None.

PUBLIC COMMENT: Director Schriebman shared some pesticide information with the Board and staff.

REPORT ON CLOSED SESSION:

President Murray reported that there were no reportable actions in Closed Session.

CONSENT CALENDAR:

These items are considered routine and will be enacted, approved or adopted by one motion unless a request for removal for discussion or explanation is received from the staff or the Board.

- A. Approve the Board Minutes for April 25, 2019
- B. Approve the Warrant List for May 16, 2019
- C. Approve Board Compensation for April 2019
- D. Approve Craig Murray attending Stanford Sustainability Webinar May 11, 2019 and Fact-Finding Tour in Denmark June 10-15, 2019.
- E. Approve July Board Meeting Schedule Modification
- F. Approve Job Description and Pay Level of Skilled Maintenance Worker I/II
- G. Approve Bid Award – For Providing Services for Biosolids Removal and Surface Injection (1,000,000 Gallons Minimum) During Fiscal Year 2019-2020
- H. Approve Notice of Completion and Resolution 2019- 2161 Accepting the Miscellaneous Roof Replacement
- I. Approve Notice of Completion and Resolution 2019- 2162 Accepting the Quail Hill CIPP Sewer Rehabilitation
- J. Approve Notice of Completion and Resolution 2019-2163 Accepting the Sewer Main Rehabilitation 2018
- K. Approve Will Serve Letter for APN 180-410-07, 101 McInnis Pkway Embassy Suites
- L. Approve Amendment to Memorandum of Understanding Dated July 1, 2014 to June 30, 2019 between Las Gallinas Valley Sanitary District and Operating Engineers Local 3 and to authorize the General Manager to execute the Amendment.
- M. Approve Univar Contract Proposal for Furnishing Liquid Sodium Hypochlorite (12.5% Concentration) during the twelve-month period of July 1, 2019 – June 30, 2020
- N. Approve Univar Contract Proposal for Furnishing Liquid Sodium Bisulfite (25% Concentration) during the twelve-month period of July 1, 2019 – June 30, 2020.
- O. Approve Changes to the Board Compensation policy B-60 Board Member Compensation and Resolution 2019-2164 Approving a Revised Policy for B-60 Board Compensation

Items F and O were tabled until the next Board meeting.

Items B, C, G and H was pulled for discussion and discussed.

ACTION:

Board approved (Schriebman/Elias 5-0-0-0) the Consent Calendar items A through E and G through N.

- AYES: Clark, Elias, Murray, Schriebman and Yezman.
- NOES: None.
- ABSENT: None.
- ABSTAIN: None.

REQUEST FOR PROPOSALS FOR CONSTRUCTION MANAGEMENT SERVICES SECONDARY TREATMENT PLANT UPGRADE AND RECYCLED WATER EXPANSION

Board reviewed a Request for Proposals for Construction Management Services Secondary Treatment Plant Upgrade and Recycled Water Expansion. Discussion ensued.

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ACTION:

Board approved (M/S Yezman/Elias 5-0-0-0) the immediate reissuance of a Request for Proposals (RFP) for Construction Management and Inspection Services for the balance of the Secondary Treatment Plant Upgrade and Recycled Water Expansion project.

- AYES: Clark, Elias, Murray, Schriebman and Yezman.
- NOES: None.
- ABSENT: None.
- ABSTAIN: None.

APPROVE CONTRACT AMENDMENT 6 TO AQUA ENGINEERING

Board reviewed the Contract Amendment 6 to Aqua Engineering. Discussion ensued.

ACTION:

Board approved (M/S Elias/Yezman 5-0-0-0) the Contract Amendment 6 to Aqua Engineering.

- AYES: Clark, Elias, Murray, Schriebman and Yezman.
- NOES: None.
- ABSENT: None.
- ABSTAIN: None.

REVIEW OF PRELIMINARY BUDGET

Staff presented the following proposed budgets for the fiscal year July 1, 2019 to June 30, 2020:

- A. Revenue Budget
- B. Operation and Maintenance Budget
- C. Capital Outlay Budget
- D. Debt Service Budget
- E. Reserve Budget

Discussion ensued.

Cortez and Liebman left at 6:12 p.m.

INFORMATION ITEMS:

STAFF / CONSULTANT REPORTS:

- 1. General Manager Report – Verbal – Prinz reported

Schriebman left at 6:25 p.m.

BOARD REPORTS:

- 1. LAFCO – Verbal – Murray reported
- 2. Gallinas Watershed Council / Miller Creek Watershed Council – Verbal – no report.

Richardson left at 6:43 p.m.

- 3. JPA Local Task Force on Solid and Hazardous Waste – Verbal – no report.
- 4. Flood Zone 7– Verbal – no report.
- 5. NBWA
Board Committee – Verbal – no report.
Executive Committee – Verbal – no report.
JTC – Verbal – no report.
- 6. NBWRA /North Bay Water – Verbal – Elias reported.
- 7. Engineering Subcommittee – Verbal – no report.
- 8. Other Reports – Written – Murray included the EPA Office of Community Revitalization's Strategies for Food Systems, Health, and Economic Development certificate.

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BOARD REQUESTS:

- A. Board Meeting Attendance Requests – Elias, Clark and Yezman requested to attend the SDLF Conference in Napa July 7-10. Clark and Yezman requested to attend the CASA Conference in August in San Diego, August 21-23. Clark and Elias requested to attend the WaterReuse Conference in San Diego September 7-11.
- B. Board Agenda Item Requests – Murray requested a Sewer Lateral Ordinance update and Clark requested Gender Equality be a topic on a future Agenda.

VARIOUS ARTICLES AND MISCELLANEOUS DISTRICT CORRESPONDENCE:

Discussion ensued.

ADJOURNMENT:

ACTION:

Board approved (M/S Elias/Clark 4-0-1-0) the adjournment of the meeting at 6:56 pm.

- AYES: Clark, Elias, Murray and Yezman.
- NOES: None.
- ABSENT: Schriebman
- ABSTAIN: None.

The next Board Meeting is scheduled for May 21, 2019 at the District Office.

ATTEST:

Teresa Lerch, District Secretary

APPROVED:

Craig K. Murray, Board President

SEAL

1 **SPECIAL MEETING MINUTES OF MAY 21, 2019**

2
3 THE BOARD OF DIRECTORS OF THE LAS GALLINAS VALLEY SANITARY DISTRICT MET IN OPEN
4 SESSION ON MAY 21, 2019, AT 8:06 AM, AT THE DISTRICT OFFICE, 300 SMITH RANCH ROAD, SAN
5 RAFAEL, CALIFORNIA.

6
7 **BOARD MEMBERS PRESENT:** M. Clark, R. Elias, C. Murray, J. Schriebman and
8 C. Yezman

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10 **BOARD MEMBERS ABSENT:** None.

11
12 **STAFF PRESENT:** Mike Prinz, General Manager; Robert Ruiz, District
13 Treasurer; Mike Cortez, District Engineer; Teresa Lerch,
14 Board Secretary; Mel Liebmann, Plant Manager; Greg
15 Pease, Collection and Safety Manager, Irene Huang,
16 Assistant District Engineer

17
18 **OTHERS PRESENT:** Patrick Richardson, District Counsel; Chris Sliz, Regional
19 Government Services (arrived at 8:31 am)

20
21 **ANNOUNCEMENT:** President Murray announced that the agenda had been
22 posted as evidenced by the certification on file in
23 accordance with the law.

24
25 **PUBLIC COMMENT:** None.

26
27 **CONSENT CALENDAR:**
28 These items are considered routine and will be enacted, approved or adopted by one motion unless a request for
29 removal for discussion or explanation is received from the staff or the Board.

- 30 A. Approve the Warrant list for May 21, 2019
31 B. Approve License Agreement for the use of Reclamation Storage Ponds by the River Otter
32 Ecology Project
33 C. Approve Job Description and Pay Level of the Skilled Maintenance Worker I/II
34 D. Approve Changes to the Board Compensation policy B-60 Board Member Compensation and
35 Resolution 2019-2164 Approving a Revised Policy for B-60 Board Compensation

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37 Item C was pulled for discussion.

38
39 **ACTION:**

40 Board approved (M/S Schriebman/Clark 5-0-0-0) the Consent Calendar items A,B and D.

41
42 **AYES:** Clark, Elias, Murray and Schriebman and Yezman.
43 **NOES:** None.
44 **ABSENT:** None.
45 **ABSTAIN:** None.

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47 Item C was discussed.
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56 **ACTION:**
57 Board approved (M/S Schriebman/Clark 5-0-0-0) the Consent Calendar item C with modifications to the
58 license and certifications in the job description.

59
60 AYES: Clark, Elias, Murray and Schriebman and Yezman.
61 NOES: None.
62 ABSENT: None.
63 ABSTAIN: None.
64

65 **INFORMATION ITEMS:**

66 **STAFF / CONSULTANT REPORTS:**

67 1. Secondary Treatment Plant Upgrade and Recycled Water Expansion May 2019 Project Update.
68 Cortez and Huang did a presentation for the Board. Discussion ensued.
69

70 Huang left at 9:25 a.m.
71

72 **RECLAMATION PASTURELAND EFFLUENT DISPOSAL EQUIPMENT OPERATION AND**
73 **MAINTENANCE SERVICES**

74 Board and staff discussed a negotiation award of an agreement for Custom Tractor Service to provide
75 services to operate and maintain the irrigation equipment and the District's pasturelands for effluent
76 disposal for the months of June through October 2019.

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78 **ACTION:**

79 Board approved (M/S Schriebman/Yezman 5-0-0-0) the agreement for Custom Tractor Service to provide
80 services to operate and maintain the irrigation equipment and the District's pasturelands for effluent
81 disposal for the months of June through October 2019.

82 AYES: Clark, Elias, Murray and Schriebman and Yezman.
83 NOES: None.
84 ABSENT: None.
85 ABSTAIN: None.
86

87 Richardson left at 9:40 a.m.
88

89 **STRATEGIC PLAN WORKSHOP**

90 Board and staff participated in a Strategic Plan Workshop (the first of three workshops) with the District's
91 Consultant Chris Sliz. General Manager Prinz presented the status of current goals and new opportunities
92 for consideration. Discussion ensued.

93
94 **ADJOURNMENT:**

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96 **ACTION:**

97 Board approved (M/S Elias/Schriebman 5-0-0-0) the adjournment of the meeting at 11:01 a.m.
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99 AYES: Clark, Elias, Murray, Schriebman and Yezman.
100 NOES: None
101 ABSENT: None
102 ABSTAIN: None
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104 The next Board Meeting is scheduled for Thursday, June 6, 2019 at the District's office.
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ATTEST:

Teresa Lerch, Board Secretary

APPROVED:

Craig K. Murray, Board President

Las Gallinas Valley Sanitary District
Warrant List
05-16-19 MODIFIED HANDOUT

Agenda Item 7B
Date June 6, 2019

	Date	Num	Vendor	Amount	Description for items > \$1000
1	4/25/2019	ACH	Elias, Rabi	200.00	
2	4/25/2019	ACH	Murray, Craig	125.00	
3	4/25/2019	ACH	Retiree Augusto	139.00	
4	4/25/2019	ACH	Retiree Burgess	598.00	
5	4/25/2019	ACH	Retiree Cummins	187.74	
6	4/25/2019	ACH	Retiree Cutri	462.74	
7	4/25/2019	ACH	Retiree Emanuel	258.83	
8	4/25/2019	ACH	Retiree Gately	224.41	
9	4/25/2019	ACH	Retiree Guion	224.41	
10	4/25/2019	ACH	Retiree Johnson	632.90	
11	4/25/2019	ACH	Retiree Kermoian	187.74	
12	4/25/2019	ACH	Retiree Mandler	187.74	
13	4/25/2019	ACH	Retiree McGuire	563.00	
14	4/25/2019	ACH	Retiree Memmott	187.74	
15	4/25/2019	ACH	Retiree Petrie	163.37	
16	4/25/2019	ACH	Retiree Pettey	187.74	
17	4/25/2019	ACH	Retiree Provost	258.83	
18	4/25/2019	ACH	Retiree Reetz	511.48	
19	4/25/2019	ACH	Retiree Reilly	187.74	
20	4/25/2019	ACH	Retiree Vine	187.74	
21	4/25/2019	ACH	Retiree Wettstein	598.00	
22	4/25/2019	ACH	Retiree Williams	598.00	
23	4/25/2019	ACH	Schriebman, Judy	200.00	
24	4/25/2019	ACH	Yezman, Crystal	200.00	
			TOTAL	\$ 7,272.15	

Las Gallinas Valley Sanitary District
Warrant List
06-06-19

Handout

Agenda Item

7B

Date

06-06-19

	Date	Num	Vendor	Amount	Description for items > \$1000
1	5/24/2019	EFT1	ADP, Inc.	95,101.30	Payroll and processing fees for paydate 05/24/19
2	6/6/2019	16076	VOID	0.00	
3	6/6/2019	16091	VOID	0.00	
4	6/6/2019	16074	AT&T	5,374.64	May 7-Jun 6, 2019
5	6/6/2019	16075	Azteca Systems LLC	11,000.00	May 7-Jun 6, 2019
6	6/6/2019	EFT	Bank of Marin Cardmember Services	16,224.46	Statement closing date 05/06/19
7	6/6/2019	16077	Bartley Pump PM, LLC	14,451.60	Reclamation PS pump #4; remove, rebuild and re-install
8	6/6/2019	PC 207	BCDC - SF Bay Conservation	300.00	
9	6/6/2019	16078	BPM Reprographics	7,486.56	STPURWE revised conformed set (full size)
10	6/6/2019	ACH	Brown and Caldwell	5,513.88	RIN and LCFS Credit Evaluation Tech Memo; and STPURWE through 4/25/19
11	6/6/2019	ACH	Buck's Saw Service, Inc	41.92	
12	6/6/2019	EFT	Calif. Public Employees Retirement System	15,166.73	Pension contribution employee and employer for 5/24/19 paydate
13	6/6/2019	ACH	CalPERS Fiscal Services Division	11,630.00	Employee salary deferrals for 4/26/19 and 5/10/19 paydates
14	6/6/2019	EFT	CALPERS Health	23,473.19	6/1/2019
15	6/6/2019	EFT	CalPERS Supplemental Income 457 Plan	4,081.42	Employee salary deferrals for 5/24/19 paydate
16	6/6/2019	ACH	Caltest Analytical Laboratory	3,034.30	Samples
17	6/6/2019	ACH	Central Marin Sanitation Agency	5,078.72	Pollition Prevention and FOG program Jan-Mar 2019
18	6/6/2019	16079	Clymer Auto Parts, Inc.	27.95	
19	6/6/2019	PC 208	County of Marin, Dept. of Public Works	220.00	
20	6/6/2019	EFT	Direct Dental Administrators, LLC	215.20	
21	6/6/2019	EFT	Discovery Benefits	50.00	
22	6/6/2019	16080	DNG Enterprises, Inc.	102.61	
23	6/6/2019	ACH	Downing Heating & Air Conditioning, Inc.	1,522.41	Repair A/C in Lab
24	6/6/2019	16081	Dublin San Ramon Services District	366.00	
25	6/6/2019	16082	Durkin Signs & Graphics	1,519.28	Parking lot and front door signage
26	6/6/2019	ACH	Fastenal Company	95.47	
27	6/6/2019	16083	Federal Express	26.52	
28	6/6/2019	16084	Frank A. Olsen Co.	1,676.83	Reclamation pond return valve R-2 replacement
29	6/6/2019	16085	Hach Company	752.00	
30	6/6/2019	16086	JC Tree Care, Inc.	13,500.00	Tree removal along road to reclamation
31	6/6/2019	16087	JDB Systems	1,282.35	Install effluent; troubleshoot/repair RW#2 compressor unloader solenoid
32	6/6/2019	16088	Marin Ace	156.44	
33	6/6/2019	16089	McPhail Fuel Company	1,826.99	Propane
34	6/6/2019	16090	MWH Constructors, Inc.	33,523.00	STPURWE (1/12/19-2/13/19)
35	6/6/2019	16092	Operating Engineers Local No. 3	384.02	
36	6/6/2019	ACH	Orion Protection Services Group, Inc.	318.50	
37	6/6/2019	16093	Pacific Gas & Electric - 0580531718-6	5,626.31	3/28-4/28/19
38	6/6/2019	16094	Pacific Gas & Electric CDX7397590484 SOLR	21.03	

Las Gallinas Valley Sanitary District
Warrant List
06-06-19

	Date	Num	Vendor	Amount	Description for items > \$1000
39	6/6/2019	16095	Shape Incorporated	7,635.45	Captains Cove replacement pump
40	6/6/2019	EFT	Sun Life - Disability	1,598.48	June 2019
41	6/6/2019	EFT	Sun Life - Life	540.10	
42	6/6/2019	16096	Unicorn Group	6,727.07	STPURWE re-conformed set
43	6/6/2019	ACH	Univar USA Inc.	10,065.56	Chemicals
			TOTAL	<u>\$ 307,738.29</u>	

Agenda Item 7C
Date June 6, 2019
May-19

Directors' Meeting Attendance Recap

<u>Name</u>	<u>Total Meetings</u>
Megan Clark	2
Rabi Elias	4
Craig Murray	4
Judy Schriebman	3
Crystal Yezman	<u>2</u>
Total	<u><u>15</u></u>

Meeting Date: 6/6/2019
Paydate 6/7/2019



300 Smith Ranch Road, San Rafael, CA 94903

Office: 415.472.1734 Fax: 415.499.7715

**BOARD MEMBER ATTENDANCE
FORM**

Director's Name: Rabi Elias Month: May 2019

Board Members shall be compensated for up to the legal limit of six (6) meeting per month and one (1) per day. Board members are limited to four (4) conferences or seminars per year. For multi-day conferences, compensation shall be at a maximum of one (1) meeting per day.

REGULAR and SPECIAL MEETINGS		CHARGING DISTRICT	
Date	Description of meeting	Yes	No
5/16/19	Regular Bd Mtg	✓	
5/21/19	Special Mtg. strategic plan	✓	
TOTAL			2

OTHER MEETINGS		CHARGING DISTRICT	
Date	Description of meeting	Yes	No
5/2/19	NBWRA tour phase I	✓	
5/29/19	Flood Control zone 7	✓	
TOTAL			2

Total Meetings for which I am Requesting Payment: Max of six (6) per Health & Safety Code §4733	4
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I hereby certify that the meetings as set forth above are true and correct and are for the purpose of conducting official business for the Las Gallinas Valley Sanitary District.

R. Elias
Signature
Rabi Elias
Approved By Date

5/23/2019
Date
5-28-19
Pay Date



300 Smith Ranch Road, San Rafael, CA 94903

Office: 415-472-1734 Fax: 415-499-7715

BOARD MEMBER ATTENDANCE FORM

Director's Name: MURRAY, Craig K. Month: May 2019

Board Members shall be compensated for up to the legal limit of six (6) meeting per month and one (1) per day. Board Members are limited to four (4) conferences or seminars per year. For multi-day conferences, compensation shall be at a maximum of one (1) meeting per day.

REGULAR and SPECIAL MEETINGS		CHARGING DISTRICT	
Date	Description of meeting	Yes	No
5/16/19	Board Meeting	X	
5/21/19	Special Meeting	X	
TOTAL		2/2	

OTHER MEETINGS		CHARGING DISTRICT	
Date	Description of meeting	Yes	No
5/8/19	United States Offshore Wind Webinar. Floating Wind Farms: The Next Big Game.		X
5/8/19	LAFCo Ad Hoc Committee Meeting: Disadvantaged Unincorporated Communities (DUCs).		X
5/9/19	Bay Area Bike To Work Day (BTWD) and Bay Area Team Challenge (Month of May) participation and BTWD Bag Stuffing Volunteer Work.		X
5/11/19	Stanford Center for Professional Development. Graduate Education. Professional Certification. Putting Sustainability into Practice: How and Why Successful Organizations Embrace Sustainability.	X	
5/15/19	Nossaman, LLP, IRWA International Electric and Utilities Committee (IEUC) Webinar. Preparedness, Relief and Recovery: Developments in Disaster Management for CA Water Providers. Key Regulatory Dev. Incl. Use of De-Energization to Power Down Electrical Distribution Equipmt.		X
5/16/19	ICMA Webinar – Retooling the Workplace Culture to Thrive in the 21 st Century. Fran Rubustelli, ACM, Walnut Creeek; Jay Stegmaier, Retired CAO, Chesterfield Co., VA; Mike Sable, Dir. Fac.Serv., Hennepin Co., MN		X
5/17/19	General Manager Coordinating Meeting		X
5/17/19	North Merrydale Road Site Tour. Promenade, District Pump Station Area Tour with Shirley Fisher, Cathy Manovi, Kate Powers, Councilwoman K.Collins, City of San Rafael Planning and PW Staff.		X
5/5, 6, 19/19	Merrydale Road/Las Gallinas Creek Headwater Litter Removal c/o City of San Rafael: 5/5: 2.0 hours; 5/6: 0.5 hours; 5/19: 2.0 hours		XXX
5/1,8,15,22,29/19	LAFCo Chair, Vice Chair, Interim EO Coordination Meeting		XXXXX
5/15/19	CASA Executive Board Nominating Committee		X



300 Smith Ranch Road, San Rafael, CA 94903

Office: 415-472-1734 Fax: 415-499-7715

BOARD MEMBER ATTENDANCE FORM

5/23/19	CASA Air Quality, Climate Change, & Energy (ACE) Workgroup Meeting	X	
TOTAL		2/18	

Total Meetings for which I am Requesting Payment/Approved: Board Members maximum of six (6) per Health & Safety Code §4733	4/20
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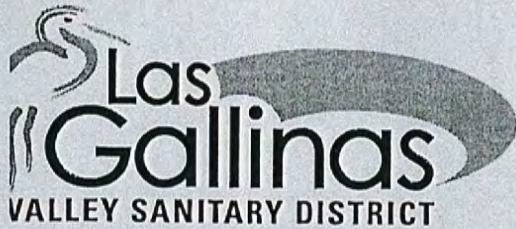
I hereby certify that the meetings as set forth above are true and correct and are for the purpose of conducting official business for the Las Gallinas Valley Sanitary District.

 Signature

 Approved By/ Date

 May 28, 2019
 Date

 5-28-19
 Pay Date



300 Smith Ranch Road, San Rafael, CA 94903
 Office: 415.472.1734 Fax: 415.499.7715

**BOARD MEMBER ATTENDANCE
 FORM**

Director's Name: JUDY SCHRIEBMAN Month: MAY 2019

Board Members shall be compensated for up to the legal limit of six (6) meeting per month and one (1) per day. Board members are limited to four (4) conferences or seminars per year. For multi-day conferences, compensation shall be at a maximum of one (1) meeting per day.

REGULAR and SPECIAL MEETINGS		CHARGING DISTRICT	
Date	Description of meeting	Yes	No
5/16	Reg mtg	✓	
5/21	Strategic plan workshop	✓	
TOTAL		2 = 2	

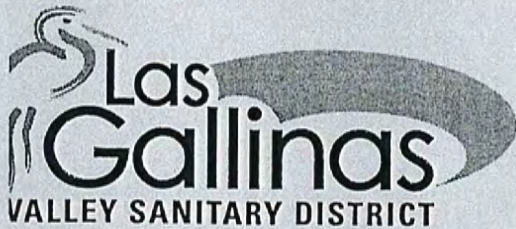
OTHER MEETINGS		CHARGING DISTRICT	
Date	Description of meeting	Yes	No
5/1	GWC mtg	✓	
5/6	MCSTOPPP CAC		✓
5/8	SR 2040 GP walk tour		✓
TOTAL		1 = 3	

Total Meetings for which I am Requesting Payment: Max of six (6) per Health & Safety Code §4733	3
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I hereby certify that the meetings as set forth above are true and correct and are for the purpose of conducting official business for the Las Gallinas Valley Sanitary District.

Judy Schriebman
 Signature
Robert D. King
 Approved By/ Date

5-24-19
 Date
5-28-19
 Pay Date



300 Smith Ranch Road, San Rafael, CA 94903

Office: 415.472.1734 Fax: 415.499.7715

**BOARD MEMBER ATTENDANCE
FORM**

Director's Name: Crystal Yezman Month: May 2019

Board Members shall be compensated for up to the legal limit of six (6) meeting per month and one (1) per day. Board members are limited to four (4) conferences or seminars per year. For multi-day conferences, compensation shall be at a maximum of one (1) meeting per day.

REGULAR and SPECIAL MEETINGS		CHARGING DISTRICT	
Date	Description of meeting	Yes	No
5/16/19	Regular Board Mtg	X	
5/21/19	Special Board Mtg	X	
TOTAL		2	

OTHER MEETINGS		CHARGING DISTRICT	
Date	Description of meeting	Yes	No
TOTAL		0	

Total Meetings for which I am Requesting Payment: Max of six (6) per Health & Safety Code §4733	2
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I hereby certify that the meetings as set forth above are true and correct and are for the purpose of conducting official business for the Las Gallinas Valley Sanitary District.



 Signature

 Approved By/ Date

 5/21/19
 Date

 5-28-19
 Pay Date



BOARD MEMBER MEETING ATTENDANCE REQUEST

Date: 5/16/19 Name: MEGAN CLARK

I would like to attend the Special District leadership Academy Meeting
of July 7th

To be held on the 7th day of July from 8:00 (a.m.) / p.m. to ~~8:00 p.m.~~
10th day of July from 8:00 (a.m.) / p.m.

Actual meeting date(s): 7th, 8th, 9th, 10th 7+8

Meeting Type: (In person/Webinar/Conference) Conf. 2 nights

Purpose of Meeting: leadership Training in NY

Other meeting attendees: _____

Meeting relevance to District: Special District leadership

Frequency of Meeting: once

Estimated Costs of Travel (if applicable): travel - car, per diems,
no hotel

Date submitted to Board Secretary: 5/16/19

Board approval obtained on Date: _____

Please submit to the District Administrative Assistant, no later than 2:00 p.m. on the Friday prior to the Board Meeting.

AGENDA ITEM _____
DATE _____



BOARD MEMBER MEETING ATTENDANCE REQUEST

Date: 4/16/19 Name: Rabi Elias

I would like to attend the Special Dist ^{leadership} Meeting in Napa
of _____

To be held on the _____ day of _____ from _____ a.m. / p.m. to
_____ day of _____ from _____ a.m. / p.m.

Actual meeting date(s): _____

Meeting Type: (In person/Webinar/Conference) _____

Purpose of Meeting: _____

Other meeting attendees: _____

Meeting relevance to District: _____

Frequency of Meeting: _____

Estimated Costs of Travel (if applicable): NO Need for lodging
Travel daily based on milage

Date submitted to Board Secretary: _____

Board approval obtained on Date: _____

Please submit to the District Administrative Assistant, no later than 2:00 p.m. on the Friday prior to the Board Meeting.

AGENDA ITEM _____
DATE _____



BOARD MEMBER MEETING ATTENDANCE REQUEST

Date: 5/16/19 Name: Cystal Yezman

I would like to attend the ~~XXXXXX~~ SDLA Meeting
of CSDA

To be held on the 7 day of July from _____ a.m. / p.m. to
10 day of July from _____ a.m. / p.m. + travel

Actual meeting date(s): July 7-10

Meeting Type: (In person/Webinar/Conference) _____

Purpose of Meeting: Special District Leadership Academy

Other meeting attendees: _____

Meeting relevance to District: for Special District Electors

Frequency of Meeting: XXXX

Estimated Costs of Travel (if applicable): _____

Date submitted to Board Secretary: 5/16/19

Board approval obtained on Date: _____

Please submit to the District Administrative Assistant, no later than 2:00 p.m. on the Friday prior to the Board Meeting.

AGENDA ITEM _____
DATE _____



BOARD MEMBER MEETING ATTENDANCE REQUEST

Date: 5/16/19 Name: MEGAN CLARK

I would like to attend the CASA Annual Conf. Meeting
of 2019

To be held on the 21st day of Aug from 8:00 (a.m.) / p.m. to
23rd day of Aug from 8:00 (a.m.) / p.m.

Actual meeting date(s): see above

Meeting Type: (In person/Webinar/Conference) Conf.

Purpose of Meeting: latest waste water collection
and treatment policies, techniques & examples

Other meeting attendees: _____

Meeting relevance to District: wastewater information

Frequency of Meeting: YEARLY

Estimated Costs of Travel (if applicable): Airplane to San Diego,
per diems, registration

Date submitted to Board Secretary: 5/16/19

Board approval obtained on Date: _____

Please submit to the District Administrative Assistant, no later than 2:00 p.m. on the Friday prior to the Board Meeting.

AGENDA ITEM _____
DATE _____



**BOARD MEMBER
MEETING ATTENDANCE REQUEST**

Date: 5/16/19 Name: Crystal Yeoman

I would like to attend the Annual Conference Meeting
of CASA

To be held on the 21 day of August from _____ a.m. / p.m. to
23 day of August from _____ a.m. / p.m. + travel

Actual meeting date(s): 21-23

Meeting Type: (In person/Webinar/Conference) _____

Purpose of Meeting: Educational / Networking

Other meeting attendees: _____

Meeting relevance to District: Innovations & Professional Development

Frequency of Meeting: _____

Estimated Costs of Travel (if applicable): _____

Date submitted to Board Secretary: 5/16/19

Board approval obtained on Date: _____

Please submit to the District Administrative Assistant, no later than 2:00 p.m. on the Friday prior to the Board Meeting.

AGENDA ITEM _____
DATE _____



BOARD MEMBER MEETING ATTENDANCE REQUEST

Date: 4/16/19 Name: Rabi Elias

I would like to attend the 34th Annual Water Reuse Symposium Meeting
of Sept 8 to Sept 11-2019

To be held on the 8th day of Sept 2019 from 9-8 a.m. / p.m. to
_____ day of _____ from _____ a.m. / p.m.

Actual meeting date(s): _____

Meeting Type: (In person/Webinar/Conference) _____

Purpose of Meeting: Water re-use

Other meeting attendees: _____

Meeting relevance to District: _____

Frequency of Meeting: _____

Estimated Costs of Travel (if applicable): _____

Date submitted to Board Secretary: 4/16/19

Board approval obtained on Date: _____

Please submit to the District Administrative Assistant, no later than 2:00 p.m. on the Friday prior to the Board Meeting.

AGENDA ITEM _____
DATE _____



BOARD MEMBER MEETING ATTENDANCE REQUEST

Date: 5/16/17 Name: MEGAN CLARK

I would like to attend the Water Reuse Symposium Meeting
of Sept. 8th - 11th

To be held on the 8 day of Sept. from 8:00 a.m. p.m. to
11th day of Sept. from 8:00 a.m. p.m.

Actual meeting date(s): Sept. 8-11

Meeting Type: (In person/Webinar/Conference) Conference

Purpose of Meeting: Lernin' 'bout recycled water -
the latest

Other meeting attendees: _____

Meeting relevance to District: Information

Frequency of Meeting: ONCE

Estimated Costs of Travel (if applicable): hotel, airplane to San
Diego

Date submitted to Board Secretary: 5/16/17

Board approval obtained on Date: _____

Please submit to the District Administrative Assistant, no later than 2:00 p.m. on the
Friday prior to the Board Meeting.

Agenda Summary Report

To: Mike Prinz, General Manager *MSP*
From: Robert D. Ruiz, Administrative Services Manager
Mtg. Date: June 6, 2019
Re: Resolution approving Pay Scales Effective July 1, 2019 Pursuant to the California code of Regulation, Subchapter 1, Employees' Retirement System Regulations Section 570.5.

Item Type: Consent Discussion Information Other
Standard Contract: Yes No (See attached) Not Applicable

BACKGROUND:

The Board previously approved a Staff negotiated two-year extension of the Operating Engineers Local 3 MOU, which is ending June 30, 2019. Included in this extension are pay increases of 3.25% on July 1, 2019 and 3.50% on July 1, 2020. The attached salary schedule for the fiscal year 2019-20 includes the 3.25% increase across all classifications.

PREVIOUS BOARD ACTION:

The contract extension was approved by the Board at the May 16, 2019 board meeting.

ENVIRONMENTAL REVIEW:

N/A

FISCAL IMPACT:

The budget includes a pay increase of 3.25%.

STAFF RECOMMENDATION:

Staff requests that the board approve the attached salary schedule.

RESOLUTION NO. 2019-2172

A RESOLUTION ADOPTING THE PAY SCALES EFFECTIVE JULY 1, 2019 PURSUANT TO THE CALIFORNIA CODE OF REGULATIONS, SUBCHAPTER 1, EMPLOYEES' RETIREMENT SYSTEM REGULATIONS SECTION 570.5

LAS GALLINAS VALLEY SANITARY DISTRICT

WHEREAS, the Las Gallinas Valley Sanitary District has contracted with CalPERS to provide certain retirement benefits to its employees; and

WHEREAS, the governance of retirement benefits provided to public employees in the state of California is governed by California Government Code Title 2, Division 5, Part 3 Public Employees' Retirement System; and

WHEREAS, the Board of Administration of the Public Employees' Retirement System has promulgated regulations to implement requirements of the governing law; and

WHEREAS, the California Code of Regulations, Subchapter 1, Employees' Retirement System Regulations section 570.5 (2 CCR § 570.5) states that

“(a) For purposes of determining the amount of “compensation earnable” pursuant to Government Code Sections 20630, 20636, and 20636.1, payrate shall be limited to the amount listed on a pay schedule that meets all of the following requirements:

- (1) Has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meeting laws;
- (2) Identifies the position title for every employee position;
- (3) Shows the payrate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
- (4) Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually;
- (5) Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;
- (6) Indicates an effective date and date of any revisions;
- (7) Is retained by the employer and available for public inspection for not less than five years; and
- (8) Does not reference another document in lieu of disclosing the payrate”.

THEREFORE, BE IT RESOLVED that the Board of Directors of the Las Gallinas Valley Sanitary District does hereby adopt the Pay Scales Effective July 1, 2019, which is attached as Exhibit A and is included by reference, in accordance with the requirements of the California Code of Regulations, Subchapter 1, Employees' Retirement System Regulations section 570.5 (2 CCR § 570.5).

* * * * *

I hereby certify that the forgoing is a full, true and correct copy of a resolution duly and regularly passed and adopted by the Sanitary Board of the Las Gallinas Valley Sanitary District, Marin County, California, at a regular meeting thereof held on June 6, 2019, by the following vote of the members thereof:

- AYES, and in favor thereof, Members:
- NOES, Members:
- ABSENT, Members:
- ABSTAIN, Members:

Teresa L. Lerch, District Secretary
Las Gallinas Valley Sanitary District

APPROVED:

(seal)

Craig K. Murray, Board President



Las Gallinas Valley Sanitary District
Pay Scales as of July 1, 2019

3.25%

Monthly Salary Range

Full Time Positions	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Longevity 3%	Longevity 2%
Administrative Coordinator	\$ 5,145.59	\$ 5,416.41	\$ 5,701.48	\$ 6,001.56	\$ 6,301.64	\$ 6,301.64	\$ 6,301.64	\$ 6,301.64	Not applicable	Not applicable
Administrative Financial Specialist I	\$ 5,812.65	\$ 6,103.30	\$ 6,408.61	\$ 6,729.14	\$ 7,065.24	\$ 7,418.88	\$ 7,790.06	\$ 8,179.13	Not applicable	Not applicable
Administrative Financial Specialist II	\$ 6,729.14	\$ 7,065.24	\$ 7,418.88	\$ 7,790.06	\$ 8,179.13	\$ 8,588.08	\$ 9,017.60	\$ 9,468.59	Not applicable	Not applicable
Administrative Services Manager I	\$10,403.51	\$ 10,923.59	\$ 11,469.79	\$ 12,043.57	\$ 12,645.61	\$ 13,277.90	\$ 13,941.51	\$ 14,638.75	\$ 15,077.94	\$ 15,379.50
Administrative Services Manager II	\$11,469.79	\$ 12,043.57	\$ 12,645.61	\$ 13,277.90	\$ 13,941.51	\$ 14,638.75	\$ 15,370.55	\$ 16,139.21	\$ 16,623.14	\$ 16,955.66
Assistant Engineer	\$ 7,450.39	\$ 7,823.17	\$ 8,214.57	\$ 8,624.94	\$ 9,056.25	\$ 9,509.04	\$ 9,984.37	\$ 10,483.68	Not applicable	Not applicable
Associate Engineer	\$ 9,056.25	\$ 9,509.04	\$ 9,984.37	\$ 10,483.68	\$ 11,007.89	\$ 11,558.21	\$ 12,136.09	\$ 12,743.15	Not applicable	Not applicable
Building and Ground Maintenance Worker	\$ 4,560.97	\$ 4,788.79	\$ 5,028.24	\$ 5,279.51	\$ 5,543.32	\$ 5,820.53	\$ 6,112.07	\$ 6,417.57	Not applicable	Not applicable
Collection System/Safety Manager	\$ 9,881.47	\$ 10,375.23	\$ 10,893.88	\$ 11,438.83	\$ 12,010.81	\$ 12,611.42	\$ 13,242.10	\$ 13,904.10	\$ 14,321.10	\$ 14,607.61
District Administrative Assistant	\$ 5,812.65	\$ 6,103.30	\$ 6,408.61	\$ 6,729.14	\$ 7,065.24	\$ 7,418.88	\$ 7,790.06	\$ 8,179.13	Not applicable	Not applicable
District Engineer I	\$ 9,796.45	\$ 10,286.11	\$ 10,800.64	\$ 11,340.76	\$ 11,907.37	\$ 12,502.79	\$ 13,128.10	\$ 13,784.73	\$ 14,198.14	\$ 14,482.17
District Engineer II	\$12,502.79	\$ 13,128.10	\$ 13,784.73	\$ 14,473.75	\$ 15,197.49	\$ 15,957.38	\$ 16,755.04	\$ 17,592.96	\$ 18,120.74	\$ 18,483.14
Environmental Services Director	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	\$ 10,817.10	\$ 11,358.12	\$ 11,925.80	\$ 12,522.29	Not applicable	Not applicable
Environmental Specialist in Training	\$ 6,023.84	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	Not Applicable.	Not applicable	Not applicable
Environmental Specialist, Grade I	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	Not Applicable.	Not applicable	Not applicable
Environmental Specialist, Grade II	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	Not applicable	Not applicable
Environmental Specialist, Grade III	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	Not applicable	Not applicable
General Manager	By Contract \$17,208.34									
Leadsman Collection Line Worker	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	\$ 7,467.74	\$ 7,841.42	\$ 8,233.72	\$ 8,645.34	Not applicable	Not applicable
Line Maintenance Worker	\$ 5,054.74	\$ 5,307.62	\$ 5,573.02	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	Not Applicable.	Not applicable	Not applicable
Line Maintenance Worker, Grade I	\$ 5,307.62	\$ 5,573.02	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	Not Applicable.	Not applicable	Not applicable
Line Maintenance Worker, Grade II	\$ 5,573.02	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	\$ 7,467.74	\$ 7,841.42	Not applicable	Not applicable
Line Maintenance Worker, Grade III	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	\$ 7,467.74	\$ 7,841.42	\$ 8,233.72	Not applicable	Not applicable
Operator in Training	\$ 5,203.63	\$ 5,463.86	\$ 5,736.78	\$ 6,023.84	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	Not Applicable.	Not applicable	Not applicable
Operator, Grade I	\$ 5,736.78	\$ 6,023.84	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	Not Applicable.	Not applicable	Not applicable
Operator, Grade II	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	Not applicable	Not applicable
Operator, Grade III	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	Not applicable	Not applicable
Operator, Lead	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	Not applicable	Not applicable
Plant Manager I	\$ 9,958.78	\$ 10,456.49	\$ 10,979.07	\$ 11,527.96	\$ 12,104.41	\$ 12,709.50	\$ 13,344.83	\$ 14,012.02	\$ 14,432.23	\$ 14,720.90
Plant Manager II	\$10,979.07	\$ 11,527.96	\$ 12,104.41	\$ 12,709.50	\$ 13,344.83	\$ 14,012.02	\$ 14,712.85	\$ 15,448.05	\$ 15,911.39	\$ 16,229.77
Plant Operations and Maintenance Supervisor	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	\$ 10,817.10	\$ 11,358.12	\$ 11,925.80	\$ 12,522.29	\$ 13,148.32	Not applicable	Not applicable

How to Use this Pay Scale: Steps 1 through 5 are the regular levels for all positions.

Payscale reflects General Manager rate per contract

In addition, except as identified above, the following also applies:

Dual certification may be available for an additional 5% of pay.

Triple certification may be available for an additional 5% of pay.

A longevity step may be available for an additional 5% of pay.

Additional 3% longevity step after 10 years continuous District service may be available for management positions.

Additional 2% longevity steps after 15 years continuous District service may be available for management positions.



Item Number 7F

Agenda Summary Report

To: Mike Prinz, General Manager *MDP*
From: Michael P. Cortez, PE, District Engineer
Mtg. Date: June 6, 2019
Re: Award of Contract for On-Call Contract for Construction Projects to Piazza Construction
Item Type: Consent Discussion Information Other
Standard Contract: Yes No (See attached) Not Applicable

BACKGROUND:

On May 21, 2019, the District opened bids for the On-Call Contract for Construction Projects and Piazza Construction of Penngrove is the apparent low bidder with a base bid of 9% on the labor mark-up. Staff has evaluated the bids and found that Piazza Construction is a responsive and responsible bidder.

Bid results:

	<u>Labor Mark-up</u>
1. Piazza Construction (Penngrove)	9%
2. Team Ghilotti, Inc. (Petaluma)	21%
3. Maggiora & Ghilotti (San Rafael)	22%
4. Valentine Corporation (San Rafael)	27%
5. Pipe and Plant Solutions, Inc. (Oakland)	35%

The contract will allow the District to have a standby contractor available to perform [1] small projects that can be typically completed in one week and [2] emergency construction response efforts. The contract duration is 24 months with and a maximum budget of \$200,000, which is currently appropriated in various collections and treatment plant CIP accounts. Compensation for each on-call effort is based on time and expense tracking according to force account rates as outlined in the current Labor Surcharge & Equipment Rental Rate Book published regularly by Caltrans Division of Construction.

PREVIOUS BOARD ACTION:

Board approved the Call for Bids for On-Call Contract for Construction Projects on March 14, 2019.

ENVIRONMENTAL REVIEW: N/A


FISCAL IMPACT:

Maximum budget of \$200,000

STAFF RECOMMENDATION:

Board to approve the On-Call Contract for Construction Projects to Piazza Construction.

Agenda Summary Report

To: Mike Prinz, General Manager 

From: Robert D. Ruiz, Administrative Services Manager

Mtg. Date: June 6, 2019

Re: Approval of Manager Contracts – Renewal

Item Type: Consent Discussion Information Other

Standard Contract: Yes No (See attached) Not Applicable

BACKGROUND:

As of June 30, 2019, all management contracts expire, and so new contracts will need to be written. Those contracts belong to the General Manager, Administrative Services Manager, Operation/Plant Manager, District Engineer and the Collections/Safety Manager. During this process the managers have requested several modest changes and improvements to their contracts as described below.

- Contract term is to be July 1, 2019 and expire on June 30, 2021 to coincide with the Union MOU.
- COLA increases for management to mirror the represented staff increase of 3.25% on July 1, 2019 and at July 1, 2020 an increase to pay of 3.50%. (Already budgeted.)
- MLK holiday added to the list of paid holidays. (No cost to the District.)
- Increase of the vehicle allowance by COLA⁽¹⁾ each year. Staff calculated and adjusted the current allowance by using COLA increases since 2010⁽²⁾. This change increased the allowance by \$76.32. (2 staff X 12 months X \$76.32 = \$1,831.68)
- Change the Admin Leave to be a lump sum balance of 80 hours on July 1st. The balance will reset at 80 hours every July 1st, no matter what the balance of the admin leave account is. (No increase in costs.)
- Increase of the phone allowance by COLA⁽¹⁾ each year. Staff calculated and adjusted the current allowance by using COLA increases since 2010⁽²⁾. This change increased the allowance by \$50.88. (Increase in costs of 5 staff X 12 months X \$50.88 = \$3,052.80)
- Incentivize the Managers to use health insurance from sources other than the District by paying them \$250 per month to opt out of District health plan. Each employee costs the District \$768.25 a month in health insurance. To opt out of the District health insurance plan, they must provide proof of insurance coverage. (Annual savings of \$6,219)
- Cash-out of vacation. Cash-out up to 80 hours of vacation time once per year, so long as they are left with at least 40 hours remaining after cash-out. (No additional costs.)
- The GM's contract is subject to the above changes with the single exception that the GM is requesting a District vehicle in lieu of a vehicle allowance. (Already budgeted.)
- This item is not in the contracts as yet, but Staff suggests that we add a bullet point regarding the "Acting GM" position. It would go into effect during an unusual event that prevents the GM to be in office for over 7 consecutive days. The Manager who is "Acting GM", will receive a temporary increase of 5% pay starting on the 8th day and for the period that the Manager



is Acting GM. The GM's intention is to rotate acting GM designations under normal circumstances, which minimizes the frequency of the temporary increase.

- The Board would authorize the GM to execute all Manager contracts, but his own. The Board President will execute the GM employee contract.

(1) COLA is based on San Francisco-Oakland-Hayward Consumer Price Index 2001 through 2018. See Attached document.
(2) 2010 is the first known reference to the car or phone allowance in contracts.

PREVIOUS BOARD ACTION:

N/A

ENVIRONMENTAL REVIEW:

N/A

FISCAL IMPACT:

See the estimated costs as indicated per bullet point. Due the savings in health insurance the net savings to the District is estimated to be \$1,334.52.

STAFF RECOMMENDATION:

Staff requests that the board approve the updated management contracts and summary of benefits.

Las Gallinas Valley Sanitary District
 Summary of Benefit Provisions for the Unrepresented Bargaining Group
 July 1, 2019 to June 30, 2021

Exhibit C

In addition to the benefits specifically discussed in the attached contracts, the following benefits offered to the members of the OE3 bargaining unit will apply:

Benefits	Section (in MOU)	Summary	
Holidays	15.1	9 days per year	
Max Vacation Accrual	15.2	272 hours	
Vacation Time Awarded	15.2	Years 1-3	14 days
		Years 4 to 10	19 days
		Years 11 to 15	22 days
		Years 16+	24 days
		A one-time 5-day vacation bonus is given after 20 years of service	
Vacation Cash-Out	Per contract	Cash-out 80 hours/yr. with a minimum balance remaining of 40 hours	
Administrative Leave	Per Contract	Lump sum of 80 hours reset each year on July 1st	
Admin Leave – Safety Award		4 hours added to leave bi-annually if No Accidents in the Plant	
Sick Leave	15.4	Accrue 1 day a month – No Cap	
		After 3 Years – If you Resign - 50% Cash Out	
		After 3 Years – If you Retire – 50% Cash Out 50% CalPERS Service Credit	
Cell Phone	Per Contract	Reimburse for Cell purchase with Cap	
		Reimburse one personal line up to \$120 per month	
Auto Allowance	Per Contract	Allowance Reimbursement	
Technology	Per Contract	Reimbursed for iPad or Laptop – Limit of \$1,347 – Administrative Policy A-03.	
Longevity Pay	Per Contract	After 6 years – 5% After 10 years – 3% After 15 years – 2%	
Medical Cafeteria Plan	17.1/17.2	PERS Health Plan	
LGVSD Contribution		Kaiser family rate	
EE Contribution		Excess monthly cost for plan over Kaiser plan	
Dental	17.3	Annual cap of \$2,000 per covered individual after applicable co-pay	
Vision	17.4	VSP	
LGVSD Contribution		50% of the cost - \$10.42 per month as of July 2017	
EE Contribution		50% of the cost - \$10.42 per month as of July 2017	
Waive District Health Insurance	Per Contract	On proof of coverage, a \$250 reimbursement per month.	

Note: This summary is for administrative convenience only, if there is a discrepancy between the information in the table and contract, the contract will apply.

Las Gallinas Valley Sanitary District
 Summary of Benefit Provisions for the Unrepresented Bargaining Group
 July 1, 2019 to June 30, 2021

Exhibit C

Life/AD&D Insurance	17.6	1 x Salary up to \$50,000
Long-term Disability	17.10	66.67% of monthly salary up to \$15,000 of salary
Deferred Comp 457	18.1	Voluntary – EE pays
CalPERS Retirement	18.1	Classic Employees – 2.7% at 55, highest year, EE pays 8% pretax PEPRA Employees – 2% at 62, final 3 years of compensation; EE pays 8% pre-tax; salary limit of \$121,388.
Retiree Medical	18.2.2	Hired pre-1/1/03: State one party rate employee only; 5 year vesting Hired post 1/1/03 and pre-7/1/2014: State 100/90 plan EE, EE + sp, EE + dependents; 10 years PERS service 50% vested, 20 years PERS service 100% vested, 5 years with LGVSD
	18.3	Hired after 7/1/2014: 10 years of District service, 50% vested, 100% vested at 20 years of District service. Employee only coverage based on the One Party State Rate.
Boot Allowance	19	Annual 2019 \$270
Prescription Safety Glasses	19	Every two years 2019 \$305

Note: Employees of the Unrepresented Bargaining Group do not have rights under the MOU as they pertain to discipline, discharge or employment status. Reference to the MOU sections in this document in terms of defining benefits offered to this group is for convenience only.

Note: This summary is for administrative convenience only, if there is a discrepancy between the information in the table and contract, the contract will apply.

EMPLOYMENT AGREEMENT

Between Las Gallinas Valley Sanitary District

And

Michael Cortez (District Engineer I or II)

This EMPLOYMENT AGREEMENT (“Agreement”) is made and entered into this _____ day of _____, 2019, by and between the Las Gallinas Valley Sanitary District, a special district, (“District or Employer”) and Michael Cortez, (“Employee”) both of whom understand as follows:

WITNESSETH

WHEREAS, Employer desires to employ the services of Michael Cortez as District Engineer of the Las Gallinas Valley Sanitary District; and

WHEREAS, it is the desire of the District Board, (“Board”) to provide certain benefits, to establish certain conditions of employment, and to set working conditions of said Employee; and

WHEREAS, Employee desires to continue employment as District Engineer of the Las Gallinas Valley Sanitary District;

WHEREAS, both Employer and Employee have read this Agreement and understand its contents fully;

NOW, THEREFORE, in consideration of these mutual covenants, the parties agree as follows:

TERMS

Section 1: Duties

A. Employer hereby agrees to employ Michael Cortez as District Engineer to perform the functions and duties specified in the job description, attached as Exhibit "A" and to perform other legally permissible and proper duties and functions as the District Engineer. Employee is presently employed as a District Engineer II.

B. The District Engineer shall perform civil engineering, project management, construction management and inspections, reviews of private improvement projects to ensure conformance with District standards and other engineering or technical services and the general business and governmental affairs of Employer in accordance with the laws of the United States of America and the State of California governing special districts as directed by the General Manager and as outlined in the District Engineer job description. The District Engineer shall do and perform all services, acts, and functions necessary or advisable to manage and conduct the business and governmental affairs of Employer as determined by the General Manager.

C. Employee agrees that during the term of this Agreement, Employee shall devote Employee's full energies, interests, abilities, and productive time to the performance of the duties and responsibilities as set forth in this Agreement and shall not conduct any business or render services of any kind for compensation, or undertake other business, professional or commercial activity.

D. Employee shall perform all duties with due diligence and with the best interest of Employer in mind.

E. Due to the nature of his employment which requires close proximity to Employer's facilities, Employee agrees to maintain his permanent residence to a distance within a 45-minute automobile drive of the Employer's office during non-commute hours.

Section 2: Term

A. Employment pursuant to the terms of this Agreement is "at will". Specifically, Employee serves as District Engineer at the pleasure of the General Manager, and as an at-will employee, can be terminated at any time, either with or without cause.

B. The term of this Agreement shall commence on July 1, 2019 and end later on June 30, 2021, unless terminated before the expiration of the term in accordance with the provisions of this Agreement. In the event Employee continues employment with the District and the District has not completed contract negotiations with management employees by June 30, 2021, Employee's employment with the District shall still be covered by this Agreement.

C. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the General Manager to terminate the services of Employee at any time, subject only to the provisions set forth in Section 7 of this Agreement.

D. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Employee to resign at any time from his position with Employer, subject only to the provisions set forth in Section 7 of this Agreement.

Section 3: Salary

A. Employer agrees to initially compensate Employee based on the appropriate salary step identified in the District Engineer Salary Schedule attached as Exhibit “B” plus any appropriate dual and triple certification and longevity amounts.

B. Employee can receive dual and triple certification pay upon satisfactory completion of additional education or certification at the discretion of the General Manager. Additional certification must be of operational and/or financial benefit to the District. If it is deemed at a later date to no longer benefit the District, it may be revoked by the General Manager.

C. Longevity Amounts

- i. Employee can receive a longevity step at the beginning of their 7th year of employment with the District. The longevity step shall be 5.0%.
- ii. Effective the first pay period in January 2015, employees in the “management bargaining unit” are eligible to receive a longevity step equal to three percent of base salary (3%) at the completion of 10 years of continuous employment with the District.
- iii. Effective the first pay period in January 2015, employees in the “management bargaining unit” are eligible to receive an additional longevity step equal to two percent of base salary (2%) at the completion of 15 years of continuous employment with the District.

D. Prior to or within one month of his anniversary date, the General Manager shall review the performance of Employee and, at his or her sole discretion, may increase Employee's salary in accordance with the Step Schedule described in District Engineer Salary Schedule.

E. Further salary increases during the term of this Agreement shall be based on District Salary Surveys or, in part, on a performance review with the percentage salary increase determined by the General Manager (see Section 4, below).

F. Effective the first pay day after the commencement of employment, the Employee's compensation will be \$17,592.96 per month as set forth in Exhibit "B", the pay scale as of July 1, 2019. The monthly compensation reflects the granting of Dual Certification Pay in accordance with Section 3, paragraph B.

G. Employee will be entitled to a COLA increase based on the Consumer Price Index, San Francisco All Urban Consumers, April to April, with a minimum of 1% and maximum of 3.25%, except as noted by the following:

- i. Effective July 1, 2020, the wages for all management/confidential classifications shall be increased by 3.5%.

Section 4: Performance Evaluation

The General Manager shall review and evaluate the performance of the Employee at least once annually, beginning with his first anniversary date as District Engineer. Said review and evaluation shall be in accordance with specific criteria developed by Employer. The District and Employee may develop annual goals, objectives, and performance standards for Employee for the benefit of the District and in attainment of the District's policy objectives, and may further

establish a priority among those goals, objectives, and performance standards. Additionally, the District may periodically establish goals and objectives regarding the Employee's performance of the duties of District Engineer.

Section 5: Management Benefits

A. Employee shall be entitled any benefits specified for the Unrepresented Bargaining Group in the attached Exhibit "C". However, a specific description of certain of those benefits follows and the specific description below controls the rights and obligations of Employee and Employer for that specific benefit.

B. Employee shall be compensated \$376.32 monthly for a vehicle allowance. The amount will increase each year based on Board approved COLA increases.

C. On July 1 of every year the Employee shall be granted a lump sum of 80 hours per year of Administrative leave. The allotment shall reset to 80 hours on July 1 of every year, regardless of the unused balance remaining from prior fiscal years.

D. Under the current defined benefit plan, pursuant to the Public Employees' Retirement Law (Government Code § 20000 et seq. ("PERL")), Employee is required to contribute 8% of the Employee's "compensation earnable and reportable" ("PERSable compensation") toward the costs of said benefit plan.

E. Employee can choose either a District supplied smartphone or can be reimbursed the median for a 6 GB plan of the following wireless carriers (AT&T, Sprint and Verizon). Employee can be reimbursed for the phone purchases once every 3 years up to \$250.88. The allowance will be based on Board approved COLA increases of each year. It is the sole

responsibility of the Employee to maintain their Employee owned phone. Employee shall be on call and maintain their phone in good working condition and in close proximity to respond to District emergencies as necessary or directed by the General Manager. Should the Employee terminate their employment with the District within one year of receiving a reimbursement for a phone, the Employee shall reimburse the District 50% of the purchase cost.

F. If Employee has outside health insurance coverage, the Employee may opt out of the District provided health insurance and receive an in-lieu payment of \$250 per month to offset the cost of the outside health insurance. The Employee must provide proof of health insurance coverage.

G. Employee, with the General Manager's consent, may purchase a tablet computer or laptop once in a four-year period and be reimbursed based on District policy. Should the Employee terminate employment within two years of receiving the reimbursement, the Employee shall return to the District 50% of the cost so reimbursed.

H. **Cash-Out of Vacation:** The maximum amount of vacation time EMPLOYEE may accrue is 272 hours. EMPLOYEE shall be eligible to cash out up to 80 hours of vacation time one time a year. All vacation hours cashed out shall be compensated at the EMPLOYEE's current rate of pay and will be removed from the EMPLOYEE's accumulated vacation balance. In no event shall EMPLOYEE cash-outs result in a vacation balance of less than 40 hours. Such requests for cash-out of vacation hours shall be submitted in writing by the employee to the General Manager, who will verify and approve the request. All vacation pay requests submitted by the payroll due date of the current pay period will be paid to employee on the payroll date of

the current pay period. Otherwise, such requests will be processed for the following payroll date. This cash-out will be subject to applicable Federal and State Payroll Tax Law.

Section 6: Professional Development

A. Employer agrees to budget for and to pay for publications and subscriptions for Employee necessary for his continuation and full participation in national, regional, state, and local associations and organizations necessary and desirable for his continued professional participation, growth, and advancement, and for the good of the Employer as determined solely by the General Manager.

B. Employer hereby agrees to budget for and to pay for reasonable travel and subsistence expenses of Employee for professional and office travel, meetings, and occasions necessary to continue the professional development of Employee and maintenance of required licenses as determined solely by the General Manager.

C. Employee shall obtain the General Manager's prior approval for any expenses in this Section which are not in the approved budget.

Section 7: Termination of Agreement and Severance Pay

A. The Agreement may be terminated at any time by either party in writing.

B. Both sides agree that it is preferable to provide thirty (30) days advance notice of termination, but such advance notice is not required.

C. "At Will" Employment: The parties to this Agreement expressly acknowledge that Employee is "at will" and serves at the pleasure of the General Manager. Employee may be terminated at any time with or without cause at the sole discretion of the District. The District

recognizes the right of the Employee to terminate his employment at any time with or without reason.

D. Notwithstanding anything else contained in the Agreement, the terms and provisions of this Agreement shall terminate automatically and immediately upon the death or permanent disability of Employee.

E. In the event Employer wishes to terminate Employee without reference to cause, then Employee may be entitled to severance pay in a lump sum equal to three months of Employee's current salary. The District shall only be obligated to pay this severance if the Employee agrees to execute a standard release agreement as prepared by the District that releases the District from any and all claims the Employee may have against the District. If the Employee refuses to sign this standard severance and release agreement, the Employee shall not be entitled to the severance pay. Notwithstanding any other provision in this Agreement, in accordance with Government Code § 53260, in the event this Agreement is terminated, the maximum cash settlement that Employee may receive shall be an amount equal to the monthly salary of Employee multiplied by the number of months left on the unexpired term of the Agreement. However, if the unexpired term of the contract is greater than 18 months, the maximum cash settlement shall be an amount equal to the monthly salary of the employee multiplied by 18.

F. In the event Employee is terminated, the Employee shall be paid out for accrued but unused vacation time and administrative leave. Accrued sick leave benefits shall be paid in accordance with District personnel policy.

G. If Employee resigns at the request of the General Manager, Employee shall be deemed terminated without cause and may be entitled to severance as set forth under Section 7.E.

Section 8: Notices

Notices pursuant to this agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

Las Gallinas Valley Sanitary District
300 Smith Ranch Road
San Rafael, CA 94903

Michael Cortez
901 Innisfree Court
Vallejo, CA 94591

Alternatively, notices required pursuant to the agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service.

Section 9: General Provisions

A. The text herein shall constitute the entire agreement between the parties and supersedes any and all other agreements, either oral or in writing between the District and the Employee and contains all of the covenants and agreements between the parties with respect to such employment in any manner whatsoever. Any prior agreements merge into this Agreement and specifically prior employment agreements merge into this agreement.

B. Each party to the Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and no other agreement, statement, or promise not contained in the Agreement shall be valid or binding. Any modification of the Agreement will be effective only if it is in writing and signed by both the General Manager and the Employee.

C. This Agreement shall be binding upon and inure to the benefit of the heirs of Employee.

D. If any provision, or any portion, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

E. This Agreement shall be interpreted under the laws of the State of California. Venue for any action shall be in the Superior Court for the County of Marin.

F. Employee understands that the Board may, from time to time, revise the District's policies. Employee understands that Employee is subject to those policies and procedures when they are not in conflict with the contents of this Agreement.

IN WITNESS WHEREOF, Las Gallinas Valley Sanitary District has caused this Agreement to be signed and executed on its behalf by the General Manager, and duly attested by its District Secretary, and the Employee has signed and executed this Agreement the day and year first above written.

Date: _____

General Manager Las Gallinas Valley

Sanitary District
ATTEST:

Seal

Teresa Lerch
District Secretary

APPROVED AS TO FORM:

David J. Byers, Attorney for
Las Gallinas Valley Sanitary District

Dated: _____

Michael Cortez

Las Gallinas Valley Sanitary District**Job Description****POSITION(S): DISTRICT ENGINEER I (exempt)****DISTRICT ENGINEER II (exempt)****LAST REVISION:** December 4, 2009**SALARY STEP RANGE:** Per Contract**REPORTS TO:** General Manager**SCOPE:**

Under direction of the General Manager, performs civil engineering, project management, construction management and inspections, reviews private improvement projects to ensure conformance with District standards and other engineering or technical services for the District. Makes calculations, performs design work, administers contracts, manages projects and contracts, maintains records, provides engineering support to District departments, conducts studies regarding capital projects and treatment plant processes and optimization. Assists in budgeting process for project expenditures and budgeting, sewer service charges, capacity charges and performs related work as required.

DISTINGUISHING CHARACTERISTICS**District Engineer I**

This position is an entry level registered State of California Professional Civil Engineer that allows the individual to gain wastewater engineering knowledge. Individual has a good working knowledge of various aspects of civil and environmental engineering as it relates to planning, design, construction, operations and maintenance of wastewater collection, treatment, and disposal systems. The duties involve frequent contact with the public, engineers, consultants, contractors, and other agencies.

This class is distinguished from the next higher class of District Engineer II, which is a registered State of California Professional Civil Engineer with a minimum of 3 years of experience working for a wastewater agency as an engineer. The District Engineer II requires more complex and responsible duties as described below.

District Engineer II

The position requires registration as a State of California Civil Professional Engineer and a minimum of 3 years of experience working for a wastewater agency as an engineer. Incumbent performs complex engineering duties, exercises greater independence in carrying out the duties of the position, performs more comprehensive project management, exercises sound, independent judgment in prioritizing multiple projects, and has program management responsibilities as delegated by the General Manager.

District Engineer I

One to two years' experience in a water treatment or wastewater treatment setting is desirable. Experience operating a Computer Aided Design (CAD) & GIS systems, hydraulic analysis software, contract management, and project scheduling programs is desirable. A District Engineer I may advance to District Engineer II after gaining three (3) years total of wastewater agency related work experience, including project management; demonstrating proficiency at the District Engineer I level.

District Engineer II

Four years increasingly responsible professional engineering experience, including at least three years of design and project leadership responsibilities, is required. Experience operating a Computer Aided Design (CAD) system, hydraulic analysis software, contract management and project scheduling programs is desirable.

SUPERVISORY RESPONSIBILITIES

These positions may have supervisory responsibilities over District full time employees as assigned by the General Manager. Both positions will act as team leader for various project teams, and as such may coordinate or oversee the work of other support staff, and may supervise or oversee the work of consultants and/or contractors on a project- or day-to-day basis.

QUALIFICATIONS

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill and/or ability required.

EDUCATION

Bachelor's degree (B.S) from four-year ABET-accredited college with major coursework in Civil, Mechanical, Environmental or Sanitary Engineering. Graduate degree in Environmental/Civil Engineering desirable.

CERTIFICATES, LICENSES, REGISTRATIONS

Must possess a valid California Class 3 driver's license, have a satisfactory driving record and continue to meet CSRMA driving standards. Registration as a State of California Civil Professional Engineer required for District Engineer I and II positions. Failure to maintain California State standards may result in loss of employment.

LANGUAGE SKILLS

Ability to read, analyze, and interpret general business periodicals, professional journals, technical procedures, or governmental regulations. Ability to write reports, business correspondence, and procedure manuals. Ability to effectively present information and respond to questions from groups of managers, the Board of Directors, clients, customers, and the general public.

INTERPERSONAL SKILLS

OTHER REQUIREMENTS

Occasional attendance at off-hours meetings is required. May be required to respond off-standard hours to provide engineering/technical assistance as required.

RIGHT TO WORK DOCUMENTATION

Before being hired, all new employees will be required to show documentation as proof of authorization to work in the United States.

DUAL & TRIPLE CERTIFICATION (additional pay)

Dual and triple certification is available upon satisfactory completion of additional education or certification at the discretion of the General Manager.



3.25%

Las Gallinas Valley Sanitary District
Pay Scales as of July 1, 2019

Monthly Salary Range

Full Time Positions	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Longevity 3%	Longevity 2%
Administrative Coordinator	\$ 5,145.59	\$ 5,416.41	\$ 5,701.48	\$ 6,001.56	\$ 6,301.64	\$ 6,301.64	\$ 6,301.64	\$ 6,301.64	Not applicable	Not applicable
Administrative Financial Specialist I	\$ 5,812.65	\$ 6,103.30	\$ 6,408.61	\$ 6,729.14	\$ 7,065.24	\$ 7,418.88	\$ 7,790.06	\$ 8,179.13	Not applicable	Not applicable
Administrative Financial Specialist II	\$ 6,729.14	\$ 7,065.24	\$ 7,418.88	\$ 7,790.06	\$ 8,179.13	\$ 8,588.08	\$ 9,017.60	\$ 9,468.59	Not applicable	Not applicable
Administrative Services Manager I	\$10,403.51	\$ 10,923.59	\$ 11,469.79	\$ 12,043.57	\$ 12,645.61	\$ 13,277.90	\$ 13,941.51	\$ 14,638.75	\$ 15,077.94	\$ 15,379.50
Administrative Services Manager II	\$11,469.79	\$ 12,043.57	\$ 12,645.61	\$ 13,277.90	\$ 13,941.51	\$ 14,638.75	\$ 15,370.55	\$ 16,139.21	\$ 16,623.14	\$ 16,955.66
Assistant Engineer	\$ 7,450.39	\$ 7,823.17	\$ 8,214.57	\$ 8,624.94	\$ 9,056.25	\$ 9,509.04	\$ 9,984.37	\$ 10,483.68	Not applicable	Not applicable
Associate Engineer	\$ 9,056.25	\$ 9,509.04	\$ 9,984.37	\$ 10,483.68	\$ 11,007.89	\$ 11,558.21	\$ 12,136.09	\$ 12,743.15	Not applicable	Not applicable
Building and Ground Maintenance Worker	\$ 4,560.97	\$ 4,788.79	\$ 5,028.24	\$ 5,279.51	\$ 5,543.32	\$ 5,820.53	\$ 6,112.07	\$ 6,417.57	Not applicable	Not applicable
Collection System/Safety Manager	\$ 9,881.47	\$ 10,375.23	\$ 10,893.88	\$ 11,438.83	\$ 12,010.81	\$ 12,611.42	\$ 13,242.10	\$ 13,904.10	\$ 14,321.10	\$ 14,607.61
District Administrative Assistant	\$ 5,812.65	\$ 6,103.30	\$ 6,408.61	\$ 6,729.14	\$ 7,065.24	\$ 7,418.88	\$ 7,790.06	\$ 8,179.13	Not applicable	Not applicable
District Engineer I	\$ 9,796.45	\$ 10,286.11	\$ 10,800.64	\$ 11,340.76	\$ 11,907.37	\$ 12,502.79	\$ 13,128.10	\$ 13,784.73	\$ 14,198.14	\$ 14,482.17
District Engineer II	\$12,502.79	\$ 13,128.10	\$ 13,784.73	\$ 14,473.75	\$ 15,197.49	\$ 15,957.38	\$ 16,755.04	\$ 17,592.96	\$ 18,120.74	\$ 18,483.14
Environmental Services Director	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	\$ 10,817.10	\$ 11,358.12	\$ 11,925.80	\$ 12,522.29	Not applicable	Not applicable
Environmental Specialist in Training	\$ 6,023.84	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	Not Applicable.	Not applicable	Not applicable
Environmental Specialist, Grade I	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	Not Applicable.	Not applicable	Not applicable
Environmental Specialist, Grade II	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	Not applicable	Not applicable
Environmental Specialist, Grade III	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	Not applicable	Not applicable
General Manager	By Contract \$17,208.34									
Headman Collection Line Worker	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	\$ 7,467.74	\$ 7,841.42	\$ 8,233.72	\$ 8,645.34	Not applicable	Not applicable
Line Maintenance Worker	\$ 5,054.74	\$ 5,307.62	\$ 5,573.02	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	Not Applicable.	Not applicable	Not applicable
Line Maintenance Worker, Grade I	\$ 5,307.62	\$ 5,573.02	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	Not Applicable.	Not applicable	Not applicable
Line Maintenance Worker, Grade II	\$ 5,573.02	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	\$ 7,467.74	\$ 7,841.42	Not applicable	Not applicable
Line Maintenance Worker, Grade III	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	\$ 7,467.74	\$ 7,841.42	\$ 8,233.72	Not applicable	Not applicable
Operator in Training	\$ 5,203.63	\$ 5,463.86	\$ 5,736.78	\$ 6,023.84	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	Not Applicable.	Not applicable	Not applicable
Operator, Grade I	\$ 5,736.78	\$ 6,023.84	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	Not Applicable.	Not applicable	Not applicable
Operator, Grade II	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	Not applicable	Not applicable
Operator, Grade III	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	Not applicable	Not applicable
Operator, Lead	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	Not applicable	Not applicable
Plant Manager I	\$ 9,958.78	\$ 10,456.49	\$ 10,979.07	\$ 11,527.96	\$ 12,104.41	\$ 12,709.50	\$ 13,344.83	\$ 14,012.02	\$ 14,432.23	\$ 14,720.90
Plant Manager II	\$10,979.07	\$ 11,527.96	\$ 12,104.41	\$ 12,709.50	\$ 13,344.83	\$ 14,012.02	\$ 14,712.85	\$ 15,448.05	\$ 15,911.39	\$ 16,229.77
Plant Operations and Maintenance Supervisor	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	\$ 10,817.10	\$ 11,358.12	\$ 11,925.80	\$ 12,522.29	\$ 13,148.32	Not applicable	Not applicable

How to Use this Pay Scale: Steps 1 through 5 are the regular levels for all positions.

Payscale reflects General Manager rate per contract

In addition, except as identified above, the following also applies:

- Dual certification may be available for an additional 5% of pay.
- Triple certification may be available for an additional 5% of pay.
- A longevity step may be available for an additional 5% of pay.
- Additional 3% longevity step after 10 years continuous District service may be available for management positions.
- Additional 2% longevity steps after 15 years continuous District service may be available for management positions.

EMPLOYMENT AGREEMENT

Between Las Gallinas Valley Sanitary District

And

Robert Liebmann (Plant Manager I or II)

This EMPLOYMENT AGREEMENT (“Agreement”) is made and entered into this ____ day of _____, 2019, by and between the Las Gallinas Valley Sanitary District, a special district, (“District or Employer”) and Robert Liebmann, (“Employee”) both of whom understand as follows:

WITNESSETH

WHEREAS, Employer desires to employ the services of Robert Liebmann as Plant Manager I or II of the Las Gallinas Valley Sanitary District; and

WHEREAS, it is the desire of the District Board, (“Board”) to provide certain benefits, to establish certain conditions of employment, and to set working conditions of said Employee; and

WHEREAS, Employee desires to continue employment as Plant Manager I or II of the Las Gallinas Valley Sanitary District;

WHEREAS, both Employer and Employee have read this Agreement and understand its contents fully;

NOW, THEREFORE, in consideration of these mutual covenants, the parties agree as follows:

TERMS

Section 1: Duties

A. Employer hereby agrees to employ Robert Liebmann as Plant Manager II to perform the functions and duties specified in the job description, attached as Exhibit "A" and to perform other legally permissible and proper duties and functions as the Plant Manager II.

B. The Plant Manager I or II shall be in charge of and responsible for the operation and management of the Treatment Plant, Laboratory, Reclamation Area, Pump Stations and the general business and governmental affairs of Employer in accordance with the laws of the United States of America and the State of California governing special districts as directed by the General Manager and as outlined in the Plant Manager II job description. The Plant Manager shall do and perform all services, acts, and functions necessary or advisable to manage and conduct the business and governmental affairs of Employer as determined by the General Manager. As Plant Manager II, the Employee shall act as the Chief Plant Operator and perform all duties required by this designation.

C. Employee agrees that during the term of this Agreement, Employee shall devote Employee's full energies, interests, abilities, and productive time to the performance of the duties and responsibilities as set forth in this Agreement and shall not conduct any business or render services of any kind for compensation, or undertake other business, professional or commercial activity.

D. Employee shall perform all duties with due diligence and with the best interest of Employer in mind.

E. Due to the nature of his employment which requires close proximity to Employer's facilities, Employee agrees to maintain his permanent residence to a distance within a 45-minute automobile drive of the Employer's office during non-commute hours.

Section 2: Term

A. Employment pursuant to the terms of this Agreement is "at will". Specifically, Employee serves as Plant Manager I or II at the pleasure of the General Manager, and as an at-will employee, can be terminated at any time, either with or without cause.

B. The term of this Agreement shall commence on July 1, 2019 and end later on June 30, 2021, unless terminated before the expiration of the term in accordance with the provisions of this Agreement. In the event Employee continues employment with the District and the District has not completed contract negotiations with management employees by June 30, 2021, Employee's employment with the District shall still be covered by this Agreement.

C. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the General Manager to terminate the services of Employee at any time, subject only to the provisions set forth in Section 7 of this Agreement.

D. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Employee to resign at any time from his position with Employer, subject only to the provisions set forth in Section 7 of this Agreement.

Section 3: Salary

A. Employer agrees to initially compensate Employee based on the appropriate salary step identified in the Plant Manager II Salary Schedule attached as Exhibit “B” plus any appropriate dual and triple certification and longevity amounts.

B. Employee can receive dual and triple certification pay upon satisfactory completion of additional education or certification at the discretion of the General Manager. Additional certification must be of operational and/or financial benefit to the District. If it is deemed at a later date to no longer benefit the District, it may be revoked by the General Manager.

C. Longevity Amounts

- i. Employee can receive a longevity step at the beginning of their 7th year of employment with the District. The longevity step shall be 5.0%.
- ii. Effective the first pay period in January 2015, employees in the “management bargaining unit” are eligible to receive a longevity step equal to three percent of base salary (3%) at the completion of 10 years of continuous employment with the District.
- iii. Effective the first pay period in January 2015, employees in the “management bargaining unit” are eligible to receive an additional longevity step equal to two percent of base salary (2%) at the completion of 15 years of continuous employment with the District.

D. Prior to or within one month of his anniversary date, the General Manager shall review the performance of Employee and, at his or her sole discretion, may increase Employee’s salary in accordance with the Step Schedule described in Plant Manager II Salary Schedule.

E. Further salary increases during the term of this Agreement shall be based on District Salary Surveys or, in part, on a performance review with the percentage salary increase determined by the General Manager (see Section 4, below).

F. Effective the first pay day in July 2019, the Employee's compensation will be \$15,448.04 per month as set forth in Exhibit "B", the pay scale as of July 1, 2019. The monthly compensation reflects the granting of Dual and Triple Certification Pay in accordance with Section 3, paragraph B.

G. Employee will be entitled to a COLA increase based on the Consumer Price Index, San Francisco All Urban Consumers, April to April, with a minimum of 1% and maximum of 3.25%, except as noted by the following:

- i. Effective July 1, 2020, the wages for all management/confidential classifications shall be increased by 3.5%.

Section 4: Performance Evaluation

The General Manager shall review and evaluate the performance of the Employee at least once annually, beginning with his first anniversary date as Plant Manager I or II. Said review and evaluation shall be in accordance with specific criteria developed by Employer. The District and Employee may develop annual goals, objectives, and performance standards for Employee for the benefit of the District and in attainment of the District's policy objectives, and may further establish a priority among those goals, objectives, and performance standards. Additionally, the District may periodically establish goals and objectives regarding the Employee's performance of the duties of Plant Manager.

Section 5: Management Benefits

A. Employee shall be entitled any benefits specified for the Unrepresented Bargaining Group in the attached Exhibit "C". However, a specific description of certain of those benefits follows and the specific description below controls the rights and obligations of Employee and Employer for that specific benefit.

B. Employee shall be entitled to a District vehicle. Employer shall pay for all expenses associated with this vehicle. Employee shall be permitted to use the vehicle for limited personal use only when Employee is either engaged in Employer activities or commuting to and from work. Reasonable personal use is allowable. If Employee ceases to be Plant Manager but is otherwise employed by Employer this vehicle benefit shall end.

C. On July 1st of each year the Employee shall be granted a lump sum of 80 hours of Administrative leave. The allotment shall reset to 80 hours on July 1 of every year, regardless of the unused balance remaining from prior fiscal years.

D. Under the current defined benefit plan, pursuant to the Public Employees' Retirement Law (Government Code § 20000 et seq. ("PERL")), Employee is required to contribute 8% of the Employee's "compensation earnable and reportable" ("PERSable compensation") toward the costs of said benefit plan.

E. Employee can choose either a District supplied smartphone or can be reimbursed the median for a 6 GB plan of the following wireless carriers (AT&T, Sprint and Verizon). Employees can be reimbursed for the phone purchases once every 3 years up to \$250.88. The allowance will be based on board approved COLA increases of each year. It is the sole

responsibility of the employee to maintain their Employee owned phone. Employee shall be on call and maintain their phone in good working condition and in close proximity to respond to District emergencies as necessary or directed by the General Manager. Should the Employee terminate their employment with the District within one year of receiving a reimbursement for a phone, the Employee shall reimburse the District 50% of the purchase cost.

F. If Employee has outside health insurance coverage, the Employee may opt out of the District provided health insurance and receive an in-lieu payment of \$250 per month to offset the cost of the outside health insurance. The Employee must provide proof of health insurance coverage.

G. Employee, with the General Manager's consent, may purchase a tablet computer or laptop once in a four-year period and be reimbursed based on District policy. Should the Employee terminate employment within two years of receiving the reimbursement, the Employee shall return to the District 50% of the cost so reimbursed.

H. **Cash-Out Of Vacation:** The maximum amount of vacation time EMPLOYEE may accrue is 272 hours. EMPLOYEE shall be eligible to cash out up to 80 hours of vacation time one time a year. All vacation hours cashed out shall be compensated at the EMPLOYEE's current rate of pay and will be removed from the EMPLOYEE's accumulated vacation balance. In no event shall EMPLOYEE cash-outs result in a vacation balance of less than 40 hours. Such requests for cash-out of vacation hours shall be submitted in writing by the employee to the General Manager, who will verify and approve the request. All vacation pay requests submitted by the payroll due date of the current pay period will be paid to employee on the payroll date of

the current pay period. Otherwise, such requests will be processed for the following payroll date. This cash-out will be subject to applicable Federal and State Payroll Tax Law.

Section 6: Professional Development

A. Employer agrees to budget for and to pay for publications and subscriptions for Employee necessary for his continuation and full participation in national, regional, state, and local associations and organizations necessary and desirable for his continued professional participation, growth, and advancement, and for the good of the Employer as determined solely by the General Manager.

B. Employer hereby agrees to budget for and to pay for reasonable travel and subsistence expenses of Employee for professional and office travel, meetings, and occasions necessary to continue the professional development of Employee as determined solely by the General Manager.

C. Employee shall obtain the General Manager's prior approval for any expenses in this Section which are not in the approved budget.

Section 7: Termination of Agreement and Severance Pay

A. The Agreement may be terminated at any time by either party in writing.

B. Both sides agree that it is preferable to provide thirty (30) days advance notice of termination, but such advance notice is not required.

C. "At Will" Employment: The parties to this Agreement expressly acknowledge that Employee is "at will" and serves at the pleasure of the General Manager. Employee may be terminated at any time with or without cause at the sole discretion of the District. The District

recognizes the right of the Employee to terminate his employment at any time with or without reason.

D. Notwithstanding anything else contained in the Agreement, the terms and provisions of this Agreement shall terminate automatically and immediately upon the death or permanent disability of Employee.

E. In the event Employer wishes to terminate Employee without reference to cause, then Employee may be entitled to severance pay in a lump sum equal to three months of Employee's current salary. The District shall only be obligated to pay this severance if the Employee agrees to execute a standard release agreement as prepared by the District that releases the District from any and all claims the Employee may have against the District. If the Employee refuses to sign this standard severance and release agreement, the Employee shall not be entitled to the severance pay. Notwithstanding any other provision in this Agreement, in accordance with Government Code § 53260, in the event this Agreement is terminated, the maximum cash settlement that Employee may receive shall be an amount equal to the monthly salary of Employee multiplied by the number of months left on the unexpired term of the Agreement. However, if the unexpired term of the contract is greater than 18 months, the maximum cash settlement shall be an amount equal to the monthly salary of the employee multiplied by 18.

F. In the event Employee is terminated, the Employee shall be paid out for accrued but unused vacation time and administrative leave. Accrued sick leave benefits shall be paid in accordance with District personnel policy.

G. If Employee resigns at the request of the General Manager, Employee shall be deemed terminated without cause and may be entitled to severance as set forth under Section 7.

Section 8: Notices

Notices pursuant to this agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

Las Gallinas Valley Sanitary District
300 Smith Ranch Road
San Rafael, CA 94903

Robert Liebmann
75 Rockrose Way
Novato, CA 94945

Alternatively, notices required pursuant to the agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service.

Section 9: General Provisions

A. The text herein shall constitute the entire agreement between the parties and supersedes any and all other agreements, either oral or in writing between the District and the Employee and contains all of the covenants and agreements between the parties with respect to such employment in any manner whatsoever. Any prior agreements merge into this Agreement and specifically prior employment agreements merge into this agreement.

B. Each party to the Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on

behalf of any party, which are not embodied herein, and no other agreement, statement, or promise not contained in the Agreement shall be valid or binding. Any modification of the Agreement will be effective only if it is in writing and signed by both the General Manager and the Employee.

C. This Agreement shall be binding upon and inure to the benefit of the heirs of Employee.

D. If any provision, or any portion, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

E. This Agreement shall be interpreted under the laws of the State of California. Venue for any action shall be in the Superior Court for the County of Marin.

F. Employee understands that the Board may, from time to time, revise the District's policies. Employee understands that Employee is subject to those policies and procedures when they are not in conflict with the contents of this Agreement.

IN WITNESS WHEREOF, Las Gallinas Valley Sanitary District has caused this Agreement to be signed and executed on its behalf by the General Manager, and duly attested by its District Secretary, and the Employee has signed and executed this Agreement the day and year first above written.

Date: _____

General Manager
Las Gallinas Valley Sanitary District

Dated: _____

Robert Liebmann

ATTEST:

Teresa Lerch
District Secretary

APPROVED AS TO FORM:

David J. Byers, Attorney for
Las Gallinas Valley Sanitary District

Las Gallinas Valley Sanitary District**Job Description**

POSITION(S): PLANT MANAGER I (exempt)
PLANT MANAGER II (exempt)

LAST REVISION: October 2009

SALARY STEP RANGE: Per Contract

REPORTS TO: General Manager

SCOPE:

Under the direction of the General Manager; supervises the treatment plant operation and maintenance, pump station operation and maintenance, reclamation operation and maintenance, and lab operations. Acts or assists in acting in capacity of the District representative for District CIP projects associated with the treatment plant, reclamation area and pump stations.

DISTINGUISHING CHARACTERISTICS:**Plant Manager I**

The Plant Manager I is the entry-level classification in the Plant Manager classification that allows the individual time to develop management level knowledge and abilities. Initially, under direction, the Plant Manager I performs more routine work while learning operation and maintenance of the District's pump stations, treatment plant and reclamation area. As experience is gained, there is greater independence of action within established guidelines. This classification is distinguished from the next higher level classification of Plant Manager II by the performance of work requiring a lesser degree of financial, administrative, management, and analytical judgment and interpretation. The Plant Manager I will not act as Chief Operator.

Plant Manager II

The Plant Manager II is the journey level class in which the incumbent is expected to independently perform the full scope of administrative, analytical, and management support duties within assigned program areas. This classification is distinguished from the next lower classification of Plant Manager I by the performance of the full range of administrative and management responsibilities. This position will act as the Chief Operator.

ESSENTIAL JOB FUNCTIONS:

1. Plans, schedules, assigns and supervises work of operations, maintenance and laboratory personnel.
2. Develops work procedures for routine and emergency operation of District's facilities.

12. Ability to utilize Microsoft Office products to develop spreadsheets, presentations and correspondence.

TRAINING AND EXPERIENCE:

Plant Manager I

A Plant Manager I must meet the following minimum job requirements:

- Possess a valid State of California State Water Resources Control Board Grade III Wastewater Treatment Operator certificate.
- Possess an associate degree in a technical discipline or a high school diploma with ten years of wastewater treatment operator experience.
- Four years of increasingly responsible experience in wastewater treatment plant operations and maintenance, with some supervisory experience.

An individual hired as a Plant Manager I must meet the requirement of a Plant Manager II within two years as a condition of employment.

Plant Manager II

A Plant Manager II must meet the following minimum job requirements:

- Individual must possess at a minimum a valid State of California State Water Resources Control Board Grade IV Wastewater Treatment Operator certificate.
- Possess an associate degree in a technical discipline or a high school diploma with twelve years of wastewater treatment experience.
- Six years of increasingly responsible experience as an operator in a wastewater treatment plant, with 2 years of supervisory capacity.

OTHER REQUIREMENTS:

1. United States citizenship or legal eligibility to work in the United States.
2. Reside within a 45 minute automobile drive to the District office under normal driving conditions.
3. Medical evaluation to determine physical fitness for the job.
4. Acceptable driving record consistent with the standards established by the District.
5. Participation in job training or professional development programs.
6. Thorough background check and skills assessment testing prior to offer.



3.25%

Las Gallinas Valley Sanitary District
Pay Scales as of July 1, 2019

Monthly Salary Range

Full Time Positions	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Longevity 3%	Longevity 2%
Administrative Coordinator	\$ 5,145.59	\$ 5,416.41	\$ 5,701.48	\$ 6,001.56	\$ 6,301.64	\$ 6,301.64	\$ 6,301.64	\$ 6,301.64	Not applicable	Not applicable
Administrative Financial Specialist I	\$ 5,812.65	\$ 6,103.30	\$ 6,408.61	\$ 6,729.14	\$ 7,065.24	\$ 7,418.88	\$ 7,790.06	\$ 8,179.13	Not applicable	Not applicable
Administrative Financial Specialist II	\$ 6,729.14	\$ 7,065.24	\$ 7,418.88	\$ 7,790.06	\$ 8,179.13	\$ 8,588.08	\$ 9,017.60	\$ 9,468.59	Not applicable	Not applicable
Administrative Services Manager I	\$10,403.51	\$ 10,923.59	\$ 11,469.79	\$ 12,043.57	\$ 12,645.61	\$ 13,277.90	\$ 13,941.51	\$ 14,638.75	\$ 15,077.94	\$ 15,379.50
Administrative Services Manager II	\$11,469.79	\$ 12,043.57	\$ 12,645.61	\$ 13,277.90	\$ 13,941.51	\$ 14,638.75	\$ 15,370.55	\$ 16,139.21	\$ 16,623.14	\$ 16,955.66
Assistant Engineer	\$ 7,450.39	\$ 7,823.17	\$ 8,214.57	\$ 8,624.94	\$ 9,056.25	\$ 9,509.04	\$ 9,984.37	\$ 10,483.68	Not applicable	Not applicable
Associate Engineer	\$ 9,056.25	\$ 9,509.04	\$ 9,984.37	\$ 10,483.68	\$ 11,007.89	\$ 11,558.21	\$ 12,136.09	\$ 12,743.15	Not applicable	Not applicable
Building and Ground Maintenance Worker	\$ 4,560.97	\$ 4,788.79	\$ 5,028.24	\$ 5,279.51	\$ 5,543.32	\$ 5,820.53	\$ 6,112.07	\$ 6,417.57	Not applicable	Not applicable
Collection System/Safety Manager	\$ 9,881.47	\$ 10,375.23	\$ 10,893.88	\$ 11,438.83	\$ 12,010.81	\$ 12,611.42	\$ 13,242.10	\$ 13,904.10	\$ 14,321.10	\$ 14,607.61
District Administrative Assistant	\$ 5,812.65	\$ 6,103.30	\$ 6,408.61	\$ 6,729.14	\$ 7,065.24	\$ 7,418.88	\$ 7,790.06	\$ 8,179.13	Not applicable	Not applicable
District Engineer I	\$ 9,796.45	\$ 10,286.11	\$ 10,800.64	\$ 11,340.76	\$ 11,907.37	\$ 12,502.79	\$ 13,128.10	\$ 13,784.73	\$ 14,198.14	\$ 14,482.17
District Engineer II	\$12,502.79	\$ 13,128.10	\$ 13,784.73	\$ 14,473.75	\$ 15,197.49	\$ 15,957.38	\$ 16,755.04	\$ 17,592.96	\$ 18,120.74	\$ 18,483.14
Environmental Services Director	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	\$ 10,817.10	\$ 11,358.12	\$ 11,925.80	\$ 12,522.29	Not applicable	Not applicable
Environmental Specialist in Training	\$ 6,023.84	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	Not Applicable.	Not applicable	Not applicable
Environmental Specialist, Grade I	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	Not Applicable.	Not applicable	Not applicable
Environmental Specialist, Grade II	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	Not applicable	Not applicable
Environmental Specialist, Grade III	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	Not applicable	Not applicable
General Manager	By Contract \$17,208.34									
Leadsman Collection Line Worker	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	\$ 7,467.74	\$ 7,841.42	\$ 8,233.72	\$ 8,645.34	Not applicable	Not applicable
Line Maintenance Worker	\$ 5,054.74	\$ 5,307.62	\$ 5,573.02	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	Not Applicable.	Not applicable	Not applicable
Line Maintenance Worker, Grade I	\$ 5,307.62	\$ 5,573.02	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	Not Applicable.	Not applicable	Not applicable
Line Maintenance Worker, Grade II	\$ 5,573.02	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	\$ 7,467.74	\$ 7,841.42	Not applicable	Not applicable
Line Maintenance Worker, Grade III	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	\$ 7,467.74	\$ 7,841.42	\$ 8,233.72	Not applicable	Not applicable
Operator in Training	\$ 5,203.63	\$ 5,463.86	\$ 5,736.78	\$ 6,023.84	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	Not Applicable.	Not applicable	Not applicable
Operator, Grade I	\$ 5,736.78	\$ 6,023.84	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	Not Applicable.	Not applicable	Not applicable
Operator, Grade II	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	Not applicable	Not applicable
Operator, Grade III	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	Not applicable	Not applicable
Operator, Lead	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	Not applicable	Not applicable
Plant Manager I	\$ 9,958.78	\$ 10,456.49	\$ 10,979.07	\$ 11,527.96	\$ 12,104.41	\$ 12,709.50	\$ 13,344.83	\$ 14,012.02	\$ 14,432.23	\$ 14,720.90
Plant Manager II	\$10,979.07	\$ 11,527.96	\$ 12,104.41	\$ 12,709.50	\$ 13,344.83	\$ 14,012.02	\$ 14,712.85	\$ 15,448.05	\$ 15,911.39	\$ 16,229.77
Plant Operations and Maintenance Supervisor	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	\$ 10,817.10	\$ 11,358.12	\$ 11,925.80	\$ 12,522.29	\$ 13,148.32	Not applicable	Not applicable

How to Use this Pay Scale: Steps 1 through 5 are the regular levels for all positions.

Payscale reflects General Manager rate per contract

In addition, except as identified above, the following also applies:

Dual certification may be available for an additional 5% of pay.

Triple certification may be available for an additional 5% of pay.

A longevity step may be available for an additional 5% of pay.

Additional 3% longevity step after 10 years continuous District service may be available for management positions.

Additional 2% longevity steps after 15 years continuous District service may be available for management positions.

EMPLOYMENT AGREEMENT

Between Las Gallinas Valley Sanitary District

And

ROBERT RUIZ (Administrative Services Manager)

This EMPLOYMENT AGREEMENT (“Agreement”) is made and entered into this ____ day of _____, 2019, by and between the Las Gallinas Valley Sanitary District, a special district, (“District or Employer”) and ROBERT RUIZ, (“Employee”) both of whom understand as follows:

WITNESSETH

WHEREAS, Employer desires to employ the services of ROBERT RUIZ as Administrative Services Manager of the Las Gallinas Valley Sanitary District; and

WHEREAS, it is the desire of the District Board, (“Board”) to provide certain benefits, to establish certain conditions of employment, and to set working conditions of said Employee; and

WHEREAS Employer and Employee now desire to set forth their agreement for employment of Employee on the terms and subject to the conditions set forth herein.

WHEREAS, both Employer and Employee have read this Agreement and understand its contents fully;

NOW, THEREFORE, in consideration of the foregoing and the provisions and promises hereinafter set forth, the parties agree as follows:

TERMS

Section 1: Duties

A. Employer hereby agrees to employ Robert Ruiz as Administrative Services Manager to perform the functions and duties specified in the job description, attached as Exhibit "A" and to perform other legally permissible and proper duties and functions as the Administrative Services Manager.

B. The Administrative Services Manager shall be in charge of and responsible for the operation and management of the Administrative Office and the general business and governmental affairs of Employer in accordance with the laws of the United States of America and the State of California governing special districts as directed by the General Manager and as outlined in the Administrative Services Manager job description. The Administrative Services Manager shall do and perform all services, acts, and functions necessary or advisable to manage and conduct the business and governmental affairs of Employer as determined by the General Manager.

C. Employee agrees that during the term of this Agreement, Employee shall devote Employee's full energies, interests, abilities, and productive time to the performance of the duties and responsibilities as set forth in this Agreement and shall not conduct any business or render services of any kind for compensation, or undertake other business, professional or commercial activity.

D. Employee shall perform all duties with due diligence and with the best interest of Employer in mind.

E. Due to the nature of employment which requires close proximity to Employer's facilities, Employee agrees to maintain their permanent residence to a distance within a 45-minute automobile drive of the Employer's office during non-commute hours.

Section 2: Term

A. Employment pursuant to the terms of this Agreement is "at will". Specifically, Employee serves as Administrative Services Manager at the pleasure of the General Manager, and as an at-will employee, can be terminated at any time, either with or without cause.

B. The term of this Agreement shall commence on July 1, 2019 and end on June 30, 2021, unless terminated before the expiration of the term in accordance with the provisions of this Agreement. In the event Employee continues employment with the District and the District has not completed contract negotiations with management employees by June 30, 2021, Employee's employment with the District shall still be covered by this Agreement.

C. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the General Manager to terminate the services of Employee at any time, subject only to the provisions set forth in Section 7 of this Agreement.

D. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Employee to resign at any time from their position with Employer, subject only to the provisions set forth in Section 7 of this Agreement.

Section 3: Salary

A. Employer agrees to initially compensate Employee based on the appropriate salary step identified in the Administrative Services Manager Salary Schedule attached as Exhibit "B" plus any appropriate dual and triple certification and longevity amounts.

B. Employee can receive dual and triple certification pay upon satisfactory completion of additional education or certification at the discretion of the General Manager. Additional certification must be of operational and/or financial benefit to the District. If it is deemed at a later date to no longer benefit the District, it may be revoked by the General Manager.

C. Longevity Amounts

- i. Employee can receive a longevity step at the beginning of their 7th year of employment with the District. The longevity step shall be 5.0%.
- ii. Employees in the "management bargaining unit" are eligible to receive a longevity step equal to three percent of base salary (3%) at the completion of 10 years of continuous employment with the District. Employees in the "management bargaining unit" are eligible to receive an additional longevity step equal to two percent of base salary (2%) at the completion of 15 years of continuous employment with the District.

D. Prior to or within one month of his anniversary date, the General Manager shall review the performance of Employee and, at his or her sole discretion, may increase Employee's salary in accordance with the Step Schedule described in Administrative Services Manager Salary Schedule.

E. Further salary increases during the term of this Agreement shall be based on District Salary Surveys or, in part, on a performance review with the percentage salary increase determined by the General Manager (see Section 4, below).

F. Effective the first pay day after the commencement of employment, the Employee's compensation will be \$12,645.61 per month as set forth in Exhibit "B", the pay scale as of July 1, 2019. The monthly compensation reflects the granting of Dual Certification Pay in accordance with Section 3, paragraph B.

G. Employee will be entitled to a COLA increase based on the Consumer Price Index, San Francisco All Urban Consumers, April to April, with a minimum of 1% and maximum of 3.25%, except as noted by the following:

- i. Effective July 1, 2020, the wages for all management/confidential classifications shall be increased by 3.5%.

Section 4: Performance Evaluation

The General Manager shall review and evaluate the performance of the Employee at least once annually, beginning with their first anniversary date as Administrative Services Manager. Said review and evaluation shall be in accordance with specific criteria developed by Employer. The District and Employee may develop annual goals, objectives, and performance standards for Employee for the benefit of the District and in attainment of the District's policy objectives, and may further establish a priority among those goals, objectives, and performance standards. Additionally, the District may periodically establish goals and objectives regarding the Employee's performance of the duties of Administrative Services Manager.

Section 5: Management Benefits

A. Employee shall be entitled any benefits specified for the Unrepresented Bargaining Group in the attached Exhibit "C". However, a specific description of certain of those benefits follows and the specific description below controls the rights and obligations of Employee and Employer for that specific benefit.

B. Employee shall be compensated \$376.32 monthly for a vehicle allowance. The amount will increase each year based on Board approved COLA increases.

C. On July 1st of each year the Employee shall be granted a lump sum of 80 hours of Administrative leave. The allotment shall reset to 80 hours on July 1 of every year, regardless of the unused balance remaining from prior fiscal years.

D. Under the current defined benefit plan, pursuant to the Public Employees' Retirement Law (Government Code § 20000 et seq. ("PERL")), Employee is required to contribute 8% of the Employee's "compensation earnable and reportable" ("PERSable compensation") toward the costs of said benefit plan.

E. Employee can choose either a District supplied smartphone or can be reimbursed the median for a 6 GB plan of the following wireless carriers (AT&T, Sprint and Verizon). Employee can be reimbursed for the phone purchases once every 3 years up to \$250.88. The allowance will be based on Board approved COLA increases of each year. It is the sole responsibility of the Employee to maintain their Employee owned phone. Employee shall be on call and maintain their phone in good working condition and in close proximity to respond to District emergencies as necessary or directed by the General Manager. Should the Employee

terminate their employment with the District within one year of receiving a reimbursement for a phone, the Employee shall reimburse the District 50% of the purchase cost.

F. If Employee has outside health insurance coverage, the Employee may opt out of the District provided health insurance and receive an in-lieu payment of \$250 per month to offset the cost of the outside health insurance. The Employee must provide proof of health insurance coverage.

G. Employee, with the General Manager's consent, may purchase a tablet computer or laptop once in a four-year period and be reimbursed based on District policy. Should the Employee terminate employment within two years of receiving the reimbursement, the Employee shall return to the District 50% of the cost so reimbursed.

H. Cash out of Vacation: The maximum amount of vacation time EMPLOYEE may accrue is 272 hours. EMPLOYEE shall be eligible to cash out up to 80 hours of vacation time one time a year. All vacation hours cashed out shall be compensated at the EMPLOYEE's current rate of pay and will be removed from the EMPLOYEE's accumulated vacation balance. In no event shall EMPLOYEE cash-outs result in a vacation balance of less than 40 hours. Such requests for cash-out of vacation hours shall be submitted in writing by the employee to the General Manager, who will verify and approve the request. All vacation pay requests submitted by the payroll due date of the current pay period will be paid to employee on the payroll date of the current pay period. Otherwise, such requests will be processed for the following payroll date. This cash-out will be subject to applicable Federal and State Payroll Tax Law.

Section 6: Professional Development

A. Employer agrees to budget for and to pay for associations, publications and subscriptions for Employee necessary for their continuation and full participation in national, regional, state, and local associations and organizations necessary and desirable for their continued professional participation, growth, and advancement, and for the good of the Employer as determined solely by the General Manager.

B. Employer hereby agrees to budget for and to pay for reasonable travel and subsistence expenses of Employee for professional and office travel, meetings, and occasions necessary to continue the professional development of Employee and maintenance of required licenses as determined solely by the General Manager.

C. Employee shall obtain the General Manager's prior approval for any expenses in this Section which are not in the approved budget.

Section 7: Termination of Agreement and Severance Pay

A. The Agreement may be terminated at any time by either party in writing.

B. Both sides agree that it is preferable to provide thirty (30) days advance notice of termination, but such advance notice is not required.

C. "At Will" Employment: The parties to this Agreement expressly acknowledge that Employee is "at will" and serves at the pleasure of the General Manager. Employee may be terminated at any time with or without cause at the sole discretion of the District. The District recognizes the right of the Employee to terminate their employment at any time with or without reason.

D. Notwithstanding anything else contained in the Agreement, the terms and provisions of this Agreement shall terminate automatically and immediately upon the death or permanent disability of Employee.

E. In the event Employer wishes to terminate Employee without reference to cause, then Employee may be entitled to severance pay in a lump sum equal to three months of Employee's current salary. The District shall only be obligated to pay this severance if the Employee agrees to execute a standard release agreement as prepared by the District that releases the District from any and all claims the Employee may have against the District. If the Employee refuses to sign this standard severance and release agreement, the Employee shall not be entitled to the severance pay. Notwithstanding any other provision in this Agreement, in accordance with Government Code § 53260, in the event this Agreement is terminated, the maximum cash settlement that Employee may receive shall be an amount equal to the monthly salary of Employee multiplied by the number of months left on the unexpired term of the Agreement. However, if the unexpired term of the contract is greater than 18 months, the maximum cash settlement shall be an amount equal to the monthly salary of the employee multiplied by 18.

F. In the event Employee is terminated, the Employee shall be paid out for accrued but unused vacation time and administrative leave. Accrued sick leave benefits shall be paid in accordance with District personnel policy.

G. If Employee resigns at the request of the General Manager, Employee shall be deemed terminated without cause and may be entitled to severance as set forth under Section 7.E.

Section 8: Notices

Notices pursuant to this agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

Las Gallinas Valley Sanitary District
300 Smith Ranch Road
San Rafael, CA 94903

Robert Ruiz
401 North Ave., #308
San Rafael, CA 94903

Alternatively, notices required pursuant to the agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service.

Section 9: General Provisions

A. The text herein shall constitute the entire agreement between the parties and supersedes any and all other agreements, either oral or in writing between the District and the Employee and contains all of the covenants and agreements between the parties with respect to such employment in any manner whatsoever. Any prior agreements merge into this Agreement and specifically prior employment agreements merge into this agreement.

B. Each party to the Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and no other agreement, statement, or promise not contained in the Agreement shall be valid or binding. Any modification of the

Agreement will be effective only if it is in writing and signed by both the General Manager and the Employee.

C. This Agreement shall be binding upon and inure to the benefit of the heirs of Employee.

D. If any provision, or any portion, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

E. This Agreement shall be interpreted under the laws of the State of California. Venue for any action shall be in the Superior Court for the County of Marin.

F. Employee understands that the Board may, from time to time, revise the District's policies. Employee understands that Employee is subject to those policies and procedures when they are not in conflict with the contents of this Agreement.

IN WITNESS WHEREOF, Las Gallinas Valley Sanitary District has caused this Agreement to be signed and executed on its behalf by the General Manager, and duly attested by its District Secretary, and the Employee has signed and executed this Agreement the day and year first above written.

Date: _____

General Manager
Las Gallinas Valley Sanitary District

Date: _____

Robert Ruiz

ATTEST:

Seal

Teresa Lerch
District Secretary

APPROVED AS TO FORM:

David J. Byers, Attorney for
Las Gallinas Valley Sanitary District

LAS GALLINAS VALLEY SANITARY DISTRICT

November 2018

FLSA: EXEMPT

ADMINISTRATIVE SERVICES MANAGER

DEFINITION

Under general direction of the General Manager, plans, organizes, coordinates, and manages administrative services functions including accounting, budget, human resources, risk management, procurement, records management, and administrative support; serves as the District's Chief Financial Officer; serves as a liaison and coordinates assigned activities with other District personnel and external agencies to ensure compliance with reporting requirements; provides responsible and complex administrative and operational assistance to the General Manager; and performs related work as required.

SUPERVISION RECEIVED AND EXERCISED

Receives general direction from the General Manager. Exercises direct supervision over assigned staff.

CLASS CHARACTERISTICS

This is a management classification responsible for planning, organizing, and managing administrative services staff, operations, and activities. The incumbent is responsible for performing diverse, specialized, and complex work involving significant accountability and decision-making responsibilities, which include developing and implementing policies and procedures for assigned programs, reporting, compliance, and program evaluation. Incumbents serve as a professional resource for organizational, managerial, and administrative analyses and studies. The incumbent is accountable for accomplishing administrative services goals and objectives, and for furthering District goals and objectives within general policy guidelines.

EXAMPLES OF TYPICAL FUNCTIONS (Illustrative Only)

The following functions are typical for this classification. Incumbents may not perform all of the listed functions and/or may be required to perform additional or different functions from those set forth below to address business needs and changing business practices.

- Assumes managerial responsibility for all administrative services functions, including accounting, budget, human resources, risk management, procurement, records management, and administrative support.
- Participates in the development and implementation of goals, objectives, policies, and priorities for the District; recommends, within District policy, appropriate service and staffing levels; recommends and administers policies and procedures while ensuring financial, regulatory, and legal requirements are met.

- Attends and participates in professional group meetings; stays abreast of new trends and innovations in the field of administrative services; monitors changes in regulations and technology that may affect District operations; implements policy and procedural changes after approval.
- Receives, investigates, and responds to difficult and sensitive problems and complaints in a professional manner; identifies and reports findings and takes necessary corrective action.
- Performs related duties as assigned.

QUALIFICATIONS

Knowledge of:

- Administrative principles and practices, including goal setting, program development, implementation, and evaluation, and supervision of staff, either directly or through subordinate levels of supervision.
- Principles, practices, and methods of governmental accounting, public finance administration and budgeting, auditing, and reconciliation.
- Principles, practices, and techniques of human resources and risk management program administration.
- Public agency budget development, contract administration, District-wide administrative practices, and general principles of risk management related to the functions of the assigned area.
- Principles and practices of employee supervision, including work planning, assignment review and evaluation, and the training of staff in work procedures.
- Organization and management practices as applied to the development, analysis, and evaluation of programs, policies, and operational needs of the assigned functional area.
- Applicable federal, state, and local laws, regulatory codes, ordinances, and procedures relevant to assigned area of responsibility.
- Practices of researching issues, evaluating alternatives, making sound recommendations, and preparing and presenting effective staff reports.
- Technical, legal, financial, and public relations problems associated with the management of administrative services projects and programs.
- Modern office practices, methods, and computer equipment and applications.
- English usage, grammar, spelling, vocabulary, and punctuation.
- Techniques for effectively representing the District in contacts with government agencies, community groups, and various business, professional, regulatory, and legislative organizations.
- Techniques for providing a high level of customer service by effectively dealing with the public, vendors, contractors, and District staff.

Ability to:

- Develop and implement goals, objectives, policies, procedures, and work standards.
- Administer complex and technical administrative services programs in an independent and cooperative manner.

vision to read printed materials and a computer screen; and hearing and speech to communicate in person and over the telephone. This is primarily a sedentary office classification, although standing and walking between work areas may be required. Finger dexterity is needed to access, enter, and retrieve data using a computer keyboard or calculator and to operate standard office equipment. Positions in this classification occasionally bend, stoop, kneel, reach, push, and pull drawers open and closed to retrieve and file information. Employees must possess the ability to lift, carry, push, and pull materials and objects weighing up to 25 pounds.

ENVIRONMENTAL ELEMENTS

Employees work in an office environment with moderate noise levels, controlled temperature conditions, and no direct exposure to potentially hazardous physical substances.

OTHER REQUIREMENTS

Per California Government Code, Title 1, Division 4, Chapter 8, Section 3100, "all public employees are hereby declared to be disaster service workers subject to such disaster service activities as may be assigned to them by their superiors or by law."



3.25%

Las Gallinas Valley Sanitary District
Pay Scales as of July 1, 2019

Monthly Salary Range

Full Time Positions	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Longevity 3%	Longevity 2%
Administrative Coordinator	\$ 5,145.59	\$ 5,416.41	\$ 5,701.48	\$ 6,001.56	\$ 6,301.64	\$ 6,301.64	\$ 6,301.64	\$ 6,301.64	Not applicable	Not applicable
Administrative Financial Specialist I	\$ 5,812.65	\$ 6,103.30	\$ 6,408.61	\$ 6,729.14	\$ 7,065.24	\$ 7,418.88	\$ 7,790.06	\$ 8,179.13	Not applicable	Not applicable
Administrative Financial Specialist II	\$ 6,729.14	\$ 7,065.24	\$ 7,418.88	\$ 7,790.06	\$ 8,179.13	\$ 8,588.08	\$ 9,017.60	\$ 9,468.59	Not applicable	Not applicable
Administrative Services Manager I	\$10,403.51	\$ 10,923.59	\$ 11,469.79	\$ 12,043.57	\$ 12,645.61	\$ 13,277.90	\$ 13,941.51	\$ 14,638.75	\$ 15,077.94	\$ 15,379.50
Administrative Services Manager II	\$11,469.79	\$ 12,043.57	\$ 12,645.61	\$ 13,277.90	\$ 13,941.51	\$ 14,638.75	\$ 15,370.55	\$ 16,139.21	\$ 16,623.14	\$ 16,955.66
Assistant Engineer	\$ 7,450.39	\$ 7,823.17	\$ 8,214.57	\$ 8,624.94	\$ 9,056.25	\$ 9,509.04	\$ 9,984.37	\$ 10,483.68	Not applicable	Not applicable
Associate Engineer	\$ 9,056.25	\$ 9,509.04	\$ 9,984.37	\$ 10,483.68	\$ 11,007.89	\$ 11,558.21	\$ 12,136.09	\$ 12,743.15	Not applicable	Not applicable
Building and Ground Maintenance Worker	\$ 4,560.97	\$ 4,788.79	\$ 5,028.24	\$ 5,279.51	\$ 5,543.32	\$ 5,820.53	\$ 6,112.07	\$ 6,417.57	Not applicable	Not applicable
Collection System/Safety Manager	\$ 9,881.47	\$ 10,375.23	\$ 10,893.88	\$ 11,438.83	\$ 12,010.81	\$ 12,611.42	\$ 13,242.10	\$ 13,904.10	\$ 14,321.10	\$ 14,607.61
District Administrative Assistant	\$ 5,812.65	\$ 6,103.30	\$ 6,408.61	\$ 6,729.14	\$ 7,065.24	\$ 7,418.88	\$ 7,790.06	\$ 8,179.13	Not applicable	Not applicable
District Engineer I	\$ 9,796.45	\$ 10,286.11	\$ 10,800.64	\$ 11,340.76	\$ 11,907.37	\$ 12,502.79	\$ 13,128.10	\$ 13,784.73	\$ 14,198.14	\$ 14,482.17
District Engineer II	\$12,502.79	\$ 13,128.10	\$ 13,784.73	\$ 14,473.75	\$ 15,197.49	\$ 15,957.38	\$ 16,755.04	\$ 17,592.96	\$ 18,120.74	\$ 18,483.14
Environmental Services Director	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	\$ 10,817.10	\$ 11,358.12	\$ 11,925.80	\$ 12,522.29	Not applicable	Not applicable
Environmental Specialist in Training	\$ 6,023.84	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	Not Applicable.	Not applicable	Not applicable
Environmental Specialist, Grade I	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	Not Applicable.	Not applicable	Not applicable
Environmental Specialist, Grade II	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	Not applicable	Not applicable
Environmental Specialist, Grade III	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	Not applicable	Not applicable
General Manager	By Contract \$17,208.34									
Leadsman Collection Line Worker	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	\$ 7,467.74	\$ 7,841.42	\$ 8,233.72	\$ 8,645.34	Not applicable	Not applicable
Line Maintenance Worker	\$ 5,054.74	\$ 5,307.62	\$ 5,573.02	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	Not Applicable.	Not applicable	Not applicable
Line Maintenance Worker, Grade I	\$ 5,307.62	\$ 5,573.02	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	Not Applicable.	Not applicable	Not applicable
Line Maintenance Worker, Grade II	\$ 5,573.02	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	\$ 7,467.74	\$ 7,841.42	Not applicable	Not applicable
Line Maintenance Worker, Grade III	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	\$ 7,467.74	\$ 7,841.42	\$ 8,233.72	Not applicable	Not applicable
Operator in Training	\$ 5,203.63	\$ 5,463.86	\$ 5,736.78	\$ 6,023.84	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	Not Applicable.	Not applicable	Not applicable
Operator, Grade I	\$ 5,736.78	\$ 6,023.84	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	Not Applicable.	Not applicable	Not applicable
Operator, Grade II	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	Not applicable	Not applicable
Operator, Grade III	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	Not applicable	Not applicable
Operator, Lead	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	Not applicable	Not applicable
Plant Manager I	\$ 9,958.78	\$ 10,456.49	\$ 10,979.07	\$ 11,527.96	\$ 12,104.41	\$ 12,709.50	\$ 13,344.83	\$ 14,012.02	\$ 14,432.23	\$ 14,720.90
Plant Manager II	\$10,979.07	\$ 11,527.96	\$ 12,104.41	\$ 12,709.50	\$ 13,344.83	\$ 14,012.02	\$ 14,712.85	\$ 15,448.05	\$ 15,911.39	\$ 16,229.77
Plant Operations and Maintenance Supervisor	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	\$ 10,817.10	\$ 11,358.12	\$ 11,925.80	\$ 12,522.29	\$ 13,148.32	Not applicable	Not applicable

How to Use this Pay Scale: Steps 1 through 5 are the regular levels for all positions.

Payscale reflects General Manager rate per contract

In addition, except as identified above, the following also applies:

Dual certification may be available for an additional 5% of pay.

Triple certification may be available for an additional 5% of pay.

A longevity step may be available for an additional 5% of pay.

Additional 3% longevity step after 10 years continuous District service may be available for management positions.

Additional 2% longevity steps after 15 years continuous District service may be available for management positions.

EMPLOYMENT AGREEMENT

Between Las Gallinas Valley Sanitary District

And

Greg Pease (Collection System/Safety Manager)

This EMPLOYMENT AGREEMENT (“Agreement”) is made and entered into this ____ day of _____, 2019, by and between the Las Gallinas Valley Sanitary District, a special district, (“District or Employer”) and Greg Pease, (“Employee”) both of whom understand as follows:

WITNESSETH

WHEREAS, Employer desires to employ the services of Greg Pease as Collection System/Safety Manager of the Las Gallinas Valley Sanitary District; and

WHEREAS, it is the desire of the District Board, (“Board”) to provide certain benefits, to establish certain conditions of employment, and to set working conditions of said Employee; and

WHEREAS, Employee desires to become employed as Collection System/Safety Manager of the Las Gallinas Valley Sanitary District;

WHEREAS, both Employer and Employee have read this Agreement and understand its contents fully;

NOW, THEREFORE, in consideration of these mutual covenants, the parties agree as follows:

TERMS

Section 1: Duties

A. Employer hereby agrees to employ Greg Pease as Collection System/Safety Manager to perform the functions and duties specified in the job description attached as Exhibit "A" and to perform other legally permissible and proper duties and functions as the Collection System/Safety Manager.

B. The Collection System/Safety Manager shall be in charge of and responsible for the operation and management of the Collection System, Pump Stations, Safety Program and the general business and governmental affairs of Employer in accordance with the laws of the United States of America and the State of California governing special districts as directed by the General Manager and as outlined in the Collection System/Safety Manager job description. The Collection System/Safety Manager shall do and perform all services, acts, and functions necessary or advisable to manage and conduct the business and governmental affairs of Employer as determined by the General Manager.

C. Employee agrees that during the term of this Agreement, Employee shall devote Employee's full energies, interests, abilities, and productive time to the performance of the duties and responsibilities as set forth in this Agreement and shall not conduct any business or render services of any kind for compensation, or undertake other business, professional or commercial activity.

D. Employee shall perform all duties with due diligence and with the best interest of Employer in mind.

E. Due to the nature of his employment which requires close proximity to Employer's facilities, Employee agrees to maintain his permanent residence within a 45-minute automobile drive to the Employer's office during non-commute hours.

Section 2: Term

A. Employment pursuant to the terms of this Agreement is "at will". Specifically, Employee serves as Collection System/Safety Manager at the pleasure of the General Manager, and as an at-will employee, can be terminated at any time, either with or without cause.

B. The term of this Agreement shall commence on July 1, 2019 and end later on June 30, 2021, unless terminated before the expiration of the term in accordance with the provisions of this Agreement. In the event Employee continues employment with the District and the District has not completed contract negotiations with management employees by June 30, 2021, Employee's employment with the District shall still be covered by this Agreement.

C. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the General Manager to terminate the services of Employee at any time, subject only to the provisions set forth in Section 7 of this Agreement.

D. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Employee to resign at any time from his position with Employer, subject only to the provisions set forth in Section 7 of this Agreement.

Section 3: Salary

A. Employer agrees to initially compensate Employee based on the appropriate salary step identified in the Collection System/Safety Manager Salary Schedule attached as Exhibit "B" plus any appropriate dual and triple certification and longevity amounts.

B. Employee can receive dual and triple certification pay upon satisfactory completion of additional education or certification at the discretion of the General Manager. Additional certification must be of operational and/or financial benefit to the District. If it is deemed at a later date to no longer benefit the District, it may be revoked by the General Manager.

C. Longevity Amounts

- i. Employee can receive a longevity step at the beginning of their 7th year of employment with the District. The longevity step shall be 5.0%.
- ii. Effective the first pay period in January 2015, employees in the "management bargaining unit" are eligible to receive a longevity step equal to three percent of base salary (3%) at the completion of 10 years of continuous employment with the District.
- iii. Effective the first pay period in January 2015, employees in the "management bargaining unit" are eligible to receive an additional longevity step equal to two percent of base salary (2%) at the completion of 15 years of continuous employment with the District.

D. Prior to or within one month of his/her anniversary date, the General Manager shall review the performance of Employee and, at his or her sole discretion, may increase

Employee's salary in accordance with the Step Schedule described in Collection System/Safety Manager. Salary Schedule.

E. Further salary increases during the term of this Agreement shall be based on District Salary Surveys or, in part, on a performance review with the percentage salary increase determined by the General Manager (see Section 4, below).

F. Effective July 1, 2019, the Employee's compensation will be \$13,242.10 per month as set forth in Exhibit "B", the pay scale as of July 1, 2019.

G. Employee shall be entitled to COLA increases as follows:

- i. Effective the first pay day in July 2015, the wages for the all management/confidential classifications shall be increased by the increase in the Consumer Price Index, San Francisco All Urban Consumers, April to April, with a minimum increase of 1.0% and a maximum increase of 2.5%.

Section 4: Performance Evaluation

The General Manager shall review and evaluate the performance of the Employee at least once annually, beginning with his/her first anniversary date as Collection System/Safety Manager. Said review and evaluation shall be in accordance with specific criteria developed by Employer. The District and Employee may develop annual goals, objectives, and performance standards for Employee for the benefit of the District and in attainment of the District's policy objectives, and may further establish a priority among those goals, objectives, and performance standards. Additionally, the District may periodically establish goals and objectives regarding the Employee's performance of the duties of Collection System/Safety Manager.

Section 5: Management Benefits

A. Employee shall be entitled any benefits specified for the Unrepresented Bargaining Group in the attached Exhibit "C". However, a specific description of certain of those benefits follows and the specific description below controls the rights and obligations of Employee and Employer for that specific benefit.

B. Employee shall be entitled to a District vehicle. Employer shall pay for all expenses associated with this vehicle. Employee shall be permitted to use the vehicle for limited personal use only when Employee is either engaged in Employer activities or commuting to and from work. Reasonable personal use is allowable. If Employee ceases to be Collection System/Safety Manager but is otherwise employed by Employer this vehicle benefit shall end.

C. On July 1st of each year the Employee shall be granted a lump sum of 80 hours of Administrative leave. The allotment shall reset to 80 hours on July 1 of every year, regardless of the unused balance remaining from prior fiscal years.

D. Under the current defined benefit plan, pursuant to the Public Employees' Retirement Law (Government Code § 20000 et seq. ("PERL")), Employee is required to contribute 8% of the Employee's "compensation earnable and reportable" ("PERSable compensation") toward the costs of said benefit plan.

E. Employee can choose either a District supplied smartphone or can be reimbursed the median for a 6 GB plan of the following wireless carriers (AT&T, Sprint and Verizon). Employees can be reimbursed for the phone purchases once every 3 years up to \$250.88. The allowance will be based on Board approved COLA increase of each year. It is the sole responsibility of the employee to maintain their Employee owned phone. Employee shall be on call and maintain their phone in good working condition and in close proximity to respond to

District emergencies as necessary or directed by the General Manager. Should the Employee terminate their employment with the District within one year of receiving a reimbursement for a phone, the Employee shall reimburse the District 50% of the purchase cost.

F. If Employee has outside health insurance coverage, the Employee may opt out of the District provided health insurance and receive an in-lieu payment of \$250 per month to offset the cost of the outside health insurance. The Employee must provide proof of health insurance coverage.

G. Employee, with the General Manager's consent, may purchase a tablet computer or laptop once in a four-year period and be reimbursed based on District policy. Should the Employee terminate employment within two years of receiving the reimbursement, the Employee shall return to the District 50% of the cost so reimbursed.

H. Cash out of Vacation: The maximum amount of vacation time EMPLOYEE may accrue is 272 hours. EMPLOYEE shall be eligible to cash out up to 80 hours of vacation time one time a year. All vacation hours cashed out shall be compensated at the EMPLOYEE's current rate of pay and will be removed from the EMPLOYEE's accumulated vacation balance. In no event shall EMPLOYEE cash-outs result in a vacation balance of less than 40 hours. Such requests for cash-out of vacation hours shall be submitted in writing by the employee to the General Manager, who will verify and approve the request. All vacation pay requests submitted by the payroll due date of the current pay period will be paid to employee on the payroll date of the current pay period. Otherwise, such requests will be processed for the following payroll date. This cash-out will be subject to applicable Federal and State Payroll Tax Law.

I.

Section 6: Professional Development

A. Employer agrees to budget for and to pay for publications and subscriptions for Employee necessary for his/her continuation and full participation in national, regional, state, and local associations and organizations necessary and desirable for his continued professional participation, growth, and advancement, and for the good of the Employer as determined solely by the General Manager.

B. Employer hereby agrees to budget for and to pay for reasonable travel and subsistence expenses of Employee for professional and office travel, meetings, and occasions necessary to continue the professional development of Employee as determined solely by the General Manager.

C. Employee shall obtain the General Manager's prior approval for any expenses in this Section which are not in the approved budget.

Section 7: Termination of Agreement and Severance Pay

A. The Agreement may be terminated at any time by either party in writing.

B. Both sides agree that it is preferable to provide thirty (30) days advance notice of termination, but such advance notice is not required.

C. "At Will" Employment: The parties to this Agreement expressly acknowledge that Employee is "at will" and serves at the pleasure of the General Manager. Employee may be terminated at any time with or without cause at the sole discretion of the District. The District recognizes the right of the Employee to terminate his employment at any time with or without reason.

D. Notwithstanding anything else contained in the Agreement, the terms and provisions of this Agreement shall terminate automatically and immediately upon the death or permanent disability of Employee.

E. In the event Employer wishes to terminate Employee without reference to cause, then Employee may be entitled to severance pay in a lump sum equal to three months of Employee's current salary. The District shall only be obligated to pay this severance if the Employee agrees to execute a standard release agreement as prepared by the District that releases the District from any and all claims the Employee may have against the District. If the Employee refuses to sign this standard severance and release agreement, the Employee shall not be entitled to the severance pay. Notwithstanding any other provision in this Agreement, in accordance with Government Code § 53260, in the event this Agreement is terminated, the maximum cash settlement that Employee may receive shall be an amount equal to the monthly salary of Employee multiplied by the number of months left on the unexpired term of the Agreement. However, if the unexpired term of the contract is greater than 18 months, the maximum cash settlement shall be an amount equal to the monthly salary of the employee multiplied by 18.

F. In the event Employee is terminated, the Employee shall be paid out for accrued but unused vacation time and administrative leave. Accrued sick leave benefits shall be paid in accordance with District personnel policy.

G. If Employee resigns at the request of the General Manager, Employee shall be deemed terminated without cause and may be entitled to severance as set forth under Section 7.E.

Section 8: Notices

Notices pursuant to this agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

Las Gallinas Valley Sanitary District
300 Smith Ranch Road
San Rafael, CA 94903

Greg Pease
767 Riesling Road
Petaluma, CA 94954

Alternatively, notices required pursuant to the agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service.

Section 9: General Provisions

A. The text herein shall constitute the entire agreement between the parties and supersedes any and all other agreements, either oral or in writing between the District and the Employee and contains all of the covenants and agreements between the parties with respect to such employment in any manner whatsoever. Any prior agreements merge into this Agreement and specifically prior employment agreements merge into this agreement.

B. Each party to the Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and no other agreement, statement, or

promise not contained in the Agreement shall be valid or binding. Any modification of the Agreement will be effective only if it is in writing and signed by both the General Manager and the Employee.

C. This Agreement shall be binding upon and inure to the benefit of the heirs of Employee.

D. If any provision, or any portion, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

E. This Agreement shall be interpreted under the laws of the State of California. Venue for any action shall be in the Superior Court for the County of Marin.

F. Employee understands that the Board may, from time to time, revise the District's policies. Employee understands that Employee is subject to those policies and procedures when they are not in conflict with the contents of this Agreement.

IN WITNESS WHEREOF, Las Gallinas Valley Sanitary District has caused this Agreement to be signed and executed on its behalf by the General Manager, and duly attested by its District Secretary, and the Employee has signed and executed this Agreement the day and year first above written.

Date: _____

General Manager
Las Gallinas Valley Sanitary District

Dated: _____

Greg Pease

ATTEST:

Teresa L. Lerch
District Secretary

APPROVED AS TO FORM:

David Byers, Attorney for
Las Gallinas Valley Sanitary District

Las Gallinas Valley Sanitary District

Job Description

POSITION: COLLECTION SYSTEM / SAFETY MANAGER

WRITTEN: September 25, 2014

SALARY STEP RANGE: Steps 18 – 22 (Collection System / Safety Manager Range)

REPORTS TO: General Manager

SCOPE: Under general direction of the General Manager, plans, organizes, and supervises the operation and maintenance of the wastewater collection system and District safety program; ensures water quality, safe work practices, work quality and accuracy; maintains appropriate work and safety records; serves as a technical resource for assigned work crews; performs other related duties as required.

MINIMUM QUALIFICATIONS:

Education: High school graduate

Experience: Three years experience in sewer line construction or maintenance or in a related field.

Licenses and Certificates: Possess a valid California driver's license and a Grade I Collection System Maintenance certificate issued by the California Water Environment Association and will obtain a Grade III Collection System Maintenance certificate within 3 years.

ESSENTIAL JOB FUNCTIONS:

1. Supervises collection system employees.
2. Ensures the collection system is properly maintained and condition assessed.
3. Plans and schedules sewer line maintenance work to include utilizing collection system software.
4. Implements collection system computer programs.
5. Maintains neat, accurate and current records of data collected and work performed.
6. Schedules and tracks preventive maintenance on line crew vehicles and equipment.
7. Purchases collection supplies and equipment.
8. Locates, identifies, and marks sewer lines within the District.
9. Takes appropriate action on smoke testing, manhole sealants, root foaming, and lateral inspections findings.
10. Ensures damaged manholes and sewer lines are repaired.
11. Works with engineers and contractors to develop and manage District collection system projects.
12. Responds to emergency call-outs 24 hours per day, 7 days per week. Responsible for the immediate reporting of Sanitary Sewer Overflow's (SSO's) to the Environmental Protection Agency (EPA) and State Regional Water Quality Board (SRWCB) and oversees the entire event to include notification, reporting and area of hazard posting.
13. Responds to odor or overflow complaints and inquiries of District customers.
14. Writes or assists in writing CRWCB and EPA reports and required programs.

Ability to communicate effectively with homeowners, community representatives, and others encountered in the performance of job responsibilities. Attachment A

Ability to prepare concise written reports and presentations utilizing Microsoft office programs and collection system software.

Ability to effectively plan, organize, and direct the work of the line crew personnel.

Ability to interpret District sewer line maps and construction plans.

Ability to establish and maintain effective working relationships.

OTHER REQUIREMENTS

United States citizenship or legal eligibility to work in the United States.

Reside within a 45-minute automobile drive to the District office.

Medical evaluation to determine physical fitness for the job.

Acceptable driving record consistent with the standards established by the District.

Participation in job training or professional development programs.



Las Gallinas Valley Sanitary District
Pay Scales as of July 1, 2019

3.25%

Monthly Salary Range

Full Time Positions	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Longevity 3%	Longevity 2%
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Administrative Services Manager II	\$11,469.79	\$ 12,043.57	\$ 12,645.61	\$ 13,277.90	\$ 13,941.51	\$ 14,638.75	\$ 15,370.55	\$ 16,139.21	\$ 16,623.14	\$ 16,955.66
Assistant Engineer	\$ 7,450.39	\$ 7,823.17	\$ 8,214.57	\$ 8,624.94	\$ 9,056.25	\$ 9,509.04	\$ 9,984.37	\$ 10,483.68	Not applicable	Not applicable
Associate Engineer	\$ 9,056.25	\$ 9,509.04	\$ 9,984.37	\$ 10,483.68	\$ 11,007.89	\$ 11,558.21	\$ 12,136.09	\$ 12,743.15	Not applicable	Not applicable
Building and Ground Maintenance Worker	\$ 4,560.97	\$ 4,788.79	\$ 5,028.24	\$ 5,279.51	\$ 5,543.32	\$ 5,820.53	\$ 6,112.07	\$ 6,417.57	Not applicable	Not applicable
Collection System/Safety Manager	\$ 9,881.47	\$ 10,375.23	\$ 10,893.88	\$ 11,438.83	\$ 12,010.81	\$ 12,611.42	\$ 13,242.10	\$ 13,904.10	\$ 14,321.10	\$ 14,607.61
District Administrative Assistant	\$ 5,812.65	\$ 6,103.30	\$ 6,408.61	\$ 6,729.14	\$ 7,065.24	\$ 7,418.88	\$ 7,790.06	\$ 8,179.13	Not applicable	Not applicable
District Engineer I	\$ 9,796.45	\$ 10,286.11	\$ 10,800.64	\$ 11,340.76	\$ 11,907.37	\$ 12,502.79	\$ 13,128.10	\$ 13,784.73	\$ 14,198.14	\$ 14,482.17
District Engineer II	\$12,502.79	\$ 13,128.10	\$ 13,784.73	\$ 14,473.75	\$ 15,197.49	\$ 15,957.38	\$ 16,755.04	\$ 17,592.96	\$ 18,120.74	\$ 18,483.14
Environmental Services Director	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	\$ 10,817.10	\$ 11,358.12	\$ 11,925.80	\$ 12,522.29	Not applicable	Not applicable
Environmental Specialist in Training	\$ 6,023.84	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	Not Applicable.	Not applicable	Not applicable
Environmental Specialist, Grade I	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	Not Applicable.	Not applicable	Not applicable
Environmental Specialist, Grade II	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	Not applicable	Not applicable
Environmental Specialist, Grade III	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	Not applicable	Not applicable
General Manager	By Contract \$17,208.34									
Leadsman Collection Line Worker	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	\$ 7,467.74	\$ 7,841.42	\$ 8,233.72	\$ 8,645.34	Not applicable	Not applicable
Line Maintenance Worker	\$ 5,054.74	\$ 5,307.62	\$ 5,573.02	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	Not Applicable.	Not applicable	Not applicable
Line Maintenance Worker, Grade I	\$ 5,307.62	\$ 5,573.02	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	Not Applicable.	Not applicable	Not applicable
Line Maintenance Worker, Grade II	\$ 5,573.02	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	\$ 7,467.74	\$ 7,841.42	Not applicable	Not applicable
Line Maintenance Worker, Grade III	\$ 5,851.50	\$ 6,144.11	\$ 6,451.39	\$ 6,773.71	\$ 7,112.31	\$ 7,467.74	\$ 7,841.42	\$ 8,233.72	Not applicable	Not applicable
Operator in Training	\$ 5,203.63	\$ 5,463.86	\$ 5,736.78	\$ 6,023.84	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	Not Applicable.	Not applicable	Not applicable
Operator, Grade I	\$ 5,736.78	\$ 6,023.84	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	Not Applicable.	Not applicable	Not applicable
Operator, Grade II	\$ 6,324.86	\$ 6,641.09	\$ 6,973.08	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	Not applicable	Not applicable
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Plant Manager I	\$ 9,958.78	\$ 10,456.49	\$ 10,979.07	\$ 11,527.96	\$ 12,104.41	\$ 12,709.50	\$ 13,344.83	\$ 14,012.02	\$ 14,432.23	\$ 14,720.90
Plant Manager II	\$10,979.07	\$ 11,527.96	\$ 12,104.41	\$ 12,709.50	\$ 13,344.83	\$ 14,012.02	\$ 14,712.85	\$ 15,448.05	\$ 15,911.39	\$ 16,229.77
Plant Operations and Maintenance Supervisor	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	\$ 10,817.10	\$ 11,358.12	\$ 11,925.80	\$ 12,522.29	\$ 13,148.32	Not applicable	Not applicable

How to Use this Pay Scale: Steps 1 through 5 are the regular levels for all positions.

Payscale reflects General Manager rate per contract

In addition, except as identified above, the following also applies:

Dual certification may be available for an additional 5% of pay.

Triple certification may be available for an additional 5% of pay.

A longevity step may be available for an additional 5% of pay.

Additional 3% longevity step after 10 years continuous District service may be available for management positions.

Additional 2% longevity steps after 15 years continuous District service may be available for management positions.

EMPLOYMENT AGREEMENT

Between Las Gallinas Valley Sanitary District

And

MIKE PRINZ (General Manager)

This EMPLOYMENT AGREEMENT (“Agreement”) is made and entered into this 1st day of July, 2019, by and between the Las Gallinas Valley Sanitary District, a special district, (“District or Employer”) and MIKE PRINZ, (“Employee”) both of whom understand as follows:

RECITALS

WHEREAS, Employer desires to employ the services of MIKE PRINZ as General Manager of the Las Gallinas Valley Sanitary District; and

WHEREAS, it is the desire of the District Board, (“Board”) to provide certain benefits, to establish certain conditions of employment, and to set working conditions of said Employee; and

WHEREAS Employer and Employee now desire to set forth their agreement for employment of Employee on the terms and subject to the conditions set forth herein.

WHEREAS, both Employer and Employee have read this Agreement and understand its contents fully;

NOW, THEREFORE, in consideration of the foregoing and the provisions and promises hereinafter set forth, the parties agree as follows:

TERMS

Section 1: Duties

A. Employer hereby agrees to employ Mike Prinz as General Manager to perform the functions and duties specified in the job description, attached as Exhibit "A" and to perform other legally permissible and proper duties and functions as the General Manager.

B. The General Manager shall be in charge of and responsible for the operation and management of Employer and the general business and governmental affairs of Employer in accordance with the laws of the United States of America and the State of California governing special districts. The General Manager shall do and perform all services, acts, and functions necessary or advisable to manage and conduct the business and governmental affairs of Employer as determined by the Board of Directors.

C. Employee agrees that during the term of this Agreement, Employee shall devote Employee's full energies, interests, abilities, and productive time to the performance of the duties and responsibilities as set forth in this Agreement and shall not conduct any business or render other services of any kind for compensation, or undertake other business, professional or commercial activity.

D. Employee shall perform all duties with due diligence and with the best interest of Employer in mind.

E. Due to the nature of his employment which requires close proximity to Employer's facilities, Employee agrees to maintain his permanent residence to a distance within a 45-minute automobile drive of the Employer's office during non-commute hours.

Section 2: Term

A. Employment pursuant to the terms of this Agreement is “at will”. Specifically, Employee serves as General Manager at the pleasure of the Board of Directors, and as an at-will employee, can be terminated at any time, either with or without cause.

B. The term of this Agreement shall commence on July 1, 2019 and end on June 30, 2021, unless terminated earlier as provided herein.

C. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Employer to terminate the services of Employee at any time, subject only to the provisions set forth in Section 7 of this Agreement.

D. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Employee to resign at any time from his position with Employer, subject only to the provisions set forth in Section 7 of this Agreement.

Section 3: Salary

A. Employer agrees to compensate Employee the amount of \$17,208.34 per month effective the first pay period which includes the effective date of July 1, 2019.

B. Longevity Amounts

- i. Employee can receive a longevity step at the beginning of their 7th year of employment with the District. The longevity step shall be 5.0%.
- ii. Employees in the “management bargaining unit” are eligible to receive a longevity step equal to three percent of base salary (3%) at the completion of 10 years of continuous employment with the District. Employees in the “management bargaining unit” are eligible to receive an additional longevity step

equal to two percent of base salary (2%) at the completion of 15 years of continuous employment with the District.

C. Prior to or within one month of his anniversary date, the Board of Directors shall review the performance of Employee and, upon satisfactory or greater than satisfactory performance may at its sole discretion increase Employee's salary.

D. Further salary increases during the term of this Agreement shall be based on District Salary Surveys or, in part, on a performance review with the percentage salary increase determined solely by the Board of Directors (see Section 4, below) All future salary increases except for COLA increases are discretionary, determined in the sole discretion of the Board of Directors.

E. Employee will be entitled to a COLA increase based on the Consumer Price Index, San Francisco All Urban Consumers, April to April, with a minimum of 1% and maximum of 3.25%, except as noted by the following:

- i. Effective July 1, 2020, the wages for all management/confidential classifications shall be increased by 3.5%.

Section 4: Performance Evaluation

The Board of Directors shall at least annually review and evaluate the responsibilities, workload and performance of the Employee. Said review and evaluation shall be in accordance with specific criteria developed by Employer. The District and Employee may develop goals, objectives, and performance standards for Employee for the benefit of the District and in

attainment of the District's policy objectives, and may further establish a priority among those goals, objectives, and performance standards. Additionally, the District may periodically establish goals and objectives regarding the Employee's performance of the duties of General Manager.

Section 5: Management Benefits

A. Employee shall be entitled any benefits specified for the Unrepresented Bargaining Group in the attached Exhibit "B". However, a specific description of certain of those benefits follows and the specific description below controls the rights and obligations of Employee and Employer for that specific benefit.

B. If Employee has outside health insurance coverage, the Employee may opt out of the District provided health insurance and receive an in-lieu payment of \$250 per month to offset the cost of the outside health insurance. The Employee must provide proof of health insurance coverage.

C. Employee may purchase a tablet computer or laptop once in a four-year period and be reimbursed based on District policy. Should the Employee terminate employment within two years of receiving the reimbursement, the Employee shall return to the District 50% of the cost so reimbursed.

D. **Cash-Out of Vacation:** The maximum amount of vacation time EMPLOYEE may accrue is 272 hours. EMPLOYEE shall be eligible to cash out up to 80 hours of vacation time one time a year. All vacation hours cashed out shall be compensated at the EMPLOYEE's current rate of pay and will be removed from the EMPLOYEE's accumulated vacation balance. In no event shall EMPLOYEE cash-outs result in a vacation balance of less than 40 hours. Such

requests for cash-out of vacation hours shall be submitted in writing by the employee to the Finance Director, who will verify and approve the request. All vacation pay requests submitted by the payroll due date of the current pay period will be paid to employee on the payroll date of the current pay period. Otherwise, such requests will be processed for the following payroll date. This cash-out will be subject to applicable Federal and State Payroll Tax Law.

E. Employee shall be entitled to a District vehicle for District purposes and commuting. Employer shall pay for all expenses associated with this vehicle. Employee shall be permitted to use the vehicle for limited personal use only when Employee is either engaged in Employer activities or commuting to and from work. Reasonable personal use is allowable. If Employee ceases to be General Manager this vehicle benefit shall end.

F. On July 1 of each year, the Employee shall be granted a lump sum of 80 hours of Administrative leave. The allotment shall reset to 80 hours on July 1, regardless of unused balance remaining from prior fiscal year.

G. Under the current defined benefit plan, pursuant to the Public Employees' Retirement Law (Government Code § 20000 et seq. ("PERL")), Employee is required to contribute 8% of the Employee's "compensation earnable and reportable" ("PERSable compensation") toward the costs of said benefit plan.

H. Employee can choose either a District supplied smartphone or can be reimbursed the median for a 6 GB plan of the following wireless carriers (AT&T, Sprint and Verizon). Employees can be reimbursed for the phone purchases once every 3 years up to \$250.88. The allowance will be based on COLA increases of each year. It is the sole responsibility of the employee to maintain their Employee owned phone. Employee shall be on call and maintain

their phone in good working condition and in close proximity to respond to District emergencies as necessary. Should the Employee terminate their employment with the District within one year of receiving a reimbursement for a phone, the Employee shall reimburse the District 50% of the purchase cost.

Section 6: Professional Development

A. Employer agrees to budget for and to pay for publications and subscriptions for Employee necessary for his continuation and full participation in national, regional, state, and local associations and organizations necessary and desirable for his continued professional participation, growth, and advancement, and for the good of the Employer as determined solely by the Board.

B. Employer hereby agrees to budget for and to pay for reasonable travel and subsistence expenses of Employee for professional and office travel, meetings, and occasions necessary to continue the professional development of Employee as determined solely by the Board. Notwithstanding the foregoing, Employee shall be entitled to attend up to six industry related conferences per year, including but not limited to Water Reuse, CASA, WEF, CWEA, CSDA or similar.

C. Employer also agrees to budget for and to pay for reasonable travel and subsistence expenses of Employee for short courses, institutes, conferences, and seminars that are necessary for his professional development and for the good of the Employer as determined solely by the Board.

D. Employee shall obtain the Board's prior approval for any expenses in this Section which are not in the approved budget.

E. Employer shall reimburse Employee up to \$5,000 annually for tuition and fees for any college credit courses Employee may attend related to his position as General Manager or in his efforts to obtain a college degree.

Section 7: Termination of Agreement and Severance Pay

A. The Agreement may be terminated at any time by either party in writing.

B. Both sides agree that it is preferable to provide thirty (30) days advance notice of termination, but such advance notice is not required.

C. "At Will" Employment: The parties to this Agreement expressly acknowledge that Employee is "at will" and serves at the pleasure of the Board. Employee may be terminated by Employer at any time with or without cause, at the sole discretion of the Employer. Employee may terminate his employment at any time with or without reason.

D. Notwithstanding anything else contained in the Agreement, the terms and provisions of this Agreement shall terminate automatically and immediately upon the death of Employee.

E. In the event Employer wishes to terminate Employee without reference to cause, then Employee may be entitled to severance pay in a lump sum equal to four months of Employee's current salary. The Employer shall only be obligated to pay this severance if the Employee agrees to execute a standard release agreement as prepared by the Employer that releases the Employer from any and all claims the Employee may have against the Employer. If the Employee refuses to sign this standard severance and release agreement, the Employee shall not be entitled to the severance pay. Notwithstanding any other provision in this Agreement, in accordance with Government Code § 53260, in the event this Agreement is terminated, the

maximum cash settlement that Employee may receive shall be an amount equal to the monthly salary of Employee multiplied by the number of months left on the unexpired term of the Agreement. However, if the unexpired term of the contract is greater than 18 months, the maximum cash settlement shall be an amount equal to the monthly salary of the employee multiplied by 18.

F. In the event Employee is terminated, the Employee shall be paid out for accrued but unused vacation, compensatory time and administrative leave. Accrued sick leave benefits shall be paid in accordance with District personnel policy.

G. If Employee resigns at the request of the Board of Directors, Employee shall be deemed terminated without cause and may be entitled to severance as set forth under Section 7.E.

Section 8: Indemnity

Employer and Employee recognize the broad legal obligation of an employer to defend, indemnify and hold harmless a public employee in connection with that public employee acting within the course and scope of their employment.

Employer will defend, indemnify and hold harmless Employee and pay all costs and fees incurred by him, whether as a party, witness, or otherwise, in connection with any actual or potential suit, claim, demand, investigation, or similar event arising within the course and scope of his employment. This obligation on the part of Employer will continue regardless of if or when the General Manager's employment with Employer terminates. This includes defense in any administrative proceedings or any criminal action involving the operation of Employer's plant and facilities. However, if the public entity pays any claim or judgment or portion thereof

on behalf of Employee, the Employer may recover the amount of payment from Employee if Employer establishes that with regard to the act or omission upon which the claim or judgment is based, Employee acted or failed to act because of actual fraud, corruption, or actual malice or that he willfully failed or refused to reasonably cooperate in good faith in the defense conducted by Employer.

Section 9: Notices

Notices pursuant to this agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

Las Gallinas Valley Sanitary District
300 Smith Ranch Road
San Rafael, CA 94903

Mike Prinz
2036 Woodside Drive
Santa Rosa, CA 95404

Alternatively, notices required pursuant to the agreement may be personally served. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service.

Section 10: General Provisions

A. The text herein shall constitute the entire agreement between the parties and supersedes any and all other agreements, either oral or in writing between the Employer and the Employee and contains all of the covenants and agreements between the parties with respect to such employment in any manner whatsoever. Any prior agreements merge into this Agreement and specifically prior employment agreements merge into this agreement.

B. Each party to the Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and no other agreement, statement, or promise not contained in the Agreement shall be valid or binding. Any modification of the Agreement will be effective only if it is in writing and signed by both the Board of Directors and the Employee.

C. This Agreement shall be binding upon and inure to the benefit of the heirs of Employee.

D. If any provision, or any portion, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

E. This Agreement shall be interpreted under the laws of the State of California. Venue for any action shall be in the Superior Court for the County of Marin.

F. Employee understands that the Board may, from time to time, revise the District's policies. Employee understands that Employee is subject to those policies and procedures when they are not in conflict with the contents of this Agreement.

Employer and Employee approve and accept the terms and provisions of this Agreement and agree to be bound thereby.

THE PARTIES TO THIS AGREEMENT HAVE READ THE FOREGOING AGREEMENT AND FULLY UNDERSTAND EACH AND EVERY PROVISION

CONTAINED HEREIN. WHEREFORE, THE PARTIES HAVE EXECUTED THIS AGREEMENT ON THE DATES SHOWN BELOW.

IN WITNESS WHEREOF, Las Gallinas Valley Sanitary District has caused this Agreement to be signed and executed on its behalf by its Board President, and duly attested by its District Secretary, and the Employee has signed and executed this Agreement the day and year first above written.

Board President
Las Gallinas Valley Sanitary District

Date: _____

Mike Prinz

Date: _____

Teresa Lerch
District Secretary

Seal

APPROVED AS TO FORM:

David J. Byers, District Counsel for
Las Gallinas Valley Sanitary District

Las Gallinas Valley Sanitary District Job Description

POSITION: GENERAL MANAGER

LAST REVISION: JULY 2008

SALARY STEP RANGE: by Employee Contract

SCOPE: Directs and manages the administrative, financial, engineering, operating, maintenance and construction functions of the District.

MINIMUM QUALIFICATIONS:

Education & License: Bachelor of Science Degree in Engineering from an accredited college or university and Civil Engineering Registration in the State of California or Operator's Certification: A Grade V Wastewater Treatment Plant Operator Certificate issued by the State of California State Water Resources Control Board.

And in addition to the above:

Ten years of increasing responsible relevant experience including at least five years in a supervisory or management position with a wastewater agency along with a valid California driver's license.

ESSENTIAL JOB FUNCTIONS – BOARD AND GENERAL MANAGER

1. Act as Board representative with District employees.
2. Supervisor preparation of Board Meeting agenda and attend all Board meetings.
3. Provide recommendations to Board on all agenda matters.
4. Represent Board and District in discussions with regulatory agencies, other agencies, community representatives, developers, and public.
5. Supervise coordinate of individual Board member participation at various functions requiring Board member attendance.
6. Implement all Board actions as well as Board approved ordinances, resolutions, rules, regulations, policies, and procedures.
7. Advise and consult with the Board on the development of proposed ordinances, resolutions, rules, regulations, policies, and procedures.
8. Contact special studies and surveys and prepare reports as directed by the Board.
9. Prepare annual budget, annual sewer service report, and quarterly finance reports for Board review/approval.
10. Manage District personnel matters in a manner consistent with District personnel procedures and in a manner to ensure Board's position of Personnel Appeals Board.
11. Perform other responsibilities, assignments, and special projects as needed.



Las Gallinas Valley Sanitary District
Pay Scales as of July 1, 2019

3.25%

Monthly Salary Range

Full Time Positions	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Longevity 3%	Longevity 2%
Administrative Coordinator	\$ 5,145.59	\$ 5,416.41	\$ 5,701.48	\$ 6,001.56	\$ 6,301.64	\$ 6,301.64	\$ 6,301.64	\$ 6,301.64	Not applicable	Not applicable
Administrative Financial Specialist I	\$ 5,812.65	\$ 6,103.30	\$ 6,408.61	\$ 6,729.14	\$ 7,065.24	\$ 7,418.88	\$ 7,790.06	\$ 8,179.13	Not applicable	Not applicable
Administrative Financial Specialist II	\$ 6,729.14	\$ 7,065.24	\$ 7,418.88	\$ 7,790.06	\$ 8,179.13	\$ 8,588.08	\$ 9,017.60	\$ 9,468.59	Not applicable	Not applicable
Administrative Services Manager I	\$10,403.51	\$ 10,923.59	\$ 11,469.79	\$ 12,043.57	\$ 12,645.61	\$ 13,277.90	\$ 13,941.51	\$ 14,638.75	\$ 15,077.94	\$ 15,379.50
Administrative Services Manager II	\$11,469.79	\$ 12,043.57	\$ 12,645.61	\$ 13,277.90	\$ 13,941.51	\$ 14,638.75	\$ 15,370.55	\$ 16,139.21	\$ 16,623.14	\$ 16,955.66
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Operator, Lead	\$ 7,321.71	\$ 7,688.05	\$ 8,072.47	\$ 8,476.04	\$ 8,899.83	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	Not applicable	Not applicable
Plant Manager I	\$ 9,958.78	\$ 10,456.49	\$ 10,979.07	\$ 11,527.96	\$ 12,104.41	\$ 12,709.50	\$ 13,344.83	\$ 14,012.02	\$ 14,432.23	\$ 14,720.90
Plant Manager II	\$10,979.07	\$ 11,527.96	\$ 12,104.41	\$ 12,709.50	\$ 13,344.83	\$ 14,012.02	\$ 14,712.85	\$ 15,448.05	\$ 15,911.39	\$ 16,229.77
Plant Operations and Maintenance Supervisor	\$ 9,344.21	\$ 9,811.67	\$ 10,302.21	\$ 10,817.10	\$ 11,358.12	\$ 11,925.80	\$ 12,522.29	\$ 13,148.32	Not applicable	Not applicable

How to Use this Pay Scale: Steps 1 through 5 are the regular levels for all positions.

Payscale reflects General Manager rate per contract

In addition, except as identified above, the following also applies:

- Dual certification may be available for an additional 5% of pay.
- Triple certification may be available for an additional 5% of pay.
- A longevity step may be available for an additional 5% of pay.
- Additional 3% longevity step after 10 years continuous District service may be available for management positions.
- Additional 2% longevity steps after 15 years continuous District service may be available for management positions.



Agenda Summary Report

To: Mike Prinz, General Manager *MDP*
From: Robert D. Ruiz, Administrative Services Manager
Mtg. Date: June 6, 2019
Re: Purchase of a vehicle for the GM
Item Type: Consent _____ Discussion Information _____ Other _____
Standard Contract: Yes _____ No _____ (See attached) Not Applicable

BACKGROUND:

The 2019-20 Budget contains a Capital Purchase line item of a vehicle for the General Manager for \$40,000. The vehicle, a 2019 Rav4 LE Hybrid SUV, has been located at Toyota of Marin and is on temporary hold.

The staff has found 3 vendors with this vehicle, but only one is available in the standard format (LE).

The three vendors are:

Freeman Toyota	Rav4 XLE Hybrid	Grey	\$36,630	7/14/2019
Toyota of Marin	Rav4 LE Hybrid	White	\$31,905	Now
Sourcewell (formerly NJPA)	Rav4 LE Hybrid	Unknown	\$31,000	> 5 months

Staff is requesting to purchase a vehicle in the current year, as the most economical version of this vehicle is available now at a local dealer. Staff suggests the Board to approve the purchase of a vehicle in the current year by allocating \$40,000 of funds budgeted for the Vactor Truck towards the purchase of this vehicle. In the next fiscal year, the GM Vehicle budget amount will be redirected to the Vactor Truck, keeping it at the projected amount of \$325,000.

Once the GM starts to use the vehicle, his auto allowance will no longer be paid.

PREVIOUS BOARD ACTION:

N/A

ENVIRONMENTAL REVIEW:

N/A

FISCAL IMPACT:

No fiscal impact. The transfer of unspent budgeted funds from 2018-19 budget from the Vactor Truck to the GM Vehicle will be offset by restoring the \$40,000 funds to the Vactor Truck in the 2019-20 budget.

STAFF RECOMMENDATION:



Staff requests that the board approve to redirect \$40,000 budgeted funds from the Vector Truck in the 2018-19 budget for the purchase of a vehicle for the GM.

6/6/2019

General Manager Report

- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation



Item Number 10A-2

Agenda Summary Report

To: Mike Prinz, General Manager *MP*
 From: Michael P. Cortez, PE, District Engineer
 Mtg. Date: June 6, 2019
 Re: Award of Contract for On-Call Contract for Engineering Projects to Hazen and Sawyer
 Item Type: Consent _____ Discussion _____ Information X Other _____
 Standard Contract: Yes X No _____ (See attached) Not Applicable _____

BACKGROUND:

Miscellaneous, small scope system improvements are regularly identified within the District that require engineering effort but do not rise to the level of formal solicitation through a Request for Proposal process. In the past, these small improvements have typically been deferred until they could be added to the scope of a large CIP project for design. An effective mechanism to efficiently address small scope design needs is an 'on-call' contract with a professional engineering firm. An on-call consultant is able to provide quick turnaround design and engineering services upon request.

This contract will allow the District to have a standby design engineer available to perform small projects that can be typically completed in one to two weeks with maximum total budget of \$45,000. Once the funds are fully utilized, the contract is subject to new solicitation or renewal pending staff evaluation of consultant performance and District Board approval as required.

Compensation for each on-call effort is based on time and expense tracking according to rates as outlined in the proposal. Actual payment is made according to detailed invoices describing each individual on-call effort.

The consultant selected to provide on-call engineering services to the District is Hazen and Sawyer (H&S). H&S is a firm specialized in engineering and management of wastewater collection, treatment and disposal. With extensive on-call experience, H&S is committed to quickly mobilize the right team for task orders, large or small. Scope of work includes field sampling and process model development, plant optimization, training, design services, etc. This contract falls within the General Manager's signature authority.

PREVIOUS BOARD ACTION: N/A

ENVIRONMENTAL REVIEW: N/A

FISCAL IMPACT:
\$45,000

STAFF RECOMMENDATION:
For information only.

6/6/2019 BOARD REPORTS

Agenda Item 11.1

LAFCO

- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

Agenda Item 11.2

Gallinas Watershed Council/Miller Creek Watershed Council

- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

Agenda Item 11.3

JPA Local Task Force on Solid and Hazardous Waste

- Separate item to be distributed at Board meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

Agenda Item 11.4

Flood Zone 7

- Separate item to be distributed at Board meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

Agenda Item 11.5

NBWA

- a) Board Committee
- b) Executive Committee
- c) JTC

- Separate item to be distributed at Board meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

Agenda Item 11.6

NBWRA/North Bay Water

- Separate item to be distributed at Board meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

Agenda Item 11.7

Engineering Subcommittee

- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

6/6/2019 BOARD REPORTS

Agenda Item 7.8 Other Reports – Verbal

- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation



BOARD MEMBER MEETING ATTENDANCE REQUEST

Date: _____ Name: _____

I would like to attend the _____ Meeting
of _____

To be held on the _____ day of _____ from _____ a.m. / p.m. and
returning on _____ day of _____ from _____ a.m. / p.m.

Actual meeting date(s): _____

Purpose of Meeting: _____

Frequency of Meeting: _____

Estimated Costs of Travel (if applicable): _____

Please submit to the District Administrative Assistant, no later than 2:00 p.m. on the
Friday prior to the Board Meeting.

For Office Use Only

Request was Approved Not Approved at the Board Meeting held on _____.

6-6-2019

BOARD AGENDA ITEM REQUESTS

Agenda Item 12B

- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

Teresa Lerch

From: Mark Millan <millan@datainstincts.com>
Sent: Monday, May 13, 2019 11:26 AM
To: Undisclosed Recipients
Subject: Reclamation Releases \$32 Million for Water Projects - CA Water News 5/10/19

Reclamation Releases \$32 Million for Desalination Construction, Water Reclamation/Reuse Projects - California Water News Daily 5/10/19

Two funding opportunities have been released by the Bureau of Reclamation, one for Desalination Construction Projects and the other for water reclamation and reuse projects. In total, \$32 million is available; \$12 million is available under the Water Infrastructure Improvements for the Nation (WIIN) Act for the Desalination Construction Projects and \$20 million in Title XVI in funding will be used for the Water Reclamation and Reuse Projects.

The funding of these two opportunities are part of WaterSMART, the Department of the Interior initiative that looks to use the best available science to improve water conservation and help water resource managers identify strategies to narrow the gap between supply and demand. The funding for these projects also supports President Trump's memorandum on promoting the reliable supply and delivery of water in the West. These types of projects are specific investments in technology that enables broader scale use of recycled water.

Eligible applicants for the WIIN Desalination Construction Projects include states, departments of a state, subdivisions of a state, or a public agency organized pursuant to state law. Additionally, eligible sponsors must have completed a feasibility study and submitted it to Reclamation for review. The Desalination Construction Projects funding opportunity is for sponsors of ocean and brackish water desalination projects to request cost-shared funding for the planning, design, and/or construction of their projects. The recipient must provide at least 75 percent of the total project costs. Approximately two to six awards are expected to be included in the "up to \$12 million" funding that is available.

The Title XVI Water Reclamation and Reuse Projects under WIIN are for sponsors of projects eligible under section 4009(c) of the WIIN Act to request cost-shared funding for the planning, design, and/or construction of reclamation and reuse projects. To be eligible, sponsors must have completed a Title XVI Feasibility Study that Reclamation has reviewed and found to meet all of the requirements of Reclamation Manual Release WTR 11-01. As with the desalination project sponsors, the recipients of the Title XVI Water Reclamation and Reuse Projects must provide at least 75% of the total project cost. Approximately four to eight awards are expected to share in the "up to" \$20 million available.

"These types of projects provide flexibility for communities to stretch the limited water supplies in the western United States by developing and supplementing municipal and irrigation water supplies," Program Coordinator Amanda Erath said.

More information on both of these funding opportunities can be found online at www.grants.gov. To learn more about the Desalination Construction Projects funding opportunity, search for funding opportunity number BOR-DO-19-F008. To learn more about the Title XVI Water Reclamation and Reuse Projects, search for funding opportunity number BOR-DO-19-F018.

Applications for both of the funding opportunities are due by June 28, 2019, at 4:00 p.m. MDT. Applications must be received by this time and date in order to be considered for funding.

News Update



707.836.0300

You received this email because your address has been entered into a distribution list of individuals who are interested in updates regarding water issues.

Teresa Lerch

From: Judy Schriebman
Sent: Monday, May 13, 2019 8:53 PM
To: Teresa Lerch
Subject: FW: Energize your organization and your career with our advocacy training

For inclusion in our board packet, this time or next is soon enough. Or it can just be emailed to the rest of the board/senior staff. This is the group that did the lobbying seminar I recently participated in.

Thanks,
Judy

From: Capitol Seminars [ray@raylebov.ccsend.com] on behalf of Capitol Seminars [ray@raylebov.com]
Sent: Wednesday, May 08, 2019 2:17 PM
To: Judy Schriebman
Subject: ADV: Energize your organization and your career with our advocacy training



Success in governmental advocacy is rarely a solo endeavor. Your success often depends on how effectively you collaborate with others within and outside any organization you represent, whether as an in-house advocate or a contract lobbyist.

That's why key members of your administrative staff, your executive team, and your legislative committee if applicable, will also benefit greatly from our Capitol Seminars training, which enables them to support your advocacy efforts much more effectively.

Enroll the right people in your advocacy efforts, and you'll reap immediate benefits from the energy and creative thinking they bring to the table. Our training provides the foundation that helps them collaborate with you at peak effectiveness.

Think broadly and spread the net wide. Practitioners in such allied fields as public affairs, public policy, public administration, and public interest law could collaborate in your advocacy efforts as well. They can likewise benefit from our training.

Numerous nonprofits and for-profit enterprises, state and local government agencies, lobbying and public affairs firms, and trade or professional associations all over California already send anyone who's involved in the process of advocacy to our Sacramento seminars. Or we put together a customized training at their location.

Our next Sacramento dates are June 6-7. Click [here](#) for curriculum information and online registration for those dates or future seminars. Registration includes food and beverage service, invaluable resource materials you'll use long after the seminars are over, and opportunities to network with your professional colleagues.

If you've already attended our seminars, please forward this message to your friends, colleagues, or anyone else you know of who might benefit from our training, and encourage them to sign up for our mailing list. They'll thank you and so will we.

Thanks for your continued support of Capitol Seminars!

Sincerely,

Ray LeBov

Phone: 916-442-5009

E-mail: judco12000@yahoo.com

Website: www.raylebov.com



P.S. Our [custom trainings](#) are tailored to your budget, schedule and learning objectives, cost-effectively delivering training to a number of your key people all at once. You can collaborate with other organizations to offer this training, as a legal aid organization in Los Angeles just did for 40 participants.

P.P.S. Click [here](#) to listen to our Capital Center podcast series on effective lobbying.

Capitol Seminars, 2006 Fifth Avenue, Sacramento, CA 95818

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Sent by ray@raylebov.com

Marin Independent Journal

MMWD's fee hike proposal shines light on odd practices

Dick Spotswood

When an under-the-radar local agency moves into the news, all sorts of facts — some good some not so — emerge. The Marin Municipal Water District is experiencing this inevitable phenomenon.

The district's recent effort to raise rates for its basic services and to fund needed capital improvements has been met with surprising opposition.

The district — Central and Southern Marin's drinking water and fireflow provider — does have substantial unmet longterm capital needs that can't be ignored.

The opposition stems in part from the ham-handed methods the agency has used to announce the proposed increases.

The district's ad blitz failed to communicate just how much rates are proposed to increase. The Coalition of Sensible Taxpayers, known as COST Marin, stepped into the gap and has done the numbers. It reported: The average residential user with a 5/8-inch meter faces a 28% increase in its average bill. The average residential user with a 1-inch meter (21% of MMWD's customers) faces a 35% increase.

To convince the public of the need for such a substantial increase, MMWD directors need to have full confidence from their constituents. The district's odd practices hobble that effort.

Transparency should be a core value of every public agency. MMWD is one of the few Marin governments refusing to enter the 21st Century by webcasting its meetings. Only MMWD and the Tiburon, Belvedere and Ross councils fail to televise their meetings.

The argument is that televising meetings is too costly. With an \$86 million annual budget, the water district is talking about pennies. The city of Mill Valley does a fine job of webcasting its sessions at an approximate annual cost of \$6,000. They also had a one-time cost of \$42,000 to set up the operation. That relatively small sum enables citizens to watch their government in action.

One reason MMWD may not want to webcast its sessions is because three of its board members often aren't physically in the boardroom, they're teleconferencing. Seeing empty seats at the dais might not be an appealing image for directors who'll soon be seeking re-election.

The good government best practice is that teleconferencing should be used rarely, perhaps only in event of an illness. Far better for the public, staff and directors when the decisionmakers are all sitting around the same table. As it's been said, half of any job is just showing up.

Teleconferencing is legal, but the rules are strict. The formal agenda must specify their exact location. At each distant location, the director who is calling in must post the agenda on the door of their precise location, not — as has occurred — the street address of the Paris Las Vegas casino. They must also allow the public into their off-site location.

Director Armando Quintero often calls in from his UC Merced office. The others, including Larry Russell and Cynthia Koehler, have phoned in from such diverse sites as the Admiral's Club at

Phoenix's airport, Puerto Vallarta, Paris-Las Vegas Casino, Harrah's New Orleans and Austin, Texas and Washington, D.C. If water directors regard board service a top priority, they need to show up in person.

Directors are paid \$200 per day, whether they come to their Corte Madera boardroom or call in from afar. Each also receives medical benefits costing \$20,790 annually.

If MMWD is to persuade a skeptical public that its rate scheme is justified, it'll need to increase transparency by webcasting all meetings, cut administrative overhead and reduce director perks by paying their daily stipend only when they personally appear at meetings. *Columnist Dick Spotswood of Mill Valley writes on local issues Sundays and Wednesdays. Email him at spotswood@comcast.net.*

Transparency should be a core value of every public agency. MMWD is one of the few Marin governments refusing to enter the 21st Century by webcasting its meetings.



Dick Spotswood

Teresa Lerch

From: Mark Millan <millan@datainstincts.com>
Sent: Friday, May 17, 2019 2:54 PM
To: Undisclosed Recipients
Subject: From Toilet to Tap: What Cities Need to Do to Make It Happen

From Toilet to Tap: What Cities Need to Do to Make It Happen

Recycling sewage will be crucial in ensuring adequate drinking water in the future. But how do you get past the yuck factor?

By Sasha Harris-Lovett and David Sedlak Wall Street Journal 5/17/19

Link: https://www.wsj.com/articles/from-toilet-to-tap-what-cities-need-to-do-to-make-it-happen-11558105505?reflink=share_mobilewebshare&ns=prod/accounts-wsj

Would you drink recycled sewage? It's a question you may need to think about someday.

In recent years, the idea of creating a circular economy—in which all of the resources coming into our cities are recycled after they are used—has taken hold. We now routinely recycle paper, glass and food scraps, as well as parts of demolished buildings and crumbling highways. Widespread sewage recycling could be the next frontier.

Productively reusing sewage is nothing new. For centuries, people have used their wastes for irrigation. Then, about 50 years ago, engineers developed technologies that allowed them to turn sewage back into drinking water. Since then, water-stressed cities across the country have quietly begun to close the loop on their water systems. Today, more than four million Americans in Atlanta, Northern Virginia, Phoenix, Southern California, Dallas, and El Paso, Texas, get some or all of their drinking water from treated sewage.

Many more cities are likely to follow that same path. Their current water supplies aren't likely to be adequate in the future, given the many continuing stresses they face—in particular, droughts, the shifting and uncertain precipitation patterns due to climate change, increasing urban populations, more-stringent regulations to protect endangered fish or other wildlife, and the water needs of agriculture and industry.

One of its greatest benefits is that sewage keeps flowing even during droughts. And once it's purified to drinking-water quality, it doesn't require the installation of any new pipes to carry it to people's homes.

But cities interested in taking the toilet-to-tap plunge must overcome several hurdles.

Overcoming reluctance

First, of course, the sewage needs to be made clean enough to drink. Fortunately, modern technologies can produce recycled water that is even cleaner than much of the drinking water we get from rivers, lakes and groundwater wells. Reverse-osmosis membranes remove bacteria, viruses, pharmaceuticals and other chemicals in sewage. Follow that with exposure to ultraviolet light and hydrogen peroxide to mop up anything that gets through the membranes, and you have water that meets all drinking-water standards. In fact, recycled water can be so clean that, just like the popular brands of bottled water produced by the reverse-osmosis process, minerals have to be added back in to make it taste like the water we're familiar with.

The next hurdle is surmounting the disgust associated with drinking recycled water. In other words, the yuck factor. Treated sewage has long been widely used to water lawns and golf courses, without much fuss. But it's obviously an entirely different story to ingest it, even if people know it's clean.

The yuck factor can seem like an insurmountable barrier, especially in an era when public confidence in the safety of tap water has been shaken by reports of lead and fluorinated chemicals in water supplies. But it has proved not to be.

Through decades of experience with sewage recycling—also known as potable water reuse—in different locales, water utilities have learned that communities support potable water reuse when it meets a perceived need and is managed by trusted and competent institutions.

To overcome the queasiness, utilities planning recycling projects conduct extensive outreach programs to address community concerns. That can include community meetings, public tours of the utility's facilities that end with an opportunity to drink recycled water, and bottles of recycled water being given away at public events. The Orange County Water District in Southern California held thousands of tours and community meetings on its potable reuse project.

Beyond sharing their story, water utilities cultivate public trust by demonstrating a commitment to transparency and competency. The utilities that have overcome the yuck factor are the ones that include physicians and public-health specialists on their oversight boards, invest in state-of-the-art treatment and monitoring technologies, make their water-quality data public and otherwise go the extra mile when it comes to ensuring their process is safe and reliable.

Retaining trust

Once the public is on board and utilities start recycling sewage, they need to be vigilant to ensure that the water remains safe to drink. Treatment plants should continuously monitor for contaminants of all kinds, not just those they are required to watch for by the federal Environmental Protection Agency and local regulatory agencies. When a new contaminant is discovered or when an unexpected hiccup happens in the treatment process, the utility has to respond before public health and/or confidence are compromised.

Precious Resource

That requires investment in the people and equipment needed to stay ahead of the curve. For example, in the late 1990s, N-nitrosodimethylamine (NDMA)—a potent carcinogen—was detected in recycled water by the Orange County Water District. The utility surmised that local industries were discharging chemicals into the sewer that its water-treatment processes were converting into NDMA. Rather than falling back on the excuse that there wasn't an established drinking-water standard for the chemical, the utility suspended recycling operations until it developed ways to reduce these industrial NDMA-precursor discharges to the sewer, as well as minimize NDMA formation during treatment by acquiring new approaches for destroying the chemical in its treatment processes.

This response wasn't cheap: It required investing millions of dollars in research and development despite the absence of a government mandate to do so. Considering the cash-strapped state of utilities in many of the nation's cities, it is worth considering how the vigilance of the early adopters can be replicated by the next set of water-recycling utilities.

Let it flow

Another concern looms as potable water reuse becomes more common: In arid regions, treated wastewater is all that keeps some rivers flowing in the dry season. Parts of the Los Angeles River, where canoeing is becoming more popular, would no longer flow if the city expanded its potable water reuse program. If Dallas recycled more sewage, Houston's water supplies could suffer: The Trinity River, which consists primarily of Dallas's treated sewage during periods when it hasn't been raining, would no longer help refill one of Houston's main reservoirs. (The water from the river is made acceptable for drinking by natural purification during the long trip downstream and Houston's drinking-water treatment

plants.) Some of these issues can be circumvented with agreements with downstream users before potable reuse systems are built, but this issue is likely to grow in importance as more cities turn to water recycling.

Finally, it's important to note that potable water reuse is expensive, so it's unlikely that a city would consider it in the absence of significant concerns about its water supply. Ultimately, in cities that can make a case for recycled water, the future of potable water reuse depends upon the willingness of water providers to do what it takes to make sure that the public can be confident about the quality of water coming out of their tap.

Dr. Harris-Lovett is a postdoctoral fellow at the Berkeley Water Center, at the University of California, Berkeley. Dr. Sedlak is co-director of the Berkeley Water Center and deputy director of the National Science Foundation's Engineering Research Center for Reinventing the Nation's Urban Water Infrastructure. They can be reached at reports@wsj.com.

News Update



707.836.0300

You received this email because your address has been entered into a distribution list of individuals who are interested in updates regarding recycled water.

Phase-in of new water fee nixed

Wa ter

MARIN MUNICIPAL

Ratepayers would have been charged smaller amount at start

By Will Houston

whouston@marinij.com @Will_S_Houston on Twitter

The Marin Municipal Water District Board of Directors decided to stick to its original plan by choosing not to phase-in a controversial new fee it's proposing for ratepayers.

The proposed "capital maintenance fee" would cost most ratepayers an extra \$163 or \$409 on their property tax bills each year and would be used to pay for replacing aging water pipes, pumps, treatment plants and tanks. The fixed fee, which would be based on water meter size, would also switch the district from using borrowed money to pay for repair and replacement projects — and passing along interest costs to ratepayers — to a cash-based system.

WATER»PAGE 2



Water overflows the banks of Phoenix Lake near Ross.

JEREMY PORTJE — MARIN INDEPENDENT JOURNAL

Phase-in of new water fee nixed

Wa ter

FROM PAGE 1

The board is set to make its final vote on the new fee as well as a proposal to increase water rates and other fees at its May 28 meeting.

Board President Larry Bragman said he favored a phase-in approach whereby the district would impose a smaller fee at first while continuing to borrow some money to pay for the estimated \$200

million in repairs that would take place over the next decade. But the rest of the board didn't feel the same way.

"I think essentially it came down to the majority of the board felt it was the most prudent thing to do was to retain as much capital as possible for unmet capital needs," Bragman said after the board decision last week. "And that, given the uncertainties we're facing with climate change and all of the various scenarios that the district is facing, that the most conservative approach was the most appropriate approach."

Options the board considered last week included phasing in the fee between three to five years, with the fee amount increasing each year for ratepayers. But phasing in would require the district to borrow up to \$28 million and possibly dip into its capital fund. While board members said they appreciated staff bringing forward the other options, they said that the amount of money that would be put toward interest payments by borrowing money could be better utilized.

"I see a lot better places to spend the money that we already have," Director Larry Russell said during the meeting. "That includes the current capital fund balance and the concept of using bond money to reduce an impact that I don't think is very high to begin with."

Director Armando Quintero said it's important the district be able to reserve its borrowing abilities in event of emergencies, which he said the district must prepare for as climate change impacts surface.

"I think that we have a lot of investing to do and it's not for a lack of having done the work that's been necessary," Quintero said during the meeting. "But I think the current conditions really demand that we, as a community, make strides in protecting the community and also protecting our water supply."

Bragman supported Option 3a, which would phase in the fee over five years, have the district borrow \$16.7 million and use \$12 million from its capital fund to pay for the various projects. The district has been moving toward a cash-based approach to funding its projects for about four years now, Bragman said, but he urged the board to take a more measured approach.

"But at this point the majority of the board did not agree with that approach," Bragman said.

Mimi Willard, president of the Coalition of Sensible Taxpayers, said phasing in the fee would allay some of the concerns raised by ratepayers over the past several months, but not all of them.

"I think to the extent that an amended (fee) includes some use of debt, that is an improvement of spreading the cost over the generators of the people who get the benefit from it," Willard said. "... We continue to argue that debt financing is really fairer to ratepayers than the pay-go."

Ann Thomas, director of the Marin Conservation League, urged the district to move ahead with a no phase-in approach, citing the district's \$200 million backlog of maintenance needs. Thomas said while she understands the district wanting to soften the financial blow to customers with a phased-in approach, the watershed has significant needs.

"This district is on a downward lurch in caring for its watershed and capital needs due in part to its timid budgeting and excessive use of credit card financing," Thomas said. "... It is time for tough love and getting down to realistic budgeting so please get on with it."

Prior to the final vote on the rate and fee increase, the council is set to consider an enforcement proposal related to fire lines, which would be exempted from the new fee because of their rare use.

District General Manager Ben Horenstein said the district has become aware of some of these fire lines using more water than normal for their annual tests. To give the district some “teeth” to enforce against inappropriate use of the lines, Horenstein is set to bring the board an enforcement proposal on May 23.

For more information on the district’s rate and fee proposal, visit [https:// marinwater.org/223/Water- Rates](https://marinwater.org/223/Water-Rates).

“I think that we have a lot of investing to do and it’s not for a lack of having done the work that’s been necessary.”

— *Director Armando Quintero*

**NOTICE OF PUBLIC HEARING TO DISCUSS
PROPOSED ORDINANCE NO 177
AN ORDINANCE AMENDING TITLE 2, CHAPTER
1 SANITARY CODE OF THE LAS GALLINAS
VALLEY SANITARY DISTRICT**

The Las Gallinas Valley Sanitary District will conduct a Public Hearing to discuss an ordinance amending Article IX, Section 907 of Title 2, Chapter 1 of the Sanitary Code of the Las Gallinas Valley Sanitary District:

Article IX. PERMITS AND FEES.
Section 907. Capital Facilities Charge

This hearing will take place at the District office at 300 Smith Ranch Road, San Rafael on Thursday, June 20, 2019 at 4:30 PM. The proposed ordinance can be viewed on the District's website at www.lgvsd.org or at the District office posted at the front gate bulletin board from May 1 to June 20, 2019.

Dated: May 21, 2019 & June 6, 2019.

Mike Prinz
General Manager
Las Gallinas Valley Sanitary District

no.615 May 21, Jun 6, 2019

**NOTICE OF PUBLIC HEARING TO DISCUSS
PROPOSED ORDINANCE NO 178
AN ORDINANCE AMENDING TITLE 1 CHAPTER 7
SANITARY CODE OF THE LAS GALLINAS
VALLEY SANITARY DISTRICT**

The Las Gallinas Valley Sanitary District will conduct a Public Hearing to discuss an ordinance amending Chapter 7 of Title 1 of the Sanitary Code of the Las Gallinas Valley Sanitary District:

Chapter 7 of Title 1
An Ordinance of the Las Gallinas Valley Sanitary District modifying informal bidding procedures under the Uniform Public Construction Cost Accounting Act (Section 22000, et seq. of the Public Contract Code).

This hearing will take place at the District office at 300 Smith Ranch Road, San Rafael on Thursday, June 20, 2019 at 4:30 PM. The proposed ordinance can be viewed on the District's website at www.lgvsd.org or at the District office posted at the front gate bulletin board from May 1 to June 20, 2019.

Dated: May 21, 2019 & June 6, 2019.

Mike Prinz
General Manager
Las Gallinas Valley Sanitary District

NO. 610 MAY 21, JUNE 6, 2019
