

2009/10 ANNUAL REPORT

Fiscal Year Annual Report 2009/10 | July 1, 2009 - June 30, 2010
Castro Valley Sanitary District, California



General Manager's Message

Welcome to the seventh installment of the District's Annual Report and calendar. As you can see, this calendar format is different from the previous offerings. This year we are paying tribute to the wonderful art pieces we have received over the years. We are proud and honored to present this "collection" of past works for your enjoyment. The recycled art contest has been an impressive display of the creativity that is here in Castro Valley. While CVSD will be going in a different direction with the calendar next year, we encourage schools and



local arts organizations to continue to support the up-and-coming artists in our midst.

On another note, the past year has been challenging and exciting for the District. As you will see in this annual report, CVSD has been busy providing the very best service possible for our community today, but also well into the future. We continue to strive to be a leader in the wastewater and solid waste fields. We aim for superior customer service, innovative programs and the highest quality of service possible. This is evidenced by the already completed projects from our Collection System Master Plan, including those on Heyer Avenue, Lake Chabot Road and Quail Avenue. We also partnered with Alameda County to include necessary sewer line replacements as part of the long-awaited Streetscape project. These projects will help ensure continued wastewater service of the highest caliber for the next 50 to 100 years.

We are committed to our mission to provide quality service to the community of Castro Valley both now and in the future. We hope you enjoy reading this Annual Report, and we welcome your feedback. ●



ROLAND P. WILLIAMS, JR.
General Manager

Community Group Outreach



Outreach and education is important to CVSD. In 2009/2010, we reached approximately 700 Castro Valley residents and business people through various speaking engagements. Our agency provides Community Group Outreach (CGO) speakers with presentations such as, "How Do I Practice the 4Rs in Castro Valley?". Topics within this theme included waste reduction, recycling, and what happens to organics after they are collected at the curb. ●

Milestones and Advancements

- On July 25, 2009, the District celebrated its 70th year of operation!
- Roland Williams, General Manager, was reelected Vice Chair of the East Bay Regional Park District Park Advisory Committee.
- Naomi Lue, Solid Waste Coordinator, received Professional Certification in Resource Management from the California Resource Recovery Association (CRRRA). In addition she was designated by the Solid Waste Association of North America (SWANA) as a Certified Municipal Solid Waste Management Systems Manager.
- Tyree Jackson was promoted from Engineering Technician to Interim Collection System Maintenance Supervisor. In addition, he received Collection System Maintenance Technical Certification—Grade II from the California Water Environment Association (CWEA).
- Elliott Johnson, Engineering Technician,

completed coursework in the Supervisor Development Program through Alameda County.

- Pat Kreyve, Administrative Assistant, received Collection System Maintenance Technical Certification—Grade I from CWEA.
- Mary Jeyaprakash was promoted to Administrative Technician.
- Gilbert Espinoza was hired as a Collection System Maintenance Worker.

Awards

The Castro Valley Education Foundation selected CVSD as a recipient of their 2010 Friend of Education Award. The Foundation presents this award to people and organizations making significant contributions to the public schools in Castro Valley.

CVSD also won the 2010 Bronze Communication Excellence Award from SWANA for their website redesign. CVSD is proud of its efforts to expand its public communication and make paperless information

accessible to single and multi-family residents, businesses, schools and colleagues. ●



Safety Trainings

Safety is of the highest importance at CVSD. Staff conducts meetings every two weeks on topics such as earthquake safety, heat illness prevention and electrical safety. We also require our employees to be First Aid and CPR/AED(Automated External Defibrillator)-certified. As of June 30, 2010, District staff worked more than 1600 days without losing time due to an accident! ●

Volunteer Recognitions & CAC

CVSD's job is made easier by all of the dedicated volunteers who assist every year with our events and projects. The Board of Directors recognized the following volunteers at a dinner on December 14, 2009 at Don Jose's Mexican Restaurant in Castro Valley:

Community Advisory Committee (CAC) members Aileen Chong-Jeung, Pete Chroman, Wanda Davis, Anthony Graves, Allyson Hahn, Edie Lee, Lucille Lorge, Dave Sadoff, Guy Sandoval, Cliff Sherwood and Gary Wolff. Serena Foxworthy and Ernie Castiaux joined the Committee in early 2010. The CAC meets nine times per year to provide valuable input to staff and the Board regarding events and projects going on at CVSD.

Other volunteers include Carl and Cora Owens, Travis Summers and Brian Fay; the Graffiti Team made up of students from A Shepherd's Heart Christian School lead by Don Moschella; students from Castro Valley Adult School's Adults With Disabilities program, and Art Contest judges Karina Simpson, Richard Rensberry and Natasha Neves. ●



WASTEWATER OPERATIONS



Master Plan Projects Completed



One new sewer was constructed to enlarge an existing one along Lake Chabot Road between Carmel Drive and Christensen Lane. The second new sewer was constructed along Lake Chabot Road from Christensen Lane to Quail Avenue, then extended northward along Quail Avenue and Walnut Road to Vineyard Road. ●



The District's first Master Plan Priority 2 project was completed in the fall of 2010. This project increased the sewer capacity along Lake Chabot Road, north of Christensen Lane, with construction of two new sewers. District crews began construction on another Priority 2 project at approximately the same time: the Streetscape Trunk Sewer Project, a joint effort with the Alameda County Redevelopment Agency's Castro Valley Streetscape Program.

Streetscape Agreement Reached



Alameda County Redevelopment Agency's Castro Valley Streetscape Program along Castro Valley Boulevard provided an opportunity to increase the capacity of sewer pipes in the area. The District reached an agreement with the Redevelopment Agency to combine the two projects, reducing overall costs of the project for both agencies. Project construction started in October 2010. ●

Fats, Oils and Grease (FOG)

CVSD's FOG control program is aimed to curb the amount of fats, oils and grease that is discharged into the sanitary sewer by restaurants and other Food Service Establishments (FSEs). The purpose of the program is to prevent FOG-related Sanitary Sewer Overflows (SSOs). The key elements of the program include identifying problem areas or "hot spots," creating awareness through public outreach, analyzing reports and conducting routine inspections. CVSD employees began conducting preliminary inspections in May of this year. As of September 2010, staff had inspected 91 out of 160 FSEs in Castro Valley. ●

Sutter Medical Center Project

CVSD recently approved plans for construction of sewer infrastructure for the newly retrofitted Sutter Medical Center Castro Valley. The sewer system will consist of approximately 1,200 linear feet of pipe and will connect the recently constructed six-story hospital tower and four-story medical office building to the publicly owned collection system located on Lake Chabot Road. ●



Dental Amalgam Program

In February 2010, CVSD adopted an ordinance incorporating the Dental Amalgam Program to reduce the amount of mercury that is discharged into the San Francisco Bay. There are five main requirements of the Program:



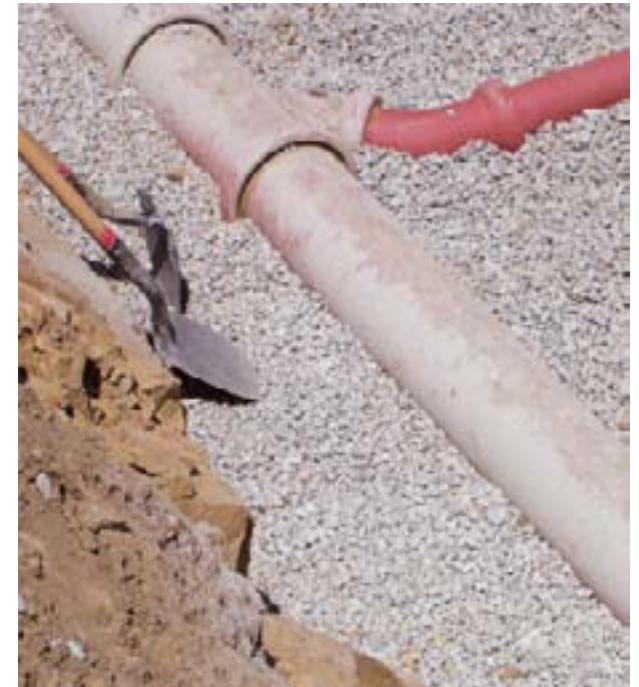
1. Use of best management practices;
2. Installation and maintenance of an approved amalgam separator;
3. Submittal of documentation as proof of compliance;
4. Training of staff and maintenance of related training records for 3 years;
5. Coordination with CVSD staff to inspect the dental facility.

As of June 30, 2010, a representative from every dental office in Castro Valley was required to submit a self-certification form, stating that staff followed all best management practices. Dental offices are also required to install an approved amalgam separator by January 1, 2011. ●

Sanitary Sewer Upgrades

CVSD will soon embark on its largest Treatment Plant and Collection System Capital Improvement Projects ever. A total of \$25 million in upgrades to the District's sanitary sewer infrastructure are anticipated over the next four years. These projects will be funded by a combination of Wastewater reserve funds and the State of California Revolving Fund Program.

CVSD has had a long-standing policy of "pay-as-you-go" for capital acquisitions. During this fiscal year, the Board altered the Strategic Goal slightly to read "pay-as-you-go whenever fiscally prudent." ●



SOLID WASTE DEPARTMENT



New Contract Transition & Quality Control Audits



At the September 15, 2009 Town Hall meeting, CVSD introduced a solid waste service Quality Control Plan to review Waste Management of Alameda County, Inc.'s (WMAC) service levels. This review occurred both on the street and when residents and businesses called the company's customer service phone numbers. Staff conducted 31 Quality Control Audits between September 2009 and May 2010, and their findings indicated a marked improvement over the previous year. We continue to be dedicated to high quality service in recycling, organics, garbage collection, and customer service related to all of these programs. We will continue the audits to ensure our community receives excellent service for the duration of the WMAC contract and beyond. ●

Plant Debris Banned from Landfill

Effective January 1, 2010, the Alameda County Waste Management Authority prohibits the disposal of plant debris in landfills. When plant debris is self-hauled to an Alameda County disposal facility, it must be free of garbage and recyclables and must be unloaded in designated organics areas. Plant debris includes grass, leaves, shrubbery, vines, tree branches and trimmings (excluding palm trees).

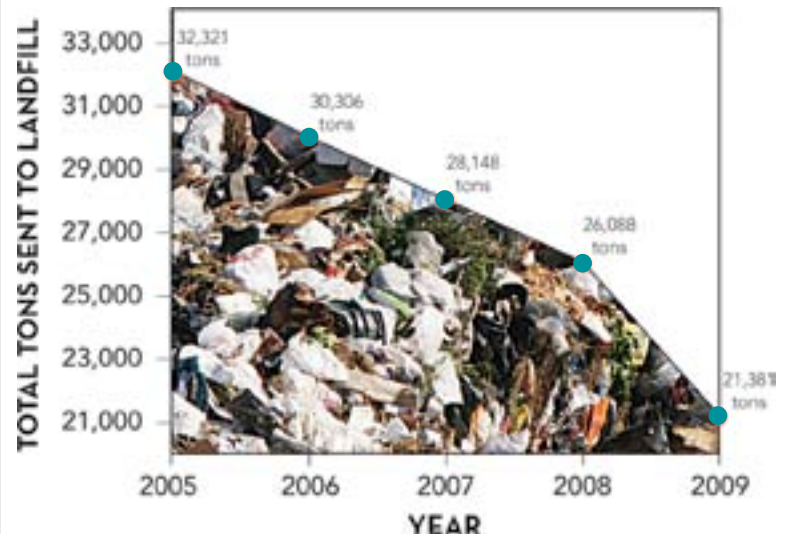


Those who don't comply are subject to fines or to penalty surcharges on their dump fees. For more information, visit www.stopwaste.org and click on "Landfill Ban." ●

Less Garbage Sent to Landfill

The amount of garbage sent to landfill from Castro Valley has continued to decrease. On average, residents and businesses sent 2,735 fewer tons to the landfill each year for the past five years! Between 2008 and 2009 CVSD did even better, and reduced garbage sent to landfill by 4,707 tons!

The State of California used to look at "diversion rates" reported by jurisdictions. These rates—designed to give a percentage for a jurisdiction's effectiveness at recycling and composting—were based on a complex set of calculations. California now measures the success of recycling and other forms of waste reduction in terms of per-capita garbage disposal. In July 2009, Unincorporated Alameda County reported to the State that it disposed 3.6 pounds per person per day in 2008—well below the target of 4.9 lbs./person/day. ●



“How Do You Practice the 4Rs?” Contest

From August through October 2009, Castro Valley residents and businesses shared creative solutions to the question, “How do you Reduce, Reuse, Recycle or Rot at home or work?” Winning entries appeared in the Castro Valley Forum and earned their authors \$100.00 and a recycling kit.

The theme of the first week was Reduce. Winner Joy Davis wrote, “When I go out to eat, instead of putting leftovers in [foam plastic] or other disposable containers, I pull out my own food containers and cloth bag.”



Evelyn Di Salvo responded to the Reuse theme of the second week with, “Cloth shopping bags are ... the new purse, glass bottles are ... the new vase, and empty egg cartons may just be the planter for your new herb garden.”

Week three’s theme was Recycle, to which Julie Gard responded, “We didn’t realize until recently that you could recycle all kinds of clear plastic along with plastic bags. For an easy solution, I decided to hang a bag near my recycling bin to drop plastic into throughout the week.”

Janet Soon (week four on the theme of Rot) wrote, “I take the grease from cooking and put it in a bowl. I add my used paper towels to absorb the grease, and from there it goes in my curbside green container.” ●



Business Recycling Recognition Program

With the new “4R Business, 4R Planet” award program, high-performance recyclers get the recognition they deserve for being a company where green practices are business as usual. Businesses earn stars for reducing waste and can earn their first just by recycling. They can go on to collect three more stars—one for each category of waste reduction. To be a 4R Star, businesses

must start and maintain at least one activity in each of the following categories: Recycle—participate in the commercial recycling program Reuse—implement a waste reduction activity in which an item’s original form is retained but often re-purposed Reduce—do something to prevent waste from being created in the first place Rot (or Represent, Replicate, or Reciprocate)—participate

in the organics composting program. Other options include serving as a spokesperson, helping another business reduce waste or giving back to the community.

4R Star businesses receive a framed certificate, a free advertisement in the Castro Valley Forum, and are recognized on Castro Valley Sanitary District’s website, www.cvsan.org. ●

Donations from the District

CVSD recently made available a newly updated Donation Request Form. Interested parties can access it online or in the District office. It is intended for schools, businesses, individuals and non-profit organizations within the Castro Valley Sanitary District. Using the form, members of the community can request supplies, such as different sizes of recycling or organics containers, or printed signage for easy sorting. In 2009/2010, approximately 110 people and organizations received supplies from us for promoting waste reduction in Castro Valley.

Together with representatives from Waste Management of Alameda County, Inc (WMAC), CVSD staff provided free on-site assessments and indoor recycling containers to businesses and multi-family complexes. The goal was to help them implement sustainable recycling programs and to lower their bills.

In addition, StopWaste.Org supplied CVSD with a supply of open-air food scrap recycling pails at no charge.

Upon request, the District supplied the open-air pails to groups and individuals throughout the year.

More than half of the schools in CVSD participated in the District’s donation program. With assistance from the District, schools now recycle or compost an average of 58% of the solid waste they generate.

Some other items donated during the fiscal year included compost, mulch, compostable serveware, WMAC drop boxes, ClearStream® recycling containers, recycling and compostable bags, and motor oil funnels and sponges. ●



FINANCIAL POSITION



New Financial Auditors

Near the beginning of fiscal year 2009/2010, CVSD entered into a multiyear auditor agreement, securing the services of Oakland firm Caporicci & Larson CPA, to perform an independent audit of our accounting processes and records. The District undertook a full-scale competitive process for the selection of these services. The Government Finance Officer Association (GFOA) has no mandatory recommended best practice for auditor rotation; however, based on recommendations by the Budget and Long Range Planning Committee, CVSD decided to rotate auditing firms every 5 years in order to keep a fresh perspective. ●



Fiscal Year 2009/2010 Revenues & Expenses



2009/10 Revenues

57.1%	●	Service Charges and Fees.....	\$5,259,576
0.1%	●	Permits and Inspection Fees.....	\$12,070
9.8%	●	Contract Administration Fees.....	\$906,451
0.4%	●	Other Operating Revenues.....	\$33,068
2.8%	●	Aid From Other Governmental Agencies.....	\$258,783
21.3%	●	Connection Fees.....	\$1,962,310
6.3%	●	Property Taxes.....	\$576,893
1.0%	●	Interest Income.....	\$90,965
1.2%	●	Other Nonoperating Revenues.....	\$107,380
100%		Total Revenues.....	\$9,207,496



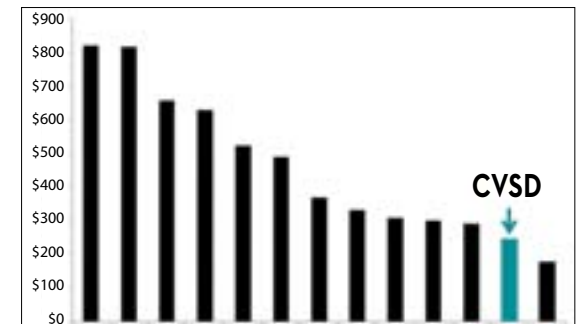
2009/10 Expenses

17.1%	●	Wastewater Collection.....	\$1,384,719
34.4%	●	Wastewater Treatment.....	\$2,789,857
21.6%	●	Capital Improvement Projects.....	\$1,745,834
3.5%	●	Solid Waste Disposal.....	\$285,719
2.7%	●	Solid Waste Diversion - Measure D.....	\$220,887
20.1%	●	Administration and General.....	\$1,624,295
0.5%	●	Decrease (increase) in Equity of EBDA Joint Powers.....	42,524
0.1%	●	Other Nonoperating Expenses.....	\$6,661
100.0%		Total Expenses.....	\$8,100,496

SSC Adjustment & Comprehensive Audit

CVSD's residential sewer service charge (SSC) of \$233 is substantially lower than the Alameda County average of \$437 and the statewide average of \$352 per year. The new rate of \$245 per year that began July 1, 2010 remains the second lowest in Alameda County. Rates for non-residential units are based on 36 classifications. For a complete listing of rates, visit www.cvsan.org or call (510) 537-0757. ●

Sewer Service Rate Comparison for Single Family Residences in Alameda County



Solid Waste Rates

Effective July 1, 2010, monthly single-family residential solid waste rates for curbside cart services were as follows:

20-gal. garbage	32-gal. garbage	64-gal. garbage	96-gal. garbage
\$19.92	\$30.89	\$53.65	\$76.45

In addition to the selected garbage cart, services included a 64- or 96-gallon recycling cart and a 64- or 96-gallon organics cart—all serviced once per week.

Monthly multi-family residential and commercial solid waste rates for once per week bin services were as follows:

1-yd. recycling 1-yd. garbage (2 yds. of service)	2-yd. recycling 2-yd. garbage (4 yds. of service)	3-yd. recycling 3-yd. garbage (6 yds. of service)	4-yd. garbage (4 yds. of service)
\$218.54	\$404.88	\$581.62	\$489.43

State Borrows \$47,000 from CVSD

California voters passed Proposition 1A in 2004 to ensure revenues remain with local government for public safety, health, libraries, parks and other services. However, if the Governor declares a fiscal necessity and two-thirds of the Legislature concurs, the Proposition may be suspended. This occurred during the 2009-10 budget process due to shortfalls at the state level. During this time, the State of California borrowed 8% of the District's supplemental revenue. ●



Grant Funds - Background and Uses

Have you ever seen, "Funded by Measure D" and wondered what it was? Following is a bit more background on Measure D and a few other waste reduction-related funding sources:

Measure D: An \$8.17 surcharge on every ton of garbage sent to an Alameda County landfill to fund waste reduction and recycling programs

Used Oil: A State grant for activities to recycle used oil and filters, and reduce illegal disposal

Beverage Container Recycling: A State grant for beverage container recycling and litter abatement activities

Import Mitigation: Fee payments on waste imported into Alameda County for specified non-residential waste reduction purposes

Last fiscal year, CVSD saw a reduction in grants and other forms of funding. Staff strategically managed the restricted funding and used it for programs that maximize source reduction, recycling and composting programs. ●

BOARD OF DIRECTORS

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Dennis M. Waespi	President Pro Tem
Ralph Johnson	Secretary
Timothy McGowan	Secretary Pro Tem
Daniel M. Akagi	Board Member

STAFF

Administration Department

Roland P. Williams, Jr.	General Manager
Janette M. Stuart	Administrative Services Supervisor
Barbara C. Nagy	Administrative Assistant
Pat Kreyev	Administrative Assistant
Stacy Marcoux	Administrative Assistant
Christine Rasmussen	Office Assistant

Collection System Maintenance Department

Tyree Jackson	Interim Collection System Maintenance Supervisor
Greg Williams	Sr. Collection System Maintenance Worker
Kevin Dip	Collection System Maintenance Worker
Lorenzo Grayson	Collection System Maintenance Worker
Gilbert Espinoza	Collection System Maintenance Worker

Engineering Department

Jeff Lewandowski	District Engineer
Run Chen	Associate Engineer
Elliott S. Johnson	Engineering Technician
Landon Lochrie	Engineering Technician
Melody Knapp	Engineering Technician
Mary Jeyaprakash	Administrative Technician
Sean Lamont	Engineering Intern

Solid Waste Department

Naomi R. Lue	Solid Waste Coordinator
Michelle Jeffery	Solid Waste Specialist
Ashlyn Bhavna	Solid Waste Program Intern
Faustina Mututa	Sustainability Intern