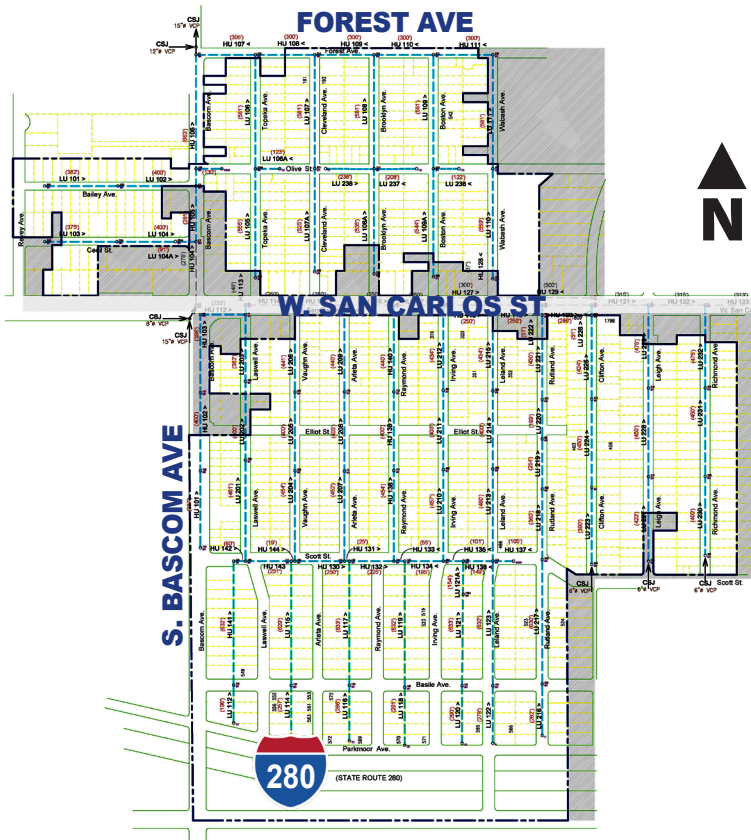




BURBANK SANITARY DISTRICT 2020 ANNUAL REPORT



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BURBANK SANITARY DISTRICT

Established in 1940, the Burbank Sanitary District is responsible for sanitary sewer wastewater disposal and solid waste (garbage and recycling) services in the unincorporated Burbank area. The District serves approximately one thousand properties in an area mainly from Forest Avenue south to Parkmoor Avenue and from Bascom Avenue east to Richmond Avenue.

UPDATES ON DISTRICT'S CAPITAL PROJECT

- In 2016, the District applied to the State for the Clean Water Act State Revolving Fund (SRF) to complete the District's capital projects.
- To date, the City of San Jose has not provided any funding assistance for the treatment plant improvements, expected to cost \$1.4 billion. The District has been paying cash for these improvements.
- The District and the City of San Jose have not yet come to resolution on the issue of funding and capital projects for the treatment plant.
- This year, the State qualified our capital project to be funded and the finalization of the loan document is underway.
- Pending availability of the SRF funds, our project may be funded towards the end of this year or early next year.
- Once funding is secured, the entire district capital project can be completed in eight months. The estimated cost is \$5 million.



FISCAL YEAR 2019-20 ACCOMPLISHMENTS

- Cleaned approximately six miles of sewer mains.
- Cleaned approximately 127 District-maintained lower laterals.
- Completed three sewer main spot repairs and one sewer lateral spot repair.
- Completed a rate study for changing the rate structure between single family and multi-family with greater parity and reasonable charges, adding a new category for accessory dwelling units (ADU).
- Held the Annual Clean Up Day with special COVID-19 guidelines.
- Performed an audit and update to the Sewer System Management Plan.

FISCAL YEAR 2019-20 FINANCIAL POSITIONS

- Budget versus actual (See detailed table above right)
 - Revenue increased by \$79,761 as compared to the budget estimate because the Treatment Plant credit was more than anticipated.
 - All categories included in operating expenses were in line with the approved budget.

ANNUAL REPORT

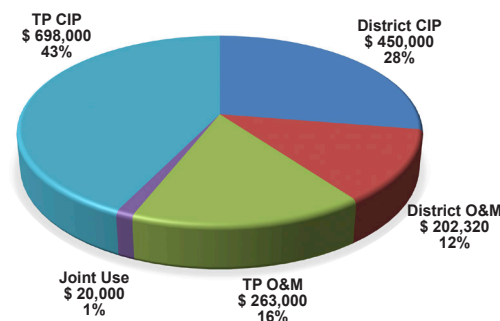
FISCAL YEAR 2019-20 BUDGET VERSUS ACTUAL

	2019-20 Budget	2019-20 Actual
OPERATING REVENUES		
Sewer service charges	1,230,500	1,236,405
Permit, Inspection & Interest	25,000	35,725
Miscellaneous income	75,000	138,131
TOTAL INCOME	1,330,500	1,410,261
OPERATING EXPENSES		
SJ/SC Wastewater Treatment	1,008,900	998,572
San Jose Joint Use	20,000	0
District capital projects	200,000	115,399
Management & Engineering	223,400	214,501
Repairs and Maintenance	85,000	72,515
Legal services	105,000	21,400
Audit services	0	0
Membership fees	5,000	2,506
Insurance	10,000	9,728
Emergency Funds	15,000	185
Office & Others expenses	32,520	17,449
TOTAL OPERATING EXPENSES	1,704,820	1,452,255
NET OPERATING INCOME	(374,320)	(41,994)

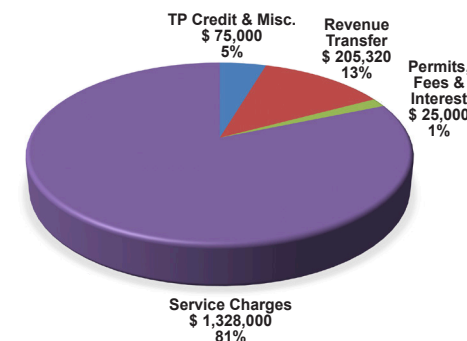
APPROVED FY 2020-21 BUDGETS

- The District's approved expense budget is \$1,633,320, which includes a budget for District capital of \$450,000 to complete the current CIP project.
- For the current fiscal year 2020-21, if all projected costs are expended per the approved budget, a fund transfer of \$205,320 from the reserve account is required to balance the budget.
- The current sewer service charge for a single family residence is \$75.69 per month. A District wide Capital Improvement Plan has been developed based on needed repairs and upgrades. Financing will be needed to cover the cost of the District CIP and the District's share of the projected cost to upgrade the treatment plant (TP). The District has made it a priority to have greater input in TP capital costs, per its responsibility to safeguard rate payer.

EXPENSE BUDGET



REVENUE BUDGET

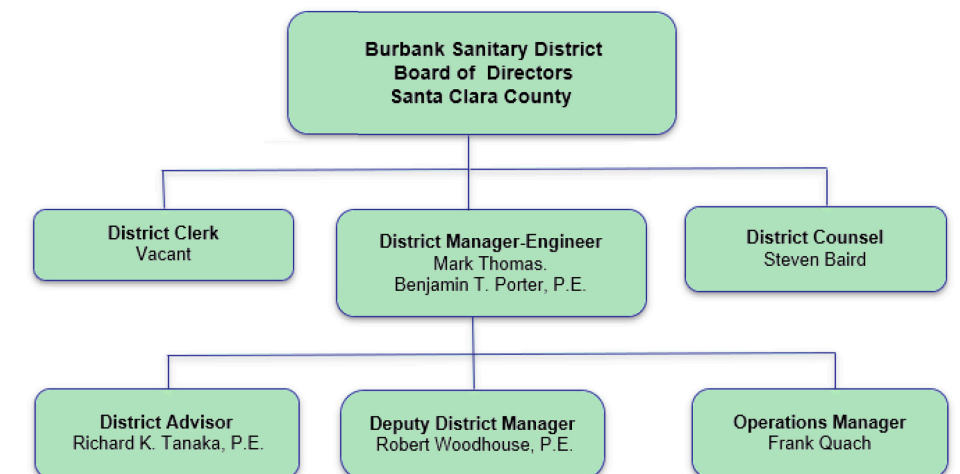


GARBAGE SERVICE

Burbank Sanitary District contracts with GreenWaste Recovery, Inc. to provide residents and businesses with garbage service including recycling and yard trimmings. Materials are placed out for collection in three containers – garbage, recycling, and yard trimmings. The materials collected from Burbank Sanitary District are brought to the GreenWaste Material Recovery Facility in San Jose for processing. To keep the neighborhood clean report any garbage violation to the District by emailing administrator@burbanksanitary.org or calling 408-255-2137. GreenWaste offers one free bulky waste pick up per year.

Contact GreenWaste at 408-283-4800 or visit the website at www.greenwaste.com for details.

BURBANK SANITARY DISTRICT ORGANIZATION CHART



A five-member elected board of directors, comprised of Burbank residents, meets twice a month to review and make policy decisions and to provide guidance and oversight to Mark Thomas & Company, Inc., the District Manager, as it manages administrative and maintenance operations of the District.

BOARD OF DIRECTORS

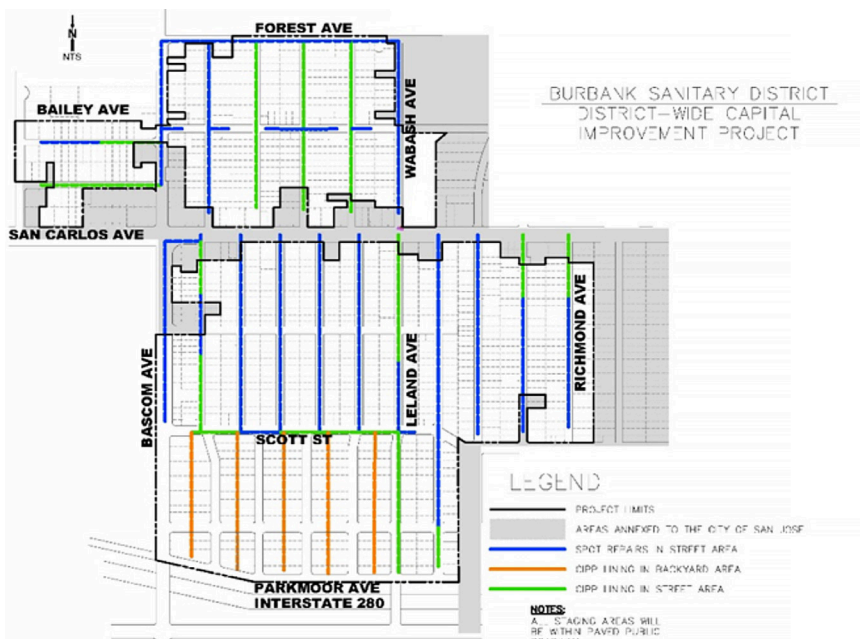
Ken Colson - President
Rebecca Yoder - Secretary
Michelle Kaelker-Boor - Director
Rene Prupes - Director
Pete Sclafani - Director

BOARD MEETINGS

First and Third Tuesdays of each month at 7:00 PM.
Currently meetings are conducted via teleconferencing due to COVID-19.
Anyone interested may call in. Please check the District Website www.burbanksanitary.org for the call in information.

■ DISTRICT-WIDE CAPITAL IMPROVEMENTS UPDATE

It is anticipated that the State will provide full funding for the entire District capital project needs. In the event that the State funding is delayed, District may consider an implementation of the second-year capital project as a separate construction project per the adopted Master Plan next year. The District-wide capital project includes rehabilitation of the entire District's infrastructure as shown below. Streets designated with blue color indicates a conventional open cut trench spot repairs. Streets designated with green color indicates cured-in-place pipe lining rehabilitation. Orange line also indicates cure-in place rehabilitation, but the mains are located in backyard. There will be a total of 121 spot repairs and 13,600 linear feet of cured-in-place pipe lining rehabilitation.



Cured-in-place pipe lining is relatively a new technology to rehabilitate sewer mains. A plastic lining is placed inside the existing sewer main. The following graphic illustrates the installation.

