

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *ML*
DATE: MARCH 18, 2010

**AGENDA ITEM
E-1
MARCH 24, 2010**

AUTHORIZE WATER STORAGE TANK SITE PLAN PREPARATION

ITEM

APPROVE EXECUTION OF TASK ORDER WITH CANNON TO PROVIDE ENGINEERING SERVICES FOR WATER STORAGE TANK SITE PLAN [RECOMMEND APPROVAL].

BACKGROUND

The 2007 Water and Sewer Master Plan Update recommended that the District construct one 1-million gallon water storage tank to meet near-term needs and an additional 1-million gallon tank to meet future needs. The existing water storage tank site has a vertical elevation of 525 feet above sea level and the new tanks need to be located at this same elevation.

In 2008, the District commissioned a study by Cannon to develop and analyze alternative site locations for the new tanks. The study identified four potential sites including expanding the existing site. After further evaluating the potential sites, staff has determined that expansion of the current water storage tank site is likely to be the most viable option.

The next step in moving the project forward is to develop a preliminary site plan for placement of two additional tanks adjacent to the existing tanks and determine the additional land required to accommodate the additional tanks. Attached is Cannon's proposal to provide the required engineering services. The proposed budget for the work is \$19,235. Cannon also provided an optional cost to provide photo simulations of the new tanks for an additional \$3900. The total cost, including the optional services, is \$23,135.

FISCAL IMPACT

The FY 09-10 Budget includes \$300,000 in the Water Capacity Charge Fund (Fund #700) for planning and land acquisition for a new water tank.

RECOMMENDATION

Staff recommends that your Honorable Board authorize staff to execute a Task Order with Cannon for the development of a water tank siting plan for a not-to-exceed amount of \$23,135.

ATTACHMENTS

- Cannon Proposal Dated February 19, 2010

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2010\100324 QUAD TANK SITING PLAN.DOC



February 19, 2010

Mr. Peter Sevcik
District Engineer
Nipomo Community Services District
148 South Wilson Street
Nipomo, CA 93444

PROJECT: QUAD TANK SITING PLAN

Dear Peter:

This proposal presents our scope of work and fee estimate to provide engineering services to evaluate placement of two new 1-million gallon (MG) elevated water storage facilities adjacent to the existing Quad Tank Site, east of Dana Foothill Road.

The goal of this effort will be to determine existing property constraints at the quad tank site and provide a preliminary site and grading plan to establish a boundary to accommodate the additional tanks.

Our team has enjoyed working with NCSD on recent projects and looks forward to providing services for the Quad Tank Siting project.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick Riddell", is written over a faint, illegible printed name.

Patrick Riddell, PE
Associate Civil Engineer
C72034

RECEIVED
FEB 25 2010
NIPOMO COMMUNITY
SERVICES DISTRICT

1050 Southwood Drive, San Luis Obispo, CA 93401
T 805.544.7407 F 805.544.3863
CannonCorp.us



SCOPE OF WORK

This scope of work is based on our recent telephone conversation and e-mail correspondence regarding the project. We have divided our scope of work into three phases: Phase I will include the gathering of topographic and property profile information to assist in the site layout. Phase II will site the tanks and define the limits of grading and total project area required to construct the new tanks. Phase III is an optional phase that will include preparation of visual photographic exhibits showing the existing tanks with renderings of the new tanks from select locations.

Phase I - Topographic Survey and Record Data Boundary

Task 1 - Aerial topographic mapping and Field Survey

We will perform a field survey to set 5 aerial panels as control for the aerial mapping. The field survey will locate the tank foundations, visible above ground utilities within the existing fences of the tank site. The project control will be based on NAD83 Horizontal Coordinates and NAVD88 Elevation Datum. The aerial survey will be compiled according to the following specifications:

- Elevations will be represented with 5-foot index contours and 1-foot intermediate contours. The mapping will be flown to achieve 1.0 contours.
- Mapping will be produced at a scale of 1 inch = 20 feet.
- A color digital aerial image of the tank site and adjacent roadways will be provided.

The limits of the topographic survey proposed as part of this scope is shown on the attached Exhibit A.

Task 2 - Drafting for Compilation of Project Base Map

We will prepare a topographic base map of the project site through combining the planimetric aerial mapping, field topographic survey and digital ortho-photography in AutoCAD. We will provide a color .PDF file of the completed Base Map.

Task 3 - Record Data Boundary and Title Report

A record data boundary survey is needed as a basis for obtaining property rights through either a revised lease agreement or a permanent easement. As part of the record data boundary, we will obtain a current preliminary title report for APN: 090-031-003 (\$400.00). We will conduct a field survey to locate sufficient monuments in the field to show the record boundary of the main parcel. We will also show the boundary of the existing Storage Tank lease site from the documents provided by NCSD. The record data boundary survey will provide a preliminary basis for determining the limits of the current lease area. The record data boundary will be based on prior surveys and record documents. Based on our recent conversation a Record of Survey is not required as part of this scope of work.



Phase II – Preliminary Site and Grading Plan

Task 4 - Preliminary Site Plan

Upon completion of the topographic survey and record data boundary we will prepare a preliminary site plan locating two new one-million gallon water storage facilities adjacent to the existing Quad Tank Site. The new tanks will be positioned to allow access between and around the tanks and will also incorporate spacing for standard water tank appurtenances that may be located within the tank yard. The preliminary tank layout will be completed in plan view using the aerial imagery, detailed topographic information, and property constraints gathered during Phase I of this project.

Upon completion of the tank siting we will meet with District staff and provide a draft exhibit for review and comment. Comments and revisions from the NCSD review of the Preliminary Site Plan will be incorporated prior to preparation of the Preliminary Grading Plan.

Task 5 – Preliminary Grading Plans and Limits of Grading

Upon completion of the Preliminary Site Plan, we will prepare a Preliminary Grading Plan to accommodate placement of the tanks. Preliminary grading will define the limits of grading, top of tank foundation elevation, spot grades around the tank, cut and fill slopes at a maximum 2:1 ratio, tie-in elevations with existing paving or native ground, and will also show finished ground contouring around the site. We will also review access and set back requirement for the tank sites and include relevant information on the plans.

We will prepare a second, alternate Grading Plan that incorporates retaining walls in place of cut slopes to minimize the amount of earthwork and overall grading impacts to the site. We will show top and base wall elevations and include preliminary cut-section details of both the walls and cut slopes. Approximate limits of retaining wall footings will be shown on cut sections and will be based on standard footing dimensions for similar sized walls.

We will provide an opinion of preliminary earthwork quantities with the grading plans. The approximate earthwork quantities will be based on the difference between the proposed future grades shown on the grading plan and the existing ground as calculated in the topographic survey.

Upon completion of the preliminary grading plans, we will define a preliminary boundary around the tank site. The preliminary boundary will be defined such that it can be used for coordinating any additional land acquisition or easement dedications with adjacent property owners.

We anticipate one submittal of progress drawings to the District for your review and comment prior to completion of the Preliminary Grading Plans. The intent of the progress drawings is to ensure the design concepts and layouts used in the drawings are in line with the District's vision for this project. We will attend one meeting with NCSD staff to review and discuss the progress drawings.

The results of this task can be used in developing the next phases of the project.

Task 6 – Preliminary Opinion of Probable Construction Cost

We will prepare a Preliminary Opinion of Probable Construction Cost for each of the two alternate grading plan tank sites; one incorporating retaining walls and one with cut slopes. The



preliminary opinion of probable cost will use recent cost data derived from multiple sources including RS Means, Tank Suppliers, and Caltrans unit costs for typical site construction.

Phase III - (Optional) – Photo Simulations

Photo simulations will be developed as a part of our visual analysis for later use in any potential environmental review process or in obtaining a permit with the County of San Luis Obispo. We will perform a site survey to capture the dimensions of the existing site conditions and we will take photographs from up to 3 vantage points. Each vantage point will be coordinated with NCSO. We will prepare 3 photo composite exhibits, one from each vantage point, imposing the proposed tank rendering onto the existing site condition images. The simulations will be similar to the attached Exhibit B.

DELIVERABLES

Phase I

- AutoCAD .DWG file of the Base Map reflecting the aerial mapping and digital orthophoto;
- Field survey of the tank site and utility locations, together with a color .PDF and hard copy plot of the Base Map; and
- Excel Spreadsheet of the survey points and project control.

Phase II

- Preliminary Siting Plan;
- Preliminary Grading Plan with 2:1 Cut Slopes; and
- Preliminary Grading Plan with Retaining Walls.

Phase II (Optional)

- 3 Photo Simulations

EXCLUSIONS

Certain services that typically accompany a project of this type are excluded from this Scope of Work at this time. These services may be added to our Scope of Work on a Time and Materials basis and include the following:

- Right-of-way dedications, easement acquisitions, and property acquisitions.
- Survey monumentation, records of survey, and legal descriptions and exhibits.
- Final site piping, foundation, and tank design plans.
- Structural design of retaining walls,
- Project meetings (other than those described in the Scope of Work), local agency liaison, and application and permit processing and tracking.
- NPDES compliance reporting, Storm Water Pollution Prevention Plans (SWPPP), and Erosion and Sediment Control Drawings.
- Archeological, botanical, biological, geotechnical, and landscaping project services.
- Permitting or approvals through San Luis Obispo County.

SCHEDULE

The following schedule is based on a project receiving approval by March 1, 2010.



Phase I..... March 19, 2010
 Phase II..... April 23, 2010
 Phase III..... T.B.D.

FEEES

Fees do not include Agency checking and recording fees, or title company fees unless specifically stated otherwise in the scope of work. Project meetings not specifically described in the scope of work will be billed on a time and materials basis. Reimbursables are not included in fixed fee; see Reimbursable Expenses fee schedule below.

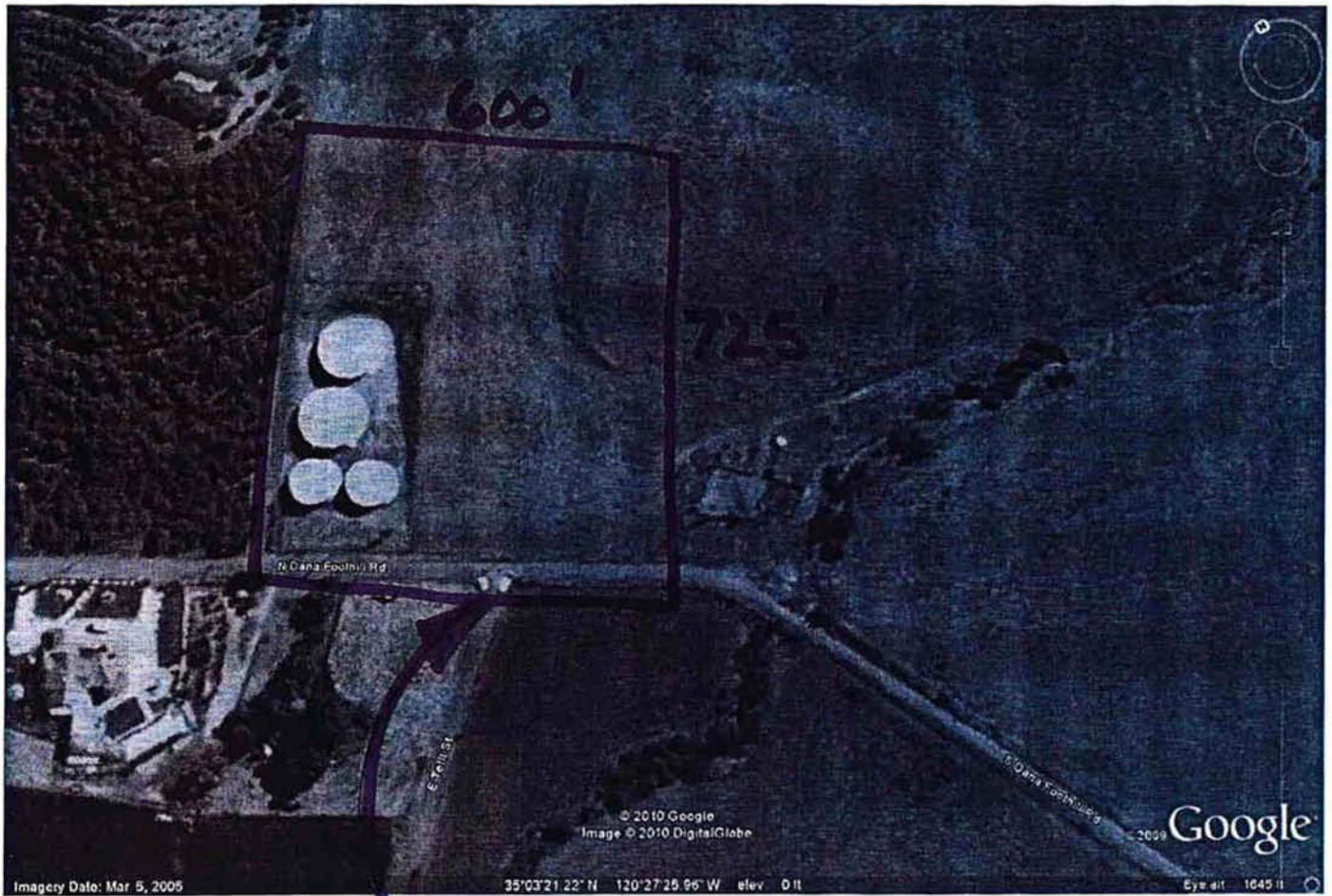
<i>Phase I. Aerial Topographic Mapping and Field Survey</i>	\$ 7,480.00
<i>Phase II. Preliminary Site and Grading Plan</i>	\$ 11,755.00
Total Fixed Fees:	<u>\$ 19,235.00</u>
(Optional)	
<i>Phase III. Photo Simulations</i>	\$3,900.00

REIMBURSABLE EXPENSES

In-House Reproduction	
Black Line Plots	\$2.00 per sheet
Color Plots	\$5.00 per sheet
Mylar Plots	\$12.00 per sheet
Photocopies	\$ 0.20 per page
Color Copies (8 1/2 x 11).....	\$ 1.50 per page
Color Copies (11 x 17).....	\$ 3.00 per page
Travel by Automobile	\$ 0.58 per mile
Subconsultant Fees	Cost + 10%

All direct non-salary expenses, such as special equipment, shipping costs, travel other than by automobile, per diem (room/board per person), and permit fees will be billed at the actual cost plus 15%.

Exhibit "A"



LIMITS OF AERIAL
MAPPING

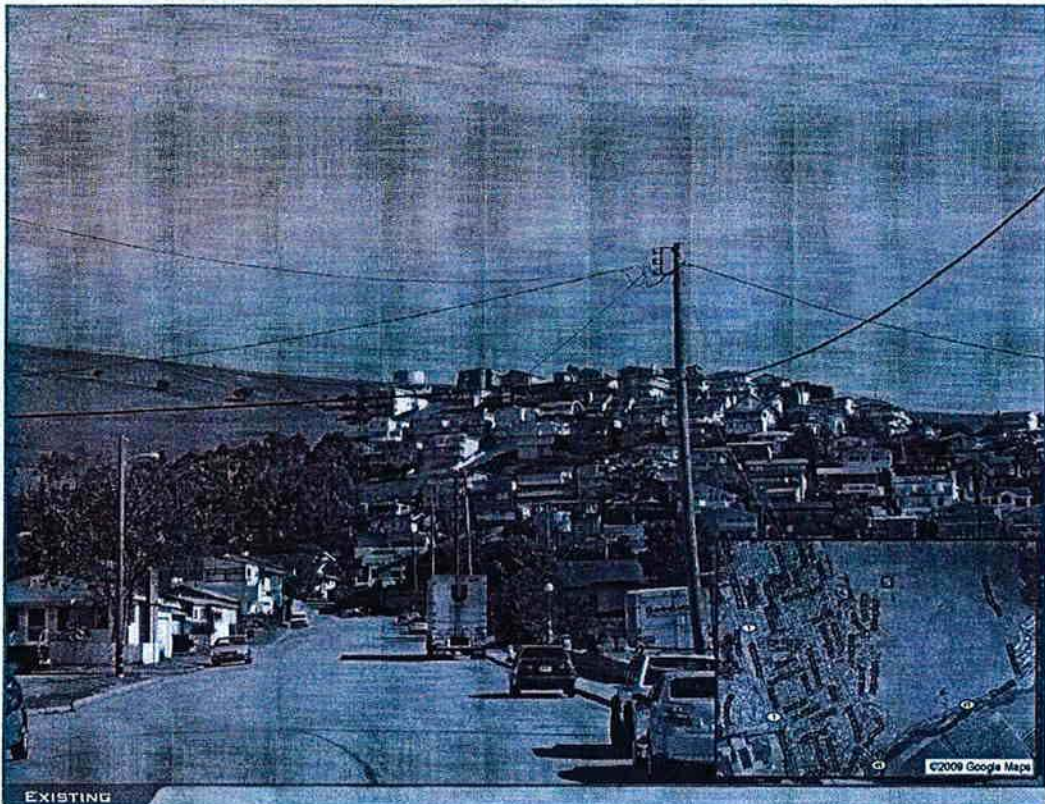
NUTMEG WATER TANK

HILLTOP NEAR HIGHWAY 1 CITY OF MORRO BAY CA 93443

Exhibit "B"

ARTISTIC
engineering
AESims.com
877.9AE.sims

VIEW 2



EXISTING



PROPOSED LOOKING NORTHEAST FROM HIGHWAY 1 AT ELENA STREET

ACCURACY OF PHOTO SIMULATION BASED UPON INFORMATION PROVIDED BY PROJECT APPLICANT.

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *ML*
DATE: MARCH 19, 2010

**AGENDA ITEM
E-2
MARCH 24, 2010**

**REVIEW PROPOSALS FOR EDUCATION AND OUTREACH SERVICES
WATERLINE INTERTIE PROJECT AWARD CONTRACT**

ITEM

Review proposals for Education and Outreach Services related to the Waterline Intertie Project, consider Committee recommendation for awarding contract [RECOMMEND APPROVE]

BACKGROUND

In 2010, the District expects to conduct an assessment vote to fund a significant portion of the \$23.6M Waterline Intertie Pipeline project. The value an educated voting public will play in achieving a successful assessment vote cannot be overstated.

On February 28, 2010, the District circulated a Request for Proposal for outreach services (Attached). Staff evaluated the proposals and invited two proposers (Lew Edwards Group and True North etal.) to provide a presentation to the Ad Hoc Committee on March 17, 2009. Each firm made a presentation to the Committee and participated in a discussion session. In addition to the Committee members (Director Eby and Director Winn), the meeting was attended by District General Manager, District Engineer, District Special Counsel, District Conservation Coordinator, and Mr. Michael Nunley with AECOM.

The written proposal from each firm is attached. Proposed cost schedules are similar. Both indicate project costs of over \$70,000.00 might be realized if a full scope of services is ultimately required (Additionally polling services and support through the Fall 2010 Assessment Ballot).

FISCAL IMPACT

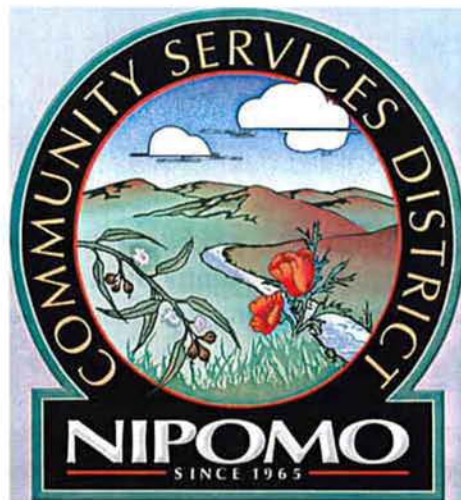
Staff estimates up to \$100,000.00 could be required for complete outreach services. Waterline Intertie Project budget currently reflects a budget of \$50,000.00 for Outreach. If as the Project progresses additional funds are needed, the 20% construction contingency reserves of the project could be reduced to offset costs of these services without impacting the overall Pipeline Project costs. The costs for preparing this proposal are funded by COPs and Supplemental Water Capacity Charges.

RECOMMENDATION

Consider Ad Hoc Committee recommendation, approve awarding contract.

ATTACHMENTS

- January 28, 2010 Request for Proposal
- Lew Edwards Proposal
- True North Proposal



NIPOMO COMMUNITY SERVICES DISTRICT

REQUEST FOR PROPOSAL

Public Outreach and Education for Waterline Intertie Project

Proposals Due no later than:

MARCH 1, 2010, 2 P.M. Pacific Time

Issued by:

NIPOMO COMMUNITY SERVICE DISTRICT

January 28, 2010

January 2011 for collection in fiscal year 2011/2012. The successful applicant will be expected to work with this firm to understand the assessment charge that will be presented to the public.

III. SERVICES TO BE PROVIDED

District is requesting proposal from firms that can plan and execute an integrated outreach and education strategy aimed at providing a fair and impartial presentation of facts related to the Project and the pending Assessments. The successful proposer will develop an overarching Outreach and Education plan to include, at a minimum, the following:

1. Property owner outreach and education strategies to include: development of messages, develop public relations plan, development of support materials, development of an integrated media strategy, development of an outreach campaign, development of exhibit and display materials, development of a tracking, monitoring and evaluation plan.
2. Market Research (Survey or other): Conduct market research and/or provide other services to gather consumer input necessary to develop and evaluate outreach and education efforts.
3. Coordination with the District: Explain how the proposer will ensure close coordination with the District and the County of San Luis Obispo for the duration of the contract, including, at a minimum, the process for identifying and addressing emerging problems and attending meetings at the discretion of District. Further, explain how the proposer will provide advice, counsel, and assistance to District on matters to educate the public on the necessity of the Waterline Intertie Project.
4. Project Plans: Tasks, Schedule, Budget.

IV. SCOPE OF WORK

District is looking for feedback on the level of support/lack of support for the Project and proposed assessment charge. In pursuing this revenue source, the consultant must also research and determine the level of support, the best methodology to communicate with potential voters and perform such outreach.

Applicants should prepare and submit a proposal for market research/survey and outreach services for a Waterline Intertie Project Assessment Charge that describes the applicant's ability to satisfy the requirements to conduct a survey of potential voters/property owners and a successful outreach plan to communicate on a fair and impartial basis the necessity of reliable water supplies and gain public acceptance within the Project service area for a proposed Assessment Charge. The specific tasks of this project include:

1. Conduct market research in the Project service area, with direction from District staff to gauge support for an assessment charge.

4. A proposal may be considered non-responsive if conditional, incomplete or if it contains alterations of form, additions not called for, or other irregularities that may constitute a material change to the proposal response.
5. Proposal Validity – Proposals must be valid for a period of at least 60 days from the closing date and time of this solicitation. Proposals may not be withdrawn after the submission date.
6. Pre-Contractual Expenses – District shall not, under any circumstance, be liable for any pre-contractual expenses incurred by Applicants in the preparation of their Proposals. Applicants shall not include any such expenses as part of their Proposals. Pre-contractual expenses are defined as expenses incurred by the Applicant in preparing its Proposal in response to this solicitation; submitting that Proposal to District; negotiating with District any matter related to the Proposal; and, any other expenses incurred by the Applicants prior to the date of award and execution of an Agreement.
7. Right to Audit – Following execution of an agreement and for a period of three years following the completion of the services, District will have the right to audit the successful Applicant's (Awardees') invoices and all supporting documentation generated in performance of services under the agreement.
8. Confidentiality – Confidentiality of Proposals is subject to the following:
 - a. District is subject to the Public Records Act, California Government Code Section 6250 et. seq. As such, all required submittal information is subject to disclosure to the general public.
 - b. Applicant may provide supplemental information exempt from public disclosure under Gov. Code § 6254, including "trade secrets" under Evidence Code § 1060. Such supplemental information shall not be material to the required submittal information and District shall be under no obligation to consider such supplemental information in its evaluation.
 - c. If submitting confidential, supplemental information, such information shall be submitted on a different color paper than, and bound separate from, the rest of the submittal, and shall be clearly marked "Confidential". Upon completion of its evaluation, District will destroy any confidential, supplemental information submitted, or return such information to Applicant if so requested.
9. District reserves the right to:
 - a. Reject any or all Proposals;
 - b. Select the Proposal most advantageous to District;
 - c. Verify all information submitted in the Proposal;
 - d. Withdraw this solicitation at any time without prior notice and furthermore, makes no representations that any contract will be awarded to any Applicant responding to this solicitation;

Phone: (805) 929-1133

Email: mlebrun@nipomocsd.ca.gov

Additional Contacts to this proposal include Lisa Bognuda, Assistant General Manager (lbognuda@ncsd.ca.gov), and Peter Sevcik, District Engineer (psevcik@ncsd.ca.gov) at (805) 929-1133.

IX. PROPOSAL INSTRUCTIONS

A. Packaging

Proposals shall be enclosed in a sealed package. Applicant's name and address shall appear in the upper left-hand corner of the package. All Proposals shall be identified with *Public Outreach and Education for Waterline Intertie Project* legibly written on the outside of the package. If multiple packages are submitted, each package must be legibly numbered (i.e., 1 of 3, 2 of 3, etc.).

B. Submittal

1. Applicant shall submit five (5) hard copy proposals, and three (3) separate CD ROM containing the Proposal in a PDF or MS WORD format to the following address:

Nipomo Community Services District

148 South Wilson Street

Nipomo, CA 93444

Attn: Michael LeBrun, Interim General Manager

2. Proposals are due no later than 2:00 PM Pacific Time, March 1, 2010. Proposals received after the deadline will not be considered.
3. District will not be responsible for submittals that are delinquent, lost, miss-marked, sent to an address other than the address provided above, or sent by mail or courier service and not signed for by District.

C. Response Requirements

1. The information requested below will be used to evaluate the Applicant's Proposal. Applicants may be deemed non-responsive if they do not respond to all Sections, 'a' through 'h' (listed below).
2. Proposals must be prepared simply and economically, providing a straightforward, concise description of methodology and approach to satisfy the requirements of this solicitation.

the actual Acord insurance form and associated documentation when recommendation for award is made.

- h. Signed Acceptance Letter.

X. CONTRACT AND INSURANCE REQUIREMENTS

A Sample Agreement has been attached (Exhibit "A") for your review. This agreement is representative of the agreement that will be executed upon award to the Selected Consultant. Submission of your proposal in response to this RFP constitutes your acceptance of all terms and conditions set forth in this sample agreement.

The Selected Consultant shall procure and maintain, for the duration of the agreement insurance against claims for injuries to persons or damages to property arising from or in connection with the performance of the work performed. The Selected Consultant shall provide the following coverage:

Commercial General Liability	\$1,000,000
Business Automobile Liability	\$1,000,000
Workers' Compensation	\$1,000,000

Prior to the start of work, the Selected Consultant shall provide evidence of insurance from an insurer(s) certifying to the coverage, including an endorsement naming District as additionally insured. For a complete description of the insurance requirements, please see Section 15 of the Sample Agreement (Exhibit "B").

XI. ACCEPTANCE

An Acceptance Letter has been attached (Exhibit "C") to this RFP. This Acceptance Letter must be completed and signed by the firm or team of firms submitting a proposal in response to this RFP (hereinafter referred to as "Applicant") and shall be submitted with the Applicant's proposal.

XII. SELECTION PROCESS

Applicants will be evaluated based on the strength of the proposal and the interview (if applicable) using the following criteria:

1. Completeness of the proposal (adherence to Item IX.C. Proposal Requirements);
2. Understanding of the project and District's objectives;
3. Quality of proposer's approach;
4. Approach the consultant would take in market outreach planning, conduct, development and reporting; and the approach the consultant would take in planning and executing an effective outreach plan that supports a successful assessment charge campaign;

PUBLIC OUTREACH & EDUCATION
PROPOSAL FOR WATERLINE INTERTIE PROJECT

PREPARED FOR THE
NIPOMO COMMUNITY SERVICES DISTRICT



FEBRUARY 25, 2010



741 GARDEN VIEW COURT, SUITE 208
ENCINITAS CA 92024
760.632.9900 WWW.TN-RESEARCH.COM
Copy of document found at www.NoNewWipTax.com

TRAMUTOLA
THE DISCIPLINE OF WINNING

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C O V E R L E T T E R

True North Research, Inc., together with partners Tramutola LLC and Terrain Consulting, is pleased to present this proposal to provide opinion research, revenue measure planning, strategic communications, and public outreach consulting services to the Nipomo Community Services District (District). Based on the RFP, as well as our experience conducting hundreds of similar projects for public agencies throughout California, we understand that the District is interested in using the survey to produce an *unbiased, statistically reliable* evaluation of property owners' interest in funding a revenue measure to import 2,500 acre-feet of supplemental water per year as specified in the Settlement Stipulation. The additional water supply will augment current groundwater inventories, increase the reliability and diversity of supplies, and reduce the demand for groundwater pumping in the Nipomo Mesa Management Area. In short, the goal of the project is to determine the feasibility of placing a benefit assessment on a future ballot and—if feasible—determine how best to package a measure for success. If the survey results are promising and the District chooses to move forward, we will also assist the District with all aspects of preparing the mailed-ballot measure, and developing/implementing a successful public education campaign to build awareness, understanding, and support for the measure.

COMPETITIVE STRENGTHS OF OUR TEAM With just 10 pages allowed for this proposal, we thought it would be helpful to highlight at the outset the key strengths of our team.

Unmatched Prop. 218 Survey Experience Our team has designed and conducted over 500 survey research studies for public agencies, including 200 revenue measure feasibility studies. Moreover, Dr. McLarney has spent a decade refining a proprietary Prop. 218 survey methodology that has been tested and proven in over 40 successful benefit assessments—far more than any other team in the State.

We know what it takes to win We've learned what it takes to be successful by passing more than **300 revenue measures** in California (more than any other team), raising over **\$40 billion** at the local level. This experience includes more than 30 successful measures since the start of the recession. We will use our experience and insights throughout the project to identify challenges, develop effective strategies, and position the District's measure for success.

Water Agency Experience We are familiar with water agencies through our work with the West Basin Municipal Water District, Cachuma Conservation Release Board, Carpinteria Water District, Goleta West Sanitary District, Montecito Water District, West Valley Water District, Monte Vista Water District, as well as dozens of agencies that manage water, wastewater, and/or stormwater services (including the County of San Luis Obispo).

The team of True North, Tramutola and Terrain is eager to assist the Nipomo Community Services District on this important project. We think that you will find our qualifications, our attention to client service, and our interest in this project to be exceptional.

Sincerely,

Timothy McLarney, Ph.D., President, True North Research
741 Garden View Court #208 Encinitas CA 92024
p: 760.632.9900; f: 760.632.9993; mclarney@tn-research.com

QUALIFICATIONS & EXPERIENCE

True North, Tramutola and Terrain provide **industry-leading experience** in each of the disciplines needed for this project to be successful: survey research, strategic consulting on local revenue measures, and public relations/community outreach. Together, we have an unmatched track record passing revenue measures in California. Collectively, we have helped pass more than 300 measures at the local level, raising over \$40 billion for important community causes. Our experience includes over 40 successful Prop. 218 benefit assessments—far more than any other team in the State—and we are currently assisting the West Basin Municipal Water District with a similar water reliability standby charge. The insights we have gained through these experiences have allowed us to maintain the highest success rate in the industry (95%) even during these tough economic and political times, including more than 30 successful measures since the start of the recession. The following paragraphs provide more information about our experience and qualifications.

TRUE NORTH True North Research, Inc. is a full-service survey research firm that is dedicated to providing public agencies with a clear understanding of the opinions, priorities and concerns of their property owners and voters. Using innovative research methods developed by the Principals at True North and proven through more than 200 revenue measure studies, True North helps its clients move with confidence when measuring community priorities and packaging revenue measures for success. Of the measures that have gone to ballot based on Dr. McLarney's recommendation, more than 95% have been successful. In total, the research that Dr. McLarney has conducted has led to over \$19 billion in successful local revenue measures using all types of funding mechanisms—including Prop. 218 benefit assessments/user fees, sales taxes, utility taxes, general obligation bonds, parcel taxes, and business taxes.

Of particular note given the District's interest in a benefit assessment is True North's unmatched understanding and experience with Prop. 218 measures. Whereas other survey firms have (at best) a cursory understanding of the many legal, procedural and campaign differences between special tax measures and Prop. 218 fees *and their methodological implications*, for the past decade Dr. McLarney has developed and refined a proprietary survey research methodology specific to Prop. 218 measures and has also designed more successful benefit assessment feasibility studies than any other researcher (or firm) in the State of California.

TRAMUTOLA Tramutola LLC is California's leading firm specializing in revenue measure feasibility, planning and campaign management for local public agencies. Our 10 employees include experts in tax measure development, political strategy, direct mail, earned media, quantitative analysis, community organizing and public finance. Over the 23 years we've been in business, we've helped our clients win 247 verifiable revenue measure elections that have generated nearly \$30 billion in voter- and property owner-approved funding (most requiring 66.7% voter approval) for public facilities, programs and services. Our approach—a blend of community and stakeholder engagement, sophisticated research, compelling communications, and effective political strategy—has enabled us to maintain the highest win rate in the industry for local revenue measures: 95%.

Although we have worked with more than 400 California communities and helped pass more revenue measures than any other firm in the State, we excel in part because we take a *personalized*

approach to each client and make client satisfaction a top priority. The fact that 80% of our clients are now repeat or referral clients reflects our fundamental commitment to complete client satisfaction.

TERRAIN CONSULTING Terrain Consulting is a Central Coast-based public affairs firm that focuses on the complex and sometimes controversial issues pertaining to planning, development, community interest, and revenue measures. Terrain offers strategic communications, community outreach, government and media relations services to a diverse client base of businesses, government agencies and non-profit organizations. Terrain's strategy is to achieve "win-win" outcomes to sensitive land use, infrastructure and environmental issues that benefit both clients and communities, resulting in an improved quality of life.

REFERENCES Although we were limited by the RFP's page constraints in this section, we will be happy to provide the District with dozens of additional references for our work if interested.

West Basin Municipal Water District Our team is currently providing survey research, measure preparation and public outreach services related to the District's interest in funding various capital projects to improve water reliability and reduce the region's dependence on imported water. Contact: Ron Wildermuth, Manager of Public and Government Affairs, 17140 S. Avalon Blvd., Suite 210, Carson CA 90746; ph: 310.660.6258.

Santa Barbara County 1/2 cent Sales Tax Our team assisted SBCAG and the campaign committee with survey research, measure preparation, strategic communications, and public outreach leading to the successful passage of the region's 1/2 cent sales tax for transportation infrastructure improvements. Contact: Jim Salvito, MNS Engineer & campaign committee chairman, 4141 State Street, Suite B-11, Santa Barbara CA 93110; ph: 805.692.6921.

County of San Luis Obispo True North assisted the County in measuring community awareness, attitudes and behaviors as they relate to stormwater pollution and the County's public education efforts. We also provided strategic advice on improving the outreach program. Contact: Jill Falcone, Environmental Programs Division, County Government Center Room 207, San Luis Obispo, CA 93408; ph: 805.788.2767.

City of Rancho Palos Verdes Survey research, measure preparation and strategic advice led to successful Prop. 218 fee for water quality/stormwater infrastructure improvements. Contact: Dennis McLean, Director of Finance, 30940 Hawthorne Blvd., Rancho Palos Verdes, CA 90275; ph: 310.544.5291.

City of Oakland Clean Water Measure Tramutola assisted the City in passing Measure DD, a \$198.3m bond to fund improvements to Oakland's Lake Merritt and other water infrastructure. Strategic targeting of compelling messages helped a resource-tight campaign garner over 80% voter approval. Contact: Former State Senator Don Perata, 900 Blair, Oakland CA 94611; ph: 510.610.1384.

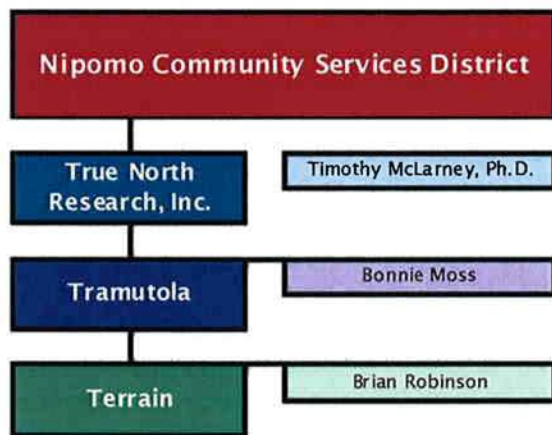
Mountains Recreation & Conservation Authority Survey research, measure preparation and strategic advice led to the passage of two successful Prop. 218 measures to fund the acquisition of open space and protection of local water quality. Contact: Dash Stolarz, Director of Public Affairs, 570 West Avenue 26, Suite 100, Los Angeles CA 90065; ph: 323.221.9944.

PROJECT ORGANIZATION

Unlike many in the industry, True North, Tramutola and Terrain firmly believe that the best way to conduct your project is to have the people in our organization with the *most* expertise and experience roll-up their sleeves and actually do the work. A key advantage of selecting our team is that who you see is who you get.



FIGURE 1 PROJECT ORGANIZATION CHART



Timothy McLarney, Ph.D., will serve as the Project Manager and will lead the survey research components of the project. He will serve as the day-to-day contact for all matters related to the study and will lead all design, analysis, reporting and presentation tasks. During his career, Dr. McLarney has occupied a key role in over 500 research studies for public agencies, more than 200 revenue measure feasibility studies, and more than 50 benefit assessments. Dr. McLarney is a nationally recognized expert in survey research methodology, sampling theory, weighting and the use of statistical methods to generalize survey results. He is also the State's leading expert on Prop. 218 benefit assessment survey methodology. Dr. McLarney holds an M.A. and Ph.D. in Government from Cornell University with an emphasis in survey methodology, sampling theory and voter opinion, and a Bachelor's degree in Politics from UC Santa Cruz.

Bonnie Moss, Executive Vice President & Chief Operating Officer at Tramutola has 25+ years experience in community and local government relations, campaigns and elections, marketing, and public relations. Over her 22+ year association with Tramutola, first as a candidate and local elected official, then as a corporate client, and now as a Tramutola team member, Bonnie has become a passionate advocate of the firm's public mobilization model. A graduate of Wellesley College, Bonnie has considerable expertise and success managing local tax elections, public sector communications and local candidate elections. She has guided hundreds of successful campaigns in communities throughout California and the nation using the Tramutola model. Bonnie's vast experience guiding clients also includes public information and electoral campaign projects in all types of communities—urban and rural, large and small, liberal and conservative.

Brian Robinson is cofounder and principal of Terrain Consulting. Since 1994 he has been responsible for creating winning strategies for clients seeking effective communications programs and productive public dialogues. Over this time he has been helping clients navigate the complex maze that is public opinion, specializing in public involvement initiatives and strategic communications. Mr. Robinson was directly involved in the creation of Measure A, Santa Barbara County's transportation sales tax and the resulting successful campaign that resulted in the approval of the 30 year half-cent sales tax. Based in Santa Barbara, Mr. Robinson has also worked directly with the Cachuma Conservation Release Board, Carpinteria Water District, Goleta West Sanitary District, and Montecito Water District.

WORK PLAN

Creating Prop. 218 measures that are ultimately approved by the necessary percentage of property owners is difficult. Successful measures require insightful research, careful packaging, and a well-orchestrated community engagement and communications plan. The following paragraphs describe our recommended scope of work for the project given the stated objectives in the RFP, as well as our experience working on similar assessment projects.

SURVEY RESEARCH Benefit assessments are very different than special taxes. Unlike a special tax, a benefit assessment requires that those who participate own property in the District. In addition to residential property owners, owners of other types of properties (i.e., commercial, industrial, apartments, etc.) as well as absentee owners are eligible to participate. Whereas in special tax elections each vote is weighted equally in determining the outcome, in assessment ballot proceedings the higher the amount of a property owner's fee, the greater the weight of their vote in determining the outcome of the election. A majority of the weighted votes is required for a measure to pass. Assessment ballot proceedings also employ different voting procedures, as all property owners are typically mailed a ballot that includes an information sheet, but does not include arguments in support or opposition as is the case with a special tax.



Because the legal, logistical, and campaign environments for benefit assessments differ on so many dimensions that ultimately affect whether a measure will win or lose, it is critically important that the research methodology take these differences into account to ensure statistically reliable results for a benefit assessment. True North has spent more than a decade developing, testing and refining a proprietary two-phased survey methodology that is tailored to the unique opportunities and challenges presented by mail ballot Prop. 218 benefit assessments. Although we will be happy to discuss the details of our proprietary methodology with the District, some of the advantages of our methodology include better identification of owners who are likely to cast ballots, more accurate fee sensitivity analysis, the ability to test the impact of ballot design and information pieces, statistically accurate results *within property class categories*, as well as analysis that considers the *weight* of each respondents' survey (ballot).

Scope of Work Briefly, our two-phased survey work plan includes:

- Meet with the District to thoroughly discuss the research objectives and methodology for the study, as well as discuss potential challenges, concerns and issues that may surround the study.
- Merge voter and demographic data onto the District's property owner file for sampling, analysis, strategy development, and communications purposes.
- Working with the District's chosen Assessment Engineering Consultant, conduct a property owner analysis for the District which will play an important role in understanding the 'political landscape' within the District's boundaries given the fee methodology proposed by the engineer. This task will shape how the sample will be selected and guide the strategic discussions we have once the survey is complete.
- Using our proprietary Prop. 218 sampling methodology, develop a random stratified and clustered sample of property owners that takes into consideration property type, location, voting propensity, and proposed fee amount.
- Working closely with the District, develop an initial telephone survey of residential property owners to estimate their level of awareness, understanding and support for the proposed

- measure, and gauge the impact that additional information, facts and possible tax rates have on their willingness to support a measure.
- Pre-test and CATI (Computer Assisted Telephone Interviewing) program the finalized survey instrument to ensure accurate and reliable data collection using live telephone interviewers.
- Collect quality telephone interviews according to a strict interviewing protocol. It is expected that the average interview will be 15 minutes in length.
- Process the data, which includes conducting validity checks, cleaning, recoding, coding any open-end responses, and adjusting for strategic oversampling (if used) through a statistical procedure known as 'weighting'.
- Prepare an initial topline report which presents the overall findings of the survey.
- Prepare a thorough report on the survey findings, including a detailed question-by-question analysis, description of the methodology, an executive summary of the key findings and conclusions/recommendations, as well as a comprehensive set of crosstabulations showing how the answers varied by subgroups of respondents. The report will include extensive full-color graphics displaying the findings, as well as insightful narrative discussion of the results and their implications for the District's revenue measure planning efforts.
- Prepare three (3) full-color hard copies of the final report, as well as an electronic copy to allow the District to reproduce the report as needed.
- Prepare a PowerPoint presentation of the results and recommendations, and present the results to the District. Provide a CD that includes the report, final PowerPoint presentation, and all data and documentation associated with the study.
- Phase 2: If the District elects to move forward with a measure based on the initial telephone survey, we strongly recommend conducting a short mail-based tracking survey *after* the public outreach and communication stages but *prior* to the Board taking official action to place a measure on the ballot. The tracking survey will be administered to all property ownership classes, will gauge the effectiveness of the District's communication efforts to date, and will simulate a "dry run" on the actual ballot proceeding. The tracking survey will allow the District to make last-minute refinements to the ballot and accompanying information piece, and will determine whether the District is indeed well-positioned to be successful or if additional outreach is needed.

REVENUE MEASURE PLANNING & COMMUNITY OUTREACH Assuming the initial survey results are promising and the District chooses to move forward with a measure, we will work closely with the District on all aspects of preparing the mailed-ballot measure and associated communications resources, developing a strategic communications plan, and implementing the plan to build awareness, understanding, and support for the assessment.

Winning Without Crossing the Line In preparing and implementing the District's outreach plan, we will use our keen understanding of the line between appropriate publicly funded impartial information efforts and advocacy communication that cannot be funded by local public agencies. There are firms in this industry that encourage their clients to take unnecessary risks, which has prompted scrutiny and recent decisions from the California Supreme Court and the Fair Political Practices Commission (FPPC) that impact public information campaigns related to ballot measures. Not only will the inappropriate use of public funds place a public agency in legal jeopardy, the mere *suggestion* that an agency may be crossing the line with its communications is often enough to turn voter opinion solidly against a measure regardless of whether the agency actually crossed the legal line. Tramutola has been at the forefront in establishing clear stan-



dards and best practices to ensure our clients are compliant with the law and pass the "sniff" test with voters.

Scope of Work Our careful review of the District's needs and the survey results produced during the feasibility phase will drive the strategy and the budget for the subsequent outreach and communications components of the project. Simply put, the *evidence* will tell us how steep the hill is that we need to climb, the best path for doing so, and ultimately the strategies that we will need to employ for the measure to be successful.

Given that the optimal strategies for the District will depend on the outcomes of the research and feasibility analysis (yet to be conducted), we are naturally not in a position *at this point* to suggest a particular set of strategies for the communications plan. Note, however, that Tramu-tola and Terrain are **full-service public communications and public relations firms**, experienced in providing an array of marketing strategies and approaches including direct mail, web and e-marketing, TV, social networking, stakeholder engagement, community organizing, traditional advertising and earned media (press) to position the District and your measure for electoral success. As is typical for local government-sponsored public information initiatives, we will likely recommend a mix of direct mail, web, email, earned media, direct stakeholder outreach and possibly cable TV for your project.

Relative to implementation, our team will adapt our communications work to a time line reflecting the best "election date" that emerges for your project—keeping in mind that the target date is currently November 2010. Our primary communications goals will be to: 1) raise awareness among local property owners regarding the District's compelling needs and plan to address those needs; 2) work with you to implement an effective strategy to engage priority key stakeholders; and 3) identify and address communications challenges early to minimize future opposition and accelerate the process of getting the District "election ready".

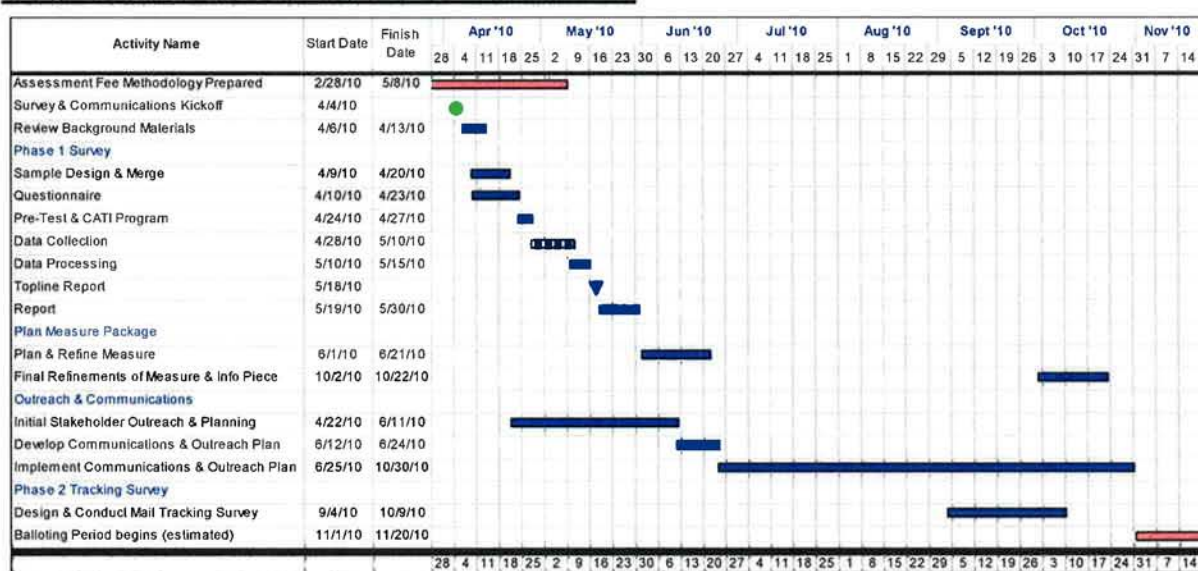
Given the need for prudent use of public funds throughout the process, we will make every effort to rely first and foremost on free media and other cost-effective forms of communication to keep the project budget to a minimum. In this tough economy and tight budget climate, you don't have extra resources to spend on expensive communications—and a slick public relations effort will backfire when you are trying to convince the community of your need for additional local funding. Nevertheless, print communications and/or electronic/video/cable TV may prove to be key to your success. If so, our team will drive development of all copywriting services and coordinate the graphic design and video production to prepare communications work products for client review and approval. We do not employ in-house graphic designers, printers, mailing and/or video production personnel. However, our full time Production Manager will solicit bids from a small set of proven and experienced vendors familiar with public information campaigns for local public agencies.

We will work with you to develop and refine an appropriate budget for these services based on a number of factors including but not limited to: available District resources, project research, election date, and other factors. Ultimately, it will be our job to build an effective, defensible public communications program that presents a compelling story and to ensure that actual project costs come in at (or under) budget while presenting an appropriate look and feel for your community.

SCHEDULE, CONFLICTS & INSURANCE

Through a combination of regular in-person meetings, conference calls and email, our team is committed to working closely and collaboratively with the District, the County, and the District's assessment engineering firm throughout the project to ensure that all parties are on the same page. We understand that the District is in the process of working with an Assessment Engineering Firm to assist the District in developing a fee methodology for the assessment that is defensible under Prop. 218, and that the engineering work is expected to be completed May 2010. We will collaborate with the engineering firm to develop a clear understanding of how the fees will vary by property class (and ultimately by parcel) so that we can reliably test the feasibility of the proposed assessment in the survey using fees that are consistent with what property owners will encounter on the actual ballot. Based on our experience with more than 40 assessments in the past, we expect that the engineering firm should be able to provide preliminary estimates of the fees suitable for testing several weeks prior to the completion of the Assessment Report. Under this assumption and understanding that the District is targeting a measure for November 2010, the following schedule outlines our recommended time line for the project. Our team has the availability and resources needed to meet the project schedule shown below, as well as the flexibility to adjust this schedule, as needed, to best meet the District's needs.

FIGURE 2 PROPOSED PROJECT SCHEDULE



CONFLICTS OF INTEREST True North, Tramutola and Terrain do not perceive or foresee any conflicts of interest between our work for other clients and the Nipomo Community Services District. If selected for this contract and for the duration of our relationship, we commit to not performing services for any clients or projects that are deemed by the District to be in conflict with the District's interests.

INSURANCE CERTIFICATE If selected for this project, we will provide the District with an Acord insurance form that demonstrates our insurance coverages meet (or exceed) the District's requirements and contains the appropriate endorsements and special language.

COST PROPOSAL

COSTS FOR SURVEY Table 1 presents True North's costs to complete the Phase 1 telephone survey on a *fixed-fee* basis. The costs shown will not exceed the estimate provided below so long as the scope of work adheres to that proposed. If the District chooses to move forward with a measure based on the Phase 1 survey and subsequent consulting, our recommended mail-based tracking survey of approximately 3,000 property owners will cost an additional \$17,400.

TABLE 1 COSTS FOR PHASE 1 SURVEY

Task	Sample 400 Voters
Random Sample	\$650
CATI Programming	\$600
Telephone Interviewing	\$7,128
Data Processing/Weighting	\$2,000
Analysis & Reporting	\$7,500
Project Management	\$1,500
Misc. Expenses	\$500
TOTAL	\$19,878

COSTS FOR PLANNING, COMMUNICATIONS & OUTREACH Tramutola and Terrain contract for services on a fixed-fee basis. We establish our professional fees based on a number of criteria including community characteristics and size, project scope, the level of effort required to prepare an agency for an election, and the amount of time required to do so. For the proposed project, Tramutola will bill a flat

\$10,000 during the research and feasibility phase assuming that phase lasts up to three months. At the point that the District opts to move forward with a November measure, Tramutola will charge a flat-fee of \$15,000 for measure preparation and planning, communications planning, and implementation. Terrain's targeted public relations and stakeholder outreach services will total \$10,000 for the project, split evenly between Phase 1 and Phase 2.

Thus, if the District proceeds with the Phase 1 Survey, Initial Planning and Outreach work and ultimately decides *not* to pursue a measure, the total cost for the project will be \$34,878 plus travel expenses as incurred. If the District chooses to move forward with the Phase 2 Measure Preparation, Outreach and Communications tasks, the additional cost will be \$20,000 with the potential for an additional \$17,400 for the optional tracking survey.¹

As for the additional *direct costs* associated with the campaign for print, production, mail, etc., no one can tell you with any certainty *right now* what a realistic public information budget should be because you are on the front-end of discovering the combination of election components and resources needed to win given your unique circumstances and electorate. We will work collaboratively with the District to develop a *research-driven* communications and outreach plan, one that is tailored to the unique conditions present in your situation and what we agree together is a prudent, responsible, defensible budget for public information given the conditions and political environment you face. In short, depending on the existing levels awareness and support levels for your measure, the direct costs could be as little as \$20,000 or as high as \$50,000.

1. As is standard in this industry, True North, Tramutola and Terrain contract on a fixed-fee basis—not hourly. However, to be responsive to the RFP, Dr. McLarney's hourly rate is \$175 per hour, Bonnie Moss' rate is \$180 per hour, and Brian Robinson's is \$175 per hour. Please note that these figures have already been factored into the fixed-fee cost estimates shown above, but that should the number of hours needed to complete the study exceed those anticipated there are no additional costs under a fixed-fee structure. Travel-related expenses are billed as incurred. For this project, we do not anticipate travel expenses to exceed \$3,500.

**NIPOMO COMMUNITY SERVICES DISTRICT
WATERLINE INTERTIE PROJECT
PUBLIC OUTREACH AND EDUCATION QUOTE SHEET**

Date: 2-25-10

NAME OF FIRM: True North Research, Inc.

NAME OF PRINCIPAL: Timothy McLarney, Ph.D.

NAME OF CM TEAM LEADER: Timothy McLarney, Ph.D.


ADDRESS: 741 Garden View Court #208, Encinitas CA 92024

PHONE: 760.632.9900 FAX: 760.632.9993

E-MAIL: mclarney@tn-research.com

NOT-TO-EXCEED EXPENDITURE LIMIT FOR ALL FEES & CHARGES: See Proposal

Phase 1:	\$34,878
Phase 2:	\$20,000
Optional Tracking	
Survey:	\$17,400
Plus travel NTE:	\$3,500



2-25-10

Signature of Principal Authorized to Sign for Firm and Date

This quote shall be valid for 60 Days from the date of Signature

ACCEPTANCE

Supplier Name: True North Research

Address: 741 Garden View Court, Suite 208
Encinitas CA 92024

Telephone: 760.632.9900

Fax: 760.632.9993

Subject: Solicitation for Public Outreach & Education Waterline

By my signature below, I, on behalf of the supplier named above, acknowledge that I have read and understand the subject solicitation and all its attachments. I further acknowledge that, by submission of a proposal, quotation, or bid in response to the subject solicitation, the supplier named above accepts all the terms and conditions set forth in the subject solicitation and its attachments, including, but not limited to, the Sample Agreement or the Purchase Order Standard Terms and Conditions.

ACCEPTED:

Supplier



Signature

Timothy McLarney, Ph.D.

Name (please print)

President

Title

2-25-10

Date

February 23, 2010

Mr. Michael LeBrun
Interim General Manager
Nipomo Community Services District
148 South Wilson Street
Nipomo, CA 93444



*Fairbank,
Maslin,
Maullin &
Associates*

*Opinion Research &
Public Policy Analysis*

Re: Public Outreach and Education for Waterline Intertie Project

Dear Mr. LeBrun:

Thank you for your recent invitation to submit a proposal to assist the Nipomo Community Services District (District) in generating funding for its Waterline Intertie Project.

The team of The Lew Edwards Group (Lead Consultant) and Fairbank, Maslin, Maullin, Metz & Associates [FM3] (Market Research/Survey sub-consultant) has successfully enacted **more than \$27 Billion in California revenue measures with a 94% success rate**. The following are some of the many qualities that our team offers to the Nipomo Community Services District:

- ✓ Unparalleled experience and a successful track record of success on California fee, tax and property owner measures of all types for public agencies, including recent success and experience on water-related rate increases and Prop. 218 elections;
- ✓ Expertise and success within the greater San Luis Obispo County region;
- ✓ Experts with decades of professional experience in market research and award-winning public outreach/education materials; and
- ✓ A team-oriented, consensus-building management style, with enthusiastic and committed dedication to the Nipomo Community Service District's needs.

Please do not hesitate to contact Catherine Lew to centralize any follow-up needs necessary for this proposal. We look forward to hearing from you.

LEAD CONSULTANT (Outreach)

CATHERINE LEW, Esq.
President & CEO
The Lew Edwards Group
PO Box 21215 Oakland, CA 94620
Phone: 510.594.0224 x 216
Fax: 510-420-0734
Mobile: 510-332-7421
Email: Catherine@lewedwardsgroup.com

SUB-CONSULTANT (Market Research)

Dr. Richard Bernard
Senior Vice President
Fairbank, Maslin, Maullin, Metz & Associates
2425 Colorado Ave #180, Santa Monica, CA 90404
Phone: 310.828.1183 x 5
Fax: 310.453.6562

PROPOSED PROJECT STAFFING & ORGANIZATION (Organization Chart at End of Proposal)**CATHERINE LEW, President/CEO, The Lew Edwards Group**
Project Manager

Catherine Lew, co-founder and President/CEO of The Lew Edwards Group (LEG), is one of California's top consultants in providing public outreach and education services to cities, counties, special districts, and other public agencies.

Lew has 30 years of experience in the communications and political arena. She is a veteran of approximately 500 political campaigns, specializing in difficult revenue measures for California agencies. Under Lew's leadership, LEG continues to be overwhelmingly successful at the ballot box during the toughest economy in generations. Lew prides herself on her firm's excellent service to every client -- diverse public agencies that range dramatically in size and scope of needs -- and has earned a reputation as one of the state's most successful advocates and tacticians on behalf of public agency revenue measures of all types.

Lew's clients have included The Nature Conservancy; Planning & Conservation League Foundation of California; the cities of Atascadero, Grover Beach, Morro Bay, Pismo Beach and San Luis Obispo; and Sausalito-Marín City Sanitary District, among many others. Lew recently assisted the City of Sausalito with a difficult sewer rate increase and the City of Burlingame with a successful Prop. 218 Storm Drain fee.

A graduate of the University of California, Berkeley and the University of San Francisco School of Law, Lew is also a member of the California State Bar, ensuring effective collaboration with District Counsel in developing impartial, legally permissible agency outreach.

RICHARD BERNARD, PhD, Senior Vice President, Fairbank, Maslin, Maullin & Associates
Market Researcher

Richard Bernard joined FM3 in 2002 after being on the faculty at the University of Toronto. His current or recent water-related projects include surveys and focus groups on water quality-related issues on behalf of the Los Angeles County Flood Control District (218 property fee); City of San Bernardino residents' awareness of area drought conditions and support for possible water supply enhancement projects; and Los Angeles County Public Works, Waterworks Division's customer survey among Antelope Valley residents on drinking water issues. In addition, he has conducted surveys on behalf of the successful Proposition 84 - statewide conservation bond campaign, Proposition O - City of Los Angeles 500 million dollar stormwater bond measure, and Proposition V - City of Santa Monica clean water, clean beaches \$84 parcel tax measure.

Richard Bernard received an Honors B.A. at York University, a M.A. at McGill University and a Ph.D. at UCLA in Sociology.

*JENNIFER RINDAHL, Senior Associate, The Lew Edwards Group
Education and Outreach Specialist*

Jennifer Rindahl's experience in directing outreach and education projects throughout California offers LEG clients expertise in building support for their issues and revenue campaigns of all types. Rindahl has effectively led outreach and communications efforts for a number of coastal agencies and communities, including the City of San Luis Obispo, who was successful with its 2006 revenue measure. Rindahl has also collaborated on water and open space issues in the Monterey County region, and successfully built coalitions between Agriculture and Farming Stakeholders and other community interests in the Central Valley on similar issues. Among other clients, she is currently representing the City of Ceres in their public education outreach on water and sewer issues. Known as a top strategist in coalition-building and community outreach, Rindahl also has special expertise in innovative Internet communications strategy and e-based organizing and outreach. Rindahl attended the Medill School of Journalism and graduated from Northwestern University.

EXPERIENCE & QUALIFICATIONS OF CONSULTING TEAM

THE LEW EDWARDS GROUP is the California leader in successful tax, fee or revenue measures, offering unsurpassed experience in representing public agencies on these types of measures. LEG has represented over 100 public agencies on their outreach needs. LEG has enacted more than \$27 Billion in California revenue measures with a 94% success rate.

LEG experts are outstanding professionals from disciplines such as outreach and balloting strategy, direct mail, media relations, coalition building, and impartial outreach programs. LEG's communications products have been nationally recognized for excellence on multiple occasions.

LEG's past election cycles have included successes on behalf of tax, fee or revenue measures for clients such as **Burlingame (2009 Stormwater Fee Increase), Ceres (2009 Water Rate Increase), Gardena (2009 Prop. 218 Assessment), Grover Beach, Morro Bay, San Luis Obispo (all successful tax measures), San Ramon (Prop. 218 Assessment), and Sausalito (2009 Sewer Rate Increase)**, among many others. LEG is currently representing **Ceres (water rate increase/meter installation), Sausalito-Marin City Sanitary District (water/sewer increase), and Emeryville (Prop. 218 Assessment)** on their outreach needs.

The **City of Burlingame** was represented by LEG in its successful May 2009 effort to increase its stormwater fee following an unsuccessful campaign where the City's stormwater project was defeated, using a different consultant. To ensure the stormwater fee's success, LEG worked closely with City staff to identify issues of community benefit and fairness, including the community benefits of the fee increase, the consequences of inaction, and the fairness of the fee formula to be applied. LEG then oversaw the design and implementation of the City's property owner survey to ensure that all unique issues were fully vetted and evaluated, with an eye towards how best to market and package the informational messages and themes necessary for success.

Following LEG's independent assessment of survey results, LEG then worked closely with City staff, the City Attorney, and community stakeholders to develop impartial materials issued by the City; provided essential value to the wording of the ballot package; and designed an outreach plan.

Recently LEG also successfully managed water and sewer rate increase projects for the **City of Ceres** in California's Central Valley, where water-related issues are politically incendiary. LEG is currently working with the City on its outreach for water meter installation and new water rate increases.

LEG also represented the **City of Sausalito** in its June 2009 effort to inform the community about clean water issues and rate increases. The City was seeking to double sewer rates for single family homeowners over a four-year period. This rate increase was implemented successfully as the result of an effective strategy that included strong message discipline and message focus.

LEG has also worked extensively with nonprofit organizations on water related issues, including **The Nature Conservancy**, **People for the Enjoyment of Nature**, **Planning and Conservation League Foundation of California**, and the **Sierra Club** and is well-versed in advising clients on the unique communications approach that should be implemented during today's volatile environment.

In July 2009 LEG also represented the **City of Gardena** in its successful effort to increase its Lighting Assessment District (LAD) levy, another Prop. 218 measure. LEG worked closely with City staff to implement an effective and impartial Outreach Program. This Program included selected one-on-one outreach by the City Manager and other City Staff to large property owners representing a significant share of that City's vote.

FM3 prides itself in delivering outstanding service to its clients. Among FM3's various San Luis Obispo County clients, the firm has conducted research for successful revenue measures in the cities of **Grover Beach**, **Morro Bay** and **San Luis Obispo**, **San Ramon** (Prop 218 Assessment), and for the **Los Osos Community Services District** (Prop 218 Assessment).

FM3's extensive water-related research experience includes work for the **City of San Bernardino's Municipal Water Department** -- FM3's research assessed residents' support for construction of a "Clean Water Factory" to supplement declining local water supplies. This project, similar to that of the Orange County Water District, will treat wastewater and release it back into the local groundwater basin. This completed survey is part of ongoing research that is intended to culminate in a ballot measure.

Los Angeles County Department of Public Works, Waterworks Division -- FM3 is currently working with the Division to assess public preferences for drinking water disinfection treatment methods (including Chloramines and GAC), which may result in an increase in water rates.

Association of California Water Agencies (ACWA) -- Since 2007, FM3 has conducted research on behalf of ACWA to create a public education campaign regarding the challenges facing the state's

water delivery system and its ability to meet California's future water needs. FM3 has also explored support for water infrastructure improvements and funding mechanisms.

Los Angeles County Flood Control District -- Since 2007, FM3 has conducted research for a Proposition 218 property owner water quality fee ballot measure which would provide up to \$4 billion for stormwater-related programs.

City of Santa Monica -- FM3's research helped to pass an \$84 parcel tax in the City of Santa Monica to upgrade their local water systems and storm drains and provide a permanent revenue source to maintain clean water projects (2006).

Statewide, FM3, working with such organizations as **Hewlett Foundation** and **the California League of Conservation Voters** conducted research for the successful passage of **Propositions 12 & 13** (March 2000), **Proposition 40** (March 2002), **Proposition 50** (November 2002), and **Proposition 84** (November 2006), passing more than \$15 billion in public funding for land and water conservation.

FM3 has conducted research related to the possible formation of assessment districts or increasing assessment rates for such cities as **Cathedral City, Pomona, Redlands, Roseville, Sacramento, San Ramon, Santa Ana, South Gate, Walnut, Woodland** and **Yorba Linda**, as well as for the **Los Angeles County Fire Department, Los Angeles County Flood Control District** and the **Sacramento County Department of Transportation**. To illustrate -- in 2007, FM3 conducted a residential property owner telephone survey and a commercial/industrial mail survey for the **Sacramento Area Flood Control Agency (SAFCA)** to help pass an assessment of \$80 per year to the average property owner to dramatically improve flood protection in the Sacramento area. FM3 research helped shape the content of SAFCA's public education efforts. Property owner-voters approved the assessment district with more than 82% of the vote. FM3 helped SAFCA pass a similar measure in 2000.

JOINT LOCAL REFERENCES

City of Morro Bay (SUCCESSFUL 2006 Tax Increase)

Mayor Janice Peters: 805-772-4656 flamingos@charter.net

City of San Luis Obispo (SUCCESSFUL 2006 Tax Increase)

Bill Statler, Director of Finance & Information Technology: 805-781-7125 bstatler@slocity.org

LEW EDWARDS GROUP WATER -RELATED REFERENCES

Sausalito - Marin City Sanitary District (Current Client for Rate Increase)

General Manager Bob Simmons: 415-331-4712 bob@smcsd.net

City of Sausalito (SUCCESSFUL Sewer Charge Outreach Campaign)

City Manager Adam Politzer: 415-289-4166 apolitzer@ci.sausalito.ca.us

City of Burlingame (SUCCESSFUL Stormwater Charge Outreach Campaign)

Public Works Director Syed Murtuza: 650-558-7230 smurtuza@burlingame.org

City of Ceres (SUCCESSFUL Water Charge Outreach Campaign, Current Water Client)

City Manager Brad Kilger: 209-538-5755 bkilger@ceres.ca.us

FAIRBANK, MASLIN, MAULLIN, METZ & ASSOCIATES REFERENCES

City of Santa Monica (SUCCESSFUL Stormwater Parcel Tax Campaign)

Former Public Workers Director Craig Perkins: 949-701-4646 cperkins@energycoalition.org

Sacramento Area Flood Control Agency (SUCCESSFUL Flood Control Protection Assessment)

Executive Director Stein Buer: 916-874-7606 buers@saccounty.net

LA County Department of Public Works (Clean Water Property Fee Campaign, On-going)

Deputy Director Mark Pestrella: 626-458-4300 mpestrel@dpw.lacounty.gov

RECOMMENDED WORK PLAN FOR DISTRICT'S WATERLINE INTERTIE PROJECT

Project Management to Ensure a Successful Waterline Intertie Project

As the Lead Consultant LEG will lead and facilitate overall team efforts. LEG's project management is designed to use District staff's time efficiently and well, while providing important Strategic Oversight to ensure that all timetables and benchmarks are met, by all parties involved.

With your input, LEG will develop meeting agendas, facilitate sessions, and coordinate the tasks and assignments consistent with the District's timetable, agreed-upon strategy/work plan, and budget. LEG approaches this role with a commitment to excellent service, as our ultimate consumer is not only the District and its partner area purveyors, but most importantly, the constituents you represent.

Conducting Market Research to Gauge Support for an Assessment Charge

LEG/FM3 will convene a kick-off meeting with the District devoted to fleshing out the research objectives and design a highly customized poll of District property owners. FM3 recommends a 15 minute telephone survey of approximately 300 residential property owners that will:

- Explore property owner views on the economy and their personal financial situation;
- Examine what property owners see as the major problems facing the area;
- Assess property owner awareness of your water issues and determine education needed;
- Investigate owners' reactions to various types of ballot and outreach/education language;
- Determine the level of assessment tolerance at various dollar figures;
- Assess whether property owners support your vision and its legally-required mandate;
- Test various messages and information that would compel support of your assessment;

- Test negative messages against proposed assessment, to identify the District's risks;
- Re-test level of support for the assessment owners are educated about the issue;
- Test the credibility of messengers who may speak out about your assessment;
- Test property owners' reactions to specific fiscal accountability provisions;
- Evaluate demographic subgroups of property owners for differences in support; and
- Identify which demographics are most likely to support/oppose, or be persuaded.

Following completion of the interviews, research results will be compiled in a report and executive summary with cross sections detailing the results and findings. Findings will be presented to District Staff and the Board of Directors using a visual PowerPoint presentation.

Planning & Executing a Multi-Faceted Outreach and Education Program

As the District is aware, though these types of mail ballots only require 50%, the weighting of ballots and the proportionate vote share of respective categories of property owners can render entire classifications of owner-voters virtually moot. For example, in other jurisdictions opposition by just one or two large owner entities can literally over-ride the support of hundreds of single-family residential homeowners, even if those homeowners support the assessment at levels significantly higher than a simple majority. Large property owners who are out-of-town or represent large businesses or farms potentially defeat these types of measures, depending on their proportional vote share and whether their votes outweigh those of other property owners.

For these reasons, we will assess how the District's vote is apportioned between categories, and execute outreach strategy to each different audience of owner. LEG's successful Outreach Plans generally include selected, one-on-one outreach by District staff, to large property owners representing a significant share of that agency's vote. Though a careful courtship with large property owners has been effective for LEG's other agencies, a specific program tailored to your District will be recommended by LEG following our review of the poll and vote classifications/apportionment.

Also, appropriately crafting of the ballot package and its materials—including how your assessment is described—is absolutely critical. These materials must be not only legally and technically sufficient, but easy for the average property owner to understand in today's tough economy. Following analysis of your Market Research, LEG will do the following:

- Design an effective and impartial Outreach and Education Plan that updates property owners, responds to questions, and straightforwardly communicates the information they need.
- Review/assess a list of targeted key influentials and large property owners. Recommend a strategic Speakers' Presentation and selected Large Property Contact Plan.
- Develop a Speakers Toolkit for presentations, including a speaker's script and leave-behinds for any Large Property Owner contacts.
- Conceive and produce an informational direct mail program to effectively inform property owners. At least three mailers are usually produced *in addition* to the balloting package.
- Assist in placing informational stories in local papers and utilizing Internet/social networking.

- Embed key outreach messages onto your website and existing communications vehicles.
- Recommend Messengers for outreach messages who are recognized local leaders.
- Recommend collaborative activities with local organizations, stakeholders, key influentials.
- Redirect message points and materials to assist in rapid response to problematic media or citizen inquiries as necessary. Respond in addressing unforeseen problems/changing nuances.
- Collaborate with District Counsel on the wording and structure of the assessment measure, to make sure that the mailing is "audience-effective," and not just legally sufficient.

Suggested Waterline Intertie Project Assessment/Public Outreach Timeline

The following recommended timeline is based on the District's statement that a Prop. 218 Assessment Election has been scheduled for November 2010, with a preliminary report in May 2010:

Week of March 29th:

- Select and notify Consultant, execute Consultant contract
- Review Background Information and pertinent materials from District

April –May 2010:

- Convene Kickoff Meeting
 - Review/update timeline
 - Conduct "Info-Storming" to identify key issues, opportunities, risks and information
 - Reach consensus on timeline and approach
- Draft and finalize Market Research
- Conduct Market Research and assess feasibility prior to District's preliminary Assessment report
- Develop Strategic Recommendations and Strategic Outreach and Education Plan
 - Assessment of viability
 - Discussion of risks and strategies to address/minimize these risks
 - Recommended impartial Outreach/Education messaging
 - Recommended legally permissible Outreach/Education activities
- Debrief District Staff
 - Reach consensus on next steps and project budget needs
 - Determine schedule for debriefing Board
- Develop Board PowerPoint Presentation and report of Market Research results to Board

June-July 2010:

- Develop Speakers Information and Messaging Materials, identify/train messengers
- Develop Large property Owner Strategy
- Launch Public Outreach/Education activities
 - Embed information messages in District's existing communications vehicles: newsletter, counter flyer, inserts
 - District website
 - Meet with Property Owners (District)
 - Place media coverage as appropriate
 - Issue Key Influential Update
 - Issue Districtwide Informational Mailer #1

August – September 2010:

- Continue Community Meetings and Presentations
- Implement Rapid Response as needed
- Issue Key Influential Update #2
- Issue Districtwide Informational Mailer #2
- Monitor Media Coverage
- Begin drafting Mail Ballot Package

October – November 2010:

- Finalize Mail Ballot Package
- Complete Community meetings and Presentations
- Implement Rapid Response as needed
- Issue Key Influential Update #3
- Issue Districtwide Informational Mailer #3
- Implement Mail Ballot

COST & PRICE PROPOSAL

Without exception and consistent with industry standards, neither firm charges on an hourly basis.

Lead Consultant – Professional Fee for Project Management, Outreach Services: LEG's proposed Professional Fee for directing the District's effort is a flat fee of \$32,000 for a project period from April - November 2010. Out-of-pocket expenses such as consultant travel, teleconferencing and messenger expenses are in addition to our fee. We suggest a budget of \$3,000 for reimbursable expenditures (airfare, car rental, teleconferencing, messenger) for both firms. Only those expenses actually incurred will be invoiced, at cost.

LEG's Professional Fee is the District's cost to retain our strategic expertise and does not include costs associated with the direct mail program (bulk postage, graphics, printing and mailhouse services). Direct mail costs are contingent upon the difficulty of the task as identified in the market research and the number of owners (not parcels). LEG will recommend a direct mail budget after completion of the research. Agencies your size typically spend approximately \$30,000 for three mailings.

Market Research Cost: LEG/FM3 recommend a sample size of approximately 300 Residential Property Owners, with an interview length of 15 minutes, for a total cost of \$19,272. A future optional tracking survey can be conducted, if necessary.

ADMINISTRATIVE STATEMENTS

Neither proposer has a conflict of interest that would preclude either proposer from representing the Nipomo Community Services District. The proposers are willing and able to meet District's insurance requirements upon contract award. We appreciate your consideration of our team to meet your needs, and look forward to presenting our approach in person, as appropriate.

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *MSL*
DATE: March 19, 2010

**AGENDA ITEM
F
MARCH 24, 2010**

MANAGER'S REPORT

ITEM

Standing report to your Honorable Board --*Period covered by this report March 5, 2010 through March 18, 2010.*

DISTRICT BUSINESS

Administrative

- General Manager Recruitment continues. Interviews are currently scheduled to occur April 7-9, 2010.
- Recruitment for open, field positions is progressing. An offer has been made (Utility Worker) and we expect a favorable response shortly.
- The processes for recruiting a replacement for the retiring Board Secretary commenced.
- Development of the District's 2010/2011 Budget continues.
- District office:
 - Roof repair is complete. Painting services are being sought.
 - Front door repair: The front door is now functioning as designed.
- LAFCO SOI/MSR Comment Letter mailed on March 11, 2010 (See Attached). A meeting with LAFCO staff to discuss District comments is scheduled for March 26, 2010.
- On March 8, 2010, SLO County circulated a referral for the proposed Conditional Use Permit and General Plan Amendment in support of Jack Ready Park.
- Board of Directors for the Central Coast Water Authority March 25, 2010 Agenda – Attached.

Operational

- Waterline Intertie/Supplemental Water Year to Date and Project life accounting summaries are attached.
- Sundale Well is nearly operational. Some minor wiring work is finishing up and we expect hand operation of the well in the coming week.
- Via Concha Well was pulled for evaluation. The well has been operating for nearly 20 years. A proposal for rehabilitation service will be brought to your Board on April 14.
- 2010 Urban Water Management Plan Update is progressing.
- Tefft Street Lift Station easement transfer is pending SLO County Board of Supervisor Approval.
- Maria Vista Estates has set a total of ten water meters.
- March 14, 2010, NY Times article on infrastructure cost perspective - Attached

Meetings

Significant Meetings attended or scheduled:

- March 8: Southland WWTP Update and Subcommittee
- March 10: Regular Board of Directors
- March 15: Personnel Subcommittee
- March 17: WIP Outreach Ad-Hoc proposer presentations
- March 19: NMMA Technical Group

- March 24: Regular Board Meeting
- April 1: UWMP Work-Product 1
- April 7-9: General Manager Interviews.

Safety Program - No incidents, accidents or safety issues to report.

Other

- CSDA Board of Directors Call for Nominations – see attached materials.

RECOMMENDATION

Staff seeks direction and input from your Honorable Board.

ATTACHMENTS

- March 11, 2010 LAFCO Comment Letter
- March 25, 2010 CCWA Agenda
- WIP Accounting Summary
- March 14, 2010 NY Times Article

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2010\MANAGER'S REPORT\MANAGERS REPORT 100310.DOC

NIPOMO COMMUNITY

BOARD MEMBERS

JAMES HARRISON, PRESIDENT
LARRY VIERHEILIG, VICE PRESIDENT
MICHAEL WINN, DIRECTOR
ED EBY, DIRECTOR
BILL NELSON, DIRECTOR



SERVICES DISTRICT

STAFF

MICHAEL LEBRUN, INTERIM GENERAL MANAGER
LISA BOGNUDA, FINANCE DIRECTOR/ASST. GM
JON SEITZ, GENERAL COUNSEL
PETER SEVCIK, P.E., DISTRICT ENGINEER

148 SOUTH WILSON STREET POST OFFICE BOX 326 NIPOMO, CA 93444 - 0326
(805) 929-1133 FAX (805) 929-1932 Website address: ncsd.ca.gov

March 11, 2010

Local Area Formation Commission
San Luis Obispo County
Attention: David Church
1042 Pacific Street, Suite A
San Luis Obispo, CA 93401

SUBJECT: PUBLIC REVIEW DRAFT, SPHERE OF INFLUENCE UPDATE AND MUNICIPAL SERVICES REVIEW

Dear Mr. Church:

With this letter, Nipomo Community Services District (District) conveys comments pertaining to the Commission's February 2010 Public Review Draft, Sphere of Influence Update and Municipal Service Review (Draft Update). The District's Board of Directors considered the draft document at a regular Board meeting on February 24, 2010, and reviewed a draft of this comment letter at a regular meeting on March 10, 2010.

The Board of Directors thanks the Commission and its staff for developing the Draft Update and look forward to working with the Commission to complete the process. The following comments reference the Draft Update sections and follow its order. Global comments are provided first.

Global Comments

It is important that references to the District, the greater Nipomo community, and the Nipomo Mesa area are clearly understood. Additionally, there is the Nipomo Mesa Management Area (NMMA) defined through the groundwater adjudication process and the more recently County-defined Nipomo Mesa Water Conservation Area. Consider introducing the key terms and references and staying with defined nomenclature throughout the document.

The supplemental water project envisioned with the City of Santa Maria has evolved over the years. The project's March 2009, Final EIR has been certified. The EIR addresses a project that will import up to 6,200 acre-feet of water per year. The project currently underway is to design and build facilities

capable of importing up to 3,000 acre-feet of water annually. A subsequent phase of the project may be undertaken in the future to expand capacity.

The January 5, 2010 Wholesale Water Supply Agreement between the District and City of Santa Maria is an executed document that specifies the conditions under which the City will sell up to 3000 acre-feet of water annually to the District. This Agreement replaces the MOU between the District and City that is referenced in numerous locations in the Draft Update.

County Ordinance §3090 defines the Nipomo Mesa Conservation Area and places significant restrictions on new growth and general plan amendments in the Conservation Area. The restrictions are linked to development of supplemental water resources for the area. This Ordinance should be discussed and referenced, as applicable, throughout the Draft Update.

While there are four other large water suppliers in the area and numerous small private water companies, the District is the only public water purveyor operating on the Nipomo Mesa and as such, the only purveyor subject to Commission municipal services review. The District is actively pursuing water conservation, basin management, and new source development. District customers represent less than half of the residential population estimated to live on the Mesa and depend on groundwater underlying the Mesa. The efforts of the District and its customers to manage and protect the groundwater resource should be clearly recognized, where appropriate, in the Draft Update.

Specific Comments

Page 1-7, fourth sentence under Present and Planned Land Use: The sentence needs to be completed or reworded.

Page 1-9, NCSA-AREA 4 Map The 245-acres attributed to RS-Maria Vista is excessive and should be revised. The District understands the recommended reduction in Area 4. However, the District asks that the area immediately adjacent to and southwest of our Southland WWTP, which is proposed for reduction, remain in Area 4. This would provide the District flexibility in the future as areas for expanded effluent disposal are explored and designed. The District does not object to the proposed removal of areas lying immediately adjacent to and southeast of the Southland WWTP and suggests a straight line be drawn from the District property line extending southwest to the Mesa bluff.

Page 2-5, Area 3, second sentence: The District believes there are additional areas that lie outside the URL and within the SOI. One such area is south of East Knotts.

Page 2-5, Area 4, second sentence: A reference is made to the use of "imported" water. The District is not aware of any water sources, other than Nipomo Mesa Management Area groundwater, currently in use on the Mesa. Please clarify/revise.

Page 2-6, Area 6, last sentence: The referenced MOU outlines cooperation in obtaining supplemental water for the area not "joint management of water resources".

Page 2-7, Memorandum of Agreement: The MOA referenced was adopted on May 18, 2004. This date should be included for clarity.

Page 2-10, WATER 3.A.: The District provides 2009 production and connection numbers later in this comment letter. These data indicate the District has **met** the 15% reduction in per connection pumping over the 2004 base year. A discussion of this condition to reduce per connection consumption and the District's success in doing so should be included here and elsewhere in the Draft Update as appropriate. The condition should clearly be 'anchored' by referencing it to the 2004 approval of the SOI. We suggest the discussion on questioning the relation between reduction and District water conservation plan implementation be dropped as such conjecture is unfounded. The fact is the reduction has been clearly documented by accepted methods. The District does intend to continue its conservation efforts and to meet or exceed the requirements of the referenced State legislation (i.e. 20/20 Plan for water demand reduction).

Page 3-1, Municipal Services Review: There is no review of or suggested revision to the Urban Services Line. The Services Line is commonly included in County Planning documents and is in need of review and update.

Page 3-5, RMS Annual Report – 2009, 1st paragraph: Rate of population increases compound year to year, therefore dividing a ten year increase by ten (10) does NOT yield annual rate. The stated growth for the 1990's should be reported as a growth of 77.6%, not a growth rate.

Page 3-8, Recent Land Use Permit Activity: The District objects to the statement that the County has not approved any changes in zoning that would increase density. The District has contested a number of such proposed amendments/changes over the years and is currently considering litigation over one or more actions by the County in this regard. District efforts in this vein have culminated in the County adopting Ordinance §3090 which specifically links density increasing General Plan Amendments to the District's supplemental water project.

Page 3-10, Written Determinations: Reference County Ordinance §3090 in this list.

Page 3-14/3-15, Condition 5-Compliance: Construction on the Waterline Intertie project is currently scheduled to begin in April 2011 and complete by April 2012.

Page 3-15, Santa Maria Groundwater Basin Adjudication: Consider replacing the entire section with the following:

Santa Maria Groundwater Basin Adjudication Summary

The Santa Maria Valley Water Conservation District filed a groundwater adjudication lawsuit involving the Santa Maria Groundwater Basin that stretches from Orcutt to the South to Pismo Beach to the North. The greater Santa Maria Groundwater Basin includes waters underlying the Nipomo Mesa area (at the time commonly known as the Nipomo Hydrologic Sub-basin). The lawsuit includes the City of Santa Maria, landowners and other water purveyors (including the NCSD) that pump groundwater from the Santa Maria Groundwater Basin.

The Court in its Partial Statement Of Decision Re Trial Phase III found "No evidence of seawater intrusion, land subsidence, or water quality deterioration that would be evidence of overdraft has been presented. Some wells in the Nipomo Mesa area do show lowering of water

levels that may result from the pumping depression or other cause, and there may be some effects in that portion of the Basin that are not shared Basin-wide. But that is not sufficient in any event to demonstrate Basin-wide overdraft". Subsequently, many of the parties including the water purveyors that overlay the Nipomo Mesa portion of the Groundwater Basin signed a June 30, 2005 Stipulation (the Stipulation), that was approved by the Court. The Final Judgment after trial provides "the Court approves the Stipulation, orders the stipulating parties only to comply with each and every term thereof, and incorporates the same herein as though set forth at length".

The Stipulation divides the Santa Maria Groundwater Basin into three management areas known as the Santa Maria Valley Management Area (Southern portion of the Groundwater Basin) the Nipomo Mesa Management Area (the NMMA) (the center portion of the Groundwater Basin) and the Northern Cities Management Area (the northern portion of the Groundwater Basin). Further, pursuant to the Stipulation the NCSD, Woodland Mutual Water Company, Golden State Water Company and an Ag representative formed the Nipomo Mesa Management Area Technical Group to monitor the groundwater underlying the Nipomo Mesa Management Area, to file reports with the Court and to make recommendations to the Court. It is the overall purpose of the Nipomo Mesa Management Area Technical Group to protect the portion of the Groundwater Basin that underlies the NMMA. In 2008 & 2009 the Nipomo Mesa Management Area Technical Group filed with the Court: The Nipomo Mesa Monitoring Program, the Nipomo Area Water Shortage Conditions and Response Plan and the first Annual Report.

Pursuant to the Stipulation the NCSD, the Woodland Mutual Water Company, Golden State Water Company and Rural Water Company are participants in the Waterline Intertie Supplemental Water Project. The Supplement Water Project is in the design phase of development. The NCSD and the City of Santa Maria have signed a final Agreement for the purchase of 3,000 acre feet of water. The water will be used by the water purveyors to offset current pumping of the waters underlying the Nipomo Mesa Management Area (the NMMA).

Page 3-16, NCSD Waterline-Intertie Project: As outlined above under global comments, the approved project EIR describes a 3000-AFY first phase project (combines phases I and II as described in the Draft Update) and a second phase of up to 3,200 AFY. A 3000 AFY project is currently being pursued. The apportionment shown in the Draft Update can be made correct by adding 500 AF to the District's line. The assessment to fund the Project will have four distinct *zones*, one for each of the participating purveyors (District, Golden State Water, Rural Water, and Woodlands). The Assessment will be conducted by the County of San Luis Obispo since they are the only public agency with jurisdiction over all four zones. The assessment will pass or fail based on a weighted majority of voting property owners across all four zones (a property owner's vote is 'weighted' according to the proposed assessment to the property). The District's assessment zone will cover only its service area. The only areas within the District's SOI that will be assessed are those areas that are currently served by one of the other participating water purveyors.

Page 3-17, NCSD Urban Water Management Plan, Adopted January 2006: The final sentence should reflect that the District is currently under contract to update the UWMP. The update is on schedule to

be completed in October 2010. Intermediate work products will be provided to LAFCO when available.

Page 3-18, Water Demand, second paragraph, last sentence: "...promises to be a more refined approach to predicting and planning for future water demand."

Page 3-19, Table 3-8: Per Connection Water Use: The information summarized in this table comes directly from the District's Annual Production and Consumption report made to CA Dept. of Water Resources (Public Water System Statistic, DWR form 38) and is based on a calendar year. The Commission should also understand the District makes a similar report to DWR on a fiscal-year basis which generates slightly different numbers. Additionally, as part of our Conservation Program, we report numbers based on "Urban" water consumption which omits commercial- and irrigation-related pumping and thus generates different per connection numbers. We recommend a citation be included with this table to avoid confusion.

We have double-checked the data presented in the Draft Update and find one minor error in the raw data reported for 2006 pumping. We do not follow the percentage change calculations presented in the Draft Update. The table presented below includes corrected and updated raw data and a calculation of year-to-year percent change in per-connection pumping and percent change relative to the base year of 2004. In the year-to-year calculation, the divisor is the year being compared against – in this case, the previous year. In the comparison of each year to 2004, the divisor is 2004. **As you can see, the District has met/exceeded the stated goal of reducing per-connection pumping by 15% since 2004.**

NCS D Per Connection Water Use

	AF Pumped	Connections	AFY/Connection	Change in AFY/Connection since previous year	Change in AFY/Connection since 2004
2004	2908	3751	0.775259931		
2005	2794	3879	0.720288734	-7%	-7%
2006	2727	3995	0.682603254	-5%	-12%
2007	2856	4077	0.700515085	3%	-10%
2008	2755	4092	0.673264907	-4%	-13%
2009	2698	4138	0.6520058	-3%	-16%

Source data: DWR Form 38, Public Water System Statistics, calendar year report.

Page 3-20, San Luis Obispo County Water Master Plan: The most updated list of water purveyors operating in the area can be obtained from the County Health Department who regulate all but the largest (District, Golden State Water Company (formerly Cal Cities Water), Woodlands, Rural, and Mesa Dunes Mobile Home Park). A number of the small, County-regulated systems were created to serve development within the District SOI. In some cases, these small systems are created when the County approves development for which no purveyor exists to serve or, due to constraints on annexation, no purveyor is allowed to serve. Some of these listed 'Purveyors' are actually businesses that are required to have publicly-regulated water systems due to their number of employees.

The impact that the growing number of private, small purveyors accessing area groundwater to serve new, residential development is having on the management of the groundwater basin should be further discussed in this section. County Health does not require these purveyors to report pumping quantities and these small purveyors are not participating in management and conservation efforts. Most small purveyors do not meter water to their individual customers.

Page 3-20, Table 3-9: Water Purveyors in Nipomo Area: This list includes entities that are not operating on the Mesa and are not drawing from the groundwater sub area underlying the Mesa. The list of Large Purveyors should include Mesa Dunes Mobile Home Park which is a State regulated (over 200 connections) purveyor serving a mobile home park on the west side of the Mesa near Highway 1. The District developed a listing showing the County-regulated purveyors operating on the Mesa – see below, next page.

Page 3-21, Nipomo WPA 7: This citation is dated. The District section discusses number of customers and should reference number of connections, as is done in the sections on other purveyors. The Golden State Water Company section seems to reference three different numbers for connections to the system and should be clarified.

Page 3-26, Annual Resources Summary Report, 2008: The section needs to clarify the County's dual system, whereby the water delivery system and water resources are separately evaluated. Currently, the Nipomo area system has a level of severity zero (0), while the resource has a Level of Severity III. Note, the County system uses Roman numerals and this convention should be used in the Draft Update.

Page 3-31, number 4: Commission consideration of future annexations should also consider the proposed development's capability to access area groundwater via formation of a new, independent, water company. In cases where the County approves a development that could lead to creation of a new, water company, annexation should be considered in order to facilitate better management of water resources. New, water companies and the expansion of water companies that do not meter water, practice conservation, or promote resource management, should be discouraged in the SOI.

Page 3-31, number 5: The District has an executed agreement with the City of Santa Maria to purchase a 2,000 to 3,000 acre-feet of water annually once the intertie is complete. The reference to "This area of the Santa Maria Basin..." in the second sentence is not clear. The City of Santa Maria has proven up water rights far in excess of their build-out connections. These water rights include water from the larger, groundwater basin, 'Twitchell groundwater' and water imported by the state pipeline.

Page 3-31, Wastewater: The District currently returns all of its collected and treated wastewater to the supply basin, or, in the case of Blacklake customers, uses treated wastewater to offset irrigation demands. Additionally, 100% of interior water use by the District's approximately 1,100 customers who utilize individual on-site disposal systems (septic tanks) is returned to the supply basin. Exterior/landscape water is the only water 'lost' to the water cycle locally. For this reason, the District's conservation plan focuses on reducing landscape water demands.

SLO County Regulated Private Water Systems, Nipomo Mesa Management Area					
Purveyor	c o n n e c t i o n s	P o p - S e r v e d			
Ball Tagawa Growers	1	55			
Black Lake Canyon Water Supply	11	40			
Callender Grove MWC	37	45			
Callender Water Association	7	15			
Conoco Phillips	1	200			
Crossroads Community Church Water	1	25			
Greenheart Water Supply	2	70			
La Colonia Water Association	6	18			
La Mesa Water Co.	11	30			
Laguna Negra MWC	29	80			
Mutual Water Association	8	35			
Nunes Water Company	12	45			
T&A Properties Water Company	7	25			
True Water Supply	7	20			
Vista De Las Flores	12	40			
Woodland Park MWC	151	500			
Totals	303	1243			
Information Source is County Inspection records dated May 2005- August 2007.					
Information on County # and System Type Class is also available.					

Page 3-40, first bullet: Update the reference to the Water Wholesale Agreement between the District and City of Santa Maria.

Page 3-40, third bullet: This should reflect an agreement in place to install a District *waterline* in conjunction with the County's Willow Road Phase I project. The District and the County are currently negotiating a similar Agreement to facilitate waterline installation in conjunction with Willow Road Phase II.

Page 3-43, numbered item 5: The District does not currently possess the administrative capacity to provide services to the entire SOI. We suggest the statement be reworded to reflect the fact that over its 45-year history the District has consistently grown administrative capacity to meet the needs of a growing customer base.

The District greatly appreciates the opportunity to comment on this Draft Update and looks forward to finalizing the Sphere of Influence Update and Municipal Services Review. District staff would be happy to meet with Commission staff and go over this comment letter. Please contact us with any questions you may have.

Very truly yours,
Nipomo Community Services District



Michael LeBrun
Interim General Manager

A Meeting of the

**BOARD OF DIRECTORS
OF THE
CENTRAL COAST WATER AUTHORITY**

will be held at 9:00 a.m., on Thursday, March 25, 2010
at 255 Industrial Way, Buellton, California



L. J. Lavagnino
Chairman

Fred Lemere
Vice Chairman

William J. Brennan
Executive Director

Brownstein Hyatt Farber
Schreck
General Counsel

Member Agencies

City of Buellton

Carpinteria Valley
Water District

City of Gualalupe

City of Santa Barbara

City of Santa Maria

Goleta Water District

Montecito Water District

Santa Ynez River Water
Conservation District,
Improvement District #1

Associate Member

La Cumbre Mutual
Water Company

I. Call to Order and Roll Call

II. Public Comment – (Any member of the public may address the Board relating to any matter within the Board's jurisdiction. Individual Speakers may be limited to five minutes; all speakers to a total of fifteen minutes.)

III. Consent Calendar

- * A. Approve Minutes of the February 25, 2010 Regular Meeting
- * B. Approve Bills
- * C. Controller's Report
- * D. Operations Report

IV. Executive Director's Report

- A. Operations Update
- * B. Santa Barbara County Integrated Regional Water Management Plan (IRWMP) Updated Memorandum of Understanding
- * C. 2010 State Water Project Table A Amount Allocation
- * D. Pismo Beach Request for Emergency Pipeline Capacity to Counter Seawater Intrusion
- * E. Burton Mesa Mitigation Site Release to the California Department of Fish and Game
- F. Joint Meeting of the Finance and Operating Committees
 - * 1. CCWA FY 2010/11 Preliminary Budget
PLEASE BRING YOUR COPY TO THE BOARD MEETING
 - * 2. FY 2008/09 Continuing Disclosure Annual Report
- G. DWR Finance Issues

V. Reports from Board Members for Information Only

VI. Items for Next Regular Meeting Agenda

- A. Finance Committee
 - 1. Third Quarter Investment Report
- B. Personnel Committee
 - 1. CCWA Personnel Policies and Procedures Manual Changes
 - 2. Projected FY 2010/11 Employee Benefits Percentage
- C. Proposed FY 2010/11 Staff Salary Treatment
- D. Final FY 2010/11 Budget
- E. Closed Session
 - 1. Public Employee Performance Evaluation
 - 2. Conference with Labor Negotiator

VII. Date of Next Regular Meeting: April 22, 2010

VIII. Adjournment

255 Industrial Way
Buellton, CA 93427-9565
(805) 688-2292
FAX: (805) 686-4700

* Indicates attachment of document to agenda packet.

A handwritten signature in black ink, appearing to be "JLB", with the number "35963" written below it.

35963



NIPOMO COMMUNITY SERVICES DISTRICT
WATERLINE INTERTIE PROJECT
MONTHLY REPORT TO THE BOARD OF DIRECTORS
FEBRUARY 2010 (FY JUNE 30, 2010)

REVENUES FY 2009-2010 (1)	<u>MONTH OF</u> <u>FEBRUARY</u>	<u>FISCAL YEAR</u> <u>7/1/2009 TO</u> <u>6/30/2010</u>
Supplemental Water Capacity Fees Collected	0.00	34,900.00
Interest Income (monthly & quarterly posting)	1,025.50	11,614.18
Revenue Subtotal	<u>1,025.50</u>	<u>46,514.18</u>

EXPENDITURES FY 2009-2010 (2)

<u>CONSULTANTS</u>			
1590-A1	Feasibility Study (Cannon)	0.00	0.00
1590-A2	EIR Preparation (Wood & Assoc)	0.00	0.00
1590-A3	Estimate/Preliminary Schedule (Cannon)	0.00	0.00
1590-A4	Proposed Routes/Facilities (Cannon)	0.00	0.00
1590-A5	Prop 50 Grant Applicatin	0.00	0.00
1590-A6	Project Support (Cannon)	0.00	0.00
1590-A7	Groundwater Grant Assistance (SAIC)	0.00	0.00
<u>LEGAL</u>			
1590-B1	Shipsey & Seitz	0.00	7,211.98
1590-B2	McDonough, Holland & Allen	0.00	0.00
1590-B3	Richards, Watson & Gershon	0.00	0.00
<u>LAND ACQUISITION</u>			
1590-C1	Appraisals (Tarvin & Reeder Gilman)	0.00	8,000.00
1590-C2	Property Negotiations (Hamner Jewell)	640.00	8,727.50
1590-C3	Property Acquisitions	0.00	0.00
<u>FINANCIAL</u>			
1590-D1	Reed Group and Wallace Group	0.00	4,476.25
1590-D2	Lobbying	4,500.00	36,000.00
<u>ENGINEERING</u>			
1590-E1	Preliminary Engineering Design (AECOM)	0.00	0.00
1590-E2	Water Modeling by Carollo (City of Santa Maria)	0.00	0.00
1590-E3	Alternative Water Supplies (AECOM)	0.00	0.00
1590-E4	Project Information (AECOM)	0.00	0.00
1590-E5	Project Design (AECOM)	37,259.99	199,507.19
1590-E6	Pressure Testing	0.00	0.00
1590-E7	Peer Review	4,804.45	12,835.15
1590-E8	Pot Holing	0.00	23,278.05
<u>OTHER</u>			
1590-F1	FGL Environmental	0.00	0.00
1590-F2	Copy/Print	0.00	0.00
<u>PERMITS</u>			
1590-G1	Santa Maria Valley Water Conservation District	0.00	0.00
<u>ASSESSMENT DISTRICT</u>			
1590-H1	Wallace Group	2,277.18	16,684.42
1590-H2	SLO County Reimbursement Agreement for JPA	0.00	10,000.00
<u>CONSTRUCTION</u>			
1590-I1	Construction Management (MNS)	3,840.00	13,650.00
<u>SALARY AND BENEFITS (3)</u>			
1590-Z1	Wages-Capitalized	4,506.23	32,868.91
1590-Z2	Payroll Taxes-Capitalized	136.87	1,140.18
1590-Z3	Retirement-Capitalized	614.67	7,349.67
1590-Z4	Medical-Capitalized	368.81	2,886.22
1590-Z5	Dental/Vision-Capitalized	49.32	387.58
1590-Z6	Workers Compensation-Capitalized	24.45	185.75
	Expenditure Subtotal	<u>59,021.97</u>	<u>385,188.85</u>
	Net Revenues less Expenditures	<u>(57,996.47)</u>	<u>(338,674.67)</u>
	Beginning Fund Balance as of July 1, 2009		2,830,850.76
	Ending Fund Balance as of February 28, 2010		<u>2,492,176.09</u>

(1) See attached "Supplemental Water Fees Collected" Schedule for more detail.

(2) See attached "Supplemental Water Cost Summary" for more detail.

(3) Salary and Benefits of Project Manager are allocated among NCSD projects and capitalized as part of the cost of the project.

**NIPOMO COMMUNITY SERVICES DISTRICT
SUPPLEMENTAL WATER COST SUMMARY**

<u>A/C #</u>	<u>DESCRIPTION</u>	<u>7/1/2004 TO 6/30/2005</u>	<u>7/1/2005 TO 6/30/2006</u>	<u>7/1/2006 TO 6/30/2007</u>	<u>7/1/2007 TO 6/30/2008</u>	<u>7/1/2008 TO 6/30/2009</u>	<u>7/1/2009 TO 6/30/2010</u>	<u>GRAND TOTAL</u>
1645	Reservation Fee-City of Santa Maria	37,500.00	0.00	0.00	0.00	0.00	0.00	37,500.00
1590-A1	Feasibility Study (Cannon)	25,887.29	0.00	0.00	0.00	0.00	0.00	25,887.29
1590-A2	EIR Preparation (Wood & Assoc)	29,037.48	87,100.23	16,053.83	45,407.70	76,544.11	0.00	254,143.35
1590-A3	Est/Preliminary Schedule (Cannon)	3,706.19	2,602.75	0.00	0.00	0.00	0.00	6,308.94
1590-A4	Proposed Routes/Facilities (Cannon)	5,050.07	520.00	0.00	0.00	0.00	0.00	5,570.07
1590-A5	Prop 50 Grant Application	2,757.00	6,210.00	0.00	1,857.60	0.00	0.00	10,824.60
1590-A6	Project Support (Cannon)	0.00	11,797.44	0.00	0.00	0.00	0.00	11,797.44
1590-A7	Groundwater Grant Assistance (SAIC)	0.00	0.00	0.00	15,000.00	0.00	0.00	15,000.00
1590-B1	Shipsey & Seitz	0.00	23,095.55	17,564.25	2,201.50	18,224.00	7,211.98	68,297.28
1590-B2	McDonough, Holland & Allen	0.00	34,177.28	15,871.65	0.00	0.00	0.00	50,048.93
1590-B3	Richard, Watson & Gershon	0.00	9,472.38	27,954.81	0.00	0.00	0.00	37,427.19
1590-C1	Appraisals (Tarvin & Reeder Gilman)	0.00	0.00	16,170.00	10,000.00	0.00	8,000.00	34,170.00
1590-C2	Property Negotiations (Hamner Jewell)	0.00	0.00	0.00	0.00	15,250.00	8,727.50	23,977.50
1590-C3	Property Acquisitions	0.00	0.00	0.00	0.00	673.00	0.00	673.00
1590-D1	Reed Group and Wallace Group	0.00	2,809.85	0.00	0.00	7,585.45	4,476.25	14,871.55
1590-D2	Lobbying	0.00	0.00	0.00	38,801.11	38,950.00	36,000.00	113,751.11
1590-E1	Preliminary Engineering Design (Boyle)	0.00	6,470.33	223,286.67	103,460.19	2,194.43	0.00	335,411.62
1590-E2	Water Modeling by Carollo (City of SM)	0.00	0.00	24,942.00	0.00	0.00	0.00	24,942.00
1590-E3	Alternative Water Supplies (Boyle)	0.00	0.00	164,230.48	70,772.01	0.00	0.00	235,002.49
1590-E4	Project Information (Boyle)	0.00	0.00	0.00	6,000.00	0.00	0.00	6,000.00
1590-E5	Project Design (Boyle)	0.00	0.00	0.00	0.00	752,319.66	199,507.19	951,826.85
1590-E6	Pressure Testing	0.00	0.00	0.00	0.00	8,682.92	0.00	8,682.92
1590-E7	Peer Review	0.00	0.00	0.00	0.00	2,936.05	12,835.15	15,771.20
1590-E8	Pot Holing	0.00	0.00	0.00	0.00	0.00	23,278.05	23,278.05
1590-F1	Lab Testing (FGL Environmental)	0.00	0.00	5,047.00	0.00	0.00	0.00	5,047.00
1590-F2	Copy/Print	0.00	0.00	740.24	1,022.01	0.00	0.00	1,762.25
1590-G1	Permits	0.00	0.00	0.00	0.00	130.00	0.00	130.00
1590-H1	Assessment District	0.00	0.00	0.00	0.00	83,030.71	16,684.42	99,715.13
1590-H2	SLO County Reimb Agreement-JPA	0.00	0.00	0.00	0.00	0.00	10,000.00	10,000.00
1590-I1	Construction Management (MNS)	0.00	0.00	0.00	0.00	4,635.00	13,650.00	18,285.00
1590-Z1	Wages-Capitalized	0.00	29,076.92	35,884.51	28,197.08	31,926.57	32,868.91	157,953.99
1590-Z2	Payroll Taxes-Capitalized	0.00	587.22	587.42	455.96	504.53	1,140.18	3,275.31
1590-Z3	Retirement-Capitalized	0.00	8,418.08	10,344.53	8,110.84	8,690.47	7,349.67	42,913.59
1590-Z4	Medical-Capitalized	0.00	2,861.36	3,367.02	2,564.88	2,757.36	2,886.22	14,436.84
1590-Z5	Dental/Vision-Capitalized	0.00	0.00	247.90	328.23	348.15	387.58	1,311.86
1590-Z6	Workers Compensation-Capitalized	0.00	260.35	341.83	225.21	259.81	185.75	1,272.95
		103,938.03	225,459.74	562,634.14	334,404.32	1,055,642.22	385,188.85	2,667,267.30

**NIPOMO COMMUNITY SERVICES DISTRICT
CERTIFICATES OF PARTICIPATION
DEBT SERVICE SCHEDULE**

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL DEBT SERVICE</u>	<u>PRINCIPAL BALANCE</u>
				4,000,000.00
FY June 30, 2004	0.00	136,384.79	136,384.79	4,000,000.00
FY June 30, 2005	75,000.00	169,950.00	244,950.00	3,925,000.00
FY June 30, 2006	80,000.00	167,625.00	247,625.00	3,845,000.00
FY June 30, 2007	80,000.00	165,225.00	245,225.00	3,765,000.00
FY June 30, 2008	85,000.00	163,132.50	248,132.50	3,680,000.00
FY June 30, 2009	85,000.00	161,198.75	246,198.75	3,595,000.00
FY June 30, 2010	85,000.00	158,988.75	243,988.75	3,510,000.00
FY June 30, 2011	90,000.00	156,425.00	246,425.00	3,420,000.00
FY June 30, 2012	90,000.00	153,545.00	243,545.00	3,330,000.00
FY June 30, 2013	95,000.00	150,397.50	245,397.50	3,235,000.00

Michael LeBrun

From: Celeste Whitlow
Sent: Monday, March 15, 2010 5:33 PM
To: Tina Grietens
Cc: Michael LeBrun
Subject: NYTimes: Saving US Water and Sewer Systems Would be Costly

I don't know if you follow the news for articles. I thought this one was good for a WWT layperson like me because it provides context I can use if the subject comes up.

Saving U.S. Water and Sewer Systems Would Be Costly
N.Y. Times-3/14/10
By Charles Duhigg

One recent morning, George S. Hawkins, a long-haired environmentalist who now leads one of the largest and most prominent water and sewer systems, trudged to a street corner here where water was gushing into the air.

A cold snap had ruptured a major pipe installed the same year the light bulb was invented. Homes near the fashionable Dupont Circle neighborhood were quickly going dry, and Mr. Hawkins, who had recently taken over the District of Columbia Water and Sewer Authority despite having no experience running a major utility, was responsible for fixing the problem.

As city employees searched for underground valves, a growing crowd started asking angry questions. Pipes were breaking across town, and fire hydrants weren't working, they complained. Why couldn't the city deliver water, one man yelled at Mr. Hawkins.

Such questions are becoming common across the nation as water and sewer systems break down. Today, a significant water line bursts on average every two minutes somewhere in the country, according to a New York Times analysis of Environmental Protection Agency data.

In Washington alone there is a pipe break every day, on average, and this weekend's intense rains overwhelmed the city's system, causing untreated sewage to flow into the Potomac and Anacostia Rivers.

State and federal studies indicate that thousands of water and sewer systems may be too old to function properly.

For decades, these systems — some built around the time of the Civil War — have been ignored by politicians and residents accustomed to paying almost nothing for water delivery and sewage removal. And so each year, hundreds of thousands of ruptures damage streets and homes and cause dangerous pollutants to seep into drinking water supplies.

Mr. Hawkins's answer to such problems will not please a lot of citizens. Like many of his counterparts in cities like Detroit, Cincinnati, Atlanta and elsewhere, his job is partly to persuade the public to accept higher water rates, so that the utility can replace more antiquated pipes.

"People pay more for their cellphones and cable television than for water," said Mr. Hawkins, who before taking over Washington's water system ran environmental groups and attended Princeton and Harvard, where he never thought he would end up running a sewer system.

"You can go a day without a phone or TV," he added. "You can't go a day without water."

But in many cities, residents have protested loudly when asked to pay more for water and sewer services. In Los Angeles, Indianapolis, Sacramento — and before Mr. Hawkins arrived, Washington — proposed rate increases have been scaled back or canceled after virulent ratepayer dissent.

So when Mr. Hawkins confronted the upset crowd near Dupont Circle, he sensed an opportunity to explain why things needed to change. It was a snowy day, and while water from the broken pipe mixed with slush, he began cheerily explaining that the rupture was a symptom of a nationwide disease, according to people present.

Mr. Hawkins — who at 49 has the bubbling energy of a toddler and the physique of an aging professor — told the crowd that the average age of the city's water pipes was 76, nearly four times that of the oldest city bus. With a smile, he described how old pipes have spilled untreated sewage into rivers near homes.

"I don't care why these pipes aren't working!" one of the residents yelled. "I pay \$60 a month for water! I just want my toilet to flush! Why do I need to know how it works?"

Mr. Hawkins smiled, quit the lecture, and retreated back to watching his crew.

On Capitol Hill, the plight of Mr. Hawkins and other utility managers has become a hot topic. In the last year, federal lawmakers have allocated more than \$10 billion for water infrastructure programs, one of the largest such commitments in history.

But Mr. Hawkins and others say that even those outlays are almost insignificant compared with the problems they are supposed to fix. An E.P.A. study last year estimated that \$335 billion would be needed simply to maintain the nation's tap water systems in coming decades. In states like New York, officials estimate that \$36 billion is needed in the next 20 years just for municipal wastewater systems.

As these discussions unfold, particular attention is being paid to Mr. Hawkins. Washington's water and sewer system serves the White House, many members of Congress, and two million other residents, and so it surprised some when Mr. Hawkins was hired to head the agency last September, since he did not have an engineering background or the résumé of a utility chief.

In fact, after he had graduated from Harvard Law School in 1987, he spent a few years helping companies apply for permits to pollute rivers and lakes. (At night — without his firm's knowledge — he had a second career as a professional break dancer. He met his wife, a nurse, when he fell off a platform at a dance club and landed on his head.)

But he quickly became disenchanted with corporate law. He moved to the E.P.A., where he fought polluters, and then the White House, and eventually relocated his family to a farm in New Jersey where they shoveled the manure of 35 sheep and kept watch over 175 chickens, and Mr. Hawkins began running a series of environmental groups.

The mayor of Washington, Adrian M. Fenty, asked Mr. Hawkins to move to the city in 2007 to lead the Department of the Environment. He quickly became a prominent figure, admired for his ability to communicate with residents and lawmakers. When the Water and Sewer Authority needed a new leader, board members wanted someone familiar with public relations campaigns. Mr. Hawkins's mandate was to persuade residents to pay for updating the city's antiquated pipes.

At a meeting with board members last month, Mr. Hawkins pitched his radical solution. Clad in an agency uniform — his name on the breast and creases indicating it had been recently unfolded for the first time — Mr. Hawkins suggested raising water rates for the average resident by almost 17 percent, to about \$60 a month per household. Over the coming six years, that rate would rise above \$100.

With that additional money, Mr. Hawkins argued, the city could replace all of its pipes in 100 years. The previous budget would have replaced them in three centuries.

The board questioned him for hours. Others have attacked him for playing on false fears.

"This rate hike is outrageous," said Jim Graham, a member of the city council. "Subway systems need repairs, and so do roads, but you don't see fares or tolls skyrocketing. Providing inexpensive, reliable water is a fundamental obligation of government. If they can't do that, they need to reform themselves, instead of just charging more."

Similar battles have occurred around the nation. In Philadelphia, officials are set to start collecting \$1.6 billion for programs to prevent rain water from overwhelming the sewer system, amid loud complaints. Communities surrounding Cleveland threatened to sue when the regional utility proposed charging homeowners for the water pollution running off their property. In central Florida, a \$1.8 billion proposal to build a network of drinking water pipes has drawn organized protests.

"We're relying on water systems built by our great-grandparents, and no one wants to pay for the decades we've spent ignoring them," said Jeffrey K. Griffiths, a professor at Tufts University and a member of the E.P.A.'s National Drinking Water Advisory Council.

"There's a lot of evidence that people are getting sick," he added. "But because everything is out of sight, no one really understands how bad things have become."

To bring those lapses into the light, Mr. Hawkins has become a cheerleader for rate increases. He has begun a media assault highlighting the city's water woes. He has created a blog and a Facebook page that explain why pipes break. He regularly appears on newscasts and radio shows, and has filled a personal Web site with video clips of his appearances.

It's an all-consuming job. Mr. Hawkins tries to show up at every major pipe break, no matter the hour. He often works late into the night, and for three years he has not lived with his wife and two teenage children, who remained in New Jersey.

"The kids really miss their father," said his wife, Tamara. "When we take him to the train station after a visit, my daughter in particular will sometimes cry. He's missing out on his kids' childhoods."

And even if Mr. Hawkins succeeds, the public might not realize it, or particularly care. Last month, the utility's board approved Mr. Hawkins's budget and started the process for raising rates. But even if the bigger budget reduces the frequency of water pipe breaks by half — a major accomplishment — many residents probably won't notice. People tend to pay attention to water and sewer systems only when things go wrong.

"But this is a once-in-a-lifetime opportunity," Mr. Hawkins said recently, in between a meeting with local environmentalists and rushing home to do paperwork in his small, spartan apartment, near a place where he was once mugged at gunpoint.

"This is the fight of our lifetimes," he added. "Water is tied into everything we should care about. Someday, people are going to talk about our sewers with a real sense of pride."#

<http://www.nytimes.com/2010/03/15/us/15water.html?pagewanted=print>

Celeste Whitlow, Conservation Coordinator

Nipomo Community Services District

TO: BOARD OF DIRECTORS
FROM: MICHAEL LEBRUN *me*
DATE: March 19, 2010



COMMITTEE REPORTS

ITEM

Review Committee Matters.

BACKGROUND

Southland WWTF Upgrade Subcommittee meeting on March 8, 2010.
Personnel Subcommittee met on March 15, 2010.

RECOMMENDATION

It is recommended that your Honorable Board discuss the meetings as appropriate.

ATTACHMENTS

- Southland WWTF Upgrade Subcommittee Minutes
- Personnel Subcommittee Minutes

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2010\COMMITTEE REPORTS\COMMITTEE REPORTS 010324.DOC

NIPOMO COMMUNITY SERVICES DISTRICT

MONDAY, MARCH 8, 2010

2:00 P. M.

SPECIAL MEETING MINUTES **SOUTHLAND WWTF UPGRADE PROJECT COMMITTEE**

COMMITTEE MEMBERS

MICHAEL WINN, CHAIR
JAMES HARRISON, MEMBER

PRINCIPAL STAFF

MICHAEL LEBRUN, INTERIM GENERAL MANAGER
LISA BOGNUDA, ASSIST. GENERAL MANAGER
DONNA JOHNSON, BOARD SECRETARY
JON SEITZ, GENERAL COUNSEL
PETER SEVCIK, DISTRICT ENGINEER

MEETING LOCATION
District Board Room
148 S. Wilson Street
Nipomo, California

1. CALL TO ORDER, ROLL CALL & FLAG SALUTE

Chairperson Winn called the meeting to order at 2:00 p.m. and led the flag salute. Committee Members Harrison and Winn were both present. Also present were Interim General Manager Michael LeBrun, District Engineer Peter Sevcik, District Superintendent Tina Grietens, AECOM representatives Mike Nunley and Eileen Shields, and Fugro West representative Paul Sorensen. There was no public present.

2. REVIEW STATUS OF SOUTHLAND WWTF UPGRADE PROJECT

Interim General Manager Michael LeBrun summarized progress in advancing the Southland WWTF Upgrade Project and introduced Mike Nunley, AECOM Project Manager. Mike Nunley, AECOM, presented the March 2010 Monthly Design Status Report to the Committee. The Committee asked questions and expressed concern regarding the schedule. There was no public comment.

3. REVIEW AECOM SOUTHLAND WWTF UPGRADE PROJECT BUDGET REVISION REQUEST

Mike Nunley, AECOM, presented a brief history of the project and provided an analysis of the latest flow and load data. Mr. Nunley indicated that flow and loading at the treatment plant are not increasing as quickly as anticipated. This impacts the upgrade design in terms of plant process sizing and phasing. AECOM is requesting \$37,020 in additional funding to rework the phasing and costs as detailed in the Southland WWTF Master Plan to provide a three phase upgrade plan instead of the two phase plan originally envisioned. The Committee asked questions on the schedule and proposed contract budget augmentation. The Committee requested information regarding the capital funding of the various phases. Director Winn expressed concern that the District's existing customers only fund the portion of the upgrade that would benefit them and that new development fund all plant

improvements related to increased capacity. Staff agreed to review the existing rate study and provide feedback to the Board regarding this issue. There was no public comment.

The Committee unanimously voted to recommend to the Board that the Board approve the Budget Revision Request.

4. DISCUSS PASQUINI HYDROGEOLOGIC INVESTIGATION AND REVIEW FUGRO BUDGET REVISION REQUEST FOR ADDITIONAL PROPOSED FIELD WORK

Paul Sorensen, Fugro West, presented the findings for the Interim Hydrogeologic Investigation of the Pasquini Property. Mr. Sorensen briefly reviewed the scope of work and indicated that the monitor wells originally planned did not have to be drilled since Mr. Pasquini allowed the District to sample two recently drilled agricultural wells. Mr. Sorensen indicated that the initial finding was that the site is suitable for use as a wastewater percolation pond disposal site. However, the well logs for the two recently drilled wells indicate the potential presence of clay layers at 120 feet below ground surface and 180 feet below ground surface. Mr. Sorensen indicated that the presence and continuity of these clay layers needed to be further investigated to determine whether or not these layers could potentially cause mounding and day lighting of effluent at the bluff face along the Santa Maria River. While the cost of the additional field work is estimated at \$73,200, \$43,000 of the \$128,800 originally authorized remains available due to the cost saving of not having to drill the monitor wells and thus the increased cost to the District will be \$30,200. The Committee asked questions and thanked Mr. Sorensen for his presentation. There was no public comment.

The Committee unanimously voted to recommend to the Board that the Board approve the Budget Revision Request.

5. SET NEXT COMMITTEE MEETING

The Committee agreed to have another meeting on Monday, April 12, 2010, at 2:00 p.m. There was no public comment.

6. ADJOURN

The meeting was adjourned at 4:17 p.m.

NIPOMO COMMUNITY SERVICES DISTRICT

MARCH 15, 2010

MINUTES

PERSONNEL COMMITTEE

1. CALL TO ORDER, ROLL CALL AND FLAG SALUTE

Chairman Vierheilig called the meeting to order at 9:00 a.m. Chairman Vierheilig and Director Harrison were in attendance along with staff members Michael LeBrun, Lisa Bognuda and Tina Grietens. There were no members of the public present.

2. PREVENTIVE MAINTENANCE SUPERVISOR

Staff presented a new job description, including certification requirements, to the Committee. The Committee suggested modifications to the proposed job description, including changing the title to Maintenance Supervisor and certification requirements. The Committee also suggested the Utility Supervisor job description be modified to eliminate any overlapping of job duties and that both job descriptions and duties will be coordinated. There was no public comment. The Committee unanimously recommended the changes to the Board of Directors.

3. SECRETARY/CLERK

Staff presented modifications to the Secretary/Clerk job description, including required proficiency in Microsoft products and serves as Billing Clerk in his/her absence. Staff also recommended modifications to the salary Step Range for the Secretary/Clerk and Billing Clerk. There was no public comment. The Committee unanimously recommended the changes to the Board of Directors.

4. SET NEXT MEETING DATE

No meeting date was set.