



ORO LOMA SANITARY DISTRICT

2655 GRANT AVENUE, SAN LORENZO, CA 94580



OPERATING AND CAPITAL BUDGET FOR FISCAL YEARS 2015-16 & 2016-17

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Oro Loma Sanitary District Operating and Capital Budget For Fiscal Years 2015-16 & 2016-17

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Oro Loma Sanitary District Operating and Capital Budget For Fiscal Years 2015-16 & 2016-17

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**A RESOLUTION APPROVING THE OPERATING AND CAPITAL
TWO-YEAR BUDGET FOR FISCAL YEARS 2015-16 AND 2016-17
FOR ORO LOMA SANITARY DISTRICT**

NOW, THEREFORE, BE IT RESOLVED that the Sanitary Board does hereby adopt the budget for fiscal years 2015-16 and 2016-17.


Timothy P. Becker, President


Roland J. Dias, Secretary

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Introduction



Budget Message

Budget Message from the General Manager

On behalf of the Board of Directors and staff of the Oro Loma Sanitary District, I am pleased to present the District's Two-Year Operating and Capital Budget for the fiscal years ending June 30, 2016 and 2017, with comparison to the preceding fiscal year. The following table summarizes the spending budgeted for each year.

	FY 2014-15	FY 2015-16	FY 2016-17
Operating Budget	\$21.5 million	\$22.0 million	\$23.0 million
Capital Budget	\$7.4 million	\$6.6 million	\$4.4 million
Total	\$28.9 million	\$28.6 million	\$27.4 million

The budget is built upon the District's mission, core values, and 10-year strategic vision. In parallel with budget preparation, the Board led an update to the 10-Year Strategic Goals. The update commits the District to allocating significant resources to executing the goals. The goals include operating without injury, meeting all permit requirements, eliminating overflows, and measuring and improving customer satisfaction. Additionally, the 10-year goals include replacement of 20 miles of the District's 273 miles of pipe, building the District's geographical information system (GIS) into the central resource for all District assets and customer service issues, performing a recycled water feasibility study, and reducing off-hours maintenance calls to 10 or less per year.

Under the leadership and direction of the Board, the District has a long history of exceeding industry standards:

- Operates an award-winning sewage collection system and treatment plant.
- Maintains the lowest sewer service rates in Alameda County, and one of the lowest in California. District customers receive top quality sewage collection and treatment services for less than \$0.57 a day.
- Charges one of the lowest garbage rates in Alameda County.
- Exceeded State mandated requirements for garbage diversion from landfills by implementing innovative recycling programs and public outreach.
- Promotes a strong safety culture, and has been operating for over 2600 days without a loss time injury. Won the 2013 California Sanitation Risk Management Authority's SHELL Award which recognizes statewide excellence in management of Safety, Health, Environmental, Liability and Losses, and the 2014 California Water Environment Association Treatment Plant Safety Award at the local, State, and national levels.
- Operates a 720kW biogas-fired cogeneration power plant. Combined with the sources listed below, the plant has reduced its energy bill to near zero.
- Continuously seeks renewable energy sources to preserve global resources by implementing a 468kW solar array and a grease receiving facility to reduce natural gas usage.
- Was awarded the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for 20 consecutive years.
- Won the 2014 California Water Environment Association San Francisco Bay Section Research Achievement Award for its Zeolite-Anammox Pilot Project, which focuses on research supporting cost-effective nutrient removal technology.
- Received the Special District Leadership Foundation District Transparency Certificate of Excellence, in recognition of transparency best practices in operations and governance.
- Remains debt-free since 2009 through prudent cash management and resource allocation.
- Has attained fully funded status on its Other Post-Retirement Employee Benefit obligations as of June 30, 2013.

Budget Message

I appreciate the guidance provided by the District's Finance & Insurance Committee and Board of Directors, and staff members who have dedicated themselves to the excellence of the District's budget process. This is the District's first comprehensive budget presentation using guidelines established by the Government Finance Officers Association (GFOA). Our goal is to enhance the presentation of our budget and financial information, making them meaningful and easily understandable to the District's rate payers and other interested parties. This Budget serves as a financial plan as the District strives on in its commitment to provide services to our community, and to best manage the public's clean water infrastructure. We look forward to another two successful years.

A handwritten signature in black ink, appearing to read "Jason J. Warner". The signature is stylized with a large, sweeping initial "J" and a horizontal line extending to the right.

Jason J. Warner, P.E.
General Manager

Current Budget Factors, Priorities & Challenges

The District's fundamental goals include: operating the treatment plant reliably and efficiently, protecting the Bay, and doing so while making the best use of every dollar. We are committed to achieve these goals while responding to the following current issues in the next 2 years.

Revenue Base, Fee Increases & Other Revenue Sources

Due to limited housing growth within the District, the number of residential customers is not expected to increase significantly in future years. As for commercial customers, sewer revenues are charged based on water consumption. In response to the area's continuous drought, commercial customers have been making tremendous efforts to reduce water usage. Despite planned annual rate increases, commercial sewer revenues are anticipated to stay flat for FY 2015-16. On the other hand, as the District continues to use existing cash to fund the capital improvement program, progressive rate increases (3% in FY 2015-16, 5% in FY 2016-17) are necessary to meet projected annual expenses. Current trends show that grease waste revenues have reached a plateau, while interest income is expected to decrease due to diminishing cash reserves and historically low rates. The District will have to explore new revenue sources to compensate for the lack of revenue growth in the above categories.

Workforce & Compensation Issues

The District has always strived to do more with less. The number of positions has been reduced from 61.5 in 1992 to 45 in 2014. In 2014-15, the actual staff count is 43, and will remain at the same level for next 2 years. Current labor agreements with 5 bargaining units will be expiring in June 2016. The assumed salary increase (combined cost-of-living adjustments and available step increases) for this budget is 3% per year, with an actual floor of 1% and maximum of 5%. As of July 1, 2015, 20% of the District's employees have reached retirement age. There will be significant need to attract outstanding candidates to continue our history of strong achievement.

Health Benefits & Pension Liability

Medical premium increases averaged 6% per year in the last 5 years while other benefit costs have remained stable. The assumed overall annual increase in health benefit costs for the next 2 years is 4%. In March 2015, the District made a \$6.35 million contribution towards its \$11.5 million unfunded accrued pension liability (UAL), resulting in a reduction of FY 2015-16's required UAL payments by \$476,249. In the coming years, the District will consider options to further reduce its pension liability.

Ongoing Capital Project Requirements

The District aims to provide safe and reliable infrastructure through asset management and assessment on its collection system and the treatment plant. Existing treatment facilities undergo scheduled rehabilitation to increase efficiency and reliability, while replacement of aging underground sewer pipes are targeted at a pace of 2 miles per year (0.7% per year of a 140-year replacement cycle). Ongoing lift station maintenance and rehabilitation are performed to ensure that there are no pump failures or interruptions in service. Spending on capital projects is carefully managed by using available reserves and prioritizing projects based on their critical level.

Environmental Issues and Challenges

In response to concerns about nutrient issues in the San Francisco Bay and rising sea levels, and the need for alternatives in wet weather conditions, the District is undertaking the Wet Weather Equalization/ECOTONE Demonstration Project. The project will result in the construction of an 8-million gallon equalization basin that will divert peak wet weather flows by storing primary treated effluent until peak flows subside. The basin will have an ecotone slope or horizontal levee that emulates a natural upland, which filters effluent through various wetland vegetation configurations. It will also provide habitat for endangered species. The District has been awarded a \$2.1 million grant for this project. Total project cost is expected to be \$8.6 million, shared among the District (65%) and Castro Valley Sanitary District (35%). Construction began in April 2015, and will be completed in FY 2016-17.

Budget Overview

Revenues	Budget	Assumptions / Trends
Total Revenues	<ul style="list-style-type: none"> FY 2014-15: \$18,730,800 FY 2015-16: \$19,081,200 (1.9% increase) FY 2016-17: \$19,880,200 (4.2% increase) 	<ul style="list-style-type: none"> Sewer rate increases by 3% in FY 2015-16 and 5% in 2016-17.
Operating Revenues	<ul style="list-style-type: none"> FY 2014-15: \$18,279,800 FY 2015-16: \$18,673,200 (2.2% increase) FY 2016-17: \$19,489,200 (4.4% increase) 	<ul style="list-style-type: none"> Drought conditions seriously impact sewer service revenues from commercial customers (billed based on water usage). Solid Waste Contract Fees increases from 5% to 6% with garbage rates increasing 3%/year.
Non-Operating Revenues	<ul style="list-style-type: none"> FY 2014-15: \$451,000 FY 2015-16: \$408,000 (9.5% decrease) FY 2016-17: \$391,000 (4.2% decrease) 	<ul style="list-style-type: none"> No increases in residential recycling charges. Interest Income decreases due to drawing down on cash balance.
Other Contributions & Capital Repayments (Connection Fees & CVSD's Capital Contribution)	<ul style="list-style-type: none"> FY 2014-15: \$1,611,800 FY 2015-16: \$1,493,500 (7.3% decrease) FY 2016-17: \$802,600 (46.3% decrease) 	<ul style="list-style-type: none"> Connection fees projected at \$120,000/year. Capital repayments are based on CVSD's share of treatment plant capital budget.

Expenses (Operating Budget)	Budget	Assumptions / Trends
Total Expenses	<ul style="list-style-type: none"> FY 2014-15: \$21,495,300 FY 2015-16: \$21,997,600 (2.3% increase) FY 2016-17: \$23,030,200 (4.7% increase) 	<ul style="list-style-type: none"> Cost of living adjustment to salaries: 3%/year. Health benefit cost increases: 4%/year.
Operating Expenses	<ul style="list-style-type: none"> FY 2014-15: \$21,100,100 FY 2015-16: \$20,604,400 (2.3% decrease) FY 2016-17: \$21,637,000 (5.0% increase) 	<ul style="list-style-type: none"> Increases in supplies and chemical cost: 3%/year. Elimination of \$476,000/year in pension liability payment due to partial payoff in FY 2014-15.
Non-Operating Expenses	<ul style="list-style-type: none"> FY 2014-15: \$395,200 FY 2015-16: \$1,393,200 (253% increase) FY 2016-17: \$1,393,200 (no change) 	<ul style="list-style-type: none"> Planned accelerated payment towards unfunded pension liability: \$1 million/year.

Expenditures (Capital Budget)	Budget	Assumptions / Trends
Capital Expenditures	<ul style="list-style-type: none"> FY 2014-15: \$7,383,000 FY 2015-16: \$6,644,000 (10.0% decrease) FY 2016-17: \$4,440,000 (33.2% decrease) 	<ul style="list-style-type: none"> In FY 2015-16, \$3.6 million is allocated for the construction of a wet weather equalization basin and ecotone demonstration slope. \$1.5 million is allocated in FY 2016-17. The project is expected to be finished in FY 2016-17. \$2 million/year allocated to pipeline replacement. Rehabilitation of remote lift stations for \$175,000 in FY 2015-16 and \$150,000 in FY 2016-17.

Note: Shortfalls between projected revenues and expenditures will be funded by using existing cash reserves.

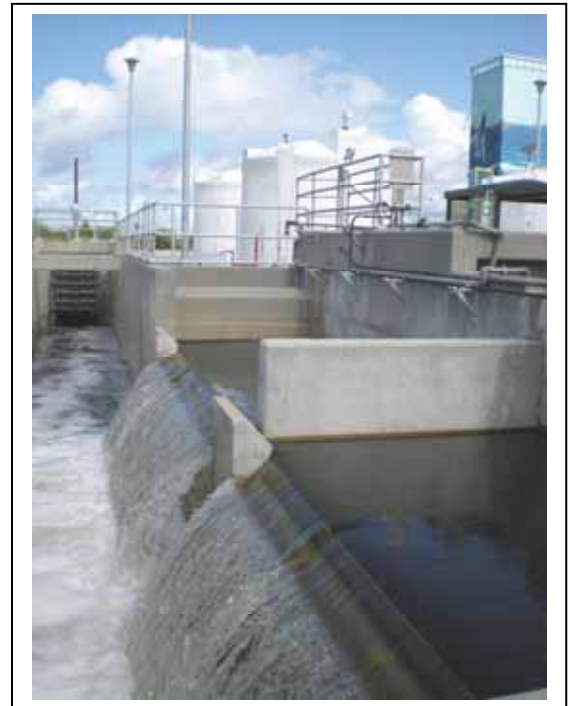
Mission Statement

To provide the possible service at the lowest possible cost

The best possible service at the lowest possible cost means . . .

We are committed, first and foremost, to providing the best wastewater collection, pretreatment, treatment, refuse, and recycling service to the public. We do this to protect the public health and environment. We also recognize that those we serve inherently desire the best value for the services provided. In alignment, we seek to optimize operations and the allocation of resources to produce the highest long-term value.

In pursuit of providing service at the lowest cost, the Board has kept sewer rates below the levels required to fund all its operational and capital needs. For example, FY 2015-16's total expenses within the operating budget exceed total revenues by \$2.9 million. Since FY 2011-12, the Board has implemented \$5 annual rate increases (3% per year). Despite these increases, the proposed budget will require use of existing reserves to fund ongoing operations and capital needs. Budgeted revenues assume a sewer service rate increase of 5% in FY 2016-17. To close the gap between revenue and expenses over time, a 5% annual increase will likely be required for up to 5 years.



10-Year Strategic Vision & Goals

Strategic Vision

Safety is paramount. We will maintain a safety program, safety culture, safe work habits, and safe work record to reflect our practice of proactive risk identification and mitigation, and commitment to safely completing our work. Our vision is to send a generation of employees into retirement without impairment.

Our staff remains our key asset. Despite anticipated attrition, we will practice deliberate knowledge transfer, keep the selection of extraordinary team players as our norm, foster an environment to promote professional development, and offer an appropriate compensation package.

Shaping and responding to emerging regulations gives us a competitive advantage. We will perform sound planning, engage with the regulatory community, and innovate as we select optimal responses to significant emerging regulations.

Implement only new technologies that are worth our investment. We will scrutinize available technologies and implement only those that increase our standard for operational resiliency while meeting our high standards for investment of public funds.

Measured risk taking is part of sound management. We will continue to take prudent business risks that improve the District's ability to respond to future challenges while maintaining our fiscal strength.

The public deserves that we manage with the long term in mind. We will maintain a comprehensive understanding of our service and infrastructure needs and provide proper funding to manage their ongoing renewal.

Proactive communication is essential to providing the best service. We will identify issues of public concern and communicate our approach to addressing these issues well in advance of any requirement for significant action.

Excellence over average performance. We will set the standard for operational resiliency, regulatory compliance, and cost-efficient operations among sanitary agencies in the State.

10-Year Strategic Vision & Goals

Strategic Goals

Area

Operational Goals

Safety

Zero lost time accidents.

Maintain High Performing Safety Culture - Win CSRMA and CWEA State Safety Award (2 times each).

Survey Oro Loma Safety Culture every 2 years and maintain a minimum of 90% positive responses in the aggregate.

Maintain policies and procedures by auditing, updating, and training on policies at least every 3 years.

Collections

Zero collection system overflows.

Enhance training program to include embedded video, critical situation response, and/or multimedia options.

Maintain compliance with all SSMP and CIWQS reporting requirements.

Develop 'watch list' of emerging regulations, key regulatory contacts, and participate when warranted.

Measure customer satisfaction every 2 years and identify areas for improvement.

Build field GIS infrastructure and provide GIS access to key collections personnel.

Maintenance

Zero lift station overflows.

Zero permit violations due to equipment failures.

Maintain maintenance backlog to <100 work orders for a minimum of 2 months per year.

Maintain minimum 95% annual uptime on cogeneration system.

Maintain lift station contingency plan and provide training to allow an average remote site response and bypass set-up of 90 minutes at all remote sites.

Operations

Zero effluent violations.

Develop written and video operator training program for all areas of the plant.

Develop annual 'watch list' of emerging regulations, key regulatory contacts, and participate when warranted.

Renegotiate EBDA agreement to reduce or eliminate District responsibility for replacement of conveyance system it does not use.

Conduct critical incident response debriefing sessions and document lessons learned for future training.

10-Year Strategic Vision & Goals

Strategic Goals (continued)

Area

Operational Goals

Solid Waste & Recycling

Continue to meet adequate commercial recycling and organics requirements of Measure D, as defined by Stopwaste.org.

Measure customer satisfaction and identify areas for improvement by periodic, random surveys.

Actively monitor Stopwaste.org activities, communicate key issues to the Board, and proactively communicate concerns to the District's representative and staff at partner agencies.

Achieve 90% participation in organics recycling in schools.

Conduct study to evaluate biosolids recycling alternatives.

Administrative Services

Maintain lowest residential sewer service charge in Alameda County and among the lowest 5% in the State.

Maintain solid waste rates among the lowest in Alameda County.

Develop and implement quantitative measurement of customer service.

Produce timely, accurate, transparent, and useful financial reports. Timely reporting is defined as within 10 days of month-end.

Develop and maintain cross training for key administration and finance functions.

Provide live, knowledgeable customer service point of contact for all incoming calls.

Identify and communicate required funding needs for operations and projected infrastructure needs.

Maintain policies and procedures within guidelines of 'industry best'.

Update '10-Year Strategic Vision and Goals' document every 2 years with the budget document.

10-Year Strategic Vision & Goals

Strategic Goals (continued)

<u>Area</u>	<u>Infrastructure Goals</u>
General	<p>Maintain 10-Year Capital Planning Document for all District assets (updated monthly)</p> <p>Build GIS into central reference source for all District assets and customer service issues.</p> <p>Define objectives in 2016 and implement Asset Management Program for all District assets by 2023.</p> <p>Perform recycled water feasibility study to assess costs and potential demands within the service area.</p> <p>In response to ongoing climate change trends – do no new harm – all new construction to take into account sea level rise projections.</p>
Collection System	<p>Zero overflows due to capacity limitations.</p> <p>Replace a minimum of 20 miles of collection system pipe between 2013 and 2023 (increase miles of HDPE from 12.82 to 32.82.)</p> <p>Manage line replacement program to limit high frequency footage (an indicator of system health) at or below 18% of District (49 miles.)</p>
Treatment Plant	<p>Track ongoing discussions of nutrient removal regulations and potential technical responses.</p> <p>Conduct treatment plant electrical load study and implement identified improvements prior to planned cogeneration system overhaul in 2021.</p>
Administration & Finance	<p>Integrate customer service interface into GIS.</p>
Lift Stations	<p>Reduce off-hours maintenance calls to under 10 per year.</p>

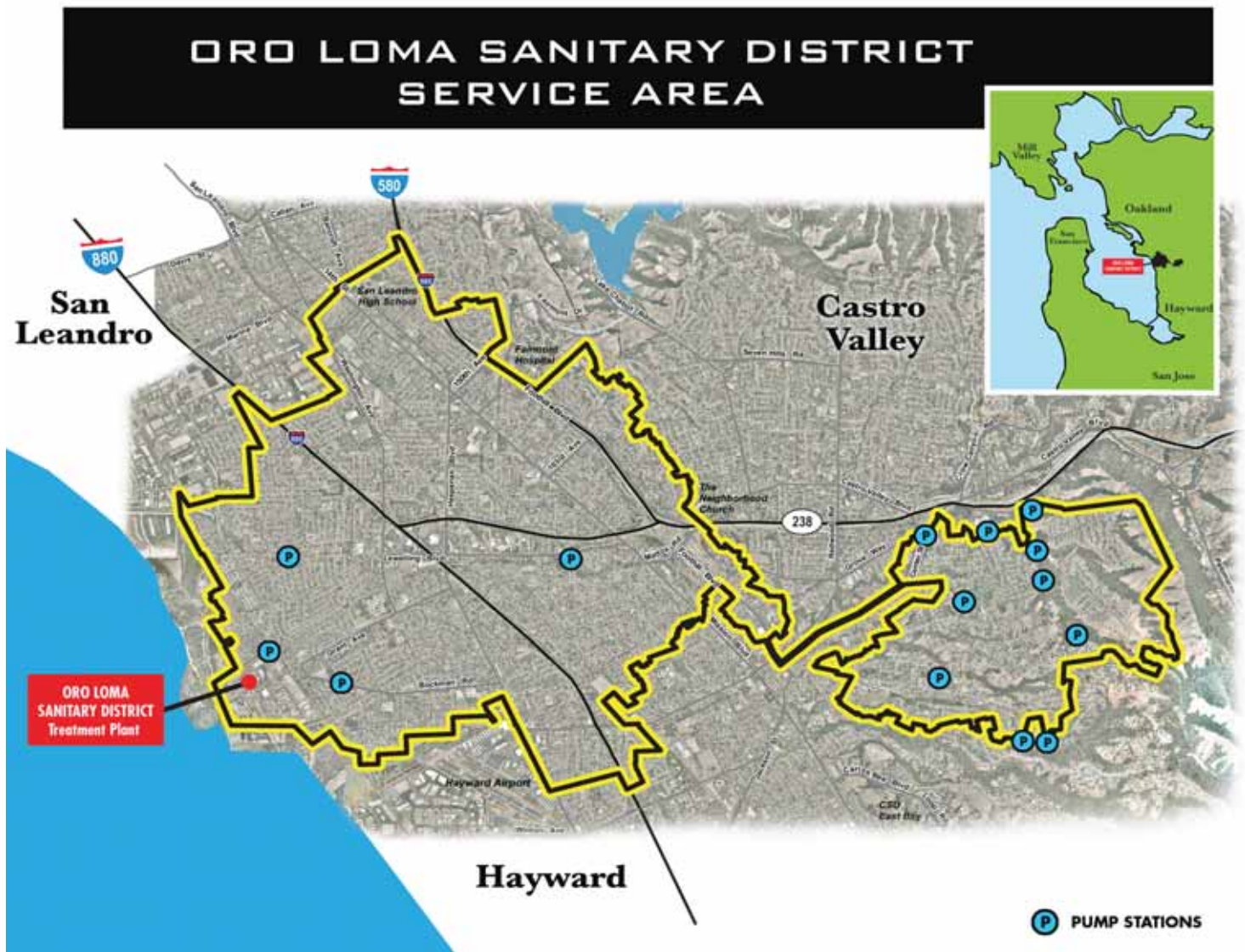
District Overview



District Profile

Location & Service Area

Oro Loma Sanitary District was originally formed to serve an 800-acre area. Today, the District encompasses 13 square miles, serving the communities of unincorporated Alameda County, including San Lorenzo, Ashland, Cherryland, Fairview, portions of Castro Valley, and designated areas of the Cities of Hayward and San Leandro. The District's service area is located about 13 miles south of Oakland and 30 miles north of San Jose on the eastern shore of the San Francisco Bay.



Form of Government

The District was formed on August 7, 1911, and is one of the oldest sanitary agencies in Alameda County, California. It was subsequently reorganized under the Sanitary District Act of 1923 of the State Health & Safety Code, which empowers the District to provide sewer, solid waste, and recycling services as a special district of local government.

Scope of Services

Sewer Services	<ul style="list-style-type: none"> • Miles of sewer lines - 273 • Number of lift stations - 14 • Permitted sewage treatment capacity - 20 million gallons per day (mgd) • Average daily dry weather flow - 11.8 mgd • Treatment processes - Primary and secondary, disinfection • Disposal of effluent - through East Bay Discharges Authority (EBDA), a joint-powers agency • Disposal of biosolids - 11 dry tons per day, hauled annually to the Altamont Landfill and used as alternative daily cover • Water reclamation - 60 million gallons per year reused for irrigation at the Skywest Golf Course
Solid Waste Services	<ul style="list-style-type: none"> • Serving unincorporated areas of Alameda County and parts of Hayward and San Leandro • Contracted to Waste Management of Alameda County
Recycling Services	<ul style="list-style-type: none"> • Serving unincorporated areas of Alameda County and parts of San Leandro • Include residential and commercial recycling, green waste and organics/foodwaste • Contracted to Waste Management of Alameda County

Demographics

Population Served	135,217
Customer Base	<p>47,110 within the District's jurisdiction</p> <ul style="list-style-type: none"> • Residential - 45,836 (97.30%) • Commercial and light industrial - 1271 (2.69%) • Significant industrial - 3 (0.01%) <p>21,400 within other jurisdictions</p> <ul style="list-style-type: none"> • Castro Valley Sanitary District - 20,400 • Cities of Hayward and San Leandro - 1,000

District Profile

Community Profile

Population, Per Capita Income & Unemployment Statistics

Indicator	Communities within the District's Boundaries Located in			All Areas
	San Lorenzo, Ashland, Cherryland, Fairview	Hayward	San Leandro	
Population	84,686	9,930	40,601	135,217
Per Capita Income	\$28,043	\$25,019	\$27,931	\$27,787
Unemployment rate	6.2%	7.5%	6.6%	6.4%

Major Employers Within The District

Employer	Type of Business	# of Employees
County of Alameda	Government services and hospital complex	3105
San Lorenzo Unified School District	School district	1600
San Leandro Hospital	Hospital	475
Kraft	Food manufacturing	400
Ghirardelli Chocolate	Food manufacturing	375
Aidell's Sausage Co.	Food manufacturing	350
Kaiser Foundation Health Plan	Medical clinics	300
Target	Department store	280
Hayward Unified School District	School district	268
Safeway	Grocery store	258
Hillshire Brands	Food manufacturing	240
Walmart (Store 5434)	Department store	206

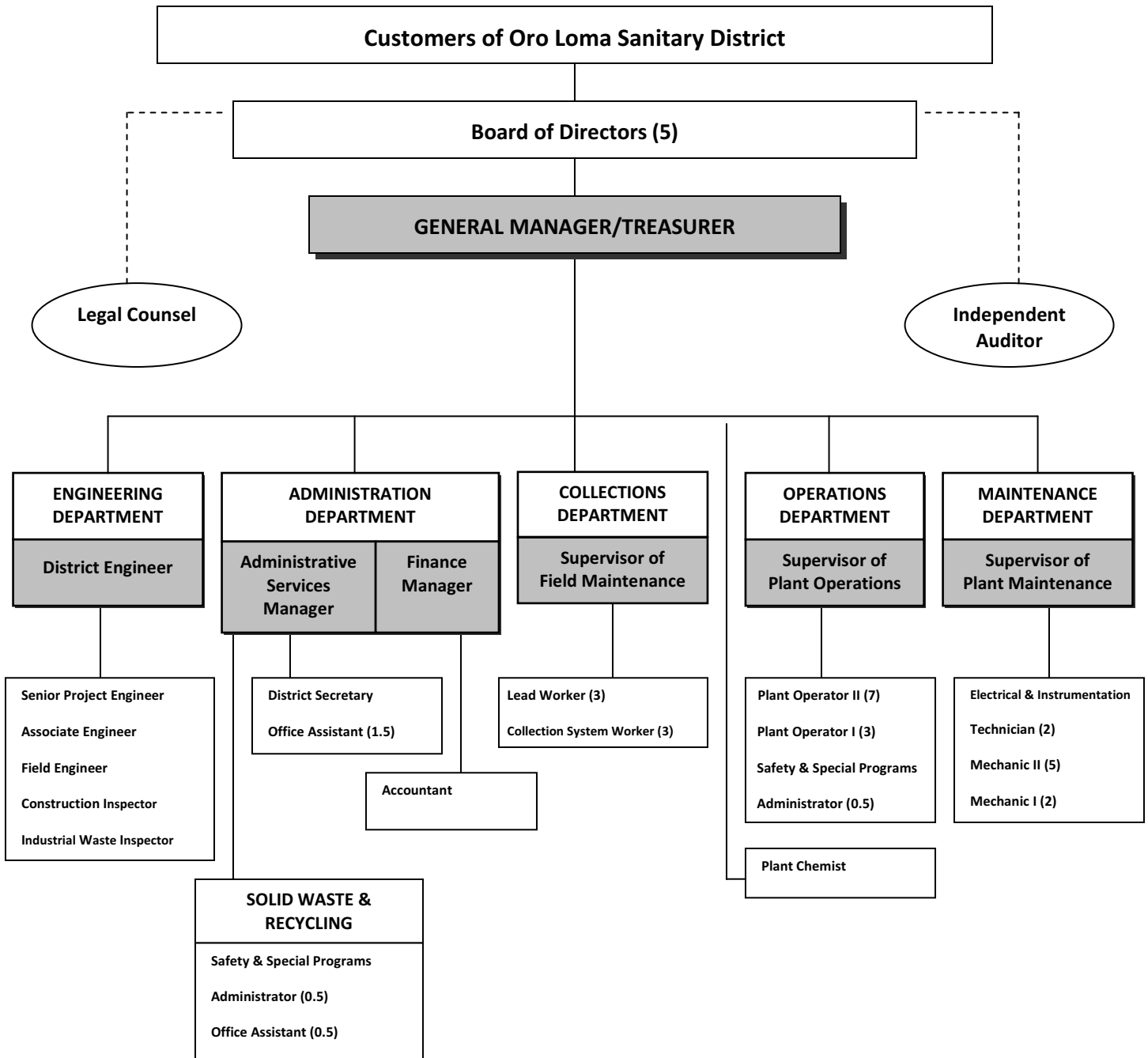
Top 20 Commercial Customers

Customer	Type of Business	Sewer Charges	% of Sewer
		2013	Revenues
Santini Foods	Food manufacturing	\$ 541,079	4.7%
Ghirardelli Chocolate	Food manufacturing	184,550	1.6%
Hayward Area Recreation & Park District	Recreation and parks	141,244	1.2%
Bayfair Development LLC	Shopping mall	141,043	1.2%
Fairmont Hospital Complex	Hospital and medical clinics	112,213	1.0%
San Lorenzo Unified School District	School District	107,381	0.9%
Hillshire Brands	Food manufacturing	96,105	0.8%
County of Alameda General Services	Government services	61,821	0.5%
Hayward Unified School District	School district	61,318	0.5%
Greenhouse Marketplace	Retail businesses	39,287	0.3%
San Leandro Hospital (SLCO)	Hospital	31,036	0.3%
Kantilal Solanki	Hotel	26,014	0.2%
Save Mart Supermarket	Grocery store	21,487	0.2%
Kaiser Foundation Health Plan	Medical clinics	18,853	0.2%
Mercy Housing	Senior housing and assisted living	17,336	0.1%
Washington Manor Convalescent Hospital	Convalescent home	16,833	0.1%
Guadalajara Enterprises	Retail businesses	16,259	0.1%
Nadaq	Laundromat	15,684	0.1%
Ramesh Pitamber	Hotel	15,632	0.1%
Hometown Buffet	Restaurant	15,631	0.1%
Total from Top 20 Commercial Customers		\$ 1,680,806	14.5%

Service Fees

	Customer Type	FY 2014-15	FY 2015-16	FY 2016-17	
Sewage Service Rates Ordinance No. 37 and Resolution No. 3536	Residential - rate per dwelling per year				
	• Single-family dwellings	\$200	\$206	\$216	
	• Multiple-family dwellings	\$200	\$206	\$216	
	• Mobile homes	\$163	\$168	\$176	
	Commercial - rate per 100 cubic feet (cf) of water used	\$2.956	\$3.045	\$3.197	
	Significant Industrial Users - rates are based on actual flow and loadings per unit cost				
	• Flow, per 100 cf water	\$1.936	\$1.994	\$2.094	
	• BOD, per pound	\$0.377	\$0.388	\$0.407	
	• SS, per pound	\$0.431	\$0.444	\$0.466	
Permit & Inspection Fees		\$280	\$280	\$280	
Sewer Connection Fees Ordinance No. 35	Residential	\$6,555	\$6,919	\$6,919	
			(proposed)	(proposed)	
	Nonresidential				
	• Flow, per gallon per day	\$28.29	\$28.29	\$28.29	
	• BOD, per pound per day	\$1,301.51	\$1,301.51	\$1,301.51	
	• SS, per pound per day	\$1,262.07	\$1,262.07	\$1,262.07	
Garbage Rates Ordinance No. 34	Residential	Effective 9/1/14	Effective 9/1/15, 9/1/16, 9/1/17		
	Unincorporated & Hayward				
	• 20-gallon cart per month	\$8.02	Rates are subject to annual increase per agreement with Waste Management by combination factors of: 50% April CPI-U and 50% weighted average of teamster wage, benefits and pension contract increases.		
	• 35-gallon cart per month	\$15.99			
	• 64-gallon cart per month	\$32.02			
	• 96-gallon cart per month	\$48.01			
	San Leandro				
	• 20-gallon cart per month	\$9.25			
	• 35-gallon cart per month	\$18.55			
	• 64-gallon cart per month	\$37.04			
	• 96-gallon cart per month	\$55.59			
	Recycling & Green Waste Rates Ordinance No. 34	Single-family dwellings	\$55.20	\$55.20	\$55.20
Multi-family and mobile homes		\$51.84	\$51.84	\$51.84	
Commercial per cubic yard					
• Unincorporated & Hayward		\$10.39	Increases per terms of agreement		
• San Leandro		\$10.91	Increases per terms of agreement		

Organization Chart



Board of Directors

The District is governed by a 5-member Board of Directors, elected in the County's general election, for alternating 4-year terms. The public is welcome to attend the District's Board meetings held on the first and third Tuesdays of each month at 3:00 p.m., and the Committee meetings at various times throughout the month. A listing of dates and times is available on the District's website at www.oroloma.org.



Timothy P. Becker, President

Term Expires 2018.

Chairperson of Construction Committee, member of Finance & Insurance Committee, representative to ACSDA, alternate representative to EBDA Commission, and member of CASA Executive Board.

Mr. Becker has over 25 years of experience in the environmental services industry, and has been managing his own consulting business for almost a decade. He has been a member of the Board of Directors since 2007.



Howard W. Kerr, Vice President

Term Expires 2018.

Chairperson of Operations Committee, alternate Representative to ACSDA.

Mr. Kerr is a retired Health Inspector for the City of Oakland, and is a registered environmental health specialist in the State of California. He has been on the Board of Directors since 1986.



Roland J. Dias, Secretary

Term Expires 2016.

Chairperson of Finance & Insurance Committee, member of Construction and Operations Committees, and representative to EBDA Commission.

Mr. Dias is a retired Pacific Bell and AT&T executive who has extensive experience in fiscal budgeting and financial controls. He joined the Board of Directors in 1992.



Dan Walters, Director

Appointed in April 2015 to fill Board vacancy. Term Expires 2016.

Chairperson of Personnel/Safety/Public Information Committee, member of Solid Waste Committee, and alternate representative to ACWMA.

Mr. Walters is a local business owner who has been actively serving the community for decades. He has over 30 years of experience in engineering, innovation and business management. He was appointed to the Board in April 2015.



Shelia Young, Director

Term Expires 2018.

Chairperson of Solid Waste Committee, member of Personnel/Safety/Public Information Committee, and representative to ACWMA.

Ms. Young is currently a business/environmental consultant who owned her own business for 30 years prior to service as Mayor of the City of San Leandro. She was named Mayor Emeritus in 2008, and was elected to the Oro Loma Board in 2014.

Note: ACSDA – Alameda County's chapter of the California Special Districts Association.
ACWMA – Alameda County Waste Management Authority, also known as Stopwaste.org.
CASA – California Association of Sanitation Agencies.
EBDA – East Bay Dischargers Authority.

Management Team

Officials



Jason Warner, General Manager/Treasurer (from 2008)

Directs, manages, and coordinates District activities in accordance with Board policies. Manages the daily activities of the District and keeps the Board informed on projects and programs to facilitate good decision making. As Treasurer of the District, the General Manager also oversees the District's financial operations and risk management.

Departmental Management

Administration



Andreea Simion, Administrative Services Manager (from 2003)

Manages human resources functions, administrative support services, and public information programs. Oversees the preparation of agendas and minutes for the Board and various committee meetings, and coordinates the solid waste, recycling, safety, and training programs.



Arlene Wong, Finance Manager (from 2013)

Manages the District's financial control system, including budget, cash flow, investments, payroll, customer billings, payments, audits, and debt services, assuring that the District is meeting all its fiduciary responsibilities.

Collections



Lenny Rather, Supervisor of Field Maintenance (from 1997)

Supervises the maintenance of the collections system and pump stations, and coordinates 24-hour emergency response. Ensures that the District provides exemplary customer service.

Engineering



William Halsted, District Engineer (from 2009)

Directs and manages the Engineering Department. Administers capital and renewal and replacement programs. Oversees the issuance of permits for construction, repairs, and annexations, and reviews plans and specifications.

Treatment Plant



Manuel Talledo-Garcia, Supervisor of Plant Operations (from 2012)

Supervises the continuous operations of the water pollution control plant and water reclamation facilities. Oversees day-to-day sludge processing operations.



Scott Von der Lieth, Supervisor of Plant Maintenance (from 2011)

Supervises equipment maintenance and provides support for operations, collections and remote site pump stations.

Position Summary Schedule

* Management Staff

Department & Position Title	2013-14	2014-15	2015-16	2016-17
Collections				
* Supervisor of Field Maintenance	1	1	1	1
Lead Worker	3	3	3	3
Collection System Worker	3	3	3	3
Collection System Trainee	1	1	0	0
	8	8	7	7
Operations				
* Director of Water Quality Services	1	1	0	0
* Supervisor of Plant Operations	1	1	1	1
Plant Chemist	1	1	1	1
Plant Operator II	6	6	8	8
Plant Operator I	4	4	2	2
Safety & Special Programs Administrator	0.5	0.5	0.5	0.5
Office Assistant	1	1	1	1
	14.5	14.5	13.5	13.5
Maintenance				
* Supervisor of Plant Maintenance	1	1	1	1
Electrical & Instrumentation Technician	2	2	2	2
Mechanic II	4	4	5	5
Mechanic I	3	3	2	2
	10	10	10	10
Engineering				
* District Engineer	1	1	1	1
Senior Project Engineer	0	1	1	1
Associate Engineer	2	1	1	1
Field Engineer	2	1	1	1
Construction Inspector	0	1	1	1
Industrial Waste Inspector	1	1	1	1
	6	6	6	6
Administration				
* General Manager	1	1	1	1
* Administrative Services Manager	1	1	1	1
* Finance Manager	1	1	1	1
Accountant	1	1	1	1
District Secretary	1	1	1	1
Safety & Special Program Administrator	0.5	0.5	0.5	0.5
Office Assistant	1	1	1	1
	6.5	6.5	6.5	6.5
Total Positions	45	45	43	43
Reduction from Prior Year		0%	-4%	
Reduction from Base Year (FY 1991-92: 61.5 positions)	-27%	-27%	-30%	

Note: The District has been operating with fewer than budgeted positions during FY 2013-14 and FY 2014-15. The actual number of staff positions was 43. For the budget years, this number will remain unchanged.

Financial Structure, Policy & Process

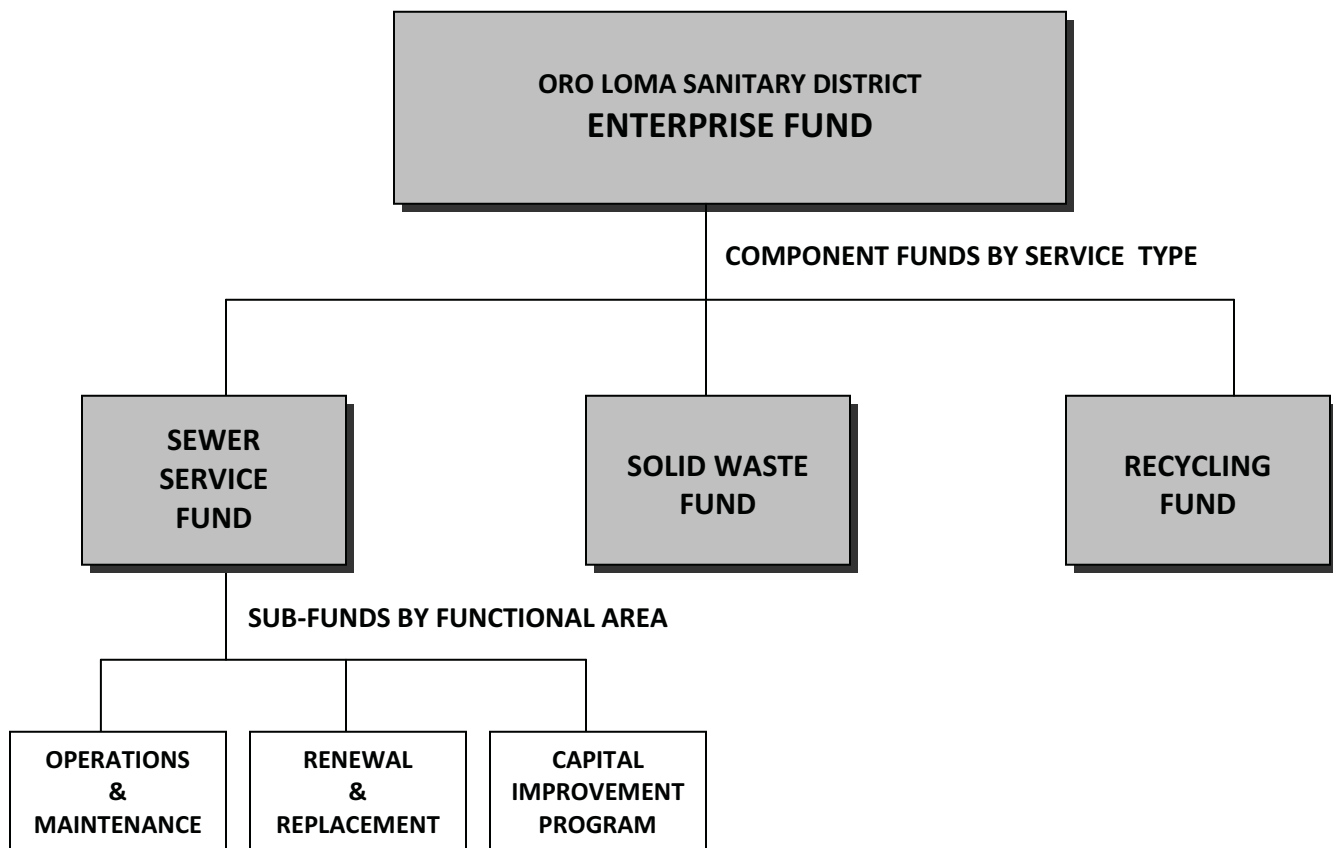


Fund Structure & Basis of Budgeting

Fund Structure

The District utilizes an enterprise fund structure to account for services it provides to the public. The cost for these services are recovered primarily through user fees, much like a business in the private sector.

Under the District's single enterprise fund are component funds that account for revenues and expenses of the District's three service types – sewer service, solid waste and recycling. The sewer service component fund is further divided into three units – operations and maintenance, renewal and replacement, and capital improvement program, to account for the different functions within the sewer service type.



Basis of Budgeting

The District uses the accrual basis of budgeting. Revenues are recognized when earned, and expenses are recorded when the liability is incurred. This basis of budgeting is consistent with the basis of accounting used in the audited financial reports. The District takes the economic resources measurement focus, with the objective to determine operating income, changes in net position, and cash flows.

Department Units

The District relies on department units to provide services to its customers and to fulfill the District's mission. Each department has its own mission statement and goals. Performance is monitored on a monthly basis and reported to the Board of Directors. In addition, training and knowledge sharing occur regularly among departments to improve job efficiency, as well as to promote safety and teamwork.



Collections



Engineering



Operations



Maintenance



Administration

Department Units

Collections Department

Mission Statement: *Treat every customer like family*

The primary responsibility of the Collections Department is to protect human health and the water quality of the Bay, by maintaining the integrity of the District's sewage collection system, which consists of approximately 273 miles of sewer lines, 6,091 manholes, more than 60 special structures, 14 lift stations, and several inverted siphons. The Collections crew cleans and video inspects over 2 million feet of sewer lines each year, and maintains records of sewer line condition. The crew partners with the Engineering Department to establish repair and replacement priorities, and to handle regulatory reporting for sewer overflows.

Expense & Staffing Trends:

	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Expense Category	Actual	Budget	Budget	Budget
Salaries & Benefits	\$ 1,150,803	\$1,306,900	\$1,197,900	\$1,232,900
Fuel & Supplies	96,976	128,500	120,500	122,200
Contractual & Professional Services	81,619	55,300	79,300	81,800
Other Expenses	201,997	329,300	293,300	295,900
Total Expenses	\$1,531,395	\$1,820,000	\$1,691,000	\$1,732,800

Note: In FY 2015-16, budgeted spending is adjusted downward due a partial pay down of unfunded accrued pension liability in FY 2014-15, which reduces the contributions required in future years.

	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Position	Actual	Budget	Budget	Budget
Supervisor of Field Maintenance	1	1	1	1
Lead Worker	3	3	3	3
Collection System Worker	3	3	3	3
Collection System Trainee	1	1	0	0
Total Staff Count	8	8	7	7

Strategic Goals & Objectives:

- Zero collection system overflows.
- Enhance training program to include embedded video, critical situation response, and/or multimedia options.
- Maintain compliance with all SSMP and CIWQS reporting requirements.
- Develop watch list of emerging regulations, key regulatory contacts, and participate when warranted.
- Measure customer satisfaction and identify areas for improvement.

Performance Measures:

The Collection crew provides courteous service by responding to sewer service calls quickly. Typically a crew member will be on site within 10 minutes of a call received during work hours. An after-hour standby crew member usually reports to the site in under 30 minutes. Customer satisfaction is measured by survey cards provided to the callers. The results from these surveys have been consistently positive. Production goals are established each year for footage cleaned and inspected. The goal is to operate without a sewage overflow.

Proactive Sewer Line Maintenance & Results

Year	Total Cleaned & CCTV'd (ft)	Monthly Average (ft)	Sewer Service Calls	Sewer Stoppages	Sewer Overflows
2014	2,017,476	168,123	149	1	3
2013	2,217,645	184,804	141	1	1
2012	2,103,762	175,314	136	1	1
2011	2,105,110	175,426	140	5	4
2010	2,200,451	183,371	153	1	0

New Issues & Challenges:

The Collections Department has gone through a retirement wave of long-tenured Lead Workers, who possessed detailed knowledge of the District's sewer system. As the staffing transition stabilizes, emphasis has been put on equipping the new crew with the same skill level and expertise. In addition, with the acquisition of a state-of-the-art TV van in FY 2013-14, the crew learns and utilizes new technologies in televising sewer lines and assessing their condition with increased precision and documentation. Nonetheless, maintaining an aging sewer infrastructure remains a major challenge due to the constraints of time and financial resources needed to repair identified defects.

Department Units

Operations Department

Mission Statement: *Safe and cost-effective wastewater treatment in compliance with all regulatory requirements*

The Operations Department is responsible for the 24/7 operation of the District's sewage treatment plant. The plant has an average dry weather flow of 11.8 MGD, with a design flow of 20 MGD. The treatment plant is jointly owned by Oro Loma Sanitary District (75%) and Castro Valley Sanitary District (CVSD) (25%). Under long term mutual agreements, CVSD reimburses the District for operations and maintenance costs for wastewater treatment, based on its actual contributory sewage flows which fluctuate between 25% and 27%, and a fixed rate of 25% for capital costs. In addition to operating the plant, staff is involved in the operation and maintenance of the East Bay Dischargers Authority pump station, Skywest Golf Course water reclamation facilities, laboratory services, pretreatment activities, and compliance with regulations regarding treatment and disposal of wastewater and biosolids.

Expense & Staffing Trends:

Expense Category	FY 2013-14 Actual	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget
Salaries & Benefits	\$ 2,258,767	\$2,667,800	\$2,253,000	\$2,318,900
Fuel & Supplies	571,776	691,700	647,600	667,900
Contractual & Professional Services	402,782	492,100	586,500	600,000
Other Expenses	408,896	674,700	625,400	641,800
Total Expenses	\$3,642,221	\$4,526,300	\$4,112,500	\$4,228,600

Note: In FY 2015-16, budgeted spending is adjusted downward due a partial pay down of unfunded accrued pension liability in FY 2014-15, which reduces the contributions required in future years.

Position	FY 2013-14 Actual	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget
Director of Water Quality Services	1	1	0	0
Supervisor of Plant Operations	1	1	1	1
Plant Chemist	1	1	1	1
Plant Operator II	6	6	8	8
Plant Operator I	4	4	2	2
Safety & Special Programs Administrator	0.5	0.5	0.5	0.5
Office Assistant	1	1	1	1
Total Staff Count	14.5	14.5	13.5	13.5

Strategic Goals & Objectives:

- Zero effluent violations.
- Develop written operator training program for all areas of the plant.
- Develop annual watch list of emerging regulations, key regulatory contacts, and participate when warranted.
- Renegotiate EBDA agreement to reduce or eliminate District responsibility for replacement of conveyance system it does not use.
- Build documentation of critical situation response, to be used for debrief and future training.
- Participate in ongoing discussions of nutrient regulations and potential technical responses.
- Conduct treatment plant electrical load study and implement identified improvements prior to planned cogeneration system overhaul in 2021.

Performance Measures:

The Operations Department works unceasingly to ensure that effluent standards are met 100% of the time. For more than 7 years, Oro Loma has maintained the best track record of effluent quality among the five member agencies of EBDA. For energy demands, the 468kW solar array and the 720kW cogeneration system together provide more than 90% of the District's electricity needs.

Average Monthly Effluent Quality

Year	CBOD (mg/l)	CBOD % of Removal	TSS (mg/l)	TSS % of Removal
2014	4	98%	6	99%
2013	5	98%	6	99%
2012	4	98%	5	99%
2011	5	98%	5	99%
2010	12	94%	9	97%

Average Monthly Plant Electrical Demands

Year	Generated by Oro Loma (kW)	Purchased from Other Sources (kW)	Self Sufficiency
2014	496,260	35,634	93%
2013	541,967	36,158	94%
2012	520,182	0	100%
2011	516,241	0	100%
2010	489,411	52,832	90%

New Issues & Challenges:

There is growing concern in the San Francisco Bay related to nutrient loading and potential for harmful algal growths. To address the issue, the Regional Water Quality Control Board has issued a Nutrient Watershed Permit. The permit, which was cooperatively negotiated with the wastewater community, requires increased monitoring of nutrients within the treatment process, a commitment to fund approximately \$1 million per year in scientific monitoring in the Bay (costs shared between 37 agencies), and an engineering evaluation of optimization and upgrade alternatives to treat nutrients.

There are a range of potential responses. At one end of the spectrum, new additions of nutrients to the Bay may be capped. This would require upgrades costing approximately \$1 million. On the other end, treatment of nutrients to the limits of technology could cost \$80 million. A likely path will be to cap nutrients at existing levels and monitor how the Bay responds. If a cap is insufficient to stop harmful impacts, further upgrades may then be required. Significant improvements would not likely be required until 2025, with an additional 5 year allowance to implement them.

Department Units

Maintenance Department

Mission Statement: *We are here for you*

The Maintenance Department provides equipment repair and maintenance services, including electrical instrumentation, process control, and mechanical & electrical services for treatment plant operations, collection system lift stations facilities, vehicles, buildings, and the 720 kW cogeneration and emergency generator facilities. The department performs routine preventive maintenance to ensure optimal efficiency of machinery and equipment. Additionally, our Mechanics maintains the pump station and recycled water facility owned by East Bay Dischargers Authority. The department also works closely with project engineers and is actively involved in many capital improvement projects.

Expense & Staffing Trends:

	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Expense Category	Actual	Budget	Budget	Budget
Salaries & Benefits	\$ 1,204,952	\$1,528,000	\$1,400,500	\$1,441,800
Fuel & Supplies	55,141	90,500	81,300	83,500
Contractual & Professional Services	475,793	595,000	625,000	639,500
Other Expenses	105,575	145,000	149,000	152,700
Total Expenses	\$1,841,461	\$2,358,500	\$2,255,800	\$2,317,500

Note: In FY 2015-16, budgeted spending is adjusted downward due a partial pay down of unfunded accrued pension liability in FY 2014-15, which reduces the contributions required in future years.

	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Position	Actual	Budget	Budget	Budget
Supervisor of Plant Maintenance	1	1	1	1
Electrical & Instrumentation Technician	2	2	2	2
Mechanic II	4	4	5	5
Mechanic I	3	3	2	2
Total Staff Count	10	10	10	10

Strategic Goals & Objectives:

- Zero lift station overflows.
- Zero permit violations due to equipment failures.
- Keep maintenance backlog to below 100 work orders for a minimum of 2 months per year.
- Maintain 95% annual uptime on cogeneration system.
- Maintain lift station contingency plan and provide training to allow an average remote site response and bypass set-up of 90 minutes at all remote sites.
- Reduce off-hour maintenance calls to under 10 per year.

Performance Measures:

The Maintenance Department strives to fulfill work order requests in a timely manner while keeping up with its own preventive maintenance routine. Maintenance staff analyzes all aspects of the treatment plant and lift stations, and continuously look for ways to enhance reliability and efficiency of the District's equipment.

Corrective Work Order Fulfillments

Year	Previous Outstanding	New Work Orders	Work Orders Completed	Current Outstanding
2014	57	710	716	51
2013	82	686	711	57
2012	75	983	976	82
2011	43	927	895	75
2010	51	890	898	43

Preventive Work Order Fulfillments

Year	Previous Outstanding	New Work Orders	Work Orders Completed	Current Outstanding
2014	68	1917	1949	36
2013	118	1985	2035	68
2012	94	2005	1981	118
2011	45	1658	1609	94
2010	48	1480	1483	45

New Issues & Challenges:

Besides preventive and corrective maintenance for equipment within the treatment plant, the Maintenance Department also keeps a close watch on all of the District's remote lift stations to maintain optimal performance, to reduce after-hour emergency response calls to these facilities, and to ensure that these facilities perform reliably throughout their useful lives. Some lift stations require bigger scale rehabilitation. Other issues in the horizon include recruitment and training to replace 2 recently retired Mechanics, who for over 20 years have been instrumental to the reliable operation of the cogeneration system.

Department Units

Engineering Department

Mission Statement: *Friendly customer service with quality engineering and project management*

The Engineering Department performs planning, design, bidding, construction and management services related to the ongoing renewal and expansion of District facilities. The department also performs asset management and assessment; develops long-range capital planning; performs annual updates of revenue bases; inspects collection system improvements; collects and interprets data through flow-monitoring devices; reviews plans submitted by public agencies, contractors and homeowners; issues permits for construction, repairs and encroachments; processes annexations to the District; and, maintains records of engineering drawings and the District's mapping system.

Expense & Staffing Trends:

Expense Category	FY 2013-14 Actual	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget
Salaries ¹ & Benefits	\$577,911	\$713,600	\$694,700	\$715,200
Fuel & Supplies	9,792	17,700	16,100	16,500
Contractual & Professional Services	63,134	105,000	97,000	99,900
Other Expenses	51,951	54,500	54,300	56,700
Total Expenses	\$702,788	\$890,800	\$862,100	\$888,300

Note: In FY 2015-16, budgeted spending is adjusted downward due a partial pay down of unfunded accrued pension liability in FY 2014-15, which reduces the contributions required in future years.

¹ Salaries shown in this table represent staff time contributed to general Engineering tasks, and exclude salaries charged to Renewal & Replacement (R&R) and Capital Improvement Program (CIP) projects. Approximately 55% of gross Engineering salaries is allocated to R&R and CIP budgets.

Position	FY 2013-14 Actual	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget
District Engineer	1	1	1	1
Senior Project Engineer	0	1	1	1
Associate Engineer	2	1	1	1
Field Engineer	2	1	1	1
Construction Inspector	0	1	1	1
Industrial Waste Inspector	1	1	1	1
Total Staff Count	6	6	6	6

Strategic Goals & Objectives:

- Zero overflows due to capacity limitations.
- Build field GIS infrastructure and provide access to key collections personnel.
- Build GIS into central reference source for all District assets and integrate customer service interface into GIS.
- Manage line replacement program to limit high frequency footage at or below 18% of District (49 miles).
- Maintain 10-year capital plan for District assets, updating it monthly.
- Replace a minimum of 20 miles of collection system pipes by 2023. Increase miles of HDPE collection system pipes from 12.82 miles to 32.82 miles.
- Implement asset management program for all District assets by 2023.

Performance Measures:

In addition to managing construction projects, Engineering staff works closely with the Collections crew to identify sewer pipes and infrastructure in critical need for repair or replacement. Engineering staff has developed an in-house ranking system known as Pipeline Defect Grading Criteria (PDGC) to assess severity of pipe defects. Critical pipe defects under 25 feet, known as Point Repairs, are scheduled to be repaired within a 12-month period. Line segments over 25 feet in length being assessed as critical will be scheduled in the Pipeline Replacement Project.

Engineering Service Levels

Year	Point Repairs Completed	Miles of Sewer Lines Replaced	Sewer Permits Issued	Inspections Completed
2014	122	2.9	258	796
2013	60	2.8	220	544
2012	95	2.5	173	440
2011	127	1.2	194	408
2010	92	2.4	233	424

New Issues & Challenges:

The District's sewer line infrastructure is aging – 67% of its subsurface lines are over 50 years old, and 8.4% are over 70 years old. One of the most challenging tasks in the Engineering Department is to effectively schedule sewer line repair or replacement work within budgetary constraints, and with the objective of keeping the backlog within a manageable level. Engineering staff continues to meet weekly with the Collection crew to communicate issues on sewer pipe assessments and priorities.

Department Units

Administration Department

Mission Statement: *Providing excellent service with a positive attitude*

The Administration Department provides administrative support to the Board of Directors, Board Committees and other District departments. Core functions include: public administration, finance and budgeting, investment portfolio management, human resources, labor relations, information technology, risk management, public information, performance management, safety and training. The Administration Department also oversees other functions of the District which include solid waste and recycling services.

Expense & Staffing Trends:

Administration Functions	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Category	Actual	Budget	Budget	Budget
Salaries & Benefits	\$850,425	\$1,129,200	\$1,041,700	\$1,071,600
Fuel & Supplies	18,231	25,500	27,300	28,400
Contractual & Professional Services	214,489	400,000	402,300	362,100
Other Expenses	113,196	239,900	163,600	296,600
Total Expenses	\$1,196,341	\$1,794,600	\$1,634,900	\$1,758,700

Note: In FY 2015-16, budgeted spending is adjusted downward due a partial pay down of unfunded accrued pension liability in FY 2014-15, which reduces the contributions required in future years.

Solid Waste Functions	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Expense Category	Actual	Budget	Budget	Budget
Salaries & Benefits	\$130,271	\$159,000	\$181,500	\$186,700
Fuel & Supplies	1,916	4,500	3,500	3,600
Contractual & Professional Services	11,164	54,500	33,500	34,000
Other Expenses	154,686	247,500	238,100	243,400
Total Expenses	\$298,037	\$465,500	\$456,600	\$467,700

Recycling Functions	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Expense Category	Actual	Budget	Budget	Budget
Salaries & Benefits	\$147,030	\$196,600	\$172,500	\$177,500
Fuel & Supplies	103	4,700	5,000	5,000
Contractual & Professional Services	2,245,487	2,439,000	2,362,000	2,363,200
Other Expenses	220,327	306,800	245,200	250,200
Total Expenses	\$2,612,947	\$2,947,100	\$2,784,700	\$2,795,900

Department Units

Position	FY 2013-14 Actual	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget
General Manager	1	1	1	1
Administrative Services Manager	1	1	1	1
Finance Manager	1	1	1	1
Accountant	1	1	1	1
District Secretary	1	1	1	1
Safety & Special Programs Administrator	0.5	0.5	0.5	0.5
Office Assistant	1	1	1	1
Total Staff Count	6.5	6.5	6.5	6.5

Strategic Goals & Objectives:

General Administration:

- Maintain lowest residential sewer service rate in Alameda County and among the lowest 5% in the State of California.
- Develop and implement quantitative measurement of customer service.
- Produce timely, accurate, transparent, and useful financial reports, within 10 days of month-end.
- Develop and maintain cross training for key administration/finance functions.
- Provide live, knowledgeable customer service point of contact for all incoming calls.
- Identify and communicate required funding needs for operations and projected infrastructure needs.
- Maintain policies and procedures within guidelines of "industry best".
- Update 10-year strategic plan every biennial budget cycle.

Safety:

- Zero lost time injuries.
- Maintain high performing safety programs. Win CSRMA and CWEA State Safety Award two times each in the next 10 years.
- Maintain the Oro Loma Safety Culture rating of at least 90%, based on results from the annual survey.

Solid Waste & Recycling:

- Maintain compliance with Measure D diversion goal of 75%.
- Meet minimum commercial organics recycling standards or make decision to "opt-in" to mandatory recycling ordinance.
- Measure customer satisfaction by periodic surveys and identify areas for improvement.
- Actively monitor Stopwaste.org activities, communicate key issues to Board of Directors, and proactively communicate concerns to Oro Loma representative and staff at partner agencies.
- Achieve 90% participation in organics recycling in schools.

Department Units

Performance Measures:

- The District has maintained the lowest sewer service rate in Alameda County, and the lowest known rate in the State of California.
- The District won the 2014 Special Districts Leadership Foundation's Transparency Certificate of Excellence, in recognition of its best practices in operations and governance transparency.
- In 2014, a customer survey on the District's sewer, garbage and recycling services was sent to 2100 random customers within the District. 95% of responding garbage customers and 72% of sewer customers expressed satisfaction with their service (24% of sewer customers did not indicate their rating.)
- The District has achieved more than 2600 days (> 7 years) without a lost time injury.
- The District won the 2014 CWEA Plant Safety Award at both local and State levels, and the national Water Environment Federation safety award.
- The District won the 2013 CSRMA's SHELL Award which recognized excellent management in Safety, Health, Environmental, Liability and Losses.

New Issues & Challenges:

In the 5 years preceding June 2015, the District had a total of 11 retirements, approximately 25% of its entire workforce. More are expected to retire during the next 2 years. It is a continuous challenge for Human Resources to recruit highly qualified candidates to fill positions left by outgoing employees. In addition, there is an increasing need to become a community-oriented organization by conducting more public outreach while maintaining current staffing levels. In the area of solid waste and recycling, staff is diligently working towards implementing food scraps recycling programs in school cafeterias. Furthermore, new requirements from Stopwaste.org will be closely monitored, to ensure that the District complies with Measure D and Alameda County Mandatory Recycling Ordinance requirements.

The Board adopted a set of financial policies and standard procedures, and regularly reviews and updates them. These policies and procedures provide a framework for the District to prudently manage its resources, and to be accountable stewards for the public it serves.

Balanced Budget

One of the District's fiscal responsibilities is to maintain a balanced budget, in which revenues are sufficient to cover expenses required to meet planned needs. To assist in its decision-making, the Board examines a 5-year cash flow analysis prepared annually by staff. In its effort to achieve the District's mission "To provide the best possible service at the lowest possible cost", the Board has consistently elected to use existing reserves to balance the budget as opposed to raising rates in higher amounts. For the next 2 years, the Board has approved a rate increase structure of 3% in FY 2015-16 and has set tentative plans to raise rates by 5% in FY 2016-17.

Budgetary Controls Policy

The Board maintains budgetary controls by reviewing monthly financial reports to ensure compliance with the adopted budget. The General Manager has authority to reallocate up to \$50,000 between funds, accounts or projects based on actual need, while increases in the total budget always require Board approval. The adopted budget may be amended by the Board shortly after the year begins, to carry over prior year unused appropriations for projects in progress. A second budget amendment usually occurs in March to reflect realignment of priorities and actual project needs during the year.

Investment Policy

The Investment Policy provides guidelines for investing public funds held by the District. It defines the risks associated with investing these funds, lists the authorized financial institutions and custodians, identifies the permissible instruments and maturities, and describes the internal controls and reporting requirements. This policy is reviewed by the Board at least once a year. The list of authorized brokers/dealers is updated during this review process.

Financial Reserves Policy

The Financial Reserves Policy sets the required reserves for each component fund, so that there is sufficient fund balance to meet the needs of specifically identified purposes. This policy is reviewed by the Board at least once a year. If fund balance approaches the minimum required reserves, the Board shall authorize equity transfers between component funds to ensure that the approved reserves are maintained.

Purchasing Policy

The Purchasing Policy provides guidelines for the procurement of goods and services. It defines the levels of purchasing authority and responsibilities, documentation required, and describes the competitive bidding process.

Policy for Accounting & Safeguarding District's Capital Assets

The Capital Assets Policy defines the threshold of a fixed asset to be \$5,000 with a minimum useful life of 1 year. It addresses the acquisition and disposal processes of an asset, as well as measures to safeguard District assets through periodic inventory and annual surplus review by the Board.

Other Policies & Procedures

The District has a Rebate Policy which outlines the process of providing sewer rebates to commercial customers who divert part of their water usage from the sewer system. Typically the diversion goes into their production process or to irrigation. The Revenues & Expenses Classification Policy defines the list of general ledger revenue and expense accounts to ensure proper financial reporting. The Record Retention Policy sets the standards and protocol for the retention and destruction of documents, in conformity to guidelines provided by the Secretary of State.

Budget Process

The biennial budget process begins in January every other year and concludes with the adoption by the Board, typically around May or June. The budget development is guided by several factors: the strategic vision, goals and objectives, the long-range capital plan, the 5-year cash flow projection, as well as external influences such as economic conditions and regulatory issues. During the initial phase, budget assumptions are developed. In addition, the fee structure and staffing levels are also examined.

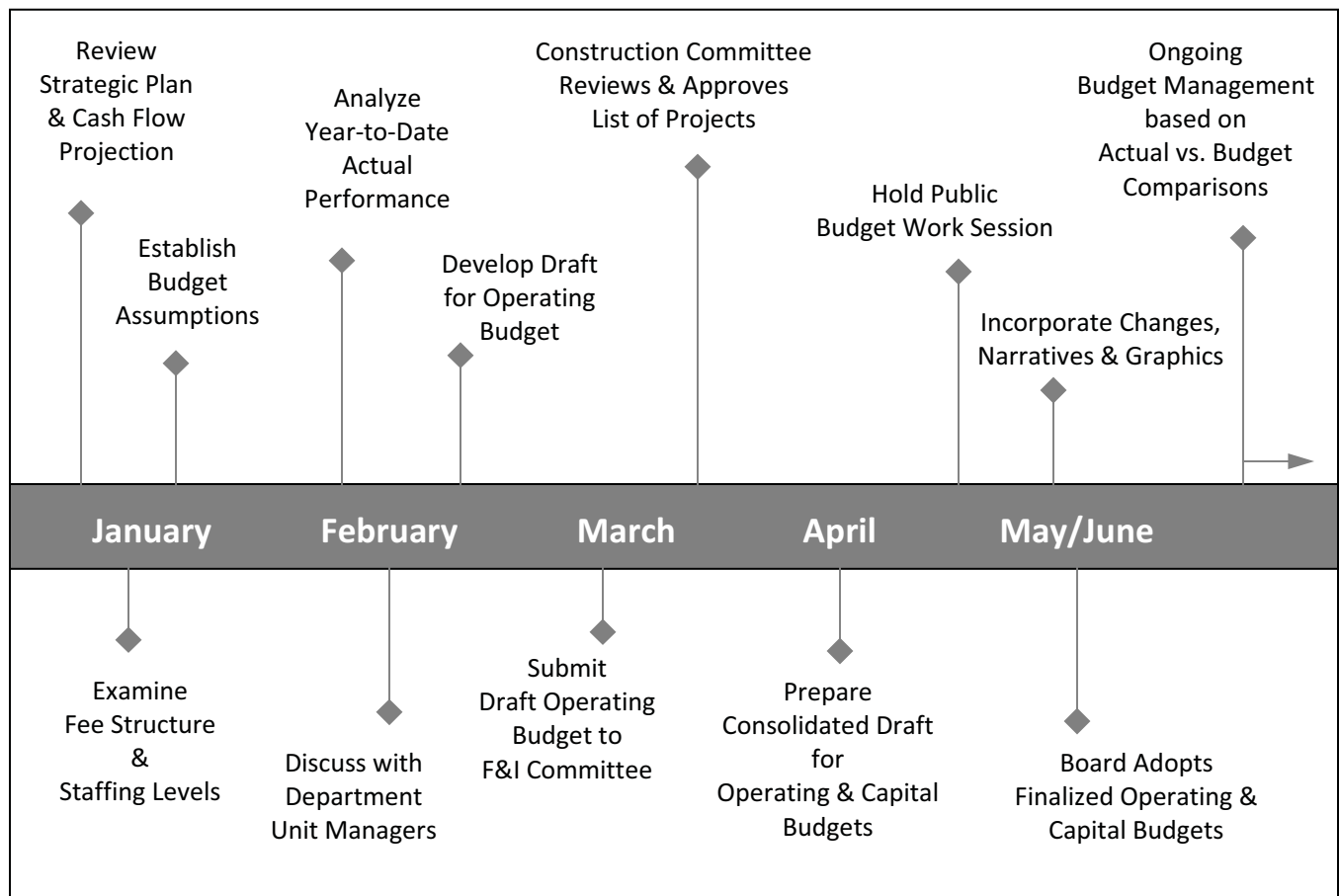
The next phase of the budget process takes place in February and involves the analysis of year-to-date revenues and expenses, and discussions with Department unit managers. In March, the draft operating budget is presented to the Finance & Insurance (F&I) Committee for review.

By the end of March, the Construction Committee reviews and approves the list of capital projects, developed based on the long-range plan prepared by Engineering staff. The approved list is appended to the draft budget.

A public work session is held in late April or early May to review the consolidated draft for operating and capital budgets, and to obtain public input. Changes are incorporated before the final budget with narratives and graphics is being put together. The document is presented to the Board for adoption before the end of June.

The following timeline provides the entire budget process at a glance.

Budget Timeline



Financial Information & Trends



4-Year Consolidated Financial Schedule

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	% Change Over Prior Budget	2016-17 Adopted Budget	% Change Over Prior Budget
Operating Revenues						
District Service Charges	\$ 11,583,176	\$ 11,450,000	\$ 11,848,800	3%	\$ 12,390,800	5%
Refunds - District Service Charges	-	(100,000)	(100,000)	0%	(100,000)	0%
Agency Treatment Charges	2,206,459	2,495,600	2,445,400	-2%	2,672,400	9%
Permits & Inspection Fees	126,143	130,000	113,000	-13%	113,000	0%
Sanitary Truck Waste Charges	48,815	50,000	50,000	0%	50,000	0%
Grease Receiving Charges	120,927	110,000	120,000	9%	120,000	0%
Solid Waste Contract Fees	755,676	840,000	900,000	7%	927,000	3%
Recycling Charges	2,374,760	2,364,200	2,386,000	1%	2,386,000	0%
Landfill Fees - Measure D	327,570	340,000	330,000	-3%	330,000	0%
Overhead Recovery	763,138	600,000	580,000	-3%	600,000	3%
Total Operating Revenues	\$ 18,306,664	\$ 18,279,800	\$ 18,673,200	2%	\$ 19,489,200	4%
Operating Expenses						
Sewage Collections	\$ 2,727,099	\$ 3,432,500	\$ 3,186,000	-7%	\$ 3,177,800	0%
Sewage Operations	3,768,546	4,584,300	4,587,500	0%	5,088,600	11%
Sewage Maintenance	1,951,508	2,738,500	2,645,800	-3%	2,962,500	12%
Engineering	712,859	900,800	872,100	-3%	898,300	3%
Administration	1,206,450	1,835,600	1,674,900	-9%	1,798,700	7%
Sewage Disposal - EBDA	645,786	771,000	780,000	1%	780,700	0%
Depreciation	3,179,437	3,403,500	3,600,000	6%	3,650,000	1%
Decrease in Carrying Value of EBDA	95,162	110,000	100,000	-9%	100,000	0%
Solid Waste	296,535	410,000	403,600	-2%	414,700	3%
Recycling	2,599,618	2,913,900	2,754,500	-5%	2,765,700	0%
Total Operating Expenses	\$ 17,183,000	\$ 21,100,100	\$ 20,604,400	-2%	\$ 21,637,000	5%
Operating Income	\$ 1,123,664	\$ (2,820,300)	\$ (1,931,200)	32%	\$ (2,147,800)	-11%
Non-Operating Revenues						
Interest Income	\$ 217,367	\$ 116,000	\$ 120,000	3%	\$ 102,000	-15%
Increase in Fair Value of Investments	53,279	-	-	0%	-	0%
Rents & Leases	84,856	90,000	80,000	-11%	81,000	1%
Gain on Disposal of Capital Assets	14,643	-	-	0%	-	0%
Recovery of Uncollectible Accounts	11,702	10,000	10,000	0%	10,000	0%
Penalties & Miscellaneous Revenues	177,063	155,000	118,000	-24%	118,000	0%
EBDA / LAVWMA Agreement Refund	79,371	80,000	80,000	0%	80,000	0%
Total Non-Operating Revenues	\$ 638,281	\$ 451,000	\$ 408,000	-10%	\$ 391,000	-4%
Non-Operating Expenses						
Grant Expenses	\$ 10,725	\$ -	\$ -	0%	\$ -	0%
Write-Offs of Uncollectible Accounts	1,502	15,200	13,200	-13%	13,200	0%
Unfunded Pension Liability Catch-Up	-	-	1,000,000	100%	1,000,000	0%
Contingency	-	380,000	380,000	0%	380,000	0%
Total Non-Operating Expenses	\$ 12,227	\$ 395,200	\$ 1,393,200	253%	\$ 1,393,200	0%
Income Before Contributions	\$ 1,749,718	\$ (2,764,500)	\$ (2,916,400)	-5%	\$ (3,150,000)	-8%
Connection Fees	\$ 136,237	\$ 100,000	120,000	20%	120,000	0%
Change in Net Position	\$ 1,885,955	\$ (2,664,500)	\$ (2,796,400)	-5%	\$ (3,030,000)	-8%
Net Position - Beginning of Year	\$ 96,383,325	\$ 98,269,280	\$ 95,604,780		\$ 92,808,380	
Net Position - End of Year	\$ 98,269,280	\$ 95,604,780	\$ 92,808,380	-3%	\$ 89,778,380	-3%

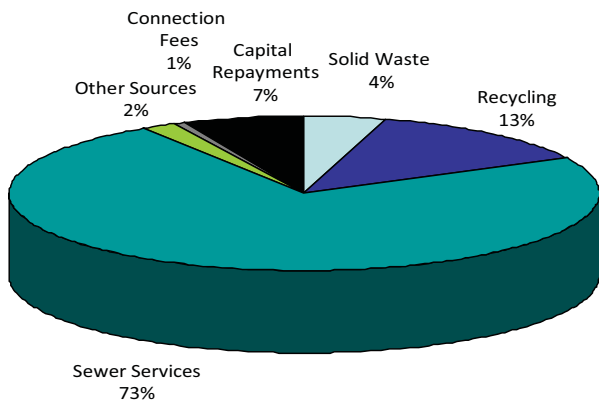
Revenue Sources

The District derives its revenues from the following sources:

	FY 2013-14 Actual	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget
Revenues				
Sewer Services	\$14,848,658	\$14,735,600	\$15,057,200	\$15,846,200
Solid Waste	755,676	840,000	900,000	927,000
Recycling	2,702,330	2,704,200	2,716,000	2,716,000
Other Sources (Non-Operating Revenues)	638,281	451,000	408,000	391,000
Total Revenues	\$18,944,945	\$18,730,800	\$19,081,200	\$19,880,200
Other Contributions & Repayments				
Connection Fees	\$136,237	\$100,000	\$120,000	\$120,000
Capital Repayments (from Castro Valley Sanitary District)	1,812,453	1,511,800	1,373,500	682,600
Total Contributions & Repayments	\$1,948,690	\$1,611,800	\$1,493,500	\$802,600
Total Revenues, Contributions & Repayments	\$20,893,635	\$20,342,600	\$20,574,700	\$20,682,800

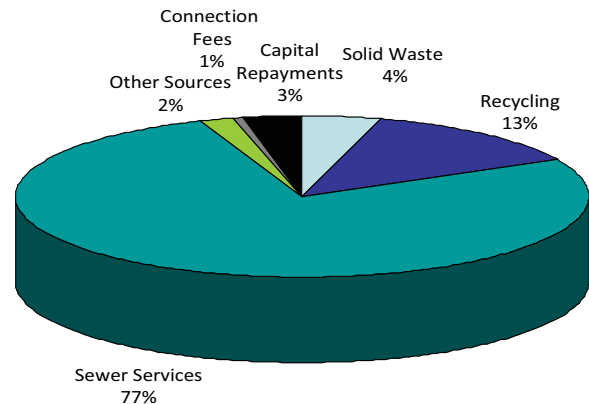
Revenues, Capital Contributions & Repayments

FY 2015-16



\$20,574,700

FY 2016-17



\$20,682,800

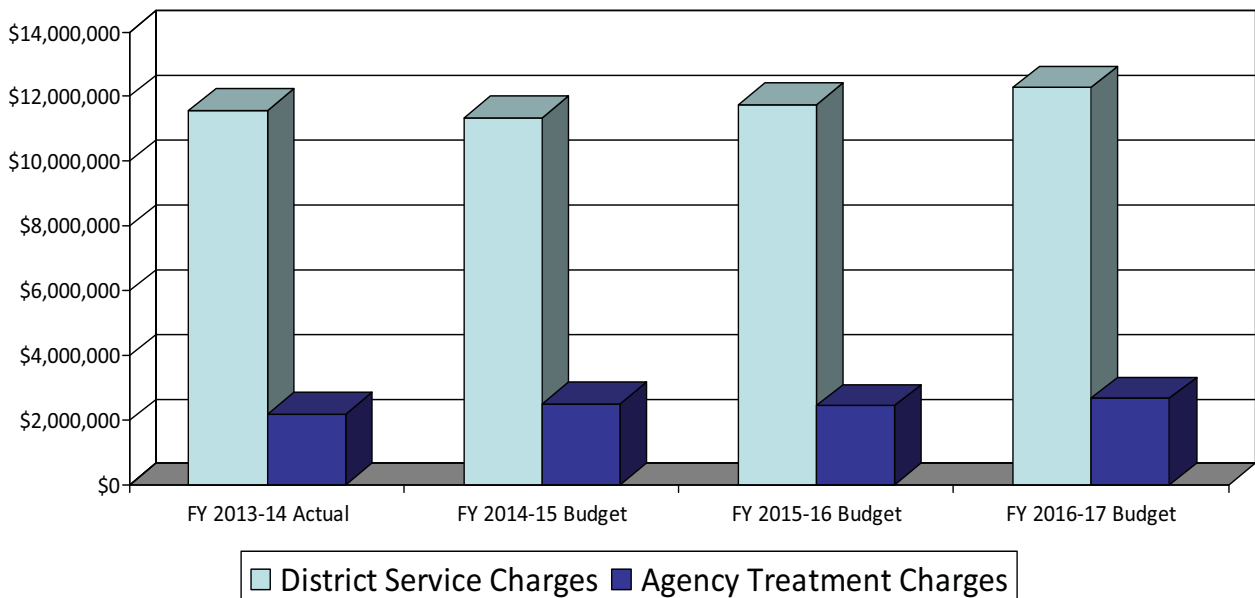
Revenue Trends

Sewer Service Revenues

District Service Charges include approved sewer rate increases of 3% from FY 2013-14 to FY 2015-16, and a projected increase of 5% in FY 2016-17. Agency Treatment Charges fluctuate annually dependent on budgeted Renewal & Replacement projects being planned for each year, as Castro Valley Sanitary District shares approximately 25% of treatment plant project costs. On the other hand, Agency Treatment Charges from the Cities of Hayward and San Leandro have grown at a steady pace as a result of sewer rate increases within those jurisdictions. The District provides treatment services for these communities and receives 90% of the revenues charged by the City of Hayward and 75% charged by the City of San Leandro. Other sewer service revenues are expected to be stable.

	FY 2013-14 Actual	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget
District Service Charges	\$11,583,176	\$11,350,000	\$11,748,800	\$12,290,800
Agency Treatment Charges	2,206,459	2,495,600	2,445,400	2,672,400
Permits & Inspection Fees	126,143	130,000	113,000	113,000
Sanitary Truck Waste Charges	48,815	50,000	50,000	50,000
Grease Receiving Charges	120,927	110,000	120,000	120,000
Overhead Recovery	763,138	600,000	580,000	600,000
Total Revenues - Sewer Services	\$14,848,658	\$14,735,600	\$15,057,200	\$15,846,200
Change in Budget from Prior Year			2.2%	5.2%

Major Sewer Service Revenue Sources



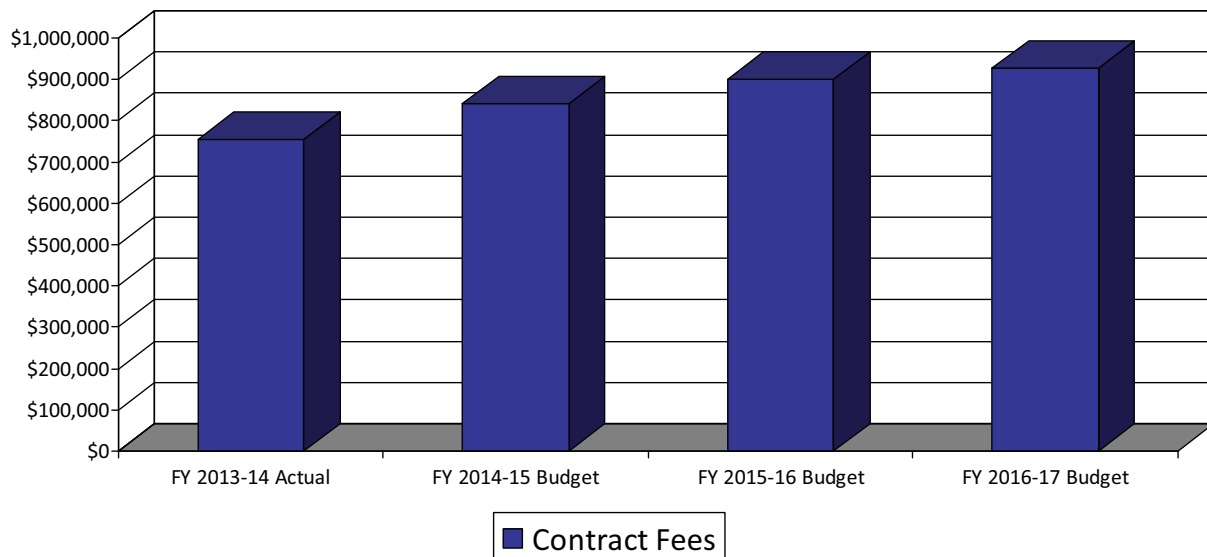
Revenue Trends

Solid Waste Revenues

The District contracts with Waste Management of Alameda County (WMAC) to provide garbage services to its customers, and receives 5% franchise fees on WMAC's garbage revenues. Each September, garbage rates charged by WMAC to District customers are adjusted based on a combination of changes in the CPI and the union's labor costs. In past years, rate increases have ranged between 2.48% to 3.54%, and are assumed to be 3% per year in the next 2 years. In addition, effective September 1, 2015, the contracted franchise fees will be adjusted upward from 5% to 6%.

	FY 2013-14 Actual	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget
Solid Waste Contract Fees	\$755,676	\$840,000	\$900,000	\$927,000
Total Revenues - Solid Waste	\$755,676	\$840,000	\$900,000	\$927,000
Change in Budget from Prior Year			7.1%	3.0%

Solid Waste Revenues



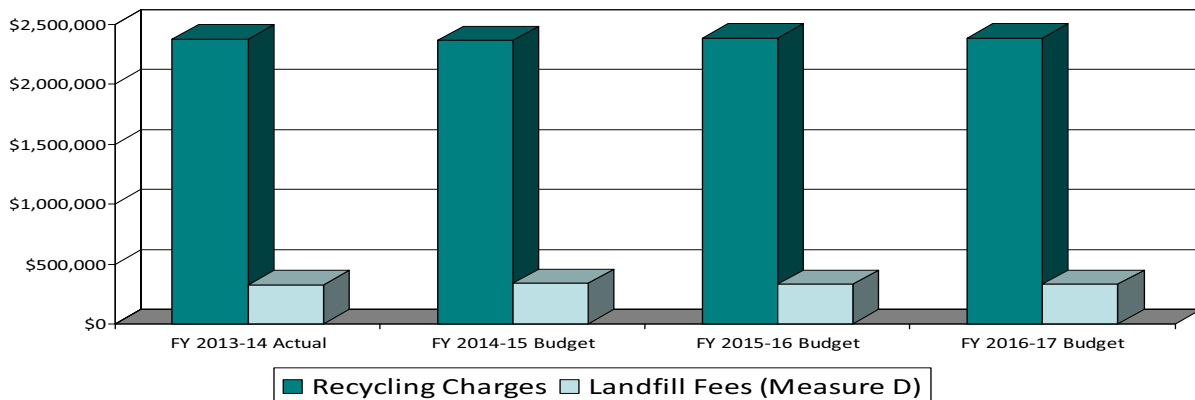
Revenue Trends

Recycling Revenues

Recycling services are provided to District customers through Waste Management of Alameda County (WMAC). The service agreement, effective through August 2024, provides for zero increases in residential and green waste recycling throughout the contract term. Cost of service are adjusted annually by updated house counts. Commercial and industrial recycling customers are billed directly by WMAC. The District receives a franchise fee of \$1.10 per cubic yard. In recent years, the volume in commercial and industrial recycling has grown significantly as a result of public outreach efforts by the District and WMAC on waste reduction. Landfill fees (Measure D), proceeds of a grant from Alameda County Waste Management Authority based on diversion from landfills, have remained stable and is expected to stay at the current level.

	FY 2013-14 Actual	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget
Recycling Charges	\$2,374,760	\$2,364,200	\$2,386,000	\$2,386,000
Landfill Fees (Measure D)	327,570	340,000	330,000	330,000
Total Revenues - Recycling	\$2,702,330	\$2,704,200	\$2,716,000	\$2,716,000
Change in Budget from Prior Year			0.4%	0.0%

Recycling Revenues



Other Revenue Sources (Non-Operating Revenues)

Interest Income is expected to decrease significantly due to lowering cash balances. The District paid down a portion of its unfunded pension liability (\$6.35 million) in March 2015, and plans to make accelerating payments of \$1 million per year for the next 5 years. Other revenues will remain relatively stable.

	FY 2013-14 Actual	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget
Interest Income	\$217,367	\$116,000	\$120,000	\$102,000
Rents & Leases	84,856	90,000	80,000	81,000
Penalties & Miscellaneous	177,063	155,000	118,000	118,000
EBDA LAVWMA Refunds	79,371	80,000	80,000	80,000
Other Gains, Losses & Recovery	79,624	10,000	10,000	10,000
Total Revenues - Other Sources	\$638,281	\$451,000	\$408,000	\$391,000
Change in Budget from Prior Year			-9.5%	-4.2%

Expenditures

Expenditures are funds spent in the course of operating the District and providing services to rate payers. The District's expenditures are distributed among expenses within the operating budget and capital expenditures. Expenses include day-to-day costs of operating the sewer service system (O&M), solid waste and recycling activities, as well as project costs incurred in the Renewal & Replacement (R&R) program. The program accounts for repairs of infrastructure, equipment, and other recurring maintenance. These expenses are reported on the income statement.

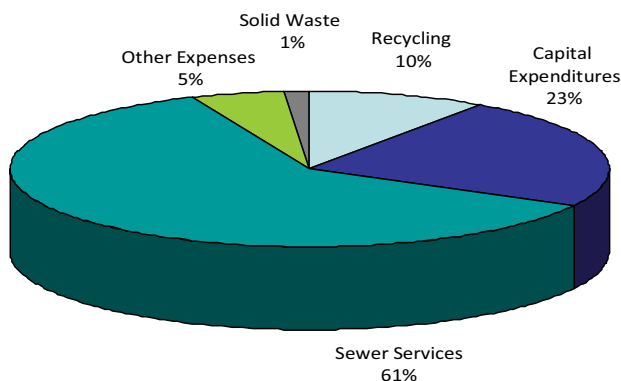
In FY 2013-14, the District maintained its actual Sewer Service expenses at 85% of budget. R&R expenses were also below budget (69% spent), partly due to lower than expected spending in the Collection System Asset Repair & Maintenance project. The result was a \$2.9 million favorable variance from the budgeted \$17.2 million in Sewer Service expenses. In the FY 2015-16 and FY 2016-17 budgets, other expenses (non-operating) include a \$1 million annual payment towards the District's unfunded pension liability.

Capital expenditures are defined as procurement or construction of capital assets that exceed \$5,000 with a useful life of more than 1 year. The acquisition value of a capital item is reported on the balance sheet as fixed asset, with depreciation to be expensed evenly throughout the asset's useful life. Detailed descriptions of capital projects for this budget cycle can be found on pages 65-72.

	FY 2013-14 Actual	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget
Expenses				
Sewer Services	\$14,284,243	\$17,772,700	\$17,446,300	\$18,456,600
Solid Waste	296,535	410,500	403,600	414,700
Recycling	2,602,222	2,916,900	2,754,500	2,765,700
Other Expenses (Non-Operating Expenses)	12,227	395,200	1,393,200	1,393,200
Total Expenses	\$17,195,227	\$21,495,300	\$21,997,600	\$23,030,200
Capital Expenditures				
Sewer Services	\$10,399,774	\$7,383,000	\$6,644,000	\$4,440,000
Total Capital Expenditures	\$10,399,774	\$7,383,000	\$6,644,000	\$4,440,000
Total Expenditures	\$27,595,001	\$28,878,300	\$28,641,600	\$27,470,200

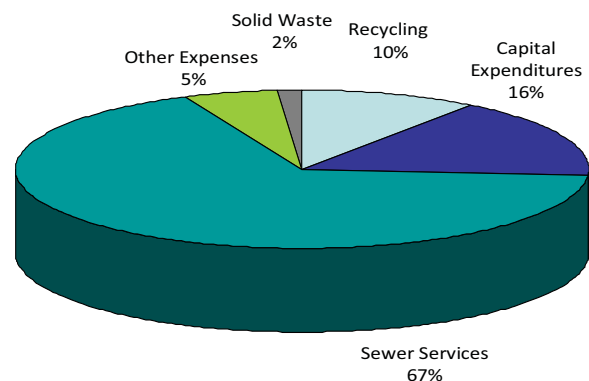
Operating Expenses and Capital Expenditures

FY 2015-16



\$28,641,600

FY 2016-17



\$27,470,200

Expense Trends

Sewer Service Expenses

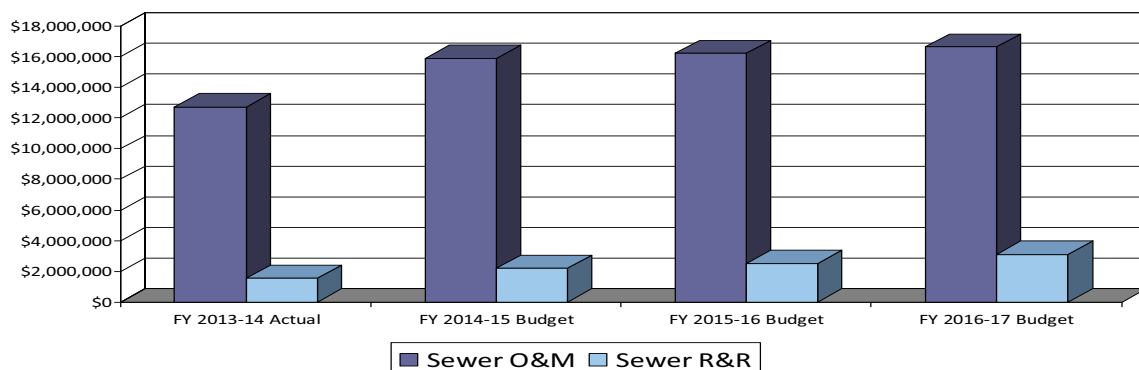
Operating expenses for sewer services include day-to-day costs of operating and maintaining the sewer service system (O&M), and project costs incurred in the Renewal & Replacement (R&R) program. The R&R program accounts for repairs of infrastructure and equipment, and other recurring maintenance. Costs for R&R projects fluctuate from year to year, and are determined by the District's priorities within the strategic plan.

In FY 2014-15, the District paid off \$6.35 million of its unfunded pension liability, thereby lowering its pension contributions beginning FY 2015-16 by approximately \$476,000 per year. In an effort to gradually achieve fully funded pension status, the District plans to accelerate payments by \$1 million per year in the next 5 years.

	FY 2013-14 Actual	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget
Sewer Services O&M				
Sewage Collections	\$1,531,395	\$1,820,000	\$1,691,000	\$1,732,800
Sewage Operations	3,642,221	4,526,300	4,112,500	4,228,600
Sewage Maintenance	1,841,461	2,358,500	2,255,800	2,317,500
Engineering	702,788	890,800	862,100	888,300
Administration	1,196,341	1,794,600	1,634,900	1,758,700
Sewage Disposal - EBDA	539,786	665,000	674,000	674,700
Depreciation	3,176,833	3,400,000	3,600,000	3,650,000
Decrease in EBDA Equity	95,162	110,000	100,000	100,000
Write-Offs of Uncollectible Accounts	-	10,000	10,000	10,000
Unfunded Pension Liability Payment	-	-	1,000,000	1,000,000
Contingency	-	300,000	300,000	300,000
Expenses - Sewer Services O&M	\$12,725,987	\$15,875,200	\$16,240,300	\$16,660,600
Change in Budget from Prior Year			2.3%	2.6%
Sewer Services R&R				
Collection System	\$1,195,704	\$1,612,500	\$1,495,000	\$1,445,000
Treatment Plant	236,372	438,000	865,000	1,505,000
Engineering, Administration & EBDA	126,180	157,000	156,000	156,000
Expenses - Sewer Services R&R	\$1,558,256	\$2,207,500	\$2,516,000	\$3,106,000
Change in Budget from Prior Year			14.0%	23.4%
Total Expenses - Sewer Services	\$14,284,243	\$18,082,700	\$18,756,300	\$19,766,600

Note: Write-offs, Unfunded Pension Liability Payment, and Contingency expenses are part of the Other Expenses line item on page 43.

Sewer Service Expenses



Expense Trends

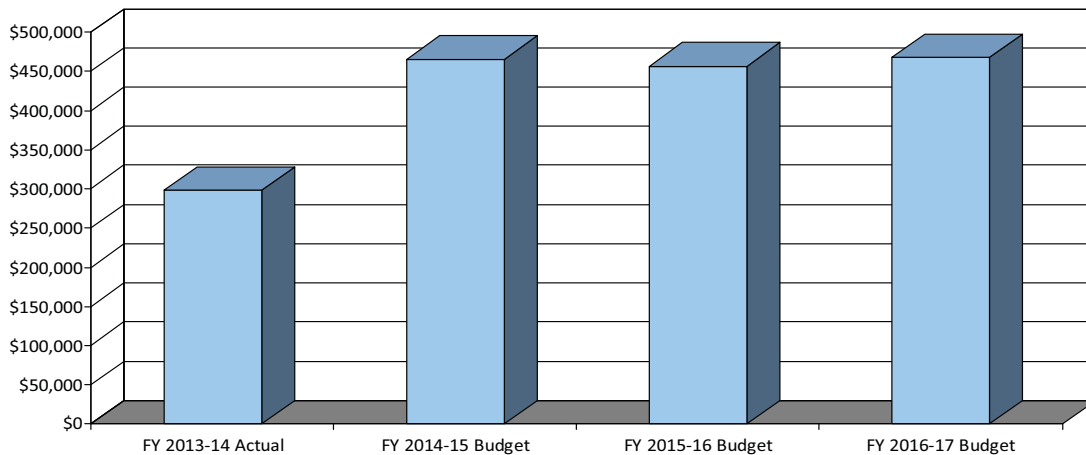
Solid Waste Expenses

Solid Waste expenses consist mainly of salaries and overhead to monitoring the garbage service program. Staff periodically audit garbage routes and ensure that services provided by Waste Management of Alameda County (WMAC) continuously meet standards required by the contract. Additional expenses arise from public outreach by newsletters, customer satisfaction surveys and other miscellaneous items. The budgeted expenses for the next 2 years include personnel cost redistribution and the contingency for unforeseen spending.

	FY 2013-14 Actual	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget
Solid Waste	\$296,535	\$410,000	\$403,600	\$414,700
Depreciation	-	500	-	-
Write-Offs of Uncollectible Accounts	1,502	5,000	3,000	3,000
Contingency	-	50,000	50,000	50,000
Total Expenses - Solid Waste	\$298,037	\$465,500	\$456,600	\$467,700
Change in Budget from Prior Year			-1.9%	2.4%

Note: Write-offs and Contingency expenses are part of the Other Expenses line item on page 43.

Solid Waste Expenses



Expense Trends

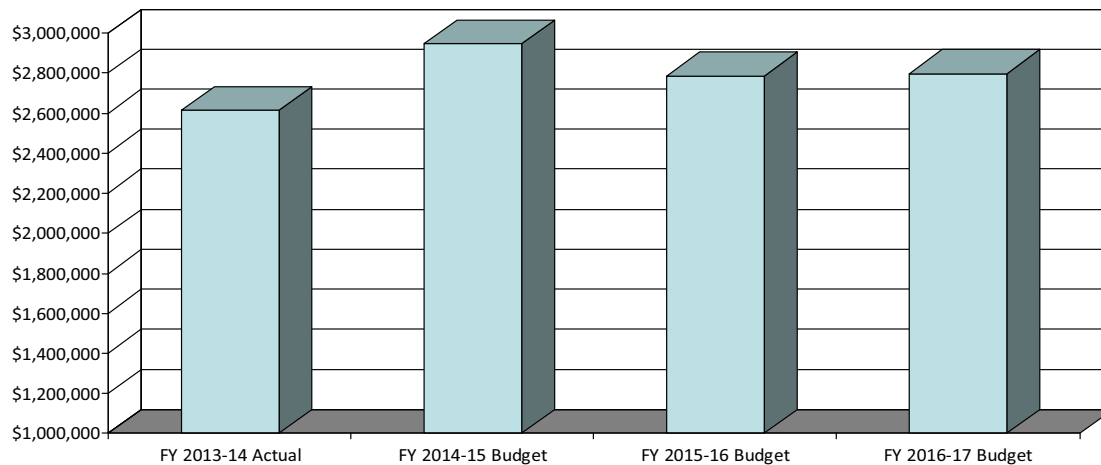
Recycling Expenses

Over 80% of recycling expenses is to pay for contracted services provided by Waste Management of Alameda County (WMAC). Due to zero rate increases stipulated by the agreement, recycling expenses will remain stable for the next 2 years and beyond. Each year, the updated number of house counts based on the current database on the Alameda County property tax roll is submitted to WMAC, and service invoices are adjusted accordingly.

	FY 2013-14 Actual	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget
Recycling	\$2,599,618	\$2,913,900	\$2,754,500	\$2,765,700
Depreciation	2,604	3,000	-	-
Grant Expenses	10,725	-	-	-
Write-Offs of Uncollectible Accounts	-	200	200	200
Contingency	-	30,000	30,000	30,000
Total Expenses - Recycling	\$2,612,947	\$2,947,100	\$2,784,700	\$2,795,900
Change in Budget from Prior Year			-5.5%	0.4%

Note: Write-offs and Contingency expenses are part of the Other Expenses line item on page 43.

Recycling Expenses



Changes in Net Position & Fund Equity

Net position¹ is classified into 3 categories: investment in capital assets, restricted net position, and unrestricted net position. The classification is based on availability or accessibility of the resource, rather than its origin.

Net position measures the overall financial condition of the District. Over time, trends in net position provide indications on the District's financial strength. Nevertheless, other non-financial factors such as economic or demographic changes, and new regulatory requirements also impact the District's financial condition.

The District's net position has been gradually increasing at an average of 1.2% per year for the last 5 years. Looking further back in the past decade, it has grown a total of 24%, from \$79.5 million in FY 2004-05 to \$98.3 million in FY 2013-14. It is projected to decrease for the first time by 2.7% in FY 2014-15, as the District contributed its net share of \$5.14 million in unfunded pension liability. It is expected to decline by 2.9% in FY 2015-16 and 3.3% in FY 2016-17 resulting from the operating budget for the next 2 years. Despite the increasing cost of operating the District and maintaining the infrastructure, the Board has elected to implement modest rate increases and fund the budget with existing reserves.

The District does not have any restricted portion in its net position. Its net position consists only of net investment in capital assets and unrestricted net position. The fund equity presented below represents the unrestricted portion of net position.

	FY 2013-14 Actual	FY 2014-15 Projected	FY 2015-16 Projected	FY 2016-17 Projected
Net Investment in Capital Assets	\$66,742,699	\$69,284,500	\$70,955,000	\$71,062,400
Unrestricted Net Position (Unrestricted Fund Equity)				
Investment in EBDA	\$6,586,688	\$6,497,233	\$6,397,233	\$6,297,233
Designated Reserves Set Aside by Board*	14,252,500	8,902,500	8,902,500	8,902,500
Unreserved Fund Equity	10,687,393	10,920,547	6,553,647	3,516,247
Unrestricted Net Position	\$31,526,581	\$26,320,280	\$21,853,380	\$18,715,980
Total Net Position	\$98,269,280	\$95,604,780	\$92,808,380	\$89,778,380
Projected Change from Prior Year		-2.7%	-2.9%	-3.3%

* The Board lowered the District's reserve level from \$14,252,500 to \$8,902,500 in March 2015, for the pay down of \$6.35 million in unfunded accrued pension liability, and to allow flexibility to fund major construction projects in subsequent years.

¹ Net position is the difference between assets plus deferred outflows of resources, and liabilities plus deferred inflows of resources.

Groundbreaking of the Wet Weather Equalization/Ecotone Project



The Wet Weather Equalization/Ecotone Demonstration project was undertaken in response to nutrient issues in the San Francisco Bay and rising sea levels.

Part of the project involves building an ecotone slope, or horizontal levee, to emulate a natural upland. This photograph shows various types of vegetation that Save The Bay has been nurturing in a green house prior to transplanting them to the project site.



The groundbreaking ceremony for the project took place on April 9, 2015. At this event, young plants were transferred to the site bed.

Operating Budget



Total Operating Budget by Service Type

Total Budgeted Revenues & Expenses FY 2015-16

	Sewer				Solid Waste	Recycling	Total
	O&M	R&R	CIP*	Total			
Operating Revenues							
District Service Charges	\$ 8,248,800	\$ 3,600,000	\$ -	\$ 11,848,800	\$ -	\$ -	\$ 11,848,800
Refunds - District Service Charges	(100,000)	-	-	(100,000)	-	-	(100,000)
Agency Treatment Charges	2,222,000	223,400	-	2,445,400	-	-	2,445,400
Permits & Inspection Fees	113,000	-	-	113,000	-	-	113,000
Sanitary Truck Waste Charges	50,000	-	-	50,000	-	-	50,000
Grease Receiving Charges	120,000	-	-	120,000	-	-	120,000
Solid Waste Contract Fees	-	-	-	-	900,000	-	900,000
Recycling Charges	-	-	-	-	-	2,386,000	2,386,000
Landfill Fees - Measure D	-	-	-	-	-	330,000	330,000
Overhead Recovery	580,000	-	-	580,000	-	-	580,000
Total Operating Revenues	\$ 11,233,800	\$ 3,823,400	\$ -	\$ 15,057,200	\$ 900,000	\$ 2,716,000	\$ 18,673,200
Non-Operating Revenues							
Interest Income	\$ 16,000	\$ 45,000	\$ 55,000	\$ 116,000	\$ 1,700	\$ 2,300	\$ 120,000
Rents & Leases	80,000	-	-	80,000	-	-	80,000
Recovery of Uncollectible Accounts	-	-	-	-	10,000	-	10,000
Penalties & Miscellaneous Revenues	100,000	-	-	100,000	-	18,000	118,000
EBDA / LAVWMA Agreement Refund	-	-	80,000	80,000	-	-	80,000
Total Non-Operating Revenues	\$ 196,000	\$ 45,000	\$ 135,000	\$ 376,000	\$ 11,700	\$ 20,300	\$ 408,000
Total Revenues	\$ 11,429,800	\$ 3,868,400	\$ 135,000	\$ 15,433,200	\$ 911,700	\$ 2,736,300	\$ 19,081,200
Operating Expenses							
Sewage Collections	\$ 1,691,000	\$ 1,495,000	\$ -	\$ 3,186,000	\$ -	\$ -	\$ 3,186,000
Sewage Treatment Operations	4,112,500	475,000	-	4,587,500	-	-	4,587,500
Sewage Treatment Maintenance	2,255,800	390,000	-	2,645,800	-	-	2,645,800
Engineering	862,100	10,000	-	872,100	-	-	872,100
Administration	1,634,900	40,000	-	1,674,900	-	-	1,674,900
Sewage Disposal - EBDA	674,000	106,000	-	780,000	-	-	780,000
Depreciation	3,600,000	-	-	3,600,000	-	-	3,600,000
Decrease in Carrying Value of EBDA	100,000	-	-	100,000	-	-	100,000
Solid Waste	-	-	-	-	403,600	-	403,600
Recycling	-	-	-	-	-	2,754,500	2,754,500
Total Operating Expenses	\$ 14,930,300	\$ 2,516,000	\$ -	\$ 17,446,300	\$ 403,600	\$ 2,754,500	\$ 20,604,400
Non-Operating Expenses							
Write-Offs of Uncollectible Accounts	\$ 10,000	\$ -	\$ -	\$ 10,000	\$ 3,000	\$ 200	\$ 13,200
Unfunded Pension Liability Catch-Up	1,000,000	-	-	1,000,000	-	-	1,000,000
Contingency	300,000	-	-	300,000	50,000	30,000	380,000
Total Non-Operating Expenses	\$ 1,310,000	\$ -	\$ -	\$ 1,310,000	\$ 53,000	\$ 30,200	\$ 1,393,200
Total Expenses	\$ 16,240,300	\$ 2,516,000	\$ -	\$ 18,756,300	\$ 456,600	\$ 2,784,700	\$ 21,997,600
Income Before Contributions	\$ (4,810,500)	\$ 1,352,400	\$ 135,000	\$ (3,323,100)	\$ 455,100	\$ (48,400)	\$ (2,916,400)
Connection Fees	\$ -	\$ -	\$ 120,000	\$ 120,000	\$ -	\$ -	\$ 120,000
Change in Net Position	\$ (4,810,500)	\$ 1,352,400	\$ 255,000	\$ (3,203,100)	\$ 455,100	\$ (48,400)	\$ (2,796,400)

* Amounts shown in this column represent revenues within the operating budget assigned to Capital Improvement Program (CIP).

Total Operating Budget by Service Type

Total Budgeted Revenues & Expenses FY 2016-17

	Sewer				Solid Waste	Recycling	Total
	O&M	R&R	CIP*	Total			
Operating Revenues							
District Service Charges	\$ 8,790,800	\$ 3,600,000	\$ -	\$ 12,390,800	\$ -	\$ -	\$ 12,390,800
Refunds - District Service Charges	(100,000)	-	-	(100,000)	-	-	(100,000)
Agency Treatment Charges	2,289,000	383,400	-	2,672,400	-	-	2,672,400
Permits & Inspection Fees	113,000	-	-	113,000	-	-	113,000
Sanitary Truck Waste Charges	50,000	-	-	50,000	-	-	50,000
Grease Receiving Charges	120,000	-	-	120,000	-	-	120,000
Solid Waste Contract Fees	-	-	-	-	927,000	-	927,000
Recycling Charges	-	-	-	-	-	2,386,000	2,386,000
Landfill Fees - Measure D	-	-	-	-	-	330,000	330,000
Overhead Recovery	600,000	-	-	600,000	-	-	600,000
Total Operating Revenues	\$ 11,862,800	\$ 3,983,400	\$ -	\$ 15,846,200	\$ 927,000	\$ 2,716,000	\$ 19,489,200
Non-Operating Revenues							
Interest Income	\$ 13,000	\$ 38,000	\$ 48,000	\$ 99,000	\$ 1,200	\$ 1,800	\$ 102,000
Rents & Leases	81,000	-	-	81,000	-	-	81,000
Recovery of Uncollectible Accounts	-	-	-	-	10,000	-	10,000
Penalties & Miscellaneous Revenues	100,000	-	-	100,000	-	18,000	118,000
EBDA / LAVWMA Agreement Refund	-	-	80,000	80,000	-	-	80,000
Total Non-Operating Revenues	\$ 194,000	\$ 38,000	\$ 128,000	\$ 360,000	\$ 11,200	\$ 19,800	\$ 391,000
Total Revenues	\$ 12,056,800	\$ 4,021,400	\$ 128,000	\$ 16,206,200	\$ 938,200	\$ 2,735,800	\$ 19,880,200
Operating Expenses							
Sewage Collections	\$ 1,732,800	\$ 1,445,000	\$ -	\$ 3,177,800	\$ -	\$ -	\$ 3,177,800
Sewage Treatment Operations	4,228,600	860,000	-	5,088,600	-	-	5,088,600
Sewage Treatment Maintenance	2,317,500	645,000	-	2,962,500	-	-	2,962,500
Engineering	888,300	10,000	-	898,300	-	-	898,300
Administration	1,758,700	40,000	-	1,798,700	-	-	1,798,700
Sewage Disposal - EBDA	674,700	106,000	-	780,700	-	-	780,700
Depreciation	3,650,000	-	-	3,650,000	-	-	3,650,000
Decrease in Carrying Value of EBDA	100,000	-	-	100,000	-	-	100,000
Solid Waste	-	-	-	-	414,700	-	414,700
Recycling	-	-	-	-	-	2,765,700	2,765,700
Total Operating Expenses	\$ 15,350,600	\$ 3,106,000	\$ -	\$ 18,456,600	\$ 414,700	\$ 2,765,700	\$ 21,637,000
Non-Operating Expenses							
Write-Offs of Uncollectible Accounts	\$ 10,000	\$ -	\$ -	\$ 10,000	\$ 3,000	\$ 200	\$ 13,200
Unfunded Pension Liability Catch-Up	1,000,000	-	-	1,000,000	-	-	1,000,000
Contingency	300,000	-	-	300,000	50,000	30,000	380,000
Total Non-Operating Expenses	\$ 1,310,000	\$ -	\$ -	\$ 1,310,000	\$ 53,000	\$ 30,200	\$ 1,393,200
Total Expenses	\$ 16,660,600	\$ 3,106,000	\$ -	\$ 19,766,600	\$ 467,700	\$ 2,795,900	\$ 23,030,200
Income Before Contributions	\$ (4,603,800)	\$ 915,400	\$ 128,000	\$ (3,560,400)	\$ 470,500	\$ (60,100)	\$ (3,150,000)
Connection Fees	\$ -	\$ -	\$ 120,000	\$ 120,000	\$ -	\$ -	\$ 120,000
Change in Net Position	\$ (4,603,800)	\$ 915,400	\$ 248,000	\$ (3,440,400)	\$ 470,500	\$ (60,100)	\$ (3,030,000)

* Amounts shown in this column represent revenues within the operating budget assigned to Capital Improvement Program (CIP).

Operating Budget: Sewer Services O&M

Sewer Services Operations & Maintenance (O&M) Budgeted Revenues & Expenses

	2014-15 Amended Budget	2015-16 Adopted Budget	Budget Change Over Prior Year		2016-17 Adopted Budget	Budget Change Over Prior Year	
Operating Revenues							
District Service Charges	\$ 8,300,000	\$ 8,248,800	\$ (51,200)	-1%	\$ 8,790,800	\$ 542,000	7%
Refunds - District Service Charges	(100,000)	(100,000)	-	0%	(100,000)	-	0%
Agency Treatment Charges	2,370,000	2,222,000	(148,000)	-6%	2,289,000	67,000	3%
Permits & Inspection Fees	130,000	113,000	(17,000)	-13%	113,000	-	0%
Sanitary Truck Waste Charges	50,000	50,000	-	0%	50,000	-	0%
Grease Receiving Charges	110,000	120,000	10,000	9%	120,000	-	0%
Overhead Recovery	600,000	580,000	(20,000)	-3%	600,000	20,000	3%
Total Operating Revenues	\$ 11,460,000	\$ 11,233,800	\$ (226,200)	-2%	\$ 11,862,800	\$ 629,000	6%
Non-Operating Revenues							
Interest Income	\$ 50,000	\$ 16,000	\$ (34,000)	-68%	\$ 13,000	\$ (3,000)	-19%
Rents & Leases	90,000	80,000	(10,000)	-11%	81,000	1,000	1%
Penalties & Miscellaneous Revenues	150,000	100,000	(50,000)	-33%	100,000	-	0%
Total Non-Operating Revenues	\$ 290,000	\$ 196,000	\$ (94,000)	-32%	\$ 194,000	(2,000)	-1%
Total Sewer O&M Revenues	\$ 11,750,000	\$ 11,429,800	\$ (320,200)	-3%	\$ 12,056,800	\$ 627,000	5%
Operating Expenses							
Sewage Collections	\$ 1,820,000	\$ 1,691,000	\$ (129,000)	-7%	\$ 1,732,800	\$ 41,800	2%
Sewage Treatment Operations	4,526,300	4,112,500	(413,800)	-9%	4,228,600	116,100	3%
Sewage Treatment Maintenance	2,358,500	2,255,800	(102,700)	-4%	2,317,500	61,700	3%
Engineering	890,800	862,100	(28,700)	-3%	888,300	26,200	3%
Administration	1,794,600	1,634,900	(159,700)	-9%	1,758,700	123,800	8%
Sewage Disposal - EBDA	665,000	674,000	9,000	1%	674,700	700	0%
Depreciation	3,400,000	3,600,000	200,000	6%	3,650,000	50,000	1%
Decrease in Carrying Value of EBDA	110,000	100,000	(10,000)	-9%	100,000	-	0%
Total Operating Expenses	\$ 15,565,200	\$ 14,930,300	\$ (634,900)	-4%	\$ 15,350,600	\$ 420,300	3%
Non-Operating Expenses							
Write-Offs of Uncollectible Accounts	\$ 10,000	\$ 10,000	\$ -	0%	\$ 10,000	\$ -	0%
Unfunded Pension Liability Catch-Up	-	1,000,000	1,000,000	100%	1,000,000	-	0%
Contingency	300,000	300,000	-	0%	300,000	-	0%
Total Non-Operating Expenses	\$ 310,000	\$ 1,310,000	\$ 1,000,000	323%	\$ 1,310,000	\$ -	0%
Total Sewer O&M Expenses	\$ 15,875,200	\$ 16,240,300	\$ 365,100	2%	\$ 16,660,600	\$ 420,300	3%
Sewer O&M Revenues Over Expenses	\$ (4,125,200)	\$ (4,810,500)	\$ (685,300)	-17%	\$ (4,603,800)	\$ 206,700	4%

Operating Budget: Sewer Services O&M

Sewer Services Operations & Maintenance (O&M) Budgeted Expenses by Account

	FY 2014-15 Amended Budget	FY 2015-16 Adopted Budget	Budget Change Over Prior Year		FY 2016-17 Adopted Budget	Budget Change Over Prior Year	
Salaries	\$ 4,156,100	\$ 4,001,600	\$ (154,500)	-4%	\$ 4,120,600	\$ 119,000	3%
Salaries - Overtime	75,000	63,600	(11,400)	-15%	64,800	1,200	2%
Salaries - Part-time	12,000	-	(12,000)	-100%	-	-	0%
Salaries - Shift Differential	49,200	52,000	2,800	6%	52,600	600	1%
Salaries - Standby/Emergency Response	28,500	28,500	-	0%	28,500	-	0%
Directors' Fees	80,000	85,000	5,000	6%	86,500	1,500	2%
Employee Benefits	2,801,700	2,232,100	(569,600)	-20%	2,298,600	66,500	3%
Directors' Benefits	143,000	125,000	(18,000)	-13%	128,800	3,800	3%
Election Expenses	75,000	-	(75,000)	-100%	130,000	130,000	100%
Gas & Oil	102,500	101,800	(700)	-1%	103,400	1,600	2%
Insurance & Risk Management	564,600	552,500	(12,100)	-2%	562,800	10,300	2%
Office Expenses	45,600	51,300	5,700	13%	53,100	1,800	4%
Bank Fees	2,000	2,300	300	15%	2,400	100	4%
Operating Supplies	602,600	547,600	(55,000)	-9%	565,500	17,900	3%
Odor Control Supplies	22,000	20,000	(2,000)	-9%	20,600	600	3%
Belt Press Supplies	123,900	125,000	1,100	1%	128,000	3,000	2%
Safety Supplies	35,300	32,100	(3,200)	-9%	32,900	800	2%
Lift Station Supplies	22,000	15,000	(7,000)	-32%	15,000	-	0%
Contractual Services	359,000	427,000	68,000	19%	439,200	12,200	3%
Contractual Services - Dept. Support	178,000	147,000	(31,000)	-17%	149,500	2,500	2%
Contractual Services - Sludge	329,600	400,000	70,400	21%	410,000	10,000	3%
Contractual Services - Pretreatment	5,000	5,000	-	0%	5,200	200	4%
Contractual Services - Alameda Co.	85,000	90,000	5,000	6%	92,700	2,700	3%
Contractual Services - Prop. 218	85,000	50,000	(35,000)	-41%	-	(50,000)	-100%
Professional Services	140,800	191,300	50,500	36%	196,200	4,900	3%
Memberships & Publications	54,000	64,000	10,000	19%	64,700	700	1%
Newsletter	15,000	15,000	-	0%	15,500	500	3%
Rents & Leases	28,000	23,200	(4,800)	-17%	23,400	200	1%
Repairs & Maintenance	293,000	317,500	24,500	8%	326,900	9,400	3%
Repairs & Maintenance - Waukeshas	120,000	120,000	-	0%	120,000	-	0%
Repairs & Maintenance - Belt Press	15,000	-	(15,000)	-100%	-	-	0%
Repairs & Maintenance - Lift Stations	28,000	30,000	2,000	7%	30,900	900	3%
Research & Monitoring	82,500	102,000	19,500	24%	105,000	3,000	3%
Travel, Meetings & Training	87,300	86,800	(500)	-1%	87,600	800	1%
Travel, Meetings - Directors	20,000	20,000	-	0%	20,600	600	3%
Recognition Program	34,000	35,100	1,100	3%	35,300	200	1%
Utilities	315,000	242,000	(73,000)	-23%	249,400	7,400	3%
Utilities - Lift Stations	65,000	55,000	(10,000)	-15%	56,700	1,700	3%
Utilities - Solar Power	110,000	100,000	(10,000)	-9%	103,000	3,000	3%
Write-Off of Uncollectible Accounts	10,000	10,000	-	0%	10,000	-	0%
Sewage Disposal - EBDA	650,000	650,000	-	0%	650,000	-	0%
Expenses Chargeable to EBDA	15,000	24,000	9,000	60%	24,700	700	3%
Depreciation	3,400,000	3,600,000	200,000	6%	3,650,000	50,000	1%
Decrease in Carrying Value of EBDA	110,000	100,000	(10,000)	-9%	100,000	-	0%
Unfunded Pension Liability Catch-Up	-	1,000,000	1,000,000	100%	1,000,000	-	0%
Contingency	300,000	300,000	-	0%	300,000	-	0%
Total Sewer O&M Expenses	\$ 15,875,200	\$ 16,240,300	\$ 365,100	2%	\$ 16,660,600	\$ 420,300	3%

Operating Budget: Sewer Services O&M

Sewer Services Operations & Maintenance (O&M) Budgeted Expenses by Department FY 2015-16

	Collections	Operations	Maintenance	Engineering	Administration	Non- Departmental	Total
Salaries	\$ 753,000	\$ 1,510,000	\$ 928,000	\$ 381,200	\$ 429,400	\$ -	\$ 4,001,600
Salaries - Overtime	15,500	25,000	18,000	3,000	2,100	-	63,600
Salaries - Shift Differerential	23,000	25,800	200	3,000	-	-	52,000
Salaries - Standby/Emergency Response	23,500	-	5,000	-	-	-	28,500
Directors' Fees	-	-	-	-	85,000	-	85,000
Employee Benefits	382,900	692,200	449,300	307,500	400,200	-	2,232,100
Directors' Benefits	-	-	-	-	125,000	-	125,000
Election Expenses	-	-	-	-	-	-	-
Gas & Oil	50,000	31,500	15,500	4,000	800	-	101,800
Insurance & Risk Management	200,000	190,000	99,500	28,000	35,000	-	552,500
Office Expenses	3,500	10,000	5,800	7,000	25,000	-	51,300
Bank Fees	-	-	-	-	2,300	-	2,300
Operating Supplies	44,000	450,000	50,000	3,600	-	-	547,600
Odor Control Supplies	-	20,000	-	-	-	-	20,000
Belt Press Supplies	-	125,000	-	-	-	-	125,000
Safety Supplies	8,000	11,100	10,000	1,500	1,500	-	32,100
Lift Station Supplies	15,000	-	-	-	-	-	15,000
Contractual Services	32,000	110,000	185,000	30,000	70,000	-	427,000
Contractual Services - Dept. Support	-	40,000	32,000	50,000	25,000	-	147,000
Contractual Services - Sludge	-	400,000	-	-	-	-	400,000
Contractual Services - Pretreatment	-	5,000	-	-	-	-	5,000
Contractual Services - Alameda Co.	-	-	-	-	90,000	-	90,000
Contractual Services - Prop. 218	-	-	-	-	50,000	-	50,000
Professional Services	3,300	24,000	4,000	10,000	150,000	-	191,300
Memberships & Publications	2,500	11,000	6,500	4,000	40,000	-	64,000
Newsletter	-	-	-	-	15,000	-	15,000
Rents & Leases	-	15,000	5,200	-	3,000	-	23,200
Repairs & Maintenance	14,000	7,500	284,000	7,000	5,000	-	317,500
Repairs & Maintenance - Waukeshas	-	-	120,000	-	-	-	120,000
Repairs & Maintenance - Lift Stations	30,000	-	-	-	-	-	30,000
Research & Monitoring	-	100,000	2,000	-	-	-	102,000
Travel, Meetings & Training	13,000	24,000	23,500	6,300	20,000	-	86,800
Travel, Meetings - Directors	-	-	-	-	20,000	-	20,000
Recognition Program	2,800	5,400	4,300	2,000	20,600	-	35,100
Utilities	20,000	180,000	8,000	14,000	20,000	-	242,000
Utilities - Lift Stations	55,000	-	-	-	-	-	55,000
Utilities - Solar Power	-	100,000	-	-	-	-	100,000
Write-Offs of Uncollectible Accounts	-	-	-	-	-	10,000	10,000
Sewage Disposal - EBDA	-	-	-	-	-	650,000	650,000
Expenses Chargeable to EBDA	-	-	-	-	-	24,000	24,000
Depreciation	-	-	-	-	-	3,600,000	3,600,000
Decrease in Carrying Value of EBDA	-	-	-	-	-	100,000	100,000
Unfunded Pension Liability Catch-Up	-	-	-	-	-	1,000,000	1,000,000
Contingency	-	-	-	-	-	300,000	300,000
Total Sewer O&M Expenses	\$ 1,691,000	\$ 4,112,500	\$ 2,255,800	\$ 862,100	\$ 1,634,900	\$ 5,684,000	\$ 16,240,300

Operating Budget: Sewer Services O&M

Sewer Services Operations & Maintenance (O&M) Budgeted Expenses by Department FY 2016-17

	Collections	Operations	Maintenance	Engineering	Administration	Non- Departmental	Total
Salaries	\$ 775,500	\$ 1,555,300	\$ 955,200	\$ 392,600	\$ 442,000	\$ -	\$ 4,120,600
Salaries - Overtime	16,000	25,000	18,600	3,100	2,100	-	64,800
Salaries - Shift Differerential	23,500	25,800	200	3,100	-	-	52,600
Salaries - Standby/Emergency Response	23,500	-	5,000	-	-	-	28,500
Directors' Fees	-	-	-	-	86,500	-	86,500
Employee Benefits	394,400	712,800	462,800	316,400	412,200	-	2,298,600
Directors' Benefits	-	-	-	-	128,800	-	128,800
Election Expenses	-	-	-	-	130,000	-	130,000
Gas & Oil	50,000	32,500	16,000	4,100	800	-	103,400
Insurance & Risk Management	200,000	195,000	102,500	28,800	36,500	-	562,800
Office Expenses	3,600	10,300	6,000	7,200	26,000	-	53,100
Bank Fees	-	-	-	-	2,400	-	2,400
Operating Supplies	45,300	465,000	51,500	3,700	-	-	565,500
Odor Control Supplies	-	20,600	-	-	-	-	20,600
Belt Press Supplies	-	128,000	-	-	-	-	128,000
Safety Supplies	8,300	11,500	10,000	1,500	1,600	-	32,900
Lift Station Supplies	15,000	-	-	-	-	-	15,000
Contractual Services	33,000	113,300	190,000	30,900	72,000	-	439,200
Contractual Services - Dept. Support	-	40,000	33,000	51,500	25,000	-	149,500
Contractual Services - Sludge	-	410,000	-	-	-	-	410,000
Contractual Services - Pretreatment	-	5,200	-	-	-	-	5,200
Contractual Services - Alameda Co.	-	-	-	-	92,700	-	92,700
Contractual Services - Prop. 218	-	-	-	-	-	-	-
Professional Services	3,400	24,000	4,000	10,300	154,500	-	196,200
Memberships & Publications	2,600	11,400	6,500	4,200	40,000	-	64,700
Newsletter	-	-	-	-	15,500	-	15,500
Rents & Leases	-	15,000	5,300	-	3,100	-	23,400
Repairs & Maintenance	14,500	7,500	292,500	7,200	5,200	-	326,900
Repairs & Maintenance - Waukeshas	-	-	120,000	-	-	-	120,000
Repairs & Maintenance - Lift Stations	30,900	-	-	-	-	-	30,900
Research & Monitoring	-	103,000	2,000	-	-	-	105,000
Travel, Meetings & Training	13,000	24,000	23,500	6,500	20,600	-	87,600
Travel, Meetings - Directors	-	-	-	-	20,600	-	20,600
Recognition Program	3,000	5,000	4,600	2,700	20,000	-	35,300
Utilities	20,600	185,400	8,300	14,500	20,600	-	249,400
Utilities - Lift Stations	56,700	-	-	-	-	-	56,700
Utilities - Solar Power	-	103,000	-	-	-	-	103,000
Write-Offs of Uncollectible Accts	-	-	-	-	-	10,000	10,000
Sewage Disposal - EBDA	-	-	-	-	-	650,000	650,000
Expenses Chargeable to EBDA	-	-	-	-	-	24,700	24,700
Depreciation	-	-	-	-	-	3,650,000	3,650,000
Decrease in Carrying Value of EBDA	-	-	-	-	-	100,000	100,000
Unfunded Pension Liability Catch-Up	-	-	-	-	-	1,000,000	1,000,000
Contingency	-	-	-	-	-	300,000	300,000
Total Sewer O&M Expenses	\$ 1,732,800	\$ 4,228,600	\$ 2,317,500	\$ 888,300	\$ 1,758,700	\$ 5,734,700	\$ 16,660,600

Operating Budget: Sewer Services R&R

Sewer Services Renewal & Replacement (R&R) Budgeted Revenues & Expenses

		2015-16 Adopted Budget	2016-17 Adopted Budget
	Revenues		
	District Service Charges	\$ 3,600,000	\$ 3,600,000
	Agency Treatment Charges - CVSD	223,400	383,400
	Interest Income	45,000	38,000
	Total R&R Revenues	\$ 3,868,400	\$ 4,021,400
Project #	Expenses		
	Collections		
104.00	Lift Stations - Asset Management	\$ 30,000	\$ 30,000
100.00	Lift Stations - General & Recurring Maintenance	80,000	80,000
141.00	Collection System Asset Repair / Maintenance ⁽²⁾	1,250,000	1,250,000
144.10	Collection System GIS Updates & Maintenance	25,000	25,000
144.00	Collection System Source Detection & Hydraulic Model Updates	10,000	10,000
151.10	Easement Clearing & Road Maintenance	50,000	50,000
154.00	Hayward High School Easement Road Repair	50,000	-
	Total Collections	\$ 1,495,000	\$ 1,445,000
	Treatment Plant		
204.00	Asset Management	\$ 50,000	\$ 30,000
323.01	Building & Roadway Lighting Repair	30,000	-
305.00	Gate & Valve Replacements	50,000	25,000
289.01 *	Headworks Concrete Coating	250,000	-
213.00	Pre-Design Studies & Testing	20,000	30,000
	Recurring Maintenance		
395.06	Landscaping & Grounds	25,000	25,000
395.01	Painting	150,000	-
395.07	Roadway & Berm Maintenance / Post-Digesters Plant Paving	40,000	500,000
395.02	Roof Maintenance	25,000	25,000
213.02 *	Recycled Water Study	75,000	-
239.00	Safety Improvements	30,000	30,000
222.02	Secondary Clarifier Rehabilitation	-	750,000
289.00	Treatment Unit Concrete Assessment & Rehabilitation	50,000	20,000
900.93	Unanticipated Plant Repair Projects	70,000	70,000
	Total Treatment Plant	\$ 865,000	\$ 1,505,000
	Engineering & Administration		
595.40	Computers & Network Upgrades - Engineering	\$ 10,000	\$ 10,000
595.45	Computers & Network Upgrades - Administration	10,000	10,000
900.95	Unanticipated Equipment Replacement	30,000	30,000
	Total Engineering & Administration	\$ 50,000	\$ 50,000
	Sewage Disposal - EBDA		
626.00	EBDA Replacement Assessment	\$ 106,000	\$ 106,000
	Total R&R Expenses	\$ 2,516,000	\$ 3,106,000
	R&R Revenues Over Expenses	\$ 1,352,400	\$ 915,400

Agency Treatment Charges - CVSD ⁽¹⁾			
	FY 2015-16	FY 2016-17	
Collections			
-	\$ -	\$ -	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
	\$ -	\$ -	-
Treatment Plant			
25%	\$ 12,500	\$ 7,500	
25%	7,500	-	
25%	12,500	6,250	
25%	62,500	-	
25%	5,000	7,500	
25%	6,250	6,250	
25%	37,500	-	
25%	10,000	125,000	
25%	6,250	6,250	
25%	18,750	-	
25%	7,500	7,500	
25%	-	187,500	
25%	12,500	5,000	
25%	17,500	17,500	
	\$ 216,250	\$ 376,250	
Engineering & Administration			
-	\$ -	\$ -	-
18%	1,800	1,800	
18%	5,400	5,400	
	\$ 7,200	\$ 7,200	
Sewage Disposal - EBDA			
-	\$ -	\$ -	-
	\$ 223,450	\$ 383,450	

* Requires approval by Construction Committee and Board before commencement

(1) Project expenses are billable to CVSD at the rate of actual quarterly flow. The resulting CVSD portions for these projects may vary from the estimated 25% in this budget.

(2) Collection System Asset Repair/Maintenance consists of Manhole Raising, Point Repairs, Line Repairs and Major Structure Repairs.

Operating Budget: Sewer Services R&R

Sewer Services Renewal & Replacement (R&R) Project Descriptions

Collections

	FY 2015-16	FY 2016-17
Lift Stations – Asset Management	\$30,000	\$30,000
Preparing and maintaining individual assets and an asset inventory at lift stations which will include the asset's condition, life expectancy, and projected costs over the life of the asset.		
Lift Stations – General & Recurring Maintenance	\$80,000	\$80,000
For general repairs at the lift stations. Funds will be transferred to the appropriate lift station account upon use. Provides for electrical rehabilitation, painting, paving and roof maintenance, and landscaping and grounds.		
Collection System Asset Repair / Maintenance	\$1,250,000	\$1,250,000
Collection system asset repairs including:		
<ul style="list-style-type: none"> • Point Repairs: Repairs of sections of pipe under 25 feet in length. • Line Repairs: Repairs of sections of pipe greater than 25 in length. • Major Structures Repairs: Inspection and repair of the assets listed in the Major structures inventory, which includes all freeway crossings, earthquake fault crossings, and trunk sewer junction structures. • Manhole Raising: Manhole rings and covers must be raised in streets that are overlaid with new pavement to ensure public safety and limit claims due to damaged vehicles. 		
Collection System GIS Updates & Maintenance	\$25,000	\$25,000
The GIS is the District's collection system mapping program. It also serves as the basis for the hydraulic model and provides access to the CCTV data. The GIS will require regular maintenance to maintain the data.		
Collection System Source Detection & Hydraulic Model Updates	\$10,000	\$10,000
Maintenance of the following systems:		
<ul style="list-style-type: none"> • Source Detection: Provides for the installation of flow meters to measure the peak, average, and dry weather flows and wet weather storm events. This data is then incorporated into the hydraulic model for calibration and analysis of deficiencies and bottlenecks in the collection system. • Hydraulic Model: The model analyzes the hydraulic characteristics of all pipelines in the system. 		
Easement Clearing & Road Maintenance	\$50,000	\$50,000
For the clearing of brush and road maintenance on easement roads utilized by the Collections crews during routine CCTV and Hydro cleaning of the system.		
Hayward High School Easement Road Repair	\$50,000	\$0
Maintenance of the easement road adjacent to the Hayward High School. This road is utilized by the Collection crew during routine CCTV and Hydro cleaning.		
Total Collections	\$1,495,000	\$1,445,000

Operating Budget: Sewer Services R&R

Sewer Services Renewal & Replacement (R&R) Project Descriptions

Treatment Plant		
	FY 2015-16	FY 2016-17
Asset Management	\$50,000	\$30,000
Preparing and maintaining individual assets and an asset inventory for the treatment plant which will include the asset's condition, life expectancy, and projected costs over the life of the asset.		
Building & Roadway Lighting Repair	\$30,000	\$0
Ongoing repair and maintenance of the plant lighting system.		
Gate & Valve Replacements	\$50,000	\$25,000
Ongoing replacement of gate and other miscellaneous valves due to end of their useful lives.		
Headworks Concrete Coating	\$250,000	\$0
Bar screen and bypass channels, grit chamber, wet well concrete coatings due to erosion and corrosion of existing concrete walls.		
Pre-Design Studies and Testing	\$20,000	\$30,000
To study and evaluate existing equipment, processes, or new technologies.		
Recurring Maintenance		
Landscaping & Grounds	\$25,000	\$25,000
Painting	\$150,000	\$0
Roadway & Berm Maintenance / Post-Digesters Plant Paving	\$40,000	\$500,000
Roof Maintenance	\$25,000	\$25,000
Recycled Water Study	\$75,000	\$0
For recycled water study, to investigate the use of recycled water within the District as well as an estimate for the production of varying qualities of water.		
Safety Improvements	\$30,000	\$30,000
For unforeseen safety related projects.		
Secondary Clarifier Rehabilitation	\$0	\$750,000
For the rehabilitation of the new secondary clarifiers mechanisms, selected piping, control panels, and pumps.		
Treatment Unit Concrete Assessment & Rehabilitation	\$50,000	\$20,000
Ongoing rehabilitation and repair of concrete cracks on the treatment unit.		
Unanticipated Plant Repair Projects	\$70,000	\$70,000
For other unforeseen renewal & replacement items.		
Total Treatment Plant	\$865,000	\$1,505,000

Operating Budget: Sewer Services R&R

Sewer Services Renewal & Replacement (R&R) Project Descriptions

Engineering, Administration & EBDA

	FY 2015-16	FY 2016-17
Computers & Network Upgrades – Engineering	\$10,000	\$10,000
Computers & Network Upgrades – Administration	\$10,000	\$10,000
Unanticipated Equipment Replacement - Administration	\$30,000	\$30,000
EBDA Replacement Assessment	\$106,000	\$106,000
Annual Contribution to EBDA for renewal & replacement assessment.		
Total Engineering, Administration & EBDA	\$156,000	\$156,000
Total R&R Costs	\$2,516,000	\$3,106,000

Operating Budget: Solid Waste

Solid Waste Budgeted Revenues & Expenses

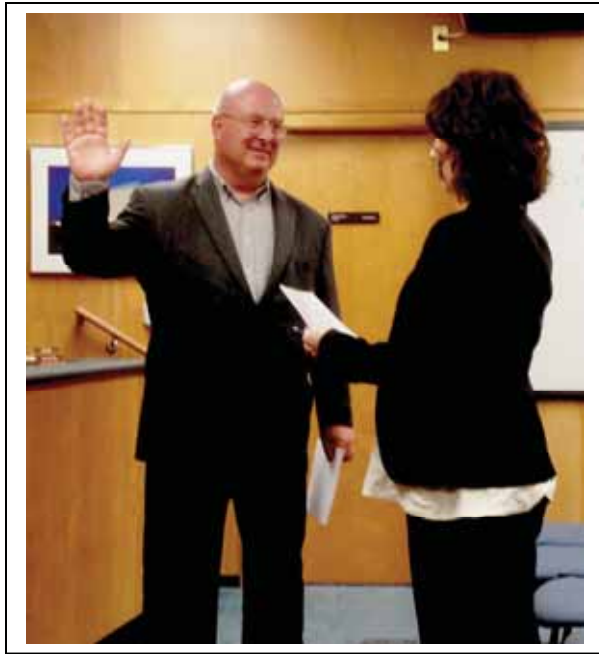
	2014-15 Amended Budget	2015-16 Adopted Budget	Budget Change Over Prior Year		2016-17 Adopted Budget	Budget Change Over Prior Year	
Revenues							
Solid Waste Contract fees	\$ 840,000	\$ 900,000	\$ 60,000	7%	\$ 927,000	\$ 27,000	3%
Interest income	6,800	1,700	(5,100)	-75%	1,200	(500)	-29%
Recovery of Uncollectible Accounts	10,000	10,000	-	0%	10,000	-	0%
Total Revenues	\$ 856,800	\$ 911,700	\$ 54,900	6%	\$ 938,200	\$ 26,500	3%
Expenses							
Salaries	\$ 149,000	\$ 172,000	\$ 23,000	15%	\$ 177,000	\$ 5,000	3%
Salaries - Overtime	1,000	500	(500)	-50%	500	-	0%
Directors' Fees	9,000	9,000	-	0%	9,200	200	2%
Overhead	184,400	181,500	(2,900)	-2%	186,700	5,200	3%
Office Expenses	4,000	3,000	(1,000)	-25%	3,100	100	3%
Safety Supplies	500	500	-	0%	500	-	0%
Contractual Services	4,000	3,000	(1,000)	-25%	3,000	-	0%
Professional Services	30,000	15,000	(15,000)	-50%	15,000	-	0%
Memberships & Publications	2,000	1,500	(500)	-25%	1,600	100	7%
Newsletter	20,000	15,000	(5,000)	-25%	15,500	500	3%
Repairs & Maintenance	500	500	-	0%	500	-	0%
Travel, Meetings & Training	1,000	1,000	-	0%	1,000	-	0%
Recognition Program	600	600	-	0%	600	-	0%
Utilities	1,000	500	(500)	-50%	500	-	0%
Write-Offs of Uncollectible Accounts	5,000	3,000	(2,000)	-40%	3,000	-	0%
Depreciation	500	-	(500)	-100%	-	-	0%
Contingency	50,000	50,000	-	0%	50,000	-	0%
Other Miscellaneous	3,000	-	(3,000)	-100%	-	-	0%
Total Expenses	\$ 465,500	\$ 456,600	\$ (8,900)	-2%	\$ 467,700	\$ 11,100	2%
Solid Waste Revenues Over Expenses	\$ 391,300	\$ 455,100	\$ 63,800	16%	\$ 470,500	\$ 15,400	3%

Operating Budget: Recycling

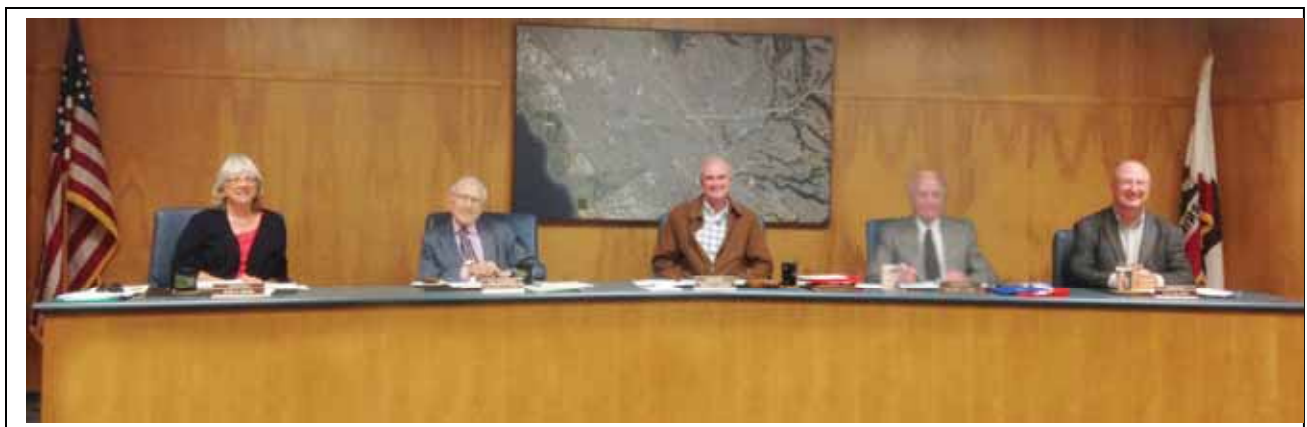
Recycling Budgeted Revenues & Expenses

	2014-15	2015-16	Budget Change		2016-17	Budget Change	
	Amended	Adopted	Over Prior Year		Adopted	Over Prior Year	
	Budget	Budget			Budget		
Revenues							
Recycling Charges - Residential	\$ 2,290,000	\$ 2,290,000	\$ -	0%	\$ 2,290,000	\$ -	0%
Recycling Charges - Commercial	74,200	96,000	21,800	29%	96,000	-	0%
Landfill Fees - Measure D	340,000	330,000	(10,000)	-3%	330,000	-	0%
Interest Income	9,200	2,300	(6,900)	-75%	1,800	(500)	-22%
Penalties & Miscellaneous Revenues	5,000	18,000	13,000	260%	18,000	-	0%
Total Revenues	\$ 2,718,400	\$ 2,736,300	\$ 17,900	1%	\$ 2,735,800	\$ (500)	0%
Expenses							
Salaries	\$ 195,600	\$ 172,000	\$ (23,600)	-12%	\$ 177,000	\$ 5,000	3%
Salaries - Overtime	1,000	500	(500)	-50%	500	-	0%
Overhead	228,100	172,500	(55,600)	-24%	177,500	5,000	3%
Office Expenses	4,700	5,000	300	6%	5,000	-	0%
Contractual Services - WMAC	2,377,000	2,300,000	(77,000)	-3%	2,300,000	-	0%
Contractual Services - Others	20,000	20,000	-	0%	20,000	-	0%
Professional Services	2,000	2,000	-	0%	2,000	-	0%
Memberships & Publications	5,000	2,000	(3,000)	-60%	2,000	-	0%
Newsletter	20,000	20,000	-	0%	20,600	600	3%
Calendar	20,000	20,000	-	0%	20,600	600	3%
Travel, Meetings & Training	500	500	-	0%	500	-	0%
Write-Offs of Uncollectible Accounts	200	200	-	0%	200	-	0%
San Leandro Measure D Expense	40,000	40,000	-	0%	40,000	-	0%
Depreciation	3,000	-	(3,000)	-100%	-	-	0%
Contingency	30,000	30,000	-	0%	30,000	-	0%
Total Expenses	\$ 2,947,100	\$ 2,784,700	\$ (162,400)	-6%	\$ 2,795,900	\$ 11,200	0%
Recycling Revenues Over Expenses	\$ (228,700)	\$ (48,400)	\$ 180,300	79%	\$ (60,100)	\$ (11,700)	-24%

Board of Directors



Oro Loma Sanitary District welcomes its newest Board member – Dan Walters. Director Walters was appointed to fill a Board vacancy, and took office on April 21, 2015.



Oro Loma Sanitary District's Board of Directors
April 2015

Capital Budget



Long-Range Plan

The foundation of the District's long-range financial plan is anchored on its 10-year Treatment Plant Capital Improvement Program (CIP) and Renewal & Replacement (R&R) schedule, and the 5-year Collection System CIP and R&R schedule. The District regularly updates the plan known as the 10-Year Treatment Plant & 5-Year Collections Projections, developed based on asset management principles and its 10-year strategic goals. The combined CIP and R&R average projected annual costs is \$9.3 million per year.

10-Year Strategic Goals Impacting the Long-Range Plan

- Maintain a 10-year capital plan for all District assets
- Build GIS into a central reference source for all District assets and customer service issues
- Implement asset management program for all District assets by 2023
- Perform recycled water feasibility study to assess costs and potential demands within the service area
- Maintain zero sanitary sewer overflows due to capacity limitations
- Replace a minimum of 20 miles of collection system pipes between 2013 and 2023
- Manage line replacement program to limit high frequency footage at or below 18% of District (49 miles)
- Participate in ongoing discussion of nutrient regulations and potential technical responses
- Conduct treatment plant electrical load study and implement identified improvements prior to planned cogeneration system overhaul in 2021

Impact on Cash Flows

Use of cash reserves to fund operating expenses and long-range projects is estimated to be \$2.6 million per year to the end of FY 2018-19. Ending cash balance on June 30, 2019 is projected at \$9.0 million, within close range of the \$8.9 million Board-dedicated reserve level. The District will carefully monitor its available funds in the next several years and will take appropriate actions in response.

Renewal & Replacement (R&R) – Long-Range Plan within the Operating Budget

The Treatment Plant R&R projection averages at \$1.24 million per year, and covers facility maintenance, mechanical rehabilitation of process equipment, pre-design studies for investigating process and facility improvements, new technologies, and safety improvements.

The Collections R&R projection averages at \$1.85 million per year, and includes facility maintenance and asset management for the District's 14 sewer lift stations. Of this amount, \$1.25 million per year is for repairs of major structures, manholes and sewer pipelines within the District's 273-mile collection system.

Capital Improvement Program (CIP) – Long-Range Plan within the Capital Budget

The Treatment Plant CIP projection averages at \$1.92 million per year. Significant items are within the horizon. In FY 2020-21, \$6 million is planned for the replacement of the cogeneration system. In addition, the District's response to emerging nutrient issues carries a potential expense of up to \$80 million within a timeframe of 15 to 20 years.

The Collections CIP projection is averages at \$4.29 million per year, and includes upgrading electrical components and communications at the lift stations, vehicle equipment replacements for the Collections and lift station crew, replacing 2 miles per year of existing sewer pipelines with HDPE pipe, and other projects for maintaining sewer capacity, as determined through the Collection System Hydraulic Model.

Capital Budget

Capital Improvement Program (CIP) Budgeted Revenues & Expenditures

		2015-16 Adopted Budget	2016-17 Adopted Budget
Revenues, Contributions & Repayments			
	Interest Income	\$ 55,000	\$ 48,000
	EBDA / LAVWMA Agreement Refund	80,000	80,000
	Capital Contributions - Connection Fees	120,000	120,000
	Capital Repayments - CVSD	1,373,500	682,600
	Total CIP Revenues & Contributions	\$ 1,628,500	\$ 930,600
Expenditures			
Collections			
100.00	Lift Stations - General	\$ 50,000	\$ 50,000
100.15/13	Lift Stations - Canyon Ridge & Blackstone Surge Suppression	45,000	-
100.05 *	Lift Stations - Wickman Valve Vault	140,000	-
100.09/10 *	Lift Station Rehabilitation - Clausen & Edgebrook	175,000	150,000
105.00	Lift Stations - Remote Site PLC Upgrades	100,000	-
161.00	CCTV Camera	-	30,000
145.00	Collections System Gas Monitoring	-	15,000
166.00	Collections Truck Replacement	35,000	-
143.03/04 *	Pipeline Replacement Program	2,000,000	2,000,000
900.91	Unanticipated Critical Equipment - Collections	15,000	15,000
	Total Collections	2,560,000	2,260,000
Treatment Plant			
227.00	Chlorine Contact Basin Water Champ Replacement	20,000	-
298.03	Cogeneration Breaker Replacement	75,000	-
299.00	Cogeneration Engine Overhaul	-	175,000
281.01	Digesters #1 & #2 Mixer Rehabilitation/Replacement	-	100,000
228.00	Gravity Belt Thickener Polymer System Rehabilitation	35,000	-
284.00	Influent Grinder Rebuild	30,000	30,000
314.00	Laboratory Cabinet Replacement	10,000	-
308.00 *	Maintenance Shop Vehicle Lift	50,000	-
324.00 *	Oil Storage Room	100,000	-
231.00	Old Heater Building Pipe Trench Sump	35,000	-
319.00	SCADA Network System Replacements & Upgrades	30,000	155,000
316.00	Vehicle Replacements	35,000	35,000
293.02	Wet Weather Equalization/Ecotone Project	3,564,000	1,485,000
900.93	Unanticipated Critical Equipment - Plant	70,000	70,000
	Total Treatment Plant	4,054,000	2,050,000
Engineering & Administration			
595.40	Computers & Network Upgrades - Engineering	10,000	10,000
595.45	Computers & Network Upgrades - Administration	10,000	10,000
595.45	Roof Replacement - Administration	-	100,000
900.95	Unanticipated Critical Equipment - Administration	10,000	10,000
	Total Engineering & Administration	30,000	130,000
	Total CIP Expenditures	\$ 6,644,000	\$ 4,440,000
	CIP Revenues Over Expenditures	\$ (5,015,500)	\$ (3,509,400)

Capital Repayments - CVSD ⁽¹⁾				
FY 2015-16		FY 2016-17		
Collections				
-	\$	-	\$	-
-		-		-
-		-		-
-		-		-
-		-		-
-		-		-
-		-		-
-		-		-
-		-		-
	\$	-	\$	-
Treatment Plant				
25%	\$	5,000	\$	-
25%		18,750		-
25%		-		43,750
25%		-		25,000
25%		8,750		-
25%		7,500		7,500
25%		2,500		-
25%		12,500		-
25%		25,000		-
25%		8,750		-
25%		7,500		38,750
25%		8,750		8,750
35%		1,247,400		519,750
25%		17,500		17,500
	\$	1,369,900	\$	661,000
Engineering & Administration				
-	\$	-	\$	-
18%		1,800		1,800
18%		-		18,000
18%		1,800		1,800
	\$	3,600	\$	21,600
	\$	1,373,500	\$	682,600

* Requires approval by Construction Committee and Board before commencement

(1) Project costs are billable to CVSD based on its 25% ownership in the treatment plant. Exception: Wet Weather Equalization/Ecotone project is billed at 35% per special agreement.

Capital Budget: Sewer Services

Capital Improvement Program Project Descriptions with Costs less than \$50,000

	FY 2015-16	FY 2016-17
Collections		
Lift Stations General For miscellaneous projects at lift stations.	\$50,000	\$50,000
Canyon Ridge and Blackstone Lift Station Surge Suppression For addition of surge suppression at these two lift stations.	\$45,000	\$0
CCTV Camera For replacement of the current CCTV camera.	\$0	\$30,000
Collection System Gas Monitoring For replacement of the current gas monitors used by field crews.	\$0	\$15,000
Collections Truck Replacement Purchase of a collections truck to replace the truck with the highest mileage, which is beginning to have mechanical problems.	\$35,000	\$0
Unanticipated Critical Equipment – Collections	\$15,000	\$15,000
Treatment Plant		
Chlorine Contact Basin Water Champ Replacement To replace the water champs at the chlorine contact basin.	\$20,000	\$0
Gravity Belt Thickener Polymer System Rehabilitation To rehabilitate the polymer system at the gravity belt thickener.	\$35,000	\$0
Influent Grinder Rebuild The two grinders installed on the bar screens are to be rebuilt every two years to replace worn and broken teeth. One grinder will be rebuilt every year.	\$30,000	\$30,000
Laboratory Cabinet Replacement For replacement of cabinets within the laboratory.	\$10,000	\$0
Maintenance Shop Vehicle Lift To replace the current two post 9,000 lb automotive lift with a 12,000 lb lift. The current lift is undersized to lift more than half of the District's vehicles.	\$50,000	\$0
Old Heater Building Pipe Trench Sump For the addition of stairs and reconstruction of the opening into the sump for safe entry if needed.	\$35,000	\$0
Vehicle Replacements For the replacement of vehicles that have exceeded their useful lives.	\$35,000	\$35,000
Engineering & Administration		
Computers & Network Maintenance - Engineering	\$10,000	\$10,000
Computers & Network Maintenance - Administration	\$10,000	\$10,000
Unanticipated Critical Equipment Replacement - Administration	\$10,000	\$10,000

Capital Budget: Sewer Services

Capital Improvement Program Project Descriptions with Costs more than \$50,000

Lift Stations - Wickman Valve Vault

Project Location: Wickman Lift Station, Wickman Court, San Lorenzo.

Project Description: Wickman lift station valve vault installation.

Project Justification: This project provides funds for addition of a valve vault with isolation and check valves. The current lift station has buried isolation valves that have no access. The check valves are located in the wet well and are not accessible. In addition, the project adds bypassing capabilities with use of the force main in case of emergencies.

Impact Analysis: N/A

Financial Requirements:

Project Components	Total Project Budget	Annual Allocation	
		FY 2015-16	FY 2016-17
Project Management (District)	\$ 10,000	\$ 10,000	\$0
Construction (Contractor)	130,000	130,000	0
Total	\$140,000	\$140,000	\$0

Lift Station Rehabilitation - Clausen & Edgebrook

Project Location: FY 2015-16: Clausen Lift Station, Hayward. FY 2016-17: Edgebrook Lift Station, Hayward.

Project Description: Repair and rehabilitate lift stations, including wet well coating, pump replacements, replacement of control and electrical panels, and a new force-main at Clausen Lift Station. Budget also provides for a study on the option of abandoning the lift stations and installing new pipelines.

Project Justification: The lift stations were last overhauled 20 years ago and many components at all lift stations are in need of rehabilitation and repair.

Impact Analysis: Categorically exempt

Financial Requirements:

Project Components	Total Project Budget	Annual Allocation	
		FY 2015-16	FY 2016-17
Project Management (District)	\$ 10,000	\$ 5,000	\$ 5,000
Lift Station Abandonment Study (District)	25,000	25,000	0
Design (Consultant)	30,000	15,000	15,000
Construction (Contractor)	260,00	130,000	130,000
Total	\$325,000	\$175,000	\$150,000

Capital Budget: Sewer Services

Capital Improvement Program Project Descriptions with Costs more than \$50,000

Lift Stations - Remote Site PLC Upgrades

Project Location: Various lift stations throughout the District.

Project Description: Rehabilitation and upgrades of the PLCs at various lift stations, which include controls and control panel upgrades.

Project Justification: Many of the lift stations have obsolete controls and PLCs. This makes parts difficult and expensive to purchase.

Impact Analysis: Categorically exempt

Financial Requirements:

Project Components	Total Project Budget	Annual Allocation	
		FY 2015-16	FY 2016-17
Project Management (District)	\$ 2,500	\$ 2,500	\$0
Design (District)	10,000	10,000	0
Construction (Contractor)	87,500	87,500	0
Total	\$100,000	\$100,000	\$0

Pipeline Replacement Program

Project Location: Various locations throughout the collection system.

Project Description: Rehabilitation of pipelines identified through the closed circuit television (CCTV) inspection based upon their structural condition or maintenance history.

Project Justification: This work will be performed to fix chronic maintenance and structural issues identified within the existing collection system. The projects will be designed in the spring, and construction will take place beginning in the summer of each fiscal year. The proposed funding level was established to provide a 140-year replacement interval and to align with the District's 10-Year Strategic Plan of replacing 20 miles of collection system pipe between 2013 and 2023.

Impact Analysis: Negative Declaration.

Financial Requirements:

Project Components	Total Project Budget	Annual Allocation	
		FY 2015-16	FY 2016-17
Project Management (District)	\$ 420,000	\$ 210,000	\$ 210,000
Design (District)	80,000	40,000	40,000
Construction (Contractor)	3,500,000	1,750,000	1,750,000
Total	\$4,000,000	\$2,000,000	\$2,000,000

Capital Budget: Sewer Services

Capital Improvement Program Project Descriptions with Costs more than \$50,000

Cogeneration Breaker Replacement

Project Location: Treatment Plant.

Project Description: Replacement of both cogeneration main breakers in the cogeneration control room.

Project Justification: The existing breakers are obsolete and have become very expensive and difficult to replace or rebuild. Spare breakers are not readily available. Additionally, the breakers that are in service have been rebuilt so many times that the breakers cases are beginning to fail causing breaker failures.

Impact Analysis: N/A

Financial Requirements:

Project Components	Total Project Budget	Annual Allocation	
		FY 2015-16	FY 2016-17
Project Management (District)	\$ 5,000	\$ 5,000	\$0
Construction (Contractor)	70,000	70,000	0
Total	\$75,000	\$75,000	\$0

Cogeneration Engine Overhaul

Project Location: Treatment Plant: Cogeneration System.

Project Description: Overhaul of cogeneration engine #2.

Project Justification: Every two years, one of the two cogeneration engines is scheduled to be rebuilt. The overhaul raises emissions quality and helps insure reliable operation. Cogeneration engine #1 and #2 were rebuilt in FY 2013-14 and the engine that is showing the most wear in FY 2016-17 will be rebuilt.

Impact Analysis: N/A

Financial Requirements:

Project Components	Total Project Budget	Annual Allocation	
		FY 2015-16	FY 2016-17
Project Management (District)	\$ 15,000	\$0	\$ 15,000
Design (District)	80,000	0	80,000
Construction Management (Consultant)	35,000	0	35,000
Construction (Contractor)	35,000	0	35,000
Project Contingency	10,000	0	10,000
Total	\$175,000	\$0	\$175,000

Capital Budget: Sewer Services

Capital Improvement Program Project Descriptions with Costs more than \$50,000

Digesters No. 1 & 2 Mixer Replacement

Project Location: Treatment Plant: Digesters No. 1 & 2 mixers.

Project Description: Replacement of Digesters No. 1 & 2 mixers.

Project Justification: The mixers for Digesters No. 1 & 2 are nearing the end of their useful lives and are showing signs of excessive wear.

Impact Analysis: N/A

Financial Requirements:

Project Components	Total Project Budget	Annual Allocation	
		FY 2015-16	FY 2016-17
Construction (Contractor)	\$100,000	\$0	\$100,000
Total	\$100,000	\$0	\$100,000

Oil Storage Room

Project Location: Treatment Plant.

Project Description: To provide for the installation of an oil storage room.

Project Justification: Provide an area to store oil. Currently oil is stored in a room underneath the treatment unit influent channel and in the Quonset Hut. Building a central oil storage room will bring all of the material under one roof. The building will be separate from all other buildings.

Impact Analysis: N/A

Financial Requirements:

Project Components	Total Project Budget	Annual Allocation	
		FY 2015-16	FY 2016-17
Project Management (District)	\$ 5,000	\$ 5,000	\$0
Design (Consultant)	10,000	10,000	0
Construction (Contractor)	85,000	85,000	0
Total	\$100,000	\$100,000	\$0

Capital Budget: Sewer Services

Capital Improvement Program Project Descriptions with Costs more than \$50,000

SCADA Network System Replacements & Upgrades

Project Location: Treatment Plant.

Project Description: The SCADA system will be replaced with new computers and all other SCADA nodes will be operated as virtual nodes.

Project Justification: The plant's network of PLCs and associated equipment is 17-22 years old and has exceeded its typical design life of 10-15 years. Following the replacement of the data highway, system failures have significantly reduced. However, given the age and criticality of the SCADA system, staff will continue to replace portions of the infrastructure with the goal of replacing all the 1991 vintage hardware before 2021.

Impact Analysis: N/A

Financial Requirements:

Project Components	Total Project Budget	Annual Allocation	
		FY 2015-16	FY 2016-17
Equipment Purchase	\$185,000	\$ 30,000	\$155,000
Total	\$185,000	\$ 30,000	\$155,000

Wet Weather Equalization/Ecotone Project

Project Location: Parcel 7-10; east of the Treatment Plant.

Project Description: Construction of an 8-million gallon storage basin for wet weather equalization, a demonstration wetland for dry weather flows, and a demonstration of an ecotone slope or horizontal levee.

Project Justification: The benefit of the project is to provide equalization (storage) of peak flows. Equalization is beneficial because it will immediately reduce peak flows to EBDA and set the Districts (Castro Valley and Oro Loma) up well for the upcoming renegotiation of the EBDA agreement, likely nutrients limits, contaminants of emerging concern, and the potential flooding of portions of our service area due to projected sea level rise.

Impact Analysis: The CEQA process has been completed and all permits obtained.

Financial Requirements:

Project Components	Total Project Budget	Annual Allocation	
		FY 2015-16	FY 2016-17
Project Management (District)	\$ 504,900	\$ 356,400	\$ 148,500
Design (Consultant)	4,544,100	3,207,600	1,336,500
Total	\$5,049,000	\$3,564,000	\$1,485,000

Capital Budget: Sewer Services

Capital Improvement Program Project Descriptions with Costs more than \$50,000

Unanticipated Critical Equipment - Plant

Project Location: Treatment Plant.

Project Description: Replacement of unanticipated failure of critical equipment at the Treatment Plant.

Project Justification: To replace unexpected failure of critical equipment at the Treatment Plant.

Impact Analysis: Categorically exempt.

Financial Requirements:

Project Components	Total Project Budget	Annual Allocation	
		FY 2015-16	FY 2016-17
Construction (Contractor)	\$140,000	\$ 70,000	\$ 70,000
Total	\$140,000	\$ 70,000	\$ 70,000

Roof Replacement - Administration

Project Location: Administration Building, District Offices.

Project Description: The replacement of the Administration Building roof.

Project Justification: This project provides funds for the replacement of the roof of the Administration Building. The roof is at the end of its useful life and repairs are becoming more frequent.

Impact Analysis: N/A

Financial Requirements:

Project Components	Total Project Budget	Annual Allocation	
		FY 2015-16	FY 2016-17
Project Management (District)	\$ 2,000	\$0	\$ 2,000
Construction (Contractor)	98,000	0	98,000
Total	\$100,000	\$0	\$100,000

Other Information



Risk Management

The District is a member of the California Sanitation Risk Management Authority (CSRMA), a joint powers authority (JPA) that provides broad coverage and risk control services to its members. The District participates in the property insurance, workers' compensation and pooled liability programs through CSRMA.

The pooled liability program has the following tiers of coverage:

Coverage Limits	Coverage Provided By
\$0 - \$250,000	Oro Loma Self-Insurance (Deductible)
\$250,001 - \$500,000	CSRMA Risk Pool
\$500,001 - \$15,500,000	Munich Reinsurance America
\$15,500,001 - \$25,500,000	Ironshore Specialty Insurance Co.
\$25,000,001 and up	Oro Loma Self-Insurance

The District accounts for costs associated with risk management through an internal clearing fund. Costs accumulated are distributed quarterly to department units as Insurance & Risk Management expenses.

The following table shows trends in each of the risk management cost categories.

	FY 2013-14 Actual	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget
Salaries	\$61,688	\$78,300	\$80,000	\$82,400
Overtime	683	4,100	1,800	1,800
Overhead	56,134	74,200	61,400	63,200
Insurance Premiums	230,424	304,500	305,400	311,000
Office Expenses	1,538	2,000	2,000	2,060
Operating Supplies & Equipment	11,735	13,000	14,500	14,500
Contractual Services	6,054	16,000	14,400	14,640
Professional Services	-	1,000	1,000	1,000
Memberships & Publications	3,357	5,000	5,000	5,000
Travel, Meetings & Training	7,305	3,500	4,000	4,200
Recognition Program	1,393	3,000	3,000	3,000
Losses & Settlements	-	60,000	60,000	60,000
Total Expenses	\$380,311	\$564,600	\$552,500	\$562,800
Change in Budget from Prior Year			-2.1%	1.9%

Costs are distributed to department units as follows.

	FY 2013-14 Actual	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget
Collections	\$117,386	\$225,800	\$200,000	\$200,000
Operations	138,378	180,700	190,000	195,000
Maintenance	72,414	96,000	99,500	102,500
Engineering	22,308	28,200	28,000	28,800
Administration	29,825	33,900	35,000	36,500
Total Expenses	\$380,311	\$564,600	\$552,500	\$562,800

Flexible Spending Benefit Plan

The District maintains a flexible spending benefit plan for its full-time employees. The plan is funded by both the District and the employees, and is accounted for separately in the District's financial reporting. These contributions pay for medical and other insurance premiums, flexible spending cost reimbursements, and cash withdrawals allowed under the plan.

Benefits have been projected using a 4% assumed annual increase, and are compiled on a detailed individual level using each employee's projected family status as framework.

The following table shows trends in the flexible spending benefits plan.

	FY 2013-14 Actual	FY 2014-15 Budget	FY 2015-16 Budget	FY 2016-17 Budget
Contributions				
Employer Contributions	\$831,229	\$972,400	\$996,000	\$1,035,800
Employee Contributions	\$8,321	13,200	20,000	20,800
Total Contributions	\$839,550	985,600	\$1,016,000	\$1,056,600
Disbursements				
Medical Insurance	\$665,200	\$792,900	\$825,000	\$858,000
Dental Insurance	71,023	86,900	77,000	80,000
Vision Insurance	8,608	7,900	10,000	10,400
Life Insurance	11,651	14,500	12,000	12,500
Flexible Spending Reimbursements-Prior Year	3,871	2,500	8,000	8,400
Flexible Spending Reimbursements-Current Year	9,965	12,000	14,000	14,500
Cash Withdrawals	67,403	68,900	70,000	72,800
Total Disbursements	\$837,721	\$985,600	\$1,016,000	\$1,056,600
Change in Budget from Prior Year			3.1%	4.0%

Overhead Recovery

Indirect costs of operations are distributed to projects and other business activities through overhead recovery. The District develops a set of overhead rates, to be applied to various activities, to reflect the true cost of projects and other business activities. The rates are updated during each budget period and classified into 3 rate tiers: Risk Management, Internal Projects, and External Services.

The Risk Management rate is the ratio of total budgeted benefits to total budgeted salaries, plus a factor for employees' paid time-off. This rate is applied to salaries incurred by the Risk Management clearing fund.

The Internal Projects rate includes the Risk Management rate, plus other indirect costs consisting of administration, engineering and contingency expenses. This rate is applied to Renewal & Replacement (R&R) and Capital Improvement Program (CIP) project salaries, as well as Solid Waste and Recycling salaries.

The External Services rate includes the Internal Projects rate, plus a component to recover asset depreciation. This rate is applied to tasks performed for the general public, such as engineering services and tract reviews.

In addition, the District is under an agreement with East Bay Dischargers Authority (EBDA) to recover its indirect costs at a fixed rate of 100% of salaries, supplies and other expenses associated with maintaining EBDA's pump station and Skywest facilities.

The following overhead rates are in effect for FY 2015-16 and FY 2016-17.

Overhead Rate Tier	Overhead Rate
Risk Management	75%
Internal Projects	100%
External Services	197%
EBDA	100%

The District has been debt-free since September 2009 when it exercised the redemption option on its Sewer Revenue Refunding Bonds Series 2003. As a result, there is no long term debt or restricted portion of net position. The District currently does not anticipate any debt issuance.

The California Health & Safety Code, Section 6651, Bonded Indebtedness Limit, limits the District's maximum bonding capacity to 15% of the assessed value (25% of full value) of the real and personal property within the District. The following presents the most recent information on the District's bonding capacity, based on property values established by the County of Alameda.

	2013	2014
Total Asset Valuation at Full Value	\$9,916,171,677	\$10,370,178,948
Assessed Valuation at 25% of Full Value	2,479,042,919	2,592,544,737
Limit (15% thereof)	371,856,438	388,881,711
Authorized & Unissued General Obligation Bonds	(600,000)	(600,000)
Bonding Capacity	\$371,256,438	\$388,281,711

Completion of Digester Facilities Improvements

The District completed the construction of 2 new 1-million gallon concrete digesters. The project costs \$8.7 million and will provide for the ability to reliably meet the 15-day retention time target, and expand the District's grease receiving program.



Glossary



Technical Terms

Account – A record of a business transaction.

Accounting System – The structure of records and procedures that discovers, records, classifies, summarizes, and reports information on the financial position and results of operations of the District as a governmental entity.

Accrual Basis – The recognition of a revenue or expense in a fiscal year even though the actual cash may not be received or paid until the following fiscal year.

Adoption – Formal action by the Board of Directors. The adoption of the budget sets the financial framework for subsequent fiscal year(s).

Agency Treatment Charges – Revenues derived from long-term contracts with other entities to whom the District provides sewage treatment, such as Castro Valley Sanitary District, City of Hayward, City of San Leandro and East Bay Dischargers Authority.

Alameda County Waste Management Authority (ACWMA, as known as StopWaste.org) – A public agency formed in 1976 by a Joint Exercise of Powers Agreement among the County of Alameda, each of the 14 cities within the County, and 2 sanitary districts, that provide refuse and recycling collection services. The Authority has a 17-member board composed of elected officials appointed by each member agency. The Authority is responsible for preparation of the Alameda County Integrated Waste Management Plan and Alameda County Hazardous Waste Management Plan. It manages a long-range program for the development of solid waste facilities, and offers a wide variety of programs in the areas of source reduction and recycling, market development, technical assistance and public education. Funding of such programs is provided by disposal fees based on tonnage.

Allocation of expenses – The manner in which revenues and expenses are accounted for in the different service functions of the District:

- 1) Sewer Services – sewage collection, treatment and disposal. This function is further divided into:
 - Operation & Maintenance (O&M)
 - Renewal & Replacement (R&R)
 - Capital Improvement Program (CIP)

- 2) Solid Waste – Garbage collection and disposal provided under an agreement with Waste Management of Alameda County (WMAC).
- 3) Recycling Services – Recycling programs for residential and commercial customers, provided under an agreement with WMAC.

Assets – Resources owned by the District.

Asset Management – Maintaining a desired level of service for optimal asset performance at the lowest life-cycle cost. Lowest life-cycle cost refers to the best appropriate cost for rehabilitating, repairing or replacing an asset.

Authorized positions – Number of staff positions authorized for the fiscal year.

Average Dry Weather Flow – The average non-storm flow over 24 hours during the dry months of the year (May through September). It is composed of the average sewage flow and the average dry weather inflow and infiltration.

Biosolids – Sludge residual from the treatment process.

Budget – The District's financial plan for a given period of time, which includes revenues, expenses, and other expenditures that provide funding for services provided to District customers. It contains an Operating Budget and a Capital Budget.

- Operating Budget – The financial plan for non-capital revenues and expenses.
- Capital Budget – The financial plan of capital expenditures, part of the long-range plan. It applies only to Sewer Services – see Capital Improvement Program (CIP).

Capital Assets – Assets owned by the District that have a useful life of more than 1 year and cost over \$5,000. Capital assets include land, buildings, machinery, equipment, and major improvements and rehabilitation that extend the useful life of an asset by 1 year or more.

Capital Improvement Program (CIP) – Accounts for revenues, capital contributions and repayments, and allocates designated resources for capital improvements such as construction, purchases of new facilities and equipment, or major reconstruction of existing infrastructure.

Castro Valley Sanitary District (CVSD or CVSan) – Joint-owner of the Oro Loma/Castro Valley Water Pollution Control Plant (25%). Under a long-term agreement, CVSD reimburses the District for 25% of the cost of treatment plant capital improvements, and for operating costs based on flow rate.

Cogeneration – Production of energy as a result of utilizing the by-products of the solids treatment process.

Commercial & Industrial Recycling Charges – Revenues derived from commercial customers who participate in a commercial recycling program.

Contingency – Reserves included in each fiscal year budget as an allowance for unanticipated expenses.

Contract Fees – Revenues derived from the long-term agreement with the District's solid waste services provider (WMAC).

Contributions - Connection Fees – Governed by Ordinance No. 35. Connection fees represent one-time contributions of resources to the District, imposed on developers. The intent of these fees is to recover the capacity cost of sewer facilities within the existing system.

Cost of Living Adjustment (COLA) – An increase in wage compensation to offset the adverse conditions of inflation on salaries, or a provision for price increases based on the historical index of general inflation. Labor contract adjustments are based upon the Consumer Price Index-Wage Earners San Francisco-Oakland Bay Area (CPI-W) for the period of April of the preceding year through April of the current year.

Decrease in EBDA Equity – see East Bay Dischargers Authority.

Depreciation – Loss in asset value over the useful life of a capital asset as a result of wear, deterioration, or obsolescence.

District Service Charges – Revenues received from customers for sewer services, under Ordinance No. 37.

East Bay Dischargers Authority (EBDA) – A Joint Powers Authority established in 1974 by the Cities of Hayward and San Leandro, and Castro Valley Sanitary District (CVSD), Oro Loma Sanitary District, and Union Sanitary District (USD). The District's equity interest in EBDA is 19.305%. The purpose of EBDA is to manage and operate common-use areas for sewage transportation and disposal facilities for its member agencies. EBDA also holds a discharge permit, which allows the member agencies to dispose of their treated water into San Francisco Bay. The business transactions between the District and EBDA are reflected in both revenues and expenses:

- *Operating Revenues: EBDA* – Payment from EBDA to the District for the operation and maintenance of EBDA facilities by the District's personnel under a long-term agreement.
- *Non-operating Revenue: EBDA/LAVWMA Refund* – Payment from EBDA to the District for interest received by EBDA from a long-term agreement with LAVWMA. The total interest received by EBDA is distributed to the JPA member agencies based on the agreement.
- *Operating Expenses: Sewage Disposal – EBDA* – Annual provision for the District's share of EBDA expenses associated with the transportation, disposal, and administration of the EBDA disposal system.
- *Non-operating Expenses: Decrease in EBDA Equity* – Annual decrease in EBDA equity due to depreciation of EBDA assets.

Effluent – Treated wastewater.

Enterprise Fund –Accounts for operations and business activities in a manner similar to a private business, where the intent is that the costs of providing services to the general public are recovered primarily through user fees.

Fiscal Year (FY) – A 12-month financial measurement period between July 1 and June 30.

Fund – A fiscal accounting entity with a self-balancing set of accounts recording cash and other financial resources, liabilities and equity. Funds are segregated based on specific services or objectives in accordance with special regulations, restrictions, or limitations.

Technical Terms

Garbage Rates – Fees paid by customers for garbage removal services provided by the District's authorized contractor (WMAC).

Grants – Contributions by other governmental entities or organizations to provide funding for a specific project.

Grease Receiving Charges – Fees charged to customers who dispose of restaurant grease directly at the treatment plant.

Interest Income – Revenues received by the District from investments.

Landfill Fees – Measure D Revenues – The Alameda County Waste Reduction and Recycling Initiative, known as Measure D, levies a surcharge on solid waste landfilled in Unincorporated Alameda County. 50% of these revenues are distributed to cities and sanitary districts that meet criteria contained in the law. The District meets the criteria.

Lift Station – facilities to move wastewater from lower to higher elevation.

Long-Range Plan – The District maintains a long-range Construction Plan. It details planned projects by cost and target year. During each budget cycle, the planned projects for the next 2 years are moved into the budget document and the Board approves necessary funds for their implementation. The plan forecasts both capital project requirements and long-term needs for major repairs and maintenance of the sewer system (R&R).

Net Position – The difference between assets plus deferred outflow of resources, and liabilities plus deferred inflow of resources.

Non-operating – Enterprise fund revenues or expenses that are not a result of its primary service activities.

Operating Expenses – Cost incurred by the District in the course of service to customers.

Operating Revenues – Funds received by the District through its normal business operations.

Operation & Maintenance (O&M) – Accounts for revenues and expenses related to the day-to-day operations of sewer services.

Ordinance – A local law set forth by the Board of Directors.

Other or Miscellaneous – Revenues or expenses aggregated on the financial statements for accountability purposes.

Overhead Rates – The purpose of overhead rates is to recover the cost of benefits, non-productive time, and other resources, such as administration and engineering services.

Overhead Recovery – Revenues from the application of overhead rates to actual staff salaries, for time spent on projects and assignments in renewal and replacement, capital improvement projects, solid waste and recycling activities.

Permits and Inspection Fees – Fees imposed to cover the cost of issuing sewer permits, inspecting sewer work, and maintaining permanent District records. Those fees are governed by Ordinance No. 35.

Proposition 218 – Passed by California voters on November 5, 1996 with effective date July 1, 1997, it requires local governments to obtain the approval of property owners in a local ballot measure before levying a new or increased tax assessment of those property owners. In 2006, the California Supreme Court ruled that Proposition 218 applies to local water, recycling and sewer charges.

Renewal and Replacement (R&R) – Accounts for revenues and expenses associated with repairs on maintenance of collections and treatment facilities or equipment.

Rents and Leases – Revenues received from customers, pursuant to operating leases or rental agreements.

Residential Recycling Charges – Revenues received from customers for mandatory recycling services provided under AB 939, based on annual recycling charges governed by Ordinance No. 34 and collected on Alameda County's property tax bill.

Resolution – A special or temporary order of the Board of Directors. A resolution requires less formality than a statute or ordinance.

Revenues – Income received by providing services, or from investments or other sources.

Sanitary Truck Waste Charges – Revenues from the portable toilet industry, which disposes of waste directly at the treatment plant.

Sewer Rates – Fees paid by customers for sewer services. Residential customers pay a flat rate charged annually, depending on the type of residence. Commercial and industrial sewer rates are based on water consumption volume. The sewer rates for heavy industrial users also include components for biochemical oxygen demand (BOD) and suspended solids (SS).

Waste Management of Alameda County (WMAC) – As of January 1, 2012, the Agreement for Services with WMAC was amended and extended to 2024, with a 2-year extension, solely at the District's discretion, potentially followed by a 6-year extension by mutual agreement. The agreement provides for the collection and disposal of garbage, recycling, and green waste materials generated within the District's service area. As part of the program, District customers are entitled to 2 free bulky pickups per calendar year.

Acronyms

AB939

Assembly Bill AB939, the Integrated Waste Management Act of 1989, implements mandatory recycling programs in California.

ACSDA

Alameda County's chapter of the California Special Districts Association.

ACWMA

Alameda County Waste Management Authority, also known as StopWaste.org.

BOARD

The Board of Oro Loma Sanitary District, comprised of 5 elected officials.

BOD

Biochemical Oxygen Demand, a measurement of the strength of wastewater.

CAFR

Comprehensive Annual Financial Report.

CalPERS

California Public Employees Retirement System.

CASA

California Association of Sanitation Agencies, a non-profit organization ensuring clean water for California.

CCTV

Closed circuit television.

CEPT

Chemically Enhanced Primary Treatment, the addition of chemicals (ferric chloride/polymer) to increase the effectiveness of pollutant removal.

CEQA

California Environmental Quality Assessment, which provides for legal review by regulatory agencies of the general public.

CIP

Capital Improvement Program.

CIWQS

California Integrated Water Quality System.

COLA

Cost of Living adjustment.

CPI

Consumer Price Index.

CPI-U

Consumer Price Index, for all urban consumers.

CPI-W

Consumer Price Index, for wage earners.

CPVC

Chlorinated Polyvinyl Compound (plastic pipe).

CSRMA

California Sanitation Risk Management Authority, a JPA that provides the majority of the District's insurances.

CVSD

Castro Valley Sanitary District, a joint-owner of the Water Pollution Control Plant (25%).

CWEA

California Water Environment Association, a professional organization issuing certification for various trades.

DWF

Dry Weather Flow.

EBDA

East Bay Dischargers Authority, a JPA that provides effluent disposal services for its 5 member agencies.

EPA

Environmental Protection Agency of the United States, a federal regulatory agency.

FASB

Financial Accounting Standards Board.

FY

Fiscal Year.

GIS

Geographic Information System.

GAL

Gallon, a unit of liquid volume.

GASB

Governmental Accounting Standards Board.

GFOA

Government Finance Officer Association of United States and Canada, a professional organization for finance.

H₂S

Hydrogen Sulfide, a corrosive substance commonly found in sewer systems and treatment works.

HDPE

High-density polyethylene.

HVAC

Heating, ventilation, air conditioning.

I/I

Inflow/Infiltration; water that enters the wastewater flow from the environment, rather than from a plumbing system.

JPA

Joint powers authority, a separate public agency formed pursuant to a joint exercise of powers agreement.

KW

Kilowatt, a measure of power.

KWH

Kilowatt-hour, a measure of energy.

LAIF

Local Agency Investment Fund.

LAVWMA

Livermore-Amador Valley Water Management Agency, a JPA that provides effluent disposal for Tri-Valley agencies and discharges effluent into the EBDA pipeline.

MGD

Million gallons per day.

MOU

Memorandum of Understanding, an agreement between labor groups and the District.

NAICS

North America Industry Classification System (NAICS Codes), universal numbering method that helps identify the industry affiliation of a company.

NPDES

National Pollution Discharge Elimination System, a federally mandated program to allow the District to discharge its effluent.

O&M

Operation and Maintenance.

OLSD

Oro Loma Sanitary District.

PDGC

Pipeline Defect Grading Criteria.

P.E.

Professional Engineer.

PLC

Programmable Logic Controller, an electronic device that provides preset controls for plant equipment.

PWE

Present worth of expenditures.

PWWF

Peak wet weather flow.

R&R

Renewal and Replacement Program.

RAS

Return Activated Sludge; sludge that settles in the secondary clarifier and is returned back to the aeration system.

Acronyms

SCADA

Supervisory Control and Data Acquisition, description of the functions and abilities of the treatment plant's computer system.

SFRWQCB

San Francisco Regional Water Quality Control Board, the local water quality regulatory agency.

SIC (codes)

Standard Industrial Classification (SIC codes), universal numbering method that helps identify the industry affiliation of a company.

SS

Suspended Solids, measurement of residual solids, a method for determining sewage strength and treatment plant efficiency.

SSMP

Sewer System Management Plan.

SSO

Sanitary sewer overflow.

VCP

Vitrified clay pipe.

WAS

Waste Activated Sludge; sludge that is removed from the activated sludge system each day, as part of the treatment process.

WMAC

Waste Management of Alameda County.