

NOVATO SANITARY DISTRICT

March 30, 2011

The Board of Directors of Novato Sanitary District will hold a regular meeting at 6:30 P.M., Wednesday, March 30, 2011, at the District offices, 500 Davidson Street, Novato.

Materials related to items on this agenda are available for public inspection in the District Office, 500 Davidson Street, Novato, during normal business hours. They are also available on the District's website: www.novatosan.com.

AGENDA

1. PLEDGE OF ALLEGIANCE:

2. AGENDA APPROVAL:

3. PUBLIC COMMENT (Please observe a three-minute time limit):

This item is to allow anyone present to comment on any subject not on the agenda, or to request consideration to place an item on a future agenda. Individuals will be limited to a three-minute presentation. No action will be taken by the Board at this time as a result of any public comments made.

4. BOARD MEMBER REPORTS:

5. REVIEW OF MINUTES:

- a. Consider approval of minutes of the March 5th, 2011 meeting.

6. CONSENT CALENDAR:

The Manager-Engineer has reviewed the following items. To her knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.

- a. Approve regular disbursements.

7. BOARD OF DIRECTORS:

- a. Consider adoption of a resolution of appreciation for retiring Board Member James D. Fritz.
- b. Election of President Pro-Tem.
- c. Consider procedure for filling the vacancy on the Board of Directors.

8. WASTEWATER OPERATIONS:

- a. Wastewater Operations Committee report.
- b. Presentation on Criticality Assessment.

9. NPDES PERMIT:

- a. Consider authorization for Barg Coffin Lewis & Trapp LLP to provide legal services in connection with the Administrative Civil Liability case from the Regional Water Quality Control Board.

10. STRATEGIC PLANNING:

- a. Consider accepting a proposal from Rauch Communications to guide the District in the preparation of a Strategic Plan.

11. RECYCLED WATER:

- a. Consider approval of revision to the NMWD Agreement.

12. LEGISLATIVE ISSUES:

- a. Consider approval of a letter supporting AB 741 Huffman.

13. STAFF REPORTS

- a. North Bay Water Reuse Authority

14. MANAGER'S ANNOUNCEMENTS:

15. ADJOURN:

Next resolution no. 3029

Next meeting date: Monday, April 11, 2011, 6:30 PM at the Novato Sanitary District office, 500 Davidson Street, Novato, CA

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District at (415) 892-1694 at least 24 hours prior to the meeting. Notification prior to the meeting will enable the District to make reasonable accommodation to help ensure accessibility to this meeting.

1609577.1

March 5, 2011

A special Board Workshop of the Board of Directors of the Novato Sanitary District was held at 10:04 a.m., Saturday, March 5, 2011, at the District Office, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President William C. Long, Members Michael Di Giorgio, James D. Fritz, George C. Quesada and Dennis Welsh.

BOARD MEMBERS ABSENT: None

STAFF PRESENT: Manager-Engineer-Secretary Beverly B. James, Deputy Manager-Engineer Sandeep Karkal and Administrative Secretary Julie Borda.

ALSO PRESENT: Chris DeGabriel, North Marin Water District
Tom Gaffney, Bartle Wells Associates
Brant Miller, Novato resident

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL:

On motion of Member Fritz, seconded by Member Di Giorgio, and carried with the following vote, the agenda was approved as mailed: Ayes: Di Giorgio, Fritz, Long, Welsh. Noes: none. Abstain: Quesada.

PUBLIC COMMENT: None.

STRATEGIC AND FINANCIAL PLANNING:

The Manager gave an overview of the workshop and introduced Martin Rauch, Rauch Communication Consultants. Mr. Rauch stated that the goal of the workshop was to begin strategic planning, and review the District's budget and latest financial study which was recently completed by Tom Gaffney of Bartle Wells Associates.

After opening the meeting, President Long directed the meeting to the Manager and consulting team. Martin Rauch opened his remarks by noting that the Manager had suggested holding this session because the District was at the tail end of implementing its last strategic plan and that it would, therefore, be timely to raise the question of how the District would like to proceed in terms of long-range planning—especially given that the Board and staff are in the process of reviewing a two-year budget..

The Manager next gave a brief review of the last strategic plan from 2001 and the significant achievements since that time, including:

- Complying with continually tightening regulatory environment that includes zero-spill standards, citizen lawsuits, and mandatory fines from the Migden bill. In essence the industry has changed over the last decade from one in which “good enough” is likened to the airline industry in which failure is absolutely not acceptable. The District also successfully completed two NPDES renewals during this time.
- Completed major infrastructure improvements. The District designed, funded, built and started up a new treatment plant, shut down two old plants, built a new headquarters, and made substantial investments in collection system improvements.
- Developed recycled water. Developed a recycled water project with NMWD and is preparing to expand it through North Bay Water Reuse Authority.
- Navigated financial challenges. The District has dealt with state financial challenges impacting property taxes and its rates are among the lowest in the region.
- Recycling and composting advances. On the solid waste side, the District has dramatically expanded curbside recycling and composting.

The Manager also noted that the 2001 plan was primarily an engineering plan. Martin Rauch then described the typical strategic plan and how it benefits the District: setting mission, vision, values, goals, objectives and then staff work plan to carry it all out. He also described how such plans help the Board provide effective, policy-level direction to staff and how it helps staff by providing, clear direction and long-range guidance for their planning.

In order to bring into focus the types of challenges a strategic plan would provide guidance on, and to show how a strategic plan can help an agency attain visionary goals, Martin Rauch asked each director to look ahead as far as they could see – say at least five years – and describe their ideal vision of what the District could be as if it were real.

Most of the descriptions were offered as bullet points followed by additional commentary and some discussion. Although this was merely an introductory exercise and not designed to yield a cohesive vision for the District, many of the comments were similar, and when drawn together as they are below they do start to paint a picture of vision.

Note that the bullets below were written by Martin Rauch in the format posed by the original question: describe your ideal District in the future as if it were realized. These bullets aggregate the various vision comments from the workshop into common categories and a narrative form:

- Coordinated adoption of New Technologies. The District has a well-developed technology plan so that technologies are not implemented ad-hoc but in a planned way for consistency, compatibility, ease of use, and cost-effectiveness
- Excellent Employee Support and Retention. The District has refined its long range employee plan that is providing rewarding career paths within the organization. Employee retention is high despite competition for our highly

trained employees. Young workers and employees of neighboring agencies would like to work for NSD because it is known for its great employee support, and its management that continues to adapt to meet the changing needs of a new generation of workers and evolving workforce.

- Governance and Board. The District is well known as a community leader in fostering collaborative efforts within both the public and private sectors. The water and sanitary districts have been moving toward a full merger as they increasingly manage all parts of the water cycle – stormwater capture, potable water, and total reuse of wastewater. The District policy manual is regularly updated and referred to. The Board represents the public well and there is strong public understanding and support for District programs.
- Public Outreach. It has taken time, but the public is now fully engaged with District programs: there is essentially no fat or grease problem, conservation rates are high, and there is nearly 100% diversion with unprecedented composting and recycling, reuse rates. There are well developed programs for the District and public to communicate with each other.
- Capital Facilities and Maintenance Management. The entire wastewater system is functioning very well. The asset management program seems to always identify problems just before they happen and calls for repair or replacement just on time. As a result the service use of each facility and piece of equipment is maximized. A special fund has been established and programs put in place to help property owners repair laterals and progress is on schedule. The outfall was moved several years ago, but is now rarely used since 100% of the district's water is treated and reused. The District is in full compliance with the appropriate ISO standards, and has standard operating procedures and thorough documentation for all of maintenance and upgrades. The District operates with a zero tolerance for errors that airlines could be envious of.
- Sustainability. The District is well recognized as a leader in sustainability with virtually all of its water being reused. The District is now working on increasing its treatment so that its water can meet potable water demands. The Zero Waste program has been fully realized with virtually no trash going to the land fill. Fortunately the District planned ahead for the rise in sea levels and its facilities are all secure. The District generates much of its electricity using sustainable methods and is aiming to be 100% self-sufficient in terms of energy soon.
- Regulatory Compliance. The District is in total regulatory compliance, easily responds to the few emergencies that arise, and its staff is fully trained. The District is also engaged in regional and statewide programs that are positively influencing the development of regulations that are more sensible, lead to improved outcomes and are implementable at an affordable cost.
- Financial Management. The District is known for its solid fiscal management. There is no gold plating to be found, but there are adequate reserves, medical and pension costs are fully funded, and the District has developed creative funding from the private sector. Importantly, the District's rates are also well

below average, despite its exceptional services, solid finances, and unprecedented sustainability measures.

- Improved Planning. The District has a formal planning program that includes strategic planning, emergency planning and other planning that includes the board, management team, and key stakeholders as appropriate.

President Long offered a written vision that said:

NSD will be - and will be seen by its employees and the public to be a leading example of a well-run, environmentally sensitive and financially responsible water and solid waste reclamation facility.

Martin then asked the Board and participating staff to list some key challenges that will face the District in the coming five years or longer and also opportunities that can be taken advantage of. Martin noted that this was simply an initial exercise designed to demonstrate the need for long-range planning and to give an indication of the challenges and opportunities facing the District:

- Challenges

- Need more money, tougher and tougher
- Solve lateral issues
- Solve Veolia consensus solution
- Comply with tougher regulations and inconsistent regulations from differing regulators
- Develop cost effective self-generated electricity
- Deal with rising costs, cost sensitivity of public and the era of no more grants
- Plan for sea level rise and manage Baylands for the time when they are at or below sea level
- Plan for moving of outfall
- Deal with medical and pension costs
- Adapt to an evolving workforce and a new generation of workers
- Public image, the state wants to consider us polluters, but we are protectors and water suppliers and want the public to understand that.
- Maintain the collection system

- Opportunities

- Recycle all water or the maximum amount
- The District has an environmentally aware public
- Recycled water pays its way
- Technology is improving

- More reuse
- Advocate for more sensible regulations

Chris DeGabriel commented that NMWD has been carrying out strategic planning for many years and worked with Rauch Communication Consultants on it. Chris commented that it is important for the Board to review and update the plan – they do this about every other year. He also mentioned that the District’s mission and vision are simple and posted everywhere so that they are seen and absorbed by the workers so that they can influence how each employee works.

President Long announced the Board would take a lunch recess at 11:30 a.m.

President Long reconvened the Board meeting at 12:00 p.m.

Tom Gaffney, Bartle Wells Associates, reviewed the District’s two-year financial analysis with the Board.

The President declared a ten minute break at 1:35 p.m.

The meeting reconvened at 1:43 p.m.

The Manager discussed the District’s current and projected operating expenses. She also discussed the preliminary operating budget and the capital improvements budget for fiscal years 2011-2013. The Board discussed a potential rate increase and the Manager stated the financial analysis indicated that there was no need for a rate increase this year. She stated that the District should use this year to evaluate the rate structure and complete the strategic plan in order to better determine the rate next year.

There was a closing discussion in which the Board indicated it wanted to develop a strategic plan and directed the Manager to take steps towards doing that and to bring a proposal back to the Board for consideration.

ADJOURNMENT: There being no further business to come before the Board, President Long adjourned the meeting at 2:10 p.m.

Respectfully submitted,

Beverly B. James, Secretary

Julie Borda, Recording

Novato Sanitary District Check Register

March 30, 2011

Date	Num	Name	Credit
Mar 30, 11			
3/30/2011	52559	Pacific, Gas & Electric	47,970.02
3/30/2011	52556	Nute Engineering Inc.	13,816.40
3/30/2011	52562	R3 Consulting Group, Inc.	10,602.50
3/30/2011	52544	HACH/American Sigma Inc	5,996.90
3/30/2011	52548	Koffler Electrical Mech, Inc.	4,445.00
3/30/2011	52528	Aqua Science	3,777.64
3/30/2011	52530	Caltest Analytical Lab Inc.	3,682.21
3/30/2011	52527	American Express-22062	3,454.37
3/30/2011	ach	Bowens, Kenneth	2,130.00
3/30/2011	52526	AlphaGraphics	1,609.25
3/30/2011	52549	Lateral-Kopp, Johnathon	1,500.00
3/30/2011	52551	Maximum Oil Service, LLC	1,230.00
3/30/2011	52525	Alliant Insurance Services, Inc	1,169.00
3/30/2011	52547	Kaiser Permanente	1,157.78
3/30/2011	52541	Electrical Equipment Compan...	1,053.54
3/30/2011	52539	DW Pumps LLC	1,034.14
3/30/2011	52546	Harris & Associates, Inc	1,024.18
3/30/2011	52563	Shape Incorporated	1,005.50
3/30/2011	52540	Edd Clark & Associates, Inc.	983.75
3/30/2011	52533	Central Marin Sanitation District	943.35
3/30/2011	52571	WEF Membership	880.00
3/30/2011	52565	Smart	641.70
3/30/2011	52552	Nextel Communications	521.55
3/30/2011	52535	Cintas Corporation	506.60
3/30/2011	52569	VWR International Inc.	462.37
3/30/2011	52545	Harrington Plastics, Inc.	339.17
3/30/2011	52529	AT&T-SAC	335.15
3/30/2011	52564	Siemens Water Tech Corp.	330.87
3/30/2011	52570	Water Components & Buildin...	319.25
3/30/2011	52572	Whitney, Larry	300.00
3/30/2011	52536	Claremont EAP, Inc.	295.00
3/30/2011	52534	Centric Signs	289.85
3/30/2011	52538	CWEAmembers	264.00
3/30/2011	52542	Environmental Resource Assoc	262.04
3/30/2011	52531	CDW Government, Inc.	260.00
3/30/2011	52574	Zenith Instant Printing, Inc.	224.76
3/30/2011	52532	CED Santa Rosa, Inc	193.95
3/30/2011	52560	Pape Material Handling	130.93
3/30/2011	52567	Verizon Business	124.54
3/30/2011	52558	Orkin Pest Control, Inc.	105.45
3/30/2011	52568	Verizon California	99.93
3/30/2011	52554	North Marin Water District	96.80
3/30/2011	52561	Quill Corporation	77.64
3/30/2011	52543	Grainger	76.04
3/30/2011	52573	Zee Medical Company	72.01
3/30/2011	52566	Southland Electrical Supply, I...	65.00
3/30/2011	52550	Leonardi Automotive & Electri...	61.78
3/30/2011	52557	Office Depot	61.46
3/30/2011	52537	Cook Paging	57.73
3/30/2011	52553	North Marin Auto Parts	15.11
3/30/2011	52555	Novato Lock	10.87
Mar 30, 11			116,067.08

03/25/11

Novato Sanitary District Check Register

March 30, 2011

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Credit</u>
Mar 30, 11			
3/30/2011	2163	Monterey Mechanical, Inc.	89,951.50
3/30/2011	2161	Bartle Wells Assoc, Inc	3,825.00
3/30/2011	2162	Cantarutti Electric, Inc	2,030.00
3/30/2011	2160	American Express-22062	312.64
3/30/2011	2164	North Marin Water District Jo...	190.28
Mar 30, 11			<u>96,309.42</u>

March 25, 2011

To: Board of Directors

From: Beverly B. James, Manager-Engineer

Re: Board Member Appointment

District Board Member and President Pro-Tem, James Fritz, has notified the District of his intention to retire from his positions as of April 1, 2011. That is 214 days prior to the next general election in the District which is set for November 1, 2011. The process for selection of a replacement board member is set forth in California Government Code Section 1780. A copy of Section 1780 is attached for reference.

The District actions required by the code are:

1. Notify the Marin County Elections Official of the vacancy by April 15, 2011.
2. Decide whether to fill the vacancy by appointing a replacement or calling a special election.

The procedure to be followed for the two options is described below.

Appointing a Replacement

1. The District is required to post a notice of the vacancy in at least three conspicuous places in the District.
2. At least 15 days after posting the notice the Board may make the appointment.
3. The Board has a maximum of 60 days to make the appointment or it goes to the Board of Supervisors to make the appointment or call an election.

These notices are typically posted at the libraries on Novato Blvd., and Hangar Avenue, the Post Office, City Hall, and the NSD Administration Building.

The Board can decide whether to solicit applications from interested parties or to make the appointment directly. If the Board decides to solicit applications for the post, the notice can include a request for interested applicants to submit a letter of interest and an application. A copy of the proposed notice and the application is attached.

The notice can also be posted online at the District website and on Novato Patch. It can also be printed in the Marin IJ and the Novato Advance. Typically the notice includes a request for interested applicants to submit a letter of interest and an application.

Proposed Schedule for Appointing a Replacement

Date	Action
March 30, 2011	Board votes to fill the vacancy by appointment.
March 31, 2011	Post notice of Vacancy and Request for Applications
April 15, 2011	Letters of Interest and Applications due to District
April 20, 2011	Special Board meeting to interview applicants and make appointment
May 30, 2011	Deadline to make appointment

The cost of appointing a replacement is limited to printing and advertising costs and is estimated to be less than \$1,000. Staff recommends holding a special board meeting to interview candidates and make the appointment because it is likely to take at least two hours to interview candidates.

Calling an Election

1. The Board may call for an election to fill the vacancy [within 60 days of the date of notice of the vacancy or the effective date of the vacancy](#). A minimum of 130 days must elapse between the board’s decision [to call the election](#) and the date of the election.

Schedule for Calling an Election

Date	Action
March 30, 2011	Board votes to call an election
August 8, 2011	Earliest possible date for a special election
August 30, 2011	County established date for a special election – mail ballots only

A special mail-only election on August 30th would cost \$183,000 to \$244,000 or \$6 to \$8 per registered voter for the approximately 30,500 registered voters in Novato Sanitary District.

Referring the Appointment to the Board of Supervisors

If the NSD Board fails to make an appointment or call an [election](#), the [action on the vacancy](#) will go to the Board of Supervisors. The Board of Supervisors can either make an appointment within 90 days of the vacancy or [require that the District call an election](#).

Recommendation

Staff recommends that the Board proceed with the appointment process in accordance with the schedule shown above and direct staff to post a notice soliciting applications for the vacancy in at least three conspicuous locations in the District as well as online and in the Novato Advance and the Marin IJ.

This process is similar to the District's past practices as well as the process used in the past by North Marin Water District and the Novato Fire Protection District.

California Government Code Section 1780

"(a) Notwithstanding any other provision of law, a vacancy in any elective office on the governing board of a special district, other than those specified in Section 1781 [Section 1781 does not apply to Novato Sanitary District], shall be filled pursuant to this section.

(b) The district shall notify the county elections official of the vacancy no later than 15 days after either the date on which the district board is notified of the vacancy or the effective date of the vacancy, whichever is later.

(c) The remaining members of the district board may fill the vacancy either by appointment pursuant to subdivision (d) or by calling an election pursuant to subdivision (e).

(d) (1) The remaining members of the district board shall make the appointment pursuant to this subdivision within 60 days after either the date on which the district board is notified of the vacancy or the effective date of the vacancy, whichever is later.

---The district shall post a notice of the vacancy in three or more conspicuous places in the district at least 15 days before the district board makes the appointment.

---The district shall notify the county elections official of the appointment no later than 15 days after the appointment.

(2) If the vacancy occurs in the first half of a term of office and at least 130 days prior to the next general district election, the person appointed to fill the vacancy shall hold office until the next general district election that is scheduled 130 or more days after the date the district board is notified of the vacancy, and thereafter until the person who is elected at that election to fill the vacancy has been qualified. The person elected to fill the vacancy shall hold office for the unexpired balance of the term of office.

(3) If the vacancy occurs in the first half of a term of office, but less than 130 days prior to the next general district election, or if the vacancy occurs in the second half of a term of office, the person appointed to fill the vacancy shall fill the balance of the unexpired term of office.

(e) (1) In lieu of making an appointment the remaining members of the board may within 60 days of the date the district board is notified of the vacancy or the effective date of the vacancy, whichever is later, call an election to fill the vacancy.

(2) The election called pursuant to this subdivision shall be held on the next established election date provided in Chapter 1 (commencing with Section 1000) of Division 1 of the Elections Code that is 130 or more days after the date the district board calls the election.

(f) (1) If the vacancy is not filled by the district board by appointment, or if the district board has not called for an election within 60 days of the date the district board is notified of the vacancy or the effective date of the vacancy, whichever is later, then the city council of the city in which the district is wholly located, or if the district is not wholly located within a city, the board of supervisors of the county representing the larger portion of the district area in which the election to fill the vacancy will be held, may appoint a person to fill the vacancy within 90 days of the date the district board is notified of the vacancy or the effective date of the vacancy,

Board of Directors

March 25, 2011

Page 5 of 5

whichever is later, or the city council or board of supervisors may order the district to call an election to fill the vacancy.

(2) The election called pursuant to this subdivision shall be held on the next established election date provided in Chapter 1 (commencing with Section 1000) of Division 1 of the Elections Code that is 130 or more days after the date the city council or board of supervisors calls the election.

(g) (1) If within 90 days of the date the district board is notified of the vacancy or the effective date of the vacancy, whichever is later, the remaining members of the district board or the appropriate board of supervisors or city council have not filled the vacancy and no election has been called for, then the district board shall call an election to fill the vacancy.

(2) The election called pursuant to this subdivision shall be held on the next established election date provided in Chapter 1 (commencing with Section 1000) of Division 1 of the Elections Code that is 130 or more days after the date the district board calls the election.

(h) (1) Notwithstanding any other provision of this section, if the number of remaining members of the district board falls below a quorum, then at the request of the district secretary or a remaining member of the district board, the appropriate board of supervisors or the city council shall promptly appoint a person to fill the vacancy, or may call an election to fill the vacancy.

(2) The board of supervisors or the city council shall only fill enough vacancies by appointment or by election to provide the district board with a quorum.

(3) If the vacancy occurs in the first half of a term of office and at least 130 days prior to the next general district election, the person appointed to fill the vacancy shall hold the office until the next general district election that is scheduled 130 or more days after the date the district board is notified of the vacancy, and thereafter until the person who is elected at that election to fill the vacancy has been qualified. The person elected to fill the vacancy shall hold office for the unexpired balance of the term of office.

(4) If the vacancy occurs in the first half of a term of office, but less than 130 days prior to the next general district election, or if the vacancy occurs in the second half of a term of office, the person appointed to fill the vacancy shall fill the balance of the unexpired term of office.

(5) The election called pursuant to this subdivision shall be held on the next established election date provided in Chapter 1 (commencing with Section 1000) of Division 1 of the Elections Code that is held 130 or more days after the date the city council or board of supervisors calls the election.

March 31, 2011

Ms Elaine Ginnold
Marin County Registrar of Voters
P.O. Box E
San Rafael, CA 94913

Re: Novato Sanitary District Board vacancy

Dear Ms Ginnold:

Novato Sanitary District Board of Directors has received a letter from Director James D. Fritz giving notice of his intent to retire as of April 1, 2011. Government Code Section 1780 statutory timeline requirements to fill the vacancy now begin. The Novato Sanitary District Board intends to conduct a public solicitation and appoint a successor to fill the vacant seat. This letter provides notice of the vacancy pursuant to Government Code requirements.

Sincerely,

Beverly B. James
Manager-Engineer

cc: Kenton L. Alm, Esq.

NOTICE

Effective April 1, 2011, a vacancy exists on the Board of Directors of Novato Sanitary District. The Board will appoint a new member who will serve until the next general election of the District scheduled for November 2011. Any registered voter residing within the District and interested in the post is invited to contact the District Secretary at (415) 892-1694. The area of the District generally includes the greater Novato area. Applicants are requested to submit an application by April 15, 2011, describing their experience, educational background and previous public service, and a statement of why they are interested in serving on the Board of Directors. Applications are available at the District office or can be downloaded at www.novatosan.com. The Board of Directors will review the applications and interview applicants at an open public meeting scheduled on Monday, April 18, 2011 at 6:30 PM. The meeting will be held at the District offices located at 500 Davidson Street, Novato, California. The Board will make an appointment to fill the vacancy at an open public meeting to be held at 6:30 PM on April 20, 2011.

Beverly B. James
District Secretary, Novato Sanitary District

Dated: March 30, 2011

TO: Board of Directors
Novato Sanitary District

Date: _____

I request that you consider my application for the vacancy on the Board of Directors of the Novato Sanitary District. I am aware that the Board meets on the 2nd and 4th Monday of each month at 6:30 PM and I am confident I will be able to devote the time necessary to perform the duties of this body. I am also aware that my name and address may be made public as an applicant for this body. If selected, I will be required to report investments, business positions and income from sources that are located in or doing business in the Novato Sanitary District. This application will be held on file for six months only, unless I ask that it be renewed.

Signature

Name (print)

Residence Address

Residence telephone

email address

Years lived in Novato _____

Years lived in Marin County _____

Employer

Address

Telephone

1. Briefly describe your educational background: _____

2. Briefly describe your employment background: _____

3. Describe your recent civic and community activities:

4. Briefly list possible areas of conflict of interest: _____

5. Please briefly explain your interest in serving on the Board of Directors: _____

Return completed form to the District Manager, Novato Sanitary District, 500 Davidson Street, Novato, CA 94945. (415) 892-1694, Fax (415) 898-2279, email bevi@novatosan.com by **4:30 p.m. on April 15, 2011**

**Novato Sanitary District
MONTHLY OPERATIONS REPORT
February 2011**

TABLE OF CONTENTS

TREATMENT PLANT PERFORMANCE SUMMARY	3
OPERATIONS AND MAINTENANCE STATUS / REVIEW	3
CONSTRUCTION UPDATE.....	4
ADMINISTRATION.....	4
SAFETY AND TRAINING	4
SOP REVIEW/DEVELOPMENT.....	4
PUBLIC RELATIONS	4
MISCELLANEOUS.....	5
WORK ORDER STATISTICS.....	5
NOVATO TREATMENT PLANT MONTHLY FLOW	6
NOVATO TREATMENT PLANT INFLUENT BOD & TSS.....	6
NOVATO TREATMENT PLANT EFFLUENT BOD & TSS.....	7
NOVATO TREATMENT PLANT BOD & TSS PERCENT REMOVAL.....	7
NOVATO TREATMENT PLANT EFFLUENT AMMONIA.....	8
NOVATO TREATMENT PLANT DISINFECTION.....	8
 COLLECTIONS SYSTEMS FEBRUARY OPERATIONS	
SEWER MAINTENANCE	9
PUMP STATION MAINTENANCE.....	9
SANITARY SEWER OVERFLOWS.....	9
COLLECTION SYSTEM SUMMARY.....	10
COLLECTION SYSTEM GRAPHS.....	11
PUMP STATION SUMMARY	12

**TREATMENT PLANT MONTHLY OPERATIONS REPORT
February 2011**

Prepared for

**NOVATO SANITARY DISTRICT (NSD)
WASTEWATER TREATMENT PLANT
500 Davidson Street
Novato, CA 94545**

Prepared by

Veolia Water West Operating Services, Inc. (VWWOS)

TREATMENT PLANT PERFORMANCE SUMMARY:

February 2011:

Parameter	Monthly Performance			
	Value		Limit	
	Ave	Max	#1	#2
Flow, MGD (monthly ave)	7.107	13.58	N/A	N/A
Influent BOD ₅ , mg/L (month ave / max)	227	379	N/A	N/A
Influent TSS, mg/L (monthly ave / max)	300	818	N/A	N/A
Effluent BOD ₅ , mg/L (monthly ave / weekly max)	8	12	30	45
Effluent TSS, mg/L (monthly ave / weekly max)	5	5	30	45
Effluent BOD ₅ - % Removal	96	N/A	85	N/A
Effluent TSS - % Removal	98	N/A	85	N/A
Ammonia mg/L (monthly average)	0.21	0.56	6	21
pH, su (min / max)	6.5	7.1	6.5	8.5
Enterococcus, mpn (30 day geo mean)	2.0	N/A	35	N/A
Fecal Coliform, mpn (5 sample median)	2.0	N/A	140	N/A
Fecal Coliform, mpn (90 th percentile)	2.0	N/A	430	N/A
Total Coliform, mpn (5 sample median)	N/A	N/A	N/A	N/A
Total Permit Exceedances (NPDES)	0			

Discussion of Violations / Excursions: NONE

OPERATIONS & MAINTENANCE STATUS / REVIEW:

Key events for the period:

General:

Novato

- Cleared Decant Sludge Line
- Boiler repaired – cracked section
- Soil Bed Odor Scrubber Rehabilitation Complete, back in service 2/28/11

Ignacio

- Washdown Water System Design Completed Construction Scheduled – Steve K.

CONSTRUCTION UPDATE:

- SOR – Digested Sludge Pump – Thermister repair
- Eaton Rep in to evaluate Influent Pump VFD's
- Turblex Rep in to work on loss of power during load shed
- SOR – Load Shed 2/16/11, 2/22/11, 2/28/11
- Contractor pulled Anoxic Zone Mixers 1B & 1C for repair – moisture detected

ADMINISTRATION:

- February Invoice Submitted on 3/1/11
- Grade III Operator, Peter Delaney – Accepted Offer

SAFETY AND TRAINING:

- Monthly plant safety inspections for Novato WWTF completed on February 9, 2011
- Five Minute Tailgate training is held daily with the O&M staff.
- No safety incidents for the month of February 2011
- Hazardous Material Awareness Training 2/7/11
- Incentive Program – Facility/Employee Recognition 2/23/11
- Safety Rules – General 2/24/11

SOP REVIEW/DEVELOPMENT:

- Tabletop Review: Aeration System Daily Inspection
- Tabletop Review: Taking a Secondary Clarifier Out Of Service
- Tabletop Review: Blower System Daily Inspection
- Tabletop Review: GBT Start-Up and Shut-Down
- Tabletop Review: GBT Polymer Operation and Troubleshooting
- Tabletop Review: Daily Meter Inspection
- Tabletop Review: Supernatant Sludge Pond Operations and Check
- Tabletop Review: Sludge Lagoon Operations
- Tabletop Review: Digester Waste Gas Flare/Gas handling

- Tabletop Review: Ignacio Generator Daily Inspection
- Tabletop Review: Utility Water Pumping System
- Tabletop Review: Facility Odor Control Monitoring Equipment
- Ferric Chloride – Chemical Handling

PUBLIC RELATIONS:

VWWOS CONTRACT:

- Operating under the O&M Contract

MISCELLANEOUS

- PCMP Meetings held Weekly
- Bryce Behnke in on 2/22/11 – 2/24/11 - eSMR
- Dave Coffman in on 2/22/11 & 2/23/11 – EMS/ISO and potential cost savings

Veolia Support Staff On/Off Site (Various Times)

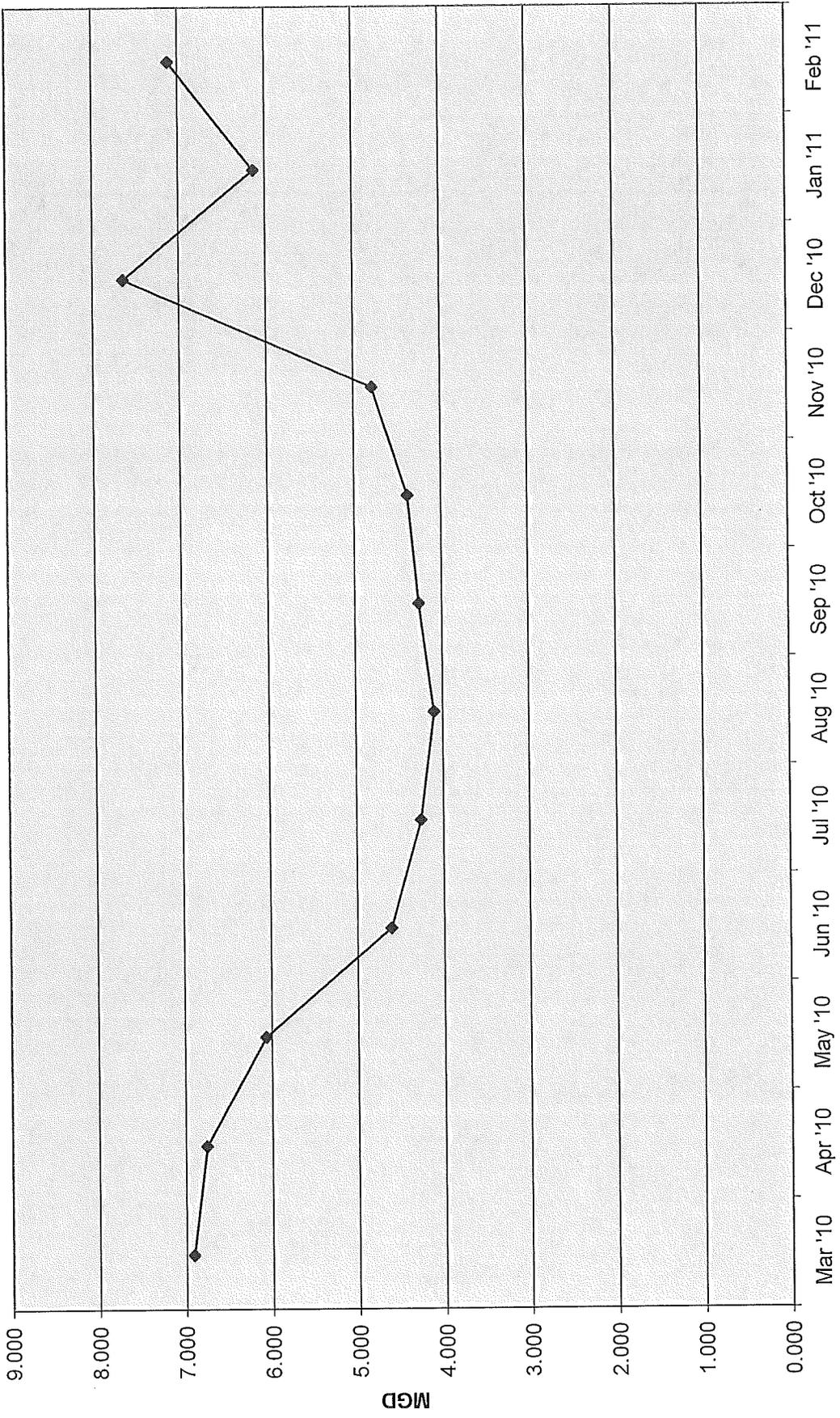
John O'Hare	Technical Support
Aaron Winer	Management and Administration
Bryce Behnke	Technical Support
Dave Coffman	Technical Support

WORK ORDER STATISTICS

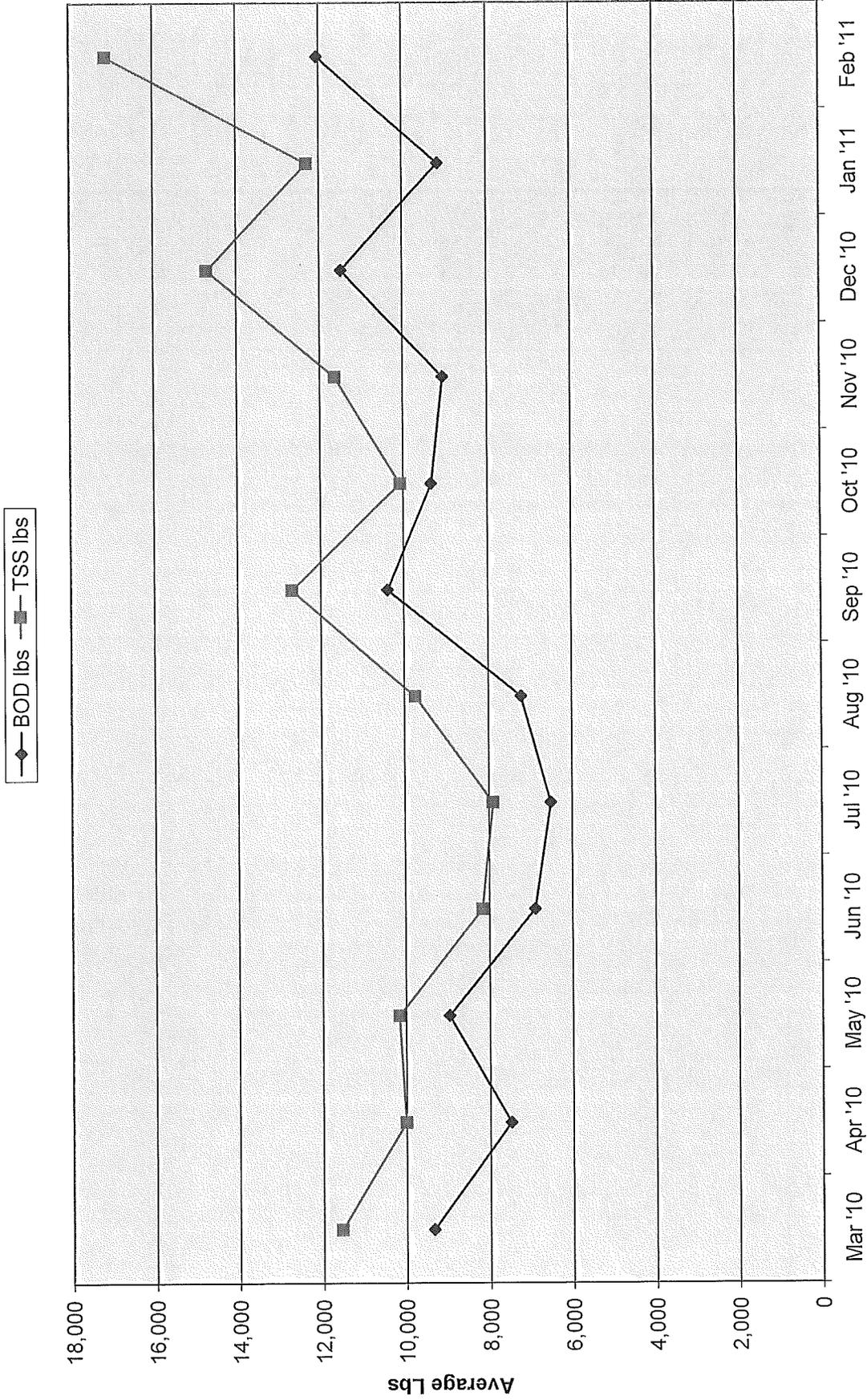
February 1, 2011 - February 28, 2011

	Open Work Orders Due Prior to 2/1/11	Open Work Orders 2/1/11 - 2/28/11	Total Open Work Orders
Preventative	1	167	168
Corrective	3	13	16
Total	4	180	184
	Closed Work Orders 2/1/11 - 2/28/11		
Preventative	153		
Corrective	18		
Total	171		
Total Outstanding Work Orders as of March 1, 2011	13		

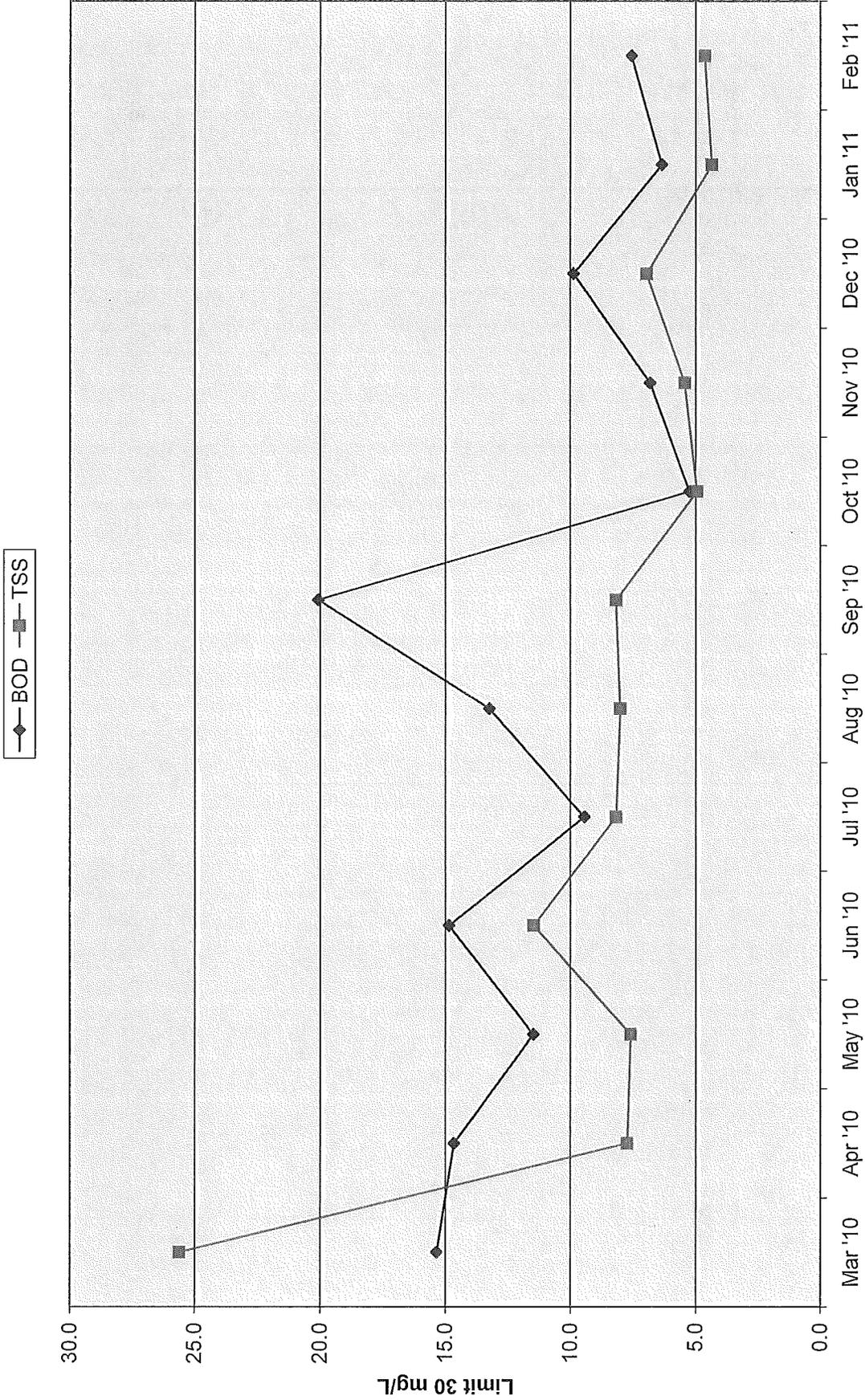
Flow



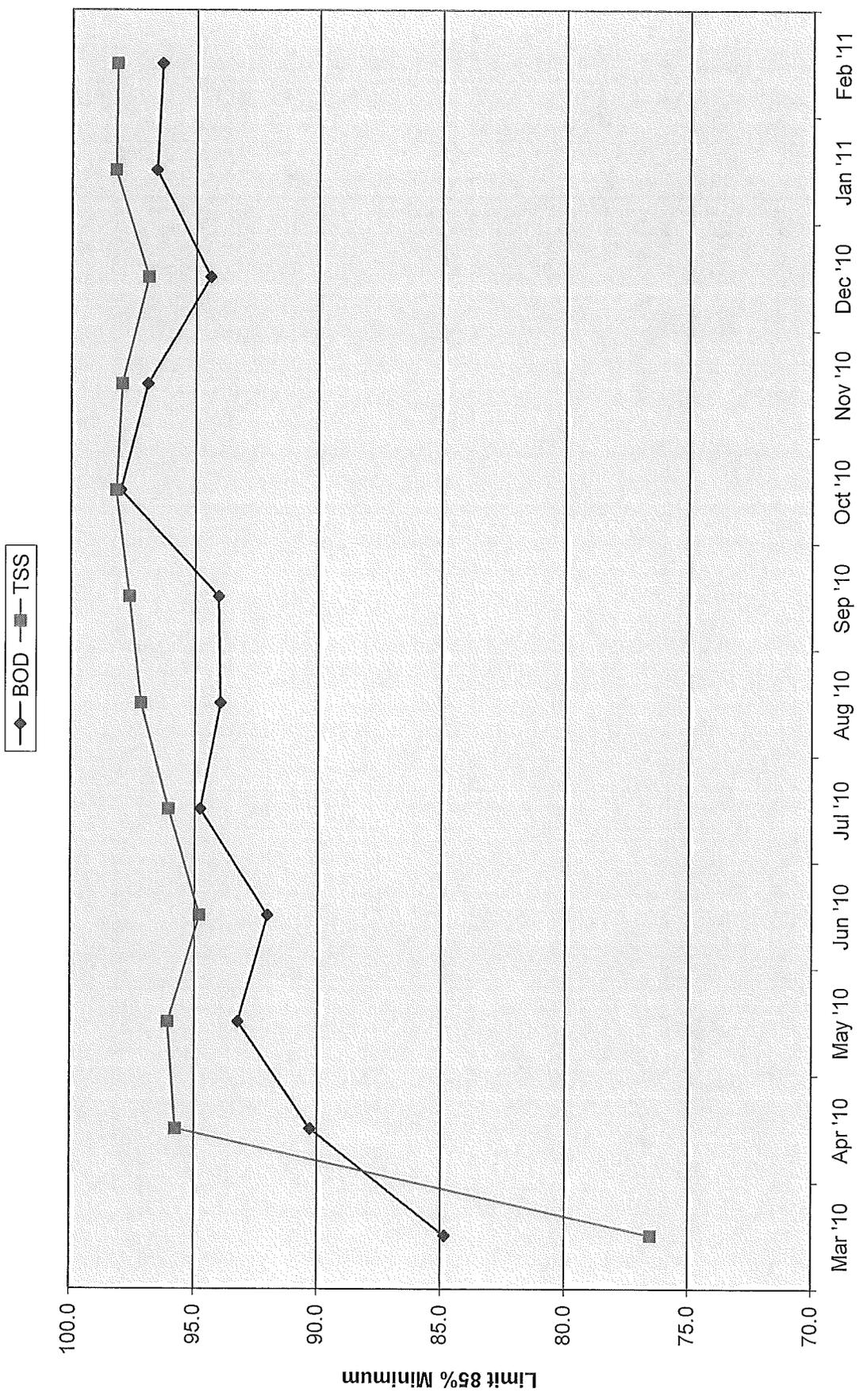
Influent Load BOD TSS Lbs



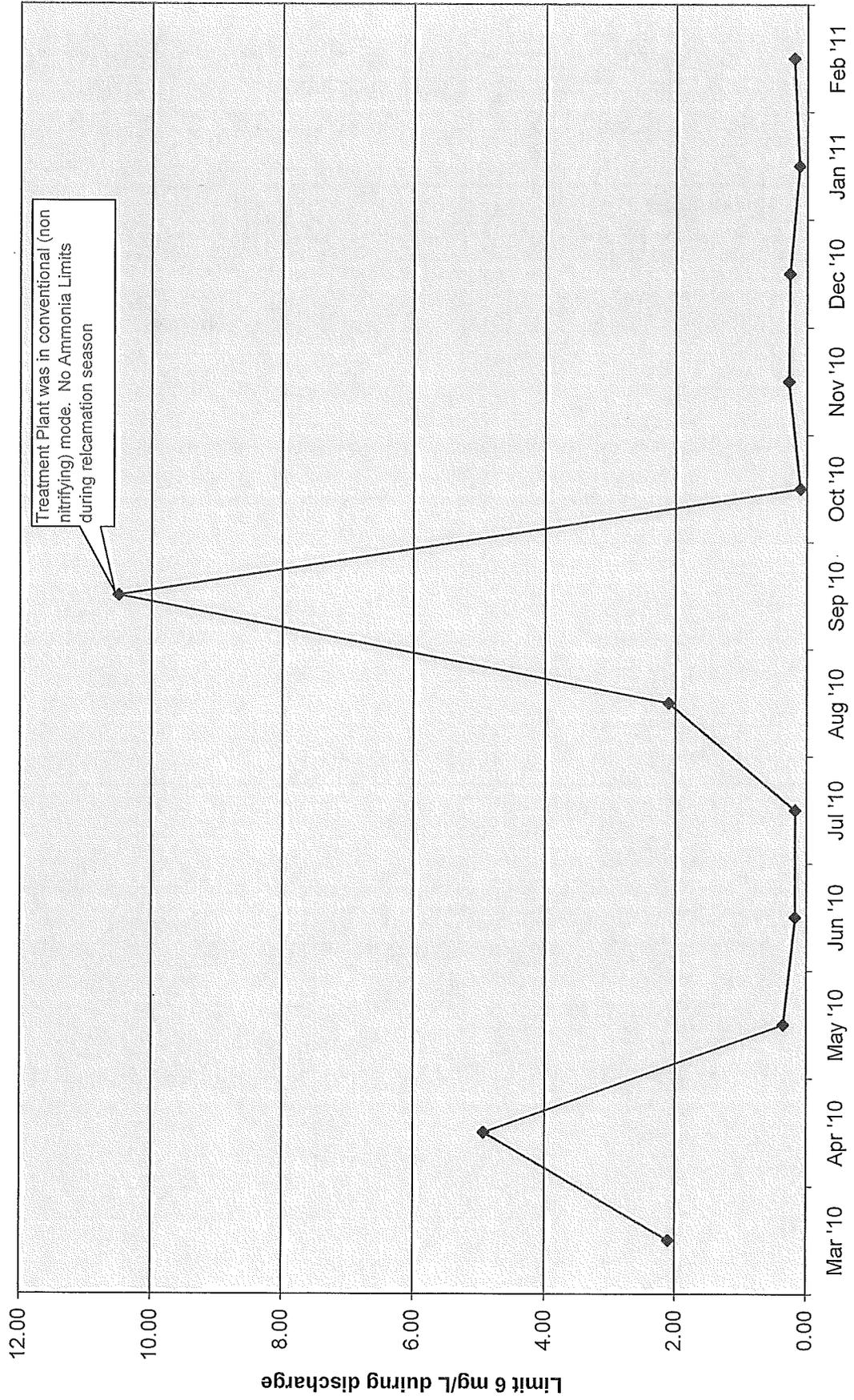
Effluent BOD TSS Concentration



BOD TSS Percent Removal

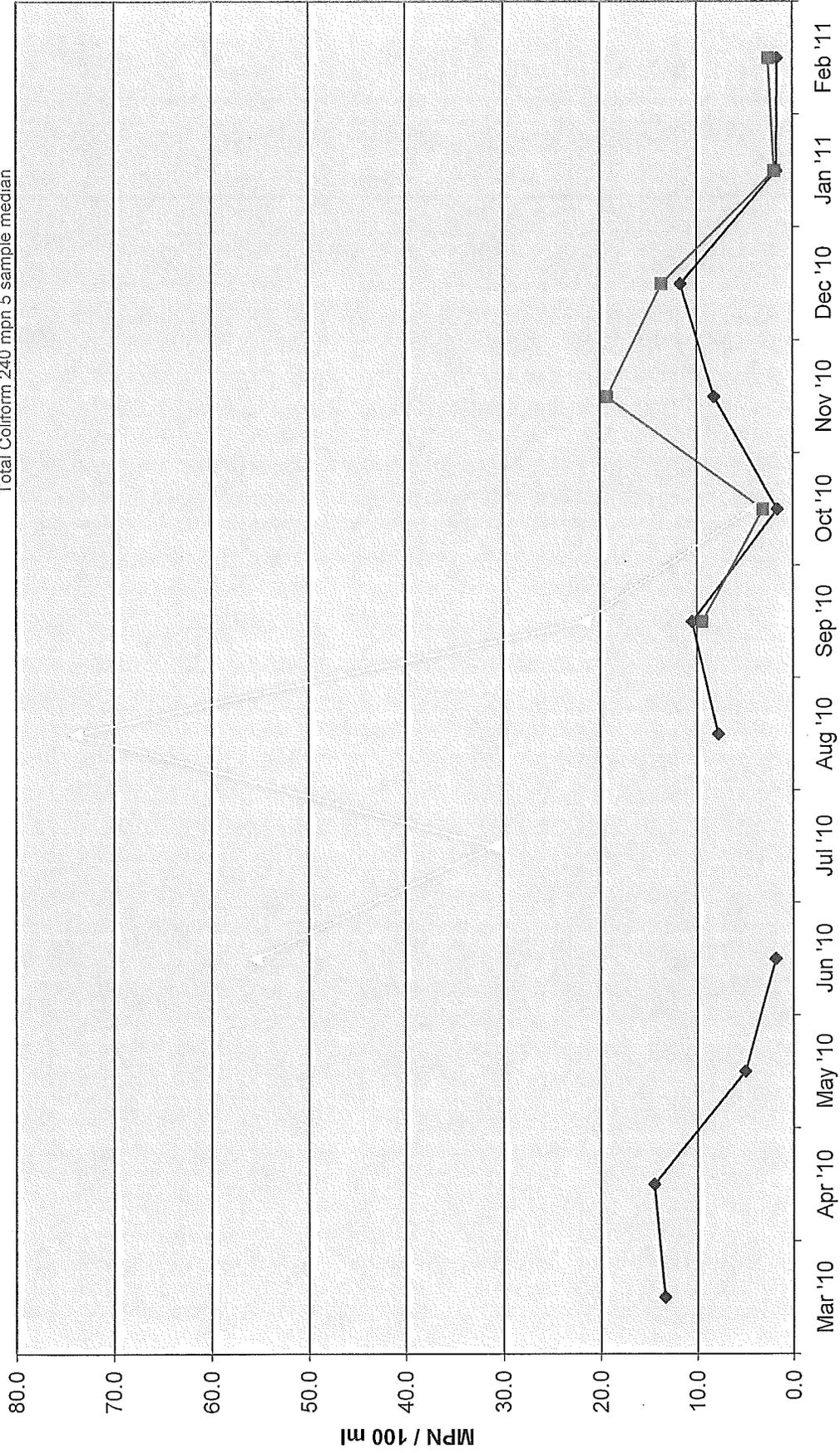


Effluent Ammonia Concentration



Effluent Disinfection

LIMITS
NPDES / DISCHARGE
 Entero 30 day geo mean 35 colonies/100ml
 Fecal 140 mpn 5 sample median
RECLAMATION:
 Fecal 430 mpn 90th percentile 30 day
 Total Coliform 240 mpn 5 sample median



Collection System Operations Report February, 2011

Sewer Maintenance

After accounting for vacations, holidays, sick leave, and industrial injury leave, the Collection System had the equivalent of 2.8 full time field workers plus the Collection System Superintendent of the month of February. At full strength, the department has eight workers plus the Superintendent for Collections System and Pump Stations O&M. They spent about 56% of their time on sewer maintenance, 44% of their time on pump station maintenance, and 0% on other duties. They cleaned 40,428 feet of sewer which meets the target production goals for Collections. Lack of staffing did affect their ability to televise the sewers. Graphs showing the length of line cleaned/month, footage cleaned/hour worked, along with the overflows/month is attached.

Pump Station Maintenance

After accounting for vacations, holidays, sick leave, and industrial injury leave, the Pump Stations had the equivalent of 2.2 full time field workers plus the Collection System Superintendent of the month of February. Staff conducted approximately 182 lift station inspections for the month of February. The breakdown of these inspections is as follows: 22 Flygt submersible pump stations, 2 times per month, 8 Gorman/Rupp dry well/wet well stations, 1 entry per month, and 4 main stations that are visited daily. Pump #2 at Olive St pump station had a new seal installed.

Sanitary Sewer Overflows:

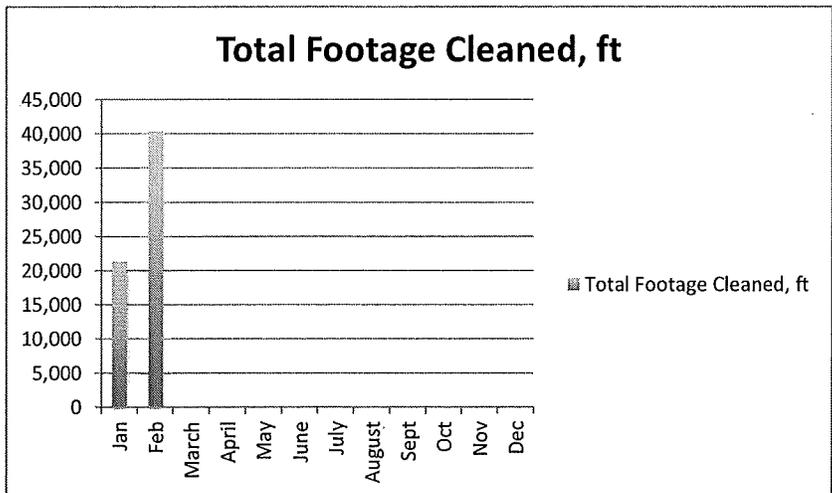
There was one Sanitary Sewer Overflow for the month of February at 885 Eucalyptus Ave. on February 15, 2011. A grease blockage due to a sag in the mainline resulted in an overflow of approximately 53 gallons to open ground. There was no recovery due to the location of the spill. This main line section was cleaned 6/11/2010 and was on a 12 month frequency. This schedule has been changed to a 4 month frequency until the line segment can be repaired.

Collection System Operations Report 2011

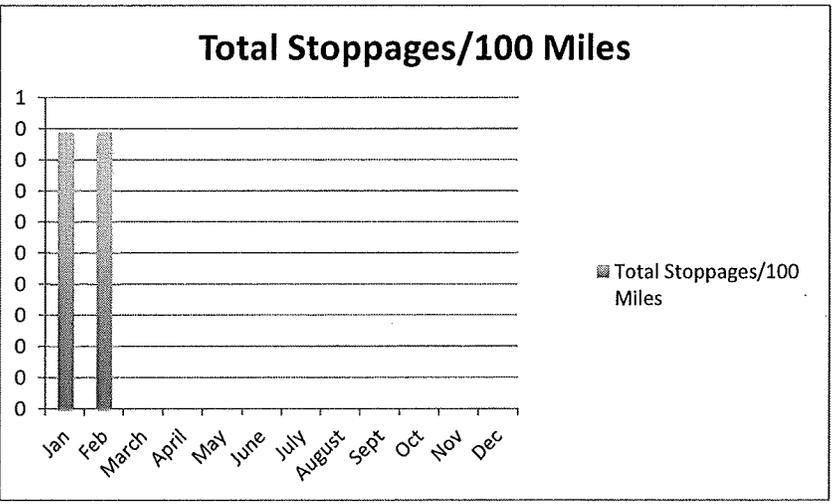
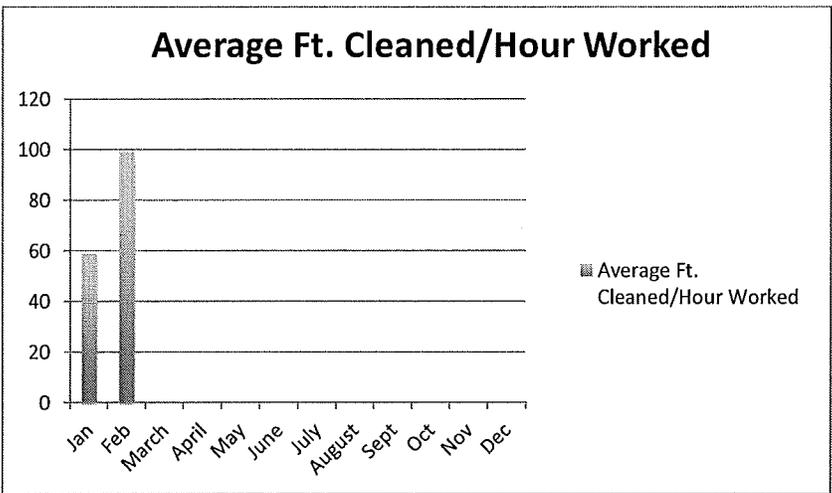
Novato Sanitary District
Collection System Monthly Report For 2011

	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec	Total Year to Date	Average Year to Date
Employee Hours Worked	437	504												
Number of Employees	2	3											770	
Regular Time Worked on Coll. Sys.	363	407											101	
Regular Time Worked on Other	42	59											1,076	
Vacation/Sick Leave/Holiday	628	448											42	
Overtime Worked on Coll. Sys.	31	11											27	
Overtime Worked on Other	1	27											2	
After Hours Callouts	1	1											2	
Service calls, normal hours	10	1											11	
Average S.C. response time (mins)	19	10											29	15
Productivity														
Rodder Work Orders Generated, ft	8	43											9,193	4,597
Rodder 3203 Ft. Cleaned	1,383	7,810											8,643	4,322
Flusher Work Orders Generated, ft	103	155											43,694	21,847
Truck 3205V Ft. Cleaned	8,643	0											0	0
Truck 3206V Ft. Cleaned	11,231	32,463											309	155
Camera Work Orders Generated, ft	0	0											6	3
Camera Ft. Videoed	111	198											61,788	5,149
Work Orders Completed	5	1											2	1
Work Orders backlog	21,360	40,428											1	1
Total Footage Cleaned	1	1											2,553	0
Stoppages														
Minor	0	1											0	0%
Major	1	0											0	0%
Overflow Gallons	2,500	53											0	0%
Volume Recovered	0	0											0	0%
Percent Recovered	0%	0%											0%	0%
Benchmarks														
Average Ft. Cleaned/Hour Worked	59	99											0.9	0.9
Total Stoppages/100 Miles	0.4	0.4											0.0	0.0
Average spill response time (mins)	38	20											0.0	0.0
Callouts/100 Miles	0.4	0.4											0.0	0.0
Overtime hours/100 Miles	14	0											0	0
Overflow Gallons/100 Miles	1111	24											1135	1135

Collection System Operations Graphs 2011



red



Pump Station Monthly Report 2011

Novato Sanitary District

Pump Station Monthly Report For 2011

	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec	Total Year to Date	Average Year to Date
Employee Hours Worked	312	395												
Number of Employees	2													
Regular Time Worked on Pump Sta	271	356											627	
Overtime Worked on Pump Sta	41	40											81	
After Hours Callouts	3	0											3	
Average Callout response time (mins)	0	0												0
Work Orders														
Number generated in month														
Number closed in month														
Backlog														

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: NPDES Permit: Legal Services	MEETING DATE: March 30, 2011
AGENDA ITEM NO.:	
RECOMMENDED ACTION: Authorize Manager-Engineer to execute a contract with Barg Coffin Lewis & Trapp LLP to provide legal services in connection with the Administrative Civil Liability case from the Regional Water Quality Control Board.	
SUMMARY AND DISCUSSION:	
<p>On September 15, 2010, the Regional Water Quality Control Board notified the District of its intent to issue an Administrative Civil Liability in connection with sanitary sewer overflows that occurred between September 24, 2007 and February 28, 2010. District staff and District Counsel have been in discussion with Regional Board staff and State Board Counsel since that time. Recently, the State Board Counsel indicated that they intend to include discussion of the matter referred to them by the Environmental Protection Agency. Since Davina Purjari of Barg Coffin Lewis & Trapp LLP is already well versed in this matter and Meyers Nave was only peripherally involved, staff recommends engaging Barg Coffin Lewis & Trapp to prepare for and attend the meeting scheduled in April. It is estimated that the cost of this work will not exceed \$30,000.</p>	
ALTERNATIVES: NA	
BUDGET INFORMATION: The 2011-12 Budget for Legal Services is \$401,000 of which \$79,000 is remaining.	
DEPT.MGR.:	MANAGER:

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Strategic Plan: Proposal	MEETING DATE: March 30, 2011
AGENDA ITEM NO.:	
RECOMMENDED ACTION: Accept a proposal from Rauch Communications to assist the District in preparing a Strategic Plan.	
SUMMARY AND DISCUSSION:	
<p>The District current Strategic Plan was completed in 2001. This plan laid out much of the operational and capital program for the past ten years. The Board included funding in this year's budget to update the strategic planning for the District. The District held a preliminary Strategic Planning Workshop on March 5, 2011 that was facilitated by Martin Rauch of Rauch Communications. Rauch Communications has extensive experience in assisting public organizations in California with strategic planning as well as being very familiar with the Novato Sanitary District. They recently assisted Las Gallinas Valley Sanitary District to prepare their strategic plan and they come highly recommended.</p> <p>The attached proposal puts forward a step-by-step process for preparing a Strategic Plan for the District. The objective is to develop a strategic guideline that staff can use to implement a work plan for the next five years.</p> <p>The estimated cost for this work is \$15,960. Staff recommends accepting the proposal from Rauch Communications for work on a time and materials basis with an amount not to exceed \$18,000 without further authorization.</p>	
ALTERNATIVES: Do not accept proposal.	
BUDGET INFORMATION: The 2011-12 Budget includes \$50,000 for a Strategic Plan Update.	
DEPT.MGR.:	MANAGER:



Rauch Communication Consultants Inc.

936 Old Orchard Rd – Campbell, CA 95008

PH 408-374-0977

FX 408-374-2197

E info@rauchcc.com

P R O P O S A L

DATE: March 25, 2011

NO OF PAGES: 9

ATTN: Beverly James, General Manager

FROM: Rauch Communication Consultant, Inc.

Thank you for your request for a proposal to assist Novato Sanitary District to develop a comprehensive 5-year Strategic Plan for the District. We are pleased to offer the attached proposal.

Objectives of the Proposed Planning Process

This proposal provides a custom-designed, step-by-step process that builds upon the initial planning session held on March 5, 2011.

In brief, we propose to facilitate a focused and proven process that will assist you in answering these fundamental strategic questions:

- Why does our district exist? What is its role in the community?
(District Mission)
- What should our district be like in 5 years? 10 years? Or more?
(District vision)
- What goals must we achieve to accomplish our mission and vision?
(Board Strategic Goals and Objectives)
- Given our resources, what practical actions must we take to implement the Strategic Plan? (Staff Work Plan)

Taken together, these elements constitute a strategic guideline that will lead the District successfully into the future.

To accomplish this, we proposed to gather input from: the Board, General Manager, management team, as well as key stakeholders in the community. Then, using proprietary techniques that we have honed through the successful development of Special District strategic plans over several decades, Rauch Communication Consultants will assist the District to consider where it stands today, evaluate past achievements, address an increasingly challenging future, consider new opportunities, and ultimately provide the direction that will allow the District to proceed confidently into the future.

I believe that our understanding of the District and its issues, built up over a number of years, combined with our extensive experience in developing strategic plans, will make us an effective partner with the district in carrying out this important new task.

Sincerely,

A handwritten signature in black ink that reads "Martin Rauch".

Martin Rauch

PART I. INTRODUCTION

A strategic plan is the District's highest level planning document, and represents the board's direction for the future. To be most effective, it should be developed through a step-by step process, starting with identifying a vision for the future, recognizing opportunities and challenges facing the District and provide clear direction to the staff about the Boards goals and objectives.

As such, the strategic plan is a practical working tool that will be referred to regularly as a guide to decision-making over the period it covers. To keep it fresh, it should be updated annually and rolled forward so that there is always a five-year guide to the future.

It incorporates all District activities and plans. The budget and allocation of human resources are keyed to meeting its directives.

PART II. OUR APPROACH – WHAT WE PROPOSE TO DO

The following describes a step-by-step, proven approach to strategic planning that has been designed expressly to meet the needs of Novato Sanitary District.

STEP 1. PREPARE FOR AND CONDUCT CONFIDENTIAL INTERVIEWS

Experience has shown that one of the best tools for gaining insight into key issues facing a District at the start of a strategic planning process is one-on-one confidential interviews with key individuals involved with the District.

We recommend that at a minimum the interviews include each member of the Board of Directors, the General Manager, and senior management staff members. Other key individuals that we recommend would be representatives of the City and North Marin Water District. There are many other possible individuals that could be interviewed depending on the District's preferences: representatives of key firms with extensive experience working with the District, representatives of key community and others. An exact list can be worked out with the District.

A schedule for the on-site interviews would be set up. Depending on the number of people to be interviewed, two days is the likely amount of time needed. Each interview is typically about 45 minutes to one hour long, but can be varied for specific individuals.

While we discuss the District's general situation, the proposed approach, and key issues. We also expect to obtain additional valuable information and insight.

The confidential interview process gives the people who have the greatest influence on the District a chance to candidly express their interests, concerns and perspectives on the District's and its priorities. Out of these interviews arises a composite picture of the important issues facing the District, that will help inform the Board strategic planning workshop that follows. Of course, other issues may be added or removed as the process proceeds. Interviews in person are most desirable, but if this is not possible, telephone interviews can be substituted in cases where in-person interviews cannot be arranged.

STEP 2. PREPARE THE BOARD OF DIRECTORS PLANNING WORKSHOP

Based on the preceding steps, we will prepare a draft workshop agenda, which is reviewed by the management team and Board President. This step includes coordination and review.

STEP 3. CONDUCT THE FIRST PLANNING WORKSHOP

Strategic planning workshops for Boards of Directors are the heart of the process and are a specialty of Rauch Communication Consultants. Our workshops are designed to obtain consensus on key issues rapidly and effectively. Participants include at a minimum, the entire Board of Directors and the General Manager. We recommend that the management team also participate. Others that sometimes participate include legal counsel and the consulting engineer. The workshop will be a Brown Act public meeting, so sometimes members of the community observe and are typically given opportunities to comment before and after major discussions, if they choose.

It is helpful to meet at a nearby meeting room – often found at hotels, places like Hamilton Field and some restaurants. The reason for this is to get out of the box so to speak, helping the participants to relax, think and interact in a fresh and comfortable environment. However, the District board room would work fine if it is organized in a casual, rather than board

configuration.

The Board workshop plan will be refined after the interview process, but is likely to contain elements like the following.

Basic Tasks of the Workshop

- Review the results of the interviews. The consultant will present the results of the interviews in a consolidated form that does not indicate the source of the comments. Generally there are important insights from the interviews that are not captured any other way.
- Identify where the District stands today. During the planning process, the District will identify a vision for the District's future. In order to chart a path to the future, the District will need to identify where it stands today. The consultant will lead an exercise in which the participants generate a picture of where the District stands today.
- Identify opportunities and challenges. Taking account of the business and regulatory environment that the District faces today and is expected to face in coming years is an important step in creating context for the development of the strategic plan.

Review and update the Vision. The District Board already started to develop a vision for the District's. The results of that initial visioning discussion indicate the potential for consensus around a dramatic and bold vision for the agency's future. At the first workshop, we will review and refine the Vision statements developed at the last workshop and refine it.

Develop Goals, Policies, Objectives and Macro timelines. The purpose of this portion of the workshop is to address the issues that will face the District as it works to achieve its Mission and Vision. Establishing the Goals, Policies and Objectives for the next five years is the foundation of the strategic planning activity.

This work to develop the goals, strategic elements, objectives and macro timelines is expected to be completed by the end of the first workshop day. It may be necessary to take an additional several hours or half day to complete it.

STEP 4. REPORT ON THE RESULTS OF THE FIRST WORKSOP

The consultant will take the results of the first workshop and incorporate them into a report. He will work with senior staff specifically to refine the objectives and to package it all up.

STEP 5. CONDUCT THE SECOND BOARD WORKSHOP

The second workshop would likely incorporate the following activities.

Review the report on the goals, policies, objectives and macro timelines. The Board will review the report summarizing the results of the first workshop and make any changes or refinements desired.

The Mission, Vision and Value statements are amplified and refined. The Board of Directors are led through a series of exercises designed to help them identify the elements of a values statement, vision and mission. Experience has shown that the Board is best able to finalize the mission and vision near the end of the process after they have had a chance to think deeply about the District and its future direction in the previous session.

Because it is difficult for a group to compose written copy, the elements of these statements will be written, formatted and brought back for final board review, refinement and approval.

STEP 6. FOLLOW-UP WORK WITH STAFF TO OUTLINE WORK PLAN WORK PLANS

The consultant will gather and tabulate the information to-date and integrate it into a draft plan. This draft will be the basis of a workshop session with the management staff. This workshop will be conducted by Rauch Communication, to assist in aligning the Boards goals and policies with existing and planned staff implementation work plans.

In this workshop for the manager and senior staff, the consultant will work with staff to develop a staff Work Plan for accomplishing the Board's Goals, Policies and Objectives following the naming conventions and numbering system of the strategic plan. Staff's Work Plan describes what the staff will do to accomplish each action; who is responsible (staff, consultant, Board committee, whole Board, etc); and when it will be done.

What results are the links between the work tasks that staff will be carrying out to accomplish the Board Goals, Policies and Objectives, it ties together the Goals, Objectives, and staff work plans into a single coherent strategic matrix that can be understood and can be monitored by all. The result is a closely integrated, organic strategic plan that provides clear direction for addressing the issues that confront the District. We believe that this approach results in uniquely easy to use and practical strategic plan. Other plans, such as master plans and finance plans, etc. are referenced back to the strategic plans

The final Strategic Plan will be presented for review and preliminary approval by the Board of Directors for approval.

STEP 7. PREPARE FINAL REPORT AND PRESENT TO BOARD

Following the staff workshop, prepare the final report and present to the Board of Directors at a regular meeting.

TIMELINE

Generally, developing a strategic plan of this type takes several months with the main timing considerations having to do with identifying dates for interviews and workshops that works for the participants and consultant.

COMMUNICATE THE STRATEGIC PLAN

Following Board review, we recommend that the employees of the District be the first audience to hear a presentation of the Plan.

We also recommend that a summary of the plant be communicated over time to the District customers and stakeholders.

Following this outreach, the Board would hold a public hearing, take public input, and adopt the Plan.

PART III. PROJECT BUDGET

Below are estimated times and costs to carry out the strategic plan

STEP	Actions	HOURS	
STEP 1	Prepare for and Conduct Confidential Interviews. Tabulate Notes	20	
STEP 2	Coordination With The District And Preparation Of The Board Of Directors Planning Workshop	10	
STEP 3	Conduct The First Planning Workshop	8	
STEP 4	Report On The Results Of The First Workshops	8	
STEP 5	Conduct The Second Workshop	8	
STEP 6	Work With Staff To Develop Work Plan	8	
STEP 7	Prepare Final Report And Present To Board	16	
	TOTAL HOURS.	78	\$14,820
	Estimated expenses. 5 trips, printing, scanning, etc.		\$750
	TOTAL ESTIMATED COST		\$15,960

More Cost Estimate Details

We recommend a program of approximately this scale would meet the needs of Novato Sanitary District. This is a time and materials proposal. The Agency will only be charged for work actually done. It is possible that final costs will be less. No out-of-scope work will be undertaken without prior written approval from the Agency. Out-of-scope work includes additional new tasks, or extra work (hours in excess of those estimated hours that are not due to inefficiencies on our part) on existing tasks, which is requested for reasons beyond RCC's control. Rauch Communication Consultants rate for strategic planning is \$195 per hour, Associate consultants \$115 per hour, graphic designers \$100 per hour, media and writing specialist \$85 per hour, and administrative assistance \$65 per hour. For meetings involving travel, the minimum charge is four hours. Basic material expenses, including, travel expense, office printing and sales tax are additional, and are passed on at cost

PART IV. QUALIFICATIONS AND EXPERIENCE

The strategic planning process described is very similar to the approach that we have developed and utilized for many years. Strategic Planning using this approach is one of the principal specialties of Rauch Communication Consultants.

Rauch Consultants has served solely local governments, particularly special districts, for more than 30 years in California. During that time, we have worked with over 170 special districts throughout the state, as well as with most of the leading organizations of special districts, such as CSDA, ACWA, CASA, and many others. The great majority of our clients are water and wastewater agencies, but we have worked with individual districts of every kind and size in most corners of the state.

We know special districts well and the strategic planning needs of those district. For example, we completed the strategic plan for the California Special District Association several years ago, led ACWA's Vision 2000 strategic plan that significantly changed the structure and direction of the organization, as well as key strategic planning sessions for CASA during a time of organizational change. A selected list of clients for whom we have provided strategic planning services is given later in this proposal, along with brief client case studies and testimonials.

We have also served as speakers for special district conferences and seminars on strategic planning and public outreach for ACWA, CASA, CSDA and the Special Districts Institute for whom we serve as permanent faculty members.

WHAT OUR CLIENTS SAY ABOUT US

"On behalf of the Board of Directors and staff of the California Special Districts Association, I wanted to take a moment to thank you for the wonderful job you did at our 2007 Board Planning Session. You did your homework, found the common denominator, and provided the Board and my executive staff with a positive outlook for the future of CSDA...We were all impressed and came away with a sense of positive change for the Association."

California Special Districts Association

"Our Strategic Planning Workshop, which you facilitated . . . provided the Board with a greatly improved understanding of the many issues facing the District both now and in the future—which makes it possible for the Board to provide a more focused and clear policy direction to staff . . . Perhaps more importantly, your facilitated process helped our Board and Staff develop a consensus around a much larger, but still realistic vision of what our District needs to be in order to best serve our customers."

Cucamonga County Water District

"Rauch Communication Consultants has been working with our board of directors and management team for the past ten years. They have facilitated annual strategic planning workshops that have helped us keep everyone focused on the critical priorities of our district. With RCC's help we have learned to address the major long-term issues, and develop effective action plans to deal with them. It has really made a difference!"

Truckee Donner Public Utility District

"Though your skilled mentoring and carefully executed annual planning sessions . . . this District has been able to rise from the depths of public unrest to a position of public trust . . . So much of what we have accomplished is credited to the tools that you have given us along the way."

San Juan Water District

"Our board was having a tough time communicating between ourselves, and unable to communicate with staff. The workshop you put together for us has given us a clear vision and made all the difference in the world."

Three Valleys Municipal Water District

"Thanks for your assistance with this long overdue process. Great workshop outcome. It went a long way to provide the current Board camaraderie and trust."

San Diego County Water District

"I wanted to give you thanks for your guidance in helping the Board members make decisions that resulted in a healthy working, and I believe, successful atmosphere here in our District...We have a Board and Management team who get along and support each other. Again; thank you for your capable knowledge and assistance..."

Cordova Recreation and Park District

SELECTED LIST OF CLIENTS FOR WHOM WE HAVE PREPARED STRATEGIC PLANS

Rancho Murieta Community Services District. Worked closely with the Board of Directors and staff to create a new mission statement, vision, objectives, goals and set of action items as part of the complete Strategic Plan for this community that provides sanitary, water, security, roads and other services. Considered a complete success.

Costa Mesa Sanitary District. Worked closely with the Board of Directors and staff to create an initial strategic plan, which is now followed by bi-annual updates. The most recent strategic plan led to a series of dramatic changes in direction that have taken several years to complete. Board and staff agree that the changes were beneficial to the District and its customers, morale is high, and long range plans are being implemented.

Goleta Sanitary District Strategic Planning Services. Facilitated an initial strategic plan and many annual updates for this sanitary district along the coast of Goleta, California. Also provides ongoing support and facilitation to Staff and the Board of Directors in developing plans and responses to important events.

Association of California Water Agencies Vision 2000 Plan. ACWA is the oldest and largest organization of water agencies in California, with a membership consisting of over 400 individual member agencies along with numerous engineering, legal and financial organizations. Rauch Communication Consultants planned and conducted its Vision 2000 strategic planning process, which resulted in a significant alteration of the organization's structure and direction. The new plan was developed with a comprehensive outreach program involving numerous coordination meetings, and is today considered a complete success.

Kern County Water Agency. The Agency imports over one million-acre feet of water per year, making it a leader in California's water structure. Rauch Communication Consultants planned and conducted the development of its strategic plan, working closely with the Board, senior management, numerous member districts as well as a major city and the county. Over 57 different agencies and key individuals were interviewed along the way. The plan was unanimously adopted.

Santa Clara Valley Water District. This agency provides water supply and flood control services for a major portion of the Silicon Valley. With an annual budget running in the hundreds of millions, it impacts numerous aspects of the economic, residential and environmental aspects of life in the area. Rauch Communication Consultants conducted the initial strategic planning workshops of the Board of Directors and senior management, which defined the future direction of the district.

Cucamonga County Water District. This is a retail water agency in a rapidly growing area that faces important issues concerning water supply and area leadership. Rauch Communication Consultants met with its Board of Directors, general manager and senior staff to develop a complete Strategic Plan. The Plan is being successfully implemented by the district.

National Water Resources Association STRATEGIC PLAN. This Washington-based national organization brings information about federal policy to its membership and provides lobbying before Congress on their behalf. Rauch Communication Consultants planned and conducted the process leading to the development of their strategic plan.

STRATEGIC PLANNING TERMINOLOGY

Vision. A vision is a statement of the ideal future desired for your organization. The vision defines the destination the staff and board are working toward, helps the board set policy and is the basis for all board action and decision-making. A vision does not usually change often, but it does evolve. We place it above the mission in the hierarchy of planning because a changed vision may lead to a changed mission.

Mission. A mission statement expresses the district's essential purpose, the reason it exists: who it serves. It is reviewed annually, but is usually rarely changed.

Values. Values are what are important to an organization. They are critical to setting standards of excellence and in creating a healthy work environment. Values are also indispensable in decision-making, especially when there is a fork in the road and you are faced with more than one reasonable option. Values help in decision-making by identifying what is right or wrong and to what degree. Like the mission and vision, the Board of Directors reviews them annually, but they tend to remain constant over time.

Goals. Goals are broad, timeliness statements of what the board wants to achieve related to various aspects of the District. Each year strategies and actions may change – as the focus of the District's efforts adapt to changing circumstances, but the goals remain relatively stable, providing overall direction.

Policies. Policies provide additional direction from the Board about how various aspects of the Goals will be achieved. Policies may vary in how general or specific, long or short they are, but they give direction only and do not describe how something is going to be accomplished.

Objectives. Objectives are a brief statement providing additional direction about various aspects of policies and how they are to be carried out. These are outlined by the Board and fully developed by the staff but brought back to the Board for approval. This is a shared effort of the Board and staff

Strategic Work Plan. The strategic work plan is developed by staff. It provides a detailed description outlining how staff intends to meet the vision, mission, values, goals, policies and objectives. For accountability, it includes specific timelines and names individuals or teams that are responsibility. The work plan should follow the same organization and numbering system as the goals, policies and objectives.

Budget. In future years, once strategic planning is established, it is helpful to begin organizing the budget around the strategic plan naming and numbering system. That way each budget items can be traced back, showing what part of the strategic plan it addresses.

NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

TITLE: Legislative Issues: AB 741	MEETING DATE: March 30, 2011
AGENDA ITEM NO.:	
RECOMMENDED ACTION: Authorize sending letters to Assembly Member Huffman and Senator Leno.	
SUMMARY AND DISCUSSION:	
<p>Assemblyman Huffman is authoring AB 741 (Huffman), which is a continuation of the AB 2182 effort of last year. This bill would aid the financing of private sewer improvements by expanding existing law to allow property owners to voluntarily enter into agreements with local wastewater agencies to finance needed sewer improvements.</p> <p>As you know, converting septic systems to sanitary sewer systems and replacing damaged sewer laterals on individual properties can be critical to protecting water quality, the environment, and public health and safety in our communities. While this bill is very different in structure from AB 2182 (Huffman) of last year, it is hoped that this new approach, which does not involve contractual assessments of the PACE program, will be signed by the Governor. As you may recall, Governor Schwarzenegger vetoed AB 2182 because he did not want to expand the current PACE contractual assessment authority.</p> <p>A fact sheet and draft letters to Assembly Member Huffman and Senator Leno are attached.</p>	
ALTERNATIVES: NA	
BUDGET INFORMATION: NA	
DEPT.MGR.:	MANAGER:

AB 741 – SEPTIC & SEWER IMPROVEMENT FINANCING

Assemblymember Jared Huffman

IN BRIEF

AB 741 would expand existing law to allow property owners to voluntarily enter into agreements with local wastewater agencies to finance needed sewer improvements. This bill would:

- Help private property owners finance the cost of converting from a septic system to a community sewer system and the replacement of damaged sewer laterals.
- Protect water quality, the environment and public health from contamination caused by leaking septic tanks, eroding pipes and other aging sewer infrastructure.

Many communities in California face threats from aging infrastructure. The conversion of septic systems to community sewer systems and the replacement of damaged sewer laterals are needed to protect water quality, the environment, and public health and safety. AB 741 (Huffman) would provide additional flexibility to wastewater agencies and voluntary options for willing property owners for financing of sewer improvements.

Sewer Lateral Improvements

A sewer lateral is the pipe that transports wastewater from a building to the public sewer main in the street. Over time, laterals can become cracked, disjointed, or damaged by tree roots, earth settlement, and blockages caused by fats, oil, and grease, allowing wastewater to leak into the ground. Damaged laterals can also contribute to sewage blockages and backups and storm water overflows into the public system, as well as create harm to the environment and threaten public health.

The California State Water Resources Control Board requires wastewater agencies to maintain the public sewer systems, and agencies invest hundreds of millions of dollars in repair and improvements to publicly owned sewer mains and treatment facilities. However, the problem cannot be resolved

solely by upgrading the community sewer system. Repair or replacement of sewer laterals is typically the responsibility of the homeowner, but there is no mandate requiring this maintenance. Private property owners must be given the tools to maintain private sewer laterals.

The costs of sewer lateral replacements for private property owners are high. A typical sewer lateral replacement can range from \$1,500 to \$4,000. Costs can increase significantly if there are obstructions such as landscaping, driveways, or structures built above the lateral.

Providing financing options to encourage private property owners to replace their damaged sewer laterals is essential to ensuring that public infrastructure, public health and the environment are protected.

Septic Conversions

Currently, there are a number of California communities that operate on septic systems. Septic systems can be operated safely, but when they age or exceed the treatment capacity of regional soils, they can leak and contaminate surface waters, groundwater and sensitive coastal waters with disease-causing pathogens and nitrates.

Converting from a septic to sewer system protects water quality, the environment and public health by ensuring that wastewater is collected and conveyed to treatment and disposal facilities with minimal risk and increases water quality benefits.

The cost to convert a septic system to a sewer system can be expensive, including the clean up and removal or abandonment of the septic system as well as the costs of building the facilities needed to connect to the community sewer system. According to the Irvine Ranch Water District, the costs of conversion can range from \$2,000 to \$14,000 and if new or replacement pumps are needed, this can add an additional \$10,000.

EXISTING LAW

Health & Safety Code sections 5460-5464 authorize a property owner included within an assessment district to enter into an agreement with the local wastewater agency for the financing of sewer improvements needed to connect to a community sewer system when a Regional Water Quality Control Board has issued an abatement order.

THIS BILL

AB 741 would authorize public wastewater agencies to offer voluntary liens to private property owners to finance lateral replacements and conversions from septic to sewer systems to prevent groundwater contamination and protect water quality, the environment, public health and safety.

SUPPORT

Irvine Ranch Water District – Sponsor

FOR MORE INFORMATION

Paige Brokaw, (916) 319-2715

Paige.Brokaw@asm.ca.gov

Maureen O'Haren, (916) 498-1900

maureen@oharen.com

March 30, 2011

The Honorable Jared Huffman
California State Assembly
State Capitol, Room 3120
Sacramento, CA 94249

RE: AB 741 (Huffman): SUPPORT

Dear Assembly Member Huffman:

I am pleased to write on behalf Novato Sanitary District in strong support of your AB 741 (Huffman), which would expand existing law to allow property owners to voluntarily enter into agreements with local wastewater agencies to finance needed sewer improvements on their properties. Converting septic systems to sanitary sewer systems and replacing damaged sewer laterals is critical to protecting water quality, the environment, and public health and safety in our communities.

AB 741 (Huffman) would build on existing law by adding Section 5465 to the Health and Safety Code to authorize public wastewater agencies to offer voluntary liens to private property owners to finance lateral replacements and conversions from septic to sewer systems. This legislation would help private property owners finance the costs of converting from a septic system to a community sewer system and the replacement of damaged sewer laterals. By making these improvements feasible, AB 741 would protect water quality, the environment and public health from contamination caused by leaking septic tanks, eroding pipes and other aging sewer infrastructure.

The costs to property owners of septic conversions and lateral replacements on their properties are high, ranging from approximately \$2,000 to \$14,000. These costs include cleanup and removal or abandonment of the septic system as well as the costs of building the facilities needed to connect to the community sewer system. A typical sewer lateral replacement can range from \$1,500 to \$4,000 and can increase significantly if there are obstructions such as landscaping, driveways, or structures built above the lateral. If new or replacement pumps are needed for conversions or lateral projects, this can add an additional \$10,000.

AB 741 would provide real benefits to communities in our state. Infiltration of stormwater into the sanitary sewer system in Novato Sanitary District results in wet weather flows that are up to 10 times the average dry weather flow straining District collection and treatment systems.

AB 741 (Huffman) will encourage property owners to convert from septic systems to community sewer systems and to replace aging and damaged sewer laterals to protect water quality, the environment and public health and safety. For this reason, we strongly support this measure. Thank you for your commitment to and leadership on this important issue.

Sincerely,

Beverly B. James
Manager-Engineer

Cc: Irvine Ranch Water District

March 30, 2011

The Honorable Mark Leno
California State Assembly
State Capitol, Room 5100
Sacramento, CA 94249

RE: AB 741 (Huffman): SUPPORT

Dear Senator Leno:

I am pleased to write on behalf Novato Sanitary District in strong support of AB 741 (Huffman), which would expand existing law to allow property owners to voluntarily enter into agreements with local wastewater agencies to finance needed sewer improvements on their properties. Converting septic systems to sanitary sewer systems and replacing damaged sewer laterals is critical to protecting water quality, the environment, and public health and safety in our communities.

AB 741 (Huffman) would build on existing law by adding Section 5465 to the Health and Safety Code to authorize public wastewater agencies to offer voluntary liens to private property owners to finance lateral replacements and conversions from septic to sewer systems. This legislation would help private property owners finance the costs of converting from a septic system to a community sewer system and the replacement of damaged sewer laterals. By making these improvements feasible, AB 741 would protect water quality, the environment and public health from contamination caused by leaking septic tanks, eroding pipes and other aging sewer infrastructure.

The costs to property owners of septic conversions and lateral replacements on their properties are high, ranging from approximately \$2,000 to \$14,000. These costs include cleanup and removal or abandonment of the septic system as well as the costs of building the facilities needed to connect to the community sewer system. A typical sewer lateral replacement can range from \$1,500 to \$4,000 and can increase significantly if there are obstructions such as landscaping, driveways, or structures built above the lateral. If new or replacement pumps are needed for conversions or lateral projects, this can add an additional \$10,000.

AB 741 would provide real benefits to communities in our state. Infiltration of stormwater into the sanitary sewer system in Novato Sanitary District results in wet weather flows that are up to 10 times the average dry weather flow straining District collection and treatment systems.

AB 741 (Huffman) will encourage property owners to convert from septic systems to community sewer systems and to replace aging and damaged sewer laterals to protect water quality, the environment and public health and safety. For this reason, we strongly support this measure.

Sincerely,

Beverly B. James
Manager-Engineer

Cc: Irvine Ranch Water District