



MONTHLY NEWSLETTER

June 2008

ADMINISTRATION

Budget Performance

As of May 31, 2008, the Agency has received 94% of budgeted revenues and incurred 85% of budgeted operating expenses. Asset Management capital expenses were at 63% of budget.

FY 2009 Budget

The Agency's Proposed FY 2008-09 Budget was adopted by the Board at the June 2008 Board meeting. The Adopted Budget includes operating revenues of \$9.2 million, operating expenditures of \$7.9 million and Asset Management program expenditures of \$790,900. Capital expenditures planned for the fiscal year amount to approximately \$27 million.

Finance/Administrative Analyst Recruitment

The Agency has initiated recruitment for a Finance/Administrative Analyst for the Finance Department. The establishment of this position was included in the adoption of the FY 09 Budget. Previously, the Agency retained outside financial consulting services to assist management with the annual preparation of the Agency's budget, financial audit and comprehensive annual financial report. The Agency has retained Koff & Associates to manage the recruitment. Applications for the position will be accepted through July 21, 2008.

GASB 45 Analysis

Staff has transmitted demographic data (age, gender, CalPERS

health care plan, etc.) on its employees and retirees to North Bay Pensions of Sebastopol; North Bay Pensions has been retained by the Agency to prepare an actuarial analysis on the Agency's cost of providing post-employment retiree health benefits for current employees and retirees. The Agency expects to receive a preliminary analysis by the end of June.

The Finance Department will be sponsoring a contest for employees to submit estimates on the Agency's GASB 45 valuation. Information has been provided on the assumptions that North Bay Pensions will be using to prepare its analysis. Employees can submit their estimate to the Finance Manager by July 9.

Staff Training

Retired operator, Steve Lowry, continued training four OIT's this month. He also initiated a treatment plant process "Risk Analysis" that looks at the effects of a major catastrophe on equipment, process, and our ability to meet our NPDES Permit. As part of the Risk Analysis assessment, SOP's are being updated or new SOPs are being written as needed.

Jeff Boheim, our new Electrical/Instrumentation Tech has received training on Level Transmitters, MOV's, tape back-up for process data, and replacement of microbricks and PLC's.

Payroll System Upgrade

Testing has begun to automate the timekeeping for earned and used holiday and comp time for the payroll system. The Finance Department has reviewed the test results for three pay periods and has identified errors for the programmer to remedy. System testing will continue through the pay period that includes the Fourth of July holiday.

Once the programming changes have been accepted, accrued holiday and comp time balances will appear on each employee's payroll vouchers, along with the existing balances for vacation and sick leave. When that change takes place, the Administrative staff will no longer manually prepare and provide to employees the Holiday and Comp Time Bank Report which features all accumulated leave balances for every employee.

Procurement Contracts

The Biosolids Hauling and Liquid Emulsion Polymer Supply contracts were extended for an additional year in June. The Ferric Chloride supply contract will either be extended or rebid in July.

Our Sodium Bisulfite vendor declined to extend their supply contract, and a new contract is being prepared for bidding, and then award at the Board's August meeting. We anticipate a cost increase due to the recent cost escalation for diesel fuel and the raw materials used to manufacture the bisulfite.

To address market uncertainties arising from both raw material and transportation cost volatilities, staff is surveying other wastewater treatment plants and vendors to improve the cost adjustment provisions of procurement contracts. It is hoped that fair and effective cost adjustment provisions will provide a basis for moving into multi-year procurement contracts that provide the best value for the Agency.

Safety

CMSA's Hearing Protection policy requires regular testing of employees. In June, audio grams were conducted on-site by our contract vendor "Center for Hearing Health". The contractor's van has test booths in which the employees hear an audiometer play a series of tones through their headphones. The tones vary in pitch (frequency, measured in hertz) and loudness (intensity, measured in decibels) to test the range of hearing.

A second confined space awareness training session was held this month. This course provides managers, supervisors, and workers with an awareness of the hazards related to confined spaces. It introduces trainees to the safe and correct procedures for entry into, working within, and basic rescue from a confined space. All persons who completed the course received a certificate for Confined Space Awareness

AGENCY PROJECTS

Wet Weather Improvement Project

The WWIP construction is approximately 29% complete and the project is on-schedule. Total approved and pending changes are approximately \$106,230,

which is a low 0.3% of the contract amount.

June has seen several major concrete wall pours for the effluent pump station, and the installation of the chlorine contact tank (CCT) wall reinforcing steel. The CCT wall forms are being installed and concrete placement should commence in July. Concrete placement for the pump station and CCTs will continue through the summer.

The shoring installation and excavation work for the new primary clarifiers was completed this month. All excavation spoils were off-hauled and Western Water has started work on the Gallery A extension sump. The Gallery A work, including rebar and formwork installation and concrete placement, will continue through July.

Other work on the project performed in June includes crack sealing and repair in the treatment plant galleries to prevent groundwater intrusion; installation of electrical conduit in the headworks; installation of the security fence on top of the secant pile retaining wall; and development of a revised demolition plan for the new primary clarifier influent channel and gallery connection to existing structures, to address differing field conditions.

Outfall Improvements Project

The outfall project work commenced in June with Underwater Resources (URI) completing its pre-seal inspection of all the elastomeric joints and selected other joints. During that inspection, it was discovered that some of the elastomeric joints are wider than anticipated and/or are protruding into the pipeline interior. While these issues are being addressed by Miller Pipeline, the seal manufacturer,

URI has begun installing seals at other locations in the marine outfall. The project remains on track for completion by mid-September, well in advance of the wet weather season.

CMSA Operation staff divert flow to our effluent storage pond twice per week, Monday and Thursday, to accommodate the divers work. After each dive day, the pond water is pumped back into the plant for pretreatment prior to discharge to the outfall.

Methane Capture Feasibility Study

The consultant selection phase of the study was completed in June with the review of submitted Statement of Qualifications and consultant interviews. Carollo Engineers and Kennedy/Jenks were the finalists in the selection process, and presented their study proposals to a CMSA/San Rafael interview panel. Because Marin Sanitary Services will be a key stakeholder in any food-to-waste program in Central Marin County, Patty Garbarino, President of MSS, joined the interview panel. Kennedy/Jenks was selected as the most qualified firm.

The study scope of work, fee, and schedule have been finalized as well as the Agreement. The San Rafael City council will consider awarding the study at their July 7th meeting.

This study is funded by a combination of a PG&E grant to the City and a contribution by CMSA. The final study report is due in October, with presentations planned for the San Rafael City Council and/or CMSA Board.

Food waste separation and processing for feeding into

CMSA's anaerobic digesters (co-digestion) would provide enhanced energy production, diversion of food waste from the landfill waste stream, and overall reduction of greenhouse gasses. Also, co-digestion has the potential to reduce the overall volume of residual biosolids needing to be disposed of after digestion is complete.

Barscreen Replacement

The project team has worked with Carollo Engineers to select the preferred project equipment technologies to carry forward into the design phase. Seven barscreen and four washer/compactor technologies were evaluated and compared in the areas of maintainability, functionality, hydraulic impacts, electrical service requirements, fit and layout in the headworks building, and cost. Staff selected the perforated plate screen system with a coupled washer/compactor.

Carollo is developing the equipment specifications for each unit, which we will then provide to Western Water, the WWIP contractor, for procurement. On a parallel track, Carollo is also preparing the preliminary layout drawings to begin the collaborative design assist process with Western Water and CMSA. We anticipate having the WWIP change orders for barscreen construction before the Board in October 2008.

Facilities Expansion

Engineering is beginning the planning and design work to expand the Women's Locker Room, the Environmental Services and Maintenance office spaces, and the Maintenance Annex. Engineering staff will meet with staff from the Environmental Services and Maintenance departments soon to develop the

needs assessments. Once the needs assessment is finished, the next steps will be sending out a Request for Proposals to local engineering and architecture firms, followed by engaging a designer for the project. Construction should commence next year.

O&M Projects

Operations staff is continuing to run the Secondary Treatment Optimization study which utilizes both biotowers to save energy, improved process efficiency, and enhance process durability. The study is similar to one conducted last summer, and will provide supplemental information for assessment by staff.

Maintenance repair work this month included: Annual PM for grit pump #4, including an impeller replacement; Annual PM on secondary clarifier #4; Relocation of lights and electrical conduit in the headworks in preparation for the bar screen replacements; Replacement of bearing take-up rails on the barscreen conveyor (Ross Valley); and the co-generators monthly oil, spark plug, and filter changes.

E/I continues upgrading the florescent lighting in the lunch room, maintenance, and headworks areas. The new fixtures and bulbs are more efficient and will reduce Agency energy costs. E/I also replaced the communication radio repeater (in the Solids, our tallest, Building), the last piece of the transition to our new narrow band radios that were required for FCC compliance by 2013.

Centrifuge #2 had a new backdrive (Roto-Dif) installed and its bearings replaced. Centrifuge

#3's Roto-Dif has been removed and sent to the shop for an overhaul.

The Waukesha experienced automatic gas switching problems early in the month. Each time the engine attempted to switch from natural gas to biogas, its electrical system tripped requiring staff to perform manual switching.

Staff identified problems with the control programming and hired a programmer to restore the code.

ENVIRONMENTAL SERVICES

NPDES Testing

The laboratory testing we performed at CMSA was in compliance with our permit requirements and we had 90% survival of the bioassay fish.

Laboratory

All of the warm weather testing has been going well. The Lagoon testing for Corte Madera has shown very low coliform results this year, far below the standards for water contact recreation. The results from the corrosion and odor monitoring performed during the dry weather season have shown low odor and corrosion producing chemical (total sulfide) formation; This is due to the diligent efforts of the member agency collection system personnel and CMSA staff who maintain the odor and corrosion control systems.

Biosolids

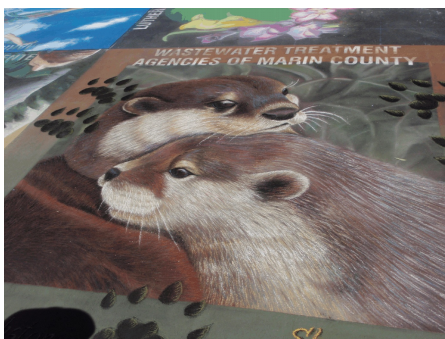
Every year during the dry weather we land apply our biosolids as a beneficial soil amendment at a land application

site in Sonoma County. The site is located between Highway 116 (Lakeville Highway) and Highway 39 and is used to grow crops that are used as feed stock for animals. We began land application on June 4 and we will continue through the end of October as long as there are no early rains.

Public Outreach Events

CMSA and our wastewater agency partners participated in two very successful outreach events in June. We had a public education booth at the Fairfax Ecofest on June 14 and 15, at which 317 people took our environmental education quiz. Staff also discussed relevant wastewater treatment, reclamation, and environmental concerns with many members of the public attending the event. The overall response was excellent, and people visiting the booth were impressed with our efforts to protect the environment.

San Rafael held the Italian Festival on the same weekend and our Public Education Program sponsored a square at the street painting event. It was an excellent drawing of our logo, the Sea Otter, which we use as our current mascot for "We Otter Not Pollute." The overall impression, based on comments of the people attending the event, was that it was the most impressive square for that size category with a very "realistic" otter.



CONTRACT/OUTSIDE SERVICES

San Rafael Sanitation District

Staff is completing the final requirements for Food Service Establishments (FSEs) that have not submitted their plans for Grease Removal Devices (GRDs) to Marin County Environmental Health Services (MCEHS) or finalized installation. We have been working with FSEs to assist them in complying with the program and working with plumbers, owners, managers, and staff to train personnel, review plans, and perform site visits. Overall compliance has been excellent.

We are waiting for the last five FSEs, of 97 that are under permit, to complete their plans or installation. Administrative Orders have been issued to Original Buffalo Wings, Mezzo Mezzo, Marin Pizza Man, West Brooklyn Pizza, and Seafood Peddler with extended deadlines for submitting plans and GRD installation. If the extended deadlines are not met, an Administrative Citation with a fine and hearing will be issued.

Las Gallinas Valley Sanitary District

While performing routine preventative maintenance on their collection system, LGVSD staff discovered substantial amounts of FOG downstream of the Safeway on Las Gallinas Avenue. LGVSD video taped the Safeway lateral line, which showed large amounts of grease present. Safeway subsequently cleaned the lateral and pumped their interceptor. Staff will be monitoring maintenance of the interceptor and build-up of FOG in their lateral.

Ross Valley Sanitary District

Environmental Services has completed the FSE FOG inspections within the RVSD service area, except for a few FSEs that are only open after 5 PM. Staff will be adjusting their work hours to fit in the final inspections and will continue to issue permits to facilities that are in compliance.

The next step is to begin drafting installation letters for those facilities that do not have GRDs. The installation letters will require submission of plans to MCEHS, the local permitting authority, and installation of grease traps.

Sanitary District #2

Maintenance completed June's regular checks and routine maintenance of all the pump stations, and marked the pump station forcemains in the vicinity of construction work pursuant to Underground Service Alert requirements .

Team Ghilotti is installing the electrical systems as the final stage of construction for the new Lucky Drive Pump Station (the station is temporarily running from a manhole).

Maintenance installed the new pump for Sea Wolf pump station, and E/I staff completed the electrical work for the Trinidad 1 pump station odor control unit.