



**SOUTH SAN LUIS OBISPO COUNTY
SANITATION DISTRICT**

Post Office Box 339, Oceano, California 93475-0339
1600 Aloha Oceano, California 93445-9735
Telephone (805) 489-6666 FAX (805) 489-2765
www.sslocsd.us

**AGENDA
BOARD OF DIRECTORS MEETING**

Grover Beach City Hall Chambers
154 South 8th Street
Grover Beach, California 93433

Wednesday, August 2, 2017, at 6:00 p.m.

Board Members

John Shoals, Chair
Linda Austin, Vice Chair
Jim Hill, Director

Agencies

City of Grover Beach
Oceano Community Services District
City of Arroyo Grande

Alternate Board Members

Karen White, Director
Tim Brown, Director
Barbara Nicolls, Director

Oceano Community Services District
City of Arroyo Grande
City of Grover Beach

-
- 1. CALL TO ORDER AND ROLL CALL**
 - 2. PLEDGE OF ALLEGIANCE**
 - 3. AGENDA REVIEW**
 - 4. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON AGENDA**

This public comment period is an invitation to members of the community to present comments, thoughts or suggestions on matters not scheduled on this agenda. Comments should be limited to those matters which are within the jurisdiction of the District. The Brown Act restricts the Board from taking formal action on matters not published on the agenda. In response to your comments, the Chair or presiding Board Member may:

- Direct Staff to assist or coordinate with you.
- Direct Staff to place your issue or matter on a future Board meeting agenda.

Please adhere to the following procedures when addressing the Board:

- Comments should be limited to three (3) minutes or less.
- Your comments should be directed to the Board as a whole and not directed to individual Board members.
- Slanderous, profane or personal remarks against any Board Member, Staff or member of the audience shall not be permitted.

Any writing or document pertaining to an open-session item on this agenda which is distributed to a majority of the Board after the posting of this agenda will be available for

public inspection at the time the subject writing or document is distributed. The writing or document will be available for public review in the offices of the Oceano CSD, a member agency located at 1655 Front Street, Oceano, California. Consistent with the Americans with Disabilities Act (ADA) and California Government Code §54954.2, requests for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires modification or accommodation in order to participate at the above referenced public meeting by contacting the District Administrator or Bookkeeper/Secretary at (805) 481-6903. So that the District may address your request in a timely manner, please contact the District two business days in advance of the meeting.

5. CONSENT AGENDA:

The following routine items listed below are scheduled for consideration as a group. Each item is recommended for approval unless noted. Any member of the public who wishes to comment on any Consent Agenda item may do so at this time. Any Board Member may request that any item be withdrawn from the Consent Agenda to permit discussion or to change the recommended course of action. The Board may approve the remainder of the Consent Agenda on one motion.

- 5A. Approval of Warrants**
- 5B. Approval of Minutes of Meeting of July 19, 2017**
- 5C. Financial Review for June**

6. ACTION ITEMS:

6A. APPROVE HIRING OF PAUL KARP AND RICK SWEET TO PROVIDE SPECIALIZED TECHNICAL SERVICES TO THE DISTRICT FOR UP TO SIX MONTHS; AUTHORIZE THE BOARD CHAIR TO EXECUTE CONTRACTS FOR THEIR SERVICES

1. Consider and adopt Resolution No. 374, approving the hiring of Mr. Paul Karp and Mr. Rick Sweet to provide specialized technical services to the District for a period of up to six months, and authorize and direct the Board Chair to execute contracts for their services.

6B. ADOPTED FISCAL YEAR 2017-18 BUDGET

1. Receive and File Report.
2. Provide feedback and/or direction as appropriate on an annual amount, and/or percentage to be allocated to the Redundancy Project through Fund 20 or another Fund, and direct staff to return at a future meeting to further implement revisions to the Adopted Fiscal Year 2017-18 Budget to set aside a set amount for the Redundancy Project.

6C. DISTRICT ADMINISTRATOR AND PLANT OPERATION'S REPORT

1. Receive and File Report

7. BOARD MEMBER COMMUNICATIONS

8. ADJOURN MEETING

The next regularly scheduled Board meeting is on August 16, 2017, 6 pm at the Grover Beach City Hall Chambers, 154 South 8th Street, Grover Beach, California 93433

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
WARRANT REGISTER**

8/02/2017 FY 2016/2017 FY 2017/2018

| VENDORS | BUDGET LINE ITEM | DESCRIPTION | WARRANT NO. | ACCT | ACCT BRKDN | TOTAL |
|---------------------------------|---------------------------------|---|--------------|-------------------------------|----------------------|----------------------|
| ALLSTAR INDUSTRIAL SUPPLY | SAFETY SUPPLIES | 2062 | 8022017-2299 | 19-8056 | 390.49 | 390.49 |
| ARAMARK | UNIFORMS | 6305/3353/0418 | 2300 | 19-7025 | 428.37 | 428.37 |
| ATLAS PERFORMANCE IND. | ADMIN OFFICE SPACE | RI99545 | 2301 | 19-7040 | 450.00 | 450.00 |
| AT&T | COMMUNICATIONS | JULY 8- AUG 7 | 2302 | 19-7013 | 452.12 | 452.12 |
| BARBARA NICOLLS | BOARD SERVICE | Jul-17 | 2303 | 19-7075 | 100.00 | 100.00 |
| CWEA | MEMBERSHIP | CLEMONS/LAB ANALYST GRADE 1 | 2304 | 19-7050 | 85.00 | 85.00 |
| CALIFORNIA PRO PAINTING INC. | STRUCTURES MAINT-MAJOR | 6211016948 | 2305 | 19-8061 | 35,000.00 | 35,000.00 |
| CHARTER | COMMUNICATIONS | 8245 10 101 0130627 | 2306 | 19-7013 | 99.98 | 99.98 |
| CITY OF AG | BILLING | APRIL 2017-JUNE 2017 | 2307 | 19-7073 | 5,727.75 | 5,727.75 |
| CITY OF PISMO BEACH | RWQCB ACL SEP REGIONAL GW MODEL | SEP Funds for GW Model from ACL Fine | 2308 | 19-7066 | 221,962.56 | 221,962.56 |
| EAST AIRPORT PARK ASSOCIATION | BRINE | BRINE SECURITY DEPOSIT | 2309 | 19-4050 | 10,000.00 | 10,000.00 |
| FARM SUPPLY | EQUIPMENT MAINTENANCE | 48065/46061 | 2310 | 19-8030 2017-A1-25 | 151.02 | 151.02 |
| FISHER SCIENTIFIC | STRUCTURES/GROUNDS-REPLACEMENT | 3933883 | 2311 | 26-8065 2017-B2-01 | 2,367.84 | 2,367.84 |
| GILBERT TRUJILLO | LEGAL COUNSEL | JUNE 2017 | 2312 | 19-7071 | 12,043.50 | 12,043.50 |
| JIM HILL | BOARD SERVICE | JULY 2017 | 2313 | 19-7075 | 100.00 | 100.00 |
| JOHN SHOALS | BOARD SERVICE | JULY 2017 | 2314 | 19-7075 | 100.00 | 100.00 |
| JWC ENVIRONMENTAL | HEADWORKS | 87288 | 2315 | 26-8065 2016-B1-11 | 196.78 | 196.78 |
| KERIMA WATER SOLUTIONS | PLANT CHEMICALS | 9017552346 | 2316 | 19-8050 | 7,025.28 | 7,025.28 |
| LINDA AUSTIN | BOARD SERVICE | JULY 2017 | 2317 | 19-7075 | 200.00 | 200.00 |
| LIEBERT, CASSIDY WHITMORE | OUTSIDE COUNSEL | 1443757/1443758/1443759/1443760/1443761/1443762 | 2318 | 19-7070 | 16,325.76 | 16,325.76 |
| MICHAEL K. NUNLEY & ASSOCIATES | DIGESTER 1 | 3550 | 2319 | 26-8065 2017-B1-02 | 1,025.00 | 3,316.93 |
| | HEADWORKS | 3559 | | 26-8065 2016-B1-11 | 995.84 | |
| | REDUNDANCY PROJECT | 3599 | | 20-7080 | 1,266.09 | |
| | BIO SOLIDS FACILITY | 3560 | | 26-8065 2017-B1-04 | 30.00 | |
| MINERS | EQUIPMENT MAINTENANCE | JULY 2017 | 2320 | 19-8035 | 310.20 | 310.20 |
| OILFIELD & ENVIRO. COMPLIANCE | CHEMICAL ANALYSIS | 1702647/1702476/1702724/1702702 | 2321 | 19-7078 | 565.00 | 565.00 |
| PG&E | ELECTRICITY | 6/9/2017-7/10/2017 | 2322 | 19-7091 | 15,262.65 | 15,262.65 |
| REGIONAL GOVERNMENT SERVICES | HUMAN RESOURCES | 7233/7193 | 2323 | 19-7076 | 3,389.09 | 3,389.09 |
| STATE FUND | WORK COMP | 7/1/17-8/1-17 | 2324 | 19-6080 | 3,595.00 | 3,595.00 |
| TIM BROWN | BOARD SERVICE | JULY 2017 | 2325 | 19-7075 | 100.00 | 100.00 |
| USA NORTH 811 | MEMBERSHIP | 17070787 | 2326 | 19-7050 | 860.17 | 860.17 |
| WSC | RECYCLED WATER FACILITIES | 2607 | 2327 | 20-7090 | 225.85 | 225.85 |
| SUB TOTAL | | | | | \$ 340,831.34 | \$ 340,831.34 |
| SO. SLO CO. SANITATION DISTRICT | PAYROLL | PPE 7/21 | 2328 | 19-6030 19-6040 19-6045 | 30,842.57 | 30,842.57 |
| | CALPERS HEALTH | AUG 2017 | | 19-6010 | 18,345.74 | 18,345.74 |
| | CALPERS RETIREMENT | PPE 7/21 | | 19-6060 | 3,870.02 | 3,870.02 |
| | | | | | | |
| GRAND TOTAL | | | | | \$ 393,889.67 | \$ 393,889.67 |

We hereby certify that the demands numbered serially from 08022017-2299 to 08022017-2327 together with the supporting evidence have been examined, and that they comply with the requirements of the SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT. The demands are hereby approved by motion of the SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT, together with warrants authorizing and ordering the issuance of checks numbered identically with the particular demands and warrants.

BOARD OF DIRECTORS:

DATE: _____

Chairman

Board Member

Board Member

Secretary



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**AGENDA
BOARD OF DIRECTORS MEETING**

Grover Beach City Hall Chambers
154 South 8th Street
Grover Beach, California 93433

**Action Summary Minutes of the
Meeting of Wednesday, July 19, 2017 at 6:00 p.m.**

1. CALL TO ORDER AND ROLL CALL

Vice Chair Austin called the meeting to order and recognized a quorum.

Present: Linda Austin, Vice Chair, Oceano Community Services District
Barbara Nicolls, Alternate Director, City of Grover Beach

Tim Brown, Alternate Director, City of Arroyo Grande
joined the meeting at 6:23 p.m.

District Staff: Gerhardt Hubner, District Administrator
Wendy Stockton, District Legal Counsel

Absent: Director Shoals
Director Hill

2. PLEDGE OF ALLEGIANCE

3. AGENDA REVIEW

Motion: Vice Chair Austin made a motion to approve the Agenda as presented.

Second: Director Nicolls seconded the motion.

Action: Motion was approved unanimously by roll call vote.

4. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON AGENDA

Vice Chair Austin opened the public comment period.

Julie Tacker commented on her success with other agencies on her public records requests, the length of time it takes to receive information from the Sanitation District since Ms. Simpson has been on leave and receiving information from the Sanitation District via U.S. Mail.

Kris Victorine spoke on public records requests and information from the Sanitation District being held for almost 10 days before a response is received, information being received via U.S. Mail vs. electronically and she requested the District's audit financials be online.

Terri Klier asked when the current District Budget would be on the website.

Patricia Price commented on the two District employees placed on administrative leave without being given a reason and described disciplinary procedures to be followed.

Vice Chair Austin closed the Public Comment period.

5. CONSENT AGENDA:

5A. Approval of Warrants

Vice Chair Austin asked for an explanation regarding the Kennedy/Jenks invoice.

District Administrator Hubner replied that the K/J expenses were incurred when the District was seeking a permit from the Coastal Commission, and various studies and information were being requested. He further clarified that the invoice covered an 8-9-month period vs. one month.

5B. Approval of Minutes of Meeting of July 5, 2017

5C. Plant Operations Report

Vice Chair Austin opened the public comment period.

Julie Tacker spoke about the Bank of the West \$895 for office supplies, payroll being larger than usual, the budget not being on the website, the brine revenue from Cambria now that Cambria is under a cease and desist order, she asked who was the current acting Plant Superintendent and she commented on the chlorine distribution system.

Alternate Director Brown joined the meeting at 6:23 p.m.

The Board recessed at 6:24 p.m. to update Director Brown on where they were on the Agenda. District Counsel Stockton clarified for the record the conversation between Director Brown and Austin.

The Board reconvened at 6:31 p.m.

Vice Chair Austin closed the public comment period.

Motion: Director Nicolls made a motion to approve the Consent Agenda.

Second: Director Brown seconded the motion.

Action: Motion was approved unanimously by roll call vote.

6. ACTION ITEMS:

6A. PUBLIC HEARING AND ADOPTION OF RESOLUTION NOS. 2017-372 AND 373 FOR COLLECTING FISCAL YEAR 2017-18 ANNUAL WASTEWATER CHARGES AND FISCAL YEAR 2016-17 PAST DELINQUENT CHARGES FOR THE COMMUNITY OF OCEANO THROUGH THE COUNTY PROPERTY TAX ROLL

District Administrator Hubner gave a PowerPoint presentation on highlights regarding Item 6A.

Hearing Held.

Director Brown asked about the number of delinquent charges and the how long the charges had been delinquent.

District Administrator Hubner replied that there are over 12 pages in the Delinquent Report, and the charges go back at least six months to a year.

Vice Chair Austin opened the public comment period.

Julie Tacker stated she supported proceeding with the delinquent charges, she commented on the costs for NBS and stated the Cities of Grover Beach and Arroyo Grande also needed to be included on the tax roll.

Vice Chair Austin closed the public comment period.

District Legal Counsel Wendy Stockton stated on the Record that no one spoke in opposition at the Hearing, nor were any written protests received.

Motion:

Director Nicolls made a motion to adopt Resolution Nos. 2017-372 and 2017-373 for collecting Fiscal Year 2017-18 Annual Wastewater charges and Fiscal Year 2016-17 past delinquent charges for the Community of Oceano through the County Property Tax Roll.

Second: Director Austin seconded the motion.

Action: Motion was approved unanimously by roll call vote.

6B. SUMMER 2017 EDITION OF DISTRICT NEWSLETTER

District Administrator Hubner gave a PowerPoint presentation and update on efforts to Draft the Fall Newsletter.

Director Brown asked how much staff time had been used to create the Newsletter.

District Administrator Hubner responded with approximately 4 hours.

Vice Chair Austin open the public comment period.

Julie Tacker commented on the 2016 Fall Newsletter being approved in September and not going out until November, use of the same picture, grammatical errors, the Redundancy permit taking so long to get, controversy with the grit removal project, not including groundwater monitoring, nothing specific about the Operators in the Meet the Operators section, no reference to changes in staff and no tips on what people should do.

Mr. Hubner advised that the intent of the Newsletter was supposed to be a positive outreach to the public. He added that the Plant Operators provided the narrative for their section which was placed in the Newsletter unchanged, and that they (the Operators) preferred not have a lot of attention on them.

Vice Chair Austin closed the public comment period.

Director Austin stated tips on what to flush and not flush was a good idea for future outreach material.

Mr. Hubner stated that tips could be included in a future Newsletter.

Director Brown asked if the District Administrator had reviewed the Newsletter. Mr. Hubner responded yes.

Motion:

Director Brown made a motion to approve authorizing staff to finalize and distribute the Fall newsletter.

Second: Director Nicolls seconded the motion.

Action: Motion was approved unanimously by roll call vote.

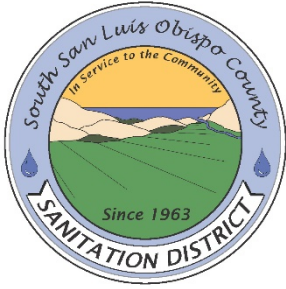
7. BOARD MEMBER COMMUNICATIONS

Director Brown apologized for being late to the meeting.

8. ADJOURN MEETING

There being no further business the meeting was adjourned at 6:50 p.m.

The next regularly scheduled Board meeting is on August 2, 2017, 6 pm at the Grover Beach City Hall Chambers, 154 South 8th Street, Grover Beach, California 93433



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Date: August 2, 2017
To: Board of Directors
From: Gerhardt Hubner, District Administrator
Subject: **Financial Review as of June 30, 2017**

Overall Financial Summary

As of June 30, 2017, the District has received total revenues of \$4,994,801. Of this amount, \$4,856,493 is for operating revenues, and \$138,308 is for non-operating revenues.

District expenses totaled \$4,080,469 as of June 30, 2017.

Local Agency Investment Fund

The balance in the District's LAIF account was \$2,435,258 as of June 30, 2017.

County of San Luis Obispo Treasury Pool

As of June 30, 2017, the reconciled cash balance with the County of San Luis Obispo Treasury Pool was \$3,215,467. The County issues the majority of the District's checks, and the majority of the District's revenues are deposited with this agency. As such, the County provides "banking services" to the District and provides some accounting documents for internal control purposes.

Rabobank Funds

As of June 30, 2017, the reconciled cash balance in the District's Rabobank account totaled \$156,900. This account has been used to process the District's contracted payroll provider service and other District expenditures.

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
MONTHLY CASH REPORT JUNE 2017**

| | | |
|--|----|--------------|
| Cash Balance at 05/31/17 | \$ | 5,343,418.78 |
| Deposits | \$ | 728,617.28 |
| Redeposit of Stale dated Check to Bay Foundation | \$ | 221,962.56 |
| County Treasury Interest | \$ | 7,984.52 |
| LAIF Interest | \$ | - |
| Deposits from Property Tax Current | \$ | 2,371.00 |
| Deposits from Property Tax Delinquent | \$ | 409.22 |
| Deposit of Overpayment from CWT | \$ | 1,207.43 |
| Property Tax Fee | \$ | - |
| Warrant Register 06/07/17 | | (146,934.73) |
| Warrant Register 06/21/17 | | (238,255.55) |
| Payroll 06/09/17 | | (32,252.68) |
| Payroll 06/23/17 | | (31,935.19) |
| CalPERS Medical/Health | | (36,683.60) |
| CalPERS Retirement | | (12,130.74) |
| Rabobank June Activity Fee | | (153.40) |

| | | |
|----------------------------|----|------------|
| Total June Activity | \$ | 464,206.12 |
|----------------------------|----|------------|

| | | |
|---------------------------------|----|--------------|
| Cash Balance at 06/30/17 | \$ | 5,807,624.90 |
|---------------------------------|----|--------------|

| | |
|----------------------------|---------------------|
| | CASH BALANCE |
| Cash by Institution | @ 06/30/17 |
| Cash with County Treasury | 3,215,466.48 |
| Cash with LAIF | 2,435,258.07 |
| Cash with Rabobank | 156,900.35 |
| | \$ 5,807,624.90 |

difference \$ -



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STAFF REPORT

Date: August 2, 2017
To: Board of Directors
From: Gil Trujillo and Wendy Stockton District Co-Counsel
Subject: **APPROVE HIRING OF PAUL KARP AND RICK SWEET TO PROVIDE SPECIALIZED TECHNICAL SERVICES TO THE DISTRICT FOR UP TO SIX MONTHS; AUTHORIZE THE BOARD CHAIR TO EXECUTE CONTRACTS FOR THEIR SERVICES**

RECOMMENDATION:

Consider and adopt Resolution No. 374, approving the hiring of Mr. Paul Karp and Mr. Rick Sweet to provide specialized technical services to the District for a period of up to six months, and authorize and direct the Board Chair to execute contracts for their services.

BACKGROUND AND DISCUSSION:

Messrs. Karp and Sweet have extensive experience in the public sector, including decades of experience with direct responsibility for wastewater treatment plants for various agencies. They are familiar with District operations. They are willing to assist the District for up to six months by providing their technical expertise and advice on pending District projects, including Plant maintenance, the Redundancy project, and District operation, at a cost of \$150/hour. Messrs. Karp and Sweet have requested that any contract between the District and them contain an indemnification clause.

The District has an immediate need for the technical services and advice that Messrs. Sweet and Karp can provide. No one else has their combination of experience, expertise and availability. If directed by the Board, District Co-Counsel will prepare contracts containing the terms they request for execution by the Board Chair and Messrs. Karp and Sweet.

Options

1. Adopt the resolution approving the hiring Paul Karp and Rick Sweet to provide specialized technical services and advice to the District for a period of up to six months, and authorizing and directing the Board Chair to execute contracts for their services.
2. Do not adopt the resolution.
3. Provide further direction to staff.

Fiscal Consideration

Funds are available to pay for consultant technical services within the District's allocated 2017-18 fiscal year budget through Professional Services/Engineering Account Number No. 19-7077.

Attachment No. 1 – Resolution No. 2017-374

RESOLUTION NO. 2017-374

**A RESOLUTION OF THE SOUTH SAN LUIS OBISPO COUNTY
SANITATION DISTRICT BOARD OF DIRECTORS APPROVING
THE HIRING OF PAUL KARP AND RICK SWEET TO PROVIDE
SPECIALIZED TECHNICAL SERVICES TO THE DISTRICT
FOR UP TO SIX MONTHS, AND AUTHORIZING AND
DIRECTING THE BOARD CHAIR TO EXECUTE CONTRACTS
FOR THEIR SERVICES**

WHEREAS, the District has an immediate, short-term need for specialized technical services and advice in order to complete maintenance and construction projects at its wastewater plant and continue its operations; and

WHEREAS, Rick Sweet and Paul Karp are willing to provide specialized technical services and advice to the District for up to six months, and to begin immediately; and

WHEREAS, Paul Karp and Rick Sweet have had extensive experience in public wastewater treatment plant and public-sector operations and are familiar with District operations; consequently, hiring them appears to be in the District's best interest; and

WHEREAS, funds are available in Account 19-7076 to pay for technical services and advice;

NOW, THEREFORE, BE IT RESOLVED by the South San Luis Obispo County Sanitation Board of Directors:

1. Paul Karp and Rick Sweet are hired to provide specialized technical advice and services to the District for a period of up to six months, subject to execution of contracts with terms outlined in the District's staff report dated August 2, 2017 and in a form acceptable to District Co-Counsel;
2. The Board Chair or his designee is authorized and directed to execute the contracts on the District's behalf.

PASSED AND ADOPTED at a regular meeting of the South San Luis County Sanitation District Board of Directors held this second day of August, 2017.

On the motion of _____ seconded by _____, and by the following roll call vote:

AYES:
NOES:
ABSENT:
CONFLICTS

CERTIFICATION

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the South San Luis Obispo County Sanitation District held on August 2, 2017.

Paul J. Karp
Technical Consultant

John Shoals, Chair
Board of Directors,
South San Luis Obispo County Sanitation District

Gilbert A. Trujillo
District Co-Legal



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STAFF REPORT

Date: August 2, 2017
To: Board of Directors
From: Gerhardt Hubner, District Administrator
Subject: **ADOPTED FISCAL YEAR 2017-18 BUDGET**

RECOMMENDATION

1. Receive and File Report.
2. Provide feedback and/or direction as appropriate, on an annual amount, and/or percentage to be allocated to the Redundancy Project through Fund 20 or another Fund, and direct staff to return at a future meeting to further implement revisions to the Adopted Fiscal Year 2017-18 Budget to set aside a set amount for the Redundancy Project.

BACKGROUND

At the June 21, 2017 Board meeting the Board approved the Fiscal Year 2017-18 Budget. The motion for the adoption contained a number of revisions and direction.

The motion was as follows:

Director Hill made a motion to approve the Budget for Fiscal Year 2017-18 generally as presented by staff with the following changes: Phase I and Phase II of the video logging, jetting/cleaning and I & I Study not be funded through Fund 20 rather they be funded through Fund 19 or 26; funds collected for Redundancy Project under the recent rate increase be identified as a separate account which could be incorporated into Fund 20; Professional Services for attorney fees be reduced to \$36k from \$96k and the Professional Services Outside Counsel litigation be reduced from \$50k to \$20k absent additional Board action; transfers from Fund 19 to Fund 26 reflect the updated total of \$777,200 instead of the \$1 million that was on an earlier copy; Item 6A, Attachment 2, Page 9, the total revenues to Fund 20 be corrected to \$153k such that the total at the end of the year is \$3.203 million currently the total; acknowledge the deferral of the work on the primary clarifier; and charges under laboratory capital equipment for 2017-B2-13 laboratory calibrations be transferred to a maintenance fund; under Attachment 5, Page 1 Administration Compensation Plan in the 3rd sentence, the term District Manager be changed to Administrator and in the subsequent sentence the Chairman of the Board of Directors shall make a decision be changed to the Board of Directors shall make a

decision; and that the adopting Resolutions (Resolution Nos. 2017-369 and 2017-370) be modified as necessary to comply with his motion.

An amendment was made to reduce the Professional Services for attorney fees to half of the \$96k proposed (or \$48K).

Director Hill recommended establishing an account with the fees for the Redundancy Project based on the document that was approved during the Proposition 218 rate increase and if the amount to place in the account is not easily determined to bring it back to the Board.

DISCUSSION

After the minutes from the Board meeting on June 21st were adopted at the July 5th Board meeting, staff proceeded to revise the draft Budget spreadsheets accordingly as follows:

1. Phase I and II of the Video Logging, Jetting/Cleaning and I&I Study in the amount of \$175,000 were moved from Fund 20 to Fund 26. Corresponding, the totals in Fund 20 were reduced by \$175,000 and the amount in Fund 26 was included by \$175,000 in Fund 26. In addition, in order to balance Fund 26, an additional \$175,000 was transferred from Fund 19 to Fund 26, changing the previous amount from \$777,200 to \$947,200.
2. Professional Services, Attorney Fee reduced from \$96,000 to \$48,000.
3. Professional Services, Outside Counsel/Litigation reduced from \$50,000 to \$20,000.
4. Laboratory Calibrations in the amount of \$5,000 were moved from Schedule B2 and placed in Schedule A1. Corresponding totals in B2 were reduced from \$62,000 to \$57,000 and the total in A1 was increased from \$171,000 to \$176,000.
5. Fund 20 Revenues for Fiscal Year 17-18 at \$153,000. Fund 20 Total Revenues including Beginning Fund Balance at \$3,203,000.
6. Resolution No. 2017-370: District "Manager" changed to District "Administrator", and Chairman of the Board shall make a decision to "Board of Directors".

On the final adopted Fiscal Year 2017-18 Budget Spreadsheet (Attachment No. 1) we have provided in yellow highlight the changes that were made.

One revision that could not be made at this time:

1. Transfer of funds from Fund 19 to Fund 20 from the wastewater rate increase enacted in March 2016 to specifically support the Redundancy Project. Staff research indicates from examining Ordinance No. 2016-01, and Wastewater Financial Plan and Rate Study, dated February 10, 2016 (prepared for the rate increase) no specific amount, percentage or allocation can be attributed solely to the Redundancy Project.

Adopted Ordinance No. 2016-01 states:

"Whereas, the District needs to increase its charges for wastewater treatment services and facilities because, besides operating and maintaining its regional treatment plant (which includes repair and replacement of aging plant facilities and increased costs for staffing, electricity, chemicals, insurance and other operating expenses), the District must build major new facility upgrades to comply with state and federal laws and regulations."

Therefore, staff cannot input a set value into the budget spreadsheet to accomplish this directive.

ATTACHMENT: Final Adopted Fiscal Year 2017-18 Budget Spreadsheets



**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
ADOPTED FISCAL YEAR 2017/18 Budget
Consolidated**

| | Fund 19 Fund | Fund 20 Fund | Fund 26 Fund | FY 2017/18 Total |
|---|-------------------------|---------------------|-------------------------|-----------------------------|
| Revenues | | | | |
| Gross Revenues | | | | |
| Service Charges and Fees | 4,602,000 | | | 4,602,000 |
| Connection Fees | | 66,000 | | 66,000 |
| Interest | 10,000 | 12,000 | | 22,000 |
| Other Revenues | 302,950 | | | 302,950 |
| Grant Reimbursement | | 75,000 | | 75,000 |
| Total Revenues | 4,914,950 | 153,000 | | 5,067,950 |
| Expenditures & Other Uses | | | | |
| Operating Expenditures | | | | |
| Salaries and Wages | 813,200 | | | 813,200 |
| Employee Benefits and Other Personnel Costs | 479,000 | | | 479,000 |
| Permits, Fees and Licenses | 25,000 | | | 25,000 |
| Communications | 14,000 | | | 14,000 |
| Computer Support | 15,000 | | | 15,000 |
| Administrative Costs | 141,000 | | | 141,000 |
| Professional Services | 311,500 | | | 311,500 |
| Disposal Services | 69,000 | | | 69,000 |
| Utilities | 168,500 | | | 168,500 |
| Maintenance, Tools & Replacements | 309,500 | | | 309,500 |
| Materials, Services and Supplies | 230,000 | | | 230,000 |
| Training, Education & Memberships | 33,000 | | | 33,000 |
| Total Operating Expenditures | 2,608,700 | | | 2,608,700 |
| Other Charges | | | | |
| RWQCB ACL SEP Regional GW Model | 222,000 | | | 222,000 |
| MOU with City of Pismo Beach for Joint EIR | | 127,500 | | 127,500 |
| Cogen EISA - Debt Principal and Interest | | 37,500 | | 37,500 |
| Contingency | 100,000 | | | 100,000 |
| Total Other Charges | 322,000 | 165,000 | 0 | 487,000 |
| Capital Replacement/Maintenance | | | | |
| Capital Outlay | | | | |
| Capital Equipment | 70,500 | 1,700,000 | 1,187,200 | 2,957,700 |
| Total Capital Outlay | 70,500 | 1,700,000 | 1,187,200 | 2,957,700 |
| Other Financing Sources & Uses | | | | |
| Transfers Out (In) | 947,200 | | 947,200 | 0 |
| Total Other Financing Sources & Uses | 947,200 | | | |
| Beginning Fund Balance | 1,472,000 | 3,050,000 | 240,000 | 4,762,000 |
| * Includes Reserve \$248,990 from FY 16-17 | | | | |
| Ending Fund Balance | 2,438,550 | 1,338,000 | 0 | 3,776,550 |
| | | | | |
| | | | | |
| | | | | |

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
ADOPTED FISCAL YEAR 2017/18 BUDGET**

| | | | |
|--|------------------------|------------------------|--|
| Fund 19 - Operating Fund | | FY 17/18 Budget | |
| 19-4005 Beginning Fund Balance | | 1,472,000 | |
| | | | |
| | | | |
| Revenues | | | |
| Gross Revenues | | | |
| Service Charges and Fees | | | |
| 19-4015 | Arroyo Grande Services | 2,210,000 | |
| 19-4022 | Grover Beach Services | 1,643,000 | |
| 19-4035 | OCSD Services | 736,000 | |
| 19-4040 | Other Service Income | 8,000 | |
| 19-4045 | School Services | 5,000 | |
| Total Service Charges and Fees | | 4,602,000 | |
| | | | |
| 19-5015 | Interest | 10,000 | |
| Total Interest | | 10,000 | |
| | | | |
| Other Revenues | | | |
| 19-4050 | Brine Disposal Service | 300,000 | |
| 19-4055 | Lease (AT&T) | 2,200 | |
| 19-5020 | Other Reimbursements | 0 | |
| 19-5023 | FOG Reimbursement | 750 | |
| | | | |
| Total Other Revenues | | 302,950 | |
| | | | |
| Total Revenues | | 4,914,950 | |
| | | | |
| Fund 19 Total Operating Revenue | | 6,386,950 | |
| | | | |
| Expenditures & Other Uses | | | |
| Salaries and Wages | | | |
| 19-6030 | Plant Operators | 595,000 | |
| 19-6035 | Student Intern | 5,000 | |
| 19-6040 | Bookkeeper/Secretary | 59,000 | |
| 19-6045 | District Administrator | 154,200 | |
| Total Salaries and Wages | | 813,200 | |
| | | | |

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
ADOPTED FISCAL YEAR 2017/18 BUDGET**

| Fund 19 - Operating Fund | | FY 17/18 Budget | |
|--|---|------------------------|--|
| Employee Benefits and Other Personnel Costs | | | |
| 19-6010 | Medical Insurance | 210,000 | |
| 19-6025 | Dental Insurance | 9,000 | |
| 19-6050 | Social Security & Medicare | 63,000 | |
| 19-6055 | State Disability Insurance | 3,500 | |
| 19-6060 | State Retirement | 60,000 | |
| 19-6075 | Medical Reimbursement | 5,000 | |
| 19-6080 | Worker's Compensation | 72,000 | |
| 19-6065 | Unfunded Liability | 45,000 | |
| 19-6090 | Payroll Process Fee | 3,500 | |
| 19-6095 | Unemployment Reimbursement | 8,000 | |
| 19-7025 | Employee Uniforms | 11,000 | |
| Total Employee Benefits and Other Personnel Costs | | 479,000 | |
| Permits, Fees and Licenses | | | |
| 19-7068 | Permit Fees | 25,000 | |
| Total Permits, Fees and Licenses | | 25,000 | |
| Communications | | | |
| 19-7011 | Comm (Alarm) | 2,000 | |
| 19-7013 | Communications - Telephone and Internet | 9,500 | |
| 19-7014 | Communications - Cell Phones | 2,500 | |
| Total Communications | | 14,000 | |
| Computer Equipment | | | |
| 19-7015 | Computers/Printers/Laptops | 15,000 | |
| Total Computer Support | | 15,000 | |
| Administrative Costs | | | |
| 19-6085 | Temporary Labor Services | 10,000 | |
| 19-7005 | Advertisements/Legal & Recruit | 30,000 | |
| 19-7040 | Admin. Office Space | 12,000 | |
| 19-7043 | Insurance Liability - Auto | 30,000 | |
| 19-7069 | LAFCO Budget Share | 13,000 | |
| 19-7095 | Zone 1/1A Property Tax | 30,000 | |
| 19-8045 | Office Supplies | 8,000 | |
| 19-8056 | Safety Supplies/H&S Exam | 8,000 | |
| Total Administrative Costs | | 141,000 | |

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
ADOPTED FISCAL YEAR 2017/18 BUDGET**

| Fund 19 - Operating Fund | | FY 17/18 Budget | |
|--|--|------------------------|--------------------|
| Professional Services | | | |
| 19-7070 | Prof Services - Outside Counsel/Litigation | 20,000 | |
| 19-7062 | Prof Services - Electrician/Integrator | 20,000 | |
| 19-7071 | Prof Services - Attorney Fee | 48,000 | |
| 19-7072 | Prof Services - Auditing | 17,000 | |
| 19-7073 | Prof Services - AG Billing | 22,000 | |
| 19-7074 | Prof Services - OCSD Billing to NBS | 10,000 | |
| 19-7075 | Prof Services - Board Members/Meetings | 5,500 | |
| 19-7065 | Prof Services - Public Outreach | 5,000 | |
| 19-7076 | Prof Services - Human Resources | 20,000 | |
| 19-7077 | Prof Services - Engineering | 50,000 | |
| 19-7078 | Prof Services - Chemical Analysis | 13,000 | |
| 19-7079 | Prof Services - Records Mngt | 5,000 | |
| 19-7080 | Prof Services - AGP Video | 14,000 | |
| 19-7081 | Prof Services - GB Billing | 22,000 | |
| 19-7082 | Prof Services - Computer, GIS & Website Su | 15,000 | |
| 19-7083 | Prof Services - Fiscal Services | 12,000 | |
| 19-7088 | Prof Services - Strategic Planning | 13,000 | |
| Total Professional Services Cost | | 311,500 | |
| Disposal Services | | | |
| 19-7085 | Solids Handling (incl Digester Cleaning) | 65,000 | |
| 19-7086 | Brine Disposal Sampling | 4,000 | |
| Total Disposal Services | | 69,000 | |
| Utilities | | | |
| 19-7091 | Utilities - Electricity | 150,000 | |
| 19-7092 | Utilities - Gas | 10,000 | |
| 19-7093 | Utilities - Rubbish (incl Grit) | 7,000 | |
| 19-7094 | Utilities - Water | 1,500 | |
| Total Utilities | | 168,500 | |
| Maintenance, Tools & Replacements | | | |
| 19-8015 | | | |
| 19-8030 | Equip Maint Reg and Minor Replacement | 176,000 | Schedule A1 |
| 19-8032 | Automotive Maintenance | 5,000 | |
| 19-8055 | Small Tools | 3,500 | |
| 19-8060 | Structure Maintenance - Regular | 25,000 | |
| 19-8061 | Structure Maintenance - Major | 100,000 | |
| Total Maintenance, Tools & Replacements | | 309,500 | |
| Materials, Services and Supplies | | | |
| 19-7032 | Equipment Rental | 5,000 | |
| 19-8020 | Gas and Oil | 5,000 | |
| 19-8035 | Household Expense | 5,000 | |
| 19-8040 | Laboratory Supplies | 10,000 | |
| 19-8050 | Plant Chemicals | 205,000 | |
| Total Materials, Services and Supplies | | 230,000 | |

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
ADOPTED FISCAL YEAR 2017/18 BUDGET**

| Fund 19 - Operating Fund | | FY 17/18 Budget | |
|--|-------------------------------|------------------------|--------------------|
| Training, Education & Memberships | | | |
| 19-7055 | Prof. Certs./License | 3,000 | |
| 19-7067 | Training/Operator Exam Prep | 10,000 | |
| 19-7050 | Memberships/Seminars/Meetings | 20,000 | |
| Total Training, Education & Memberships | | 33,000 | |
| Total Operating Expenditures | | 2,608,700 | |
| Capital Outlay | | | |
| 19-8010 | Capital Equipment | 70,500 | Schedule A2 |
| Total Capital Outlay | | 70,500 | |
| 19-7066 RWQCB ACL SEP Regional GW Model | | 222,000 | |
| Other Financing Sources & Uses | | | |
| 19-8079 | Transfer out to Fund 26 | 947,200 | |
| 19-8077 | Contingency | 100,000 | |
| Total Other Financing Sources & Uses | | 1,269,200 | |
| Total Expenditures | | 3,948,400 | |
| Budget Income (Deficit) | | 2,438,550 | |
| Fund 19 Ending Balance | | 2,438,550 | |

| Schedule A1 | | |
|--|---|------------------|
| Detail List of Equipment Maintenance in Fund 19 | | |
| Existing Assets - Scheduled Maintenance | | |
| Account 19-8030 | | |
| Project No. | Project | Cost |
| 2017-A1-01 | Amiad Filters | 1,500 |
| 2017-A1-02 | Boiler | 5,000 |
| 2017-A1-03 | Cart Tires | 5,000 |
| 2017-A1-04 | CCT Rising Stem Valve | 7,500 |
| 2017-A1-05 | Centrifuge | 25,000 |
| 2017-A1-06 | Centrifuge Auger Flip | 10,000 |
| 2017-A1-07 | Chemical Feed Pumps | 2,000 |
| 2017-A1-08 | Chemical Feed Backup Systems | 2,000 |
| 2017-A1-09 | CCT Chloride/Bisulfite Control | 5,000 |
| 2017-A1-10 | Plant Degeneration Control | 5,000 |
| 2017-A1-11 | Electrical Conductor Replacement | 7,500 |
| 2017-A1-12 | Electrical Equipment Replacement | 7,500 |
| 2017-A1-13 | Flare | 6,000 |
| 2017-A1-14 | Flow Calibration | 2,000 |
| 2017-A1-15 | Flow Chart Repair | 2,000 |
| 2017-A1-16 | Forklift | 2,000 |
| 2017-A1-17 | Front Loader | 5,000 |
| 2017-A1-18 | Heat Exchanger | 1,000 |
| 2017-A1-19 | Moyno Pumps | 5,000 |
| 2017-A1-20 | Plant Storm Drains/Pumps | 5,000 |
| 2017-A1-21 | Primary Clarifier #1 | 5,000 |
| 2017-A1-22 | Sludge Mixing Pump | 1,000 |
| 2017-A1-23 | Sludge/Water Valves | 25,000 |
| 2017-A1-24 | Emergency Maintenance Pump | 2,000 |
| 2017-A1-25 | Emergency Maintenance Generator | 2,000 |
| 2017-A1-24 | Tree Line Maintenance | 5,000 |
| 2017-A1-25 | Unexpected Maintenance Contingency | 20,000 |
| 2017-A1-26 | Laboratory Calibrations | 5,000 |
| | Total for Fund 19-8030 | \$176,000 |
| | | |
| | TOTAL OF EQUIPMENT MAINTENANCE FUND 19 | \$176,000 |

Schedule A2
Detail List of New Capital Equipment in Fund 19

| Project No. | Capital Equipment Account 19-8010 | Cost |
|--------------------|--|-----------------|
| 2017-A2-01 | Clarifier #1 Sludge Pump NO. VFD | 7,000 |
| 2017-A2-02 | Effluent Pump #2 VFD | 12,500 |
| 2017-A2-03 | FFR Blower #1 | 5,250 |
| 2017-A2-04 | FFR Blower #2 | 5,250 |
| 2017-A2-05 | Parshall Flume Flow Transmitter | 5,500 |
| 2017-A2-06 | Primary #2 Sludge Pump #6 | 20,000 |
| 2017-A2-07 | Shed for Emergency By-Pass Pump | 5,000 |
| 2017-A2-08 | Sodium Bisulfite Tank | 10,000 |
| | Total for Fund 19 | \$70,500 |
| | Total Of Capital Equipment In Fund 19 | \$70,500 |

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
ADOPTED FISCAL YEAR 2017/18 BUDGET**

| Fund 20 | | FY 2017-18 Draft BUDGET | |
|--|--|------------------------------------|--|
| Beginning Fund Balance | | 3,050,000 | |
| Revenues | | | |
| Connection Fees | | | |
| 20-4010 | Arroyo Grande Connections | 30,000 | |
| 20-4020 | Grover Beach Connections | 30,000 | |
| 20-4030 | OCSD Connections | 6,000 | |
| Total Connection Fees | | 66,000 | |
| Grant Reimbursement | Grant Reimbursement | 75,000 | |
| Total Grant Reimbursement | | 75,000 | |
| Interest | | | |
| 20-5015 | Interest Income | 12,000 | |
| Total Interest | | 12,000 | |
| Total Revenues | | 3,203,000 | |
| Expenditures & Other Uses | | | |
| Other Charges | | | |
| MOU with City of Pismo Beach for Joint EIR | | 127,500 | |
| 20-7096 | Cogeneration EISA - Debt Principal and Interest | 37,500 | |
| 20-1010 | Transfer to Fund 26 | 0 | |
| Total Other Charges | | 165,000 | |
| Capital Outlay | | | |
| 20-8010 | | | |
| 20-8016 | Phase I - Truck Sewer Video Logging | 0 | |
| | Phase I - Truck Sewer Jetting/Cleaning | 0 | |
| | Phase II - Truck Sewer Inflow & Infiltration Study | 0 | |
| 20-7080 | Redundancy Project - Contract with KJ | 1,500,000 | |
| | Financing Support | 5,000 | |
| | Coastal Monitoring Plan | 30,000 | |
| 20-7090 | | | |
| Total Capital Outlay | | 1,700,000 | |
| Total Expenditures | | 1,865,000 | |
| Ending Fund Balance | | 1,338,000 | |
| | | | |

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
ADOPTED FISCAL YEAR 2017/18 BUDGET**

| Fund 26 | | FY 2017-18 Budget |
|-----------------------------|--------------------------------|--------------------------|
| Beginning Fund Balance | | 240,000 |
| Other Revenues | | |
| 26-5040 | Transfer from Fund 19 | 947,200 |
| 26-5040 | Transfer from Fund 20 | |
| Total Other Revenues | | 1,187,200 |
| Total Revenues | | 1,187,200 |
| Expenditures | | |
| 26-8015 | Trunk Sewer Maintenance - Vide | 175,000 |
| 26-8061 | Structures/Grounds Maint-Maj | 57,000 |
| 26-8065 | Structures/Grounds Repl/Imp | 955,200 |
| 26-8070 | Emergency Equipment Repair | |
| Total Expenditures | | 1,187,200 |
| Ending Fund Balance | | 0 |
| | | |
| | | |
| | | |



SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

1600 Aloha Oceano, California 93445-9735
Telephone (805) 489-6666 FAX (805) 489-2765

Date: August 2, 2017
To: Board of Directors
From: Gerhardt Hubner, District Administrator, Fanny Mui, Interim Plant Superintendent
Subject: **DISTRICT ADMINISTRATOR AND PLANT OPERATION'S REPORT**

Today's report presents ongoing information on latest District staff activities of possible interest to the Board and members of the public, major capital project and studies updates, programmatic initiatives, regional collaboration, NPDES discharge permit renewal, our Plant Operation's report detailing our operation and maintenance activities. *Updates since the last report are provided in italics below:*

Personnel: Ms. Fanny Mui has been appointed Interim Chief Plant Operator and Mr. Rick Jackman has been appointed interim Shift Supervisor. Both appointments are for a three-month period.

Major Capital Projects:

- **Cherry Ave. Arroyo Grande Sewer Bridge Project:**

CEQA: Status: Complete. Board approved MND at its September 7, 2016 meeting.
Regulatory permits: Complete. All Regulatory permits received.

At the June 21, 2017 Board meeting, the Board awarded a contract to Brough Construction Inc. in the amount of \$280,200. *Since then an Agreement has been executed by both parties. A bird nesting survey was recently commissioned in order for the project to initiate work on August 1st. If birds are found, then the start date will need to be pushed back to September 1st per permits issued for the projects.*

- **Mechanical Bar Screen – Status: Operational.**

During the week of July 24th, Duperon representatives were on-site to install additional components and address remaining operational issues. Final payment is pending completion of our punch list for project close out (final payment and record drawings).

- **Redundancy Project:**

Design: On March 16, 2016, the Board approved a design contract with Kennedy/Jenks for Phase I of this project. *On June 21, 2017, the Board approved proceeding with the remaining phases under the contract, including final design. On July 5th, the Board approved Optional Task 1.4A – Alternatives for Future Production of Recycled Water. Several meetings are planned with Kennedy/Jenks on August 2nd to discuss both the design for flood mitigation and progress on optional recycled water task.*

Coastal Commission Permitting:

On May 10, 2017, the Commission voted unanimously to approve a 30-year Coastal Development Permit for the Project (see attached press release). The Commission approved revised Findings on June 7th finalizing their May 10th decision. The Notice of Intent to Issue a CDP was received from Coastal Commission staff on June 19th, and we returned it acknowledging our receipt. *Environmental Science Associates is under contract to develop the Coastal Hazard Plan, (one of the conditions contained in the CDP), and will be meeting/touring our facility on August 1st.*

Financing:

State: All portions of the SRF loan package application have been submitted to SWRCB. *On July 13th, staff attended a SWRCB SRF Policy and Prioritization workshop. At the workshop SWRCB staff presented the latest information on the program, future fund/loan availability (still more demand than funds availability), and sonication from audience members on how to make the program more efficient. In addition, a conference call with SWRCB SRF loan staff was held on June 28th to discuss our application. Based upon the call, SWRCB staff has requested a number of submittals including recirculating the MND Addendum through the State Clearinghouse and Board re-adoption, updated cultural resources report, biological species lists for project area, and air quality modeling for construction. Staff will be bringing at a future meeting options to move forward on these submittals.*

Federal: United States Department of Agriculture: On June 2nd, staff and MKN met on-site with two USDA representatives to discuss programs USDA administers for funding wastewater infrastructure. The meeting was very positive, with indications the District could be eligible for grants and loans up to one third of the amount needed for the Redundancy Project through a disadvantageous community program. *A follow-up meeting and tour of our WWTP was held July 11th. Additional items they are requiring include a preliminary engineering report, updated alternative analysis consistent with NEPA, and preparation of a categorical exclusion.*

- **Biosolids Concrete Slab:** Preliminary engineering and design work is complete. With Coastal Commission approval now received, this project can proceed to the next step, with bid advertisement, and award. We anticipate construction of this project (approximately \$33,000) occurring in late 2017 or Spring 2018.
- **Primary Digester No. 1 Cleanout and Structural Evaluation:** The District has two primary digesters at its facility. Primary Digester No. 1 (constructed in 1965) is long overdue for its regular clean out and inspection (last completed in 2005). In addition, staff and our consultant engineering firm MKN, are concerned with its structural integrity. The first phase is for the cleanout of the digester. The second phase will involve, after cleanout, an inspection and structural survey to determine the digester's structural integrity. Recommendations for any repairs are also proposed as part of this second phase. At the April 5th Board meeting, the

Board approved funding for 1st phase of this project. *An executed Agreement was recently issued to Wastewater Solids Management for \$243,690 and work is expected to start on August 21st. The temporary centrifuge has arrived from Pace, and is operational.*

- **District Control Building and Office:** Significant issues and problems are evident in the District's Operational and Administrative Building. *The new concrete flooring for the building has been installed. The next steps are a thorough/deep cleaning of the building, replacement baseboards, interior painting and new furniture.*

District staff executed a contract with an architectural firm for an audit/assessment of the existing building for disabled access and 2016 Building Code compliance. The Audit Report completed identifies a number of deficiencies that will need major and minor corrective actions. *Surveying for the ADA ramps and project plans are projected to be completed in the next two weeks.*

Studies:

- **Recycled Water Planning Facilities Study Grant:** Complete. Staff submitted the Final Study to SWRCB on June 9, 2017. We are awaiting SWRCB final acceptance and a letter allowing final reimbursement. Upon receipt of that letter, District staff will prepare the required documentation and invoice for submission.
- **Inflow & Infiltration (I & I) Study:** The District's plant received significant increased flow this past wet weather season. A multiple phased I&I study approach is being utilized first with the installation of new flow meters to measure any increase flow from our member agencies collection system. Both Phase I and Phase II of the Study were included in the adopted Budget for Fiscal Year 2017-18. *As the first step, District staff have purchased another flow meter to collect data for one of our trunk lines.*

Programmatic Initiatives

- **Outreach Initiative:** *At the June 19th Board meeting, the Board approved the Summer 2017 Newsletter. Next steps include printing and distributing the Newsletter through our member agencies utility bills.*
- **Records Management Initiative:** *At the May 3, 2017, Board meeting the Board adopted a comprehensive overhaul of our existing Records Retention Policy. Staff is also considering various options for housing our C-Train records, as the C-Train must be removed by September 1st per the Coastal Commission CDP waiver issued back in December 2016. These options are being coordinated through the SLO District Attorney's office.*
- **Human Resources/Personnel Policy Manual Update:** *All Sections of PPM have now been reviewed (including legal input), updated with significant and comprehensive revisions. Subsequently, the entire revised and updated Manual was sent to SEIU employee union representatives. At the June 17th meeting SEIU representatives provided comments on all Sections of the Updated PPM, except the job descriptions. Comments on the latter are expected at the July 28th meeting. As noted previously, the "meet and confer" process must be concluded prior to the PPM consideration and adoption by the Board.*

As noted above, to build on substantial progress already made, staff will again meet with SEIU representatives on July 28th to discuss and refine SEIU's latest proposals and revisions to the draft Memorandum of Understanding.

- Strategic Planning Initiative: The Strategic Planning Workshop has been postponed to September.
- Financial Initiative: Annual Fiscal Year 2015-2016 Audit: District auditors Glenn Burdette, continue to work with staff to complete our Audit. *On July 21st, staff received another list of open items to complete, and have tasked our bookkeeper to work with our Auditors to complete the items as soon as possible.*

Regional Collaboration

- Regional Groundwater Sustainability Project (RGSP): This project consists of a potential future regional recycling project in the South San Luis Obispo County area in conjunction with the City of Pismo Beach, and the District (with participation of our member agencies: Cities of Arroyo Grande, Grover Beach, and Oceano CSD). On June 20th, the MOU between the City of Pismo Beach and the District was approved by the Pismo Beach City Council. The City also awarded a contract for the joint EIR to Rincon Consultants at that same meeting.
- Northern Cities Management Area Technical Group - The NCMA TG, formed as a result of the Santa Maria Groundwater Basin (SMGB) Adjudication, is exploring various ways to protect and enhance future water supplies in the basin through groundwater monitoring, and the collection and analyzing of data pertinent to water supply and demand. *The next meeting is scheduled for August 14th.*
- Water Reuse, Central Coast Chapter - The Association is a not-for-profit association (501c6) of utilities, government agencies and industry that advocates for laws, policies and funding to promote water reuse and reclamation.
- Zone 1/1A Flood Control Advisory Committee – The Committee's focus is to provide input and coordination on proposed improvements and maintenance of the Zone 1/1A flood facilities, working with the Coastal San Luis Resource Conservation District. The meeting scheduled for June 20th was cancelled, and a committee update dated June 9th circulated.
- Integrated Regional Water Management (IRWM). IRWM is a collaborative effort with the County of San Luis Obispo to manage all aspects of water resources on a region-wide scale. *The next scheduled meeting is September 6th.*
- San Luis Obispo County Flood Control and Water Conservation District Water Resources Advisory Committee (WRAC) – *The next scheduled meeting is September 6th.*
- Countywide Water Action Team/Water Management Efforts: Water managers throughout San Luis Obispo County meet quarterly to discuss and collaborate on water supply management solutions. *The next meeting is scheduled for September 22nd.*

RWQCB NPDES Permit Renewal

Based upon a recent conversation with RWQCB staff, a draft permit is not likely to be released for public review before late 2017.

In addition, staff revised the Sewer System Management Plan Audit Report to come in compliance with our General WDR. The WDR requires an Audit be completed every two years. Unfortunately, this Audit report which was due last summer, was not timely completed. This Audit Report describes our planned activities under the Plan for the upcoming year.

District’s Brine Disposal Program:

District staff completed a revised Brine Disposal Plan this month, and submitted it to the RWQCB for review and evaluation.

Public Records Requests

- For the Month of July, staff fulfilled 4 individual requests. One required substantial legal review and input..

Plant Operation’s Report

During the reporting period of July 12th - July 28th, 2017, the District’s facility continues to meet its Permit limitations as required under the State of California’s National Pollutant Discharge Elimination System (NPDES) Permit issued to the District. Due to renovation of the District’s Office, lab analysis has been contracted out. Results from contracted labs take longer to receive than in house lab analysis. Data will be updated as lab results are received. *All process values (lab test results) were within permit limits.*

Monthly Plant Data as of July 28th, 2017

| July 2017 | INF Flow MGD | INF Peak Flow MGD | INF BOD mg/L | EFF BOD mg/L | BOD % Removal | INF TSS mg/L | EFF TSS mg/L | TSS % Removal | Fecal Coliform MPN/100mL | Chlorine Usage lbs/day |
|---------------|-----------------|----------------------|-----------------|-----------------|------------------|-----------------|-----------------|------------------|--------------------------------|------------------------------|
| Low | 2.36 | 3.4 | 300 | 24 | | 400 | 30 | | <2.0 | 63 |
| High | 2.73 | 4.6 | 410 | 33 | | 520 | 37 | | 33 | 520** |
| Average | 2.49 | 3.8 | 365 | 29 | 92.1 | 450 | 34 | 92.4 | 9.25 | 229 |
| July 2016 AVG | 2.4 | 3.6 | 476 | 33.5 | 93 | 450 | 34.4 | 92.4 | 12.6 | 229 |
| Limit | 5.0 | | | 40/60/90 | >80 | | 40/60/90 | >80 | 2000 | |

Limit – 40/60/90 represent NPDES Permit limits for the monthly average, weekly average, and instantaneous value for plant effluent BOD and TSS.

**High chlorine usage due to filling of back-up chlorine tote; filling of back-up tote does not necessarily mean a large amount of chlorine is being used all at once.

Operation and Maintenance Projects

- All Operations staff assisted in completion of daily operations, rounds, and reads
- Reviewed and checked U.S.A.’s near District trunk sewer lines
- Repaired small chlorine leak at chemical pump room

- Finished removal of old polymer feed pump and installed new polymer feed pump in H&M building
- Flooring Project
 - Finished pouring layers of flooring
 - Re-installed doors and spot fixed problem areas
- Primary Digester Cleaning Project
 - Received Papailias sight glasses
 - Received roll off dumpsters for rental centrifuge from Engel & Gray
 - Began primary digester shut down
 - Turned off boiler, hot water pump and sludge recirculation pump
- Received new replacement Isotemp Refrigerator/Freezer for Lab
- Duperon applied a coating to control panel's AC unit to passivate surface from rust and filed down stainless-steel scrapper teeth to stop rumbling in the bar screens
- Changed out leaky hose on chlorine mixer at Chlorine Contact Chamber
- Work Orders:
 - De-ragged both primary clarifier sludge pumps
 - Rinsed both primary clarifiers
 - Rinsed secondary clarifier
 - Exercised emergency outfall pumps at Chlorine Contact Chamber

Training

- No staff trainings to report this reporting period

Call Outs

- No call outs to report for this reporting period