



SANI 5 • NEWS

IMPORTANT INFORMATION FROM YOUR SANITARY DISTRICT ■ April 2010



Our Job: Protect Public Health and the Environment

Sanitary District No. 5 provides essential services around the clock, 365 days a year.

We all want a clean and healthy Bay, and Sanitary District No. 5 plays a critical role in maintaining and improving Bay water quality. We do this by collecting wastewater and transporting it through pipelines, then treating wastewater and safely discharging it to the Bay.

Your sanitary district also supports and carries out pollution prevention programs.

For example, we help residents and businesses properly dispose of hazardous wastes and keep pharmaceuticals from being flushed into the environment.

Wastewater collection and treatment works so effectively that people never need to think about it.

But, our sanitary system is aging and requires increasing maintenance and upgrades to avoid sewage spills and to meet increasingly strict regulations.

Rate Change Proposed for Environmental Compliance

Our community's sanitary system requires upgrades and improvements to meet stringent regulations designed to protect the Bay. Our current sewer system service charge is not sufficient to meet all operational needs, let alone invest in essential improvements.

Following an exhaustive analysis by staff, the Board of Directors, and an independent finance consultant, a series of rate increases is proposed. The increased revenue will allow our district to:

- Comply with increasingly expensive regulations
- Make needed capital improvements
- Lower long-term maintenance and treatment costs
- Avoid spills and protect Bay water quality
- Protect public health

SANITARY DISTRICT NO. 5 VALUES YOUR QUESTIONS AND COMMENTS. PLEASE CONTACT US AT:

EMAIL: info@sani5.org

PHONE: 415/435-1501

WEB: www.sani5.org

INCREASE IN SEWER SERVICE CHARGE PROPOSED

SEE INSIDE FOR MORE INFORMATION ABOUT A PROPOSED RATE INCREASE AND OTHER IMPORTANT POLLUTION PREVENTION ISSUES

Leaders in Community Environmental Protection

Every single resident and business of Tiburon and Belvedere depends on quality service from Sanitary District No. 5 to manage the wastewater that each of us flushes and drains away every day. A complex sanitary system must be maintained around the clock to ensure that the community's wastewater is collected, treated, and disposed of safely to protect our health and the Bay environment.

Working to Keep Costs Down

Long-Term Planning Lowers Costs and Improves Quality

Sanitary District No. 5 of Marin County has developed a ten-year capital improvement program based on a systematic evaluation of the pumps, pipelines, communication systems, treatment plants, outfalls, and other facilities. The plan outlines all the improvements needed over time and sets them out in priority order.

Ongoing Cost Reduction Successes

The District has worked hard to keep costs down while providing quality service. A few of the more notable examples of cost savings include:

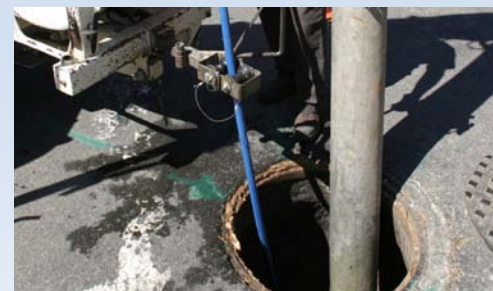
INSOURCING OF LARGE PROJECTS: \$1,800,000 saved by engineering and managing the Paradise Cove Treatment Plant replacement; \$494,000 saved by installing the new screw press in-house; and \$15,000 saved by replacing an important element of treatment equipment. Many other cost saving successes have been achieved over the years.

INCREASED ENERGY EFFICIENCY: New, highly efficient electrical motors, variable speed pumps, and advanced electrical controls have resulted in annual energy savings of \$23,000. Additionally, they were funded with \$15,800 in state grants.

POSTPONED NON-CRITICAL PROJECTS: In recent years, many non-critical upgrades and improvements have been delayed due to lack of funds. Over time, some of these are becoming critical and must be completed.



OUR CREWS ARE AT WORK 24/7 PROTECTING OUR BAY



Why a Sanitary Service Rate Increase Is Needed

Critical Parts of the Sanitary System Are Aging and Must Be Repaired or Upgraded

Many of the District's pipelines were installed as long ago as the 1950s or before. The main treatment plant is now 30 years old. The upgrades identified in our Capital Improvement Program must be implemented to provide round-the-clock quality sanitary service.

Maintenance Must Be Intensified to Meet Stricter Regulations

Our staff and Board have been committed to preventing sewer spills and overflows. Now, state regulations absolutely prohibit them. To meet regulations and avoid fines, we must increase maintenance to ensure we meet zero spill requirements.

Costs Are Rising

In the long-term, public funds will be saved by carrying out upgrades and maintenance, lowering future maintenance and treatment costs, and helping to avoid regulatory fines.

Reserves Must Be Restored

Reserve funds depleted by increased costs and improvements must be restored to the required levels. These funds are needed to help pay for the upgrades, be available for emergencies, and maintain adequate cash flow.

Rate History and Proposed New Rates for Belvedere

Before the District annexed the Belvedere sewer system in 2005, the City of Belvedere had set the sewer service charge at \$890 per year for each dwelling unit. The charge was increased by the District in two steps to \$1,185 by 2009. A third 9% increase was not implemented. A new set of increases is proposed to pay for needed improvements and increased maintenance to comply with stricter regulations and to build reserves. Proposed new rates per single family home or dwelling unit are:

2010	\$1,457
2011	\$1,748
2012	\$1,836
2013	\$1,923
2014	\$1,985

By comparison, the District is proposing to receive \$903 per dwelling unit from Tiburon property owners in 2010. This includes over \$300 in property tax revenue that the District does not receive from Belvedere. Total revenue per dwelling unit in Tiburon is proposed to rise to \$1,350 by 2014.

Why Charges in Belvedere and Tiburon Are Different

The Belvedere and Tiburon zones are contractually required to be fully self-funded and remain as separate operating zones. While the sewer service charge is higher in Belvedere, there are a number of reasons for this, and when factored together, the overall costs are similar. See the comparison chart below:

BELVEDERE ZONE

The City of Belvedere had subsidized an average of \$400,000 annually in many years. That has been cancelled since the annexation.

The City of Belvedere issued a bond before annexation to the District, which adds about \$135 per household per year to the sewer service charge.

Recent studies show \$730,000 in average annual upgrades are needed for Belvedere. There are no capital reserves to pay for upgrades, and reserves are inadequate to pay for operations and emergencies.

Because of the geography and design of the sewer system, Belvedere has twice as many pump stations as Tiburon, but only half the amount of people to pay for them.

TIBURON/PARADISE ZONE

Over \$300 per household per year in property tax payments decreases the sewer service charge.

No debt.

Tiburon has saved over \$2 million in reserves.

More than twice the people and half the pump stations.

ENVIRONMENT AND PUBLIC HEALTH



Contact Us for More Information About the Proposed Rate Increase:

IN PERSON: 2001 Paradise Drive
Tiburon, CA 94920
MAIL: P.O. Box 227, Tiburon, CA 94920
PHONE: 415/435-1501
WEB: www.sani5.org
EMAIL: Info@sani5.org

REVIEW WASTEWATER SYSTEM IMPROVEMENTS AND PROPOSED RATE CHANGES
PLEASE JOIN US FOR A COMMUNITY FORUM

BOTH FORUMS TO BE HELD AT 7:00 PM

APRIL 27: FOCUS ON TIBURON ZONE

**Tiburon Town Hall, Council Chambers:
1505 Tiburon Bl., Tiburon, CA**

APRIL 28: FOCUS ON BELVEDERE ZONE

**Belvedere City Hall, Council Chambers:
450 San Rafael Ave., Belvedere, CA**

HAVE YOUR QUESTIONS ANSWERED AND PROVIDE YOUR INPUT



2001 Paradise Drive
Tiburon, CA 94920
P.O. Box 227
Tiburon, CA 94920
415/435-1501

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SANITARY DISTRICT NO. 5 OF MARIN COUNTY

Help Us Protect the Environment and Keep the Bay Clean

Keep Your Drains Fat and Clog Free



NEVER pour oil or grease down the drain. Even with soap and hot water, the fat will stick to your pipes and can clog house drains and sewers.

DO collect fats, oil, and grease into a can and dispose of it in the trash.

DO dry-wipe dishes containing grease with paper towels.

DO scrape food scraps into the garbage.

Properly Dispose of Household Hazardous Waste: Solvents, Cleaners, Bleach, Paint, Oil, etc.

DO NOT pour toxic substances down the drain. They will harm the wastewater treatment process and the environment.

DO take them to a hazardous waste disposal center:

Marin Resource Recovery Center (MMRC)
www.marinsanitary.com

