

## **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

<http://sslocsd.org/>

### **Agenda**

#### **Board of Directors Meeting**

1655 Front Street

Oceano, California 93445

**Wednesday, November 2, 2011 at 6:00 PM**

#### **Board Members**

Bill Nicolls, Chairman

Lori Angello, Director

Tony Ferrara, Director

#### **Alternates**

Karen Bright, Director

Mary Lucey, Director

Jim Guthrie, Director

#### **Agencies**

City of Grover Beach

Oceano Community Services District

City of Arroyo Grande

City of Grover Beach

Oceano Community Services District

City of Arroyo Grande

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#### **1. CALL TO ORDER AND ROLL CALL**

#### **2. 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 that 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 Chairman or presiding Board Member may:

- Direct staff to assist or coordinate with you.
- It may be the desire of the Board to place your issue or matter on a future Board agenda.

Please adhere to the following procedures when addressing the Board:

- Comments should be limited to 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. 1655 Front Street, Oceano, California. Consistent with the Americans with Disabilities Act 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 the modification or accommodation in order to participate at the above referenced public meeting by contacting the District Administrator or Administrative Assistant at 805-544-4011.

**3. 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 change the recommended course of action. The Board may approve the remainder of the Consent Agenda on one motion.

**3a. Review and Approval of Minutes of October 19, 2011 meeting**

**3b. Review and Approval of Warrants**

**4. PLANT SUPERINTENDENT'S REPORT****5. BOARD ACTION ON INDIVIDUAL ITEMS:****A. REVIEW OF AUDITORS' REPORT**

Staff recommends the Board review the District's staff report and analysis of the County's focused internal control review report dated October 21, 2011 regarding SSLOCSD and direct the Chairman to sign respond.

**B. CHEMICAL METERING PUMPS PURCHASE, 11 MBI 02**

Staff recommends the Board approve the purchase of a total of four chemical metering pumps and spare parts from Ryan Herco in the amount of \$4,453.59

**6. PUBLIC COMMENT ON CLOSED SESSION****7. CLOSED SESSION**

Conference with legal counsel regarding liability claim pursuant to Govt. Code §54961

Claimant: Jeff Appleton

Agency claimed against: SSLOCSD

**8. RETURN TO OPEN SESSION, REPORT ON CLOSED SESSION****9. MISCELLANEOUS ITEMS****a. Miscellaneous Oral Communications**

- Status of December 10, 2010 storm event NOV; discussions with SWRCB
- Status of requests for proposals for county Environmental Studies for Oceano Lagoon.

**b. Miscellaneous Written Communications****10. ADJOURNMENT**

## **SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT**

Oceano Community Services District  
1655 Front Street  
Oceano, CA 93445

Minutes of Wednesday, October 19, 2011  
6:00 P.M.

### **1. ROLL CALL**

Present: Chairman Bill Nicolls, City of Grover Beach; Tony Ferrara, City of Arroyo Grande.

Others in Attendance: John Wallace, District Administrator; Mike Seitz, District Counsel;  
Bob Barlogio, Plant Superintendent

### **2. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON AGENDA**

There were no public comments.

### **3. CONSENT AGENDA**

- A. Review and Approval of Minutes from the Meeting of September 28, 2011.
- B. Review and Approval of Warrants.
- C. Financial Report

It was moved by Director Ferrara, seconded by Director Nicolls to approve Consent Agenda items 3A, 3B and 3C. Motion carried unanimously.

Administrator Wallace commented that the monthly Financial Report is undergoing an evolution on how best to present the District's financial information. The District Bookkeeper/Secretary is working with the County Auditor-Controller's Office on this.

### **4. PLANT SUPERINTENDENTS REPORT**

Plant Superintendent Barlogio reported that for the month of September, the District will most likely meet monthly requirements. There will, however, be one violation for exceeding the weekly average BOD levels.

Plant Superintendent Barlogio reported that the water champ (flash mixer) is in place and anticipates that chlorine usage may eventually be reduced by one-half. Administrator Wallace added that this translates to roughly \$200,000 savings per year.

Staff is preparing for the rainy season by doing a full service of the diesel, stand-by pump.

Chairman Nicolls asked whether there had been any conversations with Pismo Beach since Yo Banana Boy was directed to the North Beach campground. Administrator Wallace said that he had spoken with both Pismo and Andy Zilke from State Parks, and confirmed that Yo Banana Boy's waste is going to Pismo. Apparently, Pismo has not seen any significant increase in their effluent levels.

Chairman Nicolls inquired about status of the two samplers previously ordered. Plant Superintendent Barlogio said that the samplers were received on October 18<sup>th</sup> and that he could most likely have some

results by the second meeting in November.

Director Ferrara thanked Plant Superintendent Barlogio and the staff for the successful Open House. He then asked about the temporary labor being used by the District. Administrator Wallace responded that since the Plant is short-handed with respect to operators, Plant Superintendent Barlogio has utilized temporary staff for minor maintenance such as painting and sandbagging. This allows the operators to perform the more detailed Plant operations. Plant Superintendent Barlogio also mentioned that the District's new Bookkeeper/Secretary was hired initially through the temporary staffing agency until October 1.

Tom Geaslen, Interim General Manager of OCSD, spoke about OCSD's grab sample testing of OCSD's lines. Mr. Geaslen also stated that the District and its member agencies are coordinating joint sharing of maintenance resources. He also mentioned that there is good communication with good feedback and response amongst the agencies involved. Areas of cross-responsibility have been identified, and there is a consensus on things being done.

Mr. Geaslen then mentioned that USDA was lending for capital improvements with some attractive lending rates (<3%) on loans. Administrator Wallace said that the District had also been in contact with the USDA and may work with them on loans allocating an amount to Oceano to qualify for a loan as part of the District.

5. BOARD ACTION ON INDIVIDUAL ITEMS

A. ELECTRICAL SYSTEM UPGRADE, FFR WIRE PURCHASE 04 MBI 16

Administrator Wallace presented the staff recommendation that the Board approve the purchase of the wire from CED for the District's reconductoring project in the amount of \$6,680.50.

**It was moved by Director Ferrara, seconded by Director Nicolls to approve the staff recommendation to purchase the wire to reductor the FFR in the amount of \$6,680.50. Motion carried unanimously.**

B. 11 MBI 07 – IT SYSTEM UPGRADE, MANAGED IT SERVICES

Administrator Wallace presented the staff recommendation that the Board approve budget item 11 MBI 07 – IT SYSTEM UPGRADE. The IT Systems at the Plant will be upgraded as needed and the system managed by the contractor. Of the two quotes submitted meeting the District's needs, TekTegrity was the best alternative.

**It was moved by Director Ferrara, seconded by Director Nicolls to approve the staff recommendation for contracting with TekTegrity for 11 MBI 07 - IT System Upgrade in the initial amount of \$5,628 plus the annual services of \$3,642. Motion carried unanimously.**

C. FFR PUMP REFURBISHMENT 09 MBI 01

Administrator Wallace presented the staff recommendation that the Board approve a change order for parts and repair for the FFR Pump No. 1 in the amount of \$12,465. This is a substantially less expensive alternative to purchasing a new pump.

**It was moved by Director Ferrara, seconded by Director Nicolls to approve the staff recommendation for a purchase order amendment of \$12,465 to FLO-Systems for the FFR Pump Refurbishment 09 MBI 01. Motion carried unanimously.**

D. ANNUAL INFLUENT GRINDER MAINTENANCE 04 MBI 03

Administrator Wallace presented the staff recommendation that the Board approve payment to JWC Environmental to become current on Unit No. 1's Monster Care Service Contract. The District had been holding payments to JWCE because JWCE would not honor its warranty. An agreement has been reached whereby JWCE will now honor its warranty, and the District will pay for the service contract.

**It was moved by Director Ferrara, seconded by Director Nicolls to approve the staff recommendation to pay \$12,594 to JWC Environmental to become current on Grinder Unit 1's Monster Care Service Contract. Motion carried unanimously.**

E. STAFF ELECTRICAL SAFETY AND ARC FLASH TRAINING

Administrator Wallace presented the staff recommendation that the Board approve arc flash training as required by OSHA. This is a new interpretation by OSHA. The District had needed to call out electricians to access motor control centers and other electrical equipment.

Chairman Nicolls asked about potential cost savings from Staff performing this type of work instead of paying for outside contractors. Plant Superintendent Barlogio responded that the District may save \$3-\$4,000 per year.

Director Ferrara suggested that it should be determined whether the consultant, Mr. Lipka, is certified through OSHA as a trainer.

**It was moved by Director Ferrara, seconded by Director Nicolls to approve the staff recommendation that the District contract with Tony Lipka in the amount of \$4,500, subject to the determination that he is a certified OSHA trainer. Motion carried unanimously.**

F. PURCHASE OF POLYBLEND UNIT, 11 MBI 04

Administrator Wallace presented the staff recommendation that the Board approve a purchase order in the amount of \$8,507.07 for the purchase of a Polyblend Unit from D&H Water Systems. This will be a redundant unit which could be used in multiple places within the Plant.

**It was moved by Director Ferrara, seconded by Director Nicolls to approve the staff recommendation to issue a purchase order in the amount of \$8,507.07 for the purchase of a Polyblend Unit from D&H Water Systems. Motion carried unanimously.**

6. MISCELLANEOUS ITEMS

A. Miscellaneous Oral Communications

Administrator Wallace spoke about a recycled water workshop which had been brought up at the September 28<sup>th</sup> Board meeting. Administrator Wallace said the Board had mentioned establishing a round-table discussion or workshop. This would discuss common techniques, what it would take to do recycling at the District's Plant and the costs involved. Farmers could also share their responses to the use of recycled water. Director Ferrara then stated he would like everyone to feel that they have an equal seat at a round-table discussion about the issues. Director Ferrara said that he does not want the workshop to be so technical but rather to be a forum which invites open dialogue with ample time for discussion and questions. The

Board would like to move towards more of a final discussion on this issue so it will be subsequently brought back to the Board at a later time.

Administrator Wallace spoke about the upcoming meeting with officials of the State Water Board regarding the District's Notice of Violation (NOV). District representatives, including Administrator Wallace and Plant Superintendent Barlogio, will address and discuss various, detailed technical topics and responses to the State Water Board. Administrator Wallace iterated that Plant Superintendent Barlogio is ready for this year's wet season.

**B. Miscellaneous Written Communications**

Administrator Wallace spoke about the Zone 1/1A Advisory Group meeting which he had attended the day before. One of the main issues was what the County is doing to protect the Oceano Lagoon area long-term. Monies from the Zone 1/1A assessments are going towards the maintenance of Arroyo Grande Creek. On October 25<sup>th</sup>, seven to nine projects will be up for approval by the County Board of Supervisors. Administrator Wallace also spoke about the proposals being reviewed with the County regarding the lagoon studies. The State Board had asked the District to study the impact on the lagoon from the December spill. Administrator Wallace said that more on this issue will be brought up at the next meeting.

Director Ferrara gave an update on the work being done on the District's Emergency Plan. He is currently working on the last two Standard Operating Procedures checklists for the emergency functions. Next will come training and exercises. Director Ferrara estimated that in another two weeks he should be done. It is noted that this work is being done at no cost to the District. One issue which has been discussed is in regards to hazardous materials. An on-site response to a hazmat situation requires a certified response. Plant operators will need to receive specialist training or first responders training.

Mr. Geaslen commented on Zone 1/1A and a meeting with Paavo Ogren, Director of Public Works for the County. Mr. Geaslen also said that the permits with the Department of State Parks and Recreation for doing work in the lagoon area are proceeding ahead of schedule, and may be expanded to include both OCSD and the District.

**7. PUBLIC COMMENT ON CLOSED SESSION**

There were no public comments.

**8. CLOSED SESSION**

**CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9:1

**9. RETURN TO OPEN SESSION, REPORT ON CLOSED SESSION**

District Counsel Seitz advised that there were no reportable actions.

**10. ADJOURNMENT**

There being no further business to come before the Board, the meeting was adjourned at approximately 6 p.m.

***THESE MINUTES ARE DRAFT AND NOT OFFICIAL UNTIL APPROVED BY THE BOARD OF DIRECTORS AT A SUBSEQUENT MEETING***

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT  
WARRANT REGISTER  
11/2/2011

ISSUED TO	PURCHASE/SERVICE	INV. # / SERVICE PERIOD	WARRANT NO.	ACCT	ACCT BRKDN	TOTAL
ARAMARK UNIFORMS	EMPLOYEE UNIFORMS	6367656 6348700	110211-6013	7025	383.56	383.56
BC LABORATORIES	CHEMICAL ANALYSIS	B108347 B108565 B108918 B109339	14	7078	420.00	420.00
BC PUMP	PUMP REBUILD	25899	15	8060	1,081.17	1,081.17
BOB BARLOGIO	FUEL REIMBURSEMENT	SDRMA CONFERENCE	16	7050	55.89	55.89
BRENNTAG PACIFIC, INC	CHEMICALS	140250 139831 142590 142991	17	8050	19,941.49	19,941.49
CA ELEC SUPPLY	ELEC SUPPLIES	463624 464192 464420 464902 465544	18	8060	1,076.56	1,076.56
CALPERS	HEALTH PREMIUM	NOVEMBER	19	6010	10,131.87	10,131.87
CARR'S BOOTS & WESTERN	EMPLOYEE UNIFORMS	WORK BOOTS	20	7025	231.67	231.67
D&H WATER	SIEMENS PROBE	2011-151	21	8030	1,054.97	1,054.97
ENVIRONMENTAL RESOURCE	LAB SUPPLIES	632760	22	8040	157.97	157.97
FEDEX	SHIPPING	7-661-45872 7-669-33930	23	8045	168.26	168.26
FGL ENVIRONMENTAL	CHEMICAL ANALYSIS	182499A 182520A 182527A 182598A 182620A 182636A 182662A	24	7078	588.00	588.00
GRAINGER	MISC SUPPLIES	9658824637 9660148959 9663026723	25	8055 8060	251.44 397.68	649.12
GROVER TOOL RENTAL	5 X 9 RAMP RENTAL	25503	26	8060	27.00	27.00
HACH	LAB SUPPLIES	7460725	27	8040	37.35	37.35
I.I. SUPPLY	MISC SUPPLIES	11660	28	8060	153.90	5,644.05
	IBC SPILL PALLETS	11748		19/8010	5,490.15	
JB DEWAR INC	VEHICLE FUEL AND OIL	775198	29	8020	192.75	192.75
KEMIRA	FERRIC CHLORIDE	9017232383	30	8050	7,120.64	7,120.64
LAB SAFETY SUPPLY	SAFETY SUPPLIES	1018017896	31	8056	129.34	129.34
LIEBERT CASSIDY WHITMORE	LEGAL SERVICES	140885	32	7071	678.00	678.00
MC MASTER CARR	MISC SUPPLIES	97835777	33	8060	336.41	336.41
PERRY'S ELECT MOTORS	CAPACITOR	13184	34	8030	10.73	10.73
PG&E	ELEC SERVICE	9/14/2011 TO 10/12/2011	35	7091	14,195.70	14,195.70
RYAN HERCO	FLOJET EOD PUMP	7232269	36	8030	299.48	299.48
SAN LUIS PRINT AND COPY	PRINTING SERVICE	74041	37	8045	181.31	181.31
SANTA MARIA DIESEL	PAINT SPRAYER	19502	38	8055	300.92	300.92
SHERWIN WILLIAMS	PAINT	2480-2 2481-0 2565-0 2638-5 2686-4 5883-9	39	8060	722.55	722.55
SHIPSEY & SEITZ	LEGAL SERVICES	SEPTEMBER	40	7071	9,507.00	9,507.00
STATE FUND	WORKERS' COMP	OCTOBER	41	6080	6,711.15	6,711.15
SUNRISE ENVIRONMENTAL	PLANT CHEMICALS	11209 11236	42	8050	870.79	870.79
TITAN INDUSTRIAL	MISC SUPPLIES	1047424 1047443 1047444 1047475 1047476	43	8060	1,296.19	1,296.19
UNITED STAFFING	CONTRACT LABOR	054751 054848 055135	44	6085	2,376.00	2,376.00
USABBLUEBOOK	PORTABLE SAMPLERS	511945 512406	45	8015	3,295.04	3,295.04
WOESTE ELECTRIC INC	ELEC MAINT	6054 6057	46	8060	3,924.29	3,924.29
SUB TOTAL					93,797.22	93,797.22
PAYROLL	PPE 10/21/2011				21,542.00	21,542.00
GRAND TOTAL					115,339.22	115,339.22

We hereby certify that the demands numbered serially from 110211-6013 to 110211-6046 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:

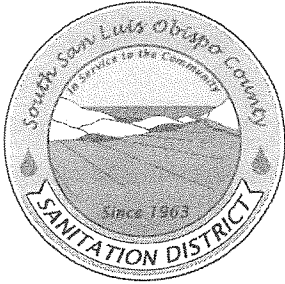
DATE: \_\_\_\_\_

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Board Member

\_\_\_\_\_  
Board Member

\_\_\_\_\_  
Secretary



## 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

<http://www.sslocsd.org/>

**To:** Board of Directors  
**From:** Robert Barlogio, Plant Superintendent  
**Via:** John Wallace, District Administrator *mw*  
**Date:** November 2, 2011

**Subject:** Superintendent's Report

I don't have a lot of sampling data for the month of October of this year, but will present graphs and data at the next meeting. As of today's date, I do not see a violation for October, 2011. Attached is some of the BOD and TSS data that we do have for October.

We are getting ready for the rainy season. We had the emergency diesel pump serviced, which included new batteries and battery cables, fuel and oil filters, balance the ph in the cooling system. The smaller, 6 inch pump was serviced also, including a new battery.

We had FRM clean the storm drains in the plant. We replaced a couple of the sump pumps. We had Woeste Electric replace or repaired several outside lights around the plant. We are in the process of ordering 3 more lights, as the corrosion deteriorated the fixtures beyond repair. We cleaned the sump pump wet wells of sand and gravel, which could cause pump problems.

Staff, with help from an electrician, replaced the wiring to the primary sludge pumps and elutriation pump. We will be requesting the approval of purchasing more wire to rewire the final clarifier pumps. The wiring has been raised out of the bottom of the electrical vaults and secured up out of the water, to the side of the vault. Old and abandoned wiring was removed and the conduct was cleaned in anticipation of other projects.

In the next couple weeks, Powerhouse will be servicing the emergency standby generator, and we will be contracting with someone to calibrate our flow meters.



# Effluent

average    average

	data	data			
10/3/2011	25	32	25	32	FGL results
					BC Lab
					Average

10/5/2011	ND	28	2	28	FGL results
					BC Lab
					Average

10/7/2011	47	26	47	26	FGL results
					Average

10/10/2011	ND	35	2	35	FGL results
					BC Lab
					Average

10/12/2011	25	35	25	35	FGL results
					BC Lab
					Average

10/14/2011					FGL results
					Average

10/17/2011					FGL results
					BC Lab
					Average

					FGL results
					Average

					FGL results
					BC Lab
					Average

					FGL results
					BC Lab
					Average

					FGL results
					Average

average

20

31

# Influent

average average

	data	data			
	256	320	256	320	FGL results
					BC Lab
					Average

	268	320	268	320	FGL results
					BC Lab
					Average

	339	370	339	370	FGL results
					Average

	312	290	312	290	FGL results
					BC Lab
					Average

	379	374	379	374	FGL results
					BC Lab
					Average

					FGL results
					Average

					FGL results
					BC Lab
					Average

					FGL results
					Average

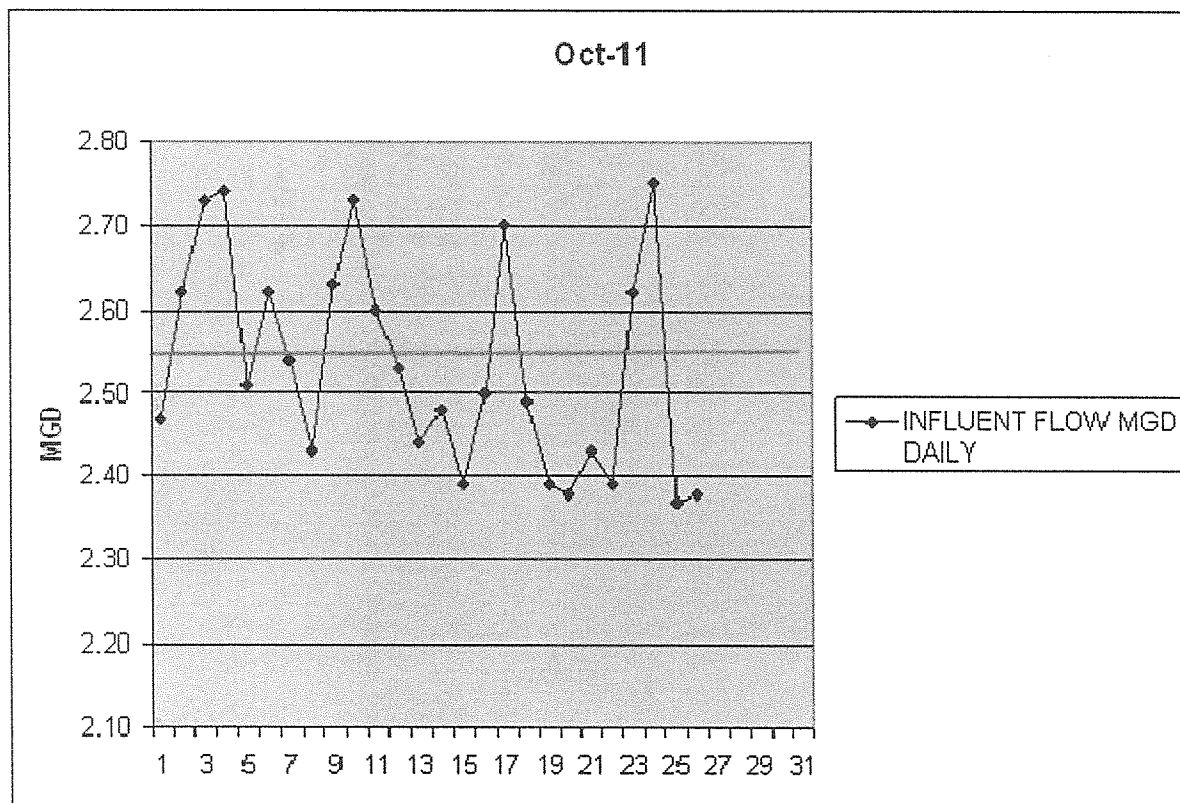
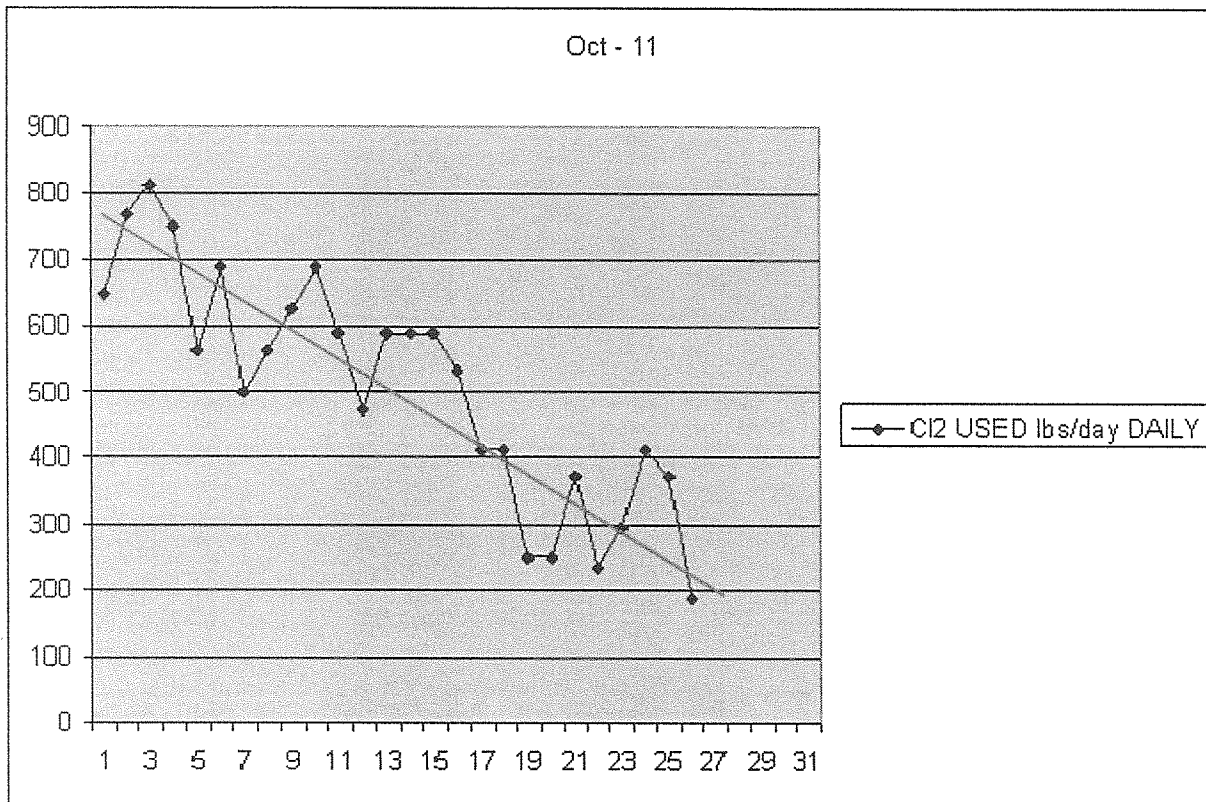
					FGL results
					BC Lab
					Average

					FGL results
					BC Lab
					Average

					FGL results
					Average

311

335



## **STAFF REPORT**

**TO: BOARD OF DIRECTORS  
SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT**

**FROM: MICHAEL W. SEITZ, DISTRICT LEGAL COUNSEL**

**DATE: OCTOBER 26, 2011**

**RE: FOCUSED INTERNAL CONTROL REVIEW CONDUCTED BY THE  
COUNTY AUDITOR'S**

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### **INTRODUCTION**

As the Board is aware as a part of the Grand Jury Report, in regards to the District, the Grand Jury requested that the County Auditor review District operations to ensure that adequate financial controls were in place to mitigate any perceived conflict of interest. The Auditor's Report is in response to that Grand Jury request.

### **DISCUSSION**

The Auditor makes two (2) specific findings that are positive for the District and a key to any additional criticism in regards to the present District operations. These conclusions are as follows:

1. "We assess the District's internal financial controls, and in our opinion, there are reasonable controls in place and operating adequately to mitigate the perceived conflict of interest."
2. "We concluded that the District has a clear and well understood organizational structure. Accounting and purchasing policies were followed regularly and Staff members were aware of the District's Code of Conduct Policy."

The Auditor's Report is broken down into a number of sections and this Staff Report will describe the present District's policies and operations in regards to each of those items.

### **Controlled Environment**

The first recommendation relates to the District Administrator and District Engineer's contracts. The recommendation notes that each of these contracts requires that both the District Administrator and District Engineer provide not to exceed amounts

for the provision of their services at the time of the budgetary cycle and each is required to account monthly for expenditures that are made pursuant to the budget. Additionally, these contracts provide that each must seek preapproval by the Board of Directors before the not to exceed budgetary amounts can be exceeded.

This recommendation requires no further action by the Board of Directors.

### **Year-End Report**

The present District practice is that the Board of Directors reviews on a quarterly basis, the status of the budget. At that time, changes are made to the budget to reflect ongoing conditions. Under present District practice, there is no fourth quarter report. This is due to the fact that this information is made available to the Board as a part of the discussion during the budget cycle. The change in providing a discreet fourth quarter report will not require a great amount of additional staff time.

The Board should consider whether or not it wishes to direct the District Administrator to provide the fourth quarter report.

### **Follow-Up for Employee Acknowledgement of the District's Core Values and Code of Conduct**

Present District practice is to require each employee to acknowledge any change in the Personnel Policies and new employees to acknowledge receipt and review of the complete Personnel Policy when they are initially employed. The recommendation is that employees acknowledge annually the existence and the content of the District's Core Values and Code of Conduct Policy. This recommendation is not required by any law or statute.

The Board should consider whether or not to direct the Plant Superintendent to review this annually with District employees.

### **Expenditures**

In this section, the Auditor acknowledged that they verified that no Wallace Group employees were being paid as employees of the District and further noted that "in all cases, the Warrant Register accurately reflected the amounts of payments to the Wallace Group pursuant to Wallace Group invoices and EFS Authorizations to draw warrants. In this section, the County Auditor made the following recommendations:

1. The Auditor recommends that the Board of Directors ensures that two (2) Board Members sign the District's Warrant Register. This is the present District policy and requires no action by the Board of Directors.

2. EFS Authorizations to draw warrants for payments to the Wallace Group signed by contractor. In this section, the Auditor noted the change in District policy that eliminates the District Administrator's ability to sign the Warrant Register and to sign District checks. The District Board of Directors changed this policy to reflect the District Administrator's inability to sign the Warrant Register and to sign checks at the recommendation of the District Administrator. This was not a recommendation of the Grand Jury.

The present District policy is in compliance with the recommendation of the Auditor and no additional Board action is required.

3. Charges for administrative services exceeded budget. The recommendation is that the District Administrator should request a budget adjustment from the Board if it appears that charges for the administrative services are going to exceed the adopted budget. As noted in the Auditor's report, this is presently required by the District contracts with the District Administrator and the District Engineer.

Consequently, no additional action is required by the Board.

4. Charges for positions listed not on the fee schedule. In this section the Auditor noted that in the administration of the District that there are Wallace Group employees being used whose positions are not identified in the specific fee structure provided to the District. This is done in the administrative context and under the present District contract, the District Administrator is allowed to use assistance. This is specifically budgeted for in the District's annual budget and accounted for on a monthly basis in the monthly reports provided by the District Administrator. The recommendation is that the Wallace Group fee schedule should be updated annually to reflect the changes in personnel classifications that are being used.

This recommendation would require a minor change in District policy that would require the District Administrator and District Engineer to regularly update their fee schedules. In the past, this has been done on random occasions when this issue was raised by the District Administrator. The Board may wish to consider whether or not to implement this policy of an annual update from the District Administrator and the District Engineer.

5. Contract Administrator vs. full time District Employee. This recommendation concurs with the Grand Jury recommendation that the Board review this issue. As the Board is aware, the District is presently conducting a top to bottom peer review of District operations, including a discussion regarding this issue. That report has been delayed. However, it is anticipated that this report will be received by the end of the second quarter (December 2011).

The Board is not required to take any additional action, other than the receipt and consideration of the peer review report when it is received.

6. Expenditures exceeding revenue. In this section, the Auditor notes that during the fiscal years 2008, 2009 and 2010, that there was a reduction in terms of the District's monetary holdings. As the Auditor's Report reflects, a significant of major budget item capital expenditures took place during this period of time that accounts for the vast majority of the reduction in the District balances. This reflects the ongoing District policy to "pay as you go". However, as has been noted, due to a lack of construction within the District during the present economic downturn, the District has not generated money to fund the necessary major budget item capital expenses.

In regards to this recommendation, the present District actions have been identified:

- A quarterly review of the District budget and a determination as to what projects can be delayed or eliminated. During this time the Board also provides adjustments to the budget to reflect present economic considerations that existed at that time. Additionally, as the Board is aware, the District staff is preceding with a rate review with an idea towards the potential to seek approval of an increase of an increase of the District service charges and connection fees.

No additional action is required by the Board by this recommendation.

#### **Cash Handling (Deposits and Reconciliation)**

As the Auditor's report notes, it is the present District policy that the majority of expenses are run through the District through the County Treasury. The County Treasury makes this service available to all independent special districts as an



accommodation so as to not require each of these local independent special districts to have staff time available to process this information. It has been the District policy to use the County Treasury for the vast majority of District expenses. There are, however, some expenses that are run through a local bank. This is done where expedited payment is necessary and also to pay personnel expenses, including salaries for District employees.

The recommendation is that all expenditures be processed through the County Treasury. This would be an expansion in the use of the County Treasury.

The District is organized under the County Sanitation District law. While the word County is in the title of this District, the District is an independent special district as opposed to a County agency. The District presently uses the County Treasury as a convenience. If the Board wishes to consider the recommendation from the Auditor that the County Treasury be used for all expenses, it is recommended that the Board authorize the District Administrator and District Legal Counsel to negotiate an agreement with the County Auditor and the County Treasurer regarding this issue.

The second recommendation requests a monthly reconciliation of the Districts books and the County Treasury records. This is the present practice of the District and consequently no change need be made by the Board.

### **Major Budget Items**

In this section the Auditor raises the concern in regards to the tracking of Wallace Group payments in regards to monthly payments and association of those payments with budgetary amounts. The Auditor acknowledges that present District policy provides this information to the Board of Directors. The recommendation is that the Board of Directors acknowledge the present District policy and the contracts that require this information.

This does not require any additional action by the Board.

### **CONCLUSION**

As indicated, this report was an affirmation regarding the present District policy. It is specifically noted that the District has a well run operation and acknowledges that the present contracts with the District Administrator and District Engineer provide sufficient financial controls to obviate any perceived any conflict of interest. The Board may consider whether or not to take any or all of the recommended changes that have been identified and are listed as follows:

1. Require that the District Administrator and District Engineer update their fee schedules on an annual basis



to identify any positions which are providing services to the District.

2. Require that the Plant Superintendent on an annual basis reviews the District's Core Values and Code of Conduct policy with each employee.
3. The use of the County Treasury for all fund transfers and payments. Staff recommends that the Board authorize the District Administrator and District Legal Counsel to negotiate with the County Auditor in regards to this recommendation.

**END OF REPORT**

**County of San Luis Obispo**  
**Office of the Auditor-Controller**  
1055 Monterey Street Room D220  
San Luis Obispo, California 93408  
(805) 781-5040 FAX (805) 781-1220



**GERE W. SIBBACH, CPA**

JAMES P. ERB, CPA, *Assistant*  
LYDIA CORR, CPA, *Deputy*  
JAMES HAMILTON, CPA, *Deputy*  
Email auditor@co.slo.ca.us

TO: HONORABLE BOARD OF DIRECTORS  
SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

FROM: GERE SIBBACH, AUDITOR-CONTROLLER *GWS*

DATE: OCTOBER 21, 2011

SUBJECT: FOCUSED INTERNAL CONTROL REVIEW

Our office recently completed a focused internal control review of the South San Luis Obispo County Sanitation District (SSLOCSD).

In its 2010-2011 report titled "The South San Luis Obispo County Sanitation District" the San Luis Obispo County Grand Jury recommended "the County of San Luis Obispo's Audit Division should consider conducting an audit of the District that would include an independent professional assessment of whether the District has the controls in place to mitigate the financial risks inherent in a conflict of interest."

On June 22, 2011 I responded to the Grand Jury, stating I would assign staff from the County's Audit Division to perform a focused review of internal financial controls at the District.

#### Executive Summary

The Grand Jury report identified a perceived conflict of interest between the contracted District Administrator who also serves as District Engineer. Therefore, we focused our review on procedures and controls that could mitigate the perceived conflict.

We assessed the District's internal financial controls, and in our opinion there are reasonable controls in place and operating adequately to mitigate the perceived conflict. We noted that the District had implemented some changes in contract controls, enhanced reporting, and controls of check signers over the course of the last fiscal year.

We identified some areas of improvement which we list in our Findings and Recommendations below:

#### Background

The Sanitation District was formed in 1963 and currently provides wastewater services to approximately 39,000 residents in Arroyo Grande, Grover Beach, and Oceano. The District's Board of Directors consists of three members, one from each of the represented areas. The District employs approximately 8 staff persons and contracts with Wallace Group for Administration and Engineering Services. John Wallace, one of the owners of Wallace Group, is the Administrator and District Engineer of the wastewater treatment plant. Total payments to Wallace Group for administrative services, engineering, reimbursables, and major budget projects for Fiscal Year 2010-2011 were \$829,563.

The District maintains its own set of detailed financial records; however, as funds are deposited and kept with the County, the District requests that most transactions, exclusive of payroll, be processed through the County's financial system. The County's role in the financial operation of the District is limited to maintaining the cash balances and processing vendor payments. County staff reviews the payment requests for two signatures. Vendor invoices are not attached to the payment request. Therefore the County does not review the District's invoices or reconcile payments with the District's budget. The District's payroll is handled by an outside firm and is not entered into the County's financial system.

#### Scope

The scope of our review was an examination of the internal financial controls relating to the control environment and accounting and purchasing control activities. Our test work primarily encompassed Fiscal Year 2010-11, however we used information and resources from both Fiscal Years 2008-09 and 2011-12 as needed.

#### Methodology, Results, and Recommendations

##### **Control Environment**

An entity's control environment consists of the attitudes and actions of the board and management regarding the importance of controls within the organization. Our review of the control environment consisted of an examination of the District's structure, financial reports; accounting, purchasing, conflict of interest and code of conduct policies, as well as the District's contracts for District Administrator and District Engineer. Additionally we considered the CA 700 Statement of Economic Interests forms for designated officers and employees, and we conducted interviews with members of District staff and the current governing Board.

We concluded that the District has a clear and well understood organizational structure. Accounting and purchasing policies were followed regularly and staff members were aware of the District's Code of Conduct policy.

The designated officers and employees who are required by the District's Conflict of Interest policy and State Law to make certain disclosures on the CA 700 Statement of Economic Interests form did so for calendar year 2010. All forms had been filed and economic interests have been disclosed.

We verified that the District has complied with the Grand Jury's recommendation to rotate external auditors. The Board has selected a new outside auditor to audit the financial statements for up to three fiscal years starting with Fiscal Year 2010-11.

#### **Findings & Recommendations - Control Environment**

##### **1. Review of the District Administrator and District Engineer Contracts:**

The newly revised District Administrator and District Engineer contracts took effect on July 20, 2011 and remain in effect until terminated by the Board or by the voluntary resignation of the District Administrator/District Engineer. Because the contracts are intended for multiple years, specific dollar amounts for each year are not part of the contract but are instead included in the annual budget. A common practice is to set a not-to-exceed amount in the contract itself but the district determines an annual maximum as a part of the budget process.



Recommendation:

The contractor providing the services should continue to identify a not-to-exceed amount for each year the contract is in place. This amount can either be part of the contract itself or modified each year in the budget. Any contract overruns should be approved by the District's Board before the overrun occurs except in an emergency situation when overruns should be approved by the Board as soon as feasibly possible.

2. Year-end Report:

We evaluated the financial reporting information provided to the Board. We noted quarterly reports provided to the Board; however, we were unable to find a distinct 4<sup>th</sup> quarter or year-end report showing budget to actual variances. The FY 2011-12 budget does identify 2010-11 amended budget to estimated 2010-11 totals. However, when the Board does not receive separate information on 4<sup>th</sup> quarter or year-end final variances, Board members and the public may have difficulty forming a comprehensive picture of the District's prior year fiscal standing.

Recommendation:

We recommend that a 4th quarter or year-end report showing fiscal year actuals compared to budget be provided to the Board separately from the proposed subsequent year budget, and that the Board take separate action on the report.

3. Follow-up for Employee Acknowledgement of the District's Core Values and Code of Conduct:

Because the District's Core Values and Code of Conduct were recently implemented, employees are aware of the policy; however the District does not have an on-going plan to ensure continued employee awareness. If employees are unaware of the District's Code of Conduct policy, they may act in a manner inconsistent with the values and ethics of the organization. Such actions may cause legal, ethical or other personnel problems for the employee and the organization.

Recommendation:

The District should develop and implement a practice to annually ensure that employees reaffirm the District's Core Values and Code of Conduct policy.

**Expenditures**

Our review of the District's expenditures included an examination of the Fiscal Year 2010-11 District payroll reports, Wallace Group invoices, District Warrant Registers and EFS Authorizations to Draw Warrants. A Warrant Register is the District's listing of checks to be issued during a particular time period. The Warrant Registers are presented to the Board at regular meetings. EFS Authorizations to Draw Warrants are the documents instructing the County to process a payment on behalf of the District. We also analyzed the Wallace Group administrative charges, engineering fees and hourly rates.

We verified that no Wallace Group employees were being paid as employees of the District and that no District employees were included on Wallace Group invoices. We found the Wallace Group invoices to be extremely comprehensive. Our testing of random Wallace Group invoices revealed that all selected charges related to District operations.

We calculated the percentage increase of Wallace Group hourly rates between July 2003 and March 2009. Rate increases over that time period appear reasonable.

We traced the process of Wallace Group invoices from receipt of the invoice to approval by the Board and payment by the County (on behalf of the District). We found that in all cases the Warrant Register accurately reflected the amount of payments to the Wallace Group per the Wallace Group invoices and the EFS Authorizations to Draw Warrants.

#### Findings & Recommendations – Expenditures

1. SSLOCSD Warrant Register Signatures:

In one out of twenty-three instances reviewed the District's Warrant Register was not signed by two Board members as is the District's practice. In this case the warrant register was only signed by one Board Member. When the Board does not follow its practice of having two members sign the District's Warrant register an appearance of improper oversight may be created.

Recommendation:

We recommend The Board of Directors ensure that two Board Members sign the District's Warrant Register.

2. EFS Authorizations to Draw Warrants for Payments to Wallace Group Signed by Contractor:

In three of thirteen instances reviewed, the EFS Authorization to Draw Warrant requesting warrants to be paid to Wallace Group was not signed by two Board Members. In each of the three instances the EFS Authorizations to Draw Warrants were signed by one Board Member and by John Wallace as the District Administrator. The District's practice is to have two authorized signers sign the EFS Authorizations to Draw Warrants. While John Wallace was an authorized signer during the time these Authorizations were processed, best accounting practices dictate that the District Administrator should not sign for payments to be made to his own company.

Recommendation:

After our fieldwork, we were notified, and we subsequently verified, that beginning in August 2011, the District Administrator is no longer authorized to sign EFS Authorizations to Draw Warrants. We support the District's change and encourage the policy to remain in place as long as the District Administrator is an outside contractor.

3. Charges for Administrative Services Exceeded Budget:

Total administrative costs reimbursed for Fiscal Year 2010-11 were \$167,451 which is \$17,451 over the Board approved budget of \$150,000. Every fiscal year the SSLOCSD adopts a budget with a line item for Administrative Services. The budget may be amended throughout the year by the Board. However, the budget exceeded amount was not reported until the subsequent year's budget was adopted. Budget overruns on contracts should be approved by the District's Board prior to any payments being made.

Recommendation:

The District Administrator should request a budget adjustment from the Board if it appears that charges for Administrative Services or any other line item are going to

exceed the adopted budget in a given fiscal year before the budget is exceeded. We noted this procedure is mandated in the new Administrative and Engineering contracts.

4. Charges for Positions not listed on Fee Schedule:

We noted Wallace Group charges for six positions which did not appear on the Board approved fee schedule. While there is a provision on the Fee Schedule that states "Wallace Group may find it necessary to occasionally add new personnel classifications to our Schedule of Fees," billing for positions not listed on the fee schedule may create confusion.

Recommendation:

The Wallace Group fee schedule should be updated at least annually to include all positions for which services are being billed, and the updated schedule should be reviewed by the Board.

5. Contract Administrator versus Full-Time District Employees:

In the May 31, 2011 Grand Jury report, the Grand Jury recommends the Board should evaluate and compare all operational alternatives for services provided to the District. In the course of our fieldwork, we noticed administrative and engineering charges by Wallace Group for major budget items as well as the general administrative and engineering contracts. It appears possible that administrative or engineering charges that were coded to major budget items (major projects) could be absorbed by a general administrator and/or general engineer hired as full-time district employees. We noted that members of Wallace Group staff code approximately 43 hours per week to Administrative charges. Additionally, the District should evaluate the benefit of having a full-time administrator and engineer onsite versus a part-time onsite contract administrator and/or engineer.

Recommendation:

We concur with the Grand Jury recommendation to evaluate and compare all operational alternatives including the advantages and disadvantages of hiring a full-time administrator and/or engineer as a District employee versus contracting out for these services.

6. Expenditures Exceeding Revenue:

We reviewed the audited financial statements for Fiscal Years 2008, 2009, and 2010. We noted that expenditures exceeded revenue for all of the fiscal years reviewed primarily because of large capital expenditures. As a result, the District's cash balances decreased by approximately 1.8 million dollars over the three years reviewed. Revenue should exceed expenditures to cover current operations and future plans for capital projects.

Recommendation:

The District should review operations to determine if expenditures can be reduced or revenues can be increased. Significant capital projects or unforeseen emergencies could quickly reduce the District's cash balances. The District's cash balance as of August 31, 2011 was \$4,282,142 per the Monthly Financial Statement presented to the Board.

### **Cash Handling (Deposits) and Reconciliations**

Our review of the District's deposits and reconciliations identified general compliance with accounting processes.

#### **Findings & Recommendations – Reconciliations**

1. Monthly Reconciliations:

The District records its revenues, expenses, and cash accounts on its own financial systems. The transactions are mirrored on the County's financial system in order to process deposits and payments. The County Treasurer maintains the District's operating cash in the County Treasurer Investment Pool. The District also keeps a State Local Agency Investment Fund (LAIF) account and a bank account used for payroll. Deposits are made to the bank account from LAIF and other payments received for charges for services. We found that the District's monthly reconciliations of revenue, expenditures, and cash balances as reported in the District's books compared to the revenue, expenditures, and cash balances contained in the County's financial records revealed differences between the two systems. However, the differences were not analyzed to determine if they were a result of timing of transactions or potential errors. Normal reconciliation practices dictate that when a difference is determined its cause is investigated and any timing variances are identified to rule out the existences of errors.

Recommendation:

Monthly reconciliations should be completed to verify both sets of records are in agreement, and adjustments must be made where appropriate. The reconciliation process would be streamlined and more comprehensive if payments for services and LAIF disbursements were deposited directly to the County Treasury. The outside bank account could then be used only as a payroll revolving account. The outside bank account should be set up with a balance to cover approximately two pay periods and be replenished by County warrant for the actual amount withdrawn by the District's payroll provider. No other funds should be deposited or expended from the outside bank account.

### **Major Budget Items**

In our consideration of Major Budget Items we inspected the reporting of Major Budget projects. We traced the progress of two projects from the Fiscal Year 2010-11 budget through Board reports and actions to the Fiscal Year 2011-12 budget.

#### **Findings & Recommendations – Major Budget Items**

1. Major Budget Item Reporting:

Costs for Wallace Group services were not always easily identifiable or separated from other project costs. However, we noted the information provided in both the budget and the Board reports improved in Fiscal Year 2011-12. For example, the FY 2011-12 budget provides more multi-year detail and project phase information. Additionally, recent progress payments presented for the Board's approval include cumulative project budget and actual expenditures. Also expenditures are delineated by type and change orders are clearly identified in a table format with the associated cost listed for each order.

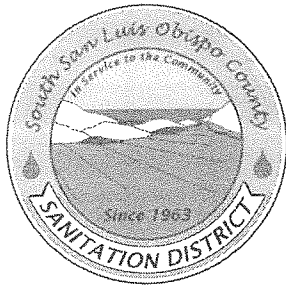
Recommendation:

To address the concerns of the Grand Jury and the District's constituents, the Board should acknowledge that Wallace Group costs are now being provided to the Board separately and distinctly for each Major Budget Item as well as for general administrative and engineering costs.

We would like to thank the Board and the staff of the SSLOSD for their cooperation during our review:

Cc: SLO County Grand Jury  
SLO County Board of Supervisors  
SLO County Administrator





## 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

<http://www.sslocsd.org/>

**To:** Board of Directors  
**From:** Robert Barlogio, Plant Superintendent  
**Via:** John Wallace, District Administrator  
**Date:** November 2, 2011

**Subject:** Chemical metering pumps purchase, 11 MBI 02

### **Recommendation:**

Staff recommends that the Board approve the purchase of a total of four chemical metering pumps and associated spare parts from Ryan Herco for **\$4,453.59**.

### **Funding:**

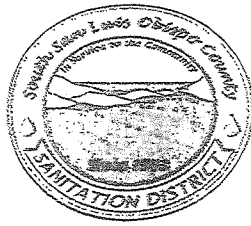
There are funds in the amount of \$7,000 for 11 MBI 02 budgeted in account 19-8040, leaving a balance of \$2,546.41.

### **Discussion:**

The metering injection of chemicals is a critical part of the process control of wastewater. The District presently has 3 different sized metering pumps around the plant. This purchase would provide immediate replacement of two pumps and provide some redundancy for the third future replacement. The budget remaining will allow for the purchase of another unit in the future if necessary.

In accordance with District policy, staff requested three quotations; each includes tax and freight:

Ryan Herco	\$4,453.59
USA Blue Book	\$4,971.24
Core Tech	\$5,469.23



## South San Luis Obispo County Sanitation District

Ship to Address:  
1600 Aloha Place  
Oceano, CA. 93445  
(805)489-6666

Bill to Address:  
P.O. Box 339  
Oceano, CA. 93445  
(805)481-6903

### Purchase Requisition

Date: 10-12-11

Item Description: LMI metering pumps (mdl# C781-36) and (mdl# P131-86 HV  
buying two each and two each repair kits.

Supplier: Ryan Herco  
USA Bio. Book  
Core Tech

Cost: \$4453.59 (w/Tax & freight)  
\$4971.24 (w/Tax & Freight)  
\$5469.23 (w/Tax & Freight)

Additional Information: These LMI metering pumps are used through-out  
the plant. They are instrumental in metering the chemical dosage  
that is added to the waste stream that enters the plant. The LMI pumps  
meter Ferric Chloride and polymer to improve the BOD and TSS removal  
in the plant's clarifiers.

Submitted by: \_\_\_\_\_



22785 Savi Ranch Parkway  
Yorba Linda, CA 92887-4621

# Quote

Date	Quote #
9/26/2011	12145

Customer Bill To
South San Luis Obispo County Sanitation District 1600 Aloha Place Oceano, CA 93445 Ph (805)489-6666 Fax (805)489-2765

Customer Ship To
South San Luis Obispo County Sanitation District 1600 Aloha Place Oceano, CA 93445 Ph (805)489-6666 Fax (805)489-2765

Terms	Rep	FOB	P.O. Number	Phone	Buyer
NET 30	BW	Yorba Linda		(805)489-6666	Trinidad Rodriguez

Part No.	Description	Qty	Unit Price	Total
58-C781-36	Milton Roy/LMI Metering Pump, PVC Liquid End, Ceramic Balls, 1/2" Polyethylene Tuning, 1 Phase, 120V,	2	1,607.00	3,214.00T
58-SP-U6	LMI/Milton Roy Spare Parts Kit	2	168.00	336.00T
xx-Pump	P/N 58-P131-86HV	2	508.00	1,016.00T
58-SP-86	Milton Roy/LMI Metering pump	2	72.00	144.00T
Freight (Non-Taxable)	LMI/Milton Roy Spare Parts Kit	1	300.00	300.00
	Freight Charged (Non-Taxable)			
	Delivery is appoximately 1 week ARO			

All quotes are valid for 30 days.  
Payment terms are subject to credit approval.  
Freight is estimated and is billed, inbound plus outbound, at cost.

**Subtotal** \$5,010.00

**Sales Tax (9.75%)** \$459.23

**Total** \$5,469.23

Phone #	Fax #
714/779-0911	714/693-1715

# Ryan Herco Quotation

10/11/11

TO: South San Luis Obispo  
P.O. Box 339  
Attn Trini  
Oceano, CA 93445

FROM: Ryan Herco - Burbank 001  
3010 N San Fernando Blvd  
BURBANK, CA 91504

Phone: 800/848-1141

BID ID: 5761716 PAGE 1  
SO. SAN LUIS OBISPO LMI MLN

Line	Qty	Part #	Description	Sales Price	Extension
10	2	6135.178	LMI MTRG PUMP 600GPD PVC/PVC/PTF C781-36 4-5 DAY DEL TIME	1393.5000	2787.00
30	2	/411017668	LMI P131-86HV 1/2" CONN PUMP 2-3 WEEK DEL TIME	447.7500	895.50
50	2	6035.686	LQD END ASSY FOR LMI PUMP SP-86	67.5000	135.00
60	2	6035.606	SERV KIT FOR LMI MTRG PUMP SP-U6 SPARE KITS 4-5 DAYS NON CANCELABLE /NON RETURNABLE PRICE GOOD FOR 30 DAYS	151.2000	302.40
			THANK YOU FOR THE OPPORTUNITY TO QUOTE ON YOUR REQUIREMENT. PRICING WILL REMAIN FOR 30 DAYS. APPROXIMATE FREIGHT: \$35.00		
			THANK YOU,		
				Total w/tax & freight 4453.59	

Subtotal: 4,119.90

Bid Total: 4,119.90

Tax 298.69



## QUOTATION

HDSFM  
D/B/A USABLUEBOOK  
PO Box 9004  
Gurnee, IL 60031-9004  
Toll free: 1-800-548-1234  
Fax: (847) 689-3030

NO. 482559

Page 1

09/23/11

Ship-to: 1  
SOUTH SAN LUIS OBISPO

1600 ALOHA PL  
OCEANO, CA 93445  
USA

Bill-to: 850496  
SOUTH SAN LUIS OBISPO  
COUNTY SANITATION DISTRICT  
PO BOX 339  
OCEANO, CA 93475  
USA

REFERENCE #	EXPIRES	SLSP	TERMS	WH	FREIGHT	SHIP VIA
09/22/11	10/22/11	PEM	NET 30	21	FXD/PPD	UPS

QUOTED BY: PEM QUOTED TO: TRINI RODRIGUEZ

ITEM	DESCRIPTION	QUANTITY	UM	PRICE	UM	EXTENSION
73145	600 GPD; 30 PSI; C781-36 LMI Series C7 Feed Pump NOT IN STOCK	2	EA	1560.99	EA	3121.98
60974	10 GPD; 110 PSI (P131-86HV) LMI P1 Series Pump (Polymers) NOT IN STOCK AT TIME OF QUOTE	2	EA	503.83	EA	1007.66
61017	LMI Repair Kit (SP-86) IN STOCK AT TIME OF QUOTE	2	EA	71.14	EA	142.28
61011	LMI Repair Kit (SP-U6) IN STOCK AT TIME OF QUOTE	2	EA	159.07	EA	318.14

Please note that your order may be subject to applicable taxes based on current rates at the time your order is completed.

## TO ORDER --

For your convenience, you may simply sign below and return via fax to 847-689-3030. We will process your order promptly and fax a confirmation so you know we have it. If you prefer to call your order in or have additional questions or concerns, you may contact our Customer Service Department @ 800-548-1234. Please note any changes to the quantities or shipping address. Thanks for choosing USABlueBook.

Authorization Signature

PO Number (if required)

MERCHANDISE	MISC	TAX	FREIGHT	TOTAL
-------------	------	-----	---------	-------

4590.06	332.78	.00	48.40	4971.24
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USE THIS QUOTE # ON PO's!