General Manager’s Message

Thank you for taking a few moments to read through the annual report for fiscal year 2012/2013, covering July 1, 2012 through June 30, 2013. As you read through the report, you will notice that CVSan continues to be a leader in the wastewater and solid waste industries. Even when we are faced with unexpected challenges, CVSan responds. In November 2012 CVSan and the community lost a long-time leader in Board Member Harry Francis, who passed away on November 4th.

CVSan promptly enabled a process that resulted in the appointment of Ms. Melody Appleton on December 11, 2012. This diligent action by the Board of Directors kept CVSan running smoothly during a difficult time. We look forward to continuing to provide high-quality service to the community of Castro Valley.

ROLAND P. WILLIAMS, JR. General Manager

Projects Completed and In Progress

It has been a productive year for CVSan’s Engineering Department: In November 2012, the C.V. Blvd. Streetscape project formally ended construction, and the sidewalk opened to the public. In February 2013, CVSan received bids for the Master Plan Priority 1 Phase 2 project, a compilation of spot repairs and line segment replacements at five locations throughout Castro Valley. In the summer of 2012, CVSan purchased new equipment in order to perform flow monitoring studies. Previously, CVSan had to retain the services of a specialized consultant to perform this monitoring. Data will support the District’s continued assessment of the collection system and identify potential deficiencies.

Website Improvements

We hope all residents will sign up for our email lists, via our website, to receive information on various programs and opportunities with CVSan. You can choose which categories to subscribe to and update your choices at any time. Keep extra current with CVSan via Facebook or Twitter.
Fiscal Year 2012/2013 Milestones, Advancements & Awards

- CVSan celebrated seven years of no-loss days due to accidents.
- CVSan received second place at the Rowell Ranch Rodeo Parade in the commercial float category (shown below).
- CVSan’s Reduce Your Waste Size program received an Honorable Mention from California Association of Sanitation Agencies (CASA) in the Public Outreach and Education award category.
- Jordan Figueiredo was promoted to Solid Waste Specialist.
- Christine Summers was promoted to Administrative Technician.

- Michelle K. Wu was promoted to Solid Waste Specialist.
- Roland Williams, General Manager, presented at the California Water Environment Association (CWEA) Annual Conference regarding team building.
- Naomi Lue, Solid Waste Supervisor, presented at the California Resource Recovery Association (CRRA) Annual Conference regarding CVSan’s website redesign.
- Jordan Figueiredo, Solid Waste Specialist, presented at the CRRA Annual Conference regarding CVSan’s school programs.

- Melody Knapp and Landon Lochrie, Engineering Technicians, earned a Permit-Required Confined Space Standard and Permit-Required Confined Space Entry certifications from OSHA.
- Roland Williams, General Manager, chaired the CWEA Safety Day.
- Roland Williams, General Manager, served on the California Sanitation Risk Management Authority’s (CSRMA) Workers Comp. and Finance Committees.

- Melody Knapp and Landon Lochrie, Engineering Technicians, earned a Permit-Required Confined Space Standard and Permit-Required Confined Space Entry certifications from OSHA.

Nutrient Pollution Standards Under Review

Nutrients (a seemingly innocuous term) pose a hazard when discharged into natural water bodies such as the Bay. Nutrient pollution is found in outflow from agriculture, septic tanks, urban wastewater (particularly human waste), storm water runoff, industry, and fossil fuel combustion. You can access the most recent effluent monitoring report from East Bay Dischargers Authority’s (EBDA) website at www.ebd.org/compliance. In the upcoming fiscal year, EBDA will be coordinating with the State to renew its National Pollutant Discharge Elimination System (NPDES) Permit; see www.waterboards.ca.gov/water_issues/programs/npdes/.

4R Business, 4R Planet Program Participation Takes Off!

In 2009, CVSan implemented the 4R Business, 4R Planet Recognition Program to certify 4R Star businesses that complete activities in each of the 4R categories - Reduce, Reuse, Recycle, and Rot (organics). Over 60 businesses have now been certified and have received their 4R Star award, recognition, free Castro Valley Forum advertisement, and cash incentives. For more information, please visit www.cvsan.org/BecomeA4RStar.
Construction Progress

As part of CVSan’s Master Plan Update, five areas were identified for sanitary sewer improvements. The project, Master Plan Priority 1 Phase 2 Sewer Improvements, was completed by Livermore’s J&M Pipeline, Inc in July 2013. Approximately 528 feet of existing 6” pipe was replaced with 8” pipe; in addition 1,060 feet of 8” pipe and 117 feet of 12” sewer pipe was removed and replaced. This project is vital to the District’s commitment to provide safe, efficient, and effective wastewater management.

Lateral Replacement Grant Program

CVSan’s Lateral Replacement Grant Program (LRGP) has completed its 14th successful year, and continues to offer financial assistance to residents throughout Castro Valley whose private sewer laterals need replacement. During FY 2012/13, CVSan granted $50,000 to qualified home owners who replaced nearly 1,500 linear feet of private lateral pipe.
Wet Weather Flow Metering

CVSan began its 2012/2013 wet weather flow monitoring program in November and completed it in the Spring. The purpose of this program is to measure flows and use those measurements to determine where ground water and storm water run-off are infiltrating into our in sewer pipes. CVSan installed eight flow meters in strategic locations throughout the sewer system. The meters were installed using a customized remote installation tool as well as physically entering the manholes.

Entering some of the 3,500 manholes in the Castro Valley sanitary sewer system, the sewer manholes on this project range from 4 feet up to 15 feet in depth and have an interior diameter of 4 to 5 feet. Once in the manhole, the flow meter sensor uses radar and pressure measurements to calculate the flow going through the sewer pipe at any given time. These meters automatically collected the data around the clock and stored the data onsite inside the meter. CVSan will now use the collected data to assess proposed pipeline infrastructure improvement projects moving forward.

Sewer Overflows and Emergency Response

CVSan reported 10 incidents of sanitary sewer overflows over the last year, totaling an estimated 30,000 gallons. Fortunately, none of the reported spill events resulted in damage to the environment — a fact attributable to timely notification from CVSan residents, as well as quick and effective response by CVSan’s maintenance personnel.

Overall, CVSan remains well below both the State and Regional municipal averages for total volume discharged per year: 230 gallons per year, as opposed to the 640 gallon per year and 2,200 gallon per year averages for the State and the SF Bay region, respectively. CVSan has invested additional resources and implemented new maintenance and inspection technologies to help reduce and prevent the occurrence of sewer overflows.

Pipeline Maintenance Program Highlights

CVSan embarked on an aggressive approach to maintaining sewer pipelines over the past fiscal year. Maintenance operations have seen an increase in each of the five sectors of pipeline maintenance — up almost 10% from the previous program year. Cleaning and root removal activity increased by more than 40%, with the majority of efforts targeted toward pipelines known to have poor flow conditions and that are prone to blockages. CVSan maintenance personnel logged over 502,000 linear feet (95 miles) of maintenance and 23,000 linear feet (4.5 miles) of inspection annually. CVSan will continue an aggressive maintenance and inspection effort in order to further reduce the incidences and impact of sewer blockages and overflows.
Collection Events

CVSan presented two free Recycle and Compost Give-Away events on 8/11/12 and 4/27/13 in conjunction with Waste Management of Alameda County (WMAC).

Over 2,300 CVSan residents and business owners recycled:
- 23,357 pounds of e-waste
- 1,216 pounds of fluorescent bulbs
- 2,400 pounds of household batteries
- 660 gallons of latex paint
- 20,000 pounds of sensitive documents
- 87 mattresses
- 89 tires
- 380 pounds of cardboard.

In addition, 684 pounds of pharmaceuticals were collected, and 8,040 bags of compost and 701 used-oil recycling kits were distributed to event attendees.

School Food Scrap Recycling Success

As of spring 2013, with the addition of Redwood Alternative High School, all 14 Castro Valley Unified School District (CVUSD) schools and the District Offices participate in food scrap recycling.

CVUSD now belongs to an elite and very small group of school districts in the United States that have every school participating in elective recycling and food scrap recycling programs. That’s an A+!

Landfill Tonnages Continue to Trend Down

Keep up the good work, Castro Valley! The amount of garbage sent to landfill from CVSan’s service area continues to decrease and organics materials collected have increased! Over the past seven years, Castro Valley residents and businesses have reduced their garbage sent to the landfill by 57%.

Unincorporated Alameda County reported an individual disposal rate of 2.7 pounds per person per day in 2012 – well below the target of 4.9 pounds. (The State of California measures the success of waste reduction in terms of per-capita garbage disposal).
Over 80% of Castro Valley Sanitary District (CVSan) businesses now reduce waste – and often costs – by subscribing to recycling service. Recycling costs less than garbage and covers more than you might think. In addition to paper, bottles, and cans, businesses can also recycle plastic containers, aluminum foil, and even plastic wrap and bags. For more, please visit www.cvsan.org/BizRecycling.

Multi-Family Organics

CVSan staff, in coordination with the WMAC Recycling Coordinator, completed a roll-out of 11 Multi-Family dwelling food scrap recycling (FSR) programs last year. 140 units received a food scrap pail or information to pick-up a free pail at CVSan with food scrap recycling tips. In June 2013, CVSan was awarded an Altamont Education Advisory Board multi-year project grant for $15,800. The main objective is to achieve 50 sustainable FSR programs in the next three years. The funding provides for food scrap pails and outreach materials.

Cart Recall Completed

During November through December 2012, CVSan’s cart manufacturer, Rehrig Pacific Company, completed a voluntary Manufacturer’s Cart Recall at no cost to CVSan or its community. Over 40,000 carts were inspected and, 12,251 carts were swapped. CVSan residents placed all three carts curbside to be inspected during designated weeks which helped make the process smooth and successful. The exchange of the affected carts extends the life of CVSan’s carts and benefits our community. Rehrig recycled the old carts.
CVSan Fiscal Report

CVSan has the second lowest Sewer Service Charge (SSC) rate in Alameda County. CVSan’s detailed budget allows staff to monitor expenses daily. These practices, along with conservative fiscal policies, help keep your SSC rate low. CVSan has a long history of pay-as-you-go capital improvement projects. Our reserves have grown over the past few years in order to fund upcoming infrastructure projects.

FY 12/13 Revenues & Expenses

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Charges and Fees</td>
<td>$5,637,070</td>
</tr>
<tr>
<td>Permits and Inspection Fees</td>
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<tr>
<td>Contract Administration Fees</td>
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<tr>
<td>Aid From Others/Grants</td>
<td>$340,600</td>
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<td>Connection/Annexation Fees</td>
<td>$5,100</td>
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<td>Property Taxes</td>
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<tr>
<td>Interest Income/Other</td>
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<tr>
<td>Total Revenues</td>
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<table>
<thead>
<tr>
<th>Expenses</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Wastewater Collection</td>
<td>$3,060,299</td>
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<tr>
<td>Wastewater Treatment</td>
<td>$1,552,268</td>
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<tr>
<td>Wastewater Disposal</td>
<td>$1,057,894</td>
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<tr>
<td>Administration and General</td>
<td>$1,478,950</td>
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<tr>
<td>Renewal and Replacements</td>
<td>$510,090</td>
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<tr>
<td>Other Nonoperating Expenses</td>
<td>$5,000</td>
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<tr>
<td>Surplus to Reserves</td>
<td>$76,002</td>
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<tr>
<td>Capital Improvement Projects</td>
<td>$1,704,250</td>
</tr>
<tr>
<td>Funded From Reserves</td>
<td>-$1,704,250</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$7,952,720</td>
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</tbody>
</table>
Garbage & Recycling Rates

Effective July 1, 2013, monthly single-family residential solid waste rates for curbside cart services are as follows:

<table>
<thead>
<tr>
<th>Garbage &amp; Recycling Rates</th>
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</thead>
<tbody>
<tr>
<td>20-gal. garbage</td>
</tr>
<tr>
<td>32-gal. garbage</td>
</tr>
<tr>
<td>64-gal. garbage</td>
</tr>
<tr>
<td>96-gal. garbage</td>
</tr>
</tbody>
</table>

In addition to the selected garbage cart, services include 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 are as follows:

<table>
<thead>
<tr>
<th>Recycling Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 cu yd recycling</td>
</tr>
<tr>
<td>2 cu yd recycling</td>
</tr>
<tr>
<td>3 cu yd recycling</td>
</tr>
<tr>
<td>4 cu yd recycling</td>
</tr>
</tbody>
</table>

Special Assessment for Delinquent Accounts

Last year, CVSan completed the first Special Assessment for delinquent solid waste charges (recycling, organics, and garbage). In order to ensure all residents paid their fair share for services, bills 120 days past due as of July 1, 2012 were subject to the Special Assessment process and placed on the Alameda County property tax roll.

New Fee

Starting in August 2013, you may have noticed a new fee from StopWaste on your Waste Management bill. This fee supports an annual “benchmark” information service to reduce waste. The first report will arrive shortly after in 2014. For more information, please visit www.stopwaste.org/benchmark.

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