



101 Lucas Valley Road, Suite 300
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MANAGEMENT TEAM
 General Manager, Curtis Paxton
 Plant Operations, Mel Liebmann
 Collections/Safety/Maintenance, Greg Pease
 Engineering, Michael P. Cortez
 Administrative Services, Dale McDonald

DISTRICT BOARD
 Megan Clark
 Craig K. Murray
 Barry Nitzberg
 Gary E. Robards
 Crystal J. Yezman

The Mission of the Las Gallinas Valley Sanitary District is to protect public health and our environment, providing effective wastewater collection, treatment, and resource recovery.

BOARD MEETING AGENDA

June 20, 2024

MATERIALS RELATED TO ITEMS ON THIS AGENDA ARE AVAILABLE FOR PUBLIC INSPECTION DURING NORMAL BUSINESS HOURS AT THE DISTRICT OFFICE, 101 LUCAS VALLEY ROAD, SUITE 300, SAN RAFAEL, OR ON THE DISTRICT WEBSITE WWW.LGVSD.ORG

Estimated Time

OPEN SESSION:

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.

4:05 PM

2. PUBLIC HEARING - BUDGET FOR THE 2024-2025 FISCAL YEAR

A. OPEN PUBLIC HEARING

B. BUDGET 2024-2025 PRESENTATION:

District staff to present the following proposed budgets for Fiscal Year July 1, 2024 to June 30, 2025:

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

C. REVIEW DISTRICT STAFF RECOMMENDATIONS:

Board to consider staff recommendation to approve the 2024-2025 Budget as proposed.

D. PUBLIC COMMENT:

This portion of the meeting is reserved for people desiring to address the Board regarding the proposed Budget. 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.

4:35 PM

3. RESOLUTIONS

Resolutions necessary to effectuate transmittal of the District’s assessment roll to and acceptance by the Marin County Tax Collector for collection pursuant to Health & Safety Code Sec. 6760.

- A. RESOLUTION NO. 2024-2331– A RESOLUTION CONFIRMING THE ANNUAL SEWER SERVICE CHARGE AND SUPPLEMENTAL SERVICE CHARGES FOR THE LAS GALLINAS VALLEY SANITARY DISTRICT FOR THE FISCAL YEAR 2024-25 AND PROVIDING FOR THE COLLECTION OF SEWER SERVICE CHARGES ON THE TAX ROLL.**
- B. RESOLUTION NO. 2024-2332 – A RESOLUTION FIXING AND APPROVING THE BUDGET FOR THE FISCAL YEAR 2024-2025.**
- C. RESOLUTION NO. 2024-2333 – A RESOLUTION DETERMINING THE FISCAL YEAR 2024-2025 APPROPRIATION OF TAX PROCEEDS.**
- D. RESOLUTION NO. 2024-2334– A RESOLUTION REQUESTING ALLOCATION OF TAXES FOR THE FISCAL YEAR 2024-2025.**

4:45 PM

4. 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 30th and June 6, 2024
- B. Receive and Ratify the Check Warrant List
- C. Approve Board Compensation for May 2024
- D. Approve Clark attending the 2024 WateReuse Conference Sept 15-17 in Garden Grove
- E. Approve Nitzberg attending the CASA Annual Conference July 31-Aug 2 in Monterey
- F. Approve Nitzberg attending the CSDA Annual Conference September 9 -12 in Indian Wells
- G. Approve Nitzberg attending the SDLF Academy November 3-6 in San Rafael
- H. Approve Contract for Laboratory Information Management System Software
- I. Approve Award of Contract for Biosolids Application Services
- J. Approve 2024 Summer Newsletter

Possible expenditure of funds: Yes, Item B through J.

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

4:55 PM

5. INFORMATION ITEMS:

STAFF/CONSULTANT REPORTS:

- 1. General Manager’s Report – verbal

5:15 PM

6. BOARD MEMBER REPORTS:

1. CLARK

- a. NBWA Board Committee, Operations Control Centers Ad Hoc Committee, Fleet Management Ad Hoc Committee, FutureSense Ad Hoc Committee, CASA Workforce Committee, Other Reports

2. MURRAY

- a. Marin LAFCo, Flood Zone 6, Biosolids Ad Hoc Committee, CASA Energy Committee, Development Ad Hoc Committee, San Francisco Bay Trail Ad Hoc Committee, Other Reports

3. NITZBERG

- a. Operations Control Centers Ad Hoc Committee, Fleet Management Ad Hoc Committee, McInnis Marsh Ad Hoc Committee San Francisco Bay Trail Ad Hoc Committee, Other Reports

4. ROBARDS

- a. Gallinas Watershed Council/Miller Creek, NBWRA, Engineering Ad Hoc Committee re: STPURWE, McInnis Marsh Ad Hoc Committee, Development Ad Hoc Committee, FutureSense Ad Hoc Committee, Other Reports

5. YEZMAN

- a. Flood Zone 7, CSRMA, Ad Hoc Engineering Committee re: STPURWE, Marin Special Districts, Biosolids Ad Hoc Committee, Other Reports

5:30 PM

7. BOARD REQUESTS:

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

5:35 PM

8. VARIOUS INDUSTRY RELATED ARTICLES

CLOSED SESSION:

5:45 PM

9. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION – Significant exposure to litigation pursuant to subdivision (b) of Gov. Code Section 54956.9 - One potential case.

6:15 PM

10. ADJOURNMENT

FUTURE BOARD MEETINGS JULY 18 AND AUGUST 15, 2024

AGENDA APPROVED:

Craig K. Murray, President

Patrick Richardson Legal Counsel

CERTIFICATION: I, Teresa Lerch, Board Secretary of the Las Gallinas Valley Sanitary District, hereby declare under penalty of perjury that on or before June 17, 4:00 p.m., I posted the Agenda for the Board Meeting of said Board to be held on June 20, 2024 at the District Office, located at 101 Lucas Valley Road, Suite 300, San Rafael, CA.

DATED: June 13, 2024



Teresa L. Lerch
Board 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, 101 Lucas Valley Road, Suite 300, San Rafael, CA.

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

AGENDA ITEM 1

6/20/2024


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.



Item Number _____ 2 _____
GM Review _____ CP _____

Agenda Summary Report

To: Board of Directors
From: Dale McDonald, Administrative Services Manager 
(415) 526-1519 dmcdonald@lqvsd.org
Meeting Date: June 20, 2024
Re: Public Hearing – Proposed Fiscal Year 2024-2025 Budget
Item Type: Consent _____ Action X Information _____ Other _____
Standard Contract: Yes _____ No _____ (See attached) Not Applicable X

STAFF RECOMMENDATION

Staff recommends that the Board approve the Fiscal Year 2024-2025 Budget.

BACKGROUND

Staff has been meeting since February 2024 to develop the budget for Fiscal Year (“FY”) 2024-2025. The Board held a workshop on May 6, 2024 and provided feedback to staff on priorities of the District. A preliminary budget was prepared and presented to the Board and public on May 16, 2024. Revenue, operating expenses, reserves, and capital expenditures based on the above meetings have been updated to reflect the current financial position of the District.

The Sewer Service Charge (“SSC”) base rate has been set at \$1,356 per sanitary unit effective July 1, 2024. The rate increase is projected to provide \$2,183,463 in additional revenue over the prior fiscal year. SSC revenue of \$20,866,010 is the primary source of revenue bringing in 82% of the revenue in FY 2024-2025.

Summary of Changes

During the review of the preliminary budget on May 16, the Board discussed and provided comments to staff. Board and public input were solicited. Highlights of the changes between the initial preliminary budget and proposed budget were discussed. Below is a summary of the results of the discussion and changes since the preliminary budget as presented:

1. Sewer Service Charge revenue reduced \$245K as a more detailed analysis of non-residential water use was completed at the end of May.
2. Capital Facilities Charge (“CFC”) revenue lowered, from \$455K to \$320K. Revenue expected in future years will be higher when developers pay their CFC fees once the Marin County and the City of San Rafael approve construction.
3. SCADA Engineering Support was increased \$25K to \$98K.
4. North Bay Water Reuse Authority (“NBWRA”) resilience arena feasibility studies for drought contingency and sea level-rise adaptation have been carried forward into FY 2024-2025, estimated at \$32K. However there remains an outstanding invoice for FY 2023-2024 services and NBWRA must still adopt their budget for FY 2024-2025. Sonoma Water will



still administer the program on behalf of regional member agencies. The feasibility studies budget line item was increased from \$10K to \$74K.

5. Biosolids land application will be an Operating & Maintenance (“O&M”) expense and be reported under the State’s Financial Transaction Report as a solids waste disposal cost, remaining consistent with prior year reported sludge injection and land disposal expenditures. The Biosolids Program Monitoring Research Support & Flood Protection program and related study research remains under the Capital Outlay budget.
6. The John Duckett Pump Station and Highway 101 Terra Linda Trunk Sewer Project scope of work has been reduced. Design costs have been lowered from \$750K to \$450K. The Terra Linda Highway 101 Undercrossing has been separated into its own sewer lining project. Funding has been included in the O&M budget for a financial advisor to look at the most practical options to fund this project for construction in late 2025 or 2026.
7. Center Pivot Replacement project has been split into three projects, with Center Pivot #3 and #4 budgeted for FY 2024-2025 and Pivot #5 planned for FY 2025-2026.
8. Secondary Effluent Line Modification project approved by the Board was added to the Capital Outlay budget for FY 2024-2025.
9. Three minor projects not completed in FY 2023-2024 rolled forward to FY 2024-2025 and funded from Prior Year CIP Carryover: 1) Existing Secondary Clarifier Removal, 2) Anoxic Basin Coating and Waterproofing, and 3) Chlorine Contact Basin Access Manhole Extension.

Board Policy

Board policy requires the District to maintain a balanced budget and to disclose deviations from a balanced budget when it occurs. The proposed budget will be balanced with the identified shortfall to be funded from the unrestricted working capital (cash) balance. Unrestricted capital is held in the Bank of Marin operating account, in the State’s Local Agency Investment Fund (“LAIF”), and in California Cooperative Liquid Assets Securities System (“California CLASS”). The unrestricted capital balance as of June 30, 2024 is projected to be \$14.4M, which includes prior year (“PY”) Capital Improvement Program (“CIP”) carryover funds.

Proposed Budget

The proposed budget projects receiving \$38,565,620 from all revenue sources and utilization of reserves. Expenses including capital outlay and debt service is budgeted at \$41,127,060. The District is projected to spend \$2,561,440 more than what will be brought in in the upcoming FY. The District will draw down its unrestricted working cash capital balance to cover this shortfall. Based on the preliminary budget unrestricted working cash balance at the end of FY June 30, 2025 is forecast to be \$34,952.

Highlights of the Proposed Budget

- Rising operation and maintenance expenses are expected to continue into 2025. The Consumer Price Index (“CPI-U”) as of April 2024 increased 3.8% over the last 12-months. The proposed budget includes inflation factors between 1.0% and 6% for various expenditures with some outliers, like energy and chemical costs, calculated based on higher actuals.

- The Secondary Treatment Plant Upgrade and Recycled Water Expansion (“STPURWE”) project is complete with formal Notice of Completion to be filed once final accounting of the project has been completed. The assets associated with the STPURWE project will be reclassified as an infrastructure improvement and added to the District’s financial statements as depreciable assets in the fiscal year ending June 30, 2024. A capitalization and depreciation report will be completed alongside the independent audit scheduled for October 2024. A total of \$22K has been added to the FY 2024-2025 budget for closeout costs and financial reporting assistance related to this project. Any additional close out costs associated with the project after June 30, 2024 will require separate Board action.
- Employee wages and benefits have risen over recent years as staff positions have been added. The proposed budget shows salary percentage change over the prior year budget at 16.55% but the actual percentage change over the actuals for FY 2023-2024 is projected at 10.13%. Included in employee wages for FY 2024-2025 are budget expenses of \$60,000 for one Full-Time Equivalent, or two part-time staff positions, which would be created for an “Operator-In-Training” apprenticeship program to begin supporting the treatment plant operations in late 2024.
- Inter-Governmental revenue from Marin Municipal Water District (“MMWD”) is expected to increase in 2024-2025 by \$242K due to a one-time cost share adjustment for the additional costs of the STPURWE project. Staff from both MMWD and LGVSD will meet in late 2024 to determine the actual cost-share adjustment.
- Build-up of reserves is an important tool to provide financing safeguards for the District’s operations. The budget proposes allocating \$2,477,793 to reserve funding in FY 2024-2025. The District requires reserves for operations and capital needs. Such funds are available for extraordinary expenses and to fund cash flow. In addition, reserve fund investments generate earnings to supplement other revenues.
- Debt Service Coverage Ratio (“DSCR”) for 2024-2025 is projected to be 2.26 based on slightly lower net operating income forecast. It remains above the minimum DSCR required by the 2017 Bond covenants. The Hildebrand Consulting 2023 Sewer Rate Study recommended maintaining a DSCR of at least 1.5 to ensure access to favorable borrowing terms in the future.

Capital Outlay Budget

The Capital Outlay Budget for FY 2024-2025 identifies funding sources for identified capital projects planned for in the upcoming FY. The Capital Outlay Budget comprises 48% of the total budget with most projects committed to and funded in prior years. New and ongoing capital projects are identified in the budget and are primarily funded from unrestricted funds, property tax revenue and sewer service charges. As part of the budget process, management considers need, risk, and want in the prioritization of projects.



Capital Improvement Program (CIP)

The District has an aggressive CIP which has been expanded to 7-years to capture future biosolids and sea-level rise projects anticipated to occur between 2028 through 2031. It was developed based on Board priorities, risk assessment, and recommended projects.

There are no financed projects in FY 2024-2025. Financed projects are set to resume in FY 2025-2026 with the John Duckett Pump Station and Terra Linda Truck Sewer Creek project, construction of the Multi-Use Laboratory/Education Center/Boardroom building, and Corporation Yard construction projects. A financial advisor will help determine the best method of debt issuance to undertake for these upcoming projects.

Additional debt funding or reprioritizing of projects will be required as the District will not have enough cash funding to complete the \$38M in capital projects identified in FY 2027-2028. A new Sewer Rate Study will be undertaken in late 2026 and will include a multi-year financial plan that incorporates the District's operational and capital projects funding needs.

Summary

The total budget increased \$178,101 from the budget presented on May 16, 2024.

There were only slight adjustments made to various operating and maintenance budget line items since May 16, resulting in an overall O&M budget increase of \$198K. Forecasted Sewer Service Charge revenue decreased \$245K as a more detailed analysis of non-residential water use was completed at the end of May. Reserve funding proposed is lower and authorization of \$500K in capital reserves for use towards the Corporation Yard Design project has been added to the budget.

Please see the attached Proposed Budget report and financial schedules for details.

PREVIOUS BOARD ACTION

On June 30, 2023, the Board approved the budget for FY 2023-2024.

Resolution No. 2024-2328, approved on May 16, 2024, set the public hearing for the Fiscal Year 2024-2025 Budget.

ENVIRONMENTAL REVIEW

N/A

FISCAL IMPACT

The proposed budget of \$41,127,060 is balanced. Revenue of \$25,568,312 along with utilization of carryover and reserves funds of \$12,997,308 provide most of the revenue required for the upcoming fiscal year. The balance is covered by allocating \$2,561,440 of unrestricted working capital to the budget.

Attachment:

A. Las Gallinas Valley Sanitary District Proposed Budget for Fiscal Year 2024-2025

Las Gallinas Valley Sanitary District

Proposed Budget

Fiscal Year 2024-2025

June 20, 2024





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June 20, 2024

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

The management staff of the Las Gallinas Valley Sanitary District (“District or LGVSD”) is pleased to present the Proposed LGVSD Budget for the upcoming 2024-2025 fiscal year. The Proposed budget includes the latest data on revenue projections, expense forecasts, debt service requirements, reserve funding, and capital outlay expenditures.

District Policy F-40-10 (Budget Preparation) requires that the General Manager and Administrative Services Manager prepare an annual budget proposal. The proposed annual budget, as amended by the Board during its review, shall be adopted at a regular meeting in June.

SUMMARY

The District must provide enough revenue to cover the cost of providing sanitary sewer collection, treatment, and recycled water service including the costs of acquisition, construction, reconstruction, maintenance, repairs, replacement and operation of the sanitary sewer systems and the payment of principal and interest on bonds or other debt instruments issued for the construction or reconstruction of the sanitary sewer systems. Operating revenue includes sewer service charges collected, revenue from the production of recycled water, and revenue from permit and inspection fees related to development-related sewer system improvements of the collection system. Non-operating revenue, which supplements operating revenue, includes property taxes, interest, franchise fees, and other pass-thru reimbursement revenue. Capital contributions, grants, and the utilization of bond funds and reserves round out the revenue sources for the District. The District is anticipating \$41,127,060 in total funding for 2024-2025 with \$25,568,312 coming from revenue and \$15,558,748 from prior year capital carryover, reserve funds, and unrestricted cash.

Operations and Maintenance (“O&M”) expenses are anticipated to increase over the prior year actuals by \$1,138,600, or 8.97%. O&M expenses means the reasonable and necessary expenses paid or incurred for maintaining and operating the collection, treatment, and recycled water systems (“Systems”) of the District, determined in accordance with generally accepted accounting principles (“GAAP”) that the Governmental Accounting Standards Board (“GASB”) established for and is used by state and local governments in the United States. O&M expenses include all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the systems of the District in good repair and working order. These include all administrative costs of the District that are charged directly or apportioned to the operation of the systems, such as salaries and wages of employees, overhead, the cost of permits, licenses, and charges to operate the system and insurance premiums. Excluded from O&M expenses are depreciation, replacement, obsolescence charges, reserves, and amortization of intangibles. O&M expenses, including employee salaries and wages, comprise 33.62% of the budget.

Debt service requirements are \$4,506,819 and include the 2017 Revenue Bonds and 2019 IBank loan. Debt service comprises 10.96% of the budget. The next debt to be paid off is the Municipal Finance Corporation 2005 Certificate of Participation Bond in 2026.

New Reserve funding of \$2,477,793 is proposed and set aside to cover scheduled, routine, and unscheduled expenses that would otherwise be drawn from the General Fund. Reserve funds may also be used for large-scale projects and improvements that are expected to happen in the future, such as the construction of new operations and laboratory buildings at the treatment plant and the John Duckett Pump Station and Trunk Sewer project. The District maintains four reserve funds and four restricted funds. Restricted funds are monies set aside for a particular purpose and \$401,120 in additional funding is proposed with the budget and includes funding for the Recycled Water Capital Repair and Replacement fund required under agreement with Marin Municipal Water District (“MMWD”). Reserve funds are permanently restricted to that purpose and cannot be used for other expenses. Reserves Policy F-50 establishes and explains the purpose and reasons for each of the reserves established, along with target thresholds. Both the reserve funds and restricted funds are included in the reserve funding total, but they are different in that while the board can reallocate funds from reserves, while the restricted funds, such as Captains Cove and Marin Lagoon, serve a specific purpose and therefore their use is controlled by State law and agreements in place for providing service. Reserve and restricted funding comprise 7.0% of the budget.

The Capital Outlay effort for 2024-2025 remains the primary driver of expenditures for the District comprising 48.43% of the total budget. The total capital outlay for the Capital Improvement Program (“CIP”) for Fiscal Year 2024-2025 is \$19,915,828. During the development of the CIP, review of strategic initiatives established by the Board, along with anticipated implementation of the Integrated Wastewater Master Plan indicate that capital improvements will remain the primary expense driver for the District for at least the next 10 years. The good news is that by adding to or improving District facilities the public materially benefits from the value and useful life of the assets of the District.

Unused prior year Capital Outlay Carryover funds is the primary funding source for most capital projects in Fiscal Year 2024-2025. \$12,255,708 of carryover funding is allocated for use on capital projects in the 2024-2025 budget.

Sincerely,



Curtis Paxton
General Manager



Dale McDonald
Administrative Services Manager

Las Gallinas Valley Sanitary District

Proposed Budget – 2024-2025

REVENUE

Operating Revenue

The District is entering its second year of a four-year Sewer Service Charge (“SSC”) rate plan. A rate increase of \$124 annually for Single Family Residential (“SFR”) users is factored into the budget. The rate increase will provide \$2,183,463 in additional revenue over last year. Non-residential SSC revenue is expected to decrease slightly as non-residential customers used less water during the measurement months resulting in lower SSCs.

Recycled water revenue is the estimated cost of providing water to Marin Municipal Water District (“MMWD”) and North Marin Water District (“NMWD”) based on the projected recoverable costs for the year. Projections for revenue are based on the percentage of actual recycled water provided to MMWD and NMWD. Revenue is expected to increase slightly over the prior year’s actuals but remain below last year’s budgeted amount. The District’s Treatment Plant is utilizing more recycled water which lowers the percentage used by MMWN and NMWD respectively, resulting in lower operating cost recovery.

Inspections, permits, and application fees reflect projected revenue from fees related to the Private Sewer Lateral Inspection program, lateral repairs and replacement, and applications for engineering review. The revenue is based on historical sales and permit data for properties within the District between 2019 and 2023. Permits revenue is expected to increase as private sewer lateral replacements are undertaken by property owners whose laterals are connected to main sewers included in the District’s Sewer Main Collection System Rehabilitation Program 2024 as a credit against SSC revenue.

Non-Operating 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 2024-2025 are expected to be slightly higher than 2023-2024 actuals. For 2024-2025, property tax revenue is budgeted at \$1,296,090 and reflects a 4% increase over projected 2023-2024 receipts. The District has historically identified secured property taxes as general fund revenue since the State puts no limitations on its use. It can, therefore, be considered a general fund that can be used for any legal purpose allowed by District Code and State law. The Low-Income Sewer Rate Assistance Program is funded from secured property tax revenue, and a total of \$25,000 has been allocated to the program in 2024-2025.

Prior Secured taxes, Supplemental Property Tax Assessments, and Home-Owner Property Tax Relief (“HOPTR”) funds are projected to rise 3.91% over last year. These are collected by the County with and at the same time as the secured property taxes and SSC assessment. They are reported separately as required by the State Controller’s Office and auditing standards. Both the 1% annual Ad-Valorem tax increase for most property owners and the reassessment of property value upon sale of homes are factored in the reserve assumptions.

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. These factors are adjusted annually per the incremental growth rate in assessed property tax values. Staff has budgeted \$480,510 for 2024-2025 using the foundational basis from the ERAF revenue received in 2023-2024 and subtracting \$15,124 in annual loss under the California Governor’s ERAF budget trailer bill submitted for the State’s 2024-2025 fiscal

Las Gallinas Valley Sanitary District

Proposed Budget – 2024-2025

year. Of note, Senate Budget Subcommittee 1 on Education recently rejected the Governor’s ERAF proposal. The issue remains fluid at the State level with any loss in excess ERAF funding due dependent on charter school funding ruling and action by the legislature and Governor.

The Solid Waste Franchise fee revenue is forecast based on the anticipated Marin Sanitary Service rate increase adopted in January of each year. The revenue is based on the agreement with the solid waste franchisee, Marin Sanitary Service. Higher rates due to costs related to implementation of SB 1383, the State’s organics recycling law, were adopted in January 2024 which has increased both revenue and pass thru expenses related to the solids waste collection, recycling, and organic waste programs. An incremental increase in Franchise Fee revenue is forecast for January 2025 and is in alignment with the recent cost-of-service Franchise Agreement study completed in March 2024.

Interest on reserves, which are invested in the Bank of Marin, the Local Agency Investment Fund with the State of California, and two additional pooled investment accounts, California Cooperative Liquid Assets Security System (California CLASS) and California Asset Management Program (CAMP), are expected to yield lower returns as the interest rate remains flat after increasing last year. As the District uses accumulated funds for construction projects, the earnings are projected to decline in 2024-2025.

The Private Sewer Lateral Assistance program began in July 2012. The budget reflects the projected direct repayments and annual payments to be collected on the tax roll in 2024-2025 from property owners that took advantage of the program to have the District pay for their sewer lateral repair or replacement. The District anticipates a spike in property owners taking advantage of the program due to the impact of the District’s Sewer Main Collection System Rehabilitation Program of 2024, resulting in additional expenses to the District this year with recovery of those expenses to take place over the next 10 years.

The Miscellaneous revenue account allows various incidental or one-off payments to be deposited into the District’s operating account. Staff does not forecast a budget in this category, as they are difficult to project, but has included a small placeholder based on last year’s budget to assist with future accounting if needed.

Capital Contributions / Capacity Related Revenue

Annexation, Capital Facilities Charges (“CFC”), and Connections Fee activity for remodel permits and Accessory Dwelling Units (“ADUs”) has increased from prior years. CFC’s can be paid over 2 years as the project is developed. While the District is substantially built out and the pace of development is difficult to predict, staff are aware of a few large-scale development projects which are anticipated to be approved for connecting to the sewer system in 2024-2025. Staff is conservatively budgeting \$320,420 in receipts for capital facility charges for 2024-2025 primarily the result of the two large projects currently under development.

State and local governments are looking at laws to allow additional expansion of ADUs to create more affordable housing and provide flexibility for families who wish to build a second unit on their property. ADUs are normally not subject to capacity or connection fees but can be billed a SSC depending on the size and number of units. A capacity fee study by HDR Engineering was completed in 2022 which, based on the cost-of-service for connecting to the system, adjusted the CFCs that can be imposed on development. Annexation and development fees are separate from the CFC connection fees. The interest income for this category is for existing CPC funds held on deposit, which must be expended only for capital projects that increase capacity to either the collection system or treatment plant.

Las Gallinas Valley Sanitary District

Proposed Budget – 2024-2025

Marin Municipal Water District (“MMWD”) 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. Through May 2023, the MMWD buy-in and debt service funds were allocated to the Capital Reserves for their shared cost of the expansion project. Now that the project is completed, the buy-in and debt service payments received from MMWD will be allocated to undesignated Capital Reserves for future use by the District. In addition, per the agreement, MMWD and LGVSD will meet after Notice of Completion is filed to review the construction costs of the projects and adjust the buy-in amount based on actual final costs of the project. The Marin Municipal Water District Inter-Governmental capital contribution revenue line item includes \$242,000 in 2024-2025 as a placeholder for anticipated revenue from the buy-in adjustment.

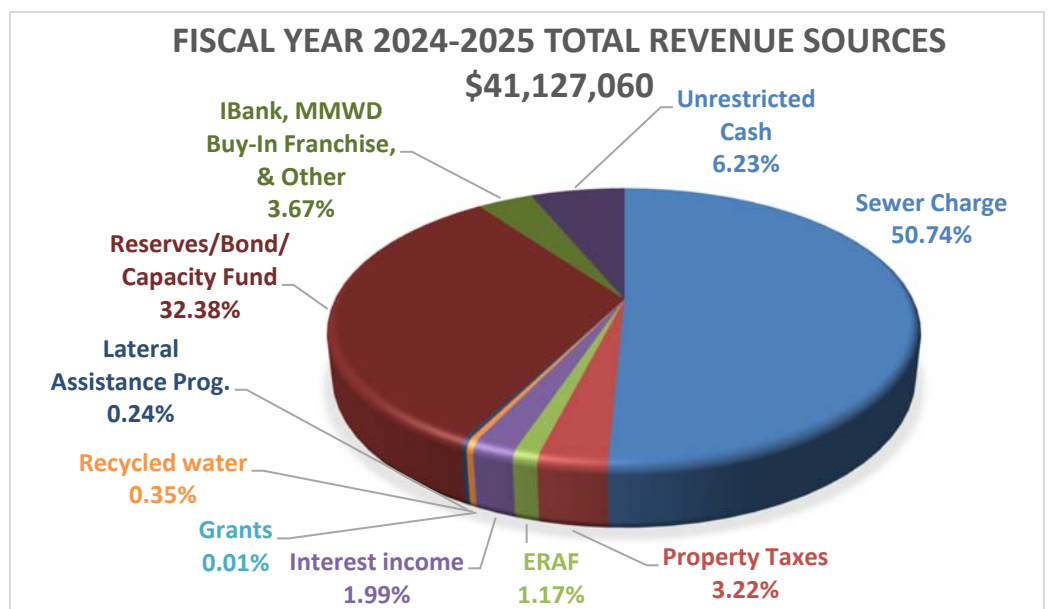
There is only one pending disbursement of \$567,760 from the IBank loan remaining, which will be disbursed once the Notice of Completion for the Secondary Treatment Plant Upgrade and Recycled Water (“STPURWE”) project is filed. The remaining funds will be returned to the general fund as STPURWE expenditures have already been paid. The disbursement budgeted is reflected in the Other category on the charts on the following pages.

Federal and State grants may become available for wastewater infrastructure projects, but no specific grant has been identified let alone secured. The District has contracted with a consultant to pursue alternative funding and is in process of hiring a staff person to pursue and manage grants, and is collaborating with partner agencies, such as North Bay Water Reuse Authority, to investigate grant opportunities. It is wise for the District to design construction-ready projects to take advantage of any grants that become available, but it would not be prudent to anticipate revenue from grants at this time. A Zero Waste Marin reimbursement grant of \$5,000 is anticipated in 2024-2025 to offset the District’s cost for various waste reduction laws and support projects that move Marin’s communities to Zero Waste.

Utilization of Bond Funds and Reserves

The Private Sewer Lateral (“PSL”) Assistance Program has continued to collect reimbursements for loans made to property owners. The program has become self-funded, with sufficient revenue coming from repayment by property owners to fund assistance to new property owners wishing to take advantage of the program. The balance in this program as of June 30, 2024 is anticipated to be \$411,350. Anticipated revenue of \$100,000 will help offset the \$187,800 in budgeted expenses for new assistance payments in 2024-2025.

The District has previously budgeted for projects that have not yet begun or are in the middle of construction, which has created carry-over capital funding that is available for



Las Gallinas Valley Sanitary District Proposed Budget – 2024-2025

continuing projects. These projects are included in the Capital Outlay budget. Any unused funding allocated to these projects will carry forward into 2024-2025. A total of \$12,255,708 of prior-year capital carry-over is budgeted for use in 2024-2025.

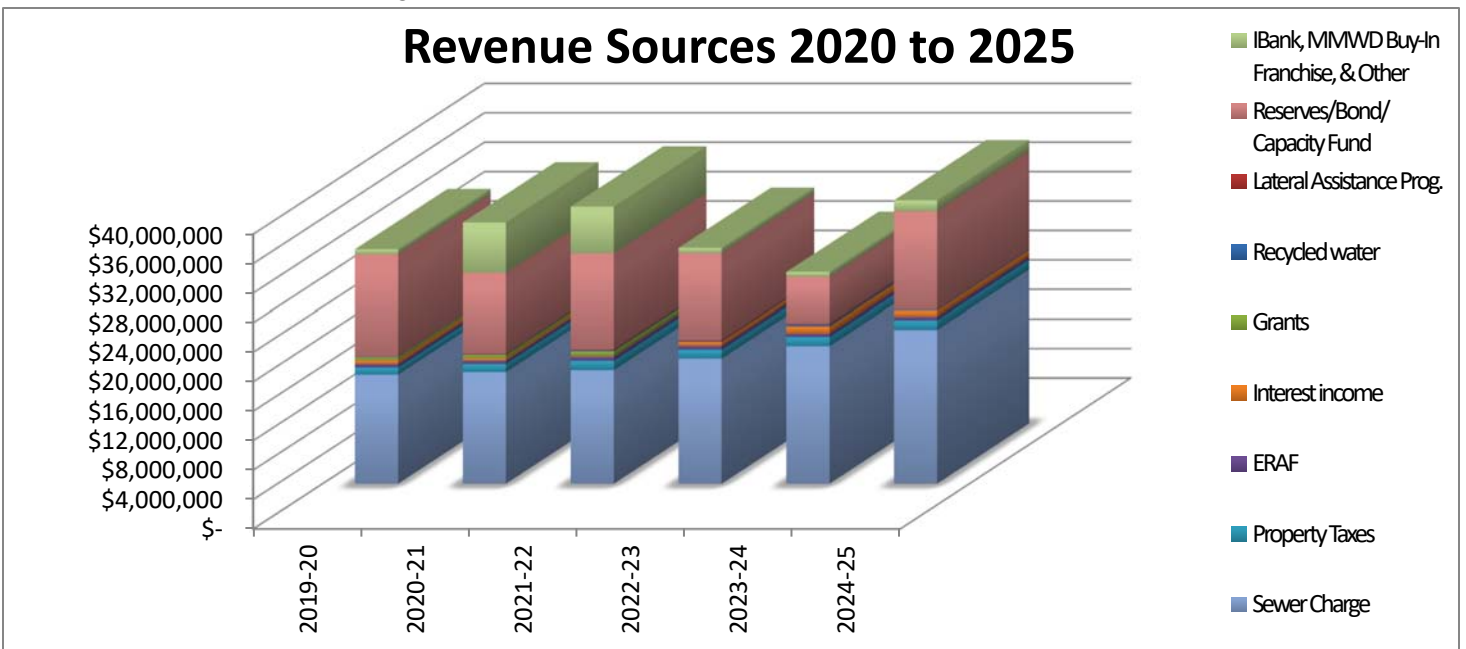
Capital Reserves used for the STPURWE Project were depleted by May 2023. The Marin Municipal Water District (“MMWD”) Buy-In and their share of debt service payments collected for the STPURWE project and held in this reserve was used towards the completion of the project. The projected Capital Reserve beginning balance for 2024-2025 of \$9,318,529 includes \$6,000,000 designated for the Laboratory/Education Center/Board Room project which is one component of the operations and administration building projects. Additional funding and reallocation from undesignated capital reserves will bring the designated ending balance for the building projects to \$9,000,000 and the undesignated reserves to \$1,500,000. There is no planned use of these funds in 2024-2025.

Transfers from the Capacity / Connection Fee Facilities Fund, which has been growing as fees for new or additional connections to system are paid by developers, can be used to pay for collection system and plant capacity improvements necessary to serve those connections. There is no planned use of these funds budgeted for 2024-2025.

Transfers from the Marin Lagoon and Captains Cove restricted funds can be used towards repayment of operating and capital costs, including capital replacement and Board authorized capital projects, incurred for Marin Lagoon and Captains Cove collection systems. A total of \$53,800 is budgeted for 2024-2025.

The Recycled Water Capital Repair and Replacement fund established in May 2023 is expected to have an ending balance of \$17,520 as of June 30, 2025. Both LGVSD and MMWD are required to each contribute 10% of their portion of recycled water operating and maintenance expenses to this fund annually.

The graph below shows the composition of District revenues for the past five fiscal years plus the projected 2023-2024 and Proposed budget for 2024-2025.



Las Gallinas Valley Sanitary District

Proposed Budget – 2024-2025

EXPENDITURES

The Government Accounting Standards Board (GASB), which is recognized as the official source of GAAP for state and local governments, establishes modified accrual accounting standards. Modified accrual accounting is used and accepted by governmental agencies because they focus on current-year obligations. Las Gallinas Valley Sanitary District Policy F-40-20 (Basis of Budgeting) required that all budgetary procedures conform to state regulations and generally accepted accounting principles. As such, the District uses a modified accrual basis of accounting for reporting on budgeted versus actual expenditures, with the following exceptions:

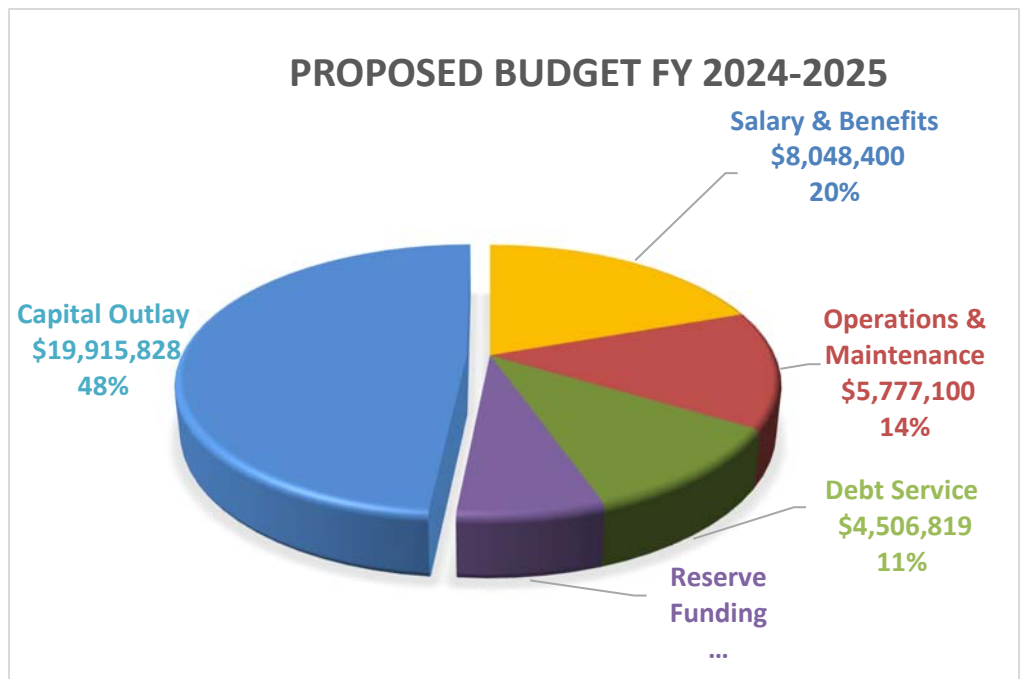
- Grant revenues are budgeted on a modified cash basis rather than an accrual basis.
- Fixed assets are depreciated for some financial reporting but are fully expensed in the year acquired for budgetary purposes.

Modified accrual accounting is an alternative bookkeeping method that combines accrual-basis accounting with cash-basis accounting. It recognizes revenues when they become available and measurable and, with a few exceptions, records expenditures when liabilities are incurred.

The General Manager and Administrative Services Manager are responsible for development of internal accounting policies and procedures necessary to implement financial policies and to ensure that internal controls, processes, and procedures follow the California State Controller’s Office Internal Control Guidelines pursuant to CGC section 12422.5 and are adequate to protect the finances of the District.

Expenditures of the District are broken down into the following categories:

1. Operations and Maintenance Expenses (*including salary & benefits*)
2. Debt Service
3. Reserve Funding
4. Capital Outlay



The District’s largest expenditure category is Capital Outlay followed by Operations and Maintenance. The operations and maintenance expense, debt service, reserve and restricted funding, and capital outlay financials have been reviewed and comments on

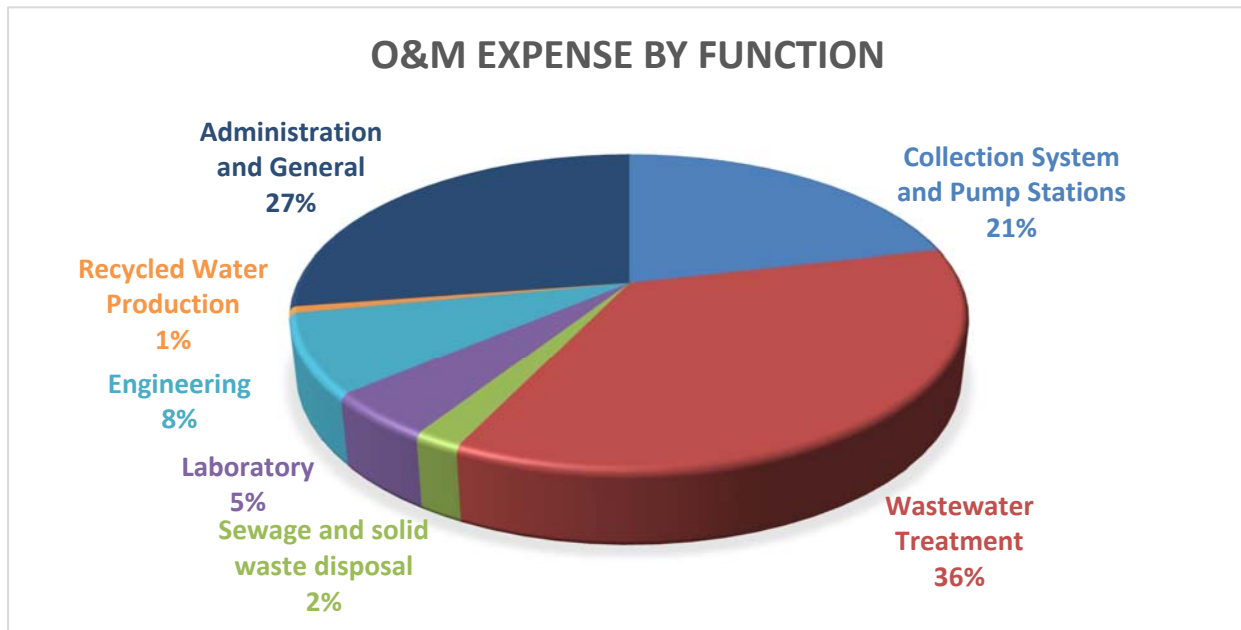
key items of interest are being provided to the Board to facilitate discussion. The Board can review its reserve policy and establish reserve funding targets for the Operating & Rate Stabilization Reserve, Emergency Repair, Capital Reserves, and Vehicle and Equipment Reserve as part of the budget process.

Las Gallinas Valley Sanitary District Proposed Budget – 2024-2025

Operations and Maintenance Expenses

Employee Expenses:

Employee wages and benefits have risen over recent years as staff positions have been added. The Proposed budget shows actual change over 2023-2024 is projected to be 11.5%. A 3% cost-of-living adjustment effective July 1, 2024 is factored into the budget. The budget includes funding for one additional Full-Time Equivalent (“FTE”) position proposed for 2024-2025, which may consist of two part-time staff, that would be created for the “Operator-In-Training” (“OIT”) apprenticeship program to support the treatment plant be developed in late 2024. The budget for 2024-2025 is based on the District maintaining full-staffing levels throughout the year and includes adding \$100,000 for the OIT program and for contract personnel to support the engineering department later this year.



Payroll taxes, group life insurance, CalPERS retirement, Health benefits, Dental, and Vision insurance are projected to increase over prior year actuals as new employees are hired to fill approved and proposed positions.

CalPERS contributions are projected from regular wages with the published employer contribution rate of 16.02% for classic members (up slightly from 15.95%) and 7.87% (up from 7.68%) for PEPR in 2024-2025. Staff who became CalPERS members after 2013 are covered by the PEPR plan which requires lower retirement contributions by the District. PEPR employees are required to contribute 8% towards their retirement per MOU. The District’s share of CalPERS contributions in 2024-2025 is projected to increase 1.5% over prior year actuals.

Health insurance is projected based on the known rates for July through December 2024 and the application of an estimated health insurance trend rate of +1% for the remainder of 2024-2025. CalPERS Health will set the coverage rates for 2025 in the summer of 2024. The expense also reflects costs associated with one new proposed position for 2024-2025. Other Post-Employment Benefits (“OPEB”) retiree health benefits for prior employees and pre-funded expenditures for current employees based on the GASB 75 actuarial valuation measurement date June 30, 2022 are included under health benefit expenses.

Las Gallinas Valley Sanitary District

Proposed Budget – 2024-2025

The Auto Allowance is a vehicle allowance benefit for management employees who have this benefit included in their contracts. Managers who opt to use a District vehicle are not entitled to the auto allowance. A cost-of-living adjustment for the vehicle Auto Allowance will be made on July 1, 2025.

Proposed New Program and Position:

Board Financial Policy F-40-40 grants exclusive authority to the Board to increase the number of authorized staff at the District. Historically, new staff positions are considered as part of the budget process. After a review of operational needs management is recommending the creation of an “Operator-In-Training” (“OIT”) apprenticeship program and the addition of one FTE position, increasing the FTE positions at the District from thirty-one to thirty-two. The following program is proposed:

OIT Program and Plant Operator-in-Training

An OIT program would allow management to create either one full-time or two part-time positions to work at the Las Gallinas Valley Sanitary District Treatment Plant, learning new skills and helping existing operators and lab staff with the operation of the plant. Both Central Marin Sanitation Agency and Napa Sanitation District have OIT programs. The first-year cost to implement the program is estimated to be \$60,000. Beginning in 2026, the annual cost of the program would be between \$120,000 and \$150,000 depending on the candidate’s qualifications, whether they are full or part time, whether they qualify for the District’s CalPERS retirement plan, and whether they take advantage of the District’s paid CalPERS Health family benefit option. There may be opportunities to offset some costs through educational internship/apprenticeship funding sources.

The job classifications for the Plant OIT and Lab Analyst-in-Training already exists and the positions are on the District’s Pay Schedule. Upon Board approval of the budget and authorization to increase staff count, management can begin designing the program and plan for hiring for the apprenticeship program in late 2024.

Insurance:

Workers compensation insurance is based on projected wages for 2024-2025, plus the addition of full-time positions being filled, and a decrease in the experience modification factor from 0.89 to 0.70 based on the District’s recent claims history. The Workers Compensation Insurance Rating Board (WCIRB) continues to use the simplified Experience Rating Formula which removes the first \$250 of each claim for the calculation. The decrease in the projected 2024-2023 actuals is attributable to the lower experience modification factor for the July 1, 2023 to July 1, 2024 period.

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 the yearly cost is known based on the current billing, and a modest increase of 3% over 2023 has been calculated for liability insurance. The insurance invoice for the July 1, 2024 to June 30, 2025 term has not yet been received.

Property insurance is reported on the same line item with general liability. Since 2018, significant events have driven the property insurance market to tighten substantially. Prior events in 2020 and 2021 have further aggravated market conditions and the firming trend is expected to continue. Property insurance rates are forecast to increase 6% or an additional \$10,320 because of market conditions. In addition, the new construction values related to the STPURWE Project were added to the insured Schedule of Values (SOV) which will increase the Total Insurance Value by an additional 7.5%, resulting in an additional \$12,900 premium increase at renewal in 2024-2025.

Las Gallinas Valley Sanitary District

Proposed Budget – 2024-2025

Repairs and Maintenance:

Most repairs and maintenance expenses are coordinated by the Maintenance Supervisor, but actual expenses related to assets are allocated to the respective financial class Collection System, Pump Station, Treatment Plant, or Recycled Water for proper accounting. Management work together to authorize and approve expenses. Inflation and logistic delays have continued to have an impact on the costs of parts and services in 2024 but are stabilizing. It is anticipated that continued inflationary factors will influence costs into 2025 with an increase in the range of 3% to 6% over current costs. The Repair and Maintenance Proposed budget for 2024-2025 will be under the prior year's budget by \$153,900 (-20.7%) but over the projected actual expenses by \$180,763 (31.3%). The primary drivers of increased maintenance costs in 2024-2025 are:

- Algae control at the reclamation storage pond is expected to cost \$80,000. This is periodically performed and is not an annual expense. Other incidental maintenance costs include the building and grounds maintenance which includes having an outside firm perform yard work on the main building landscape, and includes expenses related to maintenance work performed by the District's skilled maintenance employees. Monthly Jefferson Security Fire Suppression monitoring is also included under the repair and maintenance budget.
- Bio-Wheel chain sprocket units and additional pumps will be ordered as inventory for emergency pump replacements and Bio-Wheel repairs. \$50,000 has been added to the Capital Repair and Replacement budget for the pumps and \$50,000 for the Bio-Wheel chain sprocket units. 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:

Other operating expenses include supplies and contracted services to support the operations at the treatment plant, pump stations, and administration of the District.

- Chemical costs make up the largest percentage of supplies required by the District. The amount budgeted for supplies and small tools is \$850,200, and of that \$633,800 is for chemicals. The District is a member of the Bay Area Chemical Consortium ("BACC") which assists the District in obtaining the most competitive unit pricing. Unit prices beginning July 1 for sodium hypochlorite will increase 12.86% and sodium bisulfite will decrease 11%, offsetting each other and resulting in a modest increase in chemical costs of \$17,000 over the current year.
- Outside contracted services include services related to personnel and HR services, guard service, labor relations, janitorial services, security patrols and alarm monitoring, portable restroom rentals, alternate grant funding studies, and other incidental outside operating expenses.
- Sludge injection and land disposal of biosolids is normally an operational expense of the wastewater treatment process. During the first year of the Biosolids Program Monitoring Research project, land application was performed as part of the biosolids feasibility study and sludge was injected into the Districts dedicated disposal site. The associated costs related to land disposal of solids, required as part of the ongoing study, was charged to the Biosolids Program Monitoring Research project. As we enter the second year of the study, a call for bids for Biosolids Land Application Services for 2024 went out. Coordination with the USEPA Research Team is a small component of the bid requirements with the cost

Las Gallinas Valley Sanitary District

Proposed Budget – 2024-2025

anticipated to be only a fraction of total project costs. The Proposed budget includes \$380,000 as an operational expense based on the prior year's cost of sludge injection and land disposal.

- Consultants include costs for climate assessments, Canada goose project and reporting to NPDES, MMWD water data review and rate setting assistance, recruitment, labor relations, and for organizational and Board development.
- Feasibility studies that are not capital improvement or capacity related are treated as an operational expense. Unspent funding of \$64,000 for the North Bay Water Reuse Authority (NBWRA) drought contingency and sea-level rise resilience studies have been carried forward to fiscal year 2024-2025. No additional operational feasibility studies have been identified for 2024-2025, but once the Integrated Wastewater Master Plan is complete, management expects feasibility studies will be undertaken. A placeholder of \$10,000 is included for an operational study in the Proposed budget.
- The financial services budget includes \$60,000 to contract with an independent financial advisor to identify debt financing and/or bond issuance options for the John Duckett Pump Station and Multi-Use Laboratory building construction projects. Additional financial services include actuarial valuations, sewer rate studies, and arbitrage compliance services.
- The Private Lateral Rehabilitation Assistance Program (“PLRAP”) budget has been increased to \$187,800. The PLRAP was established to help property owners pay for repairing or replacing their lower and upper private sewer lateral. Under this program, the District will advance the property owner up to \$10,000 to be repaid semi-annually, over ten years at flat 2% interest. In the upcoming months, the District will be repairing or replacing multiple sewer main line segments as part of its Sewer Main Collection System Rehabilitation Program, which will affect 100-150 residential and commercial parcels depending on the scope of work. It is expected that 10% of these property owners would take advantage the PLRAP to coordinate replacement of their upper lateral.

General and Administrative:

General and Administrative expenses round out the Operations and Maintenance expenses of the District. The expenses under this category are District wide and benefit all departments.

- Election costs are budgeted at \$25,000 bi-annually, every even fiscal year, and is based on estimated billings from the Marin County Registrar of Voters. The next election is November 2024.
- Computer Services and Software includes annual software renewals, outside computer network support, Zoom video conference, and other incidental computer software products. As software companies move away from providing owned software licenses and switch to a Software-as-a-Service (“SaaS”) licensing and delivery model, in which software is licensed on a subscription basis and is centrally hosted, the District will see these expenses rise. CityWorks and ArcGIS follow the multi-year SaaS licensing models. Other software such as SCADA, Caselle, and Microsoft Office which have software license agreements for one-year or less are treated as incidental software licenses. Computer equipment below the capital asset threshold is replaced as needed under the Office Supplies & Equipment cost center.
- Public education and outreach expenses are for the joint efforts with other Marin County wastewater treatment agencies, web site maintenance, donation requests from community groups for funding, special mailings and for the District's newsletter and annual sewer rate change mailings.
- Rents and leases include the annual administration office lease at 101 Lucas Valley Road (\$114,900), lease of the postage machine, off-site records storage, railroad easements and copiers. The lease for the administration office is up for renewal on December 1, 2024 and an increase in rent is anticipated.

Las Gallinas Valley Sanitary District

Proposed Budget – 2024-2025

- Employee training and education includes the cost for the District to participate in the Liebert Cassidy Whitmore employment relations consortium and other offsite training. Management training and coaching has been added to the budget for all managers and supervisors following the 2024 FutureSense climate assessment report. An increase in offsite training conferences in 2024 and 2025 is expected, and the budget reflects this increase over the current year actuals.

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 \$1,408,800 as of July 1, 2024.
- 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 \$2,029,476 as of July 1, 2024.
- Bank of Marin Loan #1 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 \$2,032,589 as of July 1, 2024.
- 2017 Revenue Bonds were issued in April 2017 with a principal amount of \$38,365,000. The true interest rate to maturity is 3.2984%. Annual principal and interest payments are due through April 2042. The principal balance remaining is scheduled to be \$31,110,000 as of July 1, 2024.
- The District entered into an agreement with California Infrastructure and Economic Development Bank (IBank) in May 2019 for a loan of \$12,000,000. The loan has a maturity date ranging from August 1, 2019 through August 1, 2043. The interest rate on the loan is 3.0% per annum. The principal balance remaining is scheduled to be \$10,252,581 as of July 1, 2024. An annual service fee, \$30,758 for 2024-2025, is treated as an Operating & Maintenance expense but recognized as debt service for budget purposes. The annual fee is not reported as a long-term obligation in audited financials.

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 received from MMWD are deposited into the operating account for use to pay their share of debt service for the recycled water treatment facility improvements. Choosing to recognize debt service payments from MMWD as a reimbursement to the general operating account for debt service payments, rather than funding of the capital reserve, results in the District's 2017 Revenue Bonds debt obligation being lower.

The Debt Service Coverage Ratio (DSCR) for the District for 2024-2025, based on the presented budget and debt service, is determined by dividing the Net Operating Income (\$10,682,420) by Total Debt Service (\$4,506,819). The calculated DSCR for 2024-2025 is therefore 2.37. The District is required to maintain a DSCR of 1.25 or higher due to bond covenants and we are above this minimum. The District includes both its operating income and non-operating income, primarily guaranteed property taxes, in determining its Net Operating Income which is used in the calculation of DSCR. When specifically included in a utility's bond indenture, rate stabilization reserves can be used to help meet debt service coverage requirements during times of revenue shortfalls.

Las Gallinas Valley Sanitary District

Proposed Budget – 2024-2025

Reserves

District Financial Policy F-50 (Reserves) establishes reserves, explains the purpose and reasons for the size of each reserve, and provides for oversight of reserves.

- Operating & Rate Stabilization Reserve has a target of a minimum balance equal to 7 months of average annual budgeted expenses. Based on reserve fund policy the reserve target for 2024-2025 is approximately \$10,100,000 and the reserve will have a balance of \$4,247,894 at the beginning of the upcoming fiscal year. The budget includes adding \$585,211, one-tenth of the reserve target shortfall, to the budget for 2024-2025. The reserve has been established to fund unexpected expense increases and can be used to help stabilize sewer service charge rate swings.
- Emergency repair reserve target is \$1,500,000 and can be used to fund emergency repairs. Any shortfall in the reserve is to be built up over 2-3 years. The budget is proposing \$111,111 be added to the reserve in 2024-2025.
- Capital Reserves contains both designated and undesignated funds for capital projects. The target of \$11,000,000 includes \$9,000,000 designated for the construction of the Operation Control Center OCC / Administration building and the Multi-Use Laboratory / Education Center / Board Room building. The Proposed budget for 2024-2025 includes adding an additional \$1,018,529 to the Designated Capital Reserve for this project and reallocating \$1,318,529 from the undesignated balance to designated capital reserve balance. The budget authorizes \$500,000 for use towards the corporation yard design project.
- Vehicle and Equipment Reserve (VERF) was established in Fiscal Year 2019-2020 to fund vehicle and equipment replacements. The reserve was targeted at \$1,000,000. A total of \$100,000 will be added to replenish the VERF and \$584,043 will be used to purchase vehicles and equipment listed on the Capital Outlay budget in 2024-2025.
- Capacity Connection Fee reserve fund is restricted for the use of collection system and plant capacity improvements to serve the new connections that contributed to the fund through fees collected. The budget includes the addition of \$342,200 to the reserve.
- Captains Cove and Marin Lagoon are restricted reserves built up when there is an excess of special assessments over projected operations, maintenance and capital expenditures which are collected for these developments. Both funds will be drawn down to pay for operational and capital projects. A rate surcharge rate study was undertaken as part of the 2023 Sewer Service Rate Study, and it determined that Captains Cove and Marin Lagoon contributions are sufficient to continue the ongoing operations and maintenance needs of the pump stations serving these communities. Larger capital improvement projects may require an increase in the surcharge in a future fiscal year budget.
- Recycled Water Capital Repair and Replacement restricted reserve fund was created in May 2023. LGVSD and MMWD are required to contribute 10% of their portion of annual recycled water O&M costs into this restricted fund for future capital expenditures to the Recycled Water Treatment Facility. A total of \$17,520 will be added to the restricted fund in 2024-2025.

Capital Outlay

The District is required to budget for the adequate maintenance of capital equipment and facilities to protect the public investment and ensure achievement of their maximum useful life. The District is required to prepare and adopt a at minimum a 5-Year Capital Improvement Program (“CIP”) as part of the rate setting process that identifies and sets priorities for all major capital assets to be acquired, constructed, or replaced by the District.

Las Gallinas Valley Sanitary District

Proposed Budget – 2024-2025

The District has chosen to prepare a 7-Year CIP which includes a biosolids program and flood and sea-level mitigation projects that have been identified to take place after 2027. District policy requires the CIP be included in the adopted budget and that the status of the CIP is updated annually as part of the budget process.

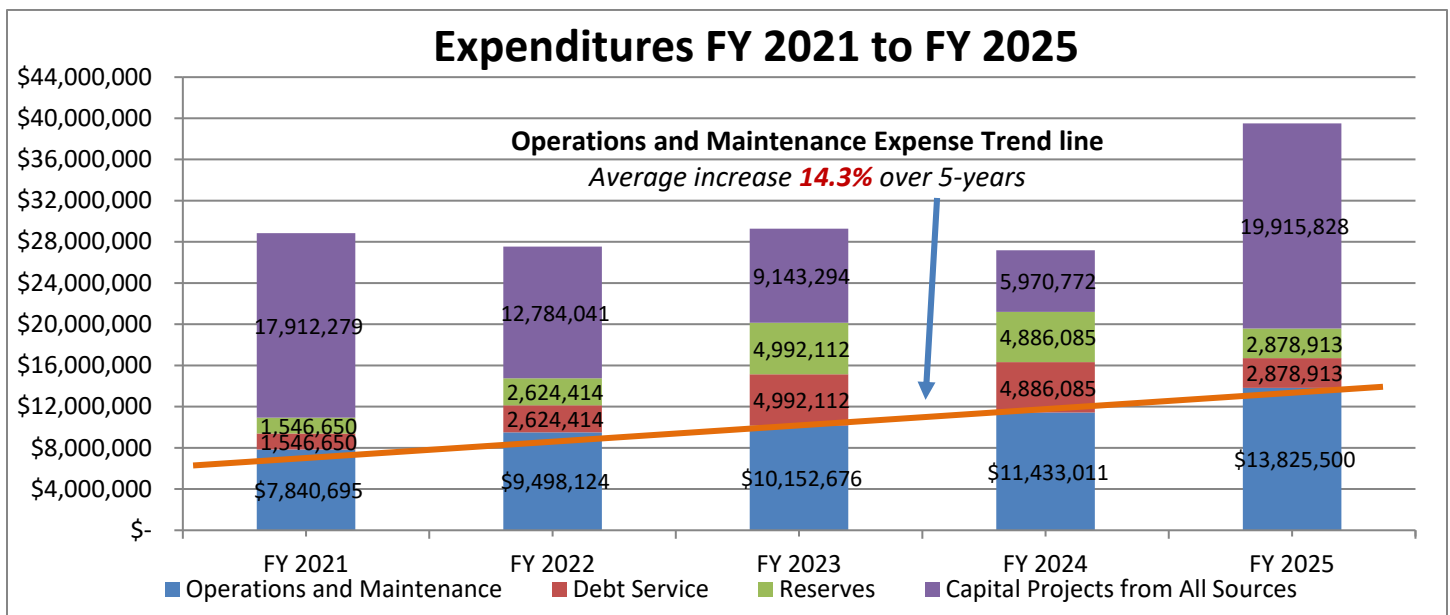
The CIP identifies adequate funding to support the acquisition, construction and replacement of assets identified in the plan, and identifies projects that the District believes beneficial to the system, but funding has not yet been identified. The CIP includes and indicates when and for what projects the District intends to finance through the issuance of debt. Additionally, the District strives to develop a comprehensive strategy and funding plan for the renewal and replacement of existing capital assets.

The Capital Outlay budget contains projects specifically identified in the 7-Year CIP for 2024-2025 through 2030-2031 plus miscellaneous capital needs that change yearly. The proposed 2024-2025 Budget only includes funding approval for projects identified in the first year of the CIP and contains the list of projects to be funded with the adoption of this budget. The additional projects listed in the CIP are proposed for future years and they will require their own funding approval as part of their respective yearly budget.

Collection system projects, including the Smith Ranch Pump Station Electrical Upgrade and restarting of the Sewer Main Collection System Rehabilitation Program, will comprise most of the capital budget in 2024-2025, with total collection system project costs budgeted at \$8,413,397.

Authorization to proceed with the Primary Effluent Pump Station and Secondary Clarifier Expansion project to eliminate blending by increasing treatment capacity to 24 MGD was approved by the Board on May 16, 2024 has been added to the Capital Outlay budget. Unspent funding from the STPURWE project was allocated to partially fund this new project with the remaining funding source coming from unrestricted funds in 2024-2025.

The following is a graph showing the composition of District expenditures for the past four (4) fiscal years plus this upcoming budget year of 2024-2025. O&M expenses have increased an average of 13.5% a year over three years and 14.3% over five years.



** Supporting Financial Statements are attached to this report on the following pages **

**LAS GALLINAS VALLEY SANITARY DISTRICT
BALANCE STATEMENT & ACCOUNT INFORMATION
PROPOSED BUDGET FY 2024-2025 - JUNE 20, 2024**

BALANCE STATEMENT	2023-24 Adopted Budget	2023-24 Projected Actuals	2024-25 Proposed Budget
<u>Beginning Balance (July 1):</u>	\$ 30,690,796	\$ 30,690,796	\$ 31,302,226
Revenue:			
Rate Revenues (1)	\$ 18,959,072	\$ 18,682,547	\$ 20,866,010
Other Operating revenue (1)	255,835	227,980	243,920
Non-operating revenue (1)	2,475,766	2,928,293	2,912,240
Capital / Capacity Related	2,075,960	672,967	1,546,142
Expenditures:			
Operating expense (2)	(12,686,900)	(11,433,011)	(13,825,500)
Debt Service (3)	(4,496,574)	(4,496,574)	(4,506,819)
Capital outlay	(17,031,457)	(5,970,772)	(19,915,828)
<u>Ending Balance (June 30):</u>	<u>\$ 20,242,498</u>	<u>\$ 31,302,226</u>	<u>\$ 18,622,391</u>
Reserves and Restricted Funds	\$ 16,955,339	\$ 16,859,383	\$ 18,587,439
Unrestricted Funds <i>(includes CIP Carryover)</i>	\$ 3,287,159	\$ 14,442,843	\$ 34,952

NOTE:

IBank Installment Sale Agreement retention of \$567,760 included in the beginning balance, it is considered cash for accounting purposes while held by IBank until disbursement occurs.

DEBT SERVICE COVERAGE RATIO (DSCR)	2023-24 Adopted Budget	2023-24 Projected Actuals	2024-25 Proposed Budget
Net Operating Income (NOI) = ⁽¹⁾ - ⁽²⁾	\$ 9,003,773	\$ 10,405,809	\$ 10,196,670
Total Debt Service = ⁽³⁾	\$ 4,496,574	\$ 4,496,574	\$ 4,506,819
DSCR = NOI / Debt Service (Estimate *)	2.00	2.31	2.26

* Actual DSCR will be determined at the end of the fiscal year based on actual revenue and expenditures.

**LAS GALLINAS VALLEY SANITARY DISTRICT
REVENUE
PROPOSED BUDGET FY 2024-2025 - JUNE 20, 2024**

Revenue Description	2022-23 Final Audited Actual	2023-24 Adopted Budget	2023-24 Projected End of Year	2024-25 Proposed Budget	% Change Over Prior Year Budget
OPERATING REVENUE					
Sewer Service User Charges	\$ 16,999,751	\$ 18,959,072	\$ 18,682,547	\$ 20,866,010	9.14%
Recycled Water (MMWD / NMWD)	246,090	165,400	130,327	143,400	-15.34%
Inspections/Permits/Application Fee	45,135	75,150	57,038	59,900	-25.46%
Miscellaneous Operating Revenue	102,434	15,285	40,616	40,620	62.37%
Total Operating Revenue	17,393,410	19,214,907	18,910,527	21,109,930	8.98%
NON-OPERATING REVENUE					
Property Tax	1,175,740	1,229,409	1,246,233	1,296,090	5.14%
Suppl. Property Tax Assess.	42,191	32,501	16,495	26,660	-21.91%
Educational Revenue Augmentation Fund	496,224	507,904	465,714	480,510	-5.70%
Homeowner Property Tax Relief	4,280	2,371	2,271	2,360	-0.47%
Franchise Fees Marin Sanitary Service	166,059	197,991	173,630	185,440	-6.77%
Private Sewer Lateral Assistance Program	110,665	81,700	94,988	100,000	18.30%
Interest Income	3,934	2,790	129,128	90,380	96.91%
Interest on Reserves and Investments	543,096	396,100	784,320	705,800	43.88%
Reimbursements / Pass thru	28,737	25,000	15,514	25,000	
	2,570,927	2,475,766	2,928,293	2,912,240	14.99%
CAPITAL CONTRIBUTIONS / CAPACITY RELATED					
Annex, Capital Facility Charges, Connection Fees	325,673	870,286	281,692	320,420	
Interest on Connection Fee Fund	2,815	1,733	27,224	21,780	
Interest on Bond Funds	6	4	4	5	
Marin Municipal Water District Inter-Governmental	388,733	631,177	364,047	631,177	
IBank Loan Disbursements	-	567,760	-	567,760	
Federal Grants	3,120	-	-	-	
State Grants	-	5,000	-	5,000	
	720,347	2,075,960	672,967	1,546,142	-34.27%
TOTAL REVENUES	\$ 20,684,685	\$ 23,766,633	\$ 22,511,787	\$ 25,568,312	7.05%
UTILIZATION OF RESTRICTED FUNDS AND RESERVES					
	<i>2022-23 Actual Use</i>	<i>Adopted Available</i>	<i>2023-24 Projected Use</i>	<i>Budgeted</i>	
Operating Reserves / Rate Stabilization	-	-	-	-	
Private Sewer Lateral Assistance Funds	68,045	60,500	32,985	187,800	
Capital Outlay Carryover Utilized	9,143,294	10,000,036	5,970,772	12,255,708	
Capital Construction Project Reserve	2,196,165	-	-	500,000	
Interest Earned on Unspent IBank Funds	1,578	6,495	20,921	-	
Transfers from Marin Lagoon Restricted Fund	15,396	26,600	31,007	37,200	
Transfers from Captains Cove Restricted Fund	6,029	24,800	18,787	16,600	
Transfers from Capacity Connection Fee Fund	-	-	-	-	
SUB TOTAL	11,430,507	10,118,431	6,074,472	12,997,308	22.15%
		-		-	
ALLOCATION OF UNRESTRICTED WORKING CASH CAPITAL		5,778,361		2,561,440	
TOTAL FUNDS AVAILABLE FOR EXPENDITURES	\$ 32,115,192	\$ 39,663,425	\$ 28,586,259	\$ 41,127,060	

**LAS GALLINAS VALLEY SANITARY DISTRICT
BUDGET SUMMARY
PROPOSED BUDGET FY 2024-2025 - JUNE 20, 2024**

	2022-23 Final Actual	2023-24 Adopted Budget	2023-24 Projected Actual End of Year	2024-25 Proposed Budget	% Change Over Prior Year Budget
OPERATING EXPENSES					
EMPLOYEE WAGES	4,341,184	4,846,200	5,070,246	5,654,200	16.67%
EMPLOYEE BENEFITS	1,416,919	2,059,200	2,237,581	2,394,200	16.27%
INSURANCE EXPENSE	404,910	473,100	441,106	486,400	2.81%
REPAIRS AND MAINTENANCE	534,150	912,100	577,527	758,200	-16.87%
SUPPLIES & SMALL TOOLS	708,778	1,072,200	808,416	850,200	-20.71%
CONTRACTED SERVICES	1,178,952	1,590,700	904,116	1,959,500	23.18%
UTILITIES	917,075	888,900	757,378	922,700	3.80%
GENERAL & ADMINSTRATIVE	650,708	844,500	636,642	800,100	-5.26%
OPERATING EXPENSE TOTALS	\$ 10,152,676	\$ 12,686,900	\$ 11,433,011	\$ 13,825,500	8.97%
DEBT SERVICE					
DEBT SERVICE TOTALS	\$ 4,527,724	\$ 4,496,574	\$ 4,496,574	\$ 4,506,819	0.23%
RESERVE FUNDING					
OPERATING & RATE STABILIZATION	635,195	639,123	639,123	585,211	-8.44%
EMERGENCY REPAIR	-	166,667	166,667	111,111	
CAPITAL RESERVES	3,977,802	3,668,782	3,668,782	1,681,471	-54.17%
VEHICLE & EQUIPMENT (VERF)	150,755	38,765	38,765	100,000	157.96%
CAPACITY (RESTRICTED FUND)	210,216	872,019	308,916	342,200	-60.76%
CAPTAINS COVE (RESTRICTED FUND)	8,188	16,010	16,246	16,250	1.50%
MARIN LAGOON (RESTRICTED FUND)	9,956	24,780	34,596	25,150	1.49%
RECYCLED WATER (RESTRICTED FUND)	-	22,348	12,990	17,520	
RESERVE FUNDING TOTALS	\$ 4,992,112	\$ 5,448,494	\$ 4,886,085	\$ 2,878,913	-47.16%
CAPITAL OUTLAY					
CAPITAL OUTLAY	\$ 9,143,294	\$ 17,031,457	\$ 5,970,772	\$ 19,915,828	16.94%
TOTAL BUDGET					
TOTAL BUDGET	\$ 28,815,805	\$ 39,663,425	\$ 26,786,442	\$ 41,127,060	3.69%

**LAS GALLINAS VALLEY SANITARY DISTRICT
OPERATING AND MAINTENANCE EXPENSE
PROPOSED BUDGET FY 2024-2025 - JUNE 20, 2024**

Acct. Num.	Expense Description	2022-23 Final Actual	2023-24 Adopted Budget	2023-24 Projected Actual End of Year	2024-25 Proposed Budget	% Change Over Prior Year Budget
EMPLOYEE WAGES						
5000	Regular Staff Salaries (5033)	\$ 3,709,524	\$ 4,154,700	\$ 4,349,858	\$ 4,752,900	14.40%
5301	Contract Pers. / OIT Program 2024-25	47,693	17,400	-	100,000	474.71%
5010	Over Time (5020)	129,708	170,400	185,862	203,700	19.54%
5030	Stand By	103,606	120,800	141,326	153,300	26.90%
5073	Emergency Response Stipend	58,395	65,100	58,345	64,300	-1.23%
5075	Certification Stipend	119,925	137,000	143,069	171,600	25.26%
5077	Longevity Pay	106,632	103,200	124,215	130,800	26.74%
5050	Directors Fees	65,702	77,600	67,571	77,600	0.00%
	TOTAL EMPLOYEE WAGES	<u>4,341,184</u>	<u>4,846,200</u>	<u>5,070,246</u>	<u>5,654,200</u>	16.67%
EMPLOYEE BENEFITS						
5090	Vacation and Sick Accrual	84,902	64,000	117,600	90,600	41.56%
	COVID-19 Leave	27,430	-	-	-	N/A
5115	Directors Benefits	9,779	10,900	10,900	10,900	0.00%
5130	Payroll Taxes (SSI)	311,394	308,700	337,284	373,800	21.09%
5150	Group Life Insurance	10,494	19,200	23,524	24,200	26.04%
5120	PERS	155,612	722,400	714,540	725,400	0.42%
5110	Health Insurance & Wellness Prog. (5111-5113, 5170)	728,862	873,800	930,315	1,036,200	18.59%
5117	Dental Insurance	44,441	61,600	44,269	57,200	-7.14%
5119	Vision Insurance	3,533	8,200	4,151	9,100	10.98%
5160	Long Term Disability	29,113	43,000	38,843	50,300	16.98%
5060	Auto Allowance	11,360	11,400	16,154	16,500	44.74%
5070	Commute Vehicle Stipend	-	-	-	-	
	TOTAL EMPLOYEE BENEFITS	<u>1,416,919</u>	<u>2,059,200</u>	<u>2,237,581</u>	<u>2,394,200</u>	16.27%

**LAS GALLINAS VALLEY SANITARY DISTRICT
OPERATING AND MAINTENANCE EXPENSE
PROPOSED BUDGET FY 2024-2025 - JUNE 20, 2024**

Acct. Num.	Expense Description	2022-23 Final Actual	2023-24 Adopted Budget	2023-24 Projected Actual End of Year	2024-25 Proposed Budget	% Change Over Prior Year Budget
INSURANCE						
5140	Workers' Comp Insurance	138,848	156,200	114,994	111,400	-28.68%
5411	Pooled Liability & Property Insurance	263,915	315,800	324,957	373,800	18.37%
5496	Fidelity Bond	2,147	1,100	1,155	1,200	9.09%
	TOTAL INSURANCE EXPENSE	404,910	473,100	441,106	486,400	2.81%
REPAIRS AND MAINTENANCE						
5310	Vehicle Parts & Maintenance	54,736	55,400	46,444	48,700	-12.09%
5311	Building maintenance	32,369	63,100	30,019	30,800	-51.19%
5312	Grounds Maintenance	49,515	156,700	56,921	141,100	-9.96%
5321	Reclamation Pasture & Pond Maint. (5323, 5326)	98,453	181,400	157,938	186,300	2.70%
5313	Power Generation Maint & Repair	22,901	26,000	15,801	16,200	-37.69%
5315	Equipment Maintenance	83,786	93,000	129,185	134,000	44.09%
5317	Equipment Repair	149,883	153,100	66,514	69,500	-54.60%
5319	Capital Repairs/Replacements	42,508	183,400	74,704	131,600	-28.24%
	TOTAL REPAIRS AND MAINTENANCE	534,150	912,100	577,527	758,200	-16.87%
SUPPLIES & SMALL TOOLS						
5281	Hypochlorite	269,864	536,600	307,731	347,300	-35.28%
5282	Bisulfite	138,836	203,600	237,944	211,800	4.03%
5283	Miscellaneous Chemicals	57,535	69,300	71,180	74,700	7.79%
5211	General Operating & Lab Supplies (5284)	67,472	76,600	45,722	51,800	-32.38%
5231	Fuel, Oil, and CNG for Vehicles (5232-5235)	45,257	56,100	37,749	43,800	-21.93%
5243	Safety Equipment & Supplies	57,716	50,800	36,877	41,400	-18.50%
5241	Safety Services	57,469	60,000	52,016	57,900	-3.50%
5222	Small Tools	14,628	19,200	19,196	21,500	11.98%
	TOTAL SUPPLIES & SMALL TOOLS	708,778	1,072,200	808,416	850,200	-20.71%

**LAS GALLINAS VALLEY SANITARY DISTRICT
OPERATING AND MAINTENANCE EXPENSE
PROPOSED BUDGET FY 2024-2025 - JUNE 20, 2024**

Acct. Num.	Expense Description	2022-23 Final Actual	2023-24 Adopted Budget	2023-24 Projected Actual End of Year	2024-25 Proposed Budget	% Change Over Prior Year Budget
CONTRACTED SERVICES						
5329	Lab Contract Services	63,186	70,600	63,529	68,500	-2.97%
5327	Pollution Prevention Program	24,489	21,600	11,856	17,300	-19.91%
5331	Outside Services (5337, 5335,5339)	84,487	280,900	124,414	272,300	-3.06%
5333	Janitorial	23,988	23,700	21,763	24,400	2.95%
5334	Uniform Service	14,305	15,500	23,235	23,900	54.19%
5224	Damage Claim	-	20,000	-	-	-100.00%
5325	Sludge Disposal Inject	102,650	2,000	43,645	380,000	18900.00%
5345	SCADA Engineering Support	77,571	69,600	82,542	96,800	N/A
5341	Regulatory Consultant	149,766	163,900	100,237	170,900	4.27%
5415	Pass-thru & Gen. Small Projects (5344)	53,436	57,600	23,687	39,400	-31.60%
5417	Feasibility Studies	53,083	100,000	-	74,000	-26.00%
5342	Consultants - Other	299,268	438,100	200,487	337,600	-22.94%
5351	Legal (5352)	105,221	183,600	129,276	149,200	-18.74%
5353	Audit	31,220	22,700	22,000	22,000	-3.08%
5355	Financial Services	26,669	35,400	24,460	95,400	169.49%
5441	Private Lateral Rehab Assist. Program	68,045	60,500	32,985	187,800	210.41%
5497	Low-Income Rate Assistance (see revenue)	1,568	25,000	-	-	N/A
	TOTAL CONTRACTED SERVICES	1,178,952	1,590,700	904,116	1,959,500	23.18%
UTILITIES						
5421	Internet	11,292	11,000	9,013	9,300	-15.45%
5423	Telephone	45,410	44,600	37,080	38,100	-14.57%
5425	Utility Power	813,358	781,300	684,374	842,600	7.85%
5427	Water	47,016	52,000	26,910	32,700	-37.12%
	TOTAL UTILITIES	917,075	888,900	757,378	922,700	3.80%

**LAS GALLINAS VALLEY SANITARY DISTRICT
OPERATING AND MAINTENANCE EXPENSE
PROPOSED BUDGET FY 2024-2025 - JUNE 20, 2024**

Acct. Num.	Expense Description	2022-23 Final Actual	2023-24 Adopted Budget	2023-24 Projected Actual End of Year	2024-25 Proposed Budget	% Change Over Prior Year Budget
GENERAL & ADMINSTRATIVE						
5303	Payroll Processing	24,596	24,900	21,089	25,900	4.02%
5465	Conferences	67,966	71,200	48,913	74,200	4.21%
5467	Mileage and Travel	414	5,200	5,198	8,400	61.54%
5359	Election	250	25,300	-	25,000	N/A
5221	Office Supplies & Equipment	71,354	69,800	43,945	60,100	-13.90%
5223	Meeting Supplies	5,292	5,800	8,247	12,400	113.79%
5439	Donations Non-Profits	9,000	10,000	14,000	10,000	0.00%
5361	Computer Services and Software (5362, 5363)	97,039	157,300	124,835	152,700	-2.92%
5431	Bank Charges	1,850	1,900	1,857	1,900	0.00%
5457	User Charge Collection Fee	34,357	38,300	783	800	-97.91%
5433	Publication and Legal Ads	13,398	11,300	12,688	13,500	19.47%
5347	Public Education and Outreach ⁽¹⁾	59,847	55,200	53,330	42,000	-23.91%
5453	Taxes, Other	1,397	1,400	466	500	-64.29%
5461	Memberships (CASA, CSDA, NBWRA)	60,212	67,900	72,960	72,100	6.19%
5455	Permits (NPDES, Biosolids, BAAQCD)	79,033	83,500	88,144	86,100	3.11%
5498	Penalties & Fines	66,385	-	-	-	
5451	Rents and Leases	34,569	153,100	127,334	136,500	-10.84%
5229	Employee Recognition ⁽¹⁾	6,923	8,400	1,510	2,500	-70.24%
5469	Employee Training and Education ⁽¹⁾	14,927	45,300	7,122	66,200	46.14%
9999	Miscellaneous expense (+COVID) (5225, 9998)	1,900	8,700	4,220	9,300	6.90%
TOTAL GENERAL & ADMINSTRATIVE		<u>650,708</u>	<u>844,500</u>	<u>636,642</u>	<u>800,100</u>	<u>-5.26%</u>
OPERATING EXPENSE TOTALS		<u>\$ 10,152,676</u>	<u>\$ 12,686,900</u>	<u>\$ 11,433,011</u>	<u>\$ 13,825,500</u>	<u>8.97%</u>

**LAS GALLINAS VALLEY SANITARY DISTRICT
DEBT SERVICE
PROPOSED BUDGET FY 2024-2025 - JUNE 20, 2024**

Expenditure	2022-23 Total Actual	2023-24 Adopted Budget	2023-24 Projected End of Year	2024-25 Proposed Budget
2005 Certificates of Participation/ Refunded 2014	\$ 708,665	\$ 717,380	\$ 717,380	\$ 725,105
2010 State Revolving Fund Loan	285,464	285,464	285,464	\$ 285,464
2011 Bank of Marin Loan	332,681	332,681	332,681	332,681
2012 Bank of Marin Loan	39,225	-	-	-
2017 Revenue Bonds ^{(1) (2)}	2,445,000	2,445,600	2,445,600	2,449,400
2019 IBank Loan	716,688	715,448	715,448	714,169
	\$ 4,527,724	\$ 4,496,574	\$ 4,496,574	\$ 4,506,819

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

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

Debt Service Breakdown FY 2024-25

Expenditure	Principal	Interest	Annual Fee
2005 Certificates of Participation/ Refunded 2014	\$ 690,000	\$ 35,105	\$ -
2010 State Revolving Fund Loan	230,669	54,795	-
2011 Bank of Marin Loan	257,318	75,363	-
2017 Revenue Bonds	1,205,000	1,244,400	-
2019 IBank Loan ⁽⁴⁾	381,557	301,854	30,758
	\$ 2,764,544	\$ 1,711,517	\$ 30,758

(4) Annual IBank fee treated as Operation & Maintenance Expense but recognized as debt service for budget purposes. Only principal and interest is reported on audit as long-term obligations.

**LAS GALLINAS VALLEY SANITARY DISTRICT
RESERVES
PROPOSED BUDGET FY 2024-2025 - JUNE 20, 2024**

	2022-23 Actual	2023-24 Adopted Budget	2023-24 Projected End of Year	2024-25 Proposed Budget
Beginning Reserve Balance	\$ 5,715,213	\$ 11,210,971	\$ 11,210,971	\$ 15,724,308
Operating & Rate Stabilization Reserve				
Beginning Balance	\$ 2,973,576	\$ 3,608,771	\$ 3,608,771	\$ 4,247,894
<i>Plus: Additions</i>	635,195	639,123	639,123	585,211
<i>Less: Use of Funds</i>	-	-	-	-
Ending Balance	\$ 3,608,771	\$ 4,247,894	\$ 4,247,894	\$ 4,833,105
<i>Purpose: Insure minimum of 7 months of O&M + Debt Service is available</i>			<i>Target:</i>	\$ 10,100,000
Emergency Repair				
Beginning Balance	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,166,667
<i>Plus: Additions</i>	-	166,667	166,667	111,111
<i>Less: Use of Funds</i>	-	-	-	-
Ending Balance	\$ 1,000,000	\$ 1,166,667	\$ 1,166,667	\$ 1,277,778
<i>Purpose: Fund emergency repairs, replenish over 2 to 3 year period.</i>			<i>Target:</i>	\$ 1,500,000
Capital Reserves (STPURWE, OCC, and other CIP)				
Beginning Balance	\$ 899,969	\$ 5,649,747	\$ 5,649,747	\$ 9,318,529
<i>Plus: Undesignated (rebalanced in 2024-2025)</i>	336,464	668,782	668,782	(1,318,529)
<i>Plus: Lab & OCC/Admin Buildings Designated Reserves</i>	3,000,000	3,000,000	3,000,000	3,000,000
<i>Plus: STPURWE LGVSD Bond Reserve ⁽¹⁾</i>	225,715	-	-	-
<i>Plus: STPURWE MMWD Buy-In ⁽²⁾</i>	159,196	-	-	-
<i>Plus: 2017 Bond MMWD Debt Service Share ⁽³⁾</i>	256,427	-	-	-
<i>Plus: Corr. to incld. PY BoM MMWD Reserves ⁽⁴⁾</i>	2,968,141	-	-	-
<i>Less: Authorized Use of Funds ⁽⁵⁾</i>	(2,196,165)	-	-	(500,000)
Ending Balance	\$ 5,649,747	\$ 9,318,529	\$ 9,318,529	\$ 10,500,000
<i>Undesignated Ending Balance</i>			\$ 3,318,529	\$ 1,500,000
<i>Designated Ending Balance (Lab Edu Board OCC Admin)</i>			\$ 6,000,000	\$ 9,000,000
<i>Purpose: To provide capital for major capital projects.</i>			<i>Target:</i>	\$ 11,000,000
Vehicle and Equipment Reserve (VERF)				
Beginning Balance	\$ 841,668	\$ 952,453	\$ 952,453	\$ 991,218
<i>Plus: Additions</i>	150,755	38,765	38,765	100,000
<i>Less: Authorized Use of Funds</i>	(39,970)	(442,476)	-	(584,043)
Ending Balance	\$ 952,453	\$ 548,742	\$ 991,218	\$ 507,175
<i>Purpose: To fund large vehicle and equipment replacements, replenish over 2 to 3 years.</i>			<i>Target:</i>	\$ 1,000,000
Ending Reserve Balance	\$ 11,210,971	\$ 15,281,832	\$ 15,724,308	\$ 17,118,057
				<i>Target Total</i>
				\$ 23,600,000

(1) Excess funds over debt payments put aside for STPURWE project thru completion, FY 22-23.

(2) MMWD quarterly buy-in payments towards STPURWE until March 2023. Funds held in Bank of Marin Money Market #3983 till funds exhausted.

(3) MMWD semi-annual Revenue Bond payments toward project - Held in Bank of Marin Money Market #3983. Closed out March 2023.

(4) Bank of Marin (BoM) contributions from prior year MMWD buy-ins not included in Capital Reserve balance, corrected as of 12/31/22.

(5) Authorized use of \$500K in Capital Reserves towards Corporation Yard Design.

Total Budgeted New Reserve Funding: \$ 2,477,793

**LAS GALLINAS VALLEY SANITARY DISTRICT
RESTRICTED FUNDS
PROPOSED BUDGET FY 2024-2025 - JUNE 20, 2024**

	2022-23 Actual	2023-24 Adopted Budget	2023-24 Projected End of Year	2024-25 Proposed Budget
Restricted Funds				
Capacity / Capital Facilities / Connection Fee Fund (#5025)				
Beginning Balance	\$ 587,687	\$ 797,904	\$ 797,904	\$ 1,106,819
<i>Plus: Additions</i>	210,216	872,019	308,916	342,200
<i>Less: Use of Funds</i>	-	-	-	-
Ending Balance	\$ 797,904	\$ 1,669,923	\$ 1,106,819	\$ 1,449,019
<i>Purpose: To pay for collection system and plant capacity improvements to serve new connections.</i>				

Captains Cove Fund (#5019)

Beginning Balance	\$ 1,498	\$ 3,657	\$ 3,657	\$ 1,116
<i>Plus: Additions</i>	8,188	16,010	16,246	16,250
<i>Less: Use of Funds</i>	(6,029)	(24,800)	(18,787)	(16,600)
Ending Balance	\$ 3,657	\$ (5,133)	\$ 1,116	\$ 766
<i>Purpose: Special assessment fees in and class account 350 expenses out.</i>				

Marin Lagoon Fund (#5005)

Beginning Balance	\$ 15,978	\$ 10,538	\$ 10,538	\$ 14,127
<i>Plus: Additions</i>	9,956	24,780	34,596	25,150
<i>Less: Use of Funds</i> ⁽¹⁾	(15,396)	(26,600)	(31,007)	(37,200)
Ending Balance	\$ 10,538	\$ 8,718	\$ 14,127	\$ 2,077
<i>Purpose: Special assessment fees in and class account 360 expenses out.</i>				

⁽¹⁾ Prior Year Capital Expenditures for Marin Lagoon Pump Station #1 to be recovered over multiple years as balance insufficient to cover entire cost of project.

Recycled Water Capital Repair and Replacement Fund (#5028) ⁽²⁾

Beginning Balance	\$ -	\$ 23	\$ 23	\$ -
<i>Plus: Additions</i>	-	22,348	12,990	17,520
<i>Less: Use of Funds</i>	-	-	-	-
Ending Balance	\$ 23	\$ 22,371	\$ 13,014	\$ 17,520
<i>Purpose: Capital repair or replacement costs at the Recycled Water Treatment Facility. Fund shall not exceed \$500K.</i>				

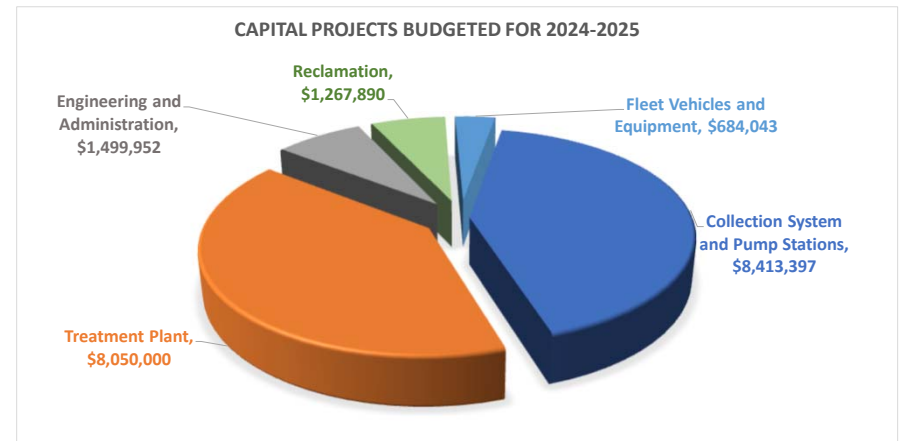
⁽²⁾ Established May 2023 with first annual contribution by MMWD and LGVSD to be made in 2023-24.
To be funded by LGVSD and MMWD by multiplying the total annual recycled water Operating & Maintenance producing costs by 10%.

Total Restricted Fund Reserve Funding: \$ 401,120

Line No.	Mgr.	Project No.	Status	Project Name	FUNDING SOURCES FY 2024-2025						
					Proposed Budget 2024-25	PY CIP Carryover	Unrestricted Funds	Restricted Captains Cove	Restricted Marin Lagoon	Capital Reserves	Vehicle Replacement Fund
PLANNING, SOFTWARE, ADMINISTRATION & OTHER ENGINEERING											
1	MC	20100-05	Active	Integrated Wastewater Master Plan Phase 2 and Phase 3	350,000	112,546	237,454				
2	MC	21500-08	Active	Biosolids Program Monitoring Research Support& Flood Protection	65,952	35,203	30,749				
3	GP	21600-20	Active	Asset Management CMMS Centricity (Plant, PS, Rec Phases 2-4)	250,000	250,000	-				
4	MC	24125-03	Active	On-Call Engineering Contract	206,000	170,625	35,375				
5	MC	24125-01	Active	On-Call Construction Contract (2023-2025)	257,500	257,500	-				
6	MC	24125-02	Active	On-Call Inspection Capital Projects	61,800	61,800	-				
7	MC	23200-01	Active	Hydraulic and Continued Flow Modeling of Collection System	77,250	-	77,250				
8	MC	22125-01	Pending	Sea Level Rise Mitigation Program Planning	60,000	60,000	-				
9	MC	21600-01	Active	Emergency Bypass Pumping Analysis & Response Plan	36,050	36,050	-				
10	ML	24560-01	Pending	Lab Software LIMS for TNI Standards Reporting	50,400	45,000	5,400				
11	MC	22125-02	Pending Completion	Standard Specifications and Drawings Update Project	10,000	10,000	-				
12	MC		New	Aeration System Reliability Study	75,000	-	75,000				
Subtotal:					1,499,952	1,038,724	461,228	-	-	-	-

FLEET & EQUIPMENT (To be procured through Vehicle Replacement Fund)											
22	GP	24460-01	Ordered	2023 Vector Flusher Truck - clean diesel	573,743					-	573,743
23	GP	24460-04	Pending	Equipment for Collection System Response (trailers, hoses)	10,300					-	10,300
24	GP	VERF	VERF	Fleet Replacement Vehicles and Utility Collection System Trucks (To VERF Reserve)	100,000		100,000				
Subtotal:					684,043	-	100,000	-	-	-	584,043

- Mid-Year Add = Projects funded mid-fiscal year 2023-24 and carrying forward into 2024-25
- Budget 24-25 = Projects on CIP in 2023-24 but first funding request in 2024-25
- New = New CIP projects identified and first funding request in 2024-25



Line No.	Mgr.	Project No.	Status	Project Name	FUNDING SOURCES FY 2024-2025						
					Proposed Budget 2024-25	PY CIP Carryover	Unrestricted Funds	Restricted Captains Cove	Restricted Marin Lagoon	Capital Reserves	Vehicle Replacement Fund
COLLECTION SYSTEM (INCL. PUMP STATIONS "PS" & FORCE MAINS)											
40	MC	11200-03	Active	John Duckett PS Electrical & Terra Linda Trunk Sewer Creek Crossing Improvement Design	450,000	450,000	-				
41	MC		New	Terra Linda Highway 101 Undercrossing Sewer Lining	500,000	500,000	-				
42	MC	20300-09	Mid-Year Add	Smith Ranch Pump Station Electrical Upgrades and Generator Conversion	1,195,000	755,000	440,000				
43	GP	24460-05	Active	Electrical System VFD Replacement (Phase 1)	500,000	4,197	495,803				
44	GP		After VFD	SCADA Integration for Pump Stations (Phase 2 split from VFD Replacement)	530,000	-	530,000				
45	MC	21300-03	Active	Standby Generators for Minor Pump Stations	372,400	63,093	309,307				
46	MC	21300-04	Active	Pump Station Site Lighting, Safety, & Security Improvements	206,877	206,877	-				
47	MC	22300-01	Pending	Rafael Meadows Pump Station - Fencing, full perimeter	150,000	150,000	-				
48	MC	21350-01	Active	Automatic Transfer Switches for Pump Stations	124,297	124,297	-				
49	MC	21600-03	Pending	Annual Site Improvement - Paving, Fencing, Lighting	60,000	26,045	33,955				
50	GP	18350-01	Pending	Captains Cove Pump Station Upgrades ⁽¹⁾	18,000	-	14,000	4,000			
51	GP	24540-01	Pending	Marin Lagoon Pump Stations Upgrades ⁽¹⁾	60,000	-	60,000				
52	MC	24500-05	Mid-Year Add	Hawthorn Waterproofing Drywell	60,000	60,000	-				
54	MC	20200-01	Active	Force Main Assessment, Install Ports, Cleaning, Location Marking, & Mapping	250,000	250,000	-				
57	MC	24460-06	Active	Sewer Main Collection System Rehabilitation Program 2024	1,886,823	1,886,823	-				
58	MC		Budget 24-25	Sewer Main Collection System Rehabilitation Program 2025	1,000,000	-	1,000,000				
60	MC	24460-07	Active	Sewer I&I Reduction Program 2024	500,000	500,000	-				
61	MC		Budget 24-25	Sewer I&I Reduction Program 2025	500,000	-	500,000				
63	GP	19200-02	Ongoing	Manhole Frame & Cover Adjustment Allowance	50,000	50,000	-				
Subtotal:					8,413,397	5,026,332	3,383,065	4,000	-	-	-

⁽¹⁾ - Partially Funded by Captains Cove & Marin Lagoon Restricted Funds

Green	= Pump Station Capital Assets
Blue	= Force Main Sewer
Peach	= Collection System Sewers

RECLAMATION											
86	MC	22500-04	Active	Solar PV System Replacement / Solar PPA	200,000	188,583	11,417				
87	MC		New	Center Pivot No. 3 Replacement	250,000	6,114	243,886				
88	MC		New	Center Pivot No. 4 Replacement	250,000	-	250,000				
90	GP	21500-01	Pending	Reclamation Pump Station Improvements - MCC, Pumps, Wet Well	180,640	180,640	-				
91	MC	24500-04	Pending	Sludge Lagoon Liner Replacement/Repair	77,250	77,250	-				
92	MC	24580-02	Active	Diversion Box Valve & Gate Installation	60,000	60,000	-				
93	MC		Pending	Levee Road Restoration	150,000	150,000	-				
94	MC		New	Cattail Dredging in Ponds	100,000	-	100,000				
Subtotal:					1,267,890	662,587	605,303	-	-	-	-

Line No.	Mgr.	Project No.	Status	Project Name	Proposed Budget 2024-25	FUNDING SOURCES FY 2024-2025					
						PY CIP Carryover	Unrestricted Funds	Restricted Captains Cove	Restricted Marin Lagoon	Capital Reserves	Vehicle Replacement Fund
TREATMENT PLANT (INCL. RECYCLED WATER)											
111	MC	24600-01	Active	Laboratory Building Design (Lab / Education Center / Boardroom)	1,791,000	650,000	1,141,000				
112	MC		Budget 24-25	Corporation Yard Design	500,000	-	-			500,000	
114	MC	21600-06	Active	Digester Room MCC #2 Upgrade Design & Construction	1,300,000	1,300,000	-				
115	MC	24600-08	Mid-Year Add	Treatment Plant Standby Generator Upgrade	1,000,000	1,000,000	-				
116	MC	24600-17	Mid-Year Add	Secondary Effluent Line Modification (related to STPUWRE project)	721,000	720,958	42				
117	MC	22600-01	Active	Primary Clarifier #1 Repair	590,000	577,291	12,709				
118	MC	24600-15	Mid-Year Add	Primary Effluent PS and Secondary Clarifier Expansion to 24 MGD Capacity	1,175,000	300,000	875,000				
119	MC	24600-02	Pending	Primary Clarifier Repair Sludge Pump Addition	150,000	150,000	-				
120	MC	21600-11	Pending	Annual Site Improvement - Paving, Fencing, Lighting	150,000	60,000	90,000				
121	ML	24600-07	Mid-Year Add	SCADA Improvements at Plant	50,000	50,000	-				
122	MC	24600-03	Pending	Treatment Plant Upgrade Phase 2 Design - Primary Clarifiers, Disinfection, RAS	400,000	180,113	219,887				
123	MC	24600-14	Active	Battery Energy Storage System (BESS) ⁽²⁾	26,000	13,927	12,073				
124	ML		New	Lab Equipment	10,000	-	10,000				
131	MC	24600-10	Mid-Year Add	Existing Secondary Clarifier Removal	55,000	55,000	-				
132	MC	24600-11	Mid-Year Add	Anoxic Basin Coating and Waterproofing	60,000	60,000	-				
133	MC	24600-13	Mid-Year Add	Chlorine Contact Basin Access MH Extension	50,000	50,000	-				
Subtotal:					8,028,000	5,167,289	2,360,711	-	-	500,000	-

⁽²⁾ - Potential offset by two funding programs, Inflation Reduction Act 25% to 40% and PG&E SGIP between 25% and 35%, potential lowering \$6M to as low as \$1.7M actual cost

TOTAL PLANNING, FLEET, COLLECTION, RECLAMATION, & TREATMENT PROJECTS (Non-Financed)											
Total (Non-Financed):					19,893,282	11,894,932	6,910,307	4,000	-	500,000	584,043

FINANCED AND BOND PROJECTS											
146	MC	12600-07	Active	Secondary Treatment Plant Upgrade - STPURWE (financial closing as of 6-30-24) ⁽⁴⁾	20,000		20,000				
147	MC	16650-02	Active	Recycled Water Expansion - STPURWE (financial closing as of 6-30-24) ⁽⁴⁾	2,000		2,000				
Subtotal:					22,000	-	22,000	-	-	-	-
Total Debt Funded					-	-	-	-	-	-	-

⁽³⁾ - Buildup of \$9M in cash reserves reached in FY 2024-25 for Multipurpose Lab and OCC/Admin buildings

⁽⁴⁾ - Board action will be required to make final payment from reserves or other sources if final construction related payment not complete by June 30, 2024 .

GRAND TOTAL CAPITAL OUTLAY:					19,915,282	11,894,932	6,932,307	4,000	-	500,000	584,043
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Line No.	Mgr.	Project No.	Status	Project Name	Proposed Budget 2024-25	PROJECTED EXPENDITURES					
						Year 2 2025-26	Year 3 2026-27	Year 4 2027-28	Year 5 2028-29	Year 6 2029-30	Year 7 2030-31
PLANNING, SOFTWARE, ADMINISTRATION & OTHER ENGINEERING											
1	MC	20100-05	Active	Integrated Wastewater Master Plan Phase 2 and Phase 3	350,000		-				
2	MC	21500-08	Active	Biosolids Program Monitoring Research Support& Flood Protection	65,952	-	-	-	-	-	-
3	GP	21600-20	Active	Asset Management CMMS Centricity (Plant, PS, Rec Phases 2-4)	250,000	116,600	-	-	-	-	-
4	MC	24125-03	Active	On-Call Engineering Contract	206,000	212,200	218,600	225,200	232,000	239,000	246,200
5	MC	24125-01	Active	On-Call Construction Contract (2023-2025)	257,500	265,300	273,300	281,500	290,000	298,700	307,700
6	MC	24125-02	Active	On-Call Inspection Capital Projects	61,800	63,700	65,700	67,700	69,800	71,900	74,100
7	MC	23200-01	Active	Hydraulic and Continued Flow Modeling of Collection System	77,250	79,600	82,000	84,500	87,100	-	-
8	MC	22125-01	Pending	Sea Level Rise Mitigation Program Planning	60,000	50,000	-	-	-	-	-
9	MC	21600-01	Active	Emergency Bypass Pumping Analysis & Response Plan	36,050	-	-	-	-	-	-
10	ML	24560-01	Pending	Lab Software LIMS for TNI Standards Reporting	50,400	-	-	-	-	-	-
11	MC	22125-02	Pending Completion	Standard Specifications and Drawings Update Project	10,000	-	-	-	-	-	-
12	MC		New	Aeration System Reliability Study	75,000	-	-	-	-	-	-
Subtotal:					1,499,952	787,400	639,600	658,900	678,900	609,600	628,000

FLEET & EQUIPMENT (To be procured through Vehicle Replacement Fund)											
22	GP	24460-01	Ordered	2023 Vactor Flusher Truck - clean diesel	573,743	-	-	-	-	-	-
23	GP	24460-04	Pending	Equipment for Collection System Response (trailers, hoses)	10,300	10,700	11,100	11,500	11,900	12,300	12,700
24	GP	VERF	VERF	Fleet Replacement Vehicles and Utility Collection System Trucks (To VERF Reserve)	100,000	100,000	580,000	109,000	112,000	115,000	118,000
Subtotal:					684,043	110,700	591,100	120,500	123,900	127,300	130,700

- Mid-Year Add = Projects funded mid-fiscal year 2023-24 and carrying forward into 2024-25
- Awaiting Board = New project to be brought to the Board for approval and start in 2023-24
- Budget 24-25 = Projects on CIP in 2023-24 but first funding request in 2024-25
- New = New CIP projects identified and first funding request in 2024-25

Line No.	Mgr.	Project No.	Status	Project Name	Proposed Budget 2024-25	PROJECTED EXPENDITURES						
						Year 2 2025-26	Year 3 2026-27	Year 4 2027-28	Year 5 2028-29	Year 6 2029-30	Year 7 2030-31	
COLLECTION SYSTEM (INCL. PUMP STATIONS "PS" & FORCE MAINS)												
38	MC	11200-03	Active	John Duckett PS Electrical & Terra Linda Trunk Sewer Creek Crossing Improvement Design	450,000	-	-	-	-	-	-	
39	MC		New	Terra Linda Highway 101 Undercrossing Sewer Lining	500,000	-	-	-	-	-	-	
40	MC	20300-09	Mid-Year Add	Smith Ranch Pump Station Electrical Upgrades and Generator Conversion	1,195,000	200,000	-	-	-	-	-	
41	GP	24460-05	Active	Electrical System VFD Replacement (Phase 1)	500,000	-	-	-	-	-	-	
42	GP		After VFD	SCADA Integration for Pump Stations (Phase 2 split from VFD Replacement)	530,000	1,060,000	-	-	-	-	-	
43	MC	21300-03	Active	Standby Generators for Minor Pump Stations	372,400	-	-	-	-	-	-	
44	MC	21300-04	Active	Pump Station Site Lighting, Safety, & Security Improvements	206,877	-	-	-	-	-	-	
45	MC	22300-01	Pending	Rafael Meadows Pump Station - Fencing, full perimeter	150,000	-	-	-	-	-	-	
46	MC	21350-01	Active	Automatic Transfer Switches for Pump Stations	124,297	-	-	-	-	-	-	
47	MC	21600-03	Pending	Annual Site Improvement - Paving, Fencing, Lighting	60,000	61,800	63,700	65,700	67,700	69,800	71,900	
48	GP	18350-01	Pending	Captains Cove Pump Station Upgrades ⁽¹⁾	18,000	-	-	-	-	-	-	
49	GP	24540-01	Pending	Marin Lagoon Pump Stations Upgrades ⁽¹⁾	60,000	61,800	63,700	65,700	67,700	69,800	-	
50	MC	24500-05	Mid-Year Add	Hawthorn Waterproofing Drywell	60,000	-	-	-	-	-	-	
51	MC		Future	Mulligan PS & 18" TS and Hwy 101 Undercrossing Capacity Upgrades	-	-	981,000	6,720,000	-	-	-	
52	MC	20200-01	Active	Force Main Assessment, Install Ports, Cleaning, Location Marking, & Mapping	250,000	258,000	266,000	274,000	-	-	-	
53	MC	14300-05	Future	Smith Ranch Rd Combined Force Main	-	-	-	257,500	2,650,000	-	-	
54	MC		Future	Lower Marinwood TS Capacity Upgrade & Relocation	-	-	-	257,500	1,590,000	-	-	
55	MC	24460-06	Active	Sewer Main Collection System Rehabilitation Program 2024	1,886,823	-	-	-	-	-	-	
56	MC		Budget 24-25	Sewer Main Collection System Rehabilitation Program 2025	1,000,000	-	-	-	-	-	-	
57	MC	Program	Future	Sewer Main Collection System Rehabilitation Program - future years	-	1,030,000	1,061,000	1,093,000	1,126,000	1,160,000	1,195,000	
58	MC	24460-07	Active	Sewer I&I Reduction Program 2024	500,000	-	-	-	-	-	-	
59	MC		Budget 24-25	Sewer I&I Reduction Program 2025	500,000	-	-	-	-	-	-	
60	MC	Program	Future	Sewer I&I Reduction Program - future years	-	515,000	531,000	547,000	564,000	581,000	599,000	
61	GP	19200-02	Ongoing	Manhole Frame & Cover Adjustment Allowance	50,000	52,000	54,000	56,000	58,000	60,000	62,000	
62	MC		Budget 24-25	Upper Terra Linda TS and Siphon Improvements (capacity)	-	500,000	4,000,000	-	-	-	-	
63	MC		Future	Northgate Industrial Park 8" Hwy 101 Undercrossing	-	-	180,250	1,855,000	-	-	-	
64	MC	Placeholder	Placeholder	IWMP Pump Station & Force Main Projects (Placeholder)	-	-	-	-	1,700,000	5,900,000	4,100,000	
65	MC	Placeholder	Placeholder	Sea Level Rise Mitigation Construction (Placeholder)	-	-	-	-	-	1,090,000	1,120,000	
Subtotal:					8,413,397	3,738,600	7,200,650	11,191,400	7,823,400	8,930,600	7,147,900	

Green	= Pump Station Capital Assets
Blue	= Force Main Sewer
Peach	= Collection System Sewers

Line No.	Mgr.	Project No.	Status	Project Name	Proposed Budget 2024-25	PROJECTED EXPENDITURES					
						Year 2 2025-26	Year 3 2026-27	Year 4 2027-28	Year 5 2028-29	Year 6 2029-30	Year 7 2030-31
RECLAMATION											
83	MC	22500-04	Active	Solar PV System Replacement / Solar PPA	200,000	44,000	-	-	-	-	-
84	MC		New	Center Pivot No. 3 Replacement	250,000	-	-	-	-	-	-
85	MC		New	Center Pivot No. 4 Replacement	250,000	-	-	-	-	-	-
86	MC		New	Center Pivot No. 5, Replacement	-	250,000	-	-	-	-	-
87	GP	21500-01	Pending	Reclamation Pump Station Improvements - MCC, Pumps, Wet Well	180,640	-	-	-	-	-	-
88	MC	24500-04	Pending	Sludge Lagoon Liner Replacement/Repair	77,250	79,500	-	-	-	-	-
89	MC	24580-02	Active	Diversion Box Valve & Gate Installation	60,000	-	-	-	-	-	-
90	MC		Pending	Levee Road Restoration	150,000	150,000	62,000	67,200	69,300	71,400	73,600
91	MC		New	Cattail Dredging in Ponds	100,000	250,000	-	-	-	-	-
92	MC		Future	Catwalk Replacements in Reclamation Pond	-	-	60,000	-	-	-	-
93	MC		Future	Storage Pond 1 Transfer Pipe Repair	-	-	-	100,000	-	-	-
94	MC		Future	St. Vincent's Pump Station Improvements	-	-	-	-	100,000	257,500	530,000
95	MC	Placeholder	Placeholder	Biosolids Program Implementation & Construction (Placeholder)	-	-	-	2,300,000	2,300,000	2,300,000	-
96	MC	Placeholder	Placeholder	Sea Level Rise Mitigation Construction (Placeholder)	-	-	-	-	567,500	1,090,000	1,120,000
Subtotal:					1,267,890	773,500	122,000	2,467,200	3,036,800	3,718,900	1,723,600

TREATMENT PLANT (INCL. RECYCLED WATER)											
107	MC	24600-01	Active	Laboratory Building Design (Lab / Education Center / Boardroom)	1,791,000	-	-	-	-	-	-
108	MC		Budget 24-25	Corporation Yard Design	500,000	-	-	-	-	-	-
109	MC	21100-01	Future	Operations & Administration Building Design	-	2,250,000	-	-	-	-	-
110	MC	21600-06	Active	Digester Room MCC #2 Upgrade Design & Construction	1,300,000	-	-	-	-	-	-
111	MC	24600-08	Mid-Year Add	Treatment Plant Standby Generator Upgrade	1,000,000	-	-	-	-	-	-
112	MC	24600-17	Mid-Year Add	Secondary Effluent Line Modification (related to STPUWRE project)	721,000	-	-	-	-	-	-
113	MC	22600-01	Active	Primary Clarifier #1 Repair	590,000	590,000	-	-	-	-	-
114	MC	24600-15	Mid-Year Add	Primary Effluent PS and Secondary Clarifier Expansion to 24 MGD Capacity	1,175,000	-	-	-	-	-	-
115	MC	24600-02	Pending	Primary Clarifier Repair Sludge Pump Addition	150,000	-	-	-	-	-	-
116	MC	21600-11	Pending	Annual Site Improvement - Paving, Fencing, Lighting	150,000	64,000	66,000	68,000	71,000	74,000	77,000
117	ML	24600-07	Mid-Year Add	SCADA Improvements at Plant	50,000	-	-	-	-	-	-
118	MC	24600-03	Pending	Treatment Plant Upgrade Phase 2 Design - Primary Clarifiers, Disinfection, RAS	400,000	-	-	-	-	-	-
119	MC	24600-14	Active	Battery Energy Storage System (BESS) ⁽²⁾	26,000	-	3,000,000	3,000,000	-	-	-
120	ML		New	Lab Equipment	10,000	-	-	-	-	-	-
121	MC		New	Secondary Treatment Plant Optimization	-	500,000	-	-	-	-	-
122	MC	20600-04	Future	Treatment Plant Upgrade Phase 3 Design- Flow Eq, UV, Headworks	-	-	500,000	-	-	-	-
123	MC		Future	Digester Replacement and Solids Improvement Design	-	-	-	1,300,000	-	-	-
124	MC		Future	Boiler Relocation Project	-	-	-	-	515,000	-	-
125	MC	Placeholder	Placeholder	Sea Level Rise Mitigation Construction (Placeholder)	-	-	-	-	-	1,090,000	1,120,000
126	MC	24600-10	Mid-Year Add	Existing Secondary Clarifier Removal	55,000	-	-	-	-	-	-
127	MC	24600-11	Mid-Year Add	Anoxic Basin Coating and Waterproofing	60,000	-	-	-	-	-	-
128	MC	24600-13	Mid-Year Add	Chlorine Contact Basin Access MH Extension	50,000	-	-	-	-	-	-
Subtotal:					8,028,000	3,404,000	3,566,000	4,368,000	586,000	1,164,000	1,197,000

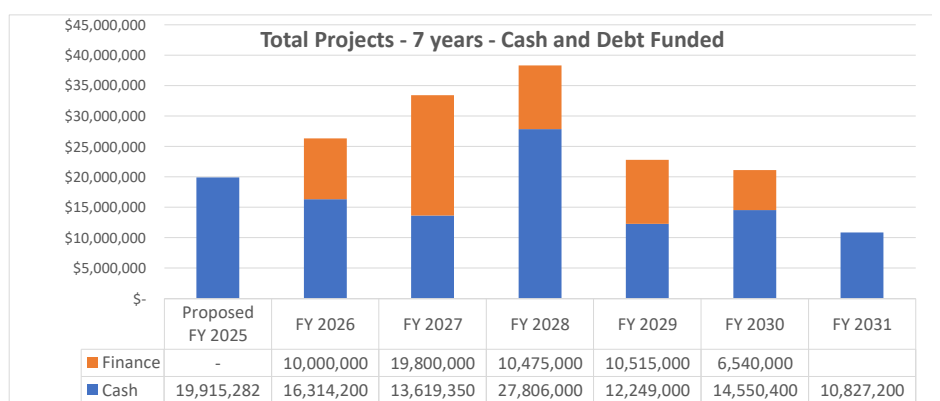
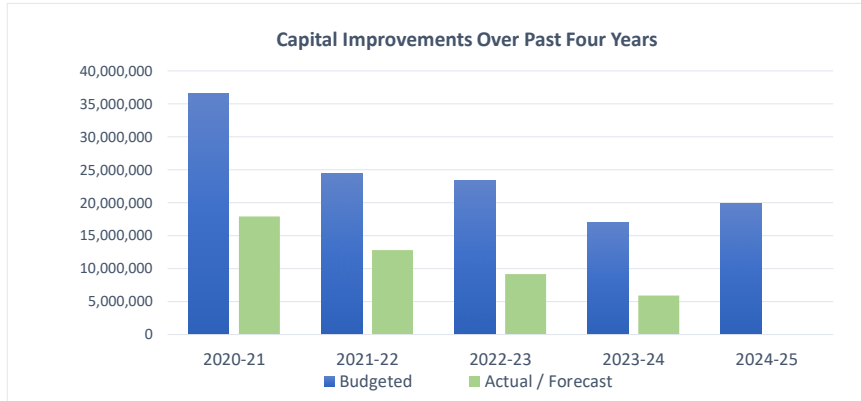
Line No.	Mgr.	Project No.	Status	Project Name	Proposed Budget 2024-25	PROJECTED EXPENDITURES					
						Year 2 2025-26	Year 3 2026-27	Year 4 2027-28	Year 5 2028-29	Year 6 2029-30	Year 7 2030-31

TOTAL PLANNING, FLEET, COLLECTION, RECLAMATION, & TREATMENT PROJECTS (Non-Financed)											
Total (Non-Financed):					19,893,282	8,814,200	12,119,350	18,806,000	12,249,000	14,550,400	10,827,200

FINANCED AND BOND PROJECTS											
141	MC	12600-07	Active	Secondary Treatment Plant Upgrade - STPURWE (financial closing as of 6-30-24) ⁽⁴⁾	20,000	-	-	-	-	-	-
142	MC	16650-02	Active	Recycled Water Expansion - STPURWE (financial closing as of 6-30-24) ⁽⁴⁾	2,000	-	-	-	-	-	-
143	MC		Budget 24-25	John Duckett PS & HWY 101 Terra Linda TS Creek Crossing Construction	-	5,000,000	10,300,000	-	-	-	-
144	MC		Future	Laboratory Building Construction - (Lab / Education Center / Boardroom) ⁽³⁾	-	7,500,000	3,500,000	-	-	-	-
145	MC		Future	Corporation Yard Construction	-	5,000,000	-	-	-	-	-
146	MC		Future	Administration and Operations Control Building Construction & Soft Costs ⁽³⁾	-	-	-	15,500,000	-	-	-
147	MC	20600-04	Future	Treatment Plant Upgrade Phase 2 Construction - Primary Clarifiers	-	-	7,500,000	-	-	-	-
148	MC		Future	Treatment Plant Upgrade Phase 3 Construction - Flow Eq, UV, Headworks	-	-	-	3,975,000	3,975,000	-	-
149	MC		Future	Digester Replacement and Solids Improvement Construction	-	-	-	-	6,540,000	6,540,000	-
Subtotal:					22,000	17,500,000	21,300,000	19,475,000	10,515,000	6,540,000	-
Total Debt Funded					-	10,000,000	19,800,000	10,475,000	10,515,000	6,540,000	-

GRAND TOTAL CAPITAL OUTLAY: 19,915,282 26,314,200 33,419,350 38,281,000 22,764,000 21,090,400 10,827,200


- ⁽¹⁾ - Partially Funded by Captains Cove & Marin Lagoon Restricted Funds
- ⁽²⁾ - Potential offset by two funding programs, Inflation Reduction Act 25% to 40% and PG&E SGIP between 25% and 35%, potential lowering \$6M to as low as \$1.7M actual cost
- ⁽³⁾ - Buildup of \$9M in cash reserves reached in FY 2024-25 for Multipurpose Lab and OCC / Administration buildings
- ⁽⁴⁾ - Board action will be required to make final payment from reserves or other sources if final construction related payment not complete by June 30, 2024 .





Item Number 3
GM Review CP

Agenda Summary Report

To: Board of Directors
From: Dale McDonald, Administrative Services Manager 
(415) 526-1519 dmcdonald@lqvsd.org
Meeting Date: June 20, 2024
Re: Resolutions for Collection of Fiscal Year 2024-2025 Sewer Service Charges and Fiscal Year 2024-2025 Budget Related Actions

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

STAFF RECOMMENDATION

Board to approve the four resolutions summarized below.

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 as part of the budget process pursuant to Health & Safety Code Sec. 6760 to request billing services and to request funds due the District. These resolutions are as follows:

- A. Resolution No. 2024-2331 – Reconfirming the annual sewer service charge and supplemental service charges and authorizing Marin County to bill sewer service charges on the tax roll.
- B. Resolution No. 2024-2332 – Fixing and Approving the Fiscal Year 2024-2025 Budget. Exhibit A, the Las Gallinas Valley Sanitary District 2024-2025 Budget, will be attached to the resolution after Board approval of the budget scheduled immediately before this agenda item.
- C. Resolution No. 2024-2333 – Determining the maximum appropriation limit of tax proceeds per state law of \$3,557,446.
- D. Resolution No. 2024-2334 – Requesting allocation of taxes from Marin County for the Fiscal Year 2024-2025 (\$1,297,000).

PREVIOUS BOARD ACTION

N/A

ENVIRONMENTAL REVIEW

N/A

FISCAL IMPACT

None.

RESOLUTION NO. 2024-2331

**A RESOLUTION RECONFIRMING THE ANNUAL SEWER SERVICE CHARGE
AND SUPPLEMENTAL SERVICE CHARGES FOR THE
LAS GALLINAS VALLEY SANITARY DISTRICT
FOR THE FISCAL YEAR 2024-2025 AND PROVIDING FOR THE COLLECTION OF SEWER
SERVICE CHARGES ON THE TAX ROLL**

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

WHEREAS, the District did on June 30, 2023 have a Public Hearing on the Proposed Increase in Sewer Service Charges; and

WHEREAS, the Board did on June 30, 2023 adopt Ordinance No. 192, which adopted the annual rate increases as outlined in the Proposition 218 Notification incorporated into Resolution No. 2023-2310 as Exhibit A; and

WHEREAS, the Board pursuant to the adoption of Ordinance No. 192 desires to affirm that the maximum basic annual sewer service charge rate for the Fiscal Year 2024-2025 is \$1,356 per year starting on July 1, 2024, 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 commissioned by the District staff 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 basic sewer service charge of \$1,356 per sanitary unit shall be the rate for the Fiscal Year 2024-2025.
2. The annual sanitary sewer service surcharge for the Marin Lagoon HOA of \$110 per annum and Captains Cove HOA of \$100 per annum will be added to the sewer service charge above for the Fiscal Years 2024-2025.

BE IT FURTHER RESOLVED, 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 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 20, 2024, by the following vote of the members thereof:

AYES, and in favor thereof, Members:

NOES, Members:

ABSENT, Members:

ABSTAIN, Members:

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

APPROVE:

(seal)

Craig K. Murray, President
Las Gallinas Valley Sanitary District

RESOLUTION No. 2024-2332

**A RESOLUTION FIXING AND APPROVING THE BUDGET
FOR THE FISCAL YEAR 2024-2025**

LAS GALLINAS VALLEY SANITARY DISTRICT

WHEREAS, the General Manager and Administrative Services Manager have prepared the proposed budget for the Fiscal Year 2024-2025; and,

WHEREAS, the members of the Sanitary Board of Directors of the Las Gallinas Valley Sanitary District have studied that proposed budget and made amendments thereto;

NOW, THEREFORE BE IT RESOLVED by the Sanitary Board of the Las Gallinas Valley Sanitary District that the general fund allocation approved for Fiscal Year 2024-2025 is \$41,127,060 including an allocation of \$19,915,828 for capital improvements and \$ 4,506,819 for debt service.

BE IT FURTHER 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, 2024, and in the funds of the District, shall be reserved for use by the District during the Fiscal Year 2024-2025.
2. That the budget for said District for the Fiscal Year 2024-2025 heretofore presented to this Board, a copy of which is hereto attached as Exhibit A and by reference incorporated herein, be hereby approved.
3. That the General Manager 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 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 20, 2024, by the following vote of the members thereof:

AYES, and in the favor thereof, Members:

NOES, Members:

ABSENT, Members:

ABSTAIN, Members:

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

APPROVED:

(seal)

Craig K. Murray, President
Las Gallinas Valley Sanitary District

Exhibit A

Las Gallinas Valley Sanitary District
2024-2025 Budget

Las Gallinas Valley Sanitary District

Proposed Budget

Fiscal Year 2024-2025

June 20, 2024





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MANAGEMENT TEAM
General Manager, Curtis Paxton
Plant Operations, Mel Liebmann
Collections/Safety/Maintenance, Greg Pease
Engineering, Michael P. Cortez
Administrative Services, Dale McDonald

DISTRICT BOARD
Megan Clark
Craig K. Murray
Barry Nitzberg
Gary E. Robards
Crystal J. Yezman

June 20, 2024

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

The management staff of the Las Gallinas Valley Sanitary District (“District or LGVSD”) is pleased to present the Proposed LGVSD Budget for the upcoming 2024-2025 fiscal year. The Proposed budget includes the latest data on revenue projections, expense forecasts, debt service requirements, reserve funding, and capital outlay expenditures.

District Policy F-40-10 (Budget Preparation) requires that the General Manager and Administrative Services Manager prepare an annual budget proposal. The proposed annual budget, as amended by the Board during its review, shall be adopted at a regular meeting in June.

SUMMARY

The District must provide enough revenue to cover the cost of providing sanitary sewer collection, treatment, and recycled water service including the costs of acquisition, construction, reconstruction, maintenance, repairs, replacement and operation of the sanitary sewer systems and the payment of principal and interest on bonds or other debt instruments issued for the construction or reconstruction of the sanitary sewer systems. Operating revenue includes sewer service charges collected, revenue from the production of recycled water, and revenue from permit and inspection fees related to development-related sewer system improvements of the collection system. Non-operating revenue, which supplements operating revenue, includes property taxes, interest, franchise fees, and other pass-thru reimbursement revenue. Capital contributions, grants, and the utilization of bond funds and reserves round out the revenue sources for the District. The District is anticipating \$41,127,060 in total funding for 2024-2025 with \$25,568,312 coming from revenue and \$15,558,748 from prior year capital carryover, reserve funds, and unrestricted cash.

Operations and Maintenance (“O&M”) expenses are anticipated to increase over the prior year actuals by \$1,138,600, or 8.97%. O&M expenses means the reasonable and necessary expenses paid or incurred for maintaining and operating the collection, treatment, and recycled water systems (“Systems”) of the District, determined in accordance with generally accepted accounting principles (“GAAP”) that the Governmental Accounting Standards Board (“GASB”) established for and is used by state and local governments in the United States. O&M expenses include all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the systems of the District in good repair and working order. These include all administrative costs of the District that are charged directly or apportioned to the operation of the systems, such as salaries and wages of employees, overhead, the cost of permits, licenses, and charges to operate the system and insurance premiums. Excluded from O&M expenses are depreciation, replacement, obsolescence charges, reserves, and amortization of intangibles. O&M expenses, including employee salaries and wages, comprise 33.62% of the budget.

Debt service requirements are \$4,506,819 and include the 2017 Revenue Bonds and 2019 IBank loan. Debt service comprises 10.96% of the budget. The next debt to be paid off is the Municipal Finance Corporation 2005 Certificate of Participation Bond in 2026.

New Reserve funding of \$2,477,793 is proposed and set aside to cover scheduled, routine, and unscheduled expenses that would otherwise be drawn from the General Fund. Reserve funds may also be used for large-scale projects and improvements that are expected to happen in the future, such as the construction of new operations and laboratory buildings at the treatment plant and the John Duckett Pump Station and Trunk Sewer project. The District maintains four reserve funds and four restricted funds. Restricted funds are monies set aside for a particular purpose and \$401,120 in additional funding is proposed with the budget and includes funding for the Recycled Water Capital Repair and Replacement fund required under agreement with Marin Municipal Water District (“MMWD”). Reserve funds are permanently restricted to that purpose and cannot be used for other expenses. Reserves Policy F-50 establishes and explains the purpose and reasons for each of the reserves established, along with target thresholds. Both the reserve funds and restricted funds are included in the reserve funding total, but they are different in that while the board can reallocate funds from reserves, while the restricted funds, such as Captains Cove and Marin Lagoon, serve a specific purpose and therefore their use is controlled by State law and agreements in place for providing service. Reserve and restricted funding comprise 7.0% of the budget.

The Capital Outlay effort for 2024-2025 remains the primary driver of expenditures for the District comprising 48.43% of the total budget. The total capital outlay for the Capital Improvement Program (“CIP”) for Fiscal Year 2024-2025 is \$19,915,828. During the development of the CIP, review of strategic initiatives established by the Board, along with anticipated implementation of the Integrated Wastewater Master Plan indicate that capital improvements will remain the primary expense driver for the District for at least the next 10 years. The good news is that by adding to or improving District facilities the public materially benefits from the value and useful life of the assets of the District.

Unused prior year Capital Outlay Carryover funds is the primary funding source for most capital projects in Fiscal Year 2024-2025. \$12,255,708 of carryover funding is allocated for use on capital projects in the 2024-2025 budget.

Sincerely,



Curtis Paxton
General Manager



Dale McDonald
Administrative Services Manager

Las Gallinas Valley Sanitary District

Proposed Budget – 2024-2025

REVENUE

Operating Revenue

The District is entering its second year of a four-year Sewer Service Charge (“SSC”) rate plan. A rate increase of \$124 annually for Single Family Residential (“SFR”) users is factored into the budget. The rate increase will provide \$2,183,463 in additional revenue over last year. Non-residential SSC revenue is expected to decrease slightly as non-residential customers used less water during the measurement months resulting in lower SSCs.

Recycled water revenue is the estimated cost of providing water to Marin Municipal Water District (“MMWD”) and North Marin Water District (“NMWD”) based on the projected recoverable costs for the year. Projections for revenue are based on the percentage of actual recycled water provided to MMWD and NMWD. Revenue is expected to increase slightly over the prior year’s actuals but remain below last year’s budgeted amount. The District’s Treatment Plant is utilizing more recycled water which lowers the percentage used by MMWN and NMWD respectively, resulting in lower operating cost recovery.

Inspections, permits, and application fees reflect projected revenue from fees related to the Private Sewer Lateral Inspection program, lateral repairs and replacement, and applications for engineering review. The revenue is based on historical sales and permit data for properties within the District between 2019 and 2023. Permits revenue is expected to increase as private sewer lateral replacements are undertaken by property owners whose laterals are connected to main sewers included in the District’s Sewer Main Collection System Rehabilitation Program 2024 as a credit against SSC revenue.

Non-Operating 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 2024-2025 are expected to be slightly higher than 2023-2024 actuals. For 2024-2025, property tax revenue is budgeted at \$1,296,090 and reflects a 4% increase over projected 2023-2024 receipts. The District has historically identified secured property taxes as general fund revenue since the State puts no limitations on its use. It can, therefore, be considered a general fund that can be used for any legal purpose allowed by District Code and State law. The Low-Income Sewer Rate Assistance Program is funded from secured property tax revenue, and a total of \$25,000 has been allocated to the program in 2024-2025.

Prior Secured taxes, Supplemental Property Tax Assessments, and Home-Owner Property Tax Relief (“HOPTR”) funds are projected to rise 3.91% over last year. These are collected by the County with and at the same time as the secured property taxes and SSC assessment. They are reported separately as required by the State Controller’s Office and auditing standards. Both the 1% annual Ad-Valorem tax increase for most property owners and the reassessment of property value upon sale of homes are factored in the reserve assumptions.

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. These factors are adjusted annually per the incremental growth rate in assessed property tax values. Staff has budgeted \$480,510 for 2024-2025 using the foundational basis from the ERAF revenue received in 2023-2024 and subtracting \$15,124 in annual loss under the California Governor’s ERAF budget trailer bill submitted for the State’s 2024-2025 fiscal

Las Gallinas Valley Sanitary District

Proposed Budget – 2024-2025

year. Of note, Senate Budget Subcommittee 1 on Education recently rejected the Governor’s ERAF proposal. The issue remains fluid at the State level with any loss in excess ERAF funding due dependent on charter school funding ruling and action by the legislature and Governor.

The Solid Waste Franchise fee revenue is forecast based on the anticipated Marin Sanitary Service rate increase adopted in January of each year. The revenue is based on the agreement with the solid waste franchisee, Marin Sanitary Service. Higher rates due to costs related to implementation of SB 1383, the State’s organics recycling law, were adopted in January 2024 which has increased both revenue and pass thru expenses related to the solids waste collection, recycling, and organic waste programs. An incremental increase in Franchise Fee revenue is forecast for January 2025 and is in alignment with the recent cost-of-service Franchise Agreement study completed in March 2024.

Interest on reserves, which are invested in the Bank of Marin, the Local Agency Investment Fund with the State of California, and two additional pooled investment accounts, California Cooperative Liquid Assets Security System (California CLASS) and California Asset Management Program (CAMP), are expected to yield lower returns as the interest rate remains flat after increasing last year. As the District uses accumulated funds for construction projects, the earnings are projected to decline in 2024-2025.

The Private Sewer Lateral Assistance program began in July 2012. The budget reflects the projected direct repayments and annual payments to be collected on the tax roll in 2024-2025 from property owners that took advantage of the program to have the District pay for their sewer lateral repair or replacement. The District anticipates a spike in property owners taking advantage of the program due to the impact of the District’s Sewer Main Collection System Rehabilitation Program of 2024, resulting in additional expenses to the District this year with recovery of those expenses to take place over the next 10 years.

The Miscellaneous revenue account allows various incidental or one-off payments to be deposited into the District’s operating account. Staff does not forecast a budget in this category, as they are difficult to project, but has included a small placeholder based on last year’s budget to assist with future accounting if needed.

Capital Contributions / Capacity Related Revenue

Annexation, Capital Facilities Charges (“CFC”), and Connections Fee activity for remodel permits and Accessory Dwelling Units (“ADUs”) has increased from prior years. CFC’s can be paid over 2 years as the project is developed. While the District is substantially built out and the pace of development is difficult to predict, staff are aware of a few large-scale development projects which are anticipated to be approved for connecting to the sewer system in 2024-2025. Staff is conservatively budgeting \$320,420 in receipts for capital facility charges for 2024-2025 primarily the result of the two large projects currently under development.

State and local governments are looking at laws to allow additional expansion of ADUs to create more affordable housing and provide flexibility for families who wish to build a second unit on their property. ADUs are normally not subject to capacity or connection fees but can be billed a SSC depending on the size and number of units. A capacity fee study by HDR Engineering was completed in 2022 which, based on the cost-of-service for connecting to the system, adjusted the CFCs that can be imposed on development. Annexation and development fees are separate from the CFC connection fees. The interest income for this category is for existing CPC funds held on deposit, which must be expended only for capital projects that increase capacity to either the collection system or treatment plant.

Las Gallinas Valley Sanitary District Proposed Budget – 2024-2025

Marin Municipal Water District (“MMWD”) 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. Through May 2023, the MMWD buy-in and debt service funds were allocated to the Capital Reserves for their shared cost of the expansion project. Now that the project is completed, the buy-in and debt service payments received from MMWD will be allocated to undesignated Capital Reserves for future use by the District. In addition, per the agreement, MMWD and LGVSD will meet after Notice of Completion is filed to review the construction costs of the projects and adjust the buy-in amount based on actual final costs of the project. The Marin Municipal Water District Inter-Governmental capital contribution revenue line item includes \$242,000 in 2024-2025 as a placeholder for anticipated revenue from the buy-in adjustment.

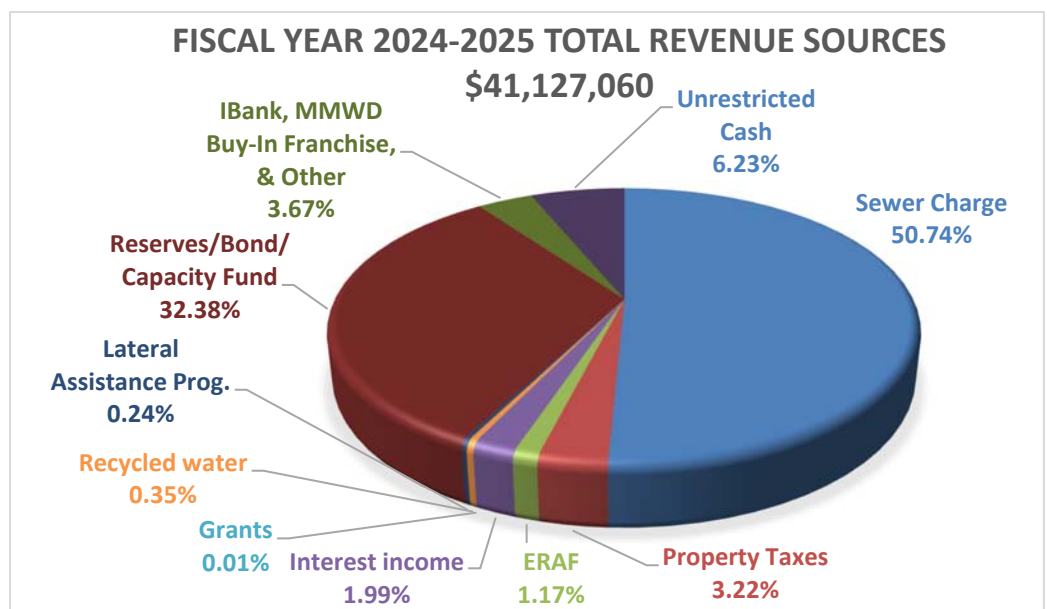
There is only one pending disbursement of \$567,760 from the IBank loan remaining, which will be disbursed once the Notice of Completion for the Secondary Treatment Plant Upgrade and Recycled Water (“STPURWE”) project is filed. The remaining funds will be returned to the general fund as STPURWE expenditures have already been paid. The disbursement budgeted is reflected in the Other category on the charts on the following pages.

Federal and State grants may become available for wastewater infrastructure projects, but no specific grant has been identified let alone secured. The District has contracted with a consultant to pursue alternative funding and is in process of hiring a staff person to pursue and manage grants, and is collaborating with partner agencies, such as North Bay Water Reuse Authority, to investigate grant opportunities. It is wise for the District to design construction-ready projects to take advantage of any grants that become available, but it would not be prudent to anticipate revenue from grants at this time. A Zero Waste Marin reimbursement grant of \$5,000 is anticipated in 2024-2025 to offset the District’s cost for various waste reduction laws and support projects that move Marin’s communities to Zero Waste.

Utilization of Bond Funds and Reserves

The Private Sewer Lateral (“PSL”) Assistance Program has continued to collect reimbursements for loans made to property owners. The program has become self-funded, with sufficient revenue coming from repayment by property owners to fund assistance to new property owners wishing to take advantage of the program. The balance in this program as of June 30, 2024 is anticipated to be \$411,350. Anticipated revenue of \$100,000 will help offset the \$187,800 in budgeted expenses for new assistance payments in 2024-2025.

The District has previously budgeted for projects that have not yet begun or are in the middle of construction, which has created carry-over capital funding that is available for



Las Gallinas Valley Sanitary District Proposed Budget – 2024-2025

continuing projects. These projects are included in the Capital Outlay budget. Any unused funding allocated to these projects will carry forward into 2024-2025. A total of \$12,255,708 of prior-year capital carry-over is budgeted for use in 2024-2025.

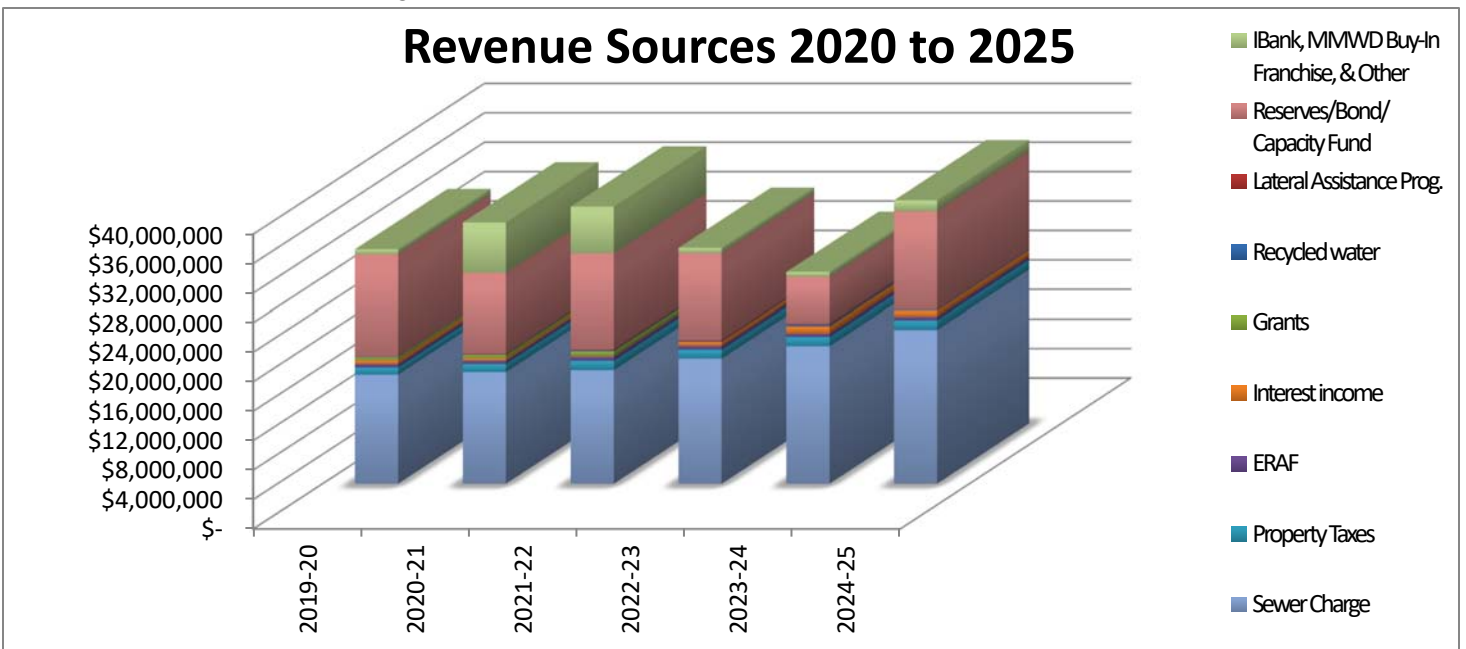
Capital Reserves used for the STPURWE Project were depleted by May 2023. The Marin Municipal Water District (“MMWD”) Buy-In and their share of debt service payments collected for the STPURWE project and held in this reserve was used towards the completion of the project. The projected Capital Reserve beginning balance for 2024-2025 of \$9,318,529 includes \$6,000,000 designated for the Laboratory/Education Center/Board Room project which is one component of the operations and administration building projects. Additional funding and reallocation from undesignated capital reserves will bring the designated ending balance for the building projects to \$9,000,000 and the undesignated reserves to \$1,500,000. There is no planned use of these funds in 2024-2025.

Transfers from the Capacity / Connection Fee Facilities Fund, which has been growing as fees for new or additional connections to system are paid by developers, can be used to pay for collection system and plant capacity improvements necessary to serve those connections. There is no planned use of these funds budgeted for 2024-2025.

Transfers from the Marin Lagoon and Captains Cove restricted funds can be used towards repayment of operating and capital costs, including capital replacement and Board authorized capital projects, incurred for Marin Lagoon and Captains Cove collection systems. A total of \$53,800 is budgeted for 2024-2025.

The Recycled Water Capital Repair and Replacement fund established in May 2023 is expected to have an ending balance of \$17,520 as of June 30, 2025. Both LGVSD and MMWD are required to each contribute 10% of their portion of recycled water operating and maintenance expenses to this fund annually.

The graph below shows the composition of District revenues for the past five fiscal years plus the projected 2023-2024 and Proposed budget for 2024-2025.



Las Gallinas Valley Sanitary District Proposed Budget – 2024-2025

EXPENDITURES

The Government Accounting Standards Board (GASB), which is recognized as the official source of GAAP for state and local governments, establishes modified accrual accounting standards. Modified accrual accounting is used and accepted by governmental agencies because they focus on current-year obligations. Las Gallinas Valley Sanitary District Policy F-40-20 (Basis of Budgeting) required that all budgetary procedures conform to state regulations and generally accepted accounting principles. As such, the District uses a modified accrual basis of accounting for reporting on budgeted versus actual expenditures, with the following exceptions:

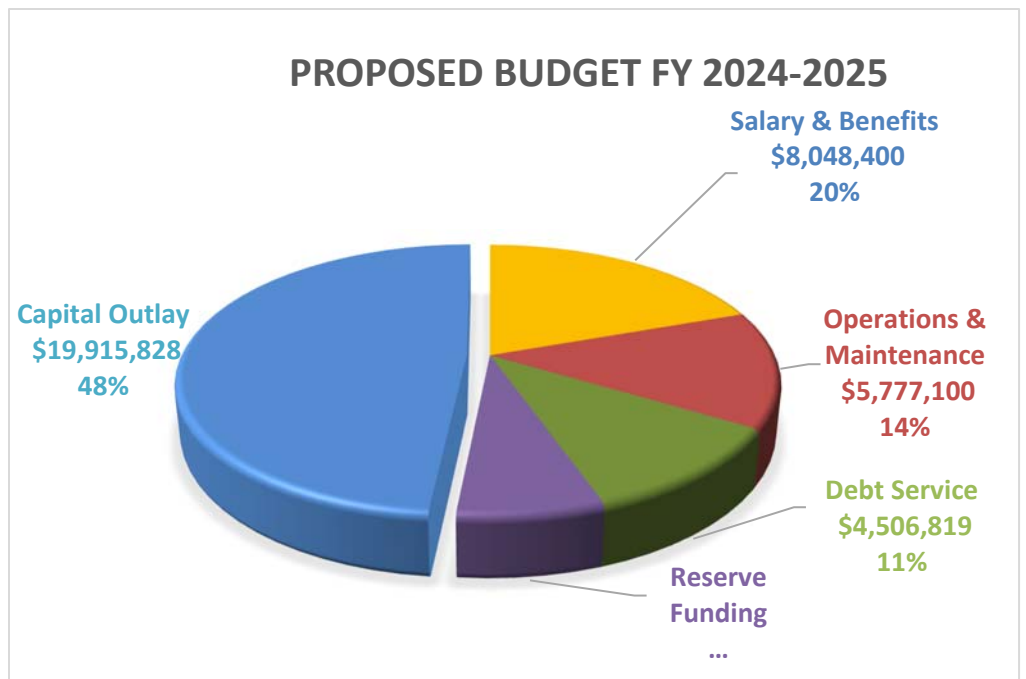
- Grant revenues are budgeted on a modified cash basis rather than an accrual basis.
- Fixed assets are depreciated for some financial reporting but are fully expensed in the year acquired for budgetary purposes.

Modified accrual accounting is an alternative bookkeeping method that combines accrual-basis accounting with cash-basis accounting. It recognizes revenues when they become available and measurable and, with a few exceptions, records expenditures when liabilities are incurred.

The General Manager and Administrative Services Manager are responsible for development of internal accounting policies and procedures necessary to implement financial policies and to ensure that internal controls, processes, and procedures follow the California State Controller’s Office Internal Control Guidelines pursuant to CGC section 12422.5 and are adequate to protect the finances of the District.

Expenditures of the District are broken down into the following categories:

1. Operations and Maintenance Expenses (*including salary & benefits*)
2. Debt Service
3. Reserve Funding
4. Capital Outlay



The District’s largest expenditure category is Capital Outlay followed by Operations and Maintenance. The operations and maintenance expense, debt service, reserve and restricted funding, and capital outlay financials have been reviewed and comments on

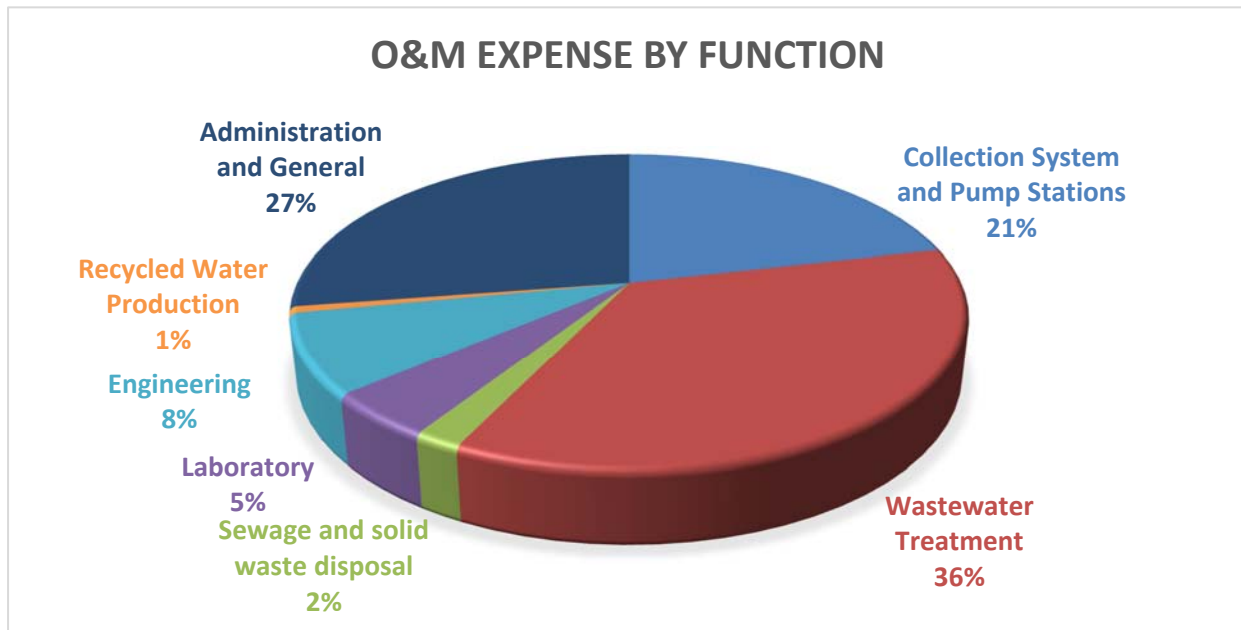
key items of interest are being provided to the Board to facilitate discussion. The Board can review its reserve policy and establish reserve funding targets for the Operating & Rate Stabilization Reserve, Emergency Repair, Capital Reserves, and Vehicle and Equipment Reserve as part of the budget process.

Las Gallinas Valley Sanitary District Proposed Budget – 2024-2025

Operations and Maintenance Expenses

Employee Expenses:

Employee wages and benefits have risen over recent years as staff positions have been added. The Proposed budget shows actual change over 2023-2024 is projected to be 11.5%. A 3% cost-of-living adjustment effective July 1, 2024 is factored into the budget. The budget includes funding for one additional Full-Time Equivalent (“FTE”) position proposed for 2024-2025, which may consist of two part-time staff, that would be created for the “Operator-In-Training” (“OIT”) apprenticeship program to support the treatment plant be developed in late 2024. The budget for 2024-2025 is based on the District maintaining full-staffing levels throughout the year and includes adding \$100,000 for the OIT program and for contract personnel to support the engineering department later this year.



Payroll taxes, group life insurance, CalPERS retirement, Health benefits, Dental, and Vision insurance are projected to increase over prior year actuals as new employees are hired to fill approved and proposed positions.

CalPERS contributions are projected from regular wages with the published employer contribution rate of 16.02% for classic members (up slightly from 15.95%) and 7.87% (up from 7.68%) for PEPR in 2024-2025. Staff who became CalPERS members after 2013 are covered by the PEPR plan which requires lower retirement contributions by the District. PEPR employees are required to contribute 8% towards their retirement per MOU. The District’s share of CalPERS contributions in 2024-2025 is projected to increase 1.5% over prior year actuals.

Health insurance is projected based on the known rates for July through December 2024 and the application of an estimated health insurance trend rate of +1% for the remainder of 2024-2025. CalPERS Health will set the coverage rates for 2025 in the summer of 2024. The expense also reflects costs associated with one new proposed position for 2024-2025. Other Post-Employment Benefits (“OPEB”) retiree health benefits for prior employees and pre-funded expenditures for current employees based on the GASB 75 actuarial valuation measurement date June 30, 2022 are included under health benefit expenses.

Las Gallinas Valley Sanitary District

Proposed Budget – 2024-2025

The Auto Allowance is a vehicle allowance benefit for management employees who have this benefit included in their contracts. Managers who opt to use a District vehicle are not entitled to the auto allowance. A cost-of-living adjustment for the vehicle Auto Allowance will be made on July 1, 2025.

Proposed New Program and Position:

Board Financial Policy F-40-40 grants exclusive authority to the Board to increase the number of authorized staff at the District. Historically, new staff positions are considered as part of the budget process. After a review of operational needs management is recommending the creation of an “Operator-In-Training” (“OIT”) apprenticeship program and the addition of one FTE position, increasing the FTE positions at the District from thirty-one to thirty-two. The following program is proposed:

OIT Program and Plant Operator-in-Training

An OIT program would allow management to create either one full-time or two part-time positions to work at the Las Gallinas Valley Sanitary District Treatment Plant, learning new skills and helping existing operators and lab staff with the operation of the plant. Both Central Marin Sanitation Agency and Napa Sanitation District have OIT programs. The first-year cost to implement the program is estimated to be \$60,000. Beginning in 2026, the annual cost of the program would be between \$120,000 and \$150,000 depending on the candidate’s qualifications, whether they are full or part time, whether they qualify for the District’s CalPERS retirement plan, and whether they take advantage of the District’s paid CalPERS Health family benefit option. There may be opportunities to offset some costs through educational internship/apprenticeship funding sources.

The job classifications for the Plant OIT and Lab Analyst-in-Training already exists and the positions are on the District’s Pay Schedule. Upon Board approval of the budget and authorization to increase staff count, management can begin designing the program and plan for hiring for the apprenticeship program in late 2024.

Insurance:

Workers compensation insurance is based on projected wages for 2024-2025, plus the addition of full-time positions being filled, and a decrease in the experience modification factor from 0.89 to 0.70 based on the District’s recent claims history. The Workers Compensation Insurance Rating Board (WCIRB) continues to use the simplified Experience Rating Formula which removes the first \$250 of each claim for the calculation. The decrease in the projected 2024-2023 actuals is attributable to the lower experience modification factor for the July 1, 2023 to July 1, 2024 period.

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 the yearly cost is known based on the current billing, and a modest increase of 3% over 2023 has been calculated for liability insurance. The insurance invoice for the July 1, 2024 to June 30, 2025 term has not yet been received.

Property insurance is reported on the same line item with general liability. Since 2018, significant events have driven the property insurance market to tighten substantially. Prior events in 2020 and 2021 have further aggravated market conditions and the firming trend is expected to continue. Property insurance rates are forecast to increase 6% or an additional \$10,320 because of market conditions. In addition, the new construction values related to the STPURWE Project were added to the insured Schedule of Values (SOV) which will increase the Total Insurance Value by an additional 7.5%, resulting in an additional \$12,900 premium increase at renewal in 2024-2025.

Las Gallinas Valley Sanitary District

Proposed Budget – 2024-2025

Repairs and Maintenance:

Most repairs and maintenance expenses are coordinated by the Maintenance Supervisor, but actual expenses related to assets are allocated to the respective financial class Collection System, Pump Station, Treatment Plant, or Recycled Water for proper accounting. Management work together to authorize and approve expenses. Inflation and logistic delays have continued to have an impact on the costs of parts and services in 2024 but are stabilizing. It is anticipated that continued inflationary factors will influence costs into 2025 with an increase in the range of 3% to 6% over current costs. The Repair and Maintenance Proposed budget for 2024-2025 will be under the prior year's budget by \$153,900 (-20.7%) but over the projected actual expenses by \$180,763 (31.3%). The primary drivers of increased maintenance costs in 2024-2025 are:

- Algae control at the reclamation storage pond is expected to cost \$80,000. This is periodically performed and is not an annual expense. Other incidental maintenance costs include the building and grounds maintenance which includes having an outside firm perform yard work on the main building landscape, and includes expenses related to maintenance work performed by the District's skilled maintenance employees. Monthly Jefferson Security Fire Suppression monitoring is also included under the repair and maintenance budget.
- Bio-Wheel chain sprocket units and additional pumps will be ordered as inventory for emergency pump replacements and Bio-Wheel repairs. \$50,000 has been added to the Capital Repair and Replacement budget for the pumps and \$50,000 for the Bio-Wheel chain sprocket units. 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:

Other operating expenses include supplies and contracted services to support the operations at the treatment plant, pump stations, and administration of the District.

- Chemical costs make up the largest percentage of supplies required by the District. The amount budgeted for supplies and small tools is \$850,200, and of that \$633,800 is for chemicals. The District is a member of the Bay Area Chemical Consortium ("BACC") which assists the District in obtaining the most competitive unit pricing. Unit prices beginning July 1 for sodium hypochlorite will increase 12.86% and sodium bisulfite will decrease 11%, offsetting each other and resulting in a modest increase in chemical costs of \$17,000 over the current year.
- Outside contracted services include services related to personnel and HR services, guard service, labor relations, janitorial services, security patrols and alarm monitoring, portable restroom rentals, alternate grant funding studies, and other incidental outside operating expenses.
- Sludge injection and land disposal of biosolids is normally an operational expense of the wastewater treatment process. During the first year of the Biosolids Program Monitoring Research project, land application was performed as part of the biosolids feasibility study and sludge was injected into the Districts dedicated disposal site. The associated costs related to land disposal of solids, required as part of the ongoing study, was charged to the Biosolids Program Monitoring Research project. As we enter the second year of the study, a call for bids for Biosolids Land Application Services for 2024 went out. Coordination with the USEPA Research Team is a small component of the bid requirements with the cost

Las Gallinas Valley Sanitary District

Proposed Budget – 2024-2025

anticipated to be only a fraction of total project costs. The Proposed budget includes \$380,000 as an operational expense based on the prior year's cost of sludge injection and land disposal.

- Consultants include costs for climate assessments, Canada goose project and reporting to NPDES, MMWD water data review and rate setting assistance, recruitment, labor relations, and for organizational and Board development.
- Feasibility studies that are not capital improvement or capacity related are treated as an operational expense. Unspent funding of \$64,000 for the North Bay Water Reuse Authority (NBWRA) drought contingency and sea-level rise resilience studies have been carried forward to fiscal year 2024-2025. No additional operational feasibility studies have been identified for 2024-2025, but once the Integrated Wastewater Master Plan is complete, management expects feasibility studies will be undertaken. A placeholder of \$10,000 is included for an operational study in the Proposed budget.
- The financial services budget includes \$60,000 to contract with an independent financial advisor to identify debt financing and/or bond issuance options for the John Duckett Pump Station and Multi-Use Laboratory building construction projects. Additional financial services include actuarial valuations, sewer rate studies, and arbitrage compliance services.
- The Private Lateral Rehabilitation Assistance Program (“PLRAP”) budget has been increased to \$187,800. The PLRAP was established to help property owners pay for repairing or replacing their lower and upper private sewer lateral. Under this program, the District will advance the property owner up to \$10,000 to be repaid semi-annually, over ten years at flat 2% interest. In the upcoming months, the District will be repairing or replacing multiple sewer main line segments as part of its Sewer Main Collection System Rehabilitation Program, which will affect 100-150 residential and commercial parcels depending on the scope of work. It is expected that 10% of these property owners would take advantage the PLRAP to coordinate replacement of their upper lateral.

General and Administrative:

General and Administrative expenses round out the Operations and Maintenance expenses of the District. The expenses under this category are District wide and benefit all departments.

- Election costs are budgeted at \$25,000 bi-annually, every even fiscal year, and is based on estimated billings from the Marin County Registrar of Voters. The next election is November 2024.
- Computer Services and Software includes annual software renewals, outside computer network support, Zoom video conference, and other incidental computer software products. As software companies move away from providing owned software licenses and switch to a Software-as-a-Service (“SaaS”) licensing and delivery model, in which software is licensed on a subscription basis and is centrally hosted, the District will see these expenses rise. CityWorks and ArcGIS follow the multi-year SaaS licensing models. Other software such as SCADA, Caselle, and Microsoft Office which have software license agreements for one-year or less are treated as incidental software licenses. Computer equipment below the capital asset threshold is replaced as needed under the Office Supplies & Equipment cost center.
- Public education and outreach expenses are for the joint efforts with other Marin County wastewater treatment agencies, web site maintenance, donation requests from community groups for funding, special mailings and for the District's newsletter and annual sewer rate change mailings.
- Rents and leases include the annual administration office lease at 101 Lucas Valley Road (\$114,900), lease of the postage machine, off-site records storage, railroad easements and copiers. The lease for the administration office is up for renewal on December 1, 2024 and an increase in rent is anticipated.

Las Gallinas Valley Sanitary District

Proposed Budget – 2024-2025

- Employee training and education includes the cost for the District to participate in the Liebert Cassidy Whitmore employment relations consortium and other offsite training. Management training and coaching has been added to the budget for all managers and supervisors following the 2024 FutureSense climate assessment report. An increase in offsite training conferences in 2024 and 2025 is expected, and the budget reflects this increase over the current year actuals.

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 \$1,408,800 as of July 1, 2024.
- 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 \$2,029,476 as of July 1, 2024.
- Bank of Marin Loan #1 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 \$2,032,589 as of July 1, 2024.
- 2017 Revenue Bonds were issued in April 2017 with a principal amount of \$38,365,000. The true interest rate to maturity is 3.2984%. Annual principal and interest payments are due through April 2042. The principal balance remaining is scheduled to be \$31,110,000 as of July 1, 2024.
- The District entered into an agreement with California Infrastructure and Economic Development Bank (iBank) in May 2019 for a loan of \$12,000,000. The loan has a maturity date ranging from August 1, 2019 through August 1, 2043. The interest rate on the loan is 3.0% per annum. The principal balance remaining is scheduled to be \$10,252,581 as of July 1, 2024. An annual service fee, \$30,758 for 2024-2025, is treated as an Operating & Maintenance expense but recognized as debt service for budget purposes. The annual fee is not reported as a long-term obligation in audited financials.

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 received from MMWD are deposited into the operating account for use to pay their share of debt service for the recycled water treatment facility improvements. Choosing to recognize debt service payments from MMWD as a reimbursement to the general operating account for debt service payments, rather than funding of the capital reserve, results in the District's 2017 Revenue Bonds debt obligation being lower.

The Debt Service Coverage Ratio (DSCR) for the District for 2024-2025, based on the presented budget and debt service, is determined by dividing the Net Operating Income (\$10,682,420) by Total Debt Service (\$4,506,819). The calculated DSCR for 2024-2025 is therefore 2.37. The District is required to maintain a DSCR of 1.25 or higher due to bond covenants and we are above this minimum. The District includes both its operating income and non-operating income, primarily guaranteed property taxes, in determining its Net Operating Income which is used in the calculation of DSCR. When specifically included in a utility's bond indenture, rate stabilization reserves can be used to help meet debt service coverage requirements during times of revenue shortfalls.

Las Gallinas Valley Sanitary District

Proposed Budget – 2024-2025

Reserves

District Financial Policy F-50 (Reserves) establishes reserves, explains the purpose and reasons for the size of each reserve, and provides for oversight of reserves.

- Operating & Rate Stabilization Reserve has a target of a minimum balance equal to 7 months of average annual budgeted expenses. Based on reserve fund policy the reserve target for 2024-2025 is approximately \$10,100,000 and the reserve will have a balance of \$4,247,894 at the beginning of the upcoming fiscal year. The budget includes adding \$585,211, one-tenth of the reserve target shortfall, to the budget for 2024-2025. The reserve has been established to fund unexpected expense increases and can be used to help stabilize sewer service charge rate swings.
- Emergency repair reserve target is \$1,500,000 and can be used to fund emergency repairs. Any shortfall in the reserve is to be built up over 2-3 years. The budget is proposing \$111,111 be added to the reserve in 2024-2025.
- Capital Reserves contains both designated and undesignated funds for capital projects. The target of \$11,000,000 includes \$9,000,000 designated for the construction of the Operation Control Center OCC / Administration building and the Multi-Use Laboratory / Education Center / Board Room building. The Proposed budget for 2024-2025 includes adding an additional \$1,018,529 to the Designated Capital Reserve for this project and reallocating \$1,318,529 from the undesignated balance to designated capital reserve balance. The budget authorizes \$500,000 for use towards the corporation yard design project.
- Vehicle and Equipment Reserve (VERF) was established in Fiscal Year 2019-2020 to fund vehicle and equipment replacements. The reserve was targeted at \$1,000,000. A total of \$100,000 will be added to replenish the VERF and \$584,043 will be used to purchase vehicles and equipment listed on the Capital Outlay budget in 2024-2025.
- Capacity Connection Fee reserve fund is restricted for the use of collection system and plant capacity improvements to serve the new connections that contributed to the fund through fees collected. The budget includes the addition of \$342,200 to the reserve.
- Captains Cove and Marin Lagoon are restricted reserves built up when there is an excess of special assessments over projected operations, maintenance and capital expenditures which are collected for these developments. Both funds will be drawn down to pay for operational and capital projects. A rate surcharge rate study was undertaken as part of the 2023 Sewer Service Rate Study, and it determined that Captains Cove and Marin Lagoon contributions are sufficient to continue the ongoing operations and maintenance needs of the pump stations serving these communities. Larger capital improvement projects may require an increase in the surcharge in a future fiscal year budget.
- Recycled Water Capital Repair and Replacement restricted reserve fund was created in May 2023. LGVSD and MMWD are required to contribute 10% of their portion of annual recycled water O&M costs into this restricted fund for future capital expenditures to the Recycled Water Treatment Facility. A total of \$17,520 will be added to the restricted fund in 2024-2025.

Capital Outlay

The District is required to budget for the adequate maintenance of capital equipment and facilities to protect the public investment and ensure achievement of their maximum useful life. The District is required to prepare and adopt a at minimum a 5-Year Capital Improvement Program (“CIP”) as part of the rate setting process that identifies and sets priorities for all major capital assets to be acquired, constructed, or replaced by the District.

Las Gallinas Valley Sanitary District

Proposed Budget – 2024-2025

The District has chosen to prepare a 7-Year CIP which includes a biosolids program and flood and sea-level mitigation projects that have been identified to take place after 2027. District policy requires the CIP be included in the adopted budget and that the status of the CIP is updated annually as part of the budget process.

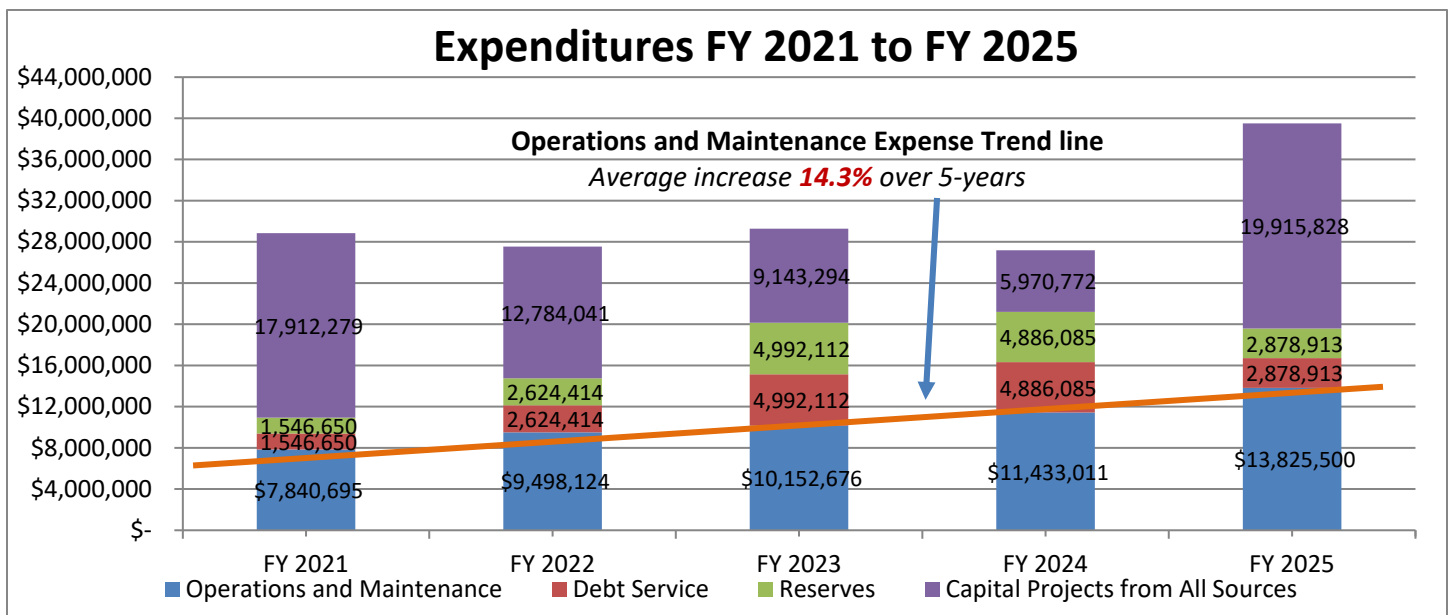
The CIP identifies adequate funding to support the acquisition, construction and replacement of assets identified in the plan, and identifies projects that the District believes beneficial to the system, but funding has not yet been identified. The CIP includes and indicates when and for what projects the District intends to finance through the issuance of debt. Additionally, the District strives to develop a comprehensive strategy and funding plan for the renewal and replacement of existing capital assets.

The Capital Outlay budget contains projects specifically identified in the 7-Year CIP for 2024-2025 through 2030-2031 plus miscellaneous capital needs that change yearly. The proposed 2024-2025 Budget only includes funding approval for projects identified in the first year of the CIP and contains the list of projects to be funded with the adoption of this budget. The additional projects listed in the CIP are proposed for future years and they will require their own funding approval as part of their respective yearly budget.

Collection system projects, including the Smith Ranch Pump Station Electrical Upgrade and restarting of the Sewer Main Collection System Rehabilitation Program, will comprise most of the capital budget in 2024-2025, with total collection system project costs budgeted at \$8,413,397.

Authorization to proceed with the Primary Effluent Pump Station and Secondary Clarifier Expansion project to eliminate blending by increasing treatment capacity to 24 MGD was approved by the Board on May 16, 2024 has been added to the Capital Outlay budget. Unspent funding from the STPURWE project was allocated to partially fund this new project with the remaining funding source coming from unrestricted funds in 2024-2025.

The following is a graph showing the composition of District expenditures for the past four (4) fiscal years plus this upcoming budget year of 2024-2025. O&M expenses have increased an average of 13.5% a year over three years and 14.3% over five years.



** Supporting Financial Statements are attached to this report on the following pages **

RESOLUTION No. 2024-2333

**A RESOLUTION DETERMINING THE FISCAL YEAR 2024-2025
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 Fiscal Year 2024-2025 appropriations of tax proceeds is \$3,557,446 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 Fiscal Year 2024-2025 appropriations subject to tax proceeds limitations are \$1,014,667. Detailed schedules are hereto attached as Exhibit A and by reference incorporated herein.

* * * * *

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 20, 2024 by the following vote of the members thereof:

AYES, and in the favor thereof, Members:

NOES, Members:

ABSENT, Members:

ABSTAIN, Members:

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

APPROVED:

(seal)

Craig K. Murray, President
Las Gallinas Valley Sanitary District

RESOLUTION No. 2024-2334

**A RESOLUTION REQUESTING ALLOCATION OF TAXES
FOR THE FISCAL YEAR 2024-2025**

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, 2025 for the purpose of paying the maintenance and operation expense of said District, as it comes due, is the amount of \$1,297,000

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 \$1,297,000 or such other amount as shall be determined to be said District's share of the Fiscal Year 2024-2025 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 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 20, 2024, by the following vote of the members thereof:

AYES, and in the favor thereof, Members:

NOES, Members:

ABSENT, Members:

ABSTAIN, Members:

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

APPROVED:

(seal)

Craig K. Murray, President
Las Gallinas Valley Sanitary District

EXHIBIT A

CALCULATION OF APPROPRIATION LIMIT FOR 2024-25 PROCEEDS OF TAXES

Appropriations Adjustment Limit Factors		Calculated Maximum Limit	
CPI 2024-25	1.0362		
Population 2023-24	<u>x 0.9947</u>	Growth for Marin County	
Combined Factor	1.0307		
		\$3,451,458 x 1.0307 =	\$3,557,446

Appropriations Subject to Limitation 2024-25	
	Amount
Proceeds of Taxes	\$1,461,260
Exclusions	\$446,592
Appropriations Subject to Limitation	\$1,014,667

CPI 2023-24	1.0444		
Population 2022-23	<u>x 0.9894</u>	Growth for Marin County	
Combined Factor	1.0333		
		\$3,340,134 x 1.0333 =	\$3,451,458

CPI 2022-23	1.0755		
Population 2021-22	<u>x 0.9894</u>	Growth for Marin County	
Combined Factor	1.0641		
		\$3,138,929 x 1.0641 =	\$3,340,134

MEETING MINUTES OF MAY 30, 2024

THE BOARD OF DIRECTORS AND STAFF OF THE LAS GALLINAS VALLEY SANITARY DISTRICT MET IN OPEN SESSION AT 4:00 PM AT THE DISTRICT OFFICE, 101 LUCAS VALLEY ROAD, SUITE 300 CONFERENCE ROOM, SAN RAFAEL, CA. 94903

BOARD MEMBERS PRESENT: Craig Murray, Barry Nitzberg, Gary Robards and Crystal Yezman

BOARD MEMBERS ABSENT: Megan Clark

STAFF PRESENT: Curtis Paxton, General Manager; Teresa Lerch, Board Secretary; Mike Cortez, District Engineer;

OTHERS PRESENT: Patrick Richardson, District Counsel;

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

1. PUBLIC COMMENT: None.

CLOSED SESSION:

ACTION:

THE BOARD OF DIRECTORS OF THE LAS GALLINAS VALLEY SANITARY DISTRICT ADJOURNED TO CLOSED SESSION ON MAY 30, 2024, AT 4:01 P.M. AT THE DISTRICT OFFICE, 101 LUCAS VALLEY ROAD, SUITE 300, CONFERENCE ROOM, SAN RAFAEL, CALIFORNIA.

Lerch left the meeting at 4:01 pm.

2. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.8

CONFERENCE WITH REAL PROPERTY NEGOTIATOR – Property: Old Gallinas Site (APN 180-123-01) : Approximately 7.9 acres of developed land (APN 180-123-01), located at 251 N. San Pedro Road, San Rafael, in the County of Marin (unincorporated), consisting of classroom buildings and athletic field ("Old Gallinas Site"). Agency negotiator: Curtis Paxton, General Manager. Negotiating parties: San Rafael City Elementary School District. Under negotiation: Instruction to negotiator will concern both price and terms of payment.

ADJOURNMENT:

ACTION:

The Board of Directors of the Las Gallinas Valley Sanitary District reconvened the Regular Session on May 30, 2024 at 4:47 p.m.

BOARD MEMBERS PRESENT: Craig Murray, Barry Nitzberg, Gary Robards and Crystal Yezman

STAFF PRESENT: Curtis Paxton, General Manager, Teresa Lerch, Board Secretary;

OTHERS PRESENT: Patrick Richardson, District Counsel;

PUBLIC COMMENT: None.

REPORT ON CLOSED SESSION: President Murray reported that there was nothing to report.

3. ADJOURNMENT:

ACTION:

The board approved (Nitzberg/Robards 4-0-1-0) the adjournment of the meeting at 4:48 p.m.

AYES: Murray, Nitzberg, Robards and Yezman

NOES: None.

ABSENT: Clark

ABSTAIN: None.

The next Board Meeting is scheduled for June 6, 2024 at 4:00 pm at the District office.

ATTEST:

Teresa Lerch, Board Secretary

APPROVED:

Gary E. Robards, Vice-President

MEETING MINUTES OF JUNE 6, 2024

THE BOARD OF DIRECTORS AND STAFF OF THE LAS GALLINAS VALLEY SANITARY DISTRICT MET IN OPEN SESSION AT 4:01 PM AT THE DISTRICT OFFICE, 101 LUCAS VALLEY ROAD, SUITE 300 CONFERENCE ROOM, SAN RAFAEL, CA. 94903 IN HONOR OF THE 80TH ANNIVERSARY OF "D" DAY AND THE VALIANT SERVICEMEN AND WOMEN WHO BRAVELY SERVED.

BOARD MEMBERS PRESENT: Megan Clark, Craig Murray, Barry Nitzberg and Gary Robards

BOARD MEMBERS ABSENT: Crystal Yezman

STAFF PRESENT: Teresa Lerch, Board Secretary; Dale McDonald, District Treasurer; Mike Cortez, District Engineer;

OTHERS PRESENT: Patrick Richardson, District Counsel; Tim Holmes, Kenwood Energy

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

1. PUBLIC COMMENT: None.

2. 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 16, 2024
- B. Receive and Ratify the Check Warrant List
- C. Approve Clark attending the CASA Annual Conference July 31-Aug 2 in Monterey
- D. Approve Murray attending The Cities Leading the Way on Nature-Based Solutions Webinar May 23
- E. Approve Murray attending the CARB Next Stop to Zero Educational Webinar May 29
- F. Approve Robards attending the CASA Annual Conference July 31-Aug 2 in Monterey
- G. Approve Robards attending the 2024 California WateReuse Conference Sept 15-17 in Garden Grove
- H. Approve Resolution 2024-2329 Adopting the Pay Scales Effective July 1, 2024
- I. Approve Resolution 2024-2330 Continuing the Low-Income Sewer Rate Assistance Program

Items B, H and I were pulled for discussion.

ACTION:

Board approved (M/S Robards/Nitzberg (4-0-1-0) the Consent Calendar items A through I.

AYES: Clark, Murray, Nitzberg, Robards and Yezman
NOES: None.
ABSENT: Yezman.
ABSTAIN: None.

3. INFORMATION ITEMS:

STAFF / CONSULTANT REPORTS:

- 1. District Correspondence – written. Discussion ensued.

2. Solar Photovoltaic System Upgrade Project Update from Tim Holmes, Kenwood Energy. Discussion ensued.

4. 2024 SUMMER NEWSLETTER

Board reviewed the Draft 2024 Summer Newsletter. Discussion ensued. The Board made some suggested changes and the Newsletter will be brought back to the Board for final approval.

5. BOARD REPORTS

1. CLARK
 - a. NBWA Board Committee – no report
 - b. Operation Control Centers Ad Hoc Committee – no report
 - c. Fleet Management Ad Hoc Committee – no report
 - d. FutureSense Ad Hoc Committee – no report
 - e. CASA Workforce Committee – no report
 - f. Other Reports – no report
2. MURRAY
 - a. Marin LAFCO –no report
 - b. Flood Zone 6 – no report
 - c. CASA Energy Committee – no report
 - d. Biosolids Ad Hoc Committee – no report
 - e. Development Ad Hoc Committee – no report
 - f. SF Bay Trail Ad Hoc Committee – no report
 - g. Other Reports- written
3. NITZBERG – mentioned the recent certifications he has obtained and the upcoming conferences he would like to attend.

President Murray assigned Director Nitzberg to the Operation Control Centers Ad Hoc Committee, the Fleet Management Ad Hoc Committee, the McInnis Marsh Ad Hoc Committee and the SF Bay Trail Ad Hoc Committee.

4. ROBARDS
 - a. Gallinas Watershed Council/Miller Creek – verbal report
 - b. NBWRA – no report
 - c. STPURWE Engineering Ad Hoc Committee – no report
 - d. McInnis Marsh Ad Hoc Committee – no report
 - e. Development Ad Hoc Committee – no report
 - f. FutureSense Ad Hoc Committee – no report
 - g. Other Reports – no report
5. YEZMAN - absent
 - a. Flood Zone 7– no report
 - b. CSRMA – no report
 - c. Marin Special District Association – no report
 - d. STPURWE Engineering Ad Hoc Committee – no report
 - e. Biosolids Ad Hoc Committee – no report
 - f. Other Reports– no report

6. BOARD REQUESTS:

- A. Board Meeting Attendance Requests – Clark would like to attend the Annual California WaterReuse Conference September 15-17 in Garden Grove.
- B. Board Agenda Item Requests – none. The Board cancelled the August 1st meeting as all Directors are attending the CASA Conference July 31- August 2nd.

7. MISCELLANEOUS DISTRICT ARTICLES

Discussion ensued.

8. ADJOURNMENT:

ACTION:

The Board approved (Robards/Clark 4-0-1-0)) the adjournment of the meeting at 5:12 p.m.

AYES: Clark, Murray, Nitzberg and Robards

NOES: None.

ABSENT: Yezman.

ABSTAIN: None.

The next Board Meeting is scheduled for June 20, 2024 at 4:00 pm at the District office.

ATTEST:

Teresa Lerch, Board Secretary

APPROVED:

Gary E. Robards, Vice-President

Agenda Item 4B
Date June 20, 2024

Report Criteria:

Report type: GL detail
 Check Detail.Input date = 06/04/2024,06/05/2024,06/06/2024,06/07/2024

GL Period	Check Issue Date	Invoice Number	Description	Invoice GL Account	Invoice Amount	Amount
Aqua Engineering Inc						
21060						
06/24	06/04/2024	27619	STPURWE- Amendment 10- Bidding & construction services for TW	10-902-5601	5,058.66	5,058.66
Total Aqua Engineering Inc:						5,058.66
ArcSine Engineering						
21061						
06/24	06/04/2024	15730 - PLANT	SCADA On-call support for Pump Station, Plant & Recycled Water	60-620-5345	815.43	815.43
06/24	06/04/2024	15730 - PLANT	SCADA On-call support for Pump Station, Plant & Recycled Water	10-600-5345	815.43	815.43
06/24	06/04/2024	15730 - PUMP	SCADA On-call support for Pump Station, Plant & Recycled Water	10-500-5345	815.44	815.44
Total ArcSine Engineering:						2,446.30
Asaro, Anthony						
30000430						
06/24	06/06/2024	WELLNESS R	23-24 Wellness Reimbursement	10-480-5170	500.00	500.00
Total Asaro, Anthony:						500.00
Azteca Systems LLC						
30000431						
06/24	06/06/2024	INV8446	CityWorks AMS ELA Standard 7/1/24 to 6/20/25	10-460-5363	39,686.40	39,686.40
Total Azteca Systems LLC:						39,686.40
B.W.S. Distributors, Inc.						
21062						
06/24	06/04/2024	291026	Miscellaneous supplies	10-460-5315	499.02	499.02
06/24	06/04/2024	291224	Miscellaneous supplies	10-460-5315	193.12	193.12
06/24	06/04/2024	291630	Miscellaneous supplies	10-460-5315	240.35	240.35
06/24	06/04/2024	291692	Confined Space Davit Bases	10-460-5315	2,659.91	2,659.91
06/24	06/04/2024	291998	Miscellaneous supplies	10-460-5315	169.34	169.34
Total B.W.S. Distributors, Inc.:						3,761.74
Bank of Marin Cardmember Services						
20240529						
05/24	05/29/2024	CC -5-6-24 Apri	Coffee & Tea for both locations -AMATORI,PAM	10-400-5221	185.56	185.56
05/24	05/29/2024	CC -5-6-24 Apri	Water proof Fan Kit - FRANKLIN,WILLIAM C	10-460-5221	65.50	65.50
05/24	05/29/2024	CC -5-6-24 Apri	Zoom Subscriptio9n - HUANG,YI YING	10-420-5361	159.90	159.90
05/24	05/29/2024	CC -5-6-24 Apri	Keyless Door Lock - LOVELESS,RALPH	10-480-5311	241.05	241.05
05/24	05/29/2024	CC -5-6-24 Apri	Lunch Meeting with Degabriele - PAXTON,CURTIS D	10-400-5223	41.48	41.48
05/24	05/29/2024	CC -5-6-24 Apri	Lunch for Cattail Removal Meeting -AMATORI,PAM	10-400-5223	135.58	135.58
05/24	05/29/2024	CC -5-6-24 Apri	Coffee for the lab -GOLSHANI,SAHAR	10-560-5221	57.56	57.56
05/24	05/29/2024	CC -5-6-24 Apri	Food for board meeting - LERCH,TERESA	10-440-5223	133.60	133.60
05/24	05/29/2024	CC -5-6-24 Apri	Cookies for meeting @ 101 LVR -AMATORI,PAM	10-400-5223	4.99	4.99
05/24	05/29/2024	CC -5-6-24 Apri	Misc. items needed for repairs - ASARO JR,ANTHONY J	10-480-5317	477.25	477.25
05/24	05/29/2024	CC -5-6-24 Apri	NBWSA Conference -GOLSHANI,SAHAR	10-560-5465	99.00	99.00
05/24	05/29/2024	CC -5-6-24 Apri	Transponder Bridge toll -HUNT,BRANDON G	10-400-5467	40.00	40.00
05/24	05/29/2024	CC -5-6-24 Apri	Oat Milk for coffee - LERCH,TERESA	10-400-5221	11.98	11.98
05/24	05/29/2024	CC -5-6-24 Apri	Cookies for the board meeting - LERCH,TERESA	10-440-5223	32.97	32.97
05/24	05/29/2024	CC -5-6-24 Apri	Dyson Purifier Hot & Cold - LOVELESS,RALPH	10-480-5221	517.83	517.83

GL Period	Check Issue Date	Invoice Number	Description	Invoice GL Account	Invoice Amount	Amount
05/24	05/29/2024	CC -5-6-24 Apri	Lunch Meeting with Napa Sanitary - PAXTON,CURTIS D	10-400-5223	47.91	47.91
05/24	05/29/2024	CC -5-6-24 Apri	Internet for 101 LVR -SCHULTZ,AMY	10-400-5421	620.56	620.56
05/24	05/29/2024	CC -5-6-24 Apri	Ki Refill & PAO Std Soln -GOLSHANI,SAHAR	10-560-5284	187.58	187.58
05/24	05/29/2024	CC -5-6-24 Apri	Online Meeting Software - LERCH,TERESA	10-400-5361	55.99	55.99
05/24	05/29/2024	CC -5-6-24 Apri	Water Service - HUNT,BRANDON G	10-400-5221	182.94	182.94
05/24	05/29/2024	CC -5-6-24 Apri	Water Service - HUNT,BRANDON G	10-400-5221	84.44	84.44
05/24	05/29/2024	CC -5-6-24 Apri	AC Adapter - PEASE,GREG	10-460-5221	52.99	52.99
05/24	05/29/2024	CC -5-6-24 Apri	Postage Machine Lease - SCHULTZ,AMY	10-400-5451	378.41	378.41
05/24	05/29/2024	CC -5-6-24 Apri	Security for 300 SRR for the gate - SCHULTZ,AMY	10-600-5339	25.00	25.00
05/24	05/29/2024	CC -5-6-24 Apri	Parts for Temporary pump - COOK,GLENN R	10-600-5315	15.95	15.95
05/24	05/29/2024	CC -5-6-24 Apri	Parts for Temporary pump - COOK,GLENN R	10-600-5315	5.30	5.30
05/24	05/29/2024	CC -5-6-24 Apri	Internet Host -HUNT,BRANDON G	10-400-5362	19.95	19.95
05/24	05/29/2024	CC -5-6-24 Apri	Dry Erasers - TAPIA,ROGELIO	10-460-5221	9.82	9.82
05/24	05/29/2024	CC -5-6-24 Apri	Misc. office supplies - AMATORI,PAM	10-400-5221	35.43	35.43
05/24	05/29/2024	CC -5-6-24 Apri	""Paid"" Rubber stamp for acct. - AMATORI,PAM	10-400-5221	17.46	17.46
05/24	05/29/2024	CC -5-6-24 Apri	CWEA Parking Fees - CAMPBELL,CHRIS	10-600-5467	90.00	90.00
05/24	05/29/2024	CC -5-6-24 Apri	Annual Subscription -HUNT,BRANDON G	10-400-5361	239.88	239.88
05/24	05/29/2024	CC -5-6-24 Apri	CWEA Annual Conference Hotel - CAMPBELL,CHRIS	10-600-5465	798.99	798.99
05/24	05/29/2024	CC -5-6-24 Apri	Monthly Unlimited Car wash for the District car - PAXTON,C	10-400-5310	40.00	40.00
05/24	05/29/2024	CC -5-6-24 Apri	Accommodations for Rockwell Autonation Training - STARNES,D	10-480-5469	552.33	552.33
05/24	05/29/2024	CC -5-6-24 Apri	Purchase something in error w/District Card - FRANKLIN,W	10-460-9998	21.24	21.24
05/24	05/29/2024	CC -5-6-24 Apri	Creamer for both locations - AMATORI,PAM	10-400-5221	26.97	26.97
05/24	05/29/2024	CC -5-6-24 Apri	Colilert 200 Test Pack) - GOLSHANI,SAHAR	10-560-5284	1,882.92	1,882.92
05/24	05/29/2024	CC -5-6-24 Apri	Pens for 300 SRR _AMATORI,PAM	10-400-5221	87.94	87.94
05/24	05/29/2024	CC -5-6-24 Apri	Tabs for 101 LVR -AMATORI,PAM	10-400-5221	46.38	46.38
05/24	05/29/2024	CC -5-6-24 Apri	Misc. office supplies -AMATORI,PAM	10-400-5221	36.32	36.32
05/24	05/29/2024	CC -5-6-24 Apri	CWEA Membership Renewal Fee - COOK,GLENN R	10-600-5461	361.00	361.00
05/24	05/29/2024	CC -5-6-24 Apri	Transponder Bridge toll -HUNT,BRANDON G	10-400-5467	40.00	40.00
05/24	05/29/2024	CC -5-6-24 Apri	Cookies for the board meeting - LERCH,TERESA	10-440-5223	36.36	36.36
05/24	05/29/2024	CC -5-6-24 Apri	Food for board meeting - LERCH,TERESA	10-440-5223	129.70	129.70
05/24	05/29/2024	CC -5-6-24 Apri	Shipping Cost - GOLSHANI,SAHAR	10-560-5221	91.83	91.83
05/24	05/29/2024	CC -5-6-24 Apri	Shipping Costs -GOLSHANI,SAHAR	10-560-5221	40.12	40.12
05/24	05/29/2024	CC -5-6-24 Apri	Registration for CASA Annual Conference - PAXTON,CURTIS D	10-400-5465	695.00	695.00
05/24	05/29/2024	CC -5-6-24 Apri	Tryptic Soy Agar - GOLSHANI,SAHAR	10-560-5284	29.29	29.29
05/24	05/29/2024	CC -5-6-24 Apri	Tryptic Soy Agar - GOLSHANI,SAHAR	10-560-5284	29.73	29.73
05/24	05/29/2024	CC -5-6-24 Apri	Answering Service -HUNT,BRANDON G	10-400-5421	45.25	45.25
05/24	05/29/2024	CC -5-6-24 Apri	Waterproof shoes - LIEBMANN,ROBERT M	10-600-5243	103.78	103.78
05/24	05/29/2024	CC -5-6-24 Apri	Desk Lamp -GOLSHANI,SAHAR	10-560-5221	87.39	87.39
05/24	05/29/2024	CC -5-6-24 Apri	Water Service - HUNT,BRANDON G	10-400-5221	84.44	84.44
05/24	05/29/2024	CC -5-6-24 Apri	Water Service - HUNT,BRANDON G	10-400-5221	182.94	182.94
05/24	05/29/2024	CC -5-6-24 Apri	Mezzanine Ladder - LOVELESS,RALPH	10-480-5319	2,402.94	2,402.94
05/24	05/29/2024	CC -5-6-24 Apri	CWEA MT-1 Renewal Fee - LOVELESS,RALPH	10-480-5461	98.00	98.00
05/24	05/29/2024	CC -5-6-24 Apri	Shipping charges - LOVELESS,RALPH	10-480-5311	159.35	159.35
05/24	05/29/2024	CC -5-6-24 Apri	150 ml Shrink Banded Vessels --GOLSHANI,SAHAR	10-560-5315	1,311.26	1,311.26
05/24	05/29/2024	CC -5-6-24 Apri	Licensing Fees - HUNT,BRANDON G	10-400-5362	16.00	16.00
05/24	05/29/2024	CC -5-6-24 Apri	Subscription Fees -HUNT,BRANDON G	10-400-5362	11.15	11.15
05/24	05/29/2024	CC -5-6-24 Apri	Monthly Licensing Fees -HUNT,BRANDON G	10-400-5362	2.00	2.00
05/24	05/29/2024	CC -5-6-24 Apri	Transponder Bridge toll -HUNT,BRANDON G	10-400-5467	40.00	40.00
05/24	05/29/2024	CC -5-6-24 Apri	Processing Fee - - MCDONALD,DALE	10-460-5455	12.56	12.56
05/24	05/29/2024	CC -5-6-24 Apri	Clean Truck Check Compliance Fee - MCDONALD,DALE	10-460-5455	420.00	420.00
05/24	05/29/2024	CC -5-6-24 Apri	Subscription for Fleetio Service - - PEASE,GREG	10-460-5362	192.00	192.00
05/24	05/29/2024	CC -5-6-24 Apri	Misc. office supplies -AMATORI,PAM	10-400-5221	99.35	99.35
05/24	05/29/2024	CC -5-6-24 Apri	DI Water Tanks Exchange -GOLSHANI,SAHAR	10-560-5315	1,113.20	1,113.20
05/24	05/29/2024	CC -5-6-24 Apri	Annual Calibration -GOLSHANI,SAHAR	10-560-5315	833.38	833.38
05/24	05/29/2024	CC -5-6-24 Apri	Internet for pump station - SCHULTZ,AMY	10-600-5421	269.59	269.59
05/24	05/29/2024	CC -5-6-24 Apri	CWEA Membership Fee -TAPIA,ROGELIO	10-460-5461	221.00	221.00
05/24	05/29/2024	CC -5-6-24 Apri	""Back to Basics"" Training -GOLSHANI,SAHAR	10-560-5469	80.00	80.00

GL Period	Check Issue Date	Invoice Number	Description	Invoice GL Account	Invoice Amount	Amount
05/24	05/29/2024	CC -5-6-24 Apri	Compact Binoculars -GOLSHANI,SAHAR	10-560-5221	133.68	133.68
05/24	05/29/2024	CC -5-6-24 Apri	Battery - TAVERNA,ANTHONY J	10-480-5317	185.52	185.52
202405291						
05/24	05/29/2024	CC 5-6-24 May	CASA Registration. C. Yazmen -HUNT,BRANDON G	10-440-5465	695.00	695.00
05/24	05/29/2024	CC 5-6-24 May	Registration for CASA for C. Murray - LERCH,TERESA	10-440-5465	695.00	695.00
05/24	05/29/2024	CC 5-6-24 May	Tubing needed for repairs -ASARO JR,ANTHONY J	10-480-5317	900.92	900.92
05/24	05/29/2024	CC 5-6-24 May	Parking for GFOA Conference - MCDONALD,DALE	10-400-5467	109.23	109.23
05/24	05/29/2024	CC 5-6-24 May	Creamer for both locations - AMATORI,PAM	10-400-5221	26.97	26.97
05/24	05/29/2024	CC 5-6-24 May	Misc. office supplies -AMATORI,PAM	10-400-5221	66.94	66.94
05/24	05/29/2024	CC 5-6-24 May	CWEA Membership Renewal Fee - CAMPBELL,CHRIS	10-600-5461	196.00	196.00
05/24	05/29/2024	CC 5-6-24 May	Oat Milk for coffee - LERCH,TERESA	10-400-5221	11.28	11.28
05/24	05/29/2024	CC 5-6-24 May	Food for board meeting - LERCH,TERESA	10-440-5223	130.70	130.70
05/24	05/29/2024	CC 5-6-24 May	Ridged High Speed Pipe Die Heads - STARNES,DANIEL	10-480-5315	186.22	186.22
05/24	05/29/2024	CC 5-6-24 May	Miscellaneous adjustment per Bank	10-400-9999	283.01-	283.01
05/24	05/29/2024	CC 5-6-24 May	Transponder Bridge toll -HUNT,BRANDON G	10-400-5467	40.00	40.00
05/24	05/29/2024	CC 5-6-24 May	OSHA Caution Tags -LOVELESS,RALPH	10-480-5243	37.31	37.31
Total Bank of Marin Cardmember Services:						20,137.32
Bay Area Background Checks						
21063						
06/24	06/04/2024	203143	Background check- A. Beran	10-400-5337	63.00	63.00
Total Bay Area Background Checks:						63.00
Brady Industries						
30000432						
06/24	06/06/2024	8914992	Cups	10-400-5221	410.86	410.86
Total Brady Industries:						410.86
CalPERS 457 Plan Deferred Comp						
202405161						
05/24	05/16/2024	457 5_3	457 Deferred Comp Paydate 5.3	10-000-2127	11,087.64	11,087.64
Total CalPERS 457 Plan Deferred Comp:						11,087.64
CalPERS CERBT-OPEB						
20240607						
06/24	06/07/2024	100000017555	CERBT-OPEB Payment- June	10-670-5113	11,630.00	11,630.00
Total CalPERS CERBT-OPEB:						11,630.00
CALPERS Health						
20240523						
05/24	05/23/2024	100000017547	Health Premium - Active - Administration	10-400-5110	10,593.85	10,593.85
05/24	05/23/2024	100000017547	Health Premium - Active - Engineering	10-420-5110	5,107.05	5,107.05
05/24	05/23/2024	100000017547	Health Premium - Active - Collections	10-460-5110	12,052.65	12,052.65
05/24	05/23/2024	100000017547	Health Premium - Active - Maintenance	10-480-5110	4,971.55	4,971.55
05/24	05/23/2024	100000017547	Health Premium - Active - Laboratory	10-560-5110	2,335.68	2,335.68
05/24	05/23/2024	100000017547	Health Premium - Active - Plant	10-600-5110	16,608.31	16,608.31
05/24	05/23/2024	100000017547	Health Premium - Retired - Employer Share - Administration	10-600-5111	1,413.00	1,413.00
05/24	05/23/2024	100000017547	Health Premium - Retired - Employer Share - Collections	10-600-5111	157.00	157.00
05/24	05/23/2024	100000017547	Health Premium - Retired - Employer Share - Plant	10-600-5111	1,413.00	1,413.00
05/24	05/23/2024	100000017547	Admin Fee - Active	10-400-5110	165.34	165.34
05/24	05/23/2024	100000017547	Admin Fee - Retired	10-400-5111	37.90	37.90

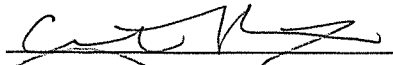

GL Period	Check Issue Date	Invoice Number	Description	Invoice GL Account	Invoice Amount	Amount
Total CALPERS Health:						54,855.33
CALPERS Retirement						
202405162						
05/24	05/16/2024	5_3 PAYDATE	EE & ER Retirement- Administration	10-400-5120	5,970.29	5,970.29
05/24	05/16/2024	5_3 PAYDATE	EE & ER Retirement- Engineering	10-420-5120	4,119.14	4,119.14
05/24	05/16/2024	5_3 PAYDATE	EE & ER Retirement- Collections	10-460-5120	7,751.46	7,751.46
05/24	05/16/2024	5_3 PAYDATE	EE & ER Retirement- Maintenance	10-480-5120	2,577.76	2,577.76
05/24	05/16/2024	5_3 PAYDATE	EE & ER Retirement- Laboratory	10-560-5120	1,622.52	1,622.52
05/24	05/16/2024	5_3 PAYDATE	EE & ER Retirement- Plant	10-600-5120	10,047.68	10,047.68
Total CALPERS Retirement:						32,088.85
Central Marin Sanitation Agency						
30000433						
06/24	06/06/2024	INV01487	Inspection FOG Program	10-560-5327	184.90	184.90
Total Central Marin Sanitation Agency:						184.90
Comet Building Maintenance						
21064						
06/24	06/04/2024	172940	Janitorial Services - May	10-400-5333	2,162.26	2,162.26
Total Comet Building Maintenance:						2,162.26
Contractor Compliance and Monitoring, In						
30000434						
06/24	06/06/2024	20976	STPURWE Labor Compliance Services - Myers & Sons	10-902-5601	86.25	86.25
06/24	06/06/2024	20977	STPURWE Labor Compliance Services - Kennedy Jenks	10-902-5601	46.00	46.00
06/24	06/06/2024	20978	Grit Screw Conveyor System Replacement	10-907-5601	189.75	189.75
06/24	06/06/2024	20979	Standby Generators System Replacement	10-805-5601	69.00	69.00
06/24	06/06/2024	20980	STPURWE Labor Compliance Services - DAC	10-902-5601	23.00	23.00
06/24	06/06/2024	20981	On-Call inspection services for Collection and Projects	10-763-5601	67.50	67.50
06/24	06/06/2024	20982	On-Call contract for labor compliance services	10-420-5342	5,147.50	5,147.50
06/24	06/06/2024	20983	Center Pivot #1	10-924-5601	121.50	121.50
Total Contractor Compliance and Monitoring, In:						5,750.50
Data Instincts						
30000435						
06/24	06/06/2024	3191	Public Information & Awareness May 2024 services	10-400-5347	5,270.00	5,270.00
Total Data Instincts:						5,270.00
Direct Dental Administrators LLC						
20240531						
05/24	05/31/2024	D20240531-28	Dental Payment - Collections	10-460-5117	339.00	339.00
05/24	05/31/2024	D20240531-28	Dental Payment - Laboratory	10-560-5117	481.91	481.91
05/24	05/31/2024	D20240531-28	Dental Payment - Administration	10-400-5117	145.66	145.66
Total Direct Dental Administrators LLC:						966.57
Foster & Foster						
21065						
06/24	06/04/2024	31424	10.5.23 Board Meeting Actuarial Reports Preperation/Presentation	10-400-5342	1,000.00	1,000.00

GL Period	Check Issue Date	Invoice Number	Description	Invoice GL Account	Invoice Amount	Amount
Total Foster & Foster:						1,000.00
Fremont Bank						
21066						
06/24	06/04/2024	ESCROW PAY	Pacific Infrastructure - Escrow Payment #1	10-761-5601	4,500.00	4,500.00
Total Fremont Bank:						4,500.00
G.D. Nielson Construction Inc						
21067						
06/24	06/04/2024	101-1	LGVSD Perimeter Road 24" Storm Drain Line	10-902-5601	11,645.00	11,645.00
06/24	06/04/2024	101-2	LGVSD Perimeter Road 24" Storm Drain Line	10-902-5601	8,105.00	8,105.00
Total G.D. Nielson Construction Inc:						19,750.00
Gopher It Trenchless						
30000436						
06/24	06/06/2024	G3562	Sewer Lateral Assistance Program - 254 Blackstone Drive	10-460-5441	10,000.00	10,000.00
Total Gopher It Trenchless:						10,000.00
Grainger						
30000437						
06/24	06/06/2024	9117108796	Pipe threading machine with manual threader die heads	10-480-5222	3,152.21	3,152.21
06/24	06/06/2024	9122028104	Electrical Supplies	10-480-5315	202.32	202.32
06/24	06/06/2024	9125357732	Misc. Supplies	10-480-5315	162.82	162.82
06/24	06/06/2024	9127549104	Misc. Supplies	10-480-5315	258.04	258.04
06/24	06/06/2024	9131041593	Electrical Supplies	10-480-5315	30.51	30.51
Total Grainger:						3,805.90
HASA Inc.						
30000438						
06/24	06/06/2024	956675	Chemicals Hypochlorite 4/30/24	10-600-5281	14,651.85	14,651.85
06/24	06/06/2024	962249	Chemicals Hypochlorite 5/23/24	10-600-5281	14,655.30	14,655.30
Total HASA Inc.:						29,307.15
Jackson's Hardware Inc						
21068						
06/24	06/04/2024	155838	Misc. Supplies	10-480-5317	10.90	10.90
Total Jackson's Hardware Inc:						10.90
Kyocera Document Solutions						
21069						
06/24	06/04/2024	55E1781634	Overages Charges for toner, copies etc.	10-400-5221	1,747.84	1,747.84
Total Kyocera Document Solutions:						1,747.84
Liebert Cassidy Whitmore						
21070						
06/24	06/04/2024	266843	Legal Fees - General	10-400-5351	435.00	435.00
06/24	06/04/2024	267502	Professional rules review - additional cost for Jan/Feb 2024	10-400-5351	2,395.00	2,395.00

GL Period	Check Issue Date	Invoice Number	Description	Invoice GL Account	Invoice Amount	Amount
Total Liebert Cassidy Whitmore:						2,830.00
Linscott Engineering Contractors Inc						
21071						
06/24	06/04/2024	4295	Bio-Wheel Drive Chain Replacement	10-902-5601	7,083.43	7,083.43
Total Linscott Engineering Contractors Inc:						7,083.43
Marin Ace						
21072						
06/24	06/04/2024	73419	Silicone	10-480-5315	40.39	40.39
06/24	06/04/2024	73683	Misc Supplies	10-460-5315	22.59	22.59
06/24	06/04/2024	73710	Misc. Supplies	10-460-5312	38.32	38.32
Total Marin Ace:						101.30
Miksis Services Inc						
21073						
06/24	06/04/2024	110757	Aeration Basin Underdrain Repair	10-600-5317	11,753.00	11,753.00
Total Miksis Services Inc:						11,753.00
Moore, Don						
30000439						
06/24	06/06/2024	23.24 WELLNE	23.24 Wellness Reimbursement	10-600-5170	500.00	500.00
Total Moore, Don:						500.00
Noll & Tam Architects						
21074						
06/24	06/04/2024	0060851	Multipurpose Laboratory Building	10-764-5601	17,355.00	17,355.00
Total Noll & Tam Architects:						17,355.00
PACE Supply						
21075						
06/24	06/04/2024	049515483	Misc Supplies	10-480-5315	64.87	64.87
Total PACE Supply:						64.87
Pacific Gas & Electric - 1991349158-5						
21076						
06/24	06/04/2024	3/2/2024-4/26/	Gas and Electric for Pump stations 4/18-5/16	10-500-5425	13,485.08	13,485.08
Total Pacific Gas & Electric - 1991349158-5:						13,485.08
Pacific Infrastructure						
21077						
06/24	06/04/2024	PROGRESS P	Primary Clarifier #1 Rehabilitation	10-761-5601	85,500.00	85,500.00
Total Pacific Infrastructure:						85,500.00
Paxton, Curtis						
30000440						
06/24	06/06/2024	ADVANCED C	Advanced Clean Transportation Expo	10-400-5465	1,224.17	1,224.17

GL Period	Check Issue Date	Invoice Number	Description	Invoice GL Account	Invoice Amount	Amount
Total Paxton, Curtis:						1,224.17
Platt Electric Supply						
21078						
06/24	06/04/2024	5E67756	Misc. Supplies	10-480-5315	198.41	198.41
06/24	06/04/2024	SF27805	Electrical Supplies	10-480-5315	349.55	349.55
Total Platt Electric Supply:						547.96
Polydyne Inc.						
30000441						
06/24	06/06/2024	1837146	Clarifloc	10-600-5283	4,941.33	4,941.33
Total Polydyne Inc.:						4,941.33
RelaDyne						
30000442						
06/24	06/06/2024	0128930-IN	Gear Lubricant	10-600-5283	279.80	279.80
06/24	06/06/2024	460 0131455-I	Unleaded- Collections	10-460-5233	910.77	910.77
06/24	06/06/2024	460 0131455-I	Diesel- Collections	10-460-5231	1,235.78	1,235.78
06/24	06/06/2024	600 0131455-I	Unleaded- Plant	10-600-5233	910.77	910.77
06/24	06/06/2024	600 0131455-I	Diesel- Plant	10-600-5231	1,235.77	1,235.77
Total RelaDyne:						4,572.89
Rexel USA Inc.						
30000443						
06/24	06/06/2024	S139163051.0	Starnes, Daniel - AB Service Training - 2 Day Course	10-480-5469	2,315.00	2,315.00
Total Rexel USA Inc.:						2,315.00
Shape Incorporated						
21079						
06/24	06/04/2024	30700B22378	Pump for Flygt + 3171	10-500-5319	38,746.00	38,746.00
06/24	06/04/2024	30700B22378	Flygt Pump NP317MT sales tax	10-500-5319	3,584.01	3,584.01
Total Shape Incorporated:						42,330.01
Synagro-WWT, Inc.						
21080						
06/24	06/04/2024	RETENTION R	Biosolids Land Application Services	10-580-5325	13,422.50	13,422.50
Total Synagro-WWT, Inc.:						13,422.50
Towne Communications, Inc.						
21081						
06/24	06/04/2024	132459	Quarterly Charge for Warranty Agreement on Phone System	10-400-5339	172.58	172.58
Total Towne Communications, Inc.:						172.58
United Site Services						
21082						
06/24	06/04/2024	INV-4518826	Porta Potties at plant	10-600-5339	1,271.66	1,271.66
Total United Site Services:						1,271.66

GL Period	Check Issue Date	Invoice Number	Description	Invoice GL Account	Invoice Amount	Amount
US Bank (bond fees)						
30000444						
06/24	06/06/2024	7334481	2017 Revenue Bonds: Admin fees	10-400-5431	1,850.00	1,850.00
Total US Bank (bond fees):						1,850.00
Verizon Wireless						
21083						
06/24	06/04/2024	9965139499	District Cell Phones	10-600-5423	695.67	695.67
06/24	06/04/2024	9965139499	District Cell Phones	10-460-5423	520.95	520.95
06/24	06/04/2024	9965139499	District Cell Phones	10-480-5423	260.65	260.65
06/24	06/04/2024	9965139499	District Cell Phones	10-420-5423	52.13	52.13
06/24	06/04/2024	9965139499	District Cell Phones	10-560-5423	52.13	52.13
06/24	06/04/2024	9965139499	District Cell Phones	10-440-5423	38.01	38.01
Total Verizon Wireless:						1,619.54
Water Components & Building Supply						
21084						
06/24	06/04/2024	30637894	Misc. Supplies	10-460-5312	68.24	68.24
Total Water Components & Building Supply:						68.24
West Yost						
21085						
06/24	06/04/2024	2057770	Grant funding, tracking and application services	10-420-5342	1,890.00	1,890.00
06/24	06/04/2024	2058327	Grant funding, tracking and application services	10-420-5342	1,217.00	1,217.00
Total West Yost:						3,107.00
WEX Health Inc.						
202405244						
05/24	05/24/2024	0001942664-IN	FSA Administration - Apr	10-000-2130	50.00	50.00
Total WEX Health Inc.:						50.00
Woodland Center Auto Supply Inc.						
21086						
06/24	06/04/2024	868503	Vehicle cleaning supplies	10-460-5315	88.32	88.32
Total Woodland Center Auto Supply Inc.:						88.32
Grand Totals:						482,436.00

Board Member: _____
 General Manager:  06/10/2024
 Finance Manager:  6/5/24

Agenda Item 4C
Date June 20, 2024

Directors' Meeting Attendance Recap

<u>Name</u>	<u>Total Meetings</u>
Megan Clark	6
Barry Nitzberg	5
Craig Murray	6
Gary Robards	5
Crystal Yezman	<u>4</u>
Total	<u><u>26</u></u>

Meeting Date: 6/20/2024
Paydate: 6/14/2024



101 Lucas Valley Road, Suite 300, San Rafael, CA 94903

Office: 415.472.1734 Fax: 415.499.7715

BOARD MEMBER ATTENDANCE FORM

Director's Name: MEGAN CLARK Month: MAY 2024

Board Members shall be compensated for up to the legal limit of six (6) meetings 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
2 nd	REG.	✓	
8 th	Special - Budget Workshop	✓	
16 th	REG.	✓	
TOTAL		3	

OTHER MEETINGS		CHARGING DISTRICT	
Date	Description of meeting	Yes	No
3 rd	NBWA - reg	✓	
20 th	NBWA - conference	✓	
22 th	Baywork tour	✓	
TOTAL		3	

Total Meetings for which I am Requesting Payment: 6
 Max of six (6) per Health & Safety Code §4733

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.

Megan Clark
 Director Signature

7-6-24
 Date

[Signature]
 Administrative Services Manager Approved

6/13/24
 Date

[Signature]
 Board Secretary Received

6.6.24
 Date



101 Lucas Valley Road, Suite 300, San Rafael, CA 94903

Office: 415.472.1734 Fax: 415.499.7715

BOARD MEMBER ATTENDANCE FORM

Director's Name: MURRAY, Craig K. Month: May 2024

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
5/2/24	Board Meeting	X	
5/6/24	Board Meeting – Special, Budget Workshop	X	
5/16/24	Board Meeting	X	
5/30/24	Board Meeting – Special, Real Property Negotiations	X	
TOTAL		4/4	

OTHER MEETINGS		CHARGING DISTRICT	
Date	Description of meeting	Yes	No
5/1/24	Safe Routes to School Meeting		X
5/5,5/26	Merrydale Road/Las Gallinas Creek Headwater Litter & Debris Removal c/o City of San Rafael: 5/5 0.5 hrs; 5/26 1.5 hrs		XX
5/9/24	CASA Air Quality, Climate Change & Energy (ACE) Workgroup Meeting	X	
5/11/24	International Right of Way Association Region 1 (CA, AZ, NV) Spring Conference – Las Vegas NV		X
5/23/24	EESI – Local government climate solutions and updates of work with support from Federal agencies.	X	
5/29/24	CA Air Resources Board (CARB) Next-Stop to Zero Educational Event	X	
TOTAL		3/7	

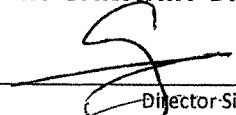
Total Meetings for which I am Requesting Payment: Max of six (6) per Health & Safety Code §4733	6 ^{TR} 7/11
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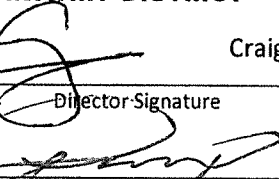
I hereby certify that the meetings as set forth above are true and correct and are for the purpose of conducting official business for the Las Gallinas Valley Sanitary District.

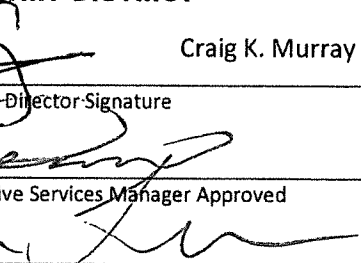


101 Lucas Valley Road, Suite 300, San Rafael, CA 94903
Office: 415.472.1734 Fax: 415.499.7715

BOARD MEMBER ATTENDANCE FORM



Director-Signature


Administrative Services Manager Approved


Board Secretary Received

Date
May 28, 2024

Date
6/13/24

Date
5.29.24

Date



101 Lucas Valley Road, Suite 300, San Rafael, CA 94903

Office: 415.472.1734 Fax: 415.499.7715

BOARD MEMBER ATTENDANCE FORM

Director's Name: Barry Nitzberg Month: 05/24

Board Members shall be compensated for up to the legal limit of six (6) meetings 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
5/6/24	Budget workshop	X	
5/16/24	Closed session	X	
5/30/24	Closed Session <i>old Gallinas site</i>	X	
TOTAL			

OTHER MEETINGS		CHARGING DISTRICT	
Date	Description of meeting	Yes	No
5/28/24	2024 Ethics AB1234 Compliance Training	X	
5/31/24	2024 Sexual Harassment Prevention Training for Supervisors	X	
TOTAL			

Total Meetings for which I am Requesting Payment: 5
 Max of six (6) per Health & Safety Code §4733

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.

Barry Nitzberg
 Director Signature

5/31/24
 Date

[Signature]
 Administrative Services Manager Approved

6/13/24
 Date

[Signature]
 Board Secretary Received

5/31/24
 Date

BOARD MEMBER ATTENDANCE FORM

Director's Name: GARY REARDS Month: MAY 2024

Board Members shall be compensated for up to the legal limit of six (6) meetings 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
5/2/24	REG. BOARD MEETING	✓	
5/16/24	REG BOARD MEETING	✓	
5/30/24	SPECIAL BOARD MEETING	✓	
5/4/24	BUDGET MEETING	✓	
TOTAL		4	

OTHER MEETINGS		CHARGING DISTRICT	
Date	Description of meeting	Yes	No
5/8/24	GALLINAS WATERSHED	✓	
TOTAL		1	

Total Meetings for which I am Requesting Payment: 5
Max of six (6) per Health & Safety Code §4733

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]
Director Signature

5/29/24
Date

[Signature]
Administrative Services Manager Approved

6/13/24
Date

[Signature]
Board Secretary Received

5/29/24
Date



101 Lucas Valley Road, Suite 300, San Rafael, CA 94903

Office: 415.472.1734 Fax: 415.499.7715

BOARD MEMBER ATTENDANCE FORM

Director's Name: Crystal Yezman Month: May 2024

Board Members shall be compensated for up to the legal limit of six (6) meetings 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	Regular Mtg	X	
5/2	Regular Mtg	X	
TOTAL		2	

OTHER MEETINGS		CHARGING DISTRICT	
Date	Description of meeting	Yes	No
5/30	Special Mtg	X	
5/6	Special Mtg - Budget	X	
TOTAL		2	

Total Meetings for which I am Requesting Payment:
Max of six (6) per Health & Safety Code §4733 4

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.

Director Signature

Administrative Services Manager/Approved

Board Secretary Received

5/30/24
 Date

6/13/24
 Date

5/30/24
 Date



BOARD MEMBER CONFERENCE/ MEETING/WEBINAR ATTENDANCE REQUEST

Date: 6/6/24 Name: MEGAN CLARK

I would like to attend the 2024 Water Reuse Conf. Meeting
of WATER REUSE

To be held on the 15 day of SEPT. from _____ a.m. / p.m. to
17 day of SEPT. from _____ a.m. / p.m.

Location of meeting: GARDEN GROVE

Actual meeting date(s): 9/15/24 - 9/17/24

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

Purpose of Meeting: Learn about Water Reuse

Meeting relevance to District: INFO

Board Members to register for Webinars and Meetings
Request assistance from Board Secretary to register for Conference only: YES NO

Board Directors to make their own Hotel Reservations and book their own transportation including airfare, taxi and/or shuttles.

Frequency of Meeting: ONCE

Estimated Costs of Travel (if applicable): \$1,000

Date submitted to Board Secretary: 6/6/24

Board approval obtained on Date: _____

Please submit this form to the Board Secretary no later than 1 week prior to the Board Meeting.



2024 WaterReuse CA CONFERENCE GARDEN GROVE • CA



[Home\Sections\California\2024 California Annual Conference](#)

2024 WaterReuse California Annual Conference

September 15-17, 2024
Hyatt Regency Orange County

The 2024 WaterReuse California Conference will unite the engineers, environmentalists, and experts who energize water reuse in California. Participants will enjoy numerous technical sessions and panels on the most pressing reuse issues, while convening and connecting in beautiful Garden Grove.

The deadline to book a discount room is August 26, 2024 or when the block is full, booked.

Call for Abstracts

Deadline: Friday, June 14, 2024



WaterReuse California invites submissions for 30-minute presentations and 90-minute panels on a variety of subject areas including potable reuse, agricultural reuse, agency collaboration, operations strategies, advanced source control, and more. Presenters will receive a registration discount.

Award Nominations

Deadline: Friday, June 7, 2024



Give your exceptional peers and projects the attention they deserve! Each year, WaterReuse California recognizes agencies, customers, and individuals that have demonstrated exceptional leadership in advancing water recycling in California. We invite you to nominate leaders advancing the practice of water reuse in California!

Become a Sponsor or Exhibitor

Connect with your audience as a sponsor or exhibitor at the 2024 WaterReuse California Conference! Sponsorships are designed to maximize your marketing efforts and help your organization gain important visibility among professionals whose focus is on the development of water reuse and desalination projects, putting your organization's name in front of influential senior managers and decisionmakers.

Review our prospectus for exhibit and sponsor opportunities, or contact Paula Currie at 916-616-0286 or Paula@PCEvents.net

AGENDA ITEM 4E
DATE June 20, 2024



BOARD MEMBER CONFERENCE/ MEETING/WEBINAR ATTENDANCE REQUEST

Date: 5/30/24 Name: Barry Nitzberg

I would like to attend the Annual Conference Meeting
of CASA CA Association of Sanitation agencies

To be held on the 31 day of July from _____ a.m. / p.m. to
02 day of August from _____ a.m. / p.m.

Location of meeting: Monterey Marriot

Actual meeting date(s): —

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

Purpose of Meeting: _____

Meeting relevance to District: _____

Board Members to register for Webinars and Meetings

YES NO

Request assistance from Board Secretary to register for Conference only:

Board Directors to make their own Hotel Reservations and book their own transportation including airfare, taxi and/or shuttles.

Frequency of Meeting: Yearly

Estimated Costs of Travel (if applicable): _____

Date submitted to Board Secretary: _____

Board approval obtained on Date: _____

Please submit this form to the Board Secretary no later than 1 week prior to the Board Meeting.



**BOARD MEMBER CONFERENCE/
MEETING/WEBINAR ATTENDANCE REQUEST**

Date: 5/30/24 Name: Barry Nitzberg

I would like to attend the Annual Conference Meeting
of CSDA CA Special Districts Association

To be held on the 9 day of Sept from 8:00 a.m. / p.m. to
12 day of Sept from 10:00 a.m. / p.m.

Location of meeting: Renaissance Esmeralda Resort & Spa, Indian Wells

Actual meeting date(s): 9/9/24 - 9/12/24

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

Purpose of Meeting: _____

Meeting relevance to District: _____

Board Members to register for Webinars and Meetings

YES NO

Request assistance from Board Secretary to register for Conference only:

Board Directors to make their own Hotel Reservations and book their own transportation including airfare, taxi and/or shuttles.

Frequency of Meeting: Annual

Estimated Costs of Travel (if applicable): \$450.00

Date submitted to Board Secretary: _____

Board approval obtained on Date: _____

Please submit this form to the Board Secretary no later than 1 week prior to the Board Meeting.



**BOARD MEMBER CONFERENCE/
MEETING/WEBINAR ATTENDANCE REQUEST**

Date: 5/30/24 Name: Barry Nitzberg

I would like to attend the 2024 Special District Leadership Meeting
of California Special Districts Association

To be held on the 3rd day of Nov from 5:30 a.m. / p.m. to
6 day of Nov from 8:30 a.m. / p.m.

Location of meeting: Embassy Suites San Rafael

Actual meeting date(s): 11/3/24 - 11/6/24

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

Purpose of Meeting: Governance Leadership Training

Meeting relevance to District: _____

Board Members to register for Webinars and Meetings

Request assistance from Board Secretary to register for Conference only: YES NO

Board Directors to make their own Hotel Reservations and book their own transportation including airfare, taxi and/or shuttles.

Frequency of Meeting: N/A

Estimated Costs of Travel (if applicable): —

Date submitted to Board Secretary: 5/30/24

Board approval obtained on Date: _____

Please submit this form to the Board Secretary no later than 1 week prior to the Board Meeting.



Item Number _____ 4H _____
GM Review _____ CP _____

Agenda Summary Report

To: Board of Directors
From: Sahar Golshani, Environmental Services Supervisor
Sgolshani@lqvsd.org 415-526-1514
Mtg. Date: June 20, 2024
Re: Proposal for Laboratory Information Management System Software
Item Type: Consent Discussion _____ Information _____ Other _____
Standard Contract: Yes No _____ (See attached) Not Applicable _____

STAFF RECOMMENDATION

Board to approve Ethosoft three-year contract proposal for furnishing Laboratory Information Management System (XLIMS) Software for the period of July 1, 2024, to June 30, 2027. The initial project cost is \$37,550, and the annual cloud cost is \$12,850.

BACKGROUND

The Las Gallinas Valley Sanitary District (LGVSD) aims to upgrade its laboratory management systems to enhance data accuracy, streamline workflows, and improve compliance with the NELAC Institution Standards (TNI-2) requirements. Following a thorough evaluation, Ethosoft, Inc. was selected over ATLab Inc. as the preferred vendor based on several key factors:

Cost: Ethosoft, Inc. offered a more competitive pricing structure.

- **Initial Project & Annual Cloud Costs:**
 - Ethosoft, Inc.: \$50,400 (Initial Project Cost: \$37,550 - Annual Cloud Cost: \$12,850)
 - ATLab Inc.: \$62,955

Value to the District Laboratory:

1. Quality Control
2. Workflow Management
3. Inventory Tracking
4. Custody Tracking
5. Audit Anywhere
6. Scheduler
7. Document Exchange
8. Reporting Tool



Reputation: Ethosoft, Inc. has been positively reviewed by several organizations including EBMUD, FSSD, CCCSD, and LASCSD for their services.

The evaluation criteria included:

1. Adherence to software implementation timelines
2. Software effectiveness
3. Minimization of errors
4. Time savings for staff
5. User-friendly interface
6. Comprehensive post-implementation support (staff training, software maintenance, and upgrades)
7. Compliance with TNI standards
8. Cost-effectiveness

PREVIOUS BOARD ACTION

N/A

ENVIRONMENTAL REVIEW:

NA

FISCAL IMPACT:

The draft FY2024/2025 budgeted amount for LIMS software is \$50,400.



Item Number _____ 41 _____

GM Review

___ CP _____

Agenda Summary Report

To: Board of Directors
From: Michael P. Cortez, PE, District Engineer
 (415) 526-1518; mcortez@lqvsd.org
Mtg. Date: June 20, 2024
Re: Award of Contract – Biosolids Land Application Services 2024
Item Type: Consent Action _____ Information _____ Other _____
Standard Contract: Yes X No _____ (See attached) Not Applicable _____

STAFF RECOMMENDATION

Board to waive all bid irregularities and approve the award of contract to Custom Tractor Service for the Biosolids Land Application Services 2024 Project in the amount of \$225,000.

BACKGROUND

On June 13, 2024, the District opened bids for the Biosolids Land Application Services 2024 project in response to the Notice Inviting Sealed Bids issued on April 19, 2024. Custom Tractor Service (CTS) was the sole bidder at \$225,000. The bid price is within the range of expected costs based on last year’s contract price with Synagro. The Engineer’s estimate is \$300,000 and within the Operations Department’s budget for FY 2023-24.

CTS’s proposal is incomplete as to form and includes bid irregularities such as missing bid bond, non-collusion affidavit, and statement of experience. Moreover, CTS noted exclusions such as the preparation of documents for permitting, testing, reporting, and monitoring requirements associated with the District’s NOA permit issued by the Regional Water Board and the ongoing USEPA Purdue University PFAS Research Program. After a follow-up meeting with GHD, the project manager agreed to assist CTS with the preparation of contractual documents related to the research program and Regional Water Board requirements. However, CTS indicated in the bid its willingness to coordinate and perform all manual labor such as seeding and harvesting associated with such requirements.

District staff conducted a brief post bid meeting with CTS owner, Neal Carstensen, and he reaffirmed his willingness to assist with the successful completion of the project like he has done for the past 20+ years as District’s contractor for most work associated with the reclamation area.

PREVIOUS BOARD ACTION

N/A

ENVIRONMENTAL REVIEW

N/A

FISCAL IMPACT

\$225,000



Item Number _____ 4J _____

GM Review _____ CP _____

Agenda Summary Report

To: Board of Directors
From: Dale McDonald, Administrative Services Manager *M*
 (415) 526-1519 dmcDonald@lqvsd.org
Meeting Date: June 20, 2024
Re: Approve Summer 2024 Heron Newsletter
Item Type: Consent X Action _____ Information _____ Other _____
Standard Contract: Yes _____ No _____ (See attached) Not Applicable X .

STAFF RECOMMENDATION

Staff recommends that the Board approve the publication of the Summer 2024 Heron Newsletter.

BACKGROUND

The District produces a newsletter approximately every six (6) months to update customers regarding subjects of interest about the District. Each newsletter typically has one main topic and three to four smaller articles. A primary theme throughout the newsletter is the critical need to continue investing in capital improvements to maintain and protect the District’s infrastructure to meet the District’s goals of providing reliable service while protecting the environment.

On June 6, 2024, the newsletter was reviewed by the Board and suggested changes to the article Join the Leading Edge of Public and Environmental Health were made. Additional links to local schools and how to get into the wastewater field were added.

The newsletter will be mailed in late June or early July.

PREVIOUS BOARD ACTION

On April 4, 2024, the Board discussed potential newsletter topics and gave staff direction to develop the newsletter. The following topics were chosen:

- Award of architectural design contract for Lab / Board / Education Center building
- Careers in the Wastewater Industry
- Las Gallinas Valley Sanitary District: 70 years of Service to Marin Residents
- Newest Board Member

ENVIRONMENTAL REVIEW

N/A

FISCAL IMPACT

The newsletter is budgeted in the 2023-24 Budget as part of the District’s public outreach.

THE HERON

Las Gallinas Valley Sanitary District

Summer 2024



Recognizing 70 Years of Service to Marin County Residents

Did you know that the Las Gallinas Valley Sanitary District is actually part of the baby boomer generation? The District was “born” nearly 70 years ago in 1954, as a wastewater treatment plant built to address health problems associated with failing septic tanks in the Santa Venetia area.

So much has changed since then! Today, the District has extended its service area and improved and expanded its facilities, and continues to provide first-rate wastewater treatment services for its 30,000-plus customers. But since 1954 it has also evolved and changed with the times in other ways, now delivering a wider range of services to protect public health and the environment, engaging with the community, and ensuring compliance with stringent, ever-changing regulations.

Far beyond its start as a single-

purpose wastewater treatment facility, the District is now recognized as a significant, multi-purpose regional environmental steward, with a commitment to sustainability and efficiency.



Attribution: Jon Shinkala/GalVali Davis

By utilizing its own solar power array to generate electricity, the District avoids the need to run standard power plants using fossil fuels, increasing its energy independence and avoiding additional greenhouse gas pollution.

Continued on page 2...

What else was going on in 1954, the year the District was born?

- Actor Denzel Washington, TV show host Oprah Winfrey, comedian Jerry Seinfeld, and actor Jackie Chan were born.
- Minimum wage was 75¢ an hour, bread was 12¢ a loaf, a gallon of gas was 21¢, a movie ticket was 56¢, the average house cost was \$10,250, and the average car was \$1,700.
- Some of the popular movies were *20,000 Leagues Under the Sea*, *On the Waterfront*, and *A Star is Born*. *From Here to Eternity* won best film at the Academy Awards.
- The Piña Colada was invented in Cuba.
- Prime time television shows included *I Love Lucy*, *The Jackie Gleason Show*, *Dragnet*, *Lassie*, and *You Bet Your Life*.
- The first Burger King opened in Miami, FL.
- The New York Giants won the World Series.

Design Underway for Multipurpose Facility

Building will Function as Laboratory, Board Room, and Public Education Building

The Las Gallinas Valley Sanitary District has taken a significant step forward in enhancing its environmental and community services by awarding an architectural design contract to Noll & Tam Architects for a new Multipurpose Laboratory Building.

When completed, this facility will house not only the District's laboratory — a state-of-the-art science center which is key to compliance with rigorous state and federal water quality regulations — but also the District Board of Directors' meeting room and space for community engagement and education.

The laboratory will be located on the building's first floor. On the second floor, the education center and boardroom will serve as a location for Board meetings, as well as public outreach, hands-on learning, and community meetings. This space is designed to foster interaction and education about wastewater treatment, recycling, and conservation efforts, highlighting the District's role in these critical environmental initiatives.

Continued on page 4...

The District also produces biogas (renewable natural gas) generated through the anaerobic digestion process at the wastewater treatment plant, and uses it to generate clean power. Less use of standard power grid energy and commercial fuel means less use of non-renewable fossil fuels — that's a great thing for the environment, and for all of us.

With the 2023 completion of the Secondary Treatment Plant Upgrade and Recycled Water Expansion Project, the District's wastewater treatment capacity has more than doubled (to 18 million gallons per day), helping protect the environment by reducing the potential for overflows during storm events. Its production capacity of recycled water for non-potable uses has more than tripled (to five million gallons per day), which is distributed to Marin Water and North Marin Water District for use in irrigation, car washes, cooling towers, toilet flushing, and other non-potable needs that might otherwise require use of drinking water.

A reclamation area is part of the District's operation, with a 20-acre wildlife marsh, 40 acres of storage ponds, a 10-acre saltwater marsh, 20 acres of irrigated landscaping, and 200 acres of irrigated pasture. The site and its public trails, including a portion of the San

Francisco Bay Trail, is a favorite destination for bird watchers, walkers, and nature lovers, and provides habitat for a variety of wildlife.

The District re-uses biosolids — a byproduct of the wastewater treatment process — spreading them onto a dedicated nine-acre area on District property where they become part of the soil. While this is an approved method of disposing of biosolids, the District's goal is to treat them as a resource, not as a disposal issue, and is exploring ways to beneficially use the nutrient value of biosolids.



Recycled Water Distribution Pump Station

To function most effectively and productively in the 21st century, it's crucial to ensure collaboration and coordination among agencies on a local and regional basis — this is especially true in the sensitive Baylands areas. The District has developed partnerships and affiliations with a variety of agencies, all with the common

goal of serving the community in an environmentally sensitive, sustainable, and forward-thinking way: Marin Water, North Marin Water District, Marin Sanitary Service, North Bay Watershed Association, Marin/Sonoma Vector and Mosquito Control District, Zero Waste Marin, and North Bay Water Reuse Authority, among others. The District also has a valued association with the Marin County Local Agency Formation Commission, an agency that promotes and coordinates the efficient delivery of local government services and encourages the preservation of open space and agricultural lands.

Be sure to visit the District's website for more details about how the District has evolved from a single-purpose wastewater treatment facility in 1954, to today's multi-purpose, forward-thinking entity. Learn more at LGVSD.org/70-years-proud

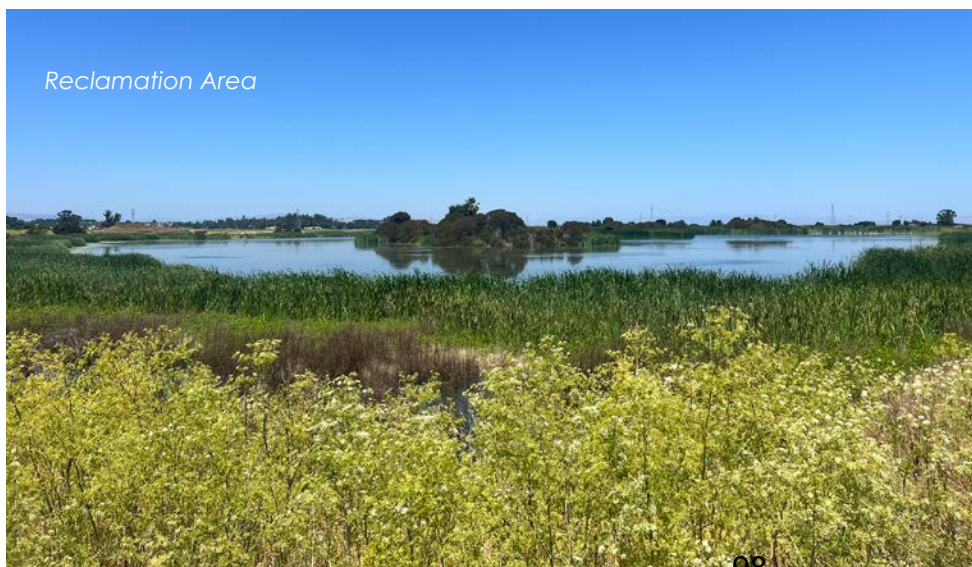
Check out our new website and subscribe to email updates!

Our new website went live last year, and we're excited for you to take a look.

www.LGVSD.org

The site is filled with interesting information for you to discover, including more details about many of the topics mentioned in this article.

When you go to the website, be sure to sign up for the District's email list. You can subscribe to receive timely news and updates, links to our newsletters, or agendas for our Board of Directors' meetings. Here's a direct link to subscribe to your selected District emails:



Reclamation Area



LGVSD laboratory worker performing pH testing.

Join the Leading Edge of Public and Environmental Health: Wastewater Management

The sustained, effective operation of wastewater management is critical to public health and to the protection of our environment. The essential role wastewater professionals play continues non-stop regardless of the emergencies around us, whether fires, power outages, other disasters, or even a pandemic — and the many career opportunities for skilled wastewater treatment plant operators continue to grow.

This is an exciting, expanding, and important field of work which is experiencing an industry-wide demand for skilled treatment plant technicians. These professionals perform a variety of operational, mechanical, and electrical tasks to ensure the wastewater treatment plant and associated facilities are operated and maintained at their peak performance levels.

Throughout the industry, these are well-paid jobs, many of which require various levels of certification. Training is available through trade schools, local colleges, and universities throughout the state and country. Scan the QR codes at right to see the wastewater and instrumentation programs offered by Solano Community College, Santa Rosa Junior College, and

the State Water Resources Control Board. Or, explore career paths with Baywork (baywork.org) a network of water and wastewater agencies focused on workforce reliability.

As populations grow and environmental regulations continue to evolve and expand, more water- and wastewater-treatment services — including the production of recycled water — will be needed for the communities they protect. New treatment plants, along with expansion of existing plants, are anticipated to continue to create jobs for operators, management, and environmental STEM experts.

The growing field of wastewater management has ample opportunities for advancement, personal growth, and job satisfaction, and most positions include very good benefits. It's a career opportunity worth exploring!



Solano CC



SRJC



WRCB1



WRCB2

Barry Nitzberg Appointed to LGVSD Board of Directors



At its meeting of May 2, 2024, the Las Gallinas Valley Sanitary District Board of Directors selected Barry Nitzberg to fill a vacant seat on the Board, following the resignation of a Board member earlier this year. Mr. Nitzberg was sworn in at a special Board meeting on May 6, and the appointment is effective until December 2024. This seat will be up for election in November 2024 to complete the remaining two years of the term (to December 2026).

"I'm very grateful to have been selected to serve on the Board, and I look forward to offering my skills and expertise to help this organization advance its mission," said Nitzberg. *"As a Board member, I know that our policy decisions are crucial to ensure the District stays on track in providing excellent wastewater treatment services and high-quality recycled water, while keeping a focus on protecting the environment."*

Nitzberg has been in the plumbing industry for many years, initially as a Journeyman Plumber with U.A. Local 38, then as a Licensed Plumbing Contractor in Marin County, followed by employment as Senior Territory Manager for plumbing products manufacturer Moen, Inc. He subsequently joined PACE Supply Corp., a wholesale supplier of plumbing, water works, wastewater, water treatment and hydronics. At PACE, an employee-owned company, Nitzberg served as a member of the Board of Directors and, until his retirement in 2015, held the position of Senior Vice President of Sales, Marketing, and Organizational Development.

Nitzberg holds a BA degree in Geography. He has been a resident

Continued on page 4...



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Board of Directors

Megan Clark
Craig K. Murray
Barry Nitzberg
Gary Robards
Crystal J. Yezman

Board Meetings are

held at 4:00 PM on
the first and third
Thursday of each month
at the District offices.

ECRWSS – Postal Customer

District Administration: Curtis Paxton, General Manager

The District received the following awards and certificates:

- Recycled Water Agency of the Year 2023 (Small Category) from the California WaterReuse Association
- District Transparency Certificate of Excellence by the Special District Leadership Foundation for 2022-2025 in recognition of its outstanding efforts to promote transparency and good governance.
- Certificate of Achievement for Excellence in Financial Reporting for 2022 was received by Government Finance Officers Association.

Printed on recycled paper using soy-based inks.

"Design Underway for Multipurpose Facility" continued from page 1

The project's parking lot will incorporate solar canopies and electric vehicle charging stations, reflecting the District's commitment to renewable energy and sustainability. These features, along with the building's design considerations for ADA compliance, energy efficiency, and resilience against sea level rise and storm surge, underline the project's forward-thinking approach.

The award of this contract marks the beginning of a project poised to elevate the District's wastewater treatment and recycling capabilities for its 30,000-plus customers, and enhance its interaction and engagement with the community.

Initiated in July 2023, the contract's competitive review process concluded with the selection of Noll & Tam Architects, a firm distinguished by its expertise in laboratory design. Vital to this firm's selection is its alignment with the District's values and vision. The contract encompasses

a wide-ranging scope from conceptual design to construction administration and management, demonstrating the project's ambition and scale.

With a construction budget of \$10 million, the Multipurpose Laboratory Building project is a significant investment in the District's and Marin County's future, reflecting a dedication to innovation, sustainability, and public service. The design phase is expected to span 13 months, with the project's completion targeted for June 2026.

This initiative not only promises to enhance LGVSD's operational capabilities but also sets a new standard for integrating community-focused environmental education and sustainable practices within public utilities. As this project unfolds, it provides enhanced laboratory services and represents a vital step toward a more informed, environmentally conscious, and engaged community in Marin County.

"Barry Nitzberg" continued from page 3

of the District's service area since 2013 and is a member of the Santa Venetia Neighborhood Association. Long a concerned environmentalist, Nitzberg co-founded a chapter of the American Cetacean Society of Marin County, for which he coordinated presentations by national and international experts on the status of whale populations, and he personally conducted an informational program on the California Grey Whale and other marine mammals.

The District's Board of Directors sets policy and makes a variety of decisions governing the District's operations of providing effective wastewater collection, treatment, and recycling services. The Board focuses on critical policy issues involving budgets and funding, operations/infrastructure, partnerships, and other vital matters which guide the overall success of the District.



When done reading this newsletter, please put it in your blue recycling bin with other recyclable paper items.

6/20/2024

General Manager Report

- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

6/20/2024

BOARD MEMBER REPORTS

CLARK

NBWA Board Committee, CASA Workforce Committee, Operations Control Centers Ad Hoc Committee, Fleet Management Ad Hoc Committee, FutureSense Ad Hoc Committee, Other Reports

MURRAY

Marin LAFCO, Flood Zone 6, Biosolids Ad Hoc Committee, CASA Energy Committee, Development Ad Hoc Committee, SF Trail Ad Hoc Committee, Other Reports

NITZBERG

Operations Control Centers Ad Hoc Committee, McInnis Marsh Ad Hoc Committee, Fleet Management Ad Hoc Committee, SF Bay Trail Ad Hoc Committee, Other Reports

ROBARDS

Gallinas Watershed Council/Miller Creek, NBWRA, Engineering Ad Hoc Committee re: STPURWE, McInnis Marsh Ad Hoc Committee, Development Ad Hoc Committee, FutureSense Ad Hoc Committee, Other Reports

YEZMAN

Flood Zone 7, CSRMA, Ad Hoc Engineering Sub-Committee re: STPURWE, Marin Special Districts Association, Biosolids Ad Hoc Committee, Other Reports



ITEM	LEAD
Welcome/Roll Call	Heidi Oriol (Chair), Sarah Deslauriers and Greg Kester (CASA)
Review/Approval of Agenda	All

PRIORITY ISSUES/ACTION ITEMS

	ITEM	LEAD	NOTES
1.	CARB Advanced Clean Vehicle Regulations (CASA Summary)	Sarah	Final ACF Package reopened to implement requirements of AB 1594, CASA submitted letter of recommendations, meeting with CARB staff Jun 26; CASA draft FAQ on ACF regulations released for review; CARB's Truck Regulations Implementation Group Subgroups continue to meet; CARB hosted Next-Stop to Zero Education Series – May 29 in SoCal; CASA meeting w/ CARB Chair Jun 24 to discuss collaboration w/ state agencies on beneficial uses of biogas.
2.	SB 1383: CH₄ Reductions	Greg, Jim, Layne	Continued tracking/participation in County actions related to land application of biosolids and Article 2 determinations .
3.	CARB Low Carbon Fuel Standard	Greg Sarah	45-day proposed regulatory updates released Jan 5 , comments submitted Feb 20, comments on April 10 workshop submitted May 9, 15-day changes to be distributed, public hearing scheduled for Nov 8 with changes effective 2025.
4.	8-hour Ozone Attainment: EPA SIP Disapproval & SCAQMD Rule 317.1	David Sarah	EPA disapproves LA-South Coast Air Basin's 1997 8-hour Ozone Air Plan; however, it cannot be achieved without reductions from federal sources (including vehicles); comments submitted Apr 3, decision to be final by July 2024. SCAQMD approved proposed Rule 317.1 Jun 7 to apply non-attainment fees (Clean Air Action under Section 185) for 8-hour Ozone, imposing fees on Title V facilities – Clean Water SoCal and CASA commented.
5.	CNRA Natural & Working Lands (NWL) Climate Smart Strategy Environment Farming Act Science Advisory Panel (EFA SAP)	Sarah Greg	CNRA posted final carbon sequestration targets in support of AB 1757 ; workshops held in Feb to discuss priority nature-based climate solutions and cross-cutting priorities to inform updates to Climate Smart Strategy to be released in fall 2024 for review, CASA requested biosolids be listed as eligible soil amendment, expert advisory committee met May 30 . EFA SAP meets quarterly to review latest science on improving soil health and carbon sequestration – next meeting Aug 1.
6.	Criteria Pollutants & Toxics Emissions Reporting (CTR) & Hot Spots Program (EICG)	Sarah Steering Committee	Wastewater sector reports BAU through 2027 while performing Two-Step Process led by Project Manager (PM), CASA continues outreach to participants, kickoff held May 15 with Steering Committee, next Air Toxics Subgroup meeting is July 10. CASA commented on EPA's proposed revisions to its air emissions reporting rule to be finalized and published by July 2024.
7.	Adaptation-Related Updates	Sarah	Tracking OPC Sea Level Rise Action Plan and Strategic Plan ; OPC released the final 2024 SLR Guidance , CASA attended the Jun 4 meeting where it was adopted; OPC's SB 1 SLR Adaptation Planning Grant funding has been awarded and is still available. Keep watch of your NPDES and WDR permits for climate change related requirements! SWRCB to update Climate Resolution.

STATE LEGISLATIVE & BUDGET UPDATE

	ITEM	LEAD	STATUS
1.	State Legislation	Jessica/Spencer	Status of ACE-tracked bills
2.	Governor's Budget	Jessica/Spencer	" May Revise " released May 14

INFORMATIONAL ITEMS

	ITEM	LEAD	NOTES
1.	Biogas to Hydrogen	Sarah	US National Clean Hydrogen Strategy and Roadmap acknowledges WWTP biogas as renewable feedstock; continued tracking of hydrogen related bills; members working to demonstrate viability.
2.	Summary of Incentives to Improve Soil Health & C-Sequestration	Sarah	From IRA to USDA NRCS Climate-Smart Agriculture & Forestry to Climate Action Reserve credits in the voluntary market.
3.	Biosolids Emissions Assessment Model (BEAM) Update	Sarah	BEAM update underway, the model supports the greenhouse gas emissions comparison of solids/biosolids management approaches.
4.	BACT: Emergency Diesel Engines	David Courtney	SCAQMD considering source test provisions for large (>1000 hp); SMAQMD adopts Tier 4 for small (>50), BAAQMD to follow.

5.	CARB Potential Amendments to Off-Road Diesel Engine Standards	Courtney	Tier 5 rulemaking (including CO ₂ standards), proposal expected in 2024, implementation to begin 2028.
6.	WRF Projects of Interest	Sarah	Nitrous Oxide at WRRFs, PFAS destruction comparison
7.	Cross-Media Issues	Sarah	CASA's Engineering & Research Group to propose 3 issues to research



UPCOMING CONFERENCES/EVENTS

NAME	DATE/LOCATION
WEF Residuals & Biosolids Conference	June 18-21, Oklahoma City, OK
WEF Circular Water Economy Summit	July 15-17, Dallas, TX
CASA Annual Conference	July 31-Aug 2, Monterey, CA

NEXT MEETING: July 11th



Air Quality, Climate Change, & Energy (ACE) Workgroup Meeting

June 13, 2024 (10 am – 12 pm)
Virtual – Zoom Link (see Meeting Invite)



1

Priority Issues/ Action Items




2

1. CARB's Advanced Clean Fleet Regulations/Resolution

Applies to gross vehicle weight rating >8,500 lbs (medium- and heavy-duty)

<p>1. State & Local Government Agency Fleets (Section 2013)</p> <p><i>(cities, counties, special districts, State agencies)</i></p>	<p>2. High Priority & Federal Fleet Requirements (Section 2015)</p> <p><i>(POTWs can opt in until 2030 – once in, you cannot opt out)</i></p>	<p>3. Drayage Truck Requirements</p>	<p>4. 2036 100 Percent Medium- and Heavy-Duty Zero-Emission Vehicle Sales Requirements</p>
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Contain requirements/schedules for POTWs!




3


1. CARB's Advanced Clean Fleet Regulations/Resolution

State & Local Government Agency Fleets

include cities, counties, special districts, state agencies



- **If NOT in a low population county, have >10 vehicles in fleet:**
 - January 1, 2024, 50% of vehicle purchases in each calendar year must be ZEVs
 - January 1, 2027, 100% of vehicle purchases in each calendar year must be ZEVs
- **If in low population county or ≤10 vehicles in fleet:**
 - January 1, 2027, 100% of vehicle purchases in each calendar year must be ZEVs
- No requirement to end the use of existing compliant vehicles
- **Exemptions/extensions are only available to vehicles 13 years of age or older**
- Early ZEV purchases made before deadlines or in excess of requirement count toward future ZEV purchase requirements



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1. CARB's Advanced Clean Fleet Regulations/Resolution

High Priority & Federal Fleets

If you are a WWTP, you can opt your entire medium and heavy-duty fleet into this regulation:

- Timeline to transition entire medium- and heavy-duty fleet (see table below)
- Exemptions/extensions are only available to vehicles 16 years of age or older

Percentage of fleet that must be ZEVs →	10%	25%	50%	75%	100%
Milestone Group 1: Box trucks, vans, buses w/ two axles, yard tractors, light-duty package delivery vehicles	2025	2028	2031	2033	2035 +
Milestone Group 2: Work trucks, day cab tractors, buses with three axles	2027	2030	2033	2036	2039 +
Milestone Group 3: Sleeper cab tractors and specialty vehicles	2030	2033	2036	2039	2042 +

Most POTWs have registered under State & Local Government Agency Fleet for increased flexibility in the near term!

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Flexibility Provisions

Available to medium- or heavy-duty fleet vehicles of certain age (for State & Local Government Agency Fleets vehicles must be 13 years or older and for High Priority & Federal Fleets vehicles must be 16 years or older or reach 700,000 miles)

Provision	Brief Description
Vehicle Delivery Delay Extension*	Allows a Fleet to remain compliant if a ZEV order is delayed.
Infrastructure Delay Extension	Extends compliance for up to 5 years for delays during planning and construction.
ZEV Purchase Exemptions	Can buy ICE vehicle if ZEV is not available in configuration needed.
Daily Usage Exemption	Can buy ICE vehicle if available BEV** does not meet fleet's mileage or power needs.
Mutual Aid Assistance	Reserves up to 25 percent of ICE vehicles in a fleet for use in mutual aid events.
Waste/Wastewater Fleets Extension	Extends existing CNG trucks in waste diversion and biomethane generation.
Non-Repairable Vehicle	Flexibility to purchase used replacement ICE vehicle in case of accident.
Backup Vehicle Exemption	Excludes vehicle operated less than 1000 miles per year including mutual aid events.
Intermittent Snow Removal Vehicle	May purchase ICE vehicles to operate as intermittent snowplow until 2030.

*Not relevant to the ZEV Purchase Schedule (i.e., State & Local Government Agency Requirements).

**BEV – battery-electric vehicle.

Focus of AB 1594 amendments by CARB



6

Does AB 1594 allow change of any provisions in ACF?

- Signed October 8, 2023
- Applies to public agencies,...community water systems, water districts, wastewater treatment providers..
- Authorizes public agencies to “...purchase traditional replacements for medium- and heavy-duty vehicles at the end of their useful life...when needed to maintain reliable service and respond to major foreseeable events...**without regard to the model year of the vehicle being replaced.**”
- ACF regulations re-opened March 25th to incorporate requirements of AB 1594 (e.g., remove vehicle age requirements to be eligible for flexibility provisions)
- CARB stated they are limiting amendments to ZEV Purchase and Daily Usage Exemptions
- CASA submitted comments May 20th
- CARB staff requested a meeting to discuss our comments for June 26th
- CASA is also coordinating with CMUA (sponsor of AB 1594) and ACWA
- Amendment process intended to be complete by early 2025



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1. CARB's Advanced Clean Fleet Regulations/Resolution

- Other Actions/Upcoming Events:
 - Truck Regulations Implementation Group (TRIG) continues to meet to receive input
 - Subgroups formed: Outreach, Border Communities, Infrastructure Implementation, Rule Provisions
 - Outreach Subgroup met May 31st
 - Rule Provisions and Infrastructure Implementation Subgroups met June 5th
 - High Priority Fleet Q&A Session to be held June 20th
 - Advanced Commercial Vehicle Technology Expo: May 20-23, Las Vegas
 - CARB hosted an informational booth on their heavy-duty regulations and incentive programs
 - “Next-Stop to Zero” Education Series, Day 1: May 29th (Day 2 held on future date, same format)
 - Presentations and roundtable discussions by manufacturers, incentive and funding program representatives, CARB staff, other subject matter experts, and fleets leading medium- and heavy-duty ZEVs
 - Panelist discussion by industry experts (topics include Switching to ZEVs, Infrastructure, Utilities and Permitting), and a presentation on the ACF regulations
 - CASA meeting with CARB Chair June 24th to discuss future of biogas utilization

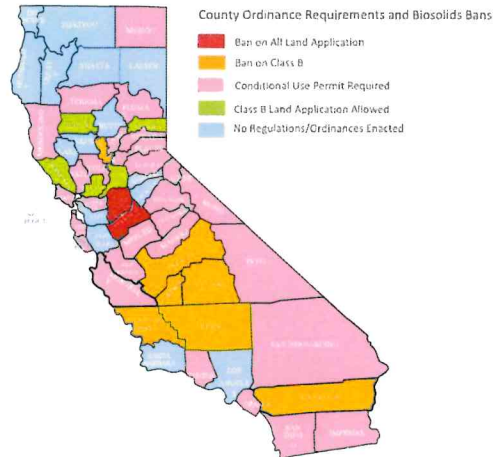


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2. SB 1383 Organic Waste Methane Emissions Reduction



- 40% methane reduction by 2030 (relative to 2013 levels) via organic waste diversion from landfills
 - 75% by January 1st, 2025 (relative to 2014 levels)
- Counties with overly restrictive ordinances related to land application are reassessing restrictions as projects arise in those counties
 - Sutter County has updated their Ordinance to allow Class A/EQ land application (CalRecycle, CASA, City of Yuba City advocated for Class B)
 - Tracking CalRecycle’s compliance evaluations across CA with focus on Stanislaus (workshop took place May 29th), San Joaquin, Tulare, Kern, San Benito (Class B CUP)
- Article 2 interpretation and determination discussions continue, specifically regarding processes 1) counting as landfill disposal AND 2) whether there is a net-methane reduction



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3. CARB Low Carbon Fuel Standard (LCFS)

- Designed to reduce fossil fuel dependence and reduce carbon intensity of fuel used
- Proposed (45-day) changes released January 5th
 - Phase-out avoided methane crediting for both biomethane and hydrogen pathways
 - Phase-out credit for biomethane as a transportation fuel
 - ISOR recognizes importance of POTWs but suggests POTWs need new/more digestion capacity/infrastructure which may require a compliance response
- Actions
 - CASA submitted comments February 20th and participated in April 10th workshop (followed by submitting written comments May 9th on the workshop content)
 - CARB to hold more workshops and release 15-day changes later this year
 - Board intends to vote November 8th, updates to be effective 2025

Waiting for 15-day changes to be released or the next workshop to be announced



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4. 8-hour Ozone Attainment: EPA Disapproval of State Implementation Plan (SIP) & SCAQMD Rule 317.1

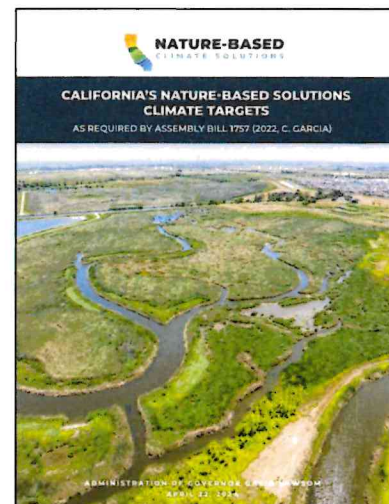
- Federal 8-hour ozone attainment requirements (set in 1997 for 2023) are unreachable without reductions by federal mobile and other sources in the LA-South Coast Air Basin
- However, EPA disapproved of LA-South Coast Air Basin's 1997 8-hour Ozone Air Plan, stating:
 - There is "no basis for approving federal assignments" even though they acknowledged federal sources represent the majority of emissions in their response to SCAQMD's 1994 ozone SIP
 - Contingency measures to achieve reductions were not implemented properly
- As a result, penalties (per Section 185 of CAA) are being considered for Title V facilities in the LA-South Coast Air Basin with the approval of SCAQMD Rule 317.1 (SoCal Title V agencies estimate collective-fees to be ~\$800k per year)
- CASA submitted comments on EPA's disapproval of the SIP April 3rd – final decision expected in July
 - Requested limited approval of LA-South Coast SIP, for EPA to work with SCAQMD and CARB to strengthen the SIP including acknowledgement and implementation of measures to reduce federal emission sources
- Clean Water SoCal/CASA testified June 7th during SCAQMD's adoption of Rule 317.1 – SCAQMD adopted a resolution to open process if federal action taken and to manage ww sector differently



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5. CNRA NWL Climate Smart Strategy

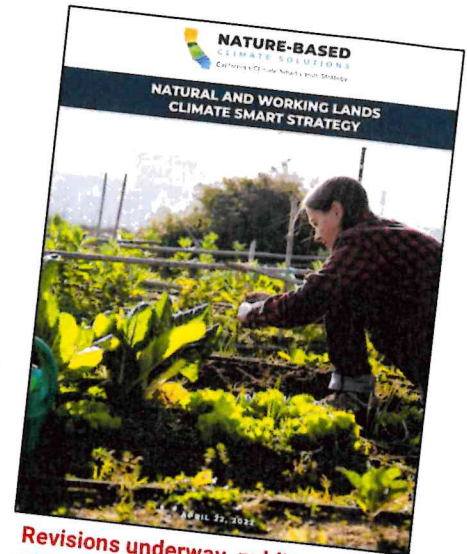
- Modeling 8 landscapes for GHG reduction potential
- AB 1757 requires CNRA to develop quantitative [nature-based solution targets](#) for 2030, 2038, 2045
- CASA submitted input on draft targets and solutions requesting biosolids be an eligible soil amendment (in addition to compost and biochar)
- Final acreage-based targets released April 22, 2024, with [Governor's announcement](#)
- Focus now is:
 - Implementing targets into NWL Climate Smart Strategy updates (draft updates coming in fall 2024)
 - Identify science/data needs for tracking progress toward targets
 - Update the NWL GHG model



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5. CNRA NWL Climate Smart Strategy

- Expert Advisory Committee meetings:
May 30, July 11, Sept 12 and Nov 6
- May 30 Expert Advisory Committee Meeting –
 - Coastal Wetlands Focus
 - Lydia Vaughn (SFEI)
 - James Holmquist (Smithsonian Environmental Research Center)
 - Status of CNRA’s NWL Climate-Smart Strategy updates, Amanda Hansen (CNRA)



Revisions underway, public review process to be complete in 2025



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6. Criteria Pollutants & Toxics Reporting and Air Toxics “Hot Spots” Program – Pooled Emissions Study

- AB 617 gives CARB authority to “harmonize” air monitoring, reporting, & emission reductions for stationary sources
- AB 2588 Hot Spots compound list is >1,700 compounds (from >500)
 - Unknown toxicity levels
 - Unknown emission factors
 - Many are not relevant to WWTPs
- Phased compliance allows WWTPs to:
 - Report business-as-usual through 2028 (reporting begins 2029 for 2028 data) but **all WWTPs must participate in a two-step process (individually or as a group)**
 - Perform “two-step process” to determine relevant shortlist of compounds
 1. Scan air space of unit processes to determine detectable compounds
 2. Perform sampling and analysis to ultimately quantify emissions of detectable compounds (Mimic 1990 Pooled Emissions Estimation Program, PEEP, but broader in scope)



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6. Statewide Two-Step Process – Pooled Emissions Study

- Latest Study actions:
 - Performing the Two-Step Process in two Phases
 1. Develop compliant/approvable emissions quantification plan (source test protocol for two-step process)
 2. Perform the two-step process following the approved emissions quantification plan
 - Kicked off Phase I May 15th with Yorke Engineering to develop emissions quantification plan (in close coordination with Steering Committee, and eventually CARB and Air Districts)
 - Yorke/Steering Committee meeting monthly to maintain project progress
 - CASA's Air Toxics Subgroup open to all Study participants, next meeting: July 10th
 - Monthly written summaries to be distributed to participant list
 - Meetings with CARB and Air Districts to be coordinated when needed, to be determined by Yorke and Steering Committee
 - CASA outreach to broader participants continues



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6. Federal air toxics reporting updates underway

- Proposed revisions to EPA's Air Emissions Reporting Rule (AERR):
 - Proposed revisions published August 9th with public meeting held August 30th
 - Comments submitted November 17th supporting CARB's application to submit on CA facilities' behalf and that CTR/EICG are compliant

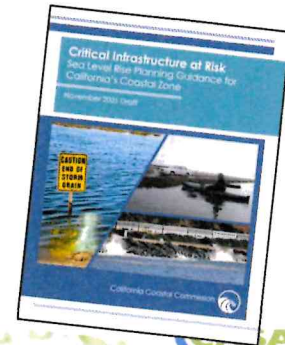
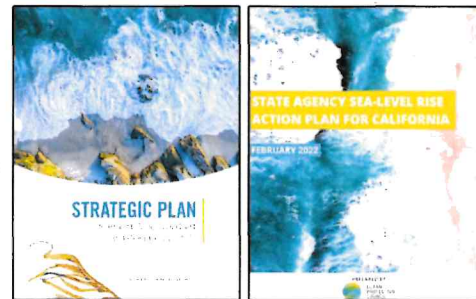
**No Update
from EPA**



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7. Adaptation Update: OPC

- Tracking implementation of:
 - Strategic Plan ('20-'25)
 - Sea Level Rise Action Plan (FY 22–25) – SLR Planning Guidance
 - 30x30 California
- 2024 SLR Planning Guidance Update
 - Final Guidance presented to OPC for adoption during June 4th meeting, CASA commented:
 - Support removal of extreme SLR scenario (i.e., H++)
 - Support evaluating Intermediate, Intermediate-High, and High scenarios (with storm conditions)
 - Support using stepwise process that includes adaptation pathways to phase actions over time
 - OPC did not feel it was necessary to provide input on reconciling scenarios of previous assessments to the 2024 scenarios
 - Coastal Commission to update their “Critical Infrastructure at Risk: SLR Planning Guidance” scenarios – removing the extreme (H++) scenario



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7. Adaptation Update: SB 1 SLR Adaptation Planning Grant

- Grant funding for local, regional, and tribal governments facing significant and imminent SLR threats along the CA coast and San Francisco Bay shoreline
- Latest round of funding approved:
 - Up to \$250,000 to the City of Sausalito
 - Up to \$1,499,285 to Contra Costa County
 - Up to \$600,000 to the City of Santa Cruz
 - Up to \$1,200,000 to the Stinson Beach County Water District
 - Up to \$997,500 to the City of South San Francisco
 - Up to \$848,000 to the City of Imperial Beach
 - Up to \$220,000 to Orange County Parks
- For details, including eligibility, types of technical services supported, and how to apply, visit link in agenda
- Informational webinar held April 15th ([recording here](#))

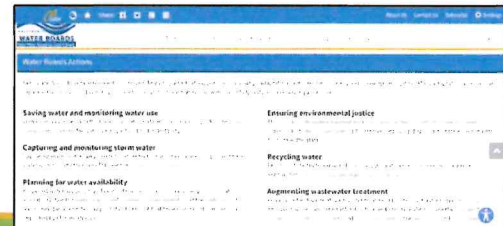
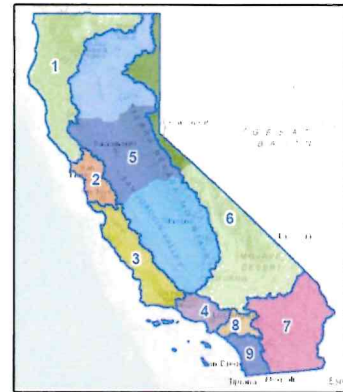
NOTE:
 Senate Bill 1 Sea Level Rise Adaptation Planning Grant Program (SB 1 Grant Program) Track 1 proposals are accepted on a rolling, quarterly, non-competitive basis.
 The next submission deadline is Friday, June 28, 2024, for consideration at the September Council meeting.



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7. Adaptation Update: Permits require varying climate assessments

- NPDES/WDR permit language requiring climate change vulnerability assessments, climate action plans, resilience plans, disaster preparedness plans, some GHG emissions inventorying, etc...with varying levels of detail
- Please be aware of your region's approach and let us know of any new developments
- GHG's should not be in Water Board permits – working to discuss authority
- State Water Board Climate Change Website – Tracking Water Board Actions and creation of a **NEW Climate Change Resolution!**



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Regional Water Board approaches to addressing climate change in permits vary and some require GHG emissions estimates!

Region	POTW Requirements for Climate Adaptation	Mitigation of GHG Emissions
1 North Coast	Disaster Preparedness Assessment and Action Plan	No requirement as of today
2 San Francisco	No requirements for POTWs as of today, Vulnerability Assessments/ERPs required for refineries' WW/SW systems	No requirement as of today
3 Central Coast	Climate Change Adaptation Program	Identifies maximizing reduction in carbon
4 Los Angeles	Climate Change Effects Vulnerability Assessment and Mitigation Plan	GHG emissions attributable to WWTPs, solids handling, and effluent discharge
5 Central Valley	No requirements for POTWs as of today, Region Work Plan	No requirement as of today
6 Lahontan	No requirements for POTWs as of today, Region Action Plan	No requirement as of today
7 Colorado	No requirements for POTWs or Region Plan as of today	No requirement as of today
8 Santa Ana	Climate Change Action Plan	GHG emissions resulting from facility operations and effluent discharge
9 San Diego	Climate Change Action Plan	GHG emissions resulting from facility operations and effluent discharge

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State Legislation & Governor's (May Revise) Budget

Bills under review relate to:

- Air Quality
- Hydrogen
- Natural & Working Lands
- Organics Diversion/SB 1383
- ~~Advanced Clean Fleets Regulations~~
- Energy



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Informational Items



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1. Biogas-to-Hydrogen

- Tracking bills, special focus on green hydrogen definition and hydrogen production
- US National Clean Hydrogen Strategy & Roadmap – Enable the Benefits of Clean Hydrogen:
 - Strategy 1: Target Strategic, High-Impact Uses of Clean Hydrogen
 - **Strategy 2: Reduce the Cost of Clean Hydrogen**
 - Hydrogen Production Through Water Splitting
 - Hydrogen Production from Fossil Fuels with Carbon Capture and Storage
 - **Hydrogen Production from Biomass and Waste Feedstocks (acknowledges WWTP biogas)**
 - Other System Costs
 - Strategy 3: Focus on Regional Networks
- LACSD offered to demonstrate biogas-to-hydrogen technologies – projects underway and third parties pursuing partnership
- Researching life cycle emissions estimates of hydrogen production and use
- CASA Winter Conference panel to focus on hydrogen



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2. Summary of Incentives directly or indirectly supporting biosolids to improve soil health and carbon sequestration across California landscapes



Incentive Programs	Objective	Relevance to Biosolids	Applicant
Inflation Reduction Act	Reduce inflation due to global energy crisis while reducing carbon emissions by 40% by 2030.	\$19.5B directed to USDA NRCS Climate-Smart Agriculture & Forestry to increase carbon sequestration (see next row).	See next row, since funds are allocated locally.
USDA NRCS Climate-Smart Agriculture & Forestry Program	Expand conservation practices to mitigate climate change and build resilient farms and forests.	Improve soil health and carbon sequestration through <u>mitigation strategies</u> (e.g., land application of soil amendments). Need to address NRCS Code 336 which excludes biosolids. Biosolids investigation underway.	Producers, land managers (e.g., farmers and landowners)
CDFA OEF Healthy Soils Program	Promote conservation management practices that improve soil health, sequester carbon and reduce GHG emissions.	Eligible on-farm management practices include cover cropping, no-till, reduced-till, mulching, compost and biosolids land application, and conservation plantings.	Growers, ranchers
CDFA OEF State Water Efficiency & Enhancement Program (SWEEP)	Implement irrigation systems that reduce GHGs and save water in agricultural operations.	Eligible components include soil moisture monitoring, drip systems, low pressure irrigation systems, pump retrofits, variable frequency drives and renewable energy to reduce on-farm water use energy. Possibly includes strategies that offset water use including land application of biosolids.	Agricultural operation (applying for SWEEP precludes you from applying for other USDA funds listed above)
Climate Action Reserve (CAR) Soil Enrichment Protocol	Provide guidance on how to quantify, monitor, report, and verify agricultural practices that enhance carbon storage in soils.	Provides credit for achieving carbon sequestration through land application of soil amendments, including biosolids.	Field manager, project developer, project owner

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2. Summary of Incentives directly or indirectly supporting biosolids to improve soil health and carbon sequestration across California landscapes




Incentive Programs	Objective	Relevance to Biosolids	Applicant
CDFA OEFI Healthy Soils Program	Promote conservation management practices that improve soil health, sequester carbon and reduce GHG emissions.	Eligible on-farm management practices include cover cropping, no-till, reduced-till, mulching, compost and biosolids land application, and conservation plantings.	Growers, ranchers

CDFA has an OPEN Request for Proposals on New Practices for Consideration under Healthy Soils Program

Proposal requirements are [HERE](#) and proposals must be submitted by 5 PM August 2, 2024 to CDFA.HSP_tech@cdfa.ca.gov. CDFA is hosting two virtual workshops to discuss requirements and answer questions.

Thursday, June 13, 2024 (today!)
 2:00 p.m. – 3:00 p.m. PT
<https://us02web.zoom.us/j/87495684125>
 Passcode: qT=2yfg4


Friday, June 21, 2024
 9:00 a.m. – 10:00 a.m. PT
<https://us02web.zoom.us/j/89289380732>
 Passcode: 03#SNHOS



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3. Biosolids Emissions Assessment Model (BEAM) Update

- 2024 BEAM update underway
- Independent project of NEBRA and NW Biosolids, building on the Canadian Council of Ministers of the Environment’s work with Sylvis
- Science Review Team provided recommendations for improvement, with focus on:
 - Carbon Sequestration
 - Fertilizer Offsets
 - Nitrous Oxide and Methane fugitive emissions
 - Composting
 - Thermal Processes
 - Biogas Combustion



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4. BACT: Emergency Diesel Engines

■ Air District activities

- Bay Area AQMD
 - >1000 bhp, Tier 4 effective January 1, 2020
 - Considering Tier 4 as T-BACT for engines >50 bhp – looking for source test data from Sacramento Metro AQMD
- Sacramento Metro AQMD
 - >1000 bhp, Tier 4 effective June 4, 2021
 - Tier 4 BACT for engines >50 hp approved February 2024
- San Joaquin Valley APCD
 - >1000 bhp, Tier 4 effective April 29, 2022
- South Coast AQMD
 - >1000 bhp, Tier 4 approved September 2, 2022
 - Clean Water SoCal working to get testing requirements for compliant engines to match that for certified engines to avoid unnecessary testing requirements onsite for compliant engines
 - SCAQMD advises operators not to use emergency generators to avoid grid consumption

NFPA 110-2022 Edition
www.nfpa.org/110
Standard for Emergency and Standby Power Systems

*Add a new Section (5.6.5.5.1) to read as follows:
5.6.5.5.1 Where used for permanent Level 1 applications, EPA-mandated inducement engine shutdowns due to emissions system controls that are required on Tier 4 certified engines with SCR shall be prohibited.*

Substantiation:
Tier 4 certified engines have EPA mandated inducement shutdowns that take place when NOx potentially goes out of limits. For example, if DEF runs low, DEF quality is sensed to be “bad”, or the NOx sensor reading is out of range, the Tier 4 Certified engine will shut down. None of these things are catastrophic to the engine / generator itself, it just means potentially NOx went out of limits.

For obvious reasons, generator sets that provide power for critical facilities like hospitals and WWTPs (or other emergency systems) absolutely cannot have that added risk to public safety!

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5. CARB Potential Amendments to Diesel Engine Off-Road Emission Standards

- “Tier 5 Rulemaking”
 - Reduce NO_x (up to 90%) and PM (up to 75%) compared to Tier 4 standards
 - First-time GHG (carbon dioxide, CO₂) standards
 - Stringent exhaust standards for all power categories, including those that do not utilize exhaust aftertreatment (i.e., DPFs and SCRs)
 - Propose more representative useful-life periods
 - Develop a low-load test cycle
 - Update test procedures and consider first-time off-road OBD requirements
- Proposal to Board expected in 2024
- Implementation to begin in 2029

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6. Water Research Foundation (WRF) Projects

- WRF 5251 – Advancing the Understanding of Nitrous Oxide Emissions Through Enhanced Whole-Plant Monitoring and Quantification (awarded)
- WRF 5211 – Understanding the Value Proposition for Thermal Processes to Mitigate PFAS in Biosolids (to be complete in 2026)



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7. Cross-Media Issues

- CASA's Engineering & Research Group (led by Associates) to propose three priority areas for research – topics include:
 - RO concentrate/Brine management
 - Nutrient management
 - Nutrient management/Organics diversion/Nitrous oxide emissions
 - Exfiltration
 - CEC (PFAS, Microplastics, etc.) Removal



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Upcoming Conferences/Events

- **WEF Residuals & Biosolids Conference**
June 18-21, Oklahoma City, OK
- **WEF Circular Water Economy Summit**
July 15-17, Dallas, TX
- **CASA Annual Conference**
July 31-August 2, Monterey



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Upcoming Meeting

- July 11th

Thank you!



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CASA ACE
Notes
Craig K. Murray
June 13, 2024

Patrick Serfass, American Biogas Council, let him know if EPA is wanting to just restrict to only secondary sludge. If haven't heard, then nothing to do. But if do hear from EPA on this then let Patrick know. patrick@americanbiogascouncil.org

Sarah Deslauriers, CASA Director of Air, Climate Programs: Roll Call. 44 on call. Greg Kester in Africa, Botswana and will join next meeting. Agenda, Slides, Bill List.
Priority Issues. ACF: 4 regulations but just 2 apply to WW (State/Local; High Priority Fed. Fleet Req). Exemptions /Extensions only available to vehicles 13+ years (High Priority or Fed fleets 16+ years) but will continue to look at and seek additional extensions if fueling facilities or ZEVs are N/A.
CARB only ZEV purchase & Daily Use Exemptions of the Flexibility Provisions of AB 1594/Advanced Clean Fleet (ACF). We helped formulate legislation to remove vehicle age and be eligible for flexibility provisions. ACF subgroup this afternoon to work on for June 26 mtg. CMUA (sponsor of AB 1594) and ACWA coordinating with and workshops this year to adopt any amendments by early 2025. Steve Jepsen, Clean Waer SoCal: We should be able to replace when we need to replace rather than a reliability review (now) by CARB to say things like if it breaks down 2x/year then it is OK to keep running. There shouldn't be any age limit. Not like an Agency will replace a Vac truck every 6 months. Kris Flaig, LASAN: We can't have a State Agency determine directing our business. Heidi Oriol SacSewer: Can't have CARB taking up to 6 months for a review & approval process for vehicle replacement. It will not work with a review & approval process. Sarah: Essential public service & supporting emergency response. Agree. HO: Fleet Mgrs. Will need help (eg there are no EV Vactors right now). Need to put our heads around it right now. Which exemption need to apply to. Sarah: Need to put together a cheat sheet. Curtis Paxton LGVSD: Attended Adv Clean Transp. (ACT) Expo CARB table & any Sewer Collection vehicles here or manufacturers here and CARB pointed to end of table with Exemption and for WW to let CARB now if there are manufacturers. Interesting to see CARB just going to Exemption. Sarah: Quite a few of higher class vehicles are N/A. CARB staff think have something similar but sometimes don't consider the WW equipt. That needs to be placed on vehicle. SJ: Which exemption to use. Most concerned with Sewer-Combo trucks (there are no ZEV now) and if there are in future and then go to daily usage and if it can go full power for 8 hours and answer will be NO. Unless can get ICE vehicle. Big problem now is vehicle has to be 13+ years old. CP: Pres. Volvo Trucks presentation, full EV need to be incentives, essentially a carbon tax (pay a penalty if using ICE). Phillip Vander Klay: Proposed Law in Senate Regulations is that ZEV rental for certain #of days will be considered ownership. CASA mtg. w/CARB Chair June 24 to discuss future of biogas utilization and preserving biogas utilization.

SB 1383 Organic Waste Diversion from Landfills. More projects for land application, look at Counties with Bans (Sutter Co. now class A eq; Stanislaus workshop on May 29th Water Advisory Committee attended by Jim Dunbard, Lystek, CNN clip and State of Maine biosolid ban and impact on Cow Farms, drinking water, PFAS and lot of other concerns brought up. Reach out to farm bureau and understand that fire ravaged lands and will try to pursue. They have taken a very strong stance that their ordinance is

reasonable and no intention in changing it.; Kern, San Joaquin and even San Benito. Layne Baroldi, Synagro – San Benito County Board allowed it. Tulare Co. ordinance is a defacto ban. Low Carbon Fuel Standards (LCFS): We are very much fuel since we can produce fuel. Credit to avoid Methane and part of Carbon intensity limits our use and CARB wants to eliminate biogas as fuel in future. So Cal 8-hour Ozone attainment – EPA disapproval of State’s implementation plan. AB 1757 req. CNRA to develop nature-based solution targets for 2030,2038,2045. CASA req. Biosolids to acceptable soild amendment b/c includes biochar already. May 30 Expert Advisory Committee: Coastal Wetlands Focus: SFEI & Smithsonian Env. Research Center. 2024 SLR Planning Guidance. CA 30x30 plan. Evaluation of SLR w/Storm Conditions and step wise and more of an adaptive mgt. approach. Spencer Saks CASA: League of Cities commented, only NGOs on extreme risks comments at June 4 Ocean Protection Council (OPC) meeting. SB 1 SLR Adaptation Planning Grant: Focus on Local Governments with near term impacts: up to \$250k City of Sausalito to \$1,200,000 Stinson Beach County Water District. SB 1 Sea Level Rise Adaptation Planning Grant Program. Next Submission deadline is Friday, June 28, 2024 for consideration at Sept. Mtg. NPDES/WDR permit language req. climate change vulnerability assessments with state water board.

Leg and budget update: Spencer Saks, CASA. Now in 2nd house, hearings from bills through bill from house of origin. SB 1420 Hydrogen bill, we are supporting introduces qualified clean hydrogen w/33.3% to 60% hydrogen sales. Allows to scale to that. Assembly utilities and Energy next Weds. to hear it. SB 972 req. ARB reduce waste organic in landfills to post information. CASA tracking with Cal Cities. AB 2154 BAC sponsored bill. Questionable amendments to bill, need to review if CASA will be supportive. Sarah: take credit away from pyrolysis and if products eligible for diversion. All other bills on bill list is on watch. Senator Niello and lot of bills to severely modify or remove the ACF esp. with members with small businesses or dealing with fleets to expect to see more of these type of bills. Budget: Not Great. May revise: \$19B 1x cuts and \$13.7B ongoing. Water Quality, ELAP fees increasing. Legislature most likely tomorrow night : budget response. Bond discussions: technically going, talking around each other and not feeling like bond season. CASA biosolid mgt. in \$8B Bond. Gov. only said working with legislature, know they are working on it. Spencer: Budget Hearings if anyone would like to attend

Informational Items. Biogas to Hydrogen. Phillip Vander Klay:

<https://www.cityoflancasterca.org/Home/Components/News/News/10158/>

Sarah: Healthy Soils Program. Can apply to have considered for proposals due August 2. Incentives directly or indirectly supporting biosolids to improve soild health and carbon sequestration across CA Lanscapes. CDFA two workshops Thursday June 13 and Fri. June 21. CDFA.CA.GOV.

Tier 5 Rulemaking. Courtney. No Meetings. WRF 251 Nitrous Oxide Emissions. WRF 5211: Understanding Thermal Process and removal of PFAS. Cross-Media Issues: CASA engineering & research group. Meet in person at conferences and next one in July. RO/Brine Mgt., nutrient mgt., PFAS.

CASA Annual Conf: July 31-August 2 in Monterey. Next Meeting : July 11.

###

CASA ACE Committee Bill Tracker 6/10/2024

AB 985 (Arambula D) San Joaquin Valley Unified Air Pollution Control District: emission reduction credit system.

Current Text: Amended: 7/6/2023 [html](#) [pdf](#)

Introduced: 2/15/2023

Last Amend: 7/6/2023

Status: 9/13/2023-Assembly refused to concur in Senate amendments. Motion to reconsider made by Assembly Member Arambula.

Location: 9/12/2023-A. RECONSIDERATION

Calendar: 6/10/2024 #8 ASSEMBLY MOTION TO RECONSIDER

Summary: Current law requires the board of every air district to establish by regulation a system by which all reductions in the emission of air contaminants that are to be used to offset certain future increases in the emission of air contaminants be banked prior to use to offset future increases in emissions, except as specified. Current law requires the State Air Resources Board to develop and adopt a methodology for use by air districts to calculate the value of credits issued for emission reductions from stationary, mobile, indirect, and areawide sources when those credits are used interchangeably, consistent with certain requirements. Current law also requires the state board to periodically update the methodology as it applies to future transactions, if necessary. Current law provides for the establishment of the San Joaquin Valley Unified Air Pollution Control District vested with the authority to regulate air emissions from stationary sources located in the San Joaquin Valley Air Basin. This bill would require the state board, except as provided, to conduct an analysis of each credit identified in the San Joaquin Valley Unified Air Pollution Control District's ledger of available emission reduction credits to determine if any credits were issued in violation of state, local, or district laws, rules, regulations, or procedures in place at the time of original issuance, and to complete the analysis no later than January 1, 2027. The bill would require, upon completion of the analysis, the state board to submit a report to the Legislature that includes a summary of the results of the analysis.

Position
Oppose, unless
amended

Assigned
Jessica

Group
ACE, SLC

AB 2008 (Wallis R) Reliable Energy Needs for Everyone in the West Program.

Current Text: Amended: 3/6/2024 [html](#) [pdf](#)

Introduced: 1/31/2024

Last Amend: 3/6/2024

Status: 5/2/2024-Coauthors revised.

Location: 3/7/2024-A. U. & E.

Summary: Current law requires the State Energy Resources Conservation and Development Commission to administer the Clean Transportation Program to develop and deploy innovative technologies that transform California's fuel and vehicle types to help attain the state's climate change policies. This bill would require the commission, upon appropriation by the Legislature for the bill's purpose, to establish and implement the Reliable Energy Needs for Everyone in the West Program to provide financial incentives for purchasing renewable propane, renewable hydrogen, or renewable dimethyl ether to customers in heating dominant climate zones in California where combustion fuels will continue to be the lowest cost and most effective means for providing space and water heating to buildings, as provided.

Position
Watch

Assigned

Group
ACE, SLC

AB 2109 (Carrillo, Juan D) Electricity: surcharge exemption: industrial process heat recovery.

Current Text: Amended: 4/22/2024 [html](#) [pdf](#)

Introduced: 2/5/2024

Last Amend: 4/22/2024

Status: 5/29/2024-Referred to Com. on E., U. & C.

Location: 5/29/2024-S. E. U., & C.

Calendar: 6/18/2024 9 a.m. - 1021 O Street, Room 1200 SENATE ENERGY, UTILITIES AND COMMUNICATIONS, BRADFORD, STEVEN, Chair

Summary: This bill would specify that the enhancement or increased efficiency of equipment occurring in the normal course of business includes industrial process heat recovery technology that meets prescribed requirements. The bill would prohibit nonbypassable or departing load surcharges from applying to a reduction in kilowatt-hours of electricity that an electrical corporation customer consumes from the electrical grid in a metered interval due to industrial process heat recovery technology that meets those prescribed requirements. The bill would also require the commission to minimize impacts to nonparticipating customers by prohibiting the costs directly attributable to the nonbypassable or

departing load charges of customers using industrial process heat recovery technology from being paid by residential or small commercial customers, as defined.

Position
Watch

Assigned

Group
ACE, SLC

AB 2285

(Rendon D) Natural resources: equitable outdoor access: 30x30 goal: urban nature-based projects.

Current Text: Amended: 6/3/2024 [html](#) [pdf](#)

Introduced: 2/8/2024

Last Amend: 6/3/2024

Status: 6/3/2024-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on N.R. & W.

Location: 5/29/2024-S. N.R. & W.

Calendar: 6/11/2024 9 a.m. - 1021 O Street, Room 2100 SENATE NATURAL RESOURCES AND WATER, MIN, DAVE, Chair

Summary: Current law requires the Secretary of the Natural Resources Agency to prepare and submit, on or before March 31, 2024, and annually thereafter, a report to the Legislature on the progress made in the prior calendar year toward achieving the goal to conserve 30% of California's lands and coastal waters by 2030. Current law provides that it is the goal of the state to conserve at least 30% of California's lands and coastal waters by 2030, known as the 30x30 goal. Current law establishes the Equitable Outdoor Access Act, which sets forth the state's commitment to ensuring all Californians can benefit from, and have meaningful access to, the state's rich cultural and natural resources. Current law declares that it is state policy, among other things, to ensure that all Californians have equitable opportunities to safe and affordable access to nature and access to the benefits of nature, and to prevent and minimize the intentional and unwarranted limitation of sustainable public access to public lands, where appropriate, including, but not limited to, local, regional, state, and federal parks, rivers, lakes, beaches, forests, mountain ranges, deserts, and other natural landscapes. Current law requires specified state agencies to consider and incorporate, as appropriate, the state policy when revising, adopting, or establishing policies, regulations, or grant criteria, or making expenditures, as specified. Current law requires all state agencies implementing the above-described state policy to do so in a manner consistent with the mission of their agency and that protects the health and safety of the public and conserves natural and cultural resources. This bill would provide that, to advance and promote environmental, conservation, and public access policies and budget actions, the Governor's office, state agencies, and the Legislature, when distributing resources, shall aspire to recognize the coequal goals and benefits of the 30x30 goal and Outdoors for All, and, to the extent practical, maximize investment in urban communities consistent with those initiatives. The bill would encourage decisionmakers, when distributing resources to achieve the goals and benefits of the 30x30 goal and Outdoors for All, to consider factors that are unique to urban settings, including, among other things, higher land value acquisition and development costs per acre, the acute health needs of a local population due to historic lack of greenspace access and development externalities, local park needs assessment plans, current or impending loss of parks or greenspace as a result of state or federal infrastructure projects, and the availability of mobility options near a proposed land conservation site.

Position
Watch

Assigned

Group
ACE, SLC

AB 2346

(Lee D) Organic waste reduction regulations: procurement of recovered organic waste products.

Current Text: Amended: 4/10/2024 [html](#) [pdf](#)

Introduced: 2/12/2024

Last Amend: 4/10/2024

Status: 5/15/2024-Referred to Com. on E.Q.

Location: 5/15/2024-S. E.Q.

Calendar: 7/3/2024 9 a.m. - State Capitol, Room 112 SENATE ENVIRONMENTAL QUALITY, ALLEN, BENJAMIN, Chair

Summary: The Department of Resources Recycling and Recovery's organic waste regulations require local jurisdictions to annually procure a quantity of recovered organic waste products and to comply with their procurement targets by directly procuring recovered organic waste products for use or giveaway or by requiring, through a written agreement, that a direct service provider to the jurisdiction procure recovered organic waste products, or both. Those regulations specify the types of recovered organic waste products that a jurisdiction may procure, including compost that is produced at a compostable material handling operation or facility, or a specified digestion facility that composts onsite. Other regulations of the department require all compostable materials handling activities to obtain a facility permit from the department prior to commencing operations and meet other specified requirements, but exclude from those requirements certain activities that the regulations state do not constitute a compostable material handling operation or facility, including the composting of green material, agricultural material, food material, and vegetative food material, and the handling of compostable materials under certain conditions, as provided. This bill would authorize local jurisdictions to be credited for the procurement of recovered organic waste products through an agreement with a

direct service provider, as defined, and would allow the direct service provider agreement to include the procurement of recovered organic waste products on a prospective or retrospective basis as long as the purchase of those products occurs during the year for which the local jurisdiction seeks credit. The bill would also authorize local jurisdictions to count towards their procurement targets, compost produced and procured from specified compost operations, as defined, and, until 2030, investments made for the expansion of the capacity of compostable materials handling operations or community composting operations, as provided.

Position	Assigned	Group
Watch		ACE, SLC

AB 2514 (Aquiar-Curry D) Solid waste: organic waste: diversion: hydrogen: biomethane.

Current Text: Amended: 5/16/2024 [html](#) [pdf](#)

Introduced: 2/13/2024

Last Amend: 5/16/2024

Status: 5/29/2024-Referred to Com. on E.Q.

Location: 5/29/2024-S. E.Q.

Calendar: 6/19/2024 9 a.m. - State Capitol, Room 112 SENATE ENVIRONMENTAL QUALITY, ALLEN, BENJAMIN, Chair

Summary: Existing law, the California Integrated Waste Management Act of 1989 generally regulates solid waste disposal, management, and recycling. The act requires each city, county, and regional agency to develop a source reduction and recycling element of an integrated waste management plan. The act requires that element to include a 50% solid waste diversion requirement, as specified, and provides that up to 10% may be achieved through biomass conversion under certain conditions, with biomass conversion defined as the production of heat, fuels, or electricity by certain means from specified materials. One of the conditions for using biomass conversion to satisfy a portion of the solid waste diversion requirement is that pyrolysis not be included in the source reduction and recycling element. Pyrolysis is not defined for that purpose or for other purposes in the act. This bill would define pyrolysis as the thermal decomposition of organic material at elevated temperatures in the absence or near absence of oxygen.

Position	Assigned	Group
Support		ACE, SLC

AB 2902 (Wood D) Organic waste: reduction regulations: exemptions.

Current Text: Amended: 4/10/2024 [html](#) [pdf](#)

Introduced: 2/15/2024

Last Amend: 4/10/2024

Status: 5/29/2024-Referred to Com. on E.Q.

Location: 5/29/2024-S. E.Q.

Calendar: 6/19/2024 9 a.m. - State Capitol, Room 112 SENATE ENVIRONMENTAL QUALITY, ALLEN, BENJAMIN, Chair

Summary: Current law requires the State Air Resources Board to complete, approve, and implement a comprehensive strategy to reduce emissions of short-lived climate pollutants in the state to reduce statewide methane emissions by 40% below 2013 levels by 2030. Current law requires methane emissions reduction goals to include specified targets to reduce the landfill disposal of organics. Current law requires the Department of Resources Recycling and Recovery, in consultation with the state board, to adopt regulations that achieve those targets for reducing organic waste in landfills, as provided. The department's organic waste regulations provide different organic waste procurement targets for local jurisdictions based on population and provide waivers and exemptions from collection and procurement requirements for rural, low-population, and high-elevation jurisdictions. Current law provides that the exemption for rural jurisdictions is valid until December 31, 2026, as specified. This bill would extend the rural jurisdiction exemption until January 1, 2037, except as provided, and would require the department to adopt regulations to establish a process to renew the exemption after that date for periods of up to 10 years. The bill would require, commencing January 1, 2027, those jurisdictions to take specific actions to help reduce, divert, or recycle organic waste.

Position	Assigned	Group
Watch		ACE, SLC

AB 3023 (Papan D) Wildfire and Forest Resilience Task Force: interagency funding strategy: state watershed restoration plans: forest resilience plans: grant program guidelines.

Current Text: Amended: 5/20/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 5/20/2024

Status: 6/5/2024-Referred to Com. on N.R. & W.

Location: 6/5/2024-S. N.R. & W.

Calendar: 6/17/2024 3 p.m. or upon adjournment of Session - 1021 O Street, Room 1200 SENATE NATURAL RESOURCES AND WATER, MIN, DAVE, Chair

Summary: Current law establishes in the Natural Resources Agency the Department of Forestry and Fire Protection, and requires the department to be responsible for, among other things, fire protection and prevention, as provided. Existing law establishes the Wildfire and Forest Resilience Task Force and requires the task force to develop a comprehensive implementation strategy to track and ensure the achievement of the goals and key actions identified in the state’s “Wildfire and Forest Resilience Action Plan” issued by the task force in January 2021. Current law declares that the department has extensive technical expertise in wildland fire prevention and vegetation management on forest, range, and watershed land, and, when appropriately applied, this expertise can have significant public resource benefits, including decreasing high-intensity wildland fires, improving watershed management, and improving carbon resilience, among other benefits. This bill would require the task force to develop, in partnership with the agency, an interagency funding strategy to help coordinate and align implementation of state watershed restoration plans and initiatives, as specified, with forest resilience planning efforts to achieve more integrated and holistic outcomes. The bill would require the agency and other relevant state entities to review and update grant guidelines for certain climate change, biodiversity, conservation, fire, and watershed restoration programs to encourage projects that advance plans and goals in an integrated fashion.

Position	Assigned	Group
Watch		ACE, SLC

SB 972 (Min D) Methane emissions: organic waste: landfills.

Current Text: Amended: 5/16/2024 [html](#) [pdf](#)

Introduced: 1/25/2024

Last Amend: 5/16/2024

Status: 6/3/2024-Referred to Com. on NAT. RES.

Location: 6/3/2024-A. NAT. RES.

Calendar: 6/17/2024 2:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, BRYAN, ISAAC, Chair

Summary: Current law requires the State Air Resources Board to approve and begin implementing a comprehensive strategy to reduce emissions of short-lived climate pollutants in the state and to achieve a reduction in specified emissions, including methane, as provided. Current law requires the methane reduction goals to include a 75% reduction target from the 2014 level by 2025. Current law requires the Department of Resources Recycling and Recovery, in consultation with the state board, to adopt regulations, as provided, that achieve the targets for reducing organic waste in landfills. This bill would require the department to provide procedures for local jurisdictions to request technical assistance regarding organic waste and methane reduction requirements from the department, to post those procedures on its internet website, and to provide that technical assistance, as specified.

Position	Assigned	Group
Support		ACE, SLC

SB 1045 (Blakespear D) Composting facilities: zoning.

Current Text: Amended: 4/29/2024 [html](#) [pdf](#)

Introduced: 2/7/2024

Last Amend: 4/29/2024

Status: 6/3/2024-Referred to Coms. on NAT. RES. and L. GOV.

Location: 6/3/2024-A. NAT. RES.

Calendar: 6/17/2024 2:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, BRYAN, ISAAC, Chair

Summary: The California Integrated Waste Management Act of 1989 establishes the Department of Resources Recycling and Recovery to administer an integrated waste management program. Current law establishes a goal that statewide landfill disposal of organic waste be reduced from the 2014 level by 75% by 2025. This bill, on or before June 1, 2026, would require the Office of Planning and Research, in consultation with the Department of Resources Recycling and Recovery, to develop and post on the office’s internet website, a technical advisory, as provided, reflecting best practices to facilitate the siting of composting facilities to meet the organic waste reduction goals. The bill would require the office to consult with specified entities throughout the development of the technical advisory.

Position	Assigned	Group
Watch		ACE, SLC

SB 1046 (Laird D) Organic waste reduction: program environmental impact report: small and medium compostable material handling facilities or operations.

Current Text: Amended: 4/9/2024 [html](#) [pdf](#)

Introduced: 2/7/2024

Last Amend: 4/9/2024

Status: 5/6/2024-Referred to Com. on NAT. RES.

Location: 5/6/2024-A. NAT. RES.

Calendar: 6/10/2024 2:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, BRYAN, ISAAC, Chair

Summary: Would require the Department of Resources Recycling and Recovery to prepare and certify, by January 1, 2027, a program environmental impact report that streamlines the process with which jurisdictions can develop and site small and medium compostable material handling facilities or operations, as defined, for processing organic waste, as specified.

Position	Assigned	Group
Watch		ACE, SLC

SB 1135 (Limón D) Greenhouse Gas Reduction Fund: income taxes: credit.

Current Text: Amended: 4/25/2024 [html](#) [pdf](#)

Introduced: 2/13/2024

Last Amend: 4/25/2024

Status: 5/16/2024-May 16 hearing: Held in committee and under submission.

Location: 5/13/2024-S. APPR. SUSPENSE FILE

Summary: The California Global Warming Solutions Act of 2006 authorizes the State Air Resources Board to include in its regulation of those emissions the use of market-based compliance mechanisms. Current law requires all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund. Current law continuously appropriates the annual proceeds of the fund to the various purposes. This bill, in the 2025–26 fiscal year through the 2035–36 fiscal year, would transfer 1% of the annual proceeds of the Greenhouse Gas Reduction Fund, not to exceed \$120,000,000 per fiscal year, to the California Compost Tax Credit Fund, which the bill would establish.

Position	Assigned	Group
Watch		ACE, SLC

SB 1374 (Becker D) Net energy metering.

Current Text: Amended: 3/18/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 3/18/2024

Status: 5/28/2024-Referred to Com. on U. & E.

Location: 5/28/2024-A. U. & E.

Calendar: 6/19/2024 1:30 p.m. - State Capitol, Room 437 ASSEMBLY UTILITIES AND ENERGY, PETRIE-NORRIS, COTTIE, Chair

Summary: Current law requires the Public Utilities Commission to develop a standard contract or tariff, which may include net energy metering, for eligible customer-generators, as defined, with a renewable electrical generation facility, as defined, that is a customer of a large electrical corporation. Current law requires, in developing the standard contract or tariff for large electrical corporations, the commission to take specified actions. This bill would require, no later than July 1, 2025, the commission to ensure that any contract or tariff established by the commission pursuant to the above described provisions for renewable electrical generation facilities configured to serve either multiple customers with meters on a single property, or multiple meters of a single customer on a property or a set of contiguous properties owned, leased, or rented by the customer, meets certain requirements, including that eligible customer-generators are authorized to elect to aggregate the electrical load, as specified.

Position	Assigned	Group
Watch	Jessica	ACE, SLC

SB 1402 (Min D) 30x30 goal: state agencies: adoption, revision, or establishment of plans, policies, and regulations.

Current Text: Amended: 4/10/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 4/10/2024

Status: 6/3/2024-Referred to Coms. on NAT. RES. and W., P., & W.

Location: 6/3/2024-A. NAT. RES.

Calendar: 6/17/2024 2:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, BRYAN, ISAAC, Chair

Summary: Current law requires the Secretary of the Natural Resources Agency to prepare and submit, on or before March 31, 2024, and annually thereafter, a report to the Legislature on the progress made in the prior calendar year toward achieving the goal to conserve 30% of California's lands and coastal waters by 2030. Current law provides that it is the goal of the state to conserve at least 30% of California's lands and coastal waters by 2030, known as the 30x30 goal. This bill would require all state agencies, departments, boards, offices, commissions, and conservancies to consider the 30x30 goal when adopting, revising, or establishing plans, policies, and regulations that directly affect land use, management of natural resources, water use and quality, or biodiversity conservation.

Position	Assigned	Group
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SB 1420 **(Caballero D) Hydrogen.**

Current Text: Amended: 5/16/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 5/16/2024

Status: 6/3/2024-Referred to Coms. on U. & E. and NAT. RES.

Location: 6/3/2024-A. U. & E.

Summary: Current law requires the State Air Resources Board to adopt hydrogen fuel regulations that ensure state funding for the production and use of hydrogen fuel contributes to the reduction of the emissions of greenhouse gases, criteria air pollutants, and toxic air contaminants, and ensure the production and direct use of hydrogen fuel in motor vehicles also contributes to a reduced dependence on petroleum, as provided. This bill would require the state board to adopt regulations requiring that no less than 33.3% of the retail hydrogen produced for, or dispensed by, fueling stations that receive state funds is made by a qualified clean hydrogen project.

Position
Support

Assigned

Group
ACE, SLC

Total Measures: 15

Total Tracking Forms: 15



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. to
_____ day of _____ from _____ a.m. / p.m.

Location of meeting: _____

Actual meeting date(s): _____

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

Purpose of Meeting: _____

Meeting relevance to District: _____

Request assistance from Board Secretary to register for Conference: YES NO

Frequency of Meeting: _____

Estimated Costs of Travel (if applicable): _____

Date submitted to Board Secretary: _____

Board approval obtained on Date: _____

Please submit this form to the Board Secretary no later than 1 week prior to the Board Meeting.

6/20/2024

BOARD AGENDA ITEM REQUESTS

Agenda Item 7B

- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation

COUNTY FUNDING

Marin water utilities boost incentives for rain storage



A 5,000-gallon water tank stands at the Lazy R Ranch in Tomales in 2022. The tank stores rainwater collected by the catchment system on the building. ALAN DEP — MARIN INDEPENDENT JOURNAL

BY KRISSY WAITE

KWAITE@MARINIJ.COM

Marin County's major water providers have raised rebates for rainwater catchment systems because of county funding.

The Marin Municipal Water District and the North Marin Water District are offering customers with the systems rebates of 75 cents per gallon of water — 25 cents more than before. The offer is supported by \$20,000 in funding from the Marin County Stormwater Pollution Prevention Program.

The grant marks a collaboration between Marin County and the water utilities to encourage residents to save water. Collecting rainwater to use for irrigation also helps protect the area from potential flooding during storms, and prevents pollutants collected through water runoff from entering bodies of water.

"I think we just saw that there was an alignment with our goals and their goals and it makes a lot more sense to go at it together, recognizing the mutual benefits as opposed to having separate programs independent of each other," said Carrie Pollard, MMWD water efficiency manager.

The joint initiative raised the rebate cap to \$2,000 per customer, compared to the previous \$1,000 maximum. Between the two water utilities, 142 customers have used the rainwater rebates and have stored more than 120,000 gallons of rainwater to date.

“We are pleased to be able to collaborate with partners like Marin Water and the North Marin Water District to expand on the great work these districts are already doing while also reducing impacts on county stormwater systems,” Supervisor Dennis Rodoni said.

“The key to combating climate change is collaboration, and this initiative certainly demonstrates that.” Both agencies hope the increased financial incentives will help bolster participation.

Pollard said that when MMWD changed the incentive from \$50 for one rain barrel to a per-gallon rate around 2020, it saw bigger catchment systems being installed.

“That was really exciting to see,” Pollard said.

Pollard said participants have to do their own research on what rainwater catchment system works best, keeping in mind that the system should be near any gardens or irrigation systems that would use the collected water.

Once the system is installed, customers can send a photo to MMWD and apply for the one-time rebate.

“Then we cut them a check,” Pollard said.

Ryan Grisso, the water conservation and communications manager for the North Marin district, said the process is similar.

However, it will often do phone consultations to help customers determine if they qualify.

“Usually people embarking on this journey have done a fair amount of research,” Grisso said.

Rainwater catchment systems vary in size and style.

Rain barrels are a popular method, although Pollard said she has seen people convert swimming pools into rainwater harvesting systems.

“You want to match the size of the system up with what it is going to be irrigating,” Pollard said. “There are some really simple systems. It’s really easy with a few minor tools.”

Both Pollard and Grisso said the programs are also an educational opportunity for residents, while offering a way to save money on water bills and be environmentally friendly.

“It’s a project, but it helps people really engage in their water use. They’d have their own water source on site, which is fun to help them appreciate the value of that water and where that water comes from,” Pollard said.

Grisso added that many people might not realize how fast water levels deplete — until the water source is right in front of them.

More than 600 gallons of water can be collected for every inch of rain that falls on a 1,000 square foot roof.

“Water awareness is a big aspect, but one of the big impacts of the program is that people really get a chance to learn how much water they use and how quickly it gets used,” Grisso said.

ROSS VALLEY

Sanitary district to increase rates over next 5 years

BY GIUSEPPE RICAPITO

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The Ross Valley Sanitary District will increase service rates over the next five years.

The district's board unanimously voted to raise the rates at a meeting on May 22. The percentage increase is averaged at 4% over the first three years, 3.8% for the fourth year and 3.5% for the fifth year.

In the upcoming year, the total cost for service at a single-family home in the Ross Valley is estimated at \$1,238. At the end of five years, the cost will be \$1,440.

In the Larkspur area, the cost to homeowners is expected to be \$1,773 in the upcoming year. It will be \$2,061 after five years.

The last five-year rate schedule was adopted in June 2019. The new rates will go into effect on July 1.

Assistant General Manager Felicia Newhouse said the increases are based on a pay-as-you-go model for funding capital projects and general maintenance.

"I think it's important to note that governmental services are cost-per-service based. We are not here to make a profit, we are here to make sure our service fees are commensurate with the cost of doing business," she said.

Mark Hildebrand, a district consultant, said the district expects year-to-year cost increases of between 4% and 6% in salaries, insurance, utilities and Central Marin sanitary treatment.

"The increase is really neck and neck with a couple other districts," Hildebrand said. "By and large, you can see the rates are comparable to the region."

Hildebrand said the district brings in about \$36.8 million in revenues, with just under \$30 million of that from sewer service charges. Operating expenses are at about \$27 million. The district also maintains reserve funds.

As of the current budget year, there is \$10.6 million in the operations and maintenance fund; \$2.1 million in the emergency reserve fund; and \$5.5 million in the capital improvement reserve funds.

On average over the last five years, the district has spent \$18.5 million per year on capital projects. The district projects an average of \$12.9 million spent per year over the next 10 years.

Eight written protests were submitted against the rate increase, according to Andrea Clark, general counsel. A vote is allowed if the protest count is less than 50% of the total parcels in the district, which is about 1,500 parcels.

"A formal protest to the sewer service charges has not been made by the majority of parcels within the district," Clark said.

Renu Malhotra of Fairfax said in a letter that there should be special consideration for homes with less water use.

"The increases are too steep" Malhotra said. "The total water consumption for the property is well below an average home and will translate into less wastewater going into sewage."

Newhouse said most comments were from fixed-income ratepayers.

She said the district plans to reach out to the protesters and offer information on a low-income rate assistance program, which offers 25% off the annual fee.

“That’s really the pinch point for our older residents,” she said.

CIVIL GRAND JURY

New Marin agency urged to manage sea-level rise

Report says coordinator could aid local planning



The Whitmore sisters of Mill Valley — from left, Isabella, 5, Vivienne, 7, and Olivia, 10 — return to dry land after exploring a submerged portion of the Mill Valley-Sausalito multi-use path near Coyote Creek in Mill Valley in 2022. They came prepared for the morning's king tide, wearing waterproof boots on a walk with their parents. PHOTOS BY ALAN DEP — MARIN INDEPENDENT JOURNAL, FILE



A parking lot on Gate 6 Road gets submerged under a couple of inches of water during the height of a king tide in Sausalito in 2022.

BY KRISSY WAITE

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Marin County needs to create an agency to enforce sea level rise adaptation efforts in every city and town, according to a report released by the Marin County Civil Grand Jury.

Sea levels are expected to rise by 1 foot in the San Francisco Bay Area between now and 2050, according to the National Oceanic and Atmospheric Administration. While many cities and towns in Marin County have their own plans to address climate change-induced sea level rise, the jury argues local government leaders may prioritize seemingly more immediate issues.

“The consequences of sea level rise will not suddenly bubble up in 2050 in Marin, or elsewhere. Impacts are already being seen and felt and they will become even more apparent and damaging over the coming years,” the report said.

Sea level rise can damage, if not destroy, infrastructure such as underground power lines and pipes, flood homes and properties, make roads impassable, and put people in peril. It is caused by climate change, according to the NOAA, due to a combination of warmer temperatures melting glaciers and ice sheets and the thermal expansion of water as it warms.

A study on sea level rise, presented to the Transportation Authority of Marin’s board of commissioners in February, identified 19 main areas vulnerable to the effects of flooding from rising waters: Bel Marin Keys; Belvedere and Tiburon; Bolinas; the Hamilton wetlands; Inverness; Marin City; Manzanita and Tamalpais Junction; Mill Valley; downtown and western Novato; Santa Venetia; Sausalito; Stinson Beach; Highway 37; Highway 101; San Rafael; Kentfield; Corte Madera; Terra Linda and Larkspur.

“Marin is facing 10-12 inches of sea level rise in the span of 26 years,” the report said. “But the water has already arrived. Marin residents have been experiencing sea level rise and related tidal flooding in Corte Madera, Marin City, Mill Valley, and Sausalito, among other towns. This trend will only increase in frequency and intensity over the coming years.”

San Rafael Mayor Kate Colin said that while the jury’s recommendation is good, the collaboration between jurisdictions is already happening. She said a countywide agency may help show municipalities what a resilient plan looks like, as well as ensure plans and data sets are harmonious.

“It’s already unfolding, I wouldn’t say they were necessarily bringing up an idea that hasn’t been thought about,” Colin said. “We were already doing the work. This may provide more clarity on how we can get on the same page.”

Sausalito City Councilmember Janelle Kellman, founder of the nonprofit Sea Level Rise Solutions, said there is a distinction between collaboration and coordination; the latter is much harder, but essential at a regional level.

“There’s lots of collaboration, people are very friendly about this topic and very willing to share ideas, but that is different than coordination,” Kellman said. “Coordination is ‘hey, we’re going to design a grant together, to address a project that’s going to run across different jurisdictional boundaries’, and that’s harder.”

Kellman said she thinks the jury’s recommendations is a step in the right direction, and added that she would like to see a timeline emphasized. She said multi-jurisdictional planning is difficult from a funding, permitting and timing perspective, and a countywide agency designing plans and projects together is the next big step.

Physical factors alone — infrastructure, elevation and water flow — are not the only things that have to be considered when planning for sea level rise. Social barriers and risk factors such as the rate of medical conditions, social isolation and language barriers, can make a community more vulnerable.

The areas most socially vulnerable and with the highest flood risk are Novato, Marin City, San Rafael, Mill Valley, Kentfield and Larkspur, according to Marin County’s sea level rise “vulnerability dashboard.” The dashboard uses social as well as geographic factors as the basis for its determinations.

Colin pointed out such discrepancies, saying that not every city and town is affected equally by sea level rise. The Canal neighborhood, for example, has both high social and flood risk, according to the county’s dashboard.

“The Canal neighborhood will be the first affected in all of the bay,” Colin said. “So I can tell you I will be fighting for those dollars for the neighborhood that will be inundated first.”

Additionally, due to differing municipal budgets, not every jurisdiction may be able to contribute the same things, and funding alone is a challenge. The grand jury also recommended that the Board of Supervisors get the participation and support of state and federal legislators to help create the agency.

“Really the challenge is around the funding,” Colin said. “The numbers are massive. For me, I really believe the real funding is going to have to come from the state. I think the state needs to step up big time.”

Tiburon Mayor Alice Fredericks said the recommendation repeats something BayWAVE — a planning program run at the county level — is already working on. She said the program’s committee is in the process of conducting a study on consolidating sea level rise projects across jurisdictions.

“In the short term, coming to an agreement of governance structure to coordinate the work is just the beginning,” Fredericks said. “As a member of the BayWAVE executive committee, a council member, and current mayor of Tiburon, I fully expect the town and the community to be fully engaged in the sense of urgency and in the hard work of identifying, coordinating and finding funding for cross jurisdictional projects.”

Marin Municipal Water District’s hazard mitigation plan maps how, and where, its assets would be affected by sea level rise. Costs to replace facilities and structures in the flooding zones range from \$178 million and \$343 million.

“Marin Water will continue to actively support the county of Marin, in collaboration with all of the associated cities, towns and districts, in the preparation of countywide measures to adapt to sea level rise,” said Adriane Mertens, MMWD spokesperson.

Council approves Southern Marin garbage fee hike

BY KRISSY WAITE

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Residents in southern Marin County will see their waste collection fees increase this summer.

The Mill Valley City Council unanimously approved a rate increase of 8.26% from Mill Valley Refuse Service for its waste and recycling services at its June 3 meeting. The company cited the economy, increased costs and rising wages as reasons for the hike. The change is effective July 1.

The Mill Valley Refuse Service has contracted with the city since the 1950s, with the current 10-year rolling agreement beginning in January 1996. The waste collection utility handles residential garbage, recycling and green waste, commercial garbage and recycling, and construction debris services. It also does street sweeping, collects garbage and recycling downtown, and services the city's corporation yard. Mill Valley is the largest customer of the service.

The utility also provides solid waste collection for other areas in southern Marin County, including Almonte, Alto, Belvedere, Corte Madera, Homestead, Mill Valley, Strawberry, Tiburon and various unincorporated areas. Rate increases will range from 6.5% to 8.3%.

"I think we all know that garbage is going up," Mill Valley City Manager Todd Cusimano said. "These highs and lows are painful for all of us."

In April, the service requested a rate increase closer to 8.5%. A city contracted consultant, R3 Consulting Group, completed an analysis and suggested an increase of 8.26%, to which the utility agreed. Jim Howison, with the consulting group, said it is not unusual to see waste service increases of over 10% per year now.

In years past there have been rate increases around 7% or 8%, and some years with no increase, according to Cusimano.

"Looking back at some of our rate increases, I think we've always had a good partnership," Cusimano said.

Gene Della Zoppa, CEO of Mill Valley Refuse Service, said the rate increase is due to the current economy. Della Zoppa said for the years 2022 to 2024, the company has an average rate increase of 4.25%.

"Other cities across the United States are also seeing increases related to solid waste collection," Della Zoppa said.

Additionally, he said some of the biggest costs are labor, disposal costs, workers compensation, and insurance. A union contract negotiated last year resulted in a 15% hourly wage increase for drivers, and this year the drivers' get a 5.5% increase.

Della Zoppa said the company's waste management contract is also expected to increase by 2.9%, and recycling costs have gone from \$27.95 per ton, to \$91.67 per ton. The company hauls around roughly 13.8 million pounds of recycled material annually; one ton is 2,000 pounds. In total, the refuse center collects more than 86,000,000 pounds of garbage, recycling and compost.

"Part of what's happening with respect to recycling commodity prices is the market is very, very volatile," Della Zoppa said. "When you're seeing a weak rate of return with respect to plastic, especially paper-like products, they are going to cost more to process them."

Della Zoppa added that an additional cost includes laws like Senate Bill 1383, which requires organic waste facilities to measure and report organic waste material, and a state regulation requiring the company to transition three of their trucks to zero-emissions vehicles — something Della Zoppa said could cost between \$500,000 to \$1 million per vehicle — by 2029.

Last year, the rate increase was closer to 4% for Mill Valley. Mayor Urban Carmel suggested the company present a long-term outlook on what rate increases may look like in the future based on data and trends. Councilmember Caroline Joachim agreed and added that it would help customers be prepared.

"It is just hard to get hit with," Joachim said.

The City Council's approval included a requirement for the company to return to the council before the end of the year with an outline of what rate increases may be over the next few years.

Development potential increased

Vote revises building limits on environmentally sensitive areas

BY RICHARD HALSTEAD

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In a rare split vote, Marin County supervisors voted 3-2 to adopt zoning ordinance changes that will increase the development potential of numerous properties in unincorporated areas.

Supervisors Mary Sackett and Stephanie Moulton-Peters cast the dissenting votes Tuesday.

Most notably, the modifications eliminated footnotes from the development code that restricted subdivision potential for properties with sensitive habitat or within the ridge and upland greenbelt or baylands corridor, and properties that lack public water or sewer systems. The footnotes had mandated that subdivision for single-family homes in these areas “be calculated at the lowest end of the density range.”

The supervisors postponed a vote on the changes in April after receiving several hundred letters and emails from Marin residents urging them not to approve them. Supervisors received more than 250 emails in advance of Tuesday’s meeting voicing opposition to the move.

“I really feel strongly that promoting housing in areas on ridge lines and in the bayland is not a good policy decision,” Moulton-Peters said. “I spent a lot of time this week looking at Tam Valley overhead maps, and the concentration of homes there is already very great.”

But Supervisor Eric Lucan, who made the motion to adopt the changes, said, “I think really what we’re dealing with is more of a perceived issue than an actual issue.” In a letter opposing the move written for the April hearing, the Marin Conservation League said the change would affect properties throughout the county. It included the west end of Novato around Vineyard Road; portions of Indian Valley; areas in Black Point and Green Point; Santa Venetia; upper Lucas Valley; parts of Los Ranchitos and Sleepy Hollow; ridge lines in unincorporated Fairfax; portions of the Kentfield area; bayfront parcels along Paradise Drive; areas of Tam Valley and Muir Woods Park; and ridgeline areas above Marin City.

When the Marin County Planning Commission reviewed the proposed changes at the end of February, commissioner Don Dickenson said density ranges in these areas vary from a high of one residence per acre to a low of one per 10 acres, so eliminating the provision could result in a tenfold increase in development potential.

“Personally I think that is an exaggeration,” said Marin County Planning Manager Jeremy Tejirian. “I understand how you come up with that number, but in reality there are many constraints.”

Tejirian said the affected area consists of some 32,675 acres, or “about 10% of the interior portions of the county outside of the coastal zone.”

Sarah Jones, director of the Marin County Community Development Agency, said the county had no choice but to adopt the zoning changes.

“The proposal implements changes in the countywide plan that your board adopted last year at the time that you approved the housing element,” Jones said. “By law, the development code must align with the countywide plan and implement what it sets.”

In January 2023, county supervisors adopted an updated version of the countywide plan’s housing element to comply with a state mandate to accommodate 3,569 new homes in unincorporated areas by 2031.

The housing element actually identifies 148 sites to accommodate 5,197 dwellings.

All of the sites are developable with ministerial review, which means they will not be subject to the California Environmental Quality Act or denial by local elected bodies. The only requirement developers will face, beyond basic safety

and environmental regulations, is conformance with a new “form-based” code.

Opponents of the new code changes noted that the alterations are unnecessary to comply with the state’s order to zone for the new housing.

“That’s true,” Jones said Tuesday. “Nonetheless, the housing element is about policy, and the directive from the state’s Department of Housing and Community Development is to explore and remove all constraints, no matter how great or little.”

Jones and Tejrjian cited a number of reasons why they don’t anticipate the change to spark a significant amount of new development proposals in the affected areas, and why the environment will be protected.

They said the change will only affect single-family subdivisions of four homes or fewer. Projects with five or more, they said, would have been exempt from the limitations imposed by the footnotes regardless because of state density bonus law.

They said that none of the affected areas is included on the housing element’s list of preferred development sites.

As a result, projects would still be subject to design review and would have to comply with requirements for setbacks from environmentally sensitive areas and building envelope requirements.

Projects would also potentially be subject to review under the California Environmental Quality Act.

“Through the design review process,” Tejrjian said, “we can protect stream conservation areas, wetland conservation areas and mature trees. Any number of environmental constraints can be recognized through that process.”

He added that steep slopes in many of the affected areas would also limit development potential.

Opponents of the changes pushed back.

Amy Kalish, director of CitizenMarin.org, said, “Placating the Department of Housing and Community Development is pointless.”

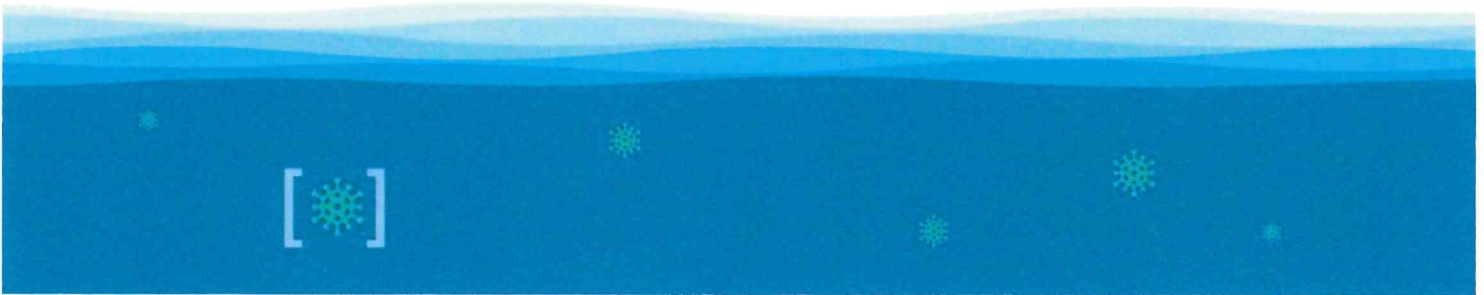
Kalish noted that if the new homes the state has assigned to Marin haven’t been built at the end of this eight-year cycle, the county could be stripped of its remaining regulatory powers over new development with the exception of the form-based code.

“What will we give to them then?” Kalish asked. “Will we upzone sensitive areas further?”

Several speakers invoked the memory of Martin Griffin, the Belvedere environmentalist who died recently. Griffin helped defeat a gigantic development plan for west Marin during the 1960s.

“It feels ironic,” said Susan Hough of Mill Valley, “that before you, supervisors, is a decision that will essentially undercut the environmental protections that he and so many local citizens fought so hard for and that local community members treasure.”

These charts track COVID in the Bay Area through wastewater data



Daymond Gascon/The Chronicle

By **Jenny Kwon** | Text updated June 5, 2024 5:37 p.m. | Data updates every day at 9 a.m.



The Chronicle is using wastewater surveillance to track the prevalence of COVID-19 in the Bay Area. Due to the scaling back of virus tracking efforts nationwide, scientists and public health experts — including those at the U.S. Centers for Disease Control and Prevention — have turned to monitoring the concentration of SARS-CoV-2 particles found in wastewater at sewage treatment plants as a more dependable metric for community-level infection rates.

City and county health departments now use this data along with COVID testing, hospitalization and death figures to estimate risk and make public health decisions. The wastewater levels in this tracker alone aren't enough to determine the risk of exposure, however. And differing baseline levels between communities mean direct comparisons aren't valid: What may appear high in Novato, for example, may not be in San Francisco.

We've included lower, middle and upper third thresholds in our line charts based on each respective sewershed's yearly data to encourage you to look at historic trends within your own community and make more informed decisions about when to take precautions.

At a glance: Recent SARS-CoV-2 samples and how they measure up

Samples from these Bay Area communities have been categorized by WastewaterSCAN researchers into low, medium or high measurements of SARS-CoV-2 based on national historical comparisons, how the data has trended locally over the past 21 days and other factors.

San Francisco (Oceanside)

Covid level category

High

Last updated 06/10/2024

512 N Gene (PMMoV normalized)

Sampled 06/11/2024

[SEE HISTORICAL DATA](#)

San Francisco (Southeast)

Covid level category

High

Last updated 06/10/2024

591 N Gene (PMMoV normalized)

Sampled 06/11/2024

[SEE HISTORICAL DATA](#)

Oakland, East Bay

Covid level category

Low

Last updated 06/05/2024

138 N Gene (PMMoV normalized)

Sampled 06/06/2024

[SEE HISTORICAL DATA](#)

Santa Rosa

Covid level category

Low

Last updated 06/07/2024

114 N Gene (PMMoV normalized)

Sampled 06/08/2024

[SEE HISTORICAL DATA](#)

Napa

Covid level category

Low

Last updated 06/09/2024

96 N Gene (PMMoV normalized)

Sampled 06/10/2024

Vallejo

Covid level category

High

Last updated 06/10/2024

345 N Gene (PMMoV normalized)

Sampled 06/11/2024

SEE HISTORICAL DATA

SEE HISTORICAL DATA

Novato

Covid level category

High

Last updated 06/09/2024

1081 N Gene (PMMoV normalized)

Sampled 06/10/2024

SEE HISTORICAL DATA

San Rafael

Covid level category

Medium

Last updated 06/08/2024

238 N Gene (PMMoV normalized)

Sampled 06/09/2024

SEE HISTORICAL DATA

Concord, Central Contra Costa

Covid level category

Medium

Last updated 06/05/2024

171 N Gene (PMMoV normalized)

Sampled 06/06/2024

SEE HISTORICAL DATA

Redwood City

Covid level category

Medium

Last updated 06/10/2024

260 N Gene (PMMoV normalized)

Sampled 06/11/2024

SEE HISTORICAL DATA

San Jose

Covid level category

Medium

Last updated 06/09/2024

302 N Gene (PMMoV normalized)

Sampled 06/10/2024

SEE HISTORICAL DATA

Fremont, Union City

Covid level category

Medium

Last updated 06/05/2024

342 N Gene (PMMoV normalized)

Sampled 06/06/2024

SEE HISTORICAL DATA

Note: The category is “not calculated” if there has been no sample taken within the past seven days. Values represent the quantity of nucleic acids in millionths, normalized against the concentration of the Pepper Mild Mottle Virus (PMMoV), the most commonly occurring RNA virus in human feces. PMMoV is naturally abundant in wastewater and can be used to control for day-to-day variation in measurements and fecal concentration. Read more about wastewater categories, WastewaterSCAN’s methodology and how PMMoV is calculated [in their FAQs](#).

Sources: Measurements by Verily; categorization by WastewaterSCAN

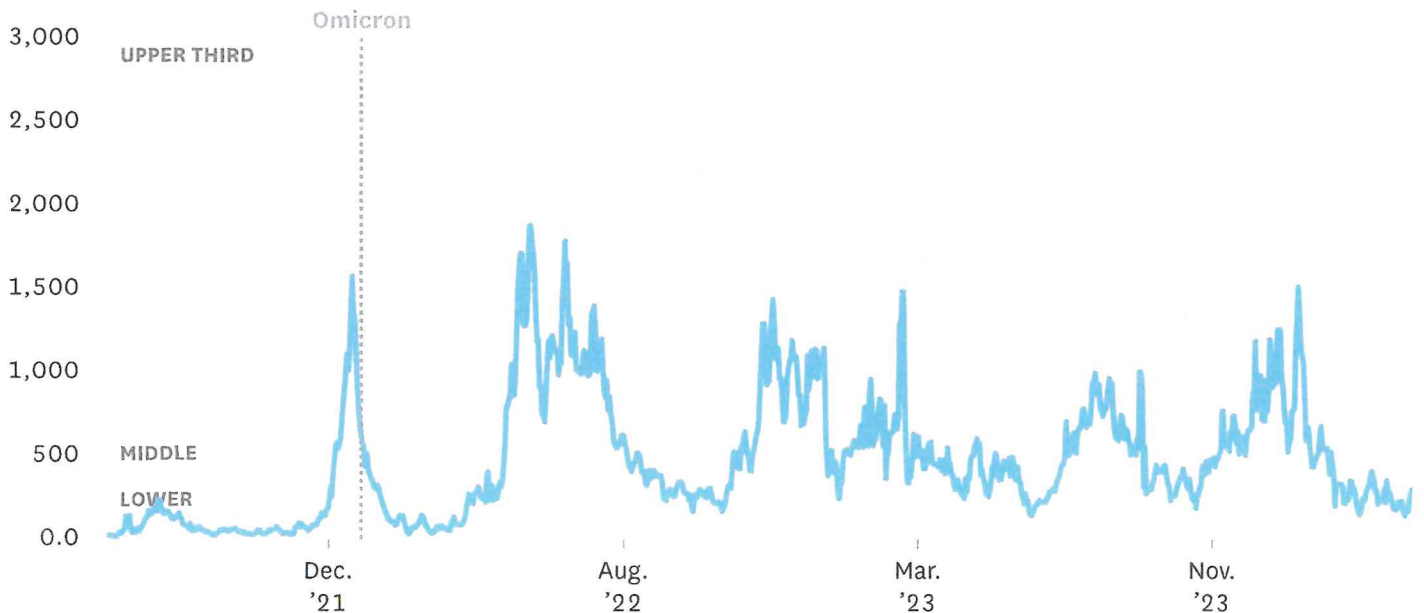
“It’s hard to say what specific concentration represents meaningful risk,” said Matt Willis, Marin County Health and Human Services’ public health officer. “What if no one is in the hospital, yet wastewater levels are rising?” Alarms might not be raised, he said: “It’s not bells and whistles.”

In San Francisco, the Oceanside Treatment Plant and Southeast Treatment Plant service the city under normal weather conditions. A third facility starts up during rainstorms. The Southeast plant handles 80% of San Francisco’s flows, according to the [San Francisco Public Utilities Commission](#). The Oceanside facility treats wastewater from western San Francisco, ranging from the Presidio to Lake Merced.

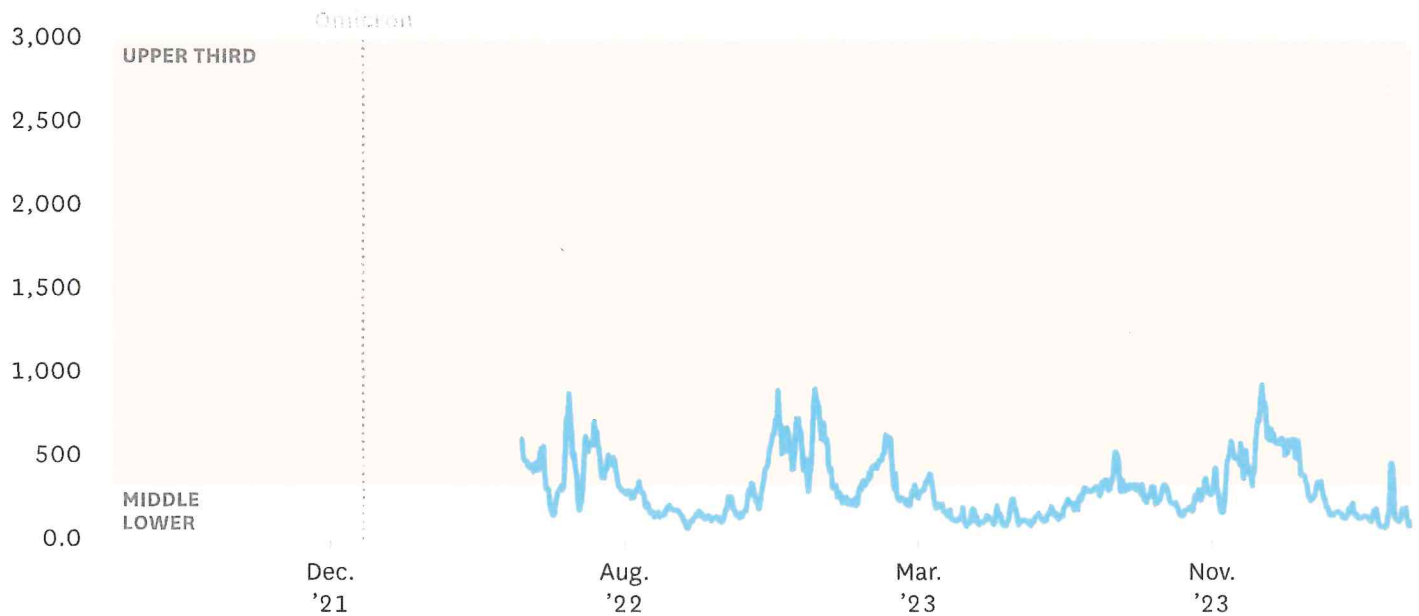
Historical SARS-CoV-2 levels in San Francisco

The ranges for upper, middle and lower thirds are calculated using data from each wastewater treatment station from the past 365 days. Hover over or tap the line in the chart to see when samples were taken and their measurements.

Oceanside Treatment Plant



Southeast Treatment Plant



Note: The method the Chronicle used to calculate thirds for each plant is based off of [WastewaterSCAN's methodology](#) to calculate national levels. Values are rounded to the nearest whole number. Some sewage districts did not start testing for SARS-CoV-2 until 2022; charts show all of the data that is available.

Chart: Amy Chen and Jenny Kwon/The Chronicle · Source: [WastewaterSCAN](#)

Oakland and parts of the East Bay are served by the East Bay Municipal Utility District.

Historical SARS-CoV-2 levels in Oakland and parts of Alameda County

Data displayed on these charts is collected by Verily, the health tech subsidiary of Google parent company Alphabet. Verily was recently [selected by the CDC](#) to lead national wastewater COVID testing.

Interpreting the data is complex, and approaches among the Bay Area’s epidemiologists are varied. As such, we have turned to WastewaterSCAN, one of Verily’s partners, to help make sense of the measurements.

Researchers at WastewaterSCAN are able to categorize whether the prevalence of SARS-CoV-2 is low, medium or high in the wastewater at a treatment station by comparing a recent sample to national data and by analyzing how the measurements at that plant have trended over the past three-week period. We have compiled the latest findings from local treatment plants that we considered representative of some of the Bay Area’s major communities in a dashboard at the top of this tracker.

Several public health researchers such as Heather Eastwood, one of San Mateo County Health’s wastewater epidemiologists, endorse WastewaterSCAN’s “sophisticated and robust analysis,” which calculates trends “based on statistically significant changes over 21 days.”

We’ve chosen these plants for the communities they serve and geographic reach. Central Marin Sanitation Agency, for instance, is the largest of six plants in Marin County and [serves approximately 105,000 people](#), or 41% of Marin's population as of 2022.

But here’s the data for your communities if you want to dig deeper:

COVID concentrations in other Bay Area regions

Each point represents when data was collected. Hover to see the collection date and concentration in millionths PPMoV.

Santa Rosa

City of Santa Rosa, Laguna Treatment Plant

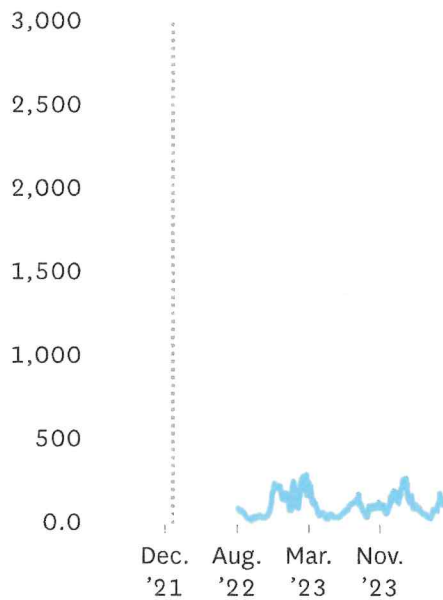


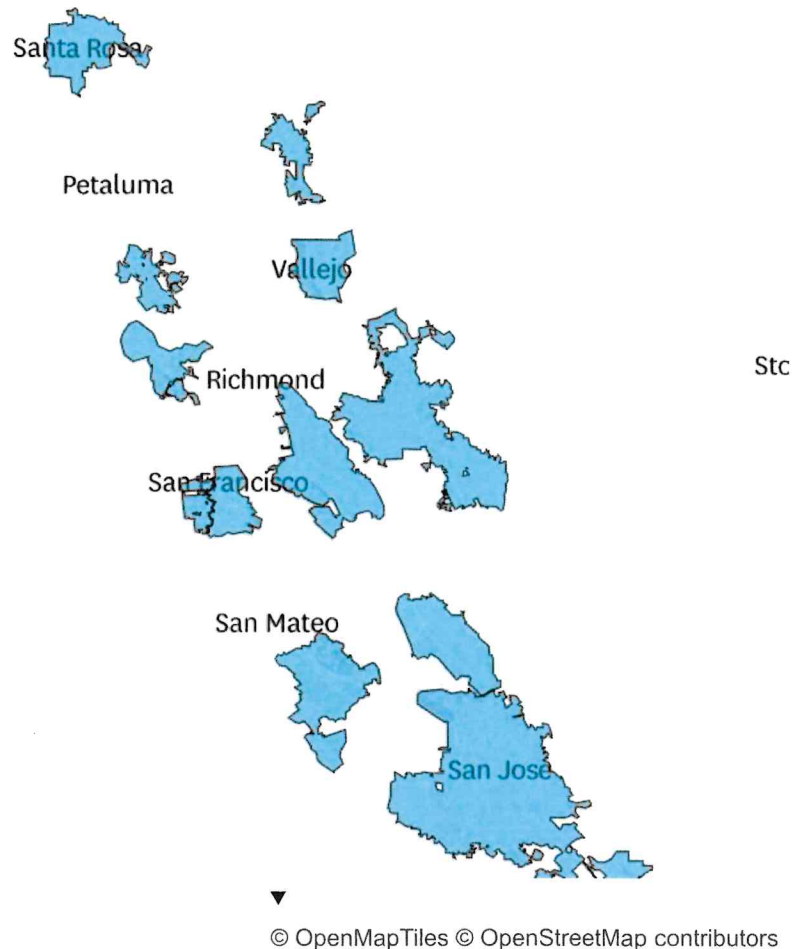
Chart: Amy Chen and Jenny Kwon/The Chronicle · Source: [WastewaterSCAN](#)

Even if COVID wastewater levels seem lower when compared with previous concentration levels, public health researchers strongly encourage people to consider their individual circumstances before making any potentially risky decisions, especially during the winter and holiday season.

Wastewater monitoring for different COVID strains has opened the door to monitoring our sewage for a medley of different diseases and even illicit drugs. WastewaterSCAN has recently expanded its collection to include data on other respiratory and gastrointestinal diseases such as influenza, RSV (respiratory syncytial virus) and norovirus. [San Francisco announced](#) on Dec. 14 that it had begun testing wastewater for traces of fentanyl and other drugs.

Map: Sewersheds in the Bay Area

Tap a boundary outline to see which wastewater treatment station services that area.



Sewershed boundaries are approximate, not exact.

Map: Jenny Kwon / The Chronicle · Source: WastewaterSCAN; CDPH; Marin Health and Human Services; Central Contra Costa Sanitary District; East Bay Municipal Utility District; Napa Sanitation District; Union Sanitary District

Additional local and national COVID resources

- Marin Health and Human Services [COVID dashboard](#) includes wastewater monitoring, vaccination rates, hospitalizations, deaths and variant prevalence.
- Santa Clara County COVID wastewater monitoring [dashboard](#) includes data from San Jose, Palo Alto, Sunnyvale and Gilroy.
- Napa County maintains a COVID [severity and trends dashboard](#).
- [CDPH Wastewater Surveillance Network Dashboard](#) includes wastewater data analyzed by multiple laboratories for communities across California.
- [The Sick Times](#) is an independent publication run by Betsy Ladyzhets and Miles Griffis that centers accountability and investigative reporting on

long COVID and other long-term effects of the pandemic.

Credits

Reporting by [Jenny Kwon](#) and [Amy Chen](#). Engineering by [Erin Caughey](#) and [Jenny Kwon](#). Editing by [Alex K. Fong](#), [Andy Reinhardt](#), [Dan Kopf](#) and [Hilary Fung](#). Copy editing by [Warren Pederson](#).

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CLOSED SESSION

- Separate Item to be distributed at Board Meeting
- Separate Item to be distributed prior to Board Meeting
- Verbal Report
- Presentation