



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  
Russ Greenfield  
Craig K. Murray  
Judy Schriebman

**DISTRICT ADMINISTRATION**  
Chris DeGabriele,  
Interim General Manager  
Michael Cortez,  
District Engineer  
Mel Liebmann,  
Plant Manager  
Susan McGuire,  
Administrative Services Manager  
Greg Pease,  
Collection System/Safety Manager

## SPECIAL BOARD MEETING AGENDA

In accordance with Government Code Section 54956

Megan Clark, Board President, has called for a Special Meeting as follows:

**April 13, 2018 9:00 AM**

**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

9:00 AM

**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.

9:05 AM

**2. BUDGET WORKSHOP:**

A. Introduction of Preliminary 2018-2019 Budget including Revenue, Operation and Maintenance, Debt Service and Capital Outlay budgets.

11:20 AM

**3. ADJOURNMENT**

AGENDA APPROVED:

Megan Clark, Board President

David Byers, Legal Counsel

**CERTIFICATION:** I, Teresa Lerch, District Secretary of the Las Gallinas Valley Sanitary District, hereby declare under penalty of perjury that on or before April 12, 2018, at 9:00 a.m., I posted the Agenda for the Board Meeting of said Board to be held April 13, 2018, at the District Office, located at 300 Smith Ranch Road, San Rafael, CA.

DATED: April 10, 2018

Teresa L. Lerch  
District Secretary

The Board of the Las Gallinas Valley Sanitary District meets regularly on the second and fourth 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.

# Las Gallinas Valley Sanitary District 2018-2019 Preliminary Budgets



This page intentionally blank.



**DISTRICT BOARD**

Megan Clark  
Rabi Elias  
Russ Greenfield  
Craig K. Murray  
Judy Schriebman

**DISTRICT ADMINISTRATION**

Chris DeGabriele  
Interim General Manager  
Michael Cortez,  
District Engineer  
Mel Liebmann,  
Plant Manager  
Susan McGuire,  
Administrative Services Manager  
Greg Pease,  
Collection System/Safety Manager

April 13, 2018

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 2018/19 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 \$462,500 primarily from a \$31 increase in the sanitary sewer service charge from \$867 to \$898 per equivalent dwelling unit. Interest income is expected to decrease as funds are expended on capital projects as discussed below.

Operating and Maintenance costs are expected to increase over the prior year budget by \$129,000 or 2.0%. Staffing levels are projected to increase by one full time equivalent. Staff has also budgeted for overlap between an interim and a permanent General Manager. Repairs and maintenance in FY2018 included two larger projects which will be completed prior to FY2019 resulting in the budget decreasing by \$191,950; funding for the lateral assistance program will increase by \$21,900 as repayment funds are reinvested; and legal costs are budgeted to decrease by \$130,000.

Reserve funding is decreasing as funds collected in the rate for the Secondary Treatment Plant Upgrade and Recycled Water Expansion project debt service is utilized for that purpose.

Debt service requirements are \$3,990,000 for prior year debt including the 2017 Revenue Bonds.

The Capital Outlay effort for 2019 will be focused on the Secondary Treatment Plant Upgrade and Recycled Water Expansion projects; however other equipment purchases, major repairs, planning for future projects and accumulation of funding for large projects will continue.

Sincerely,

*Susan McGuire*  
Susan McGuire, CPA  
Administrative Services Manager

*Chris DeGabriele*  
Chris DeGabriele, PE  
Interim General Manager

This page intentionally blank.

# Las Gallinas Valley Sanitary District

## Preliminary Budget 2018-19

---

### **Operating Revenue**

The District is in the fourth year of a five year rate increase based on the capital outlay plan adopted by the Board in June 2015. The maximum rate for 2018/19 of \$898 per equivalent dwelling unit, consistent with the five year rate plan, is utilized in preparing the preliminary budget and will be updated after the commercial user charge is calculated in late April.

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 2017/18 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. These inspections are proposed to be performed by a new Engineering Tech/Inspector position. The revenue is projected based on historical sales data for properties within the District for half the year.

Franchise fees, bank interest, supplemental property taxes, and Home Owner 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 with the State of California, are expected to continue to yield low rates however they are increasing over prior years. As the District has built up cash for construction projects, the earnings have increased; however with the Secondary Treatment Plant Upgrade and Recycled Water Expansion projects proceeding with construction, staff expects reserves to be drawn down.

The Private Sewer Lateral Assistance program began in July 2012; the budget reflects the projected repayments for 2019.

Miscellaneous revenue is comprised of insurance policy dividends; staff is projecting that they will remain consistent in 2019 from the projected actual for 2018.

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

### **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 2019. The interest income for this category is for existing funds on deposit, which have been substantially expended for capital projects.

# Las Gallinas Valley Sanitary District

## Preliminary Budget 2018-19

---

### **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 2018 are expected to be higher than budgeted; for 2019 they are projected to be slightly higher than 2018 levels.

Operating Transfer In consists of funds in excess of the amount needed to fund the Operating and Maintenance and Debt Service budgets.

### **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**

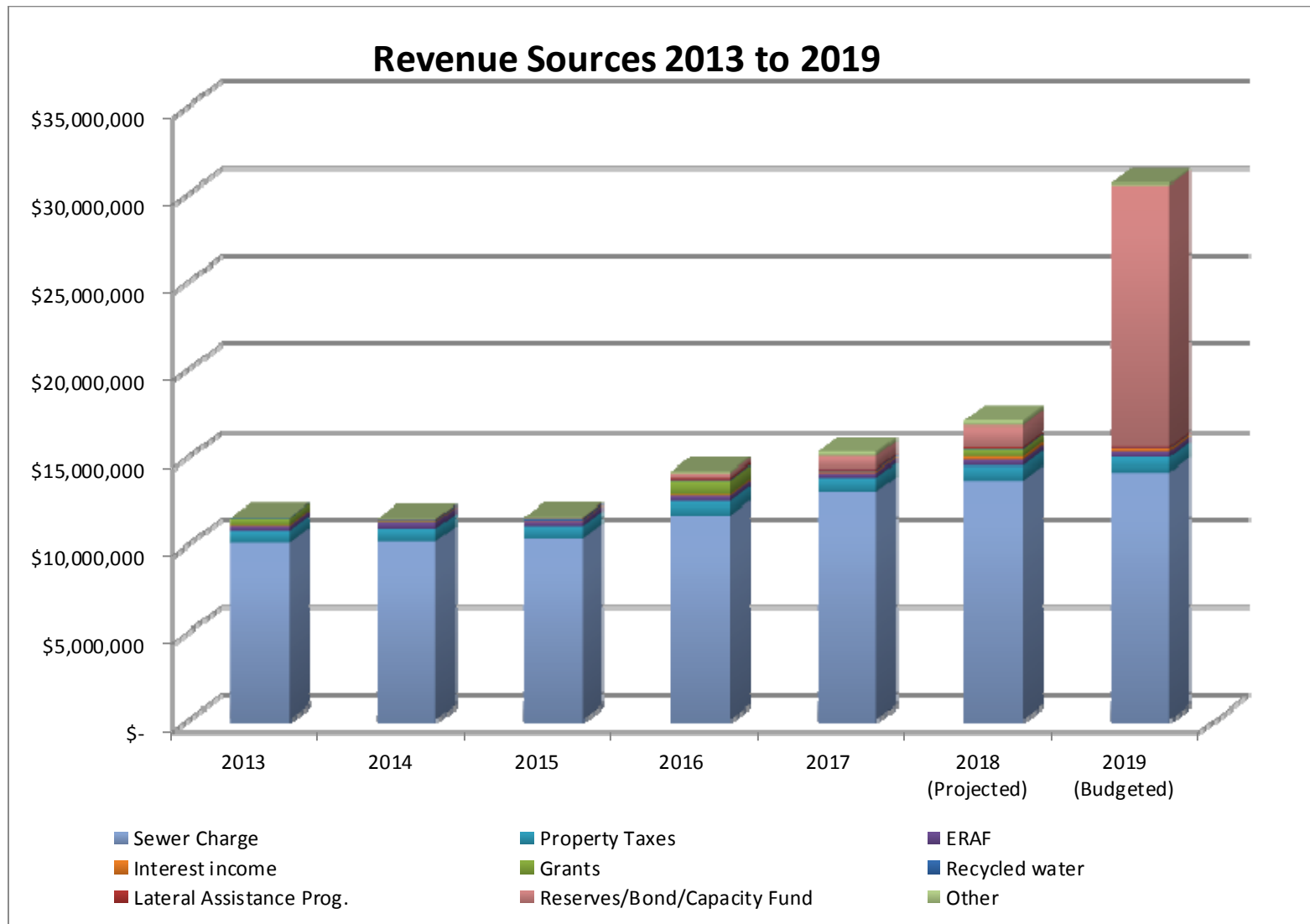
The District has projects budgeted for 2017/18 which either will not begin prior to year end and are expected to proceed in 2018/19 or are accumulating funds over several years. These projects are included in the Capital Outlay budget and the related funding which will carry forward from 2017/18.

Transfers from the Bond Fund reflect projected interest income earned on the unspent proceeds.

The graph on the following page shows the composition of District revenues for the past five fiscal years plus the projected 2018 and budget for 2019.



# Las Gallinas Valley Sanitary District Preliminary Budget 2018-19



This page intentionally blank.

# Las Gallinas Valley Sanitary District

## Preliminary Budget 2018-19

---

### Operating and Maintenance Expenses

#### Employee Expenses:

Regular staff salaries are based on 2018 projected wages with the maximum 3.25% increase per the Memorandum of Understanding now in effect. The overall budgeted increase is \$153,000 which reflects one new position in the engineering department to support projects and inspect laterals pursuant to the planned Ordinance code changes and a change in the Buildings and Grounds Maintenance position to a technical Equipment Maintenance position. Scheduled step changes have been applied where appropriate.

Extra hire is for staffing the Interim General Manager position during the transition to a permanent position.

Overtime is estimated based on projected 2018 amounts and reflect additional staffing for storm events.

Vacation and sick accrual is also estimated based on the prior three years trend; 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.

Director salaries are projected based on the 2017 and 2018 amounts with a maximum 5% increase. 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 2019. Staff who became CalPERS members after 2013 are covered by a plan which requires a lesser retirement contributions 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 +8% for 2019. Other Post-Employment Benefits are retiree health benefits for prior and current employees and is based on the actuarial valuation for the post-employment benefits dated January 1, 2017.

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.

# Las Gallinas Valley Sanitary District

## Preliminary Budget 2018-19

---

### **Insurance:**

Workers compensation insurance is based on projected wages for 2019 and application of the existing rates and modification factor with a slight increase.

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 2019 is the same as 2018, without reduction for any retroactive adjustments.

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

### **Repairs and Maintenance:**

Vehicle parts and maintenance is based on 2018 year to date results with adjustments for projected activity during the remainder of the fiscal year.

Building maintenance consists of quarterly HVAC service and other routine maintenance.

Grounds maintenance is budgeted based on hiring an outside firm to perform work now done by the current Buildings and Grounds Maintenance position.

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 station.

Equipment maintenance and repair are expected to remain similar to 2019. The amounts for Captains Cove and Marin Lagoon are from the budgets for those developments.

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. There were two projects for 2018 which were included for the treatment plant that are not expected to reoccur.

### **Other Operating Expenses:**

Chemical costs are estimated based on past usage with an increase for 2019.

Pollution prevention program is contracted with Central Marin Sanitary Agency. The budget is based on prior year experience and projected amounts for 2018.

Lab contract services are budgeted based on year to date 2018 charges for the treatment plant and the recycled water facility.

# Las Gallinas Valley Sanitary District

## Preliminary Budget 2018-19

---

Small tools are budgeted based on needed items and prior year expenditures for each individual department.

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 2019 based on current year costs.

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 more work will be performed in Q3 due to the timing of reporting and as other costs related to the Secondary Treatment Plant Upgrade and Recycled Water Expansion projects are incurred.

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 for a general manager, performance of a compensation and classification study, and labor relations.

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.

Telephone and water are budgeted based on year to date 2018 costs.

Fuel and oil budget is based on year to date 2018. Diesel usage has decreased with the utilization of the CNG powered vehicle for Collections.

Safety equipment and supplies and safety services are budgeted based on equipment needs and the proposal for 2018.

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

# Las Gallinas Valley Sanitary District

## Preliminary Budget 2018-19

---

### **General and Administrative:**

Conferences and mileage/travel are budgeted based on year to date 2018 activity.

Election costs are incurred if more than three people run for the three seats up for election.

Office supplies and expense is budgeted based on annualizing 2018 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 2018 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, the request by STRAW for funding, special mailings and for the District's newsletter and annual sewer rate change mailings.

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

Memberships and permits are based on the 2018 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 pumpstations are for portable stand by generators for storm events.

Legal expense is projected to decrease from 2018 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 2018 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 send staff for training in 2018.

### **Reserves**

- Working Cash Flow and Undesignated Capital reserves are budgeted based on the target balance established in 2009 and increase each year by 5%.

# Las Gallinas Valley Sanitary District

## Preliminary Budget 2018-19

---

- 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 amount that was included in the five year rate increase. These funds will be used to pay for the project expenses.
- 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 \$4,978,800 as of July 1, 2018.
- 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 \$3,291,573 as of July 1, 2018.
- 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 \$3,380,752 as of July 1, 2018.
- 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 \$915,028 as of July 1, 2018.
- 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 \$36,647,700 as of July 1, 2018.

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.

### Capital Outlay

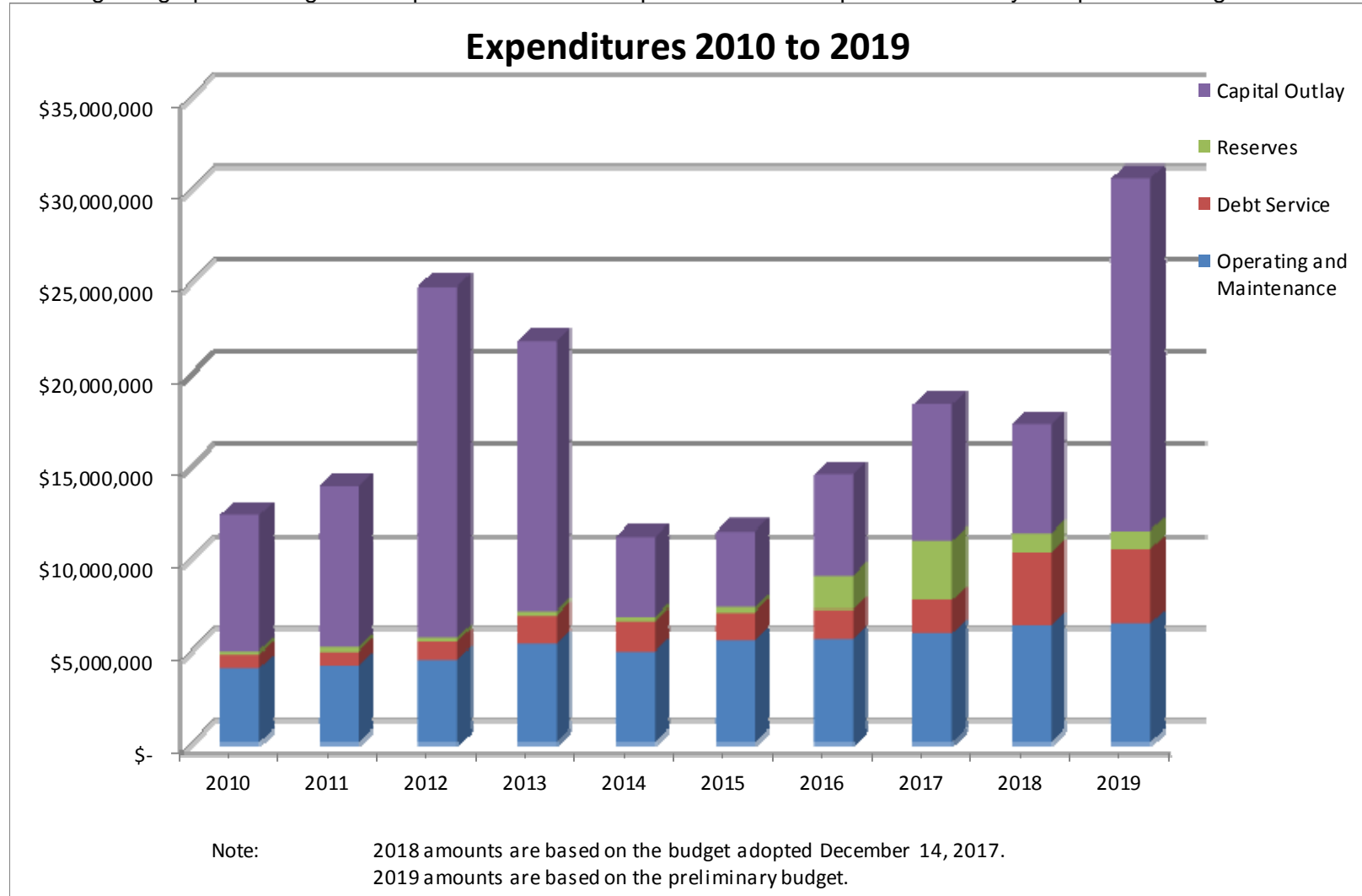
The Capital Outlay budget contains projects specifically identified in the Five Year plan for 2015/2016 through 2019/2020 plus miscellaneous capital needs that change yearly. See the separate Capital Outlay Budget for the list of projects and summary descriptions.

This page intentionally blank.



# Las Gallinas Valley Sanitary District Preliminary Budget 2018-19

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



This page intentionally blank.

**LAS GALLINAS VALLEY SANITARY DISTRICT  
2018-19 PRELIMINARY REVENUE BUDGET  
DRAFT FOR WORKSHOP**

Revenue Description	2016-17 Final Actual	2017-18 Revised Budget	2017-18 Projected Actual	2018-19 Proposed Budget
<b>OPERATING REVENUE</b>				
User Charges	\$ 13,059,850	\$ 13,634,900	\$ 13,634,900	\$ 14,120,000
Educational Revenue Augmentation Fund	366,078	300,000	324,000	320,000
Recycled Water	45,548	75,100	50,000	42,000
Franchise Fees	25,000	25,000	25,000	25,000
Inspections/Permits/Application Fee	8,957	5,500	6,000	43,000
Interest	532	400	500	500
Interest on Reserves	72,856	60,000	190,000	156,000
Suppl. Property Tax Assess.	15,409	20,000	16,000	16,000
Homeowner Property Tax Relief	4,363	4,000	4,350	4,300
Private Sewer Lateral Assistance Program	76,027	65,000	90,000	80,000
Miscellaneous Revenue	33,057	20,000	20,000	20,000
Sale of Assets	(6,267)	5,000	4,000	-
Operating Transfer Out	-	(3,237,474)	-	(3,813,702)
<b>Total Operating Revenue</b>	<b><u>13,701,410</u></b>	<b><u>10,977,426</u></b>	<b><u>14,364,750</u></b>	<b><u>11,013,098</u></b>
<b>CAPACITY RELATED REVENUE</b>				
Annex and Capital Facility Charges	39,580	-	215,514	-
Interest	451	300	300	300
<b>Total Capacity Related Revenue</b>	<b><u>40,031</u></b>	<b><u>300</u></b>	<b><u>215,814</u></b>	<b><u>300</u></b>
<b>GENERAL CONSTRUCTION REVENUE</b>				
Property Tax	856,873	830,000	864,000	870,000
Operating Transfer In	-	3,237,474	-	3,813,702
	<b><u>856,873</u></b>	<b><u>4,067,474</u></b>	<b><u>864,000</u></b>	<b><u>4,683,702</u></b>
<b>OTHER SOURCES OF FUNDS</b>				
Marin Municipal Water District	436,837	455,058	455,058	463,145
Loan	41,039,514	-	-	-
Federal Grant	-	847,150	-	-
State Grant	-	416,310	416,310	-
	<b><u>41,476,351</u></b>	<b><u>1,718,518</u></b>	<b><u>871,368</u></b>	<b><u>463,145</u></b>
<b>UTILIZATION OF BOND FUNDS AND RESERVES</b>				
Reserves	366,256	5,600	-	-
Private Sewer Lateral Assistance Funds	-	-	-	-
Prior Year Capital Project Carryover	4,046,259	7,291,131	-	3,632,500
Transfers from Bond Fund	65,955	-	450,000	14,360,020
Marin Lagoon Reserve Fund	-	165,000	-	74,000
Captains Cove Reserve Fund	-	30,000	-	2,695
Capital Facilities Fund	350,056	300,000	300,000	-
	<b><u>4,828,526</u></b>	<b><u>7,791,731</u></b>	<b><u>750,000</u></b>	<b><u>18,069,215</u></b>
<b>TOTAL REVENUES</b>	<b><u>\$ 60,903,191</u></b>	<b><u>\$ 24,555,449</u></b>	<b><u>\$ 17,065,932</u></b>	<b><u>\$ 34,229,460</u></b>

This page intentionally blank.

# LAS GALLINAS VALLEY SANITARY DISTRICT

## 2018-19 PRELIMINARY OPERATING AND MAINTENANCE EXPENSE BUDGET

Acct. Num.	Expense Description	2016-17 Total Actual	2017-18 Revised Budget	2017-18 Year to Date 12/31/2017	2018/19 Preliminary Budget	Percent Change from Prior Year
1003	Regular Staff Salaries	\$ 2,252,470	\$ 2,382,000	\$ 1,177,306	\$ 2,535,000	6.42%
1004	Extra Hire	-	-	-	101,000	100.00%
1005	Contract Personnel	-	2,000	-	-	-100.00%
1008	Over Time	87,008	70,300	38,192	68,500	-2.56%
1009	Vacation and Sick Accrual	51,592	48,000	28,784	39,000	-18.75%
1010	Stand By	76,396	68,600	38,524	73,100	6.56%
1036	Directors Salary	55,847	55,000	41,277	56,000	1.82%
1037	Directors Benefits	9,000	9,600	4,200	9,600	0.00%
1404	Payroll Taxes	178,182	182,955	84,882	205,095	12.10%
1502	Group Life Insurance	5,462	5,905	2,839	5,362	-9.20%
1507	PERS	350,789	356,980	231,795	403,338	12.99%
1509	Health Insurance	531,839	552,130	272,158	604,045	9.40%
1510	Dental Insurance	17,479	17,800	12,396	19,200	7.87%
1514	Vision Insurance	2,019	2,650	1,189	2,750	3.77%
1516	Long Term Disability	17,786	22,200	10,126	20,655	-6.96%
2006	Auto Allowance	12,730	13,200	6,600	13,200	0.00%
2007	Commute Stipend	28,037	33,000	14,653	36,000	9.09%
1006	Payroll Processing	9,657	9,500	4,507	10,000	5.26%
	<b>Total Employee Expense</b>	<u>3,686,293</u>	<u>3,831,820</u>	<u>1,969,428</u>	<u>4,201,845</u>	9.66%
1701	Workers' Comp Insurance	41,785	58,000	4,300	65,000	12.07%
1702	Unemployment Insurance	-	-	-	-	
2060	Pooled Liability Insurance	103,753	110,000	56,292	113,000	2.73%
2061	Fidelity Bond	1,232	1,250	475	950	-24.00%
	<b>Total Insurance Expense</b>	<u>146,770</u>	<u>169,250</u>	<u>61,067</u>	<u>178,950</u>	5.73%
2083	Vehicle Parts & Maintenance	42,093	66,500	20,820	41,500	-37.59%
2096	Building maintenance	12,117	15,000	7,777	15,000	0.00%
2097	Grounds Maintenance	7,161	5,000	4,780	30,000	500.00%
2538	Power Generation Maint & Repair	3,748	10,000	1,330	24,000	140.00%
2365	Equipment Maintenance	50,442	53,750	18,829	85,000	58.14%
2366	Equipment Repair	71,465	89,200	33,183	74,500	-16.48%

# LAS GALLINAS VALLEY SANITARY DISTRICT

## 2018-19 PRELIMINARY OPERATING AND MAINTENANCE EXPENSE BUDGET

Acct. Num.	Expense Description	2016-17 Total Actual	2017-18 Revised Budget	2017-18 Year to Date 12/31/2017	2018/19 Preliminary Budget	Percent Change from Prior Year
2367	Capital Repairs/Replacements	166,782	347,500	152,863	130,000	-62.59%
	<b>Total Repairs and Maintenance</b>	<b>353,808</b>	<b>586,950</b>	<b>239,582</b>	<b>400,000</b>	<b>-31.85%</b>
2107	Hypochlorite	45,585	67,000	22,908	54,000	-19.40%
2110	Bisulfite	57,425	68,000	19,320	46,000	-32.35%
2109	Miscellaneous Chemicals	88,131	106,600	32,015	74,500	-30.11%
2119	Pollution Prevention Program	16,905	20,000	2,252	12,500	-37.50%
2117	Lab Contract Services	50,748	36,000	12,199	33,000	-8.33%
2102	Special Monitoring/Pilot Testing	2,800	-	-	-	0.00%
2249	Small Tools	3,261	4,200	1,996	8,000	90.48%
2322	Outside Services	17,111	18,000	8,968	18,000	0.00%
2324	Janitorial	9,771	19,000	5,555	13,000	-31.58%
2325	Aquatic Review	3,536	3,600	1,841	3,800	5.56%
2327	Uniform Service	4,913	5,500	2,645	5,500	0.00%
2330	Damage Claim	992	10,000	292	10,000	0.00%
2334	Sludge Disposal	47,984	67,500	61,073	67,500	0.00%
2357	Regulatory Consultant	158,591	167,500	26,964	159,300	-4.90%
2358	Engineering Consultant	27,337	15,000	24,969	15,000	0.00%
2360	Consultants	36,763	95,000	39,074	102,000	7.37%
2362	General Operating Supplies	52,110	51,200	22,505	51,600	0.78%
2535	Utility Power	314,316	82,065	95,345	154,300	88.02%
2534	Telephone	32,704	32,000	16,398	33,505	4.70%
2536	Water	4,897	4,200	5,155	10,000	138.10%
2501	Fuel & Oil	26,380	25,000	6,836	15,000	-40.00%
2389	Safety Equipment & Supplies	22,775	20,000	12,521	32,000	60.00%
2397	Safety Services	28,720	28,900	14,448	30,000	3.81%
2801	Lateral Rehab Assistance Program	116,091	197,915	23,466	219,861	11.09%
2477	Conferences	46,090	51,000	34,155	50,000	-1.96%
2479	Mileage and Travel	5,881	5,200	6,811	5,500	5.77%
2129	Election	1,043	-	-	25,000	100.00%
2133	Office Supplies	16,432	14,000	6,401	14,000	0.00%
2716	Computer Support and Supplies	40,418	50,000	48,655	75,000	50.00%

# LAS GALLINAS VALLEY SANITARY DISTRICT

## 2018-19 PRELIMINARY OPERATING AND MAINTENANCE EXPENSE BUDGET

Acct. Num.	Expense Description	2016-17 Total Actual	2017-18 Revised Budget	2017-18 Year to Date 12/31/2017	2018/19 Preliminary Budget	Percent Change from Prior Year
2135	Bank Charges	2,574	1,500	36	1,500	0.00%
9778	User Charge Collection Fee	32,908	35,000	21,592	35,000	0.00%
2221	Publication and Legal Ads	13,779	10,000	3,808	10,000	0.00%
2223	Public Education and Outreach	33,462	45,000	16,594	25,000	-44.44%
2264	Taxes, Other	7,766	8,000	4,459	9,000	12.50%
2272	Memberships	44,083	44,000	21,592	44,000	0.00%
2363	Permits	48,604	45,000	27,439	54,250	20.56%
2364	Fines	9,000	6,000	-	-	-100.00%
2246	Rents and Leases	21,008	22,000	6,181	17,500	-20.45%
2713	Legal	195,643	250,000	135,658	120,000	-52.00%
2717	Audit	30,570	27,000	25,570	27,000	0.00%
9786	Employee Recognition	2,481	4,500	1,099	4,500	0.00%
9787	Employee Training and Education	18,263	22,000	7,210	18,000	-18.18%
9999	Miscellaneous expense	102	1,000	1,998	1,000	0.00%
9920	Reserves <sup>(1)</sup>	-	-	-	-	
<b>OPERATING EXPENSE TOTALS</b>		<b><u>\$ 5,926,824</u></b>	<b><u>\$ 6,373,400</u></b>	<b><u>\$ 3,098,080</u></b>	<b><u>\$ 6,485,411</u></b>	1.76%

100 Administration 125 Engineering 200 Collection System 300 Pump Station 350 Captains Cove  
360 Marin Lagoon Laboratory 400 600 Treatment Plant 900 Other / General

(1) Reserve funding has been moved to separate budget effective with 2014-15

# LAS GALLINAS VALLEY SANITARY DISTRICT 2018-19 PRELIMINARY DEBT SERVICE BUDGET

Expenditure	2015-16 Total Actual	2016-17 Total Actual	2017-18 Adopted Budget	2018-19 Preliminary Budget
<b>2005 Certificates of Participation/ Refunded 2014</b>	\$ 686,045	\$ 689,876	\$ 697,963	\$ 690,473
<b>2010 State Revolving Fund Loan</b>	285,464	285,464	285,464	285,464
<b>2011 Bank of Marin Loan</b>	332,681	332,681	332,682	332,682
<b>2012 Bank of Marin Loan</b>	235,346	235,346	235,346	235,346
<b>2017 Revenue Bonds <sup>(1)</sup></b>	-	-	2,369,505	2,446,600
<b>2016 Treatment Plant Upgrade <sup>(2)</sup></b>	-	-	-	-
<b>2016 Miller Creek Maintenance</b>	90,000	95,034	-	-
<b>2017 Administration Building Expansion<sup>(2)</sup></b>	-	-	-	-
	<u>\$ 1,629,536</u>	<u>\$ 1,638,401</u>	<u>\$ 3,920,960</u>	<u>\$ 3,990,565</u>

(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 2018-19 PRELIMINARY RESERVE FUNDING BUDGET

Expenditure	2015-16 Total Actual	2016-17 Total Actual	2017-18 Adopted Budget	2018-19 Preliminary Budget
<b>Working Cash Flow</b>	\$ 116,826	\$ 126,408	\$ 158,045	\$ 166,286
<b>Rate Stabilization <sup>(1)</sup></b>	-	-	-	-
<b>Emergency Repair <sup>(2)</sup></b>	48,105	43,622	-	-
<b>Capital Reserves</b>				
<b>Undesignated</b>	103,082	111,536	139,451	\$ 146,722
<b>Plant Upgrade and Recycled Water     Treatment Plant Expansion Projects</b>	1,558,720	2,591,715	301,210	224,115
<b>Captains Cove</b>	5,854	-	5,060	-
<b>Marin Lagoon</b>	5,421	6,263	9,695	-
<b>MMWD Recycled Water Facility Buy in</b>	-	333,563	-	-
<b>MMWD Debt Reimbursement</b>				
<b>Bank of Marin</b>	-	-	206,549	206,549
<b>2017 Revenue Bonds</b>	-	-	248,509	256,595
	<u>\$ 1,838,008</u>	<u>\$ 3,213,107</u>	<u>\$ 1,068,519</u>	<u>\$ 1,000,267</u>

This page intentionally blank.

**LAS GALLINAS VALLEY SANITARY DISTRICT  
2018-19 PRELIMINARY CAPITAL OUTLAY BUDGET**

Project Description			Funding Source								
			Total Project Cost FY 2019	Carryover from FY 2018	Bond Fund	Grants	Reserves	Capacity Fund	Current Year		
<b>100 ADMINISTRATION</b>											
19100	01	<b>Phone System</b> <i>Replace phone system.</i>	<b>Project Total:</b> \$ 20,000								\$ 20,000
19100	02	<b>Roof Replacement</b> <i>Roofs on Administration, Shop, Digester, and Headworks buildings are beyond their useful lives.</i>	<b>Project Total:</b> \$ 100,000								\$ 100,000
19100	03	<b>HVAC System Replacement</b> <i>HVAC systems in Administration Building need to be replaced.</i>	<b>Project Total:</b> \$ 30,000								\$ 30,000
<b>Total</b>			<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 150,000</b>
<b>200 COLLECTION SYSTEM</b>											
11200	03	<b>John Duckett Sewage Main Capacity and Storage</b> <i>Phase 1 of 3 phases; Phase 1 will include the design of all 3 phases and deepening of the Duckett pump station, eliminating the visible Gallinas Creek crossing and a new Highway 101 crossing.</i>	<b>Project Total:</b> \$ 2,278,556								\$ 2,278,556
19200	01	<b>Sewer Main Rehabilitation 2019</b> <i>Annual sewer system rehabilitation.</i>	<b>Project Total:</b> \$ 2,091,020	\$ 1,052,810							\$ 1,038,210
19200	02	<b>Manhole/Rod hole Repair and Replacement</b> <i>Roadwork, repair and replacement.</i>	<b>Project Total:</b> \$ 50,000								\$ 50,000
19200	03	<b>Vactor</b> <i>Replace equipment that is out of service.</i>	<b>Project Total:</b> \$ 325,000	\$ 119,895							\$ 205,105
19200	04	<b>Collections System Master Plan</b> <i>Prepare a master plan study for future needs assessment</i>	<b>Project Total:</b> \$ 200,000								\$ 200,000
<b>Total</b>			<b>\$ 4,944,576</b>	<b>\$ 1,172,705</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,771,871</b>
<b>300 PUMP STATIONS / FORCE MAINS</b>											
12300	05	<b>Rafael Meadows Pump Station</b> <i>Design and install a stationary emergency generator, upgrade panel and seal leaking wet well.</i>	<b>Project Total:</b> \$ 410,686	\$ 410,686							\$ -
14300	05	<b>Force Main Repair/Replacement</b> <i>Line force main line to plant as part of large plant project.</i>	<b>Project Total:</b> \$ 1,838,145	\$ 1,575,158							\$ 262,987
19300	01	<b>Supervisory Control and Data Acquisition (SCADA)</b>	<b>Project Total:</b> \$ 25,000								\$ 25,000

**LAS GALLINAS VALLEY SANITARY DISTRICT  
2018-19 PRELIMINARY CAPITAL OUTLAY BUDGET**

Project Description			Funding Source							
			Total Project Cost FY 2019	Carryover from FY 2018	Bond Fund	Grants	Reserves	Capacity Fund	Current Year	
<i>Programming upgrades.</i>										
19300	02	<b>Pump Station Panel Upgrades and Replacements</b> <i>Controls at panels have reached the end of their useful lives.</i>	<b>Project Total:</b> \$ 243,400	\$ -						\$ 243,400
18360	01	<b>Marin Lagoon Pump Station</b> <i>Panel replacement, upgrades, and painting .</i>	<b>Project Total:</b> \$ 39,000					\$ 39,000		\$ -
<b>Total</b>			<b>\$ 2,556,231</b>	<b>\$ 1,985,844</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 39,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 531,387</b>
<b>500 RECLAMATION</b>										
11500	09	<b>Miller Creek</b> <i>Repair, maintain and modify.</i>	<b>Project Total:</b> \$ 95,034							\$ 95,034
17500	05	<b>McInnis Marsh Restoration</b> <i>Financial participation with County of Marin.</i>	<b>Project Total:</b> \$ 100,000	\$ 100,000						\$ -
18500	01	<b>Levee Maintenance</b> <i>Accumulate funding for periodic levee maintenance.</i>	<b>Project Total:</b> \$ 130,365	\$ 94,960						\$ 35,405
18500	02	<b>North Bay Water Reuse Authority and North Bay Water</b> <i>Continued participation in Phase 1 and new participation for drought contingency</i>	<b>Project Total:</b> \$ 38,000							\$ 38,000
<b>Total</b>			<b>\$ 363,399</b>	<b>\$ 194,960</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 168,439</b>
<b>600 TREATMENT PLANT</b>										
12600	02	<b>Plant Improvements 2018</b> <i>Grit System.</i>	<b>Project Total:</b> \$ 278,991	\$ 278,991						\$ -
12600	07	<b>Secondary Plant Upgrades</b> <i>Design and build future secondary plant capacity and treatment upgrades.</i>	<b>Project Total:</b> \$ 8,616,010		\$ 8,616,010					\$ -
14600	04	<b>Biogas Energy Recovery System</b> <i>Design replacement for cogen digester gas and heating systems.</i>	<b>Project Total:</b> \$ 25,000							\$ 25,000
19600	01	<b>Supervisory Control and Data Acquisition</b> <i>Continued panel and programming upgrades.</i>	<b>Project Total:</b> \$ 25,000							\$ 25,000
19600	02	<b>Miscellaneous Plant Equipment</b> <i>Small equipment purchases.</i>	<b>Project Total:</b> \$ 25,000							\$ 25,000
<b>Total</b>			<b>\$ 8,970,001</b>	<b>\$ 278,991</b>	<b>\$ 8,616,010</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 75,000</b>

**LAS GALLINAS VALLEY SANITARY DISTRICT  
2018-19 PRELIMINARY CAPITAL OUTLAY BUDGET**

Project Description	Funding Source						
	Total Project Cost FY 2019	Carryover from FY 2018	Bond Fund	Grants	Reserves	Capacity Fund	Current Year
<b>650 TERTIARY FACILITY</b>							
16650 02 <b>Recycled Water Facility Expansion</b> <i>Design expanded facility.</i>	<b>Project Total:</b>	\$ 5,744,010	\$ 5,744,010				
19650 01 <b>Supervisory Control and Data Acquisition</b> <i>Continue programming.</i>	<b>Project Total:</b>	\$ 25,000					\$ 25,000
	<b>Total</b>	<b>\$ 5,769,010</b>	<b>\$ -</b>	<b>\$ 5,744,010</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>Total Capital Project</b>	<b>\$ 22,753,217</b>	<b>\$ 3,632,500</b>	<b>\$ 14,360,020</b>	<b>\$ -</b>	<b>\$ 39,000</b>	<b>\$ -</b>