

WAIVER

If you waive your right to a hearing, the matter will be included on the agenda of a Water Board meeting but there will be no hearing on the matter; unless a) the Water Board staff receives significant public comment during the comment period, or b) the Water Board determines it will hold a hearing because it finds that new and significant information has been presented at the meeting that could not have been submitted during the public comment period. If you waive your right to a hearing but the Water Board holds a hearing under either of the above circumstances, you will have a right to testify at the hearing notwithstanding your waiver. Your waiver is due no later than December 30, 2007.

- Waiver of the right to a hearing and agreement to make payment in full.
By checking the box, I agree to waive my right to a hearing before the Water Board with regard to the violations alleged in Complaint No. R2-2007-0083 and to remit the full penalty payment to the State Water Pollution Cleanup and Abatement Account, c/o Regional Water Quality Control Board at 1515 Clay Street, Oakland, CA 94612, within 30 days after the Water Board meeting for which this matter is placed on the agenda. I understand that I am giving up my right to be heard, and to argue against the allegations made by the Executive Officer in this Complaint, and against the imposition of, or the amount of, the civil liability proposed unless the Water Board holds a hearing under either of the circumstances described above. If the Water Board holds such a hearing and imposes a civil liability, such amount shall be due 30 days from the date the Water Board adopts the order imposing the liability.

- Waiver of right to a hearing and agree to make payment and undertake an SEP.
By checking the box, I agree to waive my right to a hearing before the Water Board with regard to the violations alleged in Complaint No. R2-2007-0083, and to complete a supplemental environmental project (SEP) in lieu of the suspended liability up to \$30,000 and paying the balance of the fine to the State Water Pollution Cleanup and Abatement Account (CAA) within 30 days after the Water Board meeting for which this matter is placed on the agenda. The SEP proposal shall be submitted no later than December 30, 2007. I understand that the SEP proposal shall conform to the requirements specified in Section IX of the Water Quality Enforcement Policy, which was adopted by the State Water Resources Control Board on February 19, 2002, and be subject to approval by the Executive Officer. If the SEP proposal, or its revised version, is not acceptable to the Executive Officer, I agree to pay the suspended penalty amount within 30 days of the date of the letter from the Executive Officer rejecting the proposed/revised SEP. I also understand that I am giving up my right to argue against the allegations made by the Executive Officer in the Complaint, and against the imposition of, or the amount of, the civil liability proposed unless the Water Board holds a hearing under either of the circumstances described above. If the Water Board holds such a hearing and imposes a civil liability, such amount shall be due 30 days from the date the Water Board adopts the order imposing the liability. I further agree to satisfactorily complete the approved SEP within a time schedule set by the Executive Officer. I understand failure to adequately

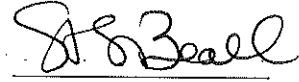
complete the approved SEP will require immediate payment of the suspended liability to the CAA.

STEVEN S. BEALL

Name (print)

12/19/2007

Date



Signature

ENGINEER-MANAGER
RODEO SANITARY DISTRICT

Title/Organization

Rodeo Sanitary District Supplemental Environmental Project (SEP) Proposal

On November 28, 2007, the San Francisco Bay Regional Water Quality Control Board (RWQCB) imposed Mandatory Minimum Penalties on the Rodeo Sanitary District (District) for violations of the California Water Code Section 13385. The fine was set at \$45,000, \$15,000 to be paid in cash to the State Water Pollution Cleanup and Abatement Account and \$30,000 to be satisfied through development and expense of a Supplemental Environmental Project (SEP). The District will pay the cash portion of the fine in after the January RWQCB Board meeting and proposes an SEP which is still subject to approval by the Board. The proposed SEP consists of the following elements:

- Develop a sewer later replacement program and ordinance for enforcement. The elements of the ordinance will include provisions for the financial assistance, the trigger of the inspection and details of the inspection. Neighboring communities that have implemented successful ordinances will be consulted for the development of the District's ordinance. The District will spend a maximum of \$15,000 of SEP funds on the development of this ordinance and program.
- Grant assistance to residents within the District of SEP funds of \$1,000 and District matched funds of \$500 per lateral (\$1,500 total, maximum) for the replacement cost of sewer laterals. Criteria for selection and triggers will be as written in the newly created ordinance.
- Continued District participation annually of District supplied funds of \$15,000

This program is intended to reduce the amount of infiltrating water (I&I) into the sewer system. This will in part reduce the chance and severity of Sewer System Overflows (SSOs) and meet the request of Governor Schwarzenegger to reduce energy consumption by reducing the amount of sewage to be treated.

It is the understanding of the District that the RWQCB's enforcement policy criteria is that an SEP should be an extension of the District's commitment to improving the quality of the waters of the State, benefit the public at large, and that any SEP should represent a program that is far above what is required of the City in its regular NPDES permit. The District believes that this program would accomplish that goal.

Title: **Private Sewer Lateral Replacement Ordinance and Grant Program**

Purpose: Reduce I&I at its primary source and the potential for SSOs by creating an ordinance for sewer lateral inspection and replacement and to assist residents of private buildings to improve and replace leaking sewer lines who might otherwise take no action.

Description: Studies have shown that many SSOs reported in the past years have been traced to poor lateral maintenance and repair by residents. Old pipe is cracked, has open joints, or is misaligned resulting in I&I. Left unrepaired, materials traveling through the pipe get caught in tree roots or offsets and back up the system. If this happens a backup can and will likely occur and potentially overflow into the street through a clean out. The cost to repair laterals is relatively expensive and many residents opt to pay for regular cleaning or live with slow drains rather than replace the lines. This program would provide up to \$1,500 of the cost to replace the lateral as an incentive.

An additional component to this program is the development of an ordinance to layout the grounds for inspection, the District review process, the criteria for selection of financial assistance, and the enforcement.

Information: The Truckee Sanitation District has had a sewer later condition inspection and replacement program in effect for many years and has subsequently documented its success in reducing I&I in the sewer system.

During the major storm of December 31, 2005, all public agencies that own and maintain a municipal sewer collection system experienced extremely high flows. This District was no exception. The District believes that this program will be very effective in reducing the winter flows to the District's sewage treatment plant over time.

Project Monitoring:

To appropriately monitor the success of the SEP, the District will accomplish several tasks as listed below.

1. Perform a desktop review of similar programs and ordinances in the region.
2. Meet with Real Estate groups on the implementation of the major trigger; the sale of a property.
3. Develop and implement a suitable ordinance for the District.
4. Review the data from a flow monitoring study performed by the District is 2005/2006 to identify high priority basins.
5. Prioritize financial assistance applications to include the worst basins with a goal of assistance funding approximately ten per year.

6. Data will be compiled and made available for review as to the length of pipe replaced, rehabilitated, conditions found during replacement, and other conditions as appropriate.
7. As part of the annual SSO report, the District will summarize the results of the years' activities.

Budget/Cost: The first year of the program will see the implementation of the ordinance and request that property owners voluntarily comply with the developing program of which the District will grant assistance funds.

The District will first develop the ordinance and utilize a maximum of \$15,000 of the SEP funds. If all the funds are not used they will be made available to the grant assistance program. During the evaluation of the flow monitoring study from 2005/2006, the District will utilize a maximum of \$1,000 of the SEP funds (if they are not used from the development of the ordinance) to utilize the services of the modeler from Advanced Hydro Engineering.

For the grant assistance program, the SEP funds will account for \$1,000 of the grant. The District will add an additional \$500 to the grant. The District will continue to fund the grant assistance program to keep a minimum starting balance of \$15,000 each fiscal year.

Schedule: The District will have a developed and implemented ordinance by October 1, 2008. During the development of the ordinance the District will request that property owners voluntarily comply with the developing ordinance and will be able to receive funding from the grant assistance program.

Upon completion of the ordinance, the District will perform an evaluation of the flow monitoring study to determine collection system basins that will receive the highest priority. This will be completed by December 1, 2008.

The District will provide quarterly updates to Carol Thorton with ABAG. The District will fund the payment of Ms. Thorton through the use of a maximum of \$1,800 of the SEP funds per Section F of the Standard Criteria and Reporting Requirement for Supplemental Environmental Project.