

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BB*
DATE: MAY 8, 2009

**AGENDA ITEM
E-5
MAY 13, 2009**

ROUGH DRAFT STRATEGIC PLAN "TONE CHECK"

ITEM

Receive and edit rough draft Strategic Plan and set process for adoption [PROVIDE POLICY DIRECTION]

BACKGROUND

The Board in February conducted a Strategic Plan Workshop with Brent Ives and directed staff to work with Mr. Ives to produce a rough draft Strategic Plan for a "Tone Check". Attached is the staff's proposed rough draft Strategic Plan. To advance the Plan to the Public Review draft, staff is seeking Board feedback on content.

Brent Ives is scheduled to join the Meeting at 1:30pm and participate in the review.

FISCAL IMPACT

Mr. Ives time and travel cost for this Tone Check are part of his approved Scope of Work. The staff time spent in compiling the rough draft Strategic Plan is budgeted.

RECOMMENDATION

Staff recommends that the Board receive Mr. Ives presentation, receive public feedback, and then discuss the Rough Draft Strategic Plan and provide feedback regarding content. Should the Board determine that the draft requires minor fine tuning, then a hearing should be set for June 24, 2009 for adoption. Should the Board determine that a major re-write is required, then staff should be directed to report back with a new timeline based on staff's ability to produce the revised draft.

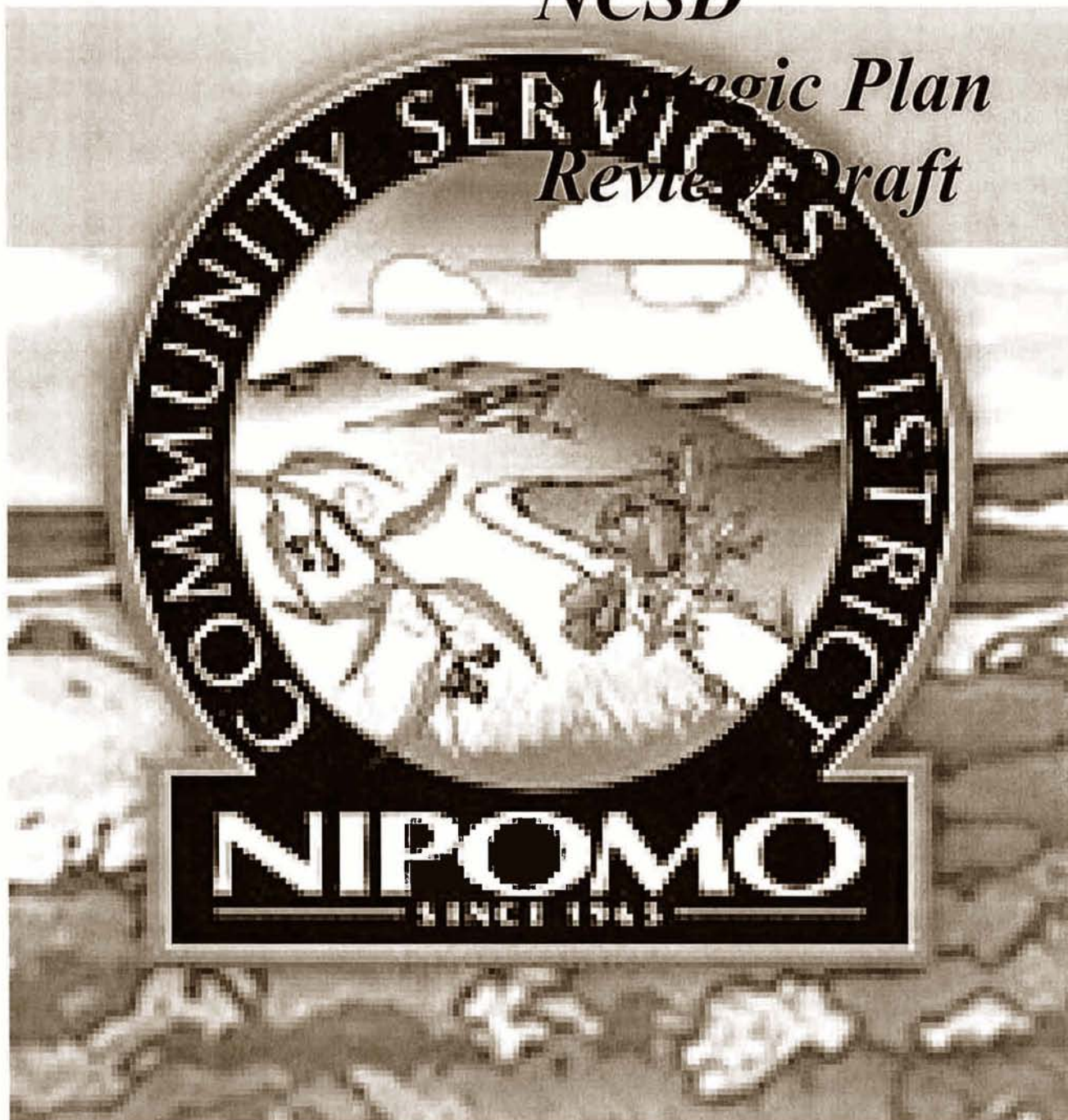
ATTACHMENTS

- Rough Draft Strategic Plan

t:\documents\board matters\board meetings\board letter 2009\Strategic Plan Tone Check.doc

NCS

*Strategic Plan
Review Draft*



APRIL 25, 2009



Board of Directors

Jim Harrison, President

Larry Vierheilig, Vice President

Ed Eby, Director

Michael Winn, Director

Cliff Trotter, Director

District Management Team

Bruce Buel, General Manager

Peter Sevcik, District Engineer

Lisa Bognuda, Finance Director/Asst. General Manager

Tina Grietens, Utility Superintendent

Strategic Plan Consultant – BHI Management Consulting

Brent H. Ives, Principal Consultant



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Introduction

A Strategic Plan is a top level planning document for an organization to set clear direction over all operational aspects of its mission. It serves as a framework for decision making over a five-year period. It is a disciplined effort to produce fundamental decisions that shape what a District plans to accomplish by selecting a rational course of action. This planning process began with an environmental scan of the District's business environment including an objective assessment of the District's strengths, weaknesses, opportunities and threats. Input from various stakeholders was gathered and analyzed. Starting with that information the District's Mission, Vision, Core Values and the overall structure of this Strategic Plan were developed by the Board in workshop settings. Within the framework of that structure and the business environment, strategies and goals were developed to sustain and where appropriate improve the District over the next five years. At its highest level, this Strategic Plan seeks to strengthen and build upon opportunities while addressing areas of concern. This plan also identifies actions, activities, and planning efforts that are currently underway and which are needed for continued success in operations and management of the District, and provides for periodic reviews and updates.

The strategic planning effort has focused on several or all of the following areas:

- Ensuring the District's long term financial health and stability;
- Cost efficiencies;
- Maintaining infrastructure;
- Stewardship of the environment;
- Sustaining a high performing, motivated and adaptable workforce;
- Fostering professional relationships when needed to better achieve our Mission;
- Assuring clear, proactive and meaningful communications with the community we serve; and
- Assuring clear, proactive and meaningful communications with regulatory and land use agencies that impact District services.

Strategic Planning Definitions

Mission Statement: A declaration of the District's purpose which succinctly describes why the District exists. All activities of the District will be in support of the Mission Statement. The Mission Statement is adopted by the Board of Directors. The Mission Statement be reviewed annually but is intended to be constant over the long term.

Vision Statement: A statement that articulates where the District wants to be over the life of the Strategic Plan. It outlines at the highest level the key changes that must be achieved by the Strategic Plan. The Vision creates and drives strategy and tactics identified elsewhere in the Strategic Plan. The Vision Statement is adopted by the Board of Directors. The Vision Statement will be reviewed annually and will typically change more frequently than the Mission Statement to reflect the direction the Board wants to take the District over the five-year time horizon of the Strategic Plan.

Core Values: A guidepost to the things that the District values when faced with options and alternatives. These are used every time decisions are made as a District. The Core Values are adopted by the Board of Directors. The Core Values are reviewed annually but are intended to be relatively constant over the long term.

Strategic Elements: The broad and primary areas of District operations, planning, and management that are addressed and supported by the Strategic Plan goals. These essentially serve as the outline and organization of the Strategic Plan. The Strategic Elements are adopted by the Board of Directors. The Strategic Elements are reviewed annually but are intended, absent major new issues to be faced, to be relatively constant over the life of the five year Strategic Plan.

- Strategic Element Objective: A concise statement associated with each Strategic Element that describes the objective of that element. It explains why that element is important to the District's overall strategy.

- Strategic Element Strategy: A concise statement associated with each Strategic Element that describes how the Objective for that Element will be achieved.

- Measurement of Strategic Element: A concise statement associated with each Strategic Element that describes in simple high-level terms how an observer will know if the Objective for the Element is achieved.

Strategic Goals: Short statements of desired success. The goal statement is supported by a narrative that more fully explains the nature of the goal and the issues that the goal intends to address. The Strategic Goals are prepared by management and accepted by the Board. The Strategic Goals will change from year-to-year when the annual assessment is made of the progress on each Strategic Element. The Strategic goals straddle the line between policy (Board responsibility) and implementation (management responsibility) and as such are a collaborative effort of both the Board and management.

Strategic Work Plan: An objective-by-objective prioritized and year-by-year summary of the activities that management anticipates undertaking to achieve the Strategic Goals. The Work Plan is a tool and a road map to prioritize the broad approach to the Strategic Goals. The work plan is not a task or "to-do" list. It is presented at a higher level of milestones that are intended to be accomplished each year to move the District towards success on the broad Strategic Goals. The Strategic Work Plan is prepared by management. To the extent that it prioritizes the undertaking of efforts to implement the Strategic Elements policy direction from the Board is sought by management.

Business Plans: Detailed and shorter to mid-term implementation plans that will be prepared by each operating Division in the District at the time of budget preparation and separately from this over-arching Strategic Plan. The Business Plans identify specifically what each division intends to accomplish, what resources they require to do so and the detailed steps, milestones and metrics that will be used to assess their performance. Business Plans are prepared annually by mid-level management and are to be in alignment with the Strategic Work Plan.

Strategic Plan Development

In FYE 2008 the District retained the services of BHI Management Consulting (BHI) to facilitate and coordinate the development of the District's five-year Strategic Plan. BHI first gathered input from the District employees in a number of meetings so as to allow direct and "ground level" input to Board during their deliberations on the Strategic Plan. To prepare for the Board workshop the Consultant circulated questionnaires to the District Board members on the matters they thought were most relevant to future strategy for the District. The following topics were discussed at all of the input gathering meetings:

- Mission
- Vision
- Core Values
- Current and future issues
- Important future projects

The Board supported this process as a way to allow all to participate in the foundation of the Strategic Plan. A full-day Board workshop was conducted. At the workshop the Board reviewed all input, revisited and refined the existing Mission Statement of the District, created a Vision Statement and developed Core Values for the District. The Board also identified the seven strategic elements providing balanced implementation actions across District operations that will support the Mission and achieve success of the Vision.

A steering committee, consisting of Senior Management and staff, worked with BHI to develop the Strategic Goals that support each Strategic Element. The Strategic Work Plan was developed in a collaborative fashion by Senior Management. District staff was regularly briefed in General Employee and in Division-level meetings about the process and content of the Strategic Plan as it was being developed. Using this process along with both external and internal input the Strategic Plan was assembled in a way that best articulates the Board's Vision and Strategy for the District over the next five years.

Continuation Process of the Plan

A key part of the Strategic Planning process is to conduct an annual review and update of the Plan. These reviews allow for regular maintenance of the Plan so that it reflects the actual progress and needs of the District. The reviews will be documented, and followed up with by either a Plan supplement or an updated Plan. A five-year planning horizon will be maintained with each review effort developing a new fifth year of actions, projects and initiatives.

Mission Statement, Core Values and Vision Statement

DISTRICT MISSION

The Nipomo Community Services District's mission is to provide its customers with reliable, quality and cost-effective services now and in the future.

DISTRICT CORE VALUES

- ***Is it sensitive to rates and cost efficient?***
- ***Does it support our commitment to maintenance of our facilities and infrastructure?***
- ***Does it support our ability to provide reliability in the services we provide?***
- ***Is it open, transparent and responsive to our customers?***
- ***Does it support the welfare of our employees?***
- ***Does it protect the rural character of our community?***

DISTRICT VISION

The District:

- ***has sufficient water supplies to meet current needs and is actively planning for and funding future needs.***
- ***has investments in our infrastructure to maintain reliable and efficient services.***
- ***is practicing environmental stewardship to protect our resources.***
- ***has substantially upgraded and continues to upgrade water and wastewater systems to accommodate new water supplies and meet growth and regulatory requirements.***
- ***is sustaining a qualified, long-term and productive workforce to assure an effective organization.***
- ***continues conservative, well managed finances reaching incremental targeted reserve goals.***
- ***customer service, public outreach and information methods have resulted in a high level of public support.***
- ***is utilizing proven and cost effective technologies to enhance the performance of our Mission.***
- ***has improved relationships with local agencies, regulators and providers.***
- ***has constructed and is operating at least one neighborhood park.***

Strategic Elements

Strategic Elements represent the vital areas of the District's operation and management. They assure that the implementation of work to be performed in support of the Mission and Vision are comprehensive in nature and properly cover the District in all areas. Strategic elements are derived from the foundational Mission and Vision statements of the District. They are linked to action and results through the Strategic Goals written in each area and the Strategic Work Plan, Business Plans and Employee Goals. Within the five-year period covered by this Strategic Plan, these Elements assure that all aspects of District operations are well supported and are moving forward in a way that reflects Board priorities and creates balanced implementation. The Strategic Work Plan which contains the supportive actions and initiatives organized and prioritized by year within the planning period, is presented along with each Strategic Goal and is also consolidated in tabular form in Table 1 - Strategic Plan "At-a-Glance" (pg. 20). Business Plans and Employee Goals are not a part of the Strategic Plan; these are developed on a one to two year timeframe with tasks, and are handled within the management structure of the District.

The Strategic Elements are:

- 1.0 Water
- 2.0 Wastewater
- 3.0 Partnerships/Regulatory Relations
- 4.0 Personnel/Organization
- 5.0 Administrative Management
- 6.0 Finances
- 7.0 Other Services

1.0 Water

Objective: *The objective is to ensure that water supplies of high quality and quantity are available for existing and future customers.*

Strategy: *We will do this by aggressively managing water resources under the District's control, developing a diversified water supply portfolio, and by partnering with and/or influencing agencies that have an impact on the quantity and quality of the water supplies available to the District.*

1.1 Assess Available Water Supplies

Continuous assessment of available groundwater storage and the ability to serve existing and future customers is necessary to maintain adequate service levels. The current of semi-annual (Spring and Fall) basin-wide storage calculation based on the County's reading of water well levels, will be augmented to include continuous monitoring of the coastal sentinel wells and the "key" inland wells and the periodic water quality measurements set forth in the 2008 NMMA Annual Report.

In addition to this high priority continuous reporting conversion, the NMMA Technical Group has identified six longer term management recommendations including the development of a third Coastal Monitoring Well at Oso Flaco. Implementation of these additional management recommendations will improve the understanding of the groundwater basin and provide information critical to management of the basin. The District will participate in the implementation of each of the 2008 Annual Report recommendations

Over the past three years, the District has reported the volume of groundwater in storage as an indicator of basin health; however, this measurement metric has been criticized for not accurately representing the basin's geo-hydrology. With the publication of the 2008 NMMA Annual Report, there is now a new metric available

that is supported by the technical experts serving on the Technical Group (TG). The District will coordinate with the NMMA TG to periodically assess the basin status and to implement appropriate response plans when the TG or the Court determines that the basin is in a Severe or Potentially Severe Water Shortage situation.

The state requires the District to update its Urban Water Management Plan (UWMP) every five years. The UWMP is the basis for the District's Water Supply Program and it must be kept current for the District to be eligible to receive state grant funding. The District will track existing customer demand, commitments to future development, and plans for future development so that the UWMP can be revised in 2010 as required by the State.

1.2 Secure New Supplies

WATERLINE INTERTIE PROJECT - As detailed in the 2008 NMMA Annual Report, the average annual consumptive use of water exceeds the average annual deep percolation. This situation is not healthy and must be corrected to prevent future saltwater intrusion. The District is proceeding with implementation of the "Business Plan" for development of the Waterline Intertie Project (WIP) including environmental review, design, permits, funding, property acquisition, construction, start up, testing and operations. Once the project is operational, the District will reduce its groundwater pumping and provide new water for infill within District boundaries, but no new water will be available for annexations. Once the project is completed at least one new operator position will be required to manage the new facilities and treatment processes [ESTIMATED COMPLETION DATE = FY2011/12].

DESALINATION - Additional water, beyond the WIP, will be necessary to support development of the lands within the District's Sphere of Influence. The District will need to develop at least one additional supplemental water project. The District Board has ordered staff to implement a work program for development of a desalination project. This work program will be re-written as a business plan, the

initial phase of research will be conducted, potential partnerships will be negotiated and an initial project proposal will be developed within the five year term of this Strategic Plan. [ESTIMATED COMPLETION DATE = FY13/14]

1.3 Upgrade and Maintain Water Storage and Distribution Works

WATER AND SEWER MASTER PLAN - The District is proceeding with the phased implementation of its Water and Sewer Master Plan. Every year as the budget is adopted, the Board selects projects to upgrade the storage and distribution works. In FY08-09 NCSD has funded the first phase of the Willow Road extension. In FY09-10 the District will consider funding the second phase of the Willow Road Extension. In addition, projects to replace and rehabilitate existing water storage and distribution works are funded each year including tank rehabilitation, hydrant replacement, valve replacement and well refurbishment [ESTIMATED COMPLETION DATE = FY13/14].

PREVENTIVE MAINTENANCE - Historically, the District has not developed a written preventive maintenance plan and consequently has spent considerable funds to repair problems as they occur on an expensive case-by-case basis rather than efficiently planning for upgrades. The Board has approved an overall Management and Operations Plan that calls for the development of a formalized preventive maintenance program. The District will purchase the program software and fully implement the program by the end of FY09-10 for both water and sewer facilities [ESTIMATED COMPLETION DATE = FY09/10].

SCADA - The District currently uses a proprietary Supervisory Control and Data Acquisition system (SCADA) that has limited capabilities to monitor, control, and document water and sewer facility performance. These limitations reduce the District's ability to control and manage its water and sewer systems. The District will upgrade its SCADA system to improve the efficiency of operation and to enhance both the evaluation and control of facilities [ESTIMATED COMPLETION DATE = FY09-10]

GIS - The District currently uses a Geographic Information System (GIS) system that is not accessible to field personnel and is very cumbersome to update. These limitations reduce the ability of staff to get information on water and sewer facilities and to keep information current. The District will upgrade and regularly update this system so that it can be accessed by all field personnel and integrated into the Operations and Management Plan [ESTIMATED COMPLETION DATE = FY10-11]

WATER QUALITY ANALYSIS - The District currently contracts out all laboratory analysis of water quality with both a primary contractor and a control contractor to ensure accuracy. Although the vendors have performed well, reliance on vendors limits the District's ability to timely evaluate the performance of NCS D's water and sewer facilities and to respond to emergencies. Over the next three years, the District will set up an in-house water quality laboratory to provide for internal control and for emergency response [ESTIMATED COMPLETION DATE = FY11-12].

1.4 Permanently Reduce Average Demand per Customer

The District has adopted a comprehensive Water Conservation Program, which includes twelve major conservation efforts. The goal of the Plan is to permanently reduce average demand per customer so that less new water is required. As detailed in the 2005 Urban Water Management Plan, water saved through conservation is much cheaper per unit than water developed through new water supply projects. Staff has been implementing select efforts from the Water Conservation Program on a time and funding availability basis. The District will also purchase software to track the effectiveness of each effort and to evaluate the actual reduction in demand per customer. The District will attempt to reduce average annual use per connection by 15%.

The largest single factor that affects the Demand per Customer is water rates. The Board has agreed to evaluate 2010-2013 Water Rates in 2009 to determine if

alternative water rate structures can reduce water usage. The Board has also agreed to evaluate 2012-2015 sewer rates in 2011 to determine if alternative sewer rate structures can reduce water demand.

1.5 Comply with State and Federal regulations and mandates

The District must comply with both State and Federal Water Regulations and submit the required water quality reports as well as prepare the annual Consumer Confidence Report. An additional major component of this compliance is tracking new regulations and implementing those regulations as they become effective. This tracking includes an evaluation of each new regulation to determine the cost to implement, documenting the changes necessary in facilities and operations, commenting to the regulatory body regarding impacts to the District and then implementing the final regulation after it is adopted.

2.0 Wastewater

Objective: Collect, treat and beneficially dispose of wastewater and its by-products to meet the needs of existing and future customers.

Strategy: We will do this by the careful management of effluent and biosolids, using prudent planning and maintenance, with financial strategies to maintain sufficient capacity and respond to changing regulatory demands.

2.1 Efficiently operate collection, treatment and disposal works

PREVENTIVE MAINTENANCE - Historically, the District has not developed a written preventive maintenance plan and consequently has spent considerable funds to repair problems as they occur on an expensive case-by-case basis rather than efficiently planning for upgrades. The Board has approved an overall Management and Operations Plan that calls for the development of a formalized preventive maintenance program. The District expects to purchase the program software and

fully implement the program by the end of FY09-10 for both water and sewer facilities. [ESTIMATED COMPLETION DATE = FY09-10]

SCADA - The District currently uses a proprietary Supervisory Control and Data Acquisition system (SCADA) that has limited capabilities to monitor, control, and document water and sewer facility performance. These limitations reduce the District's ability to control and manage its water and sewer systems creating costs inefficiencies. The District will upgrade its SCADA system to improve the efficiency of operation and to enhance both the evaluation and control of facilities. [ESTIMATED COMPLETION DATE = FY09-10]

GIS - The District currently uses a Geographic Information System (GIS) system that is not accessible to field personnel and is very cumbersome to update. These limitations reduce the ability of staff to get information on water and sewer facilities and to keep information current increasing trip miles and increasing "time to project completion". The District will upgrade and regularly update this system so that it can be accessed by all field personnel and integrated into the Operations and Management Plan. [ESTIMATED COMPLETION DATE = FY10-11]

WASTEWATER QUALITY ANALYSIS - The District currently contracts out all laboratory analysis of wastewater quality with both a primary contractor and a control contractor to ensure accuracy. Although the vendors have performed well, reliance on vendors limits the District's ability to operate the new Biolac Treatment System, to timely evaluate the performance of NCSD's water and sewer facilities and to respond to emergencies. Following the completion of the Southland WWTF Upgrade Project, the District will set up an in-house water quality laboratory to provide for internal control and for emergency response [ESTIMATED COMPLETION DATE = FY11-12]

2.2 Upgrade and maintain collection and treatment works

SOUTHLAND WASTEWATER TREATMENT FACILITY - The District is proceeding with implementation of the "Business Plan" for development of the Southland WWTF Upgrade Project (SoWWTF) including environmental review, design, permits, funding, construction, start up, testing and operations. Once the project is completed, the District will improve the water quality of its discharge. Once this project is completed, at least one new operator positions will be required to manage the new operation [ESTIMATED COMPLETION DATE = FY11/12]

WATER AND SEWER MASTER PLANS - The District is proceeding with the phased implementation of its Water and Sewer Master Plan. Every year as the budget is adopted, the Board endorses projects to upgrade the collection, treatment and disposal works. In FY09-10 the District expects to fund the replacement of the South Frontage Collector. In addition, projects to replace and rehabilitate existing collection and treatment works are funded each year including lift station rehabilitation, manhole rehabilitation and Closed Circuit Television (CCTV) pipe condition assessment. [ESTIMATED COMPLETION DATE = ON-GOING]

SALTS MANAGEMENT PROGRAM - Separate from the SoWWTF, the District will develop a Salts Management Program for both the Town Sewer Service Area and for the Blacklake Sewer Service Area. The program will include both a regulatory component prohibiting the installation of new self-regenerative water softeners and an education component encouraging existing customers who have self-regenerative water softeners to either abandon the use of water softeners or to convert to canister style systems. [ESTIMATED COMPLETION DATE = FY11/12]

2.3 Select disposal solution for Southland Effluent and implement

The District currently discharges the treated wastewater from the Southland WWTF into the adjacent percolation ponds, however, this wastewater hits an earthquake fault that runs along Orchard Road and a subsurface mound has resulted. This

mound will grow closer to the surface unless additional disposal solutions can be implemented. The Board has directed staff to implement a work program to evaluate the feasibility of alternative disposal sites and to compare the most promising disposal sites in the SoWWTF EIR. The District will then propose a subsequent project and develop a business plan for implementation of the selected disposal option.

2.4 Select disposal solution for Southland Bio-Solids and implement

In addition to creating treated wastewater, both treatment facilities also produce bio-solids. Historically, the District has stockpiled its bio-solids, however, the available storage space has been exhausted and it is now necessary to either reuse these bio-solids or dispose of them. The District will develop a Biosolids Management Program for both the Town Sewer Service Area and for the Blacklake Sewer Service Area. The program will include the investigation of long-term cost-effective biosolids disposal options and implementation of a strategy.

2.5 Comply with State and Federal regulations and mandates

The District must comply with both State and Federal Water Regulations and submit the required water quality reports as well as continue the electronic reporting of sewer system overflows and complete development of a Sewer System Management Plan. Another major component of this compliance is tracking new regulations and implementing those regulations as they become effective. This tracking includes an evaluation of each new regulation to determine the cost to implement, documenting the changes necessary in facilities and operations, commenting to the regulatory body regarding impacts to NCSD and then implementing the final regulation after it is adopted.

3.0 Partnerships/Regulatory Relations

Objective: *To foster beneficial relationships to accomplish the goals of the District.*

Strategy: *We will do this by embracing strategic ties with other organizations, working closely with regulators, developing a deliberate legislative agenda and participating in professional associations.*

3.1 Strengthen strategic ties with neighboring purveyors and Technical Group

The District shares the Nipomo Mesa Management Area with three other major purveyors (the Woodlands, Golden State Water Company, and the Rural Water Company). The District is also a participant in the Nipomo Mesa Management Area Technical Group along with ConocoPhillips, the Woodlands, Golden State Water Company and the Agricultural Landowners. To achieve viable management of the groundwater basin and to develop equitable funding for the importation of supplemental water, the District will negotiate agreements with the individual purveyors and fully participate in the Technical Group Process. In addition, NCSD will monitor the growth of NMMA Mutual Water Companies and to seek mechanisms to integrate mutual water company activities into the management of the basin.

3.2 Strengthen strategic ties with County of SLO

All land use decision making for the NMMA is vested in the County of San Luis Obispo. The County needs feedback from the District on the availability of water and sewer capacity in regards to the development of policies and the consideration of private development projects. The District will closely monitor both policy and project under consideration and communicate on each such policy and project so that the County understands the relevant constraints. Where the District has communicated, but the County has made decisions not reflective of the relevant constraints, the District will take the additional action necessary to prevent overuse of the resources.

3.3 Work closely with RWQCB, SWRCB, State DPH, and County Environmental Health

As stated above in Goals 1.5 and 2.5, the District is subject to new regulations and once those regulations are promulgated, the District must implement. Prior to adoption, the District will provide feedback to the Regional Board, the State Board, the DPH District Engineer and the County Environmental Health Officer. Pending regulations include the septic management systems (SWRCB and RWQCB), Basin Plan Amendments (RWQCB and State DPH), sludge disposal (County Environmental Health) and recharge regulations (State DPH).

3.4 Develop a deliberate legislative Agenda

The District is subject to the dictates of new state and federal legislation and the requirements of initiatives. The District can also secure funding through the legislative process. The District will monitor proposed bills and initiatives and comment on those bills and initiatives and provide information to the community where appropriate. The District also will lobby for state and federal funding for its major infrastructure projects with the help of professional lobbyists and provision of information to our respective state and federal representatives.

3.5 Participate in LAFCO, WRAC, IWMA, CSDA, CSDA Chapter, AWWA, CWEA

The District is subject to LAFCO's decisions regarding the District's Sphere of Influence and will track any review of municipal services being conducted by LAFCO. Likewise, the District will participate fully in the SLO County Water Resources Advisory Committee in regards to water resource planning and funding and the Integrated Waste Management Authority regarding solid waste regulations and funding. The District will also take advantage of the information and resources available through CSDA, the SLO County Chapter of CSDA, AWWA and CWEA.

4.0 Personnel/Organization

Objective: *To employ and retain a high quality, motivated workforce.*

Strategy: *We will do this by utilizing sound policies and personnel practices, offering competitive compensation and benefits, providing opportunities for training, development and professional growth, while ensuring a safe and secure workplace.*

4.1 Retain long-term employees & attract new employees by providing industry competitive salary/benefits

Although the District has a good track record in terms of keeping long-term employees, it is becoming very difficult to retain new employees especially where certifications are required. To continue to retain existing employees and to be competitive in regards to new recruitments, the District will need to offer competitive salaries and benefits. The concern of the Board of Directors is that employees will be recognized for the level and scope of work described in their job description and that they are paid on a fair and competitive basis that allows the district to recruit and retain a high-quality staff. NCS D will update the Total Compensation Study every five years.

4.2 Provide appropriate training and education for all employees

Currently, other than training for certified operators, a formal program for training staff to improve work knowledge and performance does not exist. Staff is enrolled in training only when requested rather than as a part of an overall strategy. A formal staff development program will be designed using in-house training programs, webinars and other available resources and integrate training goals into the performance management system.

4.3 Continue commitment to a safe workplace environment

Each week the District management team meets and discusses and addresses any safety issues, accidents or injuries. The District's Utility Superintendent conducts bi-

weekly safety tailgate meetings and the District's Engineer/Safety Officer conducts safety tailgate meetings with the Utility crew on a monthly basis. In addition, the entire Staff participates in a quarterly safety meeting. At these meetings, various safety topics are addressed. Staff is encouraged to participate and suggestions are encouraged. The District's Safety Officer presents written policies on safety-related topics to the Board of Directors for approval and is included in the Employee Safety Manual. These programs will continue with an emphasis on finding ways to improve workplace safety.

4.4 Develop and maintain efficient disaster response capability

The District is committed to continuing hands-on training and education and purchasing the necessary equipment for District personnel to respond to an emergency. District staff received the initial emergency response training during FY08-09. The District will establish an Emergency Operations Center, update the Emergency Response Plan, conduct additional emergency response training and test the District's plan with table-top exercises. The District will join and participate in CALWARN, the statewide water sector mutual aid agreement and will integrate CALWARN protocols including resource typing into the District's Emergency Response Plan.

4.5 Integrate technology into operations to maximize productivity & communications

BILLING AND ACCOUNTING SYSTEM - The District's current utility billing and accounting system was implemented in 2000. It is a DOS based system and sometimes does not provide Staff with flexibility in data retrieval, manipulation and reporting. The District will investigate other utility billing and accounting software and determine if newer technology would be beneficial to staff and its customers. If these benefits outweigh the costs of conversion, the District will upgrade [ESTIMATED COMPLETION DATE = FY 11/12]

GIS/SCADA - Additionally, the field crew currently has limited access to either the GIS database or the SCADA system when they are in the field. The District will supply each field crew member with a laptop computer equipped with a broadband communications package and train them on these systems so that any crew member can access GIS data, the SCADA system and the preventive maintenance software at any time.[ESTIMATED COMPLETION DATE = FY09/10]

5.0 Administrative Management

Objective: To create, maintain and implement policies and procedures to ensure sound management of the District.

Strategy: We will conduct periodic review, refine and implement policies and procedures, and assure that the General Manager has the direction and tools necessary for successful operations throughout the District.

5.1 Maintain clear and functional policies and procedures

The District is committed to providing clear and functional policies and procedures for its employees, Board of Directors and customers. The District maintains a Safety Manual and Policy Manual and each employee and Board Member have a copy. These documents are available to the public. District staff monitors these policies and procedures and is committed to keeping them current and up-to-date. The District will train staff on implementation of all new policies and provide refresher information on established policy.

5.2 Complete conversion to electronically archived District Records

As with most organizations the volume of historic records has increased to levels that defy manual inspection of paper copies. The District is currently in the process of completing the conversion of its customer utility billing accounts data to electronic format for storage and retrieval so that this information can be organized and accessed. In addition, District Staff has scanned and electronically stored

Ordinances, Resolutions, Board Minutes and recorded documents. The District will prepare a plan to scan and electronically store all District documents including project files.

5.3 Provide for excellent Customer Service

The District is committed to provide excellent customer service. Staff prides itself on being friendly, knowledgeable and helpful. Staff is committed to continuing to have a “real person” answer the phone during business hours.

One of the reoccurring inquires by customers has been the District’s ability to accept credit and debit cards as a method of payment. The District will pursue this request and present the options to the Board of Directors for consideration.

6.0 Finances

Objective: To ensure the short and long-term fiscal health of the District.
Strategy: The District will forecast and plan income and expenditures and provide financial resources to fund current and planned obligations.

6.1 Operate all enterprise funds to be financially sound.

The District is committed to operating all enterprise funds to be balanced and financially sound with reserves that cover both unforeseen emergencies and projected cash flow variations. In order to accomplish this, the rates and charges must reflect the cost of providing the services including the cost of replacing and/or rehabilitating aging facilities. Rates and charges will be reviewed at least every three years by a professional rate consultant.

6.2 Achieve and maintain targeted operating reserves

The targeted operating reserve for the Water Fund is 50% of the Operations and Maintenance Budget less Funded Replacement. The targeted operating reserve for the Sewer Funds is 25% of the Operations and Maintenance Budget less Funded Replacement. In the draft budget for FY 09-10, the targeted operating reserves will be met. The targeted operating reserves will be included in the review of rates and charges at least every three years by a professional rate consultant.

6.3 Ensure that decisions consider short and long term fiscal impacts

Every decision made may have a short term and/or long term fiscal impact on the District. Requests to expend funds that are not approved in the adopted annual budget will consider both the short term and long term fiscal impacts of the decision and be approved by the Board of Directors.

6.4 Minimize commitment of discretionary resources to long-term projects

The District has one major source of discretionary funds -- property tax revenues. Past, property tax revenues are not a guaranteed revenue stream. The State of California ERAF (Educational Revenue Augmentation Fund) has "raided" the District's property taxes every year since 1992 totaling more than \$3.7M. The District will minimize commitment of property taxes to long term projects and instead use property tax reserves to pay for large one-time projects that benefit a cross section of the community. If property taxes are committed to a long term project, the District will have a contingency plan in place to provide funding for that project if property taxes cease.

7.0 Other Services

Objective: *To provide solid waste service and neighborhood parks throughout the District, and street lighting, drainage and street landscape maintenance in designated areas of the District.*

Strategy:

- *In the area of Solid Waste we will do this by continually looking for ways to improve the service through judicious contracting, recycling, diversion and assessing alternative methods while being sensitive to rates.*
- *In the area of Street Lighting we will do this by seeking ways to provide of reliable street lighting in appropriate areas.*
- *In the area of Drainage we will do this by assuring that the drainage systems are efficient, protect the community from storm related flooding and meet State drainage requirements.*
- *In the area of Parks we will do this by constructing a community park and seek ways to provide increased parks and open space for the community.*

7A. Solid Waste

7.A.1 Promote recycling to ensure reduction target compliance

State law requires SLO County to divert at least 50% of the historic base period refuse into recycling and/or green waste. The District will promote recycling and provide maximum education to the Community regarding recycling solutions.

7.A.2 Provide Additional Solid Waste Services

The Franchise Fee paid by the Solid Waste Vendor is available to pay for solid waste services that would otherwise go unmet. The District will promote the two semi-annual clean up events, the annual Creek Clean Up and the Annual Chipping event and consider other initiatives that achieve solid waste goals.

7.A.3 Communicate with Customers

One component of promoting beneficial diversion of waste involves provision of information to customers regarding options to recycle and to minimize solid waste through its newsletter and its outreach program.

7B. STREET LIGHTING

7.B.1. Monitor Maintenance of Facilities and Respond to Observed Problems

The District is responsible for the actual maintenance of the streetlights in the Fairways Village at Blacklake. The District will respond to complaints and inspect these facilities on an annual basis to determine their need for maintenance. Where maintenance is warranted, the District will budget for the work needed and perform that work.

7.B.2 Communicate with Customers

The District relies on feedback from the customers within the Fairways to identify problems and will respond promptly where such reports are rendered. The District relies on feedback from the customers within the Fairways to identify problems and will respond promptly where such reports are rendered.

7C. DRAINAGE

7.C.1. Monitor Maintenance of Facilities and Respond to Observed Problems

The District is responsible for management of the Folkert Oaks Drainage Basin off of Juniper Road. The District responds to complaints and inspects the drainage basin on an annual basis to determine if maintenance is required. Where maintenance is required, the District will implement.

7.C.2 Communicate with Customers

The District relies on feedback from the customers within the Folkert Oaks Mobile Home Park to identify problems and respond promptly where such reports are rendered.

D. PARKS

7.D.1 Develop Miller Park

The Community Survey commissioned in 2007 shows a desire for additional park facilities in general and neighborhood parks in specific. The District has a Business Plan for development of Miller Park which includes negotiation of a MOU with SLO County, adoption of a financial plan, application to LAFCO to activate Parks Latent Authority, formation of a zone of benefit regarding assessing properties near the park to pay for a portion of operations cost, completing the environmental review, refining the design, conducting the assessment election, securing LAFCO approval, transferring the property, funding the initial core improvements, constructing the core improvements, funding the secondary improvements, constructing the secondary improvements and operating the park.

7.D.2 Plan for Other Parks & Open Space

Once Miller Park is under construction, the District will survey other park development options, develop a draft Parks Master Plan, secure community feedback on the Draft Plan, agree on the priorities for development of additional facilities and then proceed with the development of the next high priority facility.

7.D.3 Communicate with Constituents

The District will communicate with the property owners near Miller Park so that they have sufficient information to respond to the formation of the zone of benefit and to cast ballots in the assessment proceeding. The District will communicate with all of its constituents regarding the progress in development of Miller Park and the consideration of other parks priorities.

Table 1 –The Strategic Plan “At a Glance”

STRATEGIC ELEMENTS	STRATEGIC GOALS	Estimated Completion Date (FY)
1.0 WATER	1.1 Assess available Water Supplies	FY09-11
	1.2 Secure New supplies	FY11-13
	1.3 Upgrade and maintain available storage and distribution works	FY09-12
	1.4 Permanently reduce average demand per customer	FY09-12
	1.5 Comply with State and Fed. regulations	Ongoing
2.0 WASTEWATER	2.1 Efficiently operate collection, treatment and disposal works	FY09-12
	2.2 Improve treatment works	FY11/12 – Ongoing
	2.3 Select disposal solution for Southland	FY12/13
	2.4 Provide for Disposal of Biosolids	FY11/12
	2.5 Comply with State and Federal regulations and mandates	Ongoing
3.0 PARTNERSHIP/ REGULATORY RELATIONS	3.1 Strengthen ties with neighboring agencies and technical groups	Ongoing
	3.2 Strengthen ties with County of SLO	Ongoing
	3.3 Work closely with RWQCB, State DPH and County Environmental Health	Ongoing
	3.4 Develop deliberate legislative agenda	Ongoing
	3.5 Participate in LAFCO, WRAC, IWMA, CSDA, CSDA Chapter, AWWA and CWEF	Ongoing
4.0 PERSONNEL/ ORGANIZATION	4.1 Retain and attract new employees	FY11/12
	4.2 Provide appropriate training and education for employees	FY09/10
	4.3 Continue commitment to a safe workplace environment	Ongoing
	4.4 Develop and maintain efficient disaster response capability	FY11/12
	4.5 Integrate operational technology	FY11/12

5.0 ADMINISTRATIVE MANAGEMENT	5.1 Maintain clear and functional policies and procedures	Ongoing
	5.2 Complete conversion to electronic records	FY10/11
	5.3 Provide excellent customer service	FY09/10
6.0 FINANCES	6.1 Operate all enterprise funds to be financially sound	FY09-13
	6.2 Achieve targeted operating and non-operating reserves	FY09-13
	6.3 Ensure that decisions consider short and long term fiscal impacts	Ongoing
	6.4 Minimize commitment of discretionary resource long-term projects	Ongoing
7.0 OTHER SERVICES	7.A.1 Promote recycling	Ongoing
	7.A.2 Provide additional solid waste services	Ongoing
	7.A.3 Communicate with customers	Ongoing
	7.B.1 Monitor maintenance of facilities	Ongoing
	7.B.2 Communicate with customers	Ongoing
	7.C.1 Monitor maintenance of facilities	Ongoing
	7.C.2 Communicate with customers	Ongoing
	7.D.1 Develop Miller Park	FY11/12
	7.D.2 Plan for Parks and Open Space	FY11/12
	7.D.3 Communicate with constituents	FY09/10

Acronyms

AWWA – American Water Works Association
CCTV – Closed Circuit Television
CSDA – California Special Districts Association
CWEA – California Water Education Association
EIR – Environmental Impact Report
GIS – Geographic Information System
IWMA – Integrated Waste Management Authority
LAFCO – Local Agency Formation Commission
NMMA – Nipomo Mesa Management Area
NMMA TG – NMMA Technical Group
RWQCB – Regional Water Quality Control Board
SCADA – Supervisory Control and Data Acquisition
SoWWTF – Southland Wastewater Treatment Facility
STATE DPH – State Department of Public Health
SWRCB – State Water Resources Control Board
UWMP – Urban Water Management Plan
WIP – Waterline Intertie Project
WRAC – Water Resources Advisory Committee

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BBB*
DATE: MAY 7, 2009

**AGENDA ITEM
E-6
MAY 13, 2009**

AUTHORIZE PURCHASE OF WATER CONSERVATION SOFTWARE

ITEM

AUTHORIZE PURCHASE OF WATER CONSERVATION SOFTWARE [ADOPT RESOLUTION]

BACKGROUND

In February 2007, the NCSD Board of Directors approved the Water Conservation Program which includes several measures which can be implemented. The first measure implemented was the Rebate Program for High-Efficiency Clothes Washers (HEW).

An important part of any Water Conservation Program (WCP) is accountability and measurement, where possible, of water savings related to the measures implemented.

NCSD's billing program for water and sewer use is very limited in its ability to provide the kind of data that we can use, in the format we can use.

In addition, the Rebate Program for HEWs was recently suspended by the California Urban Water Conservation Council (CUWCC) secondary to a the California State Department of Water Resources (DWR) suspending its funding of the subsidized portion of the HEW rebates processed through the CUWCC. NCSD has the option of continuing with the CUWCC processing the rebates, but NCSD would have to pay the full cost of both the rebates and the processing fees. The CUWCC HEW rebate program was especially attractive because of the processing and administrative services it provided, freeing up significant time that staff would have had to spend if NCSD staff was processing each application for rebate.

At a previous NCSD Board Meeting, request was made to investigate ways to better track the impact of the WCP's implemented measures.

CONSERVETRAK

Staff spent much time and energy searching for an integrated software program that would provide the range of options we need. Only one software program, "ConserveTrack," (CT), was found, and subsequently researched. Most of the water agencies that have purchased CT did so through a sole-source approach, with documentation.

CT is the product of Right There, Inc., which has been in business since 1999, developing Access (database) software to solve tracking and administration problems for water agencies. CT (a web-based program) was developed in response to customer requests from the City of Santa Cruz and the Soquel Creek Water District.

CT software is not billing software. Computer code is written to enable the CT software to "shake hands" with an agency's billing software and retrieve data necessary for CT to run its water-conservation functions.

CT has six customers up and running, with additional customers being installed this year. The customers include large agencies (Orange County, FL), medium-sized agencies (Soquel Creek, Santa Cruz), and small agencies (Big Bear).

The software is versatile and easily integrates with Microsoft Office programs (Word, Excel, Outlook). The company has been a member of the CUWCC for many years, and is on the list to receive the RFP for building the online BMP reporting system. They are developing a set of CT reports that will produce information for the new CUWCC BMPs, and will be easily able to import data from a water agency's CT software's database to complete the forms.

Training and documentation is included in the price of the software.

Joe Miller, the software designer for CT and owner of RightThere, made a Board presentation on February 25, 2009, at which time he told the Board he could import NCSD's billing information into CT.

The CT program is structured for conservation, using a standard interface for all programs, with unified reporting and global planning. Because it is web-based, it can be used anywhere (including in the field), there is no installation on our own network, and we are not responsible for updating the program.

CT can handle retrofits, rebates, surveys, restrictions, violations, and drought issues, providing analysis, reporting, evaluation, and many other functions.

INTERVIEWS WITH CONSERVE TRACK REFERENCES

References contacted:

Soquel Creek Water District: CT installation/training completed (they used the CT Access-based software for four years prior to recently getting the web-based version). They have purchased the water-demand offset, retrofit on resale, weather-based irrigation controller, and turf-replacement modules.

City of Santa Cruz Water Division: CT installation/training completed. They previously used an Access-based version of the program. They are using retrofit at the time of sale module, and will be purchasing the violations-tracking module.

Big Bear Department of Water and Power. They purchased their first Access-based module in 2005. They currently use the water-demand offset, and retrofit at the time of sale modules.

Orange County (FL) Utilities Department: They have CT Modules for hardware (toilet) vouchers, showerhead exchange, and water restrictions enforcement (installation finished in January 2009).

City of San Francisco - Giovanni Aqino: Unable to interview. Recently finished implementing CT software.

City of Santa Fe Water Division (Utilities): They are in the process of installation and implementation. They purchased the water-demand offset and rebate/retrofit-program modules.

Toho Water Authority (Kissimme, FL): They are in the process of learning and implementing software. They purchased violation-tracking, rebate/hardware giveaway/retrofit, water survey and turf-replacement modules.

Orange County (FL) Utilities Department: They have CT Modules for hardware (toilet) vouchers (rebates), showerhead exchange, and water-restrictions enforcement (installation finished in January 2009).

Summary of Interviews: At the direction of the Board on February 25, five of Joe Miller's references were contacted, and interviews were obtained with four.

The first four water purveyors interviewed were Soquel Creek Water District, Santa Cruz City Water, Big Bear Department of Water and Power, and Orange County (Florida) Water Utilities. Notes from the interviews were previously provided.

Overall, all four representatives were very happy with their software, were able to easily learn the software, and felt that they could not have adequately tracked their water conservation programs, without adding additional staff to their department, without the software. They all reported that the importing of billing data to ConserveTrack went smoothly. The only instance where there were problems was because the agency had changed billing

software and the new software had "glitches," such as not having addresses in some accounts. Joe Miller was able to develop a work-around patch that accessed the address from another approach.

They all described the software as stable, dependable, reliable, does what it is supposed to do, etc.

All of those interviewed had only positive things to say about Mr. Miller, his work ethic and his software. If they have a problem with the software (most of these occurred while learning the software), he was immediately available and, usually within an hour, addressed the problem. One agency changed their water conservation programs, which required Mr. Miller to make a complicated update, and there were a few error messages that developed. However, when advised of the problem, he immediately fixed it.

He did not charge for these fixes. At the agency that changed billing software, creating problems with the CT software, Mr. Miller solved the problems and did not charge. The billing software vendor charges for every phone call, so Mr. Miller handling the problems saved the agency quite a bit of money.

All of those interviewed said they would absolutely buy the software again, and were looking forward to using more modules developed by Mr. Miller.

Another common comment was that Mr. Miller was very knowledgeable about water utility operations, especially billing issues, and was also very current with water conservation programs and new government requirements.

Subsequent to the first round of interviews, two additional references were contacted.

Liz Block of the Toho Water Authority (Kissimmee, Florida) was contacted. Toho Water Authority has approximately 60,000 customers, the majority of which are single-family residences and vacation rentals. They are close to the amusement parks in Orlando, and have a significant commercial class of users (hotels, motels, restaurants, and tourist attractions). They purchased CT to track watering violations, hardware give-aways, outreach/education, water surveys and a turf buy-back program. Their installation time was longer than anticipated due to problems getting support from their billing agency which delayed the start-time for CT's programming and installation, running into Joe Miller's deadlines for other projects. Ms. Block is happy with the program, and continues to find new things in the program she can use to make her job easier.

Dan Ransom, of the City of Santa Fe's Water Division, was contacted. They have approximately 37,000 connections, 34,000 are residential (mostly single-family residences). They are currently in the process of programming and installation of significantly customized CT software modules. They purchased the CT software to track rebate programs and to create a "water bank" by "deposits" of amounts of water conserved, from which they can "sell" water credits to developers. They will be using a modified version of the Water Demand Offset module for this purpose. Mr. Ransom is looking forward to the completion of the installation and training, and is excited about the possibilities of ways to use the software.

SCHEDULE OF DELIVERY

For all modules except the Drought module, delivery time is three to four months from the start of work. Work starts when Joe Miller has received the information and data his staff needs to program and customize the programs for our specific needs.

The Drought module requires significant customization, and will be delivered within six weeks after the other modules are installed, and information needed for customization is available for the start of work.

RECOMMENDATIONS FOR SOFTWARE MODULES

After review of the available software modules and what they offer, the following recommendations for purchase are made:

RECOMMENDED MODULES FOR PURCHASE		
Module	Description*	Price
Core System & Shared tools	The basics of what drives and integrates the ConserveTrack Modules; global reporting, budgeting.	\$4000
Residential Surveys	Water audits; track visits, findings, recommendations, results of Interventions.	\$2000
Retrofits (up to 5)	HEWs, Showerheads, Aerators, Weather-Based Irrigation Controllers, Turf Replacement	\$4000
Outreach & Educ.	Track outreach and education program.	\$2000
Water Explorer	Very powerful tracking and analysis tool (including statistical analysis) for water usage.	\$3000
Violations	Track water efficiency (waste) problems, communication, results of interventions.	\$3000
Drought	Management tools, including detailed tracking of consumption, batch sending f notification letters, tracking water budgets, etc.	\$3000
TOTAL FOR MODULES:		\$21,000

*For more detailed of modules, revert to the attached 4/24/2009 quote, Appendix A.

Other modules may be considered in the future, should conditions indicate the need. These include the CII Processes, GIS Mapping, and Water-Demand Offset. Mr. Miller stated it would take approximately two weeks, once the initial system is installed, to add on other modules.

COST OF SOFTWARE, INSTALLATION, TRAINING		
Item	Description	Cost
Software modules	Software	\$21,000
Customization, Installation	Getting it up and running (includes training)	\$11,000
TOTAL FOR PURCHASE OF SOFTWARE AND INSTALLATION:		\$32,000

MONTHLY COSTS FOR SUPPORT, WEB HOSTING		
Item	Description	Monthly Cost
Service and Support	Includes service, support, updates.	\$533
Hosting service	Includes all server hardware, software, administration	\$400
TOTAL FOR MONTHLY (RECURRING) COSTS:		\$933
TOTAL PER YEAR:		\$11,196

BUDGET/FINANCIAL

The FY 2008/2009 budget for the WCP was for \$138,233, with \$27,731 having been used to date, and with \$110,502 left in the program. There is enough unused funding in this FY's budget to purchase and get us up and running with the CT program.

The 2009-2010 Fiscal Year budget for the monthly recurring costs has yet to be approved for the monthly recurring costs.

RECOMMENDATION

Staff recommends that the Board adopt the attached resolution authorizing the purchase, installation, and other start-up charges for the ConserveTrak water-conservation software program. The recommended choice of the options is as follows:

Leased/Hosted Service Program, with the start-up 2-seat Water Explorer license Payment Option #1:	\$32,000
Yearly software maintenance and updates:	\$11,196

Mr. Miller has confirmed he will agree to the Board's preferred payment schedule (page 9, *ConserveTrack Quote*).

ATTACHMENTS

- *ConserveTrack Quote* (April 24, 2009)
- *Resolution Authorizing the Purchase of Water Conservation Software as a Sole-Source Acquisition.*

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2009\E6-WATERCONSERVATIONSOFTWARE-05-13-09.DOC

Celeste Whitlow
Conservation Coordinator and Public Outreach Specialist
Nipomo Community Services District
148 S. Wilson Street
Nipomo, CA 93444

April 24, 2009

Dear Ms. Whitlow,

Thank you for this opportunity to offer ConserveTrack system and services for managing your water conservation programs. This quotation is for installation and minor customization of our ConserveTrack system specifically configured for the Nipomo Community Services District (NCSD) Water Conservation requirements.

This quotation includes the required ConserveTrack tools to manage all of the programs you currently run and are planning for the near future. In addition, ConserveTrack is modular and new program tools can be added as needed.

Thank you again.

Sincerely,



Joseph Miller
President, RightThere Software

1 Summary

RightThere Inc. proposes to implement a browser-based ConserveTrack system for managing the Nipomo Community Services District (NCSD) Water Conservation Programs.

NCSD's ConserveTrack provides turnkey management of NCSD's Water Conservation Programs. ConserveTrack provides these three basic functions:

1. Simple Day to Day Management of all programs in one system.
2. Full Access to the relevant information held in your billing system (if desired).
3. Reporting by program and across programs.
4. Planning future programs.

This proposal outlines the software and services RightThere, Inc. will provide to implement and then support the NCSD ConserveTrack system.

2 Qualifications

RightThere specializes in water conservation software and services. We have been developing and supporting these systems since 2003. Our unique ConserveTrack tools are in use at 4 water agencies in California. We are expanding to New Mexico, Florida, and others. We are currently in the process of implementing our new Web based ConserveTrack in 6 cities located across the country. Our growing experience and capabilities allow us to provide uniquely powerful tools for water conservation management.

3 Scope of Work

This section outlines the tasks and deliverables that will be completed as a part of this project.

Any tasks that are not a part of the stated licenses and tasks will be considered out of scope. Tasks that are out of scope will require separate cost estimate payment. RightThere will inform client of any such tasks and submit a separate cost estimate for your pre-approval.

Note: these ConserveTrack modules are “off the shelf” and may require some customization for use at Nipomo. We have included some customization cost (see the cost summary later in this quote) but this may not be sufficient for all desired customizations. Generally each module will be usable as-is, but if additional extensive customization is desired, there may be additional costs required. These costs can be planned for by providing details of the desired additional features. We will provide a written estimate for any additional customization costs before beginning any additional customization work beyond what is included in this quote.

3.1 Program Management Tools for NCSD:

This quote includes the following ConserveTrack Modules for the initial NCSD. Note additional modules (a complete list is provided in the Appendix), can be added later.

1. Retrofits/Rebate Programs

This tool manages many types of device distribution programs. In this case the following types of retrofits will be included:

- a. HEWs - High Efficiency Clothes Washers
- b. Showerheads
- c. Aerators
- d. Weather-based Irrigation Controllers
- e. Turf Replacement

2. Residential Surveys and House Calls

- a. Data entry for audit results
- b. Track fixture information on a room by room basis (indoor)
- c. Track water uses outdoors (pools, hot tubs, irrigation details)
- d. Track general information, and recommendations.
- e. Free form data entry because of the wide variety of possible water saving interventions.

3. Outreach and Educational Programs

- a. Track educational visits to schools, fairs, adult workshops etc.
- b. Track advertisement placements
- c. Track printed materials

4. WaterExplorer Tool:

- a. WaterExplorer is an interactive analysis tool used to ‘slice and dice’ water usage data.
- b. Users can interactively select how they want the water usage (and savings) data tabulated and charted.
- c. Selection parameters include (depending on availability in billing data):
 - i. Property Type
 - ii. Zip code
 - iii. SIC Codes
 - iv. Meter route and book
 - v. Program participation
 - vi. Water Usage (e.g. top 50 users or top 1%)
 - vii. And any parameter available in the billing system database
 - viii. And any combination of these parameters.
- d. Grouping and totaling by:
 - i. Month, quarter, year
 - ii. Property Type
 - iii. Intervention Type
 - iv. SIC Code
 - v. Zip Code
 - vi. Meter route and book
 - vii. Others as available

5. Violations Tool:

- a. Track water efficiency (waste) problems, communication, results of interventions.
- b. WEE (Water Efficiency Enforcement).
- c. Track & Manage watering restrictions violators & water wasters.

6. Search Matrix Tool

- a. View all programs and properties in a single matrix
- b. View ALL property past participation in programs.
- c. Search on multiple parameters to narrow list of properties
- d. Search by program participation
- e. Launch campaigns for targeted properties

7. Additional Tools Included:

- a. Global Reporting – ability to create reports across multiple programs and phases.

- b. Program Budget Tracker – tracks budget and expenditures for each Program.
- c. Process Manager – implements user defined steps for each Program.
- d. Calendars – shows scheduled appointments and inspections.
- e. Device Manager – users edit which devices (e.g. HETs, HECWs) are used in each program.
- f. Property/Service Point Viewer – shows details of the Property and Service Point, and the water consumption history
- g. Users and Roles administration.
- h. Device and Device Types administration – including efficiency level and predicted savings values.

3.2 Customization and Integration

Minor integration and customization of ConserveTrack is included in Pricing Option #1 in Section 5.4 below. Additional customization will be an additional fee.

Integration includes:

1. Import of past water conservation records (current conservation program data stored in CIS Billing system, Access databases or Excel files),
 - a. All data will be translated into the new ConserveTrack software database
 - b. All historical data will be preserved
 - c. New reporting capabilities can use historical data.
2. Integration with your Billing System for sharing account and water use information. This is dependent on cooperation of your IT department and the billing system vendor as needed. RightThere has previous experience working with many types of billing systems. One time import and then monthly update of:
 - i. Accounts and holders
 - ii. Properties and Owners
 - iii. Tax Parcels Data as available
 - iv. Meter Reads
 - b. This will require support from the IT department to create the export script.
 - i. We will either work with your IT department or optionally we can do most of the export ourselves with minimal support.
 - ii. The cost of this task is an approximate cost, and depends on the type and level of support available. We have estimated the cost but will inform you as early as possible if the cost will change.

3.3 System Users and Access

NCSD's ConserveTrack system will be accessed through web browsers. Internal users (NCSD Staff) will access the system over the internal network. Internal users will be assigned specific, individual accounts or authentication can be integrated with current windows logins.

3.4 Ongoing Support, Training and Service

RightThere will provide ongoing system and user support. Costs are summarized in the Cost section of this quote.

3.5 Software Licensing

All ConserveTrack licenses are for unlimited number of users, for internal use at NCSD only. ConserveTrack software is not to be distributed to any other organization or individual without the written consent of RightThere Inc.

WaterExplorer is licensed by the server and per seat. The base system includes 3 seats.

Source Code Licensing: This quote does not include rights to the ConserveTrack source code. The source code is available under a separate license agreement.

3.6 Deliverables

This quote is a firm price quote. Thank you for discussing your requirements with us.

4 Schedule

The delivery time is approximately 3-4 months from the start of work. We recommend a two phase development schedule as follows:

- Phase 1: Deliver high priority tools and billing system integration with internet accessible Beta system (Staging site, accessible via the internet and hosted at RightThere). Users will have full access to the system remotely as the system development is completed.
- Phase 2: Final delivery at NCSD or on our RightThere servers.

5 Hosting Options

ConserveTrack is a Client/Server software system which works as a web application. The software is installed on a server which runs 24/7 and is available for users over the Local Area Network and/or the internet (via secure link).

The system can be hosted on a server onsite, on your local area network or we can host the system as a service.

- 1) Hosted Onsite: If you host the application on your LAN:
 - a) NCSD IT staff will provide a computer server and all software licenses to host the ConserveTrack application and database.

- b) IT Staff will be responsible for managing the environment, power, hardware, backups, and internet connection.
 - c) RightThere will provide support as a part of an annual support agreement.
- 2) ConserveTrack Hosted Option: If we host the system for you:
- a) We will provide a turnkey system. Users will log into a website and use ConserveTrack via the internet.
 - b) We will provide all required hardware and software (server hardware, OS and DB licenses, software licenses etc.).
 - c) We are responsible for all aspects of the system.
 - d) The system is monitored 24/7.

We recommend the ConserveTrack hosted options for the following reasons:

- 1) We can provide this service very efficiently and at a reasonable cost because we will be hosting and managing many ConserveTrack systems.
- 2) Our network facilities are standardized for hosting ConserveTrack systems. We will manage many systems in exactly the same way.
- 3) We believe the hosted service will be more reliable and the lowest possible cost.

6 Pricing

ConserveTrack is a licensed software product. The license is for an unlimited number of users. Training, Integration, and Minor Customization is included in the pricing.

The table shows the approximate cost of each Module and certain task labor costs.

Support: This monthly price is based on 20% of the initial system cost.

Hosting: The hosting service is based on 15% of the initial system cost.

ConserveTrack Ballpark Quote

RightThere Software

Purchase Option

ConserveTrack Modular Tools		Unit Cost	Nipomo	Ext. Cost	
Core System & Shared Tools	CaseMatrix,Calendar, Process Manager, Global Reporting, Budgets etc...	4000	1	4000	Required
Retrofits	Retrofits (up to 5 types) RES and/or CII	4000	1	4000	
Res Survey	Residential Surveys	2000	1	2000	
CII Processes	CII Surveys and Process Improvments	2000			
GIS Mapping	GIS Mapping 1.0 Tool	6000			
Outreach and EDU	Track Outreach and Educational	2000	1	2000	
Violations	WEE Water Efficiency Enforcement. Track and manage watering restrictions violators and water wasters.	3000	1	3000	
Water Explorer	Water Explorer to track, analyze, report on water usage	3000	1	3000	
Drought	Manage Drought Response and Rationing (future)	3000			
ROR	Retrofit on Resale (or new Service) Tool	4000			
WDO	ConserveTrack Water Demand Offset Tool	4000			
		<hr/>			
		37000	Nipomo	18000	18000
Customization and Installation Tasks		<hr/>			
		Cost	Number	Cost	
Task 1	Define detailed requirements	3000	1	3000	
Task 2	Customization	3000	1	3000 (40 hours)	
Task 3	Integration (billing system)	3000	1	3000 (40 hours)	
Task 4	Data Import and Installation	1000	1	1000	
Task 5	Training	1000	1	1000	
		<hr/>			
			Nipomo	11000	11000
				<hr/>	
				Initial Cost	\$ 29,000
Service and Support					
	User, Technical, Admin Support	Monthly Fee	483		
Hosting Service (turnkey)					
	(2 year agreement)	Monthly Fee	363		
	Includes all hardware and software				

Payment Schedule:

- License Fees: 25% due at start of contract, 25% due upon software installation and 50% due after training.
- Terms are net 30 days.
- Hosting and Support fees are due at the start of each service quarter and are billed by the quarter.

Appendix A: ConserveTrack Overview

This Appendix summarizes ConserveTrack by including a narration and sample screen images.

ConserveTrack is a flexible software system that can be configured to manage a variety of urban water conservation programs. All of the tools are integrated with a core database. A considerable amount of the data is synchronized from the utility billing system, to reduce data entry time and errors such as mismatches between conservation and billing databases.

This appendix provides a brief overview of ConserveTrack.

ConserveTrack Tools

The following lists ConserveTrack tools in categories. Each tool corresponds to a certain type of water conservation program or a general purpose tool that can be used across programs. Note this list is growing as we add new customers with different needs. We also develop custom tools as needed.

Conservation Program Management Modules

Each of these modules allow you to manage a specific type of Water Conservation Program. You can add these modules at any time, as you add new programs.

Each module is also configurable and expandable. For example, in the Retrofit module, you can add new types of rebated devices (e.g. toilets or showerheads) without additional cost or programming.

Note: This is a complete list of all ConserveTrack modules currently available. Not all of these are included in this quote, but each of these is available to be added on at a later date.

Module	Description
Residential Retrofits	The Retrofit Module allows you to manage residential water fixture retrofits including: <ul style="list-style-type: none">• HET High Efficiency Toilets• ULFT Ultra Low Flow Toilets (for historical data)• HECW High efficiency Clothes Washers• ShHeads Efficient low flow shower heads• Aerators Efficient low flow faucet aerators• WBIC Weather Based Irrigation Controllers• Turf Turf buyback• SynTurf Synthetic Turf• Cisterns Water collection cisterns

This module tracks the retrofit device type, make and model, date of replacement, and many other related fields. You can use various types of Funding or Incentive Methods:

- Rebates
- Vouchers
- Discounted sales
- Direct installations (free to customers) Free give-aways
- Exchange (e.g. showerhead exchange, a type of free giveaway)

CII Retrofits

The Commercial, Industrial and Institutional Retrofits module is identical to the Residential module except it includes different types of devices:

- High Efficiency Commercial Toilets
- High efficiency Commercial Clothes Washers
- Efficient low flow shower heads
- Efficient low flow faucet aerators
- Irrigation Controller Override Device
- Weather Based Irrigation Controllers
- General Irrigation equipment rebates
- Turf buyback
- Synthetic Turf
- Water collection Cisterns
- Water Broom
- Cooling Tower retrofits and upgrades
- Ice Machines
- Restaurant Pre-rinse Spray Valves

Often in the case of commercial or industrial settings, there are a large number of identical items replaced in the same Case (for example, 100 toilets replaced at a hotel). ConserveTrack tracks the cost and expected water savings for these multiple retrofit cases.

Residential Surveys (Audits)

This module allows you to track Surveys of houses including all water using devices, leaks etc. The survey includes both indoor and outdoor water uses. The survey tracks 'potential water savings' for each room and device, as well as outdoor irrigated areas, pools, etc. It also tracks potential savings due to fixed leaks.

CII Process Improvements	<p>Process improvements at CII facilities are generally ‘one of a kind’, unique at each location. This tool allows inspectors to capture general information about potential process improvements and predicted water savings.</p> <p>Predicted water savings are tracked and summarized in reports. Status of the process improvements can be tracked.</p> <p>Interactions with customers can be recorded and tracked.</p> <p>Types of improvements include:</p> <ul style="list-style-type: none"> • Recycling/Re-using Process water • Leak fixes • Use of Reclaimed water • Multi-Step Water Re-use (e.g. using once used water in pre-rinse steps)
Watering Restrictions Management	<p>Manages the implementation of irrigation watering restriction ordinances. Includes tracking of cases, notification letters, warning letters, issuing fines etc.</p>
Drought Management	<p>Implements drought response methods such as detailed tracking of high users, notification letters on a large scale etc. (future module)</p>
Outreach Modules	<p>Manages and tracks public outreach programs, including advertisements, educational visits, adult education, workshops etc.</p> <p>There are several types of Outreach Programs and each can be managed by the appropriate Outreach Module, including:</p> <ul style="list-style-type: none"> • Educational Visits (schools, workshops, HOAs, irrigation sites) • Advertising (by type, date, costs etc.) • Materials Distribution (brochures, handouts at fairs etc.) • Direct Mailings • Vendor Visits (to manage/encourage program participation, stocking water efficient fixtures etc.) <p>These modules also includes many system administrative features such as the types of brochures, the schools in the system, types of workshops, and other user menu selections.</p>

Special-Programs Modules

These modules implement special, powerful Water Conservation Programs. Generally these are programs that require more detailed, intricate tracking of interrelated data. These types of programs will be very difficult to manage without an appropriately designed database system.

Module	Description
<p>Retrofit on Change</p>	<p>The ROC Module manages the enforcement of required retrofits when a property is sold, or when new service is requested, or when some other change occurs. This special program type is effective for gradually retrofitting older properties as they are sold, or when a new tenant moves in.</p> <p>This type of program normally requires a series of legally binding letters be mailed to the property owner, at specific time intervals. ConserveTrack implements a workflow process which allows the user to track the properties as they are moved through the process of sending letters and waiting periods.</p> <p>The system creates mail merged letters and tracks all correspondence with the property owners. The status of each enforcement trail is tracked in detail. The system can also create legal ‘filings’ with the county records department.</p>
<p>Water Demand Offset</p>	<p>The WDO module manages a program where developers of building projects are required to implement retrofits at existing properties. The retrofits generate saved water which ‘offsets’ the new water demand from the developer’s project.</p> <p>The WDO Module tracks the development projects, calculates and stores their new water demand, and matches these to available Retrofit Candidate Properties. When retrofits are completed the water savings is matched to the assigned Development Project until the total new demand is offset. Then the Project can be approved and a permit granted.</p> <p>ConserveTrack tracks all information and the status of each Project and Retrofit. As retrofits are completed they become unavailable for other Projects.</p> <p>This program is especially useful for communities who have reached their water volume limit, but would like to allow additional development.</p> <p>Other implementations will include a general purpose ‘water savings bank’ which will put the Retrofit Savings into the Water Bank. Then developers can purchase these as credits toward their new development projects.</p>

Other Included Modules

These modules are included in all ConserveTrack implementations. They are shared modules that are used in support of the Water Conservation Program Modules.

Tool	Description
Global Reporting	Reporting across multiple programs for costs and water savings.
Search Matrix	Case Matrix to search and view property (Sites) participation history in all programs.
Budget Tracker	Financial Budget Tracker – track budgets for each program
Calendar	Shared Calendar for scheduling inspections, installations etc.
WaterExplorer	Water consumption data warehouse for fast water consumption querying and analysis across cities, zip codes, sic codes etc.
Process Manager	Integrated process manager implements custom process workflows for each program type (e.g. Retrofits). Each program Case is managed through the workflow process steps.
Savings Calculator	<p>This tool allows users to calculate the dollar savings resulting from a decrease in water usage based on these and other model parameters:</p> <ul style="list-style-type: none"> • Billing rate with tiers • Property type (if rates are dependent on this)
System Administration	<p>ConserveTrack is a configurable system. Some configurations are controlled by user-accessible ‘System Administration’ tools. Many such tools are included in a special area which can be accessed by a limited number of staff.</p> <p>The administration tools allow the system administrator(s) to control dozens of options such as user menus, device models, as well as entire programs.</p> <p>The system administration options are quite extensive.</p>
Device Model Database	<p>The ConserveTrack system makes use of many different types of water using devices such as toilets, showerheads, etc. The system includes a dedicated database of these devices and their characteristics.</p> <p>The system breaks down the models into efficiency levels and includes the</p>

'predicted savings factors' for each efficiency level. This allows users to categorize and store hundreds of device models and use them in rebate and other programs. This enables reporting and analysis of water savings for all programs with standardized device models.

Optional Modules

These modules are Optional and can be included in the ConserveTrack system if needed. They are general tools that can be used in support of the Water Conservation Program modules, and the Outreach tools.

Tool	Description
GIS Mapping	<p>GIS Integration with ESRI Shapefiles for viewing conservation efforts on maps. This is a web based GIS system specifically designed for and integrated with ConserveTrack. Features include:</p> <ol style="list-style-type: none"> 1. Display properties on GIS Maps <ul style="list-style-type: none"> ○ Selected from ConserveTrack\ ○ By program participation, many other filters. ○ E.g.: display this month's Rebate customers on the map 2. Select Parcels from Maps <ul style="list-style-type: none"> ○ Use selection in ConserveTrack ○ Combine with other search criteria ○ E.g.: find top users in the selected map region 3. Measure areas and distances <ul style="list-style-type: none"> ○ Irrigated areas ○ Lot sizes ○ New project sizes 4. Standards: Integrate with existing ESRI GIS Server <ul style="list-style-type: none"> ○ Direct server connection or ○ Independent Shape Files
WaterExplorer	<p>Water consumption data warehouse for fast water consumption querying and analysis across cities, zip codes, sic codes etc.</p> <p>This tool allows users to instantly explore water consumption history for the entire water utility in many ways. Actual meter reads are used to populate the database. These are correlated to multiple dimensions, such as zip code, Property Type, Service Type, SIC codes, subdivision, etc.</p> <p>Users can explore patterns of water use by time (year, quarter and month) and many other parameters. This tool can also be used in conjunction with leak detection tools to identify potential leak locations.</p> <p>The WaterExplorer can be used to help identify high usage areas and to target key groups that might be very difficult to find manually.</p>

Appendix B: WaterExplorer Data Warehouse

This appendix summarizes the WaterExplorer tool. WaterExplorer is an optional add-on to ConserveTrack, or it can act as a stand alone system you can use to “slice and dice” water use history information with many parameters.

The WaterExplorer is a natural outgrowth of our work in conservation. In working with conservation programs, it quickly became apparent that water consumption history was key. We have worked with detailed water consumption for several years now and are quite familiar with the data and issues around it. We developed the WaterExplorer initially for use with Water Conservation programs, but it is useful for many other purposes, not the least of which is demand planning and leak detection.

Inside WaterExplorer is a water consumption data warehouse system with OLAP capabilities. The WaterExplorer has at the core a pre-aggregated multi-dimensional cube of water consumption data. The water consumption history data comes from the billing system’s meter reads, and is processed through several steps before being stored in the WaterExplorer.

The system allows users to report on water consumption in an exploratory manner. Users can change filters and groupings and see results immediately. Exploring water usage history becomes quick and easy. Results can be summarized by geography (country, province/state, county, city, zip, street, block/lot, pressure zone), time (year, quarter, month), and other parameters (reservoir, pressure zone, property type, service type, size, neighborhood, region, SIC code, meter size etc.).

Users can view tables of results, or charts. Each dimension (e.g. Time, geography etc.), can be drilled-down, to allow users to see the big picture but also the details when needed. An example might be to quickly find the consumption in 2000 versus 2005, for commercial properties, with Irrigation service, with meters sized 2” or larger, and grouped and totaled by zip code. This type of query/report would require a few minutes to configure, and a few seconds to display.

Results can be displayed on screen nearly instantly. Tables and graphics can then copied/pasted into Word or PowerPoint. Reports definitions can be stored, including parameter settings, dimension choices, report styles, colors etc. All data and graphs can be exported to Excel or PDF.

This type of functionality is very helpful in water conservation, but is also useful in planning and reporting on water usage. It also has uses in leak search and detection.

The following figures illustrate some of the WaterExplorer pages.

The screenshot shows a web-based interface for the WaterExplorer data warehouse. It features a navigation pane on the left with categories like 'Group Filter', 'Filter', and 'Table'. The main area displays a table with columns for 'Year', 'Month', 'Day', 'Hour', 'Minute', 'Second', 'Tenth', 'Hundredth', 'Thousandth', 'Millionth', 'Billionth', 'Trillionth', 'Quadrillionth', 'Quintillionth', 'Sextillionth', 'Septillionth', 'Octillionth', 'Nonillionth', 'Decillionth', 'Undecillionth', 'Duodecillionth', 'Tridecillionth', 'Quattuordecillionth', 'Quintodecillionth', 'Sexdecillionth', 'Septendecillionth', 'Octodecillionth', 'Novecillionth', and 'Decillionth'. The table contains numerical data for each of these categories, along with a 'Total' column. The interface also includes a search bar and various control elements.

The following figure shows a graph generated in WaterExplorer. In this case the graph is linked to the interactive table in the previous figure. It shows water consumption since 1988 by Residential and Multi-Residential (total for a city).

Typically these interactive displays require 10 seconds to be calculated and rendered. This speed makes it possible to truly explore your water data interactively. The following figure illustrates the type of interactive charting available with the WaterExplorer.



Appendix C: ConserveTrack Terminology

The following table defines certain key terms used in the ConserveTrack system.

Term	Description
Program	A long term, usually multi-year effort for water conservation, which focuses on a certain method for conservation. For example, an ongoing toilet retrofit program.
Phase	A short term portion of a Program, such as a one year phase of a toilet retrofit program. The Phase concept can also be used as a 'container' for a grant program or other short term, separately funded project that otherwise fits into a long term program. Budgets are tracked by Phase.
Case	One participation of a single account or property, in a single phase/program. An example is a toilet retrofit at one house or apartment. A case can also be a multi-year Irrigation retrofit at an HOA. Properties, Accounts etc, can all be grouped and attached to a case. One property may have many cases over time. A Case may contain multiple 'interventions'.
Intervention	An intervention is one action that is done to save water. Examples include: a single retrofitted device (e.g. toilet), an education event, a visit to a home where advice or brochures are given, fixing a leak etc. Interventions are grouped by type. One Case may have several interventions.
Device	Any water using device: toilets, faucets, dish washers, pre-rinse spray valves, clothes washers, cooling towers. Devices can be retrofitted, purchased, installed etc. Devices are grouped by type, such as toilets, faucets, etc.
Account	The financial water account. Accounts are linked to properties, service points, account holder (People). They can also be linked to many Cases.
Property	A Property is an identifiable, physical location where water conservation can occur. It is specifically NOT an Account, NOT a tax Parcel, and NOT a Service Point. Examples are Single Family Homes, Apartments, Properties are usually linked to an Account, and can be linked to a Parcel (if Parcel data is available). These links are NOT always "One to One".

Property Group	<p>This is a special term for groups of properties that are linked together for various purposes. The most common is for grouping them for a CASE, where all the properties and associated accounts, and Service Points, will be treated as one.</p> <p>An example is a mixed use building that has 3 commercial businesses, and 5 residential units all sharing the same account (or accounts) and single Service Point(s). CT would have a Property Group that combines all of them (grouping). The grouping is useful for viewing total water consumption, and predicted and actual water savings as needed.</p>
Service Point	<p>The Service Point concept is needed because often one Property may be served by more than one meter. The meter is at the Service Point. However Meters (serial numbered meters) can be changed out. Therefore CT treats meters and the point of service separately.</p> <p>Meter reads are said to be linked to the Service Point.</p> <p>Meters (serial number) are not tracked internally with CT as they are in some utility billing systems.</p>
Meters and Meter Reads	<p>A meter is the device installed at a water Service Point, to measure water consumption. Each meter has a size, type, serial number, etc. Meters are read at regular intervals, usually one or two months.</p> <p>Meter readings are saved in the utility billing system and sent to CT periodically.</p> <p>Meter readings take place at various days of the month (e.g. Feb 12th, March 15th, April 10th, May 4th...). In addition, meter readings are sometimes missing and are 'made up' in the following period.</p>
Monthly Consumption	<p>Monthly Consumption (MC) is the interpolated averaged water consumption calculated from meter readings. Generally the MC will be a more reliable method for comparing consumption between properties and accounts.</p>
Parcel	<p>A Parcel is an official, legal tax parcel of land. A parcel usually contains one property, one account, one service point, and one customer (e.g. a single family home). However in general a Parcel may include multiple accounts, service points and properties. Parcels are useful for integration with GIS because normally GIS systems include detailed information on parcels.</p> <p>Often it is problematic to map (link) accounts and properties to Parcels. In CT, this is done when the required linking data is in place.</p>
Retrofit	<p>A type of intervention that involved replacing an existing device with a newer, more</p>

	efficient device.
Rebate	A type of incentive for encouraging Retrofits.
Incentives	<p>A financial or other method of encouraging water savings interventions. Incentive types include:</p> <ul style="list-style-type: none"> • Rebates (money is paid to the customer after a retrofit or other action is taken). • Voucher (money is given to the customer in the form of a voucher that is used in the purchase of an efficient device) • Direct Install (new devices are installed by the sponsor at no cost to the customer) • Discount (customer purchases device directly from the sponsor at a discounted price) • Free pickup (customer picks up a free device from the sponsor)
SFH	Single Family Homes. SFH's often have just one service or even share a service with another home. In some cases a SFH will have multiple meters, often a second meter is for irrigation only.
MR	Multi-Residential – Condo's, Apartments
HOA	Home owners association. Often HOAs have several meters serving common areas, and shared meters for multiple units.

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2009-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
AUTHORIZING THE PURCHASE OF WATER CONSERVATION SOFTWARE
AS A SOLE SOURCE ACQUISITION**

WHEREAS, an important part of the Nipomo Community Services District ("District") water conservation program is accountability and measurement, where possible, of water savings related to water conservation programs implemented by the District; and

WHEREAS, District staff has researched computer programs that related to water conservation that:

- A. Provide tracking of implemented water conservation measures, including mandatory water restriction programs, rebates and water-demand offset programs; and
- B. Are capable of being integrated with existing District computer billing software programs.

WHEREAS, District staff has only been able to locate one program "ConserveTrack" that fulfills the District's requirements; and

WHEREAS, District staff has been advised by other water districts that "ConserveTrack" is the only available program that provides the accountability and measurement of water savings related to water conservation programs; and

WHEREAS, based on the Staff Report, staff testimony, and public comment, the District Board of Directors finds as follows:

- A. The purchase/lease price of "ConserveTrack" is reasonable; and
- B. District staff has researched available programs and "ConserveTrack" appears to be the only program available to meet the District's requirements.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED, by the Board of Directors of the District as follows:

Section 1. The above Recitals are true and correct and are incorporated herein by this reference. The Recitals and referenced reports and studies contained therein constitute and support the findings of the District in support of this Resolution.

Section 2. The General Manager or his/her designee is authorized to enter into a contract with "ConserveTrack" pursuant to Option 1 in the Staff Report.

Upon the motion of Director _____, seconded by Director _____ and on the following roll call vote, to wit:

AYES:
NOES:
ABSENT:
CONFLICTS:

the foregoing resolution is hereby adopted this ____ day of _____ 2009.

James Harrison, President
Nipomo Community Services District
Board of Directors

ATTEST:

APPROVED AS TO FORM

Donna K. Johnson
Secretary to the Board

Jon S. Seitz
District Legal Counsel

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BB*
DATE: MAY 8, 2009

**AGENDA ITEM
E-7
MAY 13, 2009**

REQUEST TO SCREEN QUAD TANKS

ITEM

Consider request of Director Harrison to screen quad tanks [PROVIDE POLICY GUIDANCE]

BACKGROUND

President Harrison has requested that the Board discuss the possibility of using vegetation to screen the quad tanks at the East end of Tefft Street. Funding for this proposal is not in this year's budget or the Water and Sewer Master Plan, however, the Board is scheduled to discuss the FY09-10 Budget at its May 20, 2009 Workshop.

It should be noted that State and Federal Water Security Regulations provide guidance regarding the screening of water facilities. Should the Board wish to order screening of the Quad Tanks, any such screening would require review by the State Department of Public Health.

FISCAL IMPACT

Provision of the cost estimate would entail the use of previously budgeted staff time.

RECOMMENDATION

Staff recommends that the Board discuss its interest in screening the Quad Tanks. Should the Board wish to screen the tanks, staff should be directed to propose a line item for insertion into the FY09-10 Budget at the May 20th Budget Workshop.

ATTACHMENT - NONE

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TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BB*
DATE: MAY 8, 2009

**AGENDA ITEM
E-8
MAY 13, 2009**

REQUEST TO DISCUSS VECTOR CONTROL BALLOT MEASURE

ITEM

Consider request from Director Winn to discuss Vector Control Ballot Measure [PROVIDE POLICY GUIDANCE]

BACKGROUND

At the April 22, 2009 Director Winn requested that the Board discuss the pending Vector Control Ballot Measure proposed by SLO County. It is staff's understanding that the County will mail the ballots early in May. Attached is a description of the ballot measure.

FISCAL IMPACT - NONE

RECOMMENDATION

Staff recommends that the Board discuss the proposal and provide policy guidance regarding a potential position. Should the Board wish to take a position, it should develop a proposal at this meeting and agendize consideration at the May 27, 2009 Board Meeting.

ATTACHMENTS

- Vector Control Ballot Measure Materials

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MOSQUITO, VECTOR AND DISEASE CONTROL MEASURE

by the San Luis Obispo County Mosquito and Vector Control Program



Watch for Your Mailed Ballot Early May 2009

In early May, ballots will be mailed to property owners in San Luis Obispo County for a proposed Mosquito, Vector and Disease Control Measure. If approved, this measure would fund year round services for:

- **Improved control and elimination of mosquitoes and vectors using environmentally safe approaches.**
- **Improved testing and control of disease outbreaks associated with rodents, ticks or fleas.**
- **Improved control of the diseases transmitted by mosquitoes and other vectors, including: encephalitis, canine heartworm, and West Nile Virus.**

The Mosquito, Vector & Disease Control Measure

The San Luis Obispo County Mosquito and Vector Control Program was created in January 2005 with limited funding from the County General Fund. Due to its restricted funding, the Program currently only provides limited disease surveillance services and limited mosquito control efforts.

In May 2009, property owners will receive a ballot by mail that will allow them to decide if comprehensive, year round mosquito control and vector-borne disease prevention services should be provided in the County. If this measure is approved, other disease carrying insects and rodents, such as ticks and rats, would also be monitored.



Mosquitoes spread diseases like West Nile Virus and encephalitis

Environmentally Safe Services.

Mosquitoes would be successfully controlled by using environmentally safe approaches that focus on finding the sources of mosquito breeding (usually stagnant, standing water) and eliminating immature mosquitoes (larvae) before they emerge as adults and begin biting people and animals.

Why Is This Measure Needed?

Uncontrolled mosquito populations are a health risk. Without this measure there likely will be no mosquito, vector and disease control services in the County. As one of the only populated areas in the State without full year round control, the County would be unprepared in the event of a disease outbreak. This measure is needed to prevent diseases and to protect people, animals and property from the nuisance and harm caused by mosquitoes and other vectors and to prevent disease outbreaks.



Technicians would test for disease year-round

Why is this Measure Needed Now?

The recent economic condition is increasing the need for comprehensive mosquito, vector and disease control services. In fact recently there were 140 confirmed human cases of West Nile Virus in nearby Kern County, an outbreak that no one predicted, that was attributed to high foreclosure rates and unattended properties that may result in increased mosquito breeding sources. This measure is perhaps more important now because of these factors.

How Do I Know the Funds Will Be Used Wisely and for Their Intended Purpose?

The Measure includes several layers of accountability to ensure that all funds are expended properly on mosquito, vector and disease control:

- Funds can only be spent on mosquito, vector and disease control services within San Luis Obispo County.
- The budget for the services proposed each year will be presented to the public annually, including a professional audit.
- The budget and services will be overseen by the San Luis Obispo County Board of Supervisors.

What Are the Specifics of the Measure?

The measure would provide funding for the following:

Mosquito Control - Year round control of mosquito sources before immature mosquitoes (larvae) emerge as adults and begin biting people and animals, using environmentally sensitive methods.

- Mosquito-eating fish would be provided to the public free of charge.
- Certified technicians will identify breeding sources and prevent larvae from hatching.
- Year round identification of additional and new mosquito-breeding locations.

West Nile Virus Disease Prevention - Enhanced year-round testing for West Nile Virus and other disease prevention services in locations in which the disease is found.

- Mosquito traps throughout County to provide early warning of disease outbreaks.
- Dead-bird testing for presence of West Nile Virus and other diseases.

Response to Service Requests - Property owners and residents could call the Program for a service request in the area of their property. A service technician would respond directly to the caller's problem.

Disease Surveillance/Prevention - Innovative state of the art surveillance system would be used to proactively and routinely identify the presence, absence, location, types and quantities of vectors. This is a critical step in assessing the health risk and establishing an appropriate response to disease outbreaks.

- Testing and monitoring for diseases carried by mosquitoes, such as encephalitis, canine heartworm, and malaria.
- Surveillance and testing of ticks, rodents and the diseases they carry such as Lyme disease, relapsing fever, plague and hantavirus.

Community Education - Regularly educate the public about protecting themselves and their pets from diseases carried by mosquitoes and other insects, and how to prevent mosquito breeding in backyard locations.

- Public education provides awareness and information about vectors, the diseases they carry and how people can protect themselves.
- The Program would distribute brochures, media releases, group presentations and information on the internet.

What are the Proposed Rates?

Single family residential properties on one acre or less would contribute \$9.80 per year, while other residential property types would be assessed according to the number of dwelling units and size. Commercial, industrial, and agriculture properties would be assessed according to their parcel size and property type.

Additional Information

For additional information on the Mosquito, Vector and Disease Control Measure, please contact the Mosquito and Vector Control Program in the Department of Environmental Health Services at (805) 781-5544.



Backyard mosquito breeding sources

Look for your ballot in your mail box in early May 2009.



Mosquito, Vector & Disease Control Measure

by the San Luis Obispo County Mosquito and Vector Control Program

In early May of 2009, property owners in San Luis Obispo County will receive a ballot by mail. This ballot will allow property owners to decide if improved year-round mosquito, vector control and disease prevention services should be provided in the County. Below are some of the services that would be provided if this measure is approved:

Reduce Mosquito Populations using Environmentally Safe Approaches

Improved year-round mosquito control by using environmentally safe approaches that focus on finding the sources of mosquito breeding (usually stagnant, standing water) and eliminating immature mosquitoes (larvae) before they emerge as adults and begin biting people and animals (and transmitting diseases).

Surveillance and Prevention of Disease Outbreaks

Enhanced year-round testing for diseases transmitted by mosquitoes and other insects and rodents such as West Nile Virus, encephalitis, canine heartworm, Lyme disease, plague, hantavirus and malaria. Appropriate disease prevention services in locations in which a disease outbreak is discovered.

Response to Service Requests

Property owners and residents could call the Program for a service request in the area of their property. A service technician would respond promptly and without extra cost.

Fiscal Accountability

The Measure includes several layers of accountability to ensure that all funds are expended properly. Funds can only be spent on mosquito, vector and disease control services within San Luis Obispo County. The budget for the services proposed for each year will be presented to the public annually, including a professional audit.

Additional Information

For additional information on the Mosquito, Vector and Disease Control Measure, please contact the Mosquito and Vector Control Program in the Department of Environmental Health Services at (805) 781-5544.

Watch for Your Mail Ballot Early May 2009