

# **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 16, 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 November 2, 2011 meeting**

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

**3c. Financial Report ending October 31, 2011**

**4. PLANT SUPERINTENDENT'S REPORT****5. BOARD ACTION ON INDIVIDUAL ITEMS:**

**A. NEW CENTRIFUGE 2A, CENTRIFUGE PURCHASE RETAINAGE PAYMENT TO ANDRITZ SEPARATION**

Staff recommends the Board approve release of retention to Andritz Separation in the amount of **\$35,949.20**

**B. PRETREATMENT ORDINANCE UPDATE**

Staff recommends the Board to direct staff to issue a request for proposals to update the District's pretreatment ordinance.

**C. 04 MBI 16 -- ELECTRICAL SYSTEM UPGRADE, CLARIFIER EQUIPMENT**

Staff recommends the Board approve the purchase of the wire to further the reconductoring project, from IES of San Luis Obispo, in the amount of **\$7,000.22**

**D. FIRST QUARTER BUDGET ADJUSTMENTS**

Staff recommends the Board receive and review the recommended First Quarter Budget adjustments and adopt Resolution No. 2011-294 providing for these adjustments

**E. COUNTY OCEANO LAGOON STUDY UPDATE**

Staff recommends the Board review and authorize the transmittal of the attached letter withdrawing from the proposed County's Study of Oceano (Meadow) Lagoon.

**F. BRINE DISCHARGE EVALUATION**

Staff recommends that the Board approve Kennedy/Jenks Consultants proposal for professional services to evaluate the potential impact of accepting brine, as stated in their letter dated November 7, 2011.

**6. MISCELLANEOUS ITEMS**

**a. Miscellaneous Oral Communications**

- Increased fees for WDR and NPDES permits
- Status of response to the State Water Resources Control Board's NOV

**b. Miscellaneous Written Communications**

- Oceano Alternate Director position
- Response to Director Angello regarding OCSD questions
- Effluent violations article

**7. ADJOURNMENT**

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

Oceano Community Services District  
1655 Front Street  
Oceano, CA 93445

Minutes of Wednesday, November 2, 2011  
6:00 P.M.

### **1. ROLL CALL**

Present: Chairman Bill Nicolls, City of Grover Beach; Lori Angello, Oceano Community Services District; Tony Ferrara, City of Arroyo Grande.

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

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

Jeff Edwards addressed flooding issues in Oceano regarding the County's plans for Arroyo Grande Creek. Mr. Edwards spoke about whether the County's solutions represent viable, long-term solutions.

Tom Geaslen, Interim General Manager of OCSD, spoke to four requests from OCSD which he would like answered: the level of the District's insurance coverage; a detailed breakdown of the District's legal fees; a District mid-year budget review; and the pending fine status of the NOV.

Joe Schacherer of Oceano spoke about the County cleaning the ditches along Aloha and Honolulu. On Thursday morning, the County did clean the ditches. Mr. Schacherer expressed concerns as to where water would still flow. He asked the District to use its authority to help in these efforts.

Director Angello expressed concerns that flooding will happen again. She said that most of the communities involved along the creekway, State Parks and the County should get together to try to address these issues.

### **3. CONSENT AGENDA**

A. Review and Approval of Minutes from the Meeting of October 19, 2011.

Item A was removed from the Consent Agenda and voted on separately due to Director Angello's absence from the October 19<sup>th</sup> meeting.

Director Nicolls noted that the minutes should have read that the adjournment time was 7 p.m.

**It was moved by Director Ferrara, seconded by Director Nicolls to approve the Minutes from the October 19, 2011 meeting as amended. Motion carried, with Ferrara and Nicolls voting yes.**

B. Review and Approval of Warrants.

Director Angello requested that she would like to review the warrant request packet ahead of time. District Administrator Wallace replied that he would provide any materials which Director Angello would require as well as meeting with her before the Board meetings.

**It was moved by Director Ferrara, seconded by Director Nicolls to approve Consent Agenda**

**Item 3B. Motion carried 2-1, with Director Angello voting no.****4. PLANT SUPERINTENDENTS REPORT**

Plant Superintendent Barlogio reported that Staff is ready for the wet winter. The emergency pump was fully serviced and new batteries and cables installed. The 6-inch pump was also serviced. Storm drains around the plant have been cleaned. A couple of the sump pumps were replaced.

Plant Superintendent Barlogio also reported that chlorine usage has been reduced by half due to the use of the water champ, and the disinfection results are still good.

Administrator Wallace commended the staff on the wet-weather preparations which have been completed. He also commented on the reduced chlorine usage. The reduced use of 500 lbs. per day of chlorine translates to \$500 per day in savings to the District. Administrator Wallace said that bisulfite use will be reduced next which will lead to even more savings.

Director Ferrara said that he was happy to see the BOD results back down.

Mr. Geaslen spoke about high concentrations of grease "turtles" at OCSD's list stations. "Turtles" form due to high concentrations of grease and sludge. Mr. Geaslen had his staff use BioBricks to help to breakdown the sludge and grease with good results.

**5. BOARD ACTION ON INDIVIDUAL ITEMS****A. REVIEW OF AUDITOR'S REPORT**

District Counsel Seitz presented his analysis of the County Auditor's report on the District's internal controls. Counsel Seitz thinks that the Auditor's Report is basically good news for the District. He highlighted two positive statements from the Auditor's Report. Counsel Seitz then spoke about the Auditor's recommendations which are not presently part of District policy.

Counsel Seitz introduced the County representatives: Jim Erb, Deputy Auditor-Controller of the County of San Luis Obispo, and Kerry Bailey, Chief Auditor. The Board and Administrator Wallace gave their appreciation to Mr. Erb and the Auditor's Office staff for their hard work on their audit of the District.

Mr. Erb spoke about the reasons for exclusively using the County Treasury for all deposits and payments of expenses. Director Ferrara brought up the issue of interest being earned on District funds to which Mr. Erb replied that the County is presently beating LAIF by nearly 20 basis points.

The Board then examined each recommendation as presented by Counsel Seitz in the Staff Report. Each recommendation was accepted by the Board with Recommendation No. 3 to be discussed further and brought back to the Board at a future time.

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

Plant Superintendent Barlogio presented the staff recommendation that the Board approve the purchase of four chemical metering pumps and spare parts from Ryan Herco in the amount of \$4,453.59. Several different chemical pumps are used around the Plant. Two of these pumps would be installed and used right away. The remaining two pumps would be used as needed. The pumps generally last for one year.

Director Ferrara noted that this is a Major Budget Item, and Administrator Wallace replied that the cost of the pumps is below the budgeted amount.

**It was moved by Director Angello, seconded by Director Ferrara, to approve the staff recommendation for the purchase of four chemical metering pumps in the amount of \$4,453.59. Motion carried unanimously.**

**6. PUBLIC COMMENT ON CLOSED SESSION**

There were no public comments.

**7. CLOSED SESSION**

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

Claimant: Jeff Appleton

Agency claimed against: SSLCOSD

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

District Counsel Seitz reported that the Board met in closed session and gave direction to Staff but took no reportable action.

**9. MISCELLANEOUS ITEMS**

**A. Miscellaneous Oral Communications**

Administrator Wallace spoke briefly regarding the staff's meeting with the SWRCB staff concerning the December 19, 2010 NOV and status of proposals for the County's environmental studies of the Oceano Lagoon.

**B. Miscellaneous Written Communications**

**10. ADJOURNMENT**

There being no further business to come before the Board, the meeting was adjourned at approximately 7:30 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

11/16/2011

ISSUED TO	PURCHASE/SERVICE	INV. # / SERVICE PERIOD	WARRANT NO.	ACCT	ACCT BRKDN	TOTAL
AARON ALLEN	HOTEL REIMS & PER DIEM	CWEA TRAINING	6047	7050	157.18	157.18
ADVANTAGE TECHNICAL	INFLUENT PUMP MEASURE	3126	48	7079	1,500.00	1,500.00
ALLIED ADMINISTRATORS	EMPLOYEE DENTAL	DECEMBER	49	6025	236.32	236.32
AQUATIC BIOASSAY	CHEMICAL ANALYSIS	SLO1011.1019	50	7078	2,900.00	2,900.00
ARAMARK UNIFORMS	EMPLOYEE UNIFORMS	6387143 6405995	51	7025	132.77	132.77
ARROWHEAD	LAB WATER	01J0012917373	52	8040	123.58	123.58
BC LABORATORIES	CHEMICAL ANALYSIS	B109442 B110095 B110495	53	7078	315.00	315.00
BILL NICOLLS	BOARD SERVICE	OCTOBER	54	7075	100.00	100.00
BRENNTAG PACIFIC, INC	CHEMICALS	146048	55	8050	4,247.73	4,247.73
CAL COAST MACHINERY	TRACTOR SERVICE	2896 3076	56	8030	919.17	919.17
CA ELEC SUPPLY	ELEC SUPPLIES	465619 465953 465625	57	8060	578.93	578.93
CALPERS	PAYROLL UNDERPAYMENTS	PERIODS: 01/10-3 02/11-4 04/11-3	58	6060	711.90	711.90
CARLOS QUINTERO	MEDICAL REIMBURSEMENT		59	6075	1,182.60	1,182.60
CARR'S BOOTS & WESTERN	EMPLOYEE UNIFORMS	WORK BOOTS	60	7025	250.00	250.00
CENTRAL COAST FENCE	MISC REPAIRS	73683	61	8030	726.25	726.25
CENTRAL COAST WATER	LAB SUPPLIES	N3926	62	8040	60.00	60.00
CHARTER	INTERNET SERVICE	NOVEMBER	63	7011	54.99	54.99
CSDA	MEMBERSHIP DUES	2012 ANNUAL	64	7050	1,229.00	1,229.00
E&J AUTO PARTS	FORKLIFT BATTERY	320331	65	8030	109.57	109.57
FARM SUPPLY	MISC PARTS	796586	66	8060	111.59	111.59
FEDEX	SHIPPING	7-676-91206	67	8045	49.94	49.94
FGL ENVIRONMENTAL	CHEMICAL ANALYSIS	182722A 182729A 182770A 182801A 182808A 182850A	68	7078	504.00	504.00
GAS COMPANY	GAS SERVICE	9/23/11 TO 10/21/11	69	7092	1,432.72	1,432.72
GRAINGER	MISC SUPPLIES	9673111465 9673111473 9673880481	70	8035 8055	593.97 212.55	1,435.38
	WEATHER STATION	9669175201		8060	628.86	
GROVER TOOL RENTAL	MISC RENTALS	25897 25975	71	8060	79.20	79.20
II. SUPPLY	MISC SUPPLIES	11870 11871	72	8060	320.73	320.73
JACK'S REPAIR AND SALES	ENGINE DIAGNOSIS	561281	73	8030	25.00	25.00
JB DEWAR INC	VEHICLE FUEL AND OIL	776475	74	8020	271.65	271.65
MATTHEW HABER	HOTEL, FUEL, PER DIEM	CALPERS TRAINING	75	7050	212.54	212.54
MC MASTER CARR	MISC SUPPLIES	99087370	76	8060	242.09	242.09
MDT PERSONNEL	CONTRACT LABOR	3103-652 3103-663	77	6085	1,020.00	1,020.00
MINERS ACE	MISC SUPPLIES	OCTOBER	78	8060	564.49	564.49
NORLAB, INC.	TRACING DYE	69068	79	19/8015	218.00	218.00
OFFICE DEPOT	OFFICE SUPPLIES	OCTOBER	80	8045	260.63	260.63
PINE VALLEY ECO PRODUCTS	MARKING PAINT	46943 46944	81	8015	529.85	529.85
PRAXAIR	GAS CYLINDER	41031127	82	8060	40.75	40.75
SANTA MARIA DIESEL	MISC SUPPLIES	19673 19677 19679 19700 19925 19928 41442 41448	83	8030	2,359.58	2,359.58
SO CO SANITARY SERVICE	TRASH SERVICE	NOVEMBER	84	7093	82.77	82.77
STAR DRUG TESTING	RANDOM DRUG TEST	27686	85	7068	40.00	40.00
THOMA ELECTRIC	ELECT SYS UPGRADE	11-8061*04	86	26/8065	790.50	790.50
TITAN INDUSTRIAL	MISC SUPPLIES	1047603	87	8056	85.52	206.84
		1047569 1047570		8060	121.32	
TONY FERRARA	BOARD SERVICE	OCTOBER	88	7075	100.00	100.00
UNITED RENTALS	SAW BLADE	96350337-001	89	8060	270.82	270.82
UNITED STAFFING	CONTRACT LABOR	054158 055287	90	6085	924.00	924.00
USABLUBOOK	MISC SUPPLIES	517688 523551	91	7065	385.70	385.70
US POSTAL SERVICE	PO BOX RENTAL FEE	2011-2012	92	8045	100.00	100.00
WALLACE GROUP	ADMIN SERVICES		93	7076	9,922.01	58,512.39
	OPERATION PROJECTS			various	37,138.68	
	REIMB PROJECTS			various	2,724.20	
	MAJOR BUDGET ITEMS			various	8,727.50	
WEST COAST INDUSTRIAL	MISC SUPPLIES	24312	94		74.20	74.20
WOESTE ELECTRIC INC	ELEC MAINT	6012	95	8060	1,440.00	1,440.00
SUB TOTAL					88,140.35	88,140.35
PAYROLL	PPE 10/21/2011 - OT PPE 11/4/2011				710.86 22,057.88	710.86 22,057.88
GRAND TOTAL					110,909.09	110,909.09

We hereby certify that the demands numbered serially from 111611-6047 to 111611-6095 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:

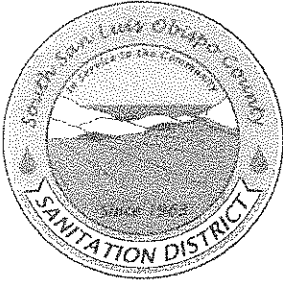
DATE: \_\_\_\_\_

\_\_\_\_\_  
Chairman

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

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

\_\_\_\_\_  
Secretary




## SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

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**TO:** Board of Directors  
**FROM:** John L. Wallace, *District Administrator*   
**DATE:** November 16, 2011  
**SUBJECT:** Monthly Financial Review (October 2011)

### Overall Monthly Summary

During the month of October, the District earned revenue in the total amount of \$111,841, of which \$109,154 was received from the City of Arroyo Grande for September services, and \$2,687 was earned for the cell-tower lease. Of the \$2,687 received for the cell-tower lease, \$1,706 was earned for payment of the October lease itself, and the remaining \$981 was received for amounts owed due to the amendment of the cell-tower lease.

Please note that revenues for September services of \$92,871 which had been received from the City of Grover Beach, and \$8,594, which had been received from OCSD, had previously been recorded at September 30 so they do not appear on the October statement.

During the month of October, the District totaled \$155,647 in operating expenses.

### Local Agency Investment Fund

The LAIF balance was \$3,840,206 at October 31, 2011.

### County of San Luis Obispo Treasury Pool

As of October 31, 2011, the cash balance with the County of San Luis Obispo Treasury Pool totaled \$254,226. 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.

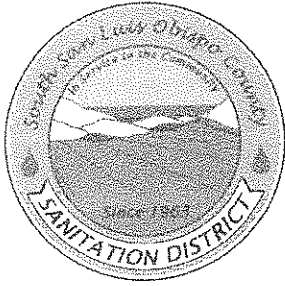
### Rabobank Funds

As of October 31, 2011 the cash balance with Rabobank totaled \$21,045. This account is used to process LAIF transfers and for the issuance of payroll checks through the District's contracted payroll provider service. Funds are transferred periodically from LAIF in order to cover these expenses.

MONTHLY FINANCIAL STATEMENT (Government Code Section 53646(d))  
 SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT  
 FINANCIAL SUMMARY FOR OCTOBER 31, 2011 FY 2011-12

	FUND 19 OPERATING	FUND 20 EXPANSION	FUND 26 REPLACEMENT	DISTRICT- WIDE
<b>CASH BALANCE</b>	(859,087)	4,297,291	677,272	4,115,476
Cash W/County	3,110,909	(1,428,413)	(1,428,271)	254,226
Cash W/LAIF	(3,991,041)	5,725,704	2,105,543	3,840,206
Cash W/Rabobank	21,045	0	0	21,045
<b>TOTAL DEPOSITS</b>				
Current - County Treasury Pool	525,220	2,475		527,695
<b>LONG-TERM DEBT</b>				
Energy Project Financing Loan		407,079		407,079
<b>REVENUES:</b>				
<b>OPERATING</b>				
Current	109,154			109,154
Year-to-date	716,299			716,299
<b>NON-OPERATING</b>				
Current Period				
Connection Fees		2,475		2,475
Interest				
Lease Income	2,687			2,687
Total - Current Period	2,687	2,475		5,162
Year-to-Date				
Connection Fees		7,425		7,425
Interest		2,492	1,342	3,833
Lease Income	7,725			7,725
Energy Rebates		150,000		150,000
Total - YTD	7,725	159,917	1,342	168,983
<b>TOTAL REVENUES:</b>				
Current Period	111,841	2,475		114,316
Year-to-date	724,024	159,917	1,342	885,282
<b>EXPENSES:</b>				
Current Period	155,647			155,647
Year-to-date	996,124	170,166	13,756	1,180,046
Net Income (Loss) - Current Period	(43,806)	2,475		(41,331)
Net Income (Loss) - YTD	(272,100)	(10,250)	(12,414)	(294,764)

NEW CONNECTIONS	CURRENT NUMBER	CURRENT REVENUE	FY 2011/12 YEAR-TO-DATE	FY 2011/12 YTD REVENUE
Arroyo Grande	0	0	2	4,950
Grover Beach	0	0	0	0
Oceano	1	2,475	1	2,475
<b>TOTAL NEW DISTRICT CONNECTIONS</b>	<b>1</b>	<b>2,475</b>	<b>3</b>	<b>7,425</b>




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**To:** Board of Directors  
**From:** Bob Barlogio, Plant Superintendent  
**Via:** John Wallace, District Administrator   
**Date:** November 16, 2011  
**Subject:** Superintendent's Report

The plant operated well last month, the following data was complied:

Average daily flow was 2.53 million gallons per day, with a maximum daily flow of 2.75 million gallons.

Average BOD coming into the plant was 309 mg/l, TSS was 316 mg/l. We are still waiting for results from BC lab for Oct 21st. The maximum BOD was 365 mg/l and TSS max was 380 mg/l, of the data I currently have.

Average BOD leaving the plant was 27 mg/l, TSS was 33 mg/l. Maximum was 68 mg/l BOD and 63 mg/l TSS. This was due to a FFR flush. The maximum weekly averaged 34 mg/l BOD and 40 mg/l TSS, weekly limit of 60 mg/l.

The most of the BOD and TSS results are from an average of samples split between two labs. Fecal 5 day median was 13 MPN, limit of 200 MPN. Please see attached graphs. We have decreased chlorine usage substantially without sacrificing the disinfection effectiveness.

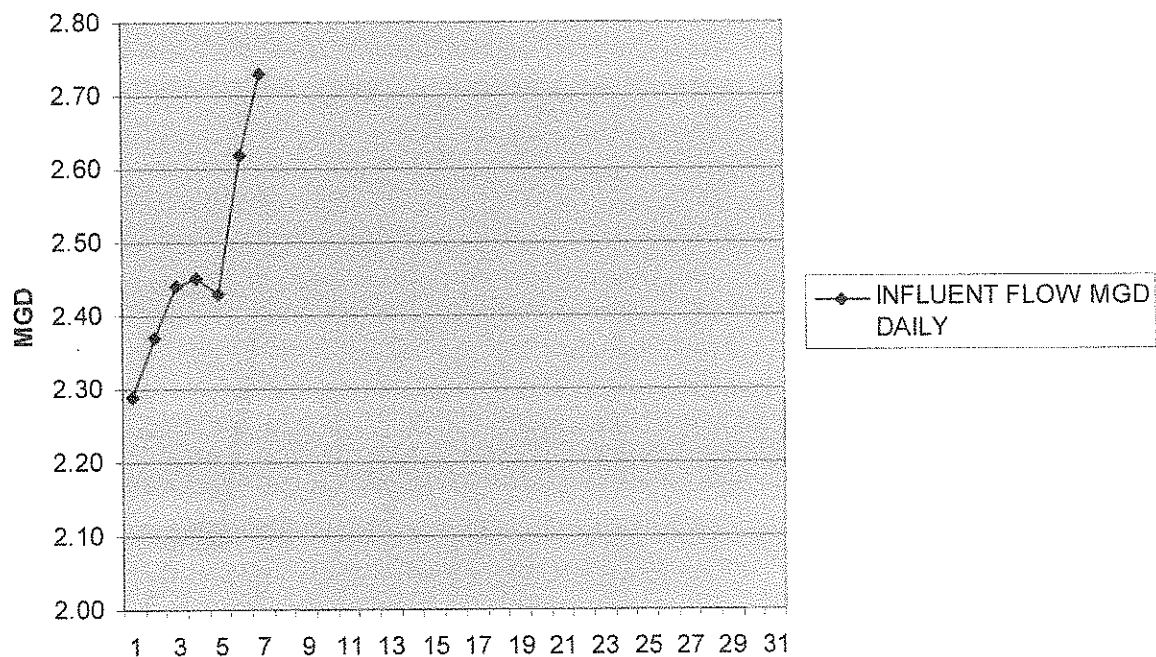
Mainline Utility Company CCTV (closed circuit TV) a series of the collection system lines from manhole C51 to C57. In a couple runs between manholes, they were unable to proceed through the line due to debris. I sent an e mail to Shane Taylor, of Arroyo Grande, Public Works Supervisor, asking for his assistance in cleaning these lines.

Staff replaced a broken frame and lid on an electrical vault near the headworks area. They also raised the lid a couple inches to divert water away from the vault.

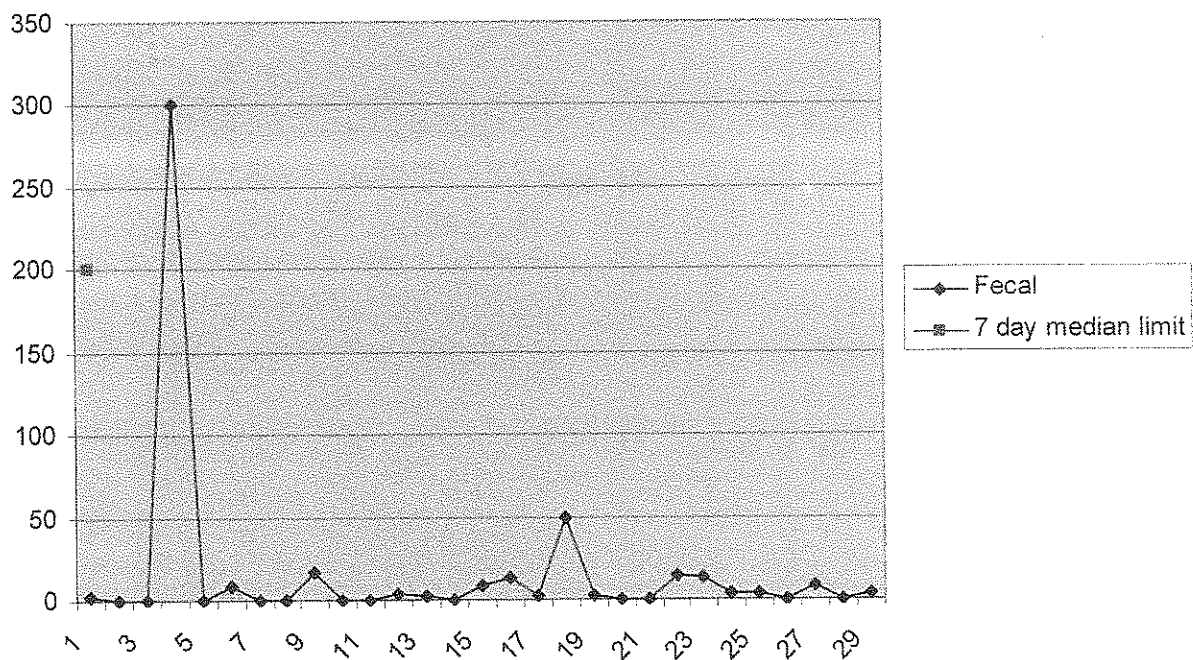
We have sampled the collections system from Arroyo Grande, Grover Beach, and Oceano. Staff are waiting for the results. We plan to sample a couple times during the month, just to give us a base line of BOD and TSS.

We had a power outage on Thursday, Nov 3<sup>rd</sup>, everything went well, generator started automatically, process units came back on line. When PG&E power came back on, the emergency generator ran through it's cool down cycle and shut off.

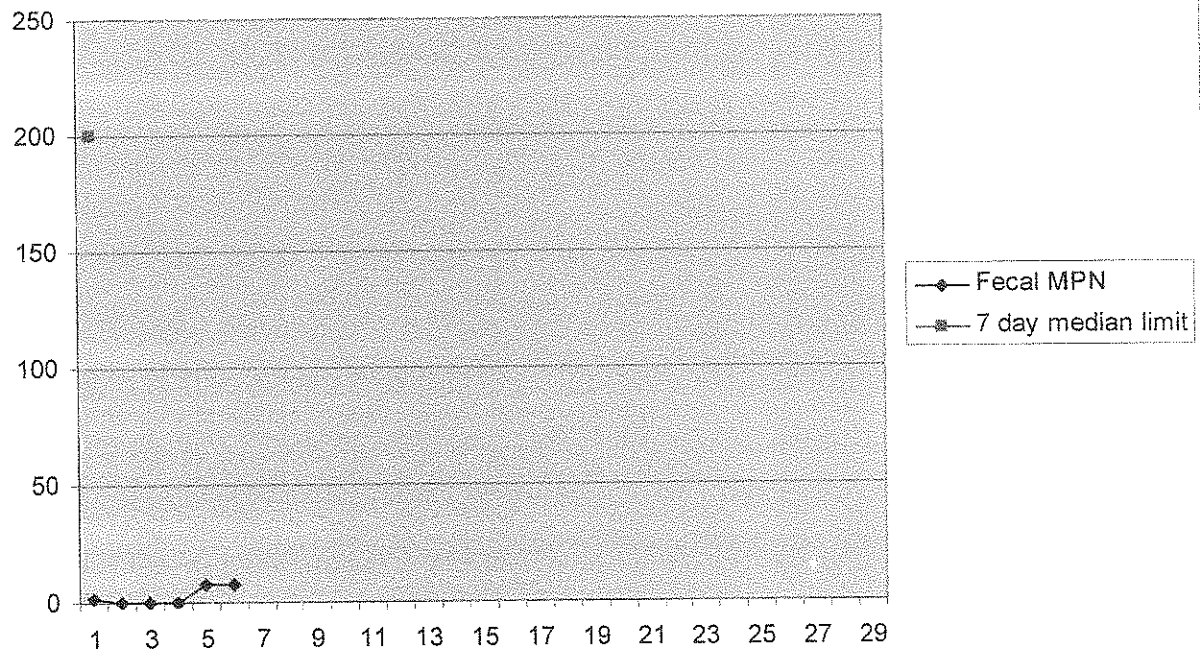
Nov-11



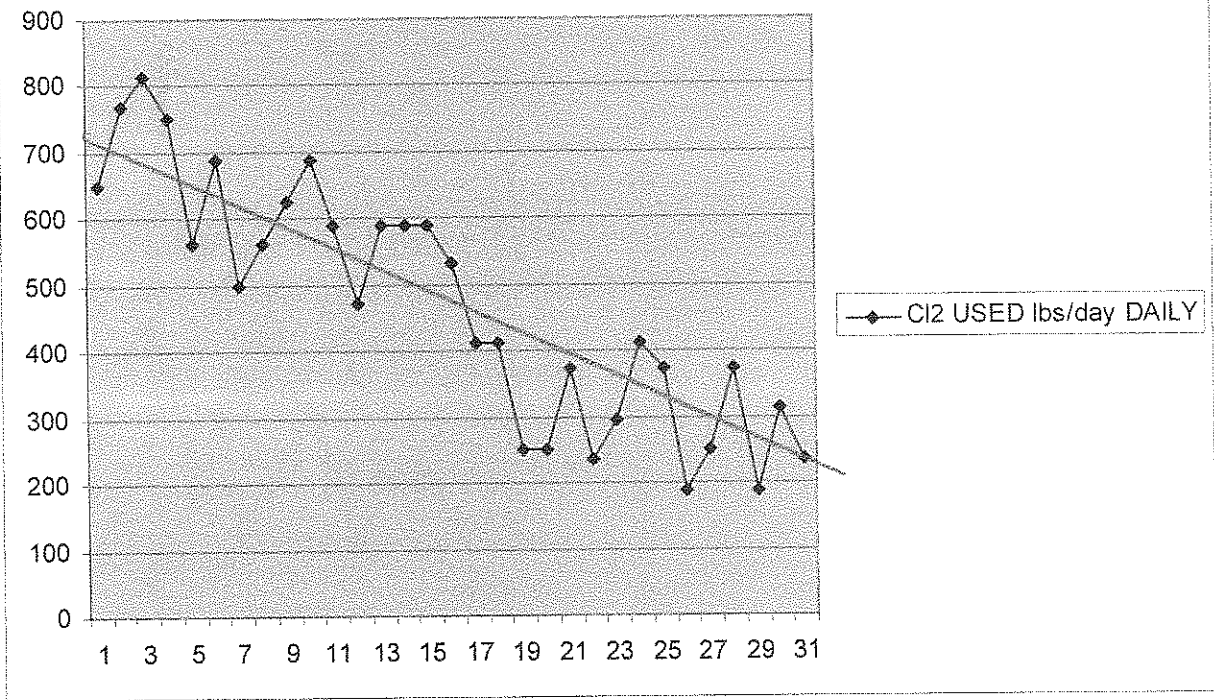
Oct-11



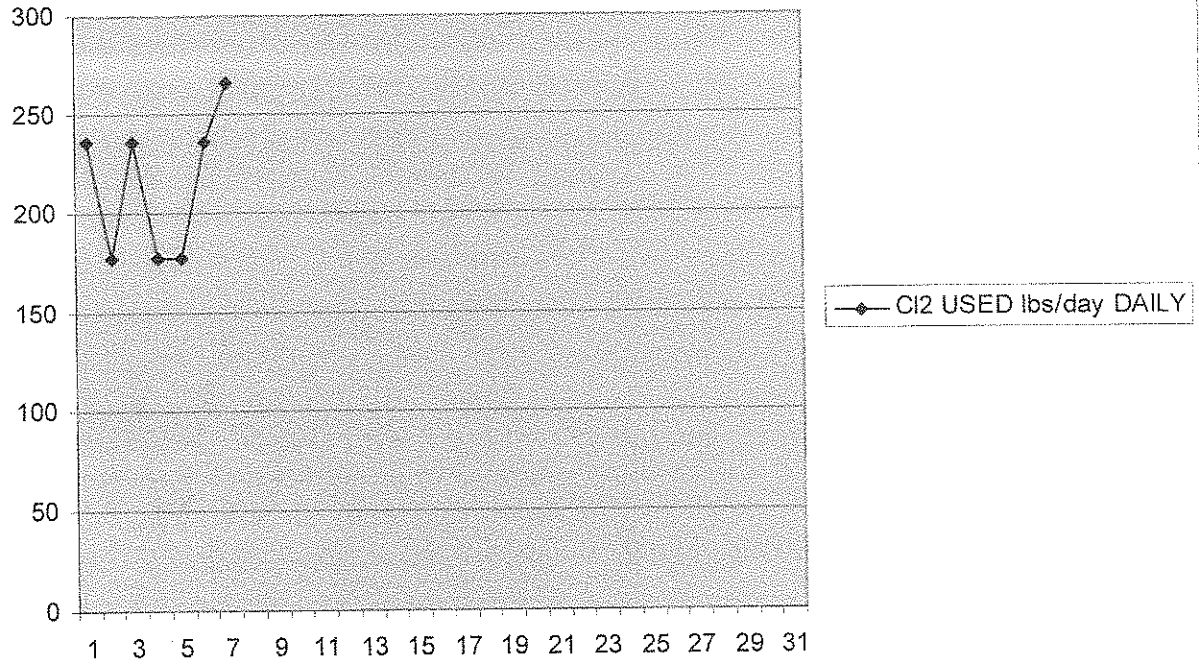
Nov-11



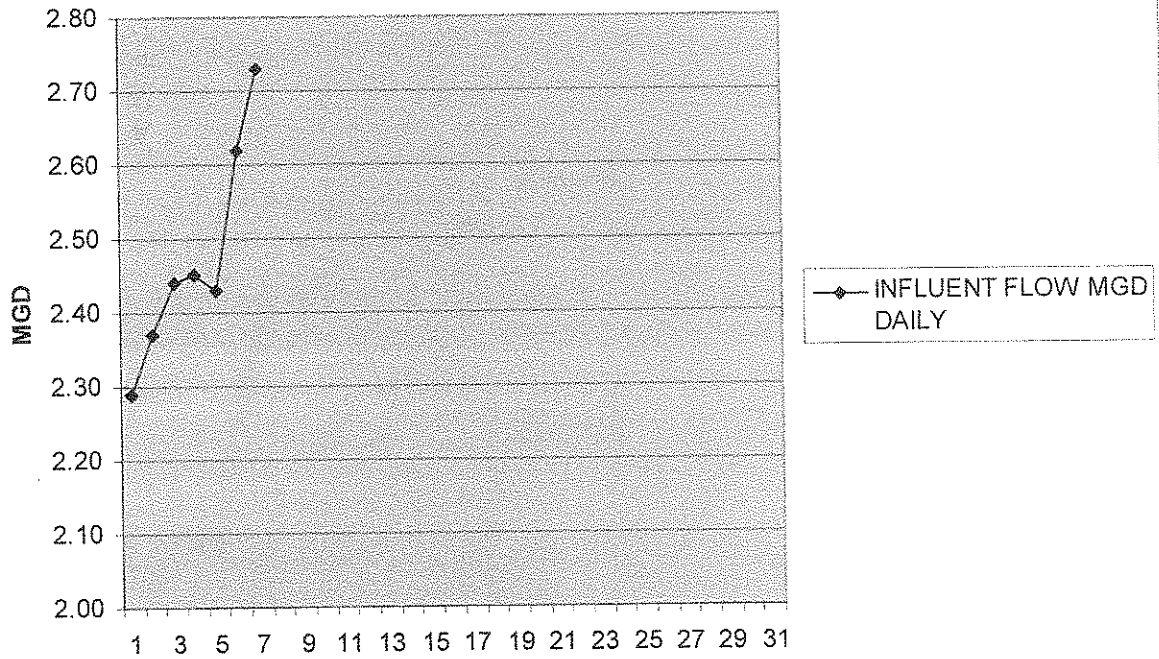
Oct - 11

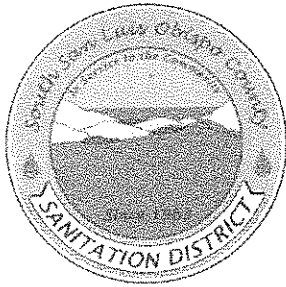


Nov-11



Nov-11





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### Staff Report

**To:** Board of Directors  
**From:** John Wallace, *District Administrator*  
**Date:** November 16, 2011

**Subject:** New Centrifuge 2A, Centrifuge Purchase Retainage Payment to Andritz Separation

### Recommendation:

Approve retention release to Andritz Separation Inc. in the amount of **\$35,949.20**

### Funding:

This project, since inception provides for Major Budget Item 05 MBI 06 – New Centrifuge Building 2A -- in the amount of **\$2,034,586.26** provided that the first quarter budget adjustment is made pursuant to the items on this agenda. To date the following expenditures have occurred:

- **\$320,814.24** on Capital Equipment;
- **\$7,857.13** on Testing/Troubleshooting;
- **\$479,664.94** on Centrifuge Research and Testing, Design, Project Management and Survey;
- **\$141,871.08** on Contract Administration;
- **\$917,441.45** on Construction;
- **\$130,175.51** on Construction Contingencies.

for a total of **\$1,997,824.35**, leaving a balance of **\$36,761.91** as of November 2, 2011.

The total payment requested for this report is to release retainage to Andritz in the amount of **\$35,949.20**. All conditions of the contract with Andritz Separation Inc. are now complete and the statutory lien period has expired.

### Discussion:

Retainage for the centrifuge equipment purchase has met the conditions for release to Andritz Separation Inc., based on the following:

- Final installation inside the building required an additional technician visit. (COMPLETE)
- The run-time meter on the centrifuge was not set correctly when the machine was moved to the permanent location. (COMPLETE)
- There was extensive corrosion on the conveyor cover plates, when the machine was disassembled and moved. Specifications required coating on all surfaces. Since this was not provided, Andritz has agreed to provide new stainless steel covers at no cost to the District. (COMPLETE)
- Corrosion was also discovered on the trough of the conveyor. Specifications required a coated trough, which was not provided by Andritz. Andritz has agreed to upgrade this part of the equipment to a stainless trough. (COMPLETE)

Staff recommends that the Board:

Approve retention release to Andritz Separation Inc. in the amount of **\$35,949.20** because the contract is complete, and the statutory lien period has expired.

# ANDRITZ Environment & Process

## Invoice

Customer: 119245  
**San Luis Sanitation District**  
 South San Luis Obispo County  
 PO Box 339  
 Oceano CA 93445

Invoice No./Date: 8480022780 / 11/07/2011  
 Customer PO No.: 061909-01  
 Our Order No./Date: 40011538 / 08/04/2009  
 Contact: Rodney Mueller  
 Phone: +18174191718  
 Fax: +18174191918  
 Email: Rodney.Mueller@andritz.com

**Ship-To Address:** 119245  
 San Luis Sanitation District  
 South San Luis Obispo County  
 1600 Aloha Place  
 OCEANO CA 93445  
 USA

**Terms of Delivery**  
 FOB Jobsite, Acc. to Incoterms 2000

### Invoice Details

Item	Material Description Pricing Conditions	Quantity	Price	Price Unit	Value USD
000010	131902556 ENVIRONMENT & SEPARATION SAN LUIS OBISPO CENTRIFUGE SKID WBS-Element: C-48-806699-721 Final 10%	1 PC	327,220.00	1 PC	32,722.00
000020	131902556 ENVIRONMENT & SEPARATION SAN LUIS OBISPO CENTRIFUGE SKID WBS-Element: C-48-806699-721 Back Charge Conveyor Support Work	1 PC	1,752.94-	1 PC	1,752.94-
000030	131902556 ENVIRONMENT & SEPARATION SAN LUIS OBISPO CENTRIFUGE SKID WBS-Element: C-48-806699-721 Additional Conveyor Trough	1 PC	2,550.00	1 PC	2,550.00
Items total					33,519.06
Total Amount					33,519.06
Total tax					2,430.14
<b>Invoice Amount</b>					<b>35,949.20</b>

Page 1 of 2

ANDRITZ Separation Inc.  
 1010 Commercial Blvd. South  
 Arlington, TX 76001 USA  
 Tel.: +1 (817) 465-5811  
 Fax: +1 (817) 468-3961

Remit to:  
 ANDRITZ Separation Inc.  
 Dept. 0312  
 P.O. Box 120312  
 Dallas, TX 75312-0312 USA  
 Federal Tax ID Number: 59-3773483

Wire Instructions:  
 Nordea Bank Finland PLC  
 New York Branch  
 SWIFT: NDEAUS3N  
 Account: 8879433001  
 ABA: 026010786

**ANDRITZ**  
**Environment & Process**

Invoice No./Date:

8480022780 / 11/07/2011

**Terms of payment:**

Within 30 days Due net

**Invoice reference number**

In case of wire transfer please use the following reference number 8480022780.

Page 2 of 2

ANDRITZ Separation Inc.  
1010 Commercial Blvd. South  
Arlington, TX 76001 USA  
Tel.: +1 (817) 465-5811  
Fax: +1 (817) 468-3961

Remit to:  
ANDRITZ Separation Inc.  
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Dallas, TX 75312-0312 USA  
Federal Tax ID Number: 59-3773483

Wire instructions:  
Nordea Bank Finland PLC  
New York Branch  
SWIFT: NDEAUS3N  
Account: 8879433001  
ABA: 026010786



## 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://ssllocsd.org/>

### Staff Report

**To:** Board of Directors  
**From:** John Wallace, *District Administrator*  
**Date:** November 16, 2011

**Subject:** Pretreatment Ordinance Update

### Recommendation:

Direct Staff to prepare a Request For Proposals (RFP) to update the District's existing Pretreatment Ordinance.

### Funding:

The FY 2011-12 Budget *Account 19-7065 – Source Control Program* provides for **\$50,000**. The scope for this budget line item did not include costs to cover the proposed ordinance update. The current balance in the account is **\$39,037**. If this item is approved, the budgetary estimate to update the ordinance is **\$10,000 to \$20,000**. Therefore, when the RFP is written, proposals are received, and actual costs are determined, a budget adjustment will need to be made at a FY 2011-12 quarterly review to include the additional cost for this change in scope if the Board approves the proposal.

### Discussion:

Recently, the Board adopted a Sewer Use Ordinance that regulates sewer connections and the standards of construction for the collection system. The sewer use ordinance is a broad based document to address all sewer connections in the District. However, a separate Pretreatment Ordinance is also needed (required) to address non-domestic and or industrial discharges in the District.

According to the Provisions of the District's NEDES Permit (Section VI.C.5.b. attached to this report), the District is required to have a Pretreatment Program for the following reasons:

1. There are industrial users (IU) in the District's service territory that have the potential to discharge pollutants to the sanitary sewer that would adversely affect the treatment plant effluent limits.
2. There are also IUs in the District that could discharge wastes, such as metals that would pass-through the plant into the treated effluent or biosolids.

Therefore, the District previously adopted a Pretreatment Program that identifies, inspects and permits IUs that could discharge pollutants that could affect plant effluent discharges, or have pass through of pollutants.

However, the current ordinance was adopted in 1994 and there have been significant changes made by the EPA regarding pretreatment programs since then. For example there are many EPA classifications of IUs that are not addressed in our current ordinance. Also, the current ordinance has limited recourse if a business or industry does not comply with the existing Pretreatment Program.

Other Sanitation Districts have a system set up to charge IUs for issuing permits, and fine IUs for non-compliance. Similar to the FOG inspection fees, the revised ordinance could allow the District to receive fees to recover some of the cost required by Staff to permit IUs that are reluctant to adhere to the program.

Some pretreatment ordinances also include a specialized determination of local limits of various pollutants. This requires extensive sampling and monitoring and that does not need to be done at this time. However, in the future if the plant average flow increases above 3MGD, the EPA will require the District to have a formal, approved pretreatment program. That means the plant will need to submit ordinances, procedures, and permits to the EPA for approval every five (5) years. At that time, the District will need to determine the local discharge limits for IUs in the District boundaries. Determining local limits will require a study of the existing collection system, calculating discharge limits based on the current NPDES permit, and to perform sampling and testing at the plant. This study cost for this type of study is in the range of **\$50,000. to \$65,000.** Fortunately, this study is not required at this time

It is recommended that The Board direct Staff to prepare an RFP to update the existing pretreatment ordinance to meet the District's current EPA requirements.

- (iii) A summary of all actions taken in accordance with the control strategy;  
and
- (iv) A description of actions to be taken in the following year.

**4. Construction, Operation and Maintenance Specifications.** This section of the standardized permit is not applicable to the South San Luis Obispo County Sanitation District.

**5. Special Provisions for Municipal Facilities (POTWs Only)**

- a. Biosolids Management.** The handling, management, and disposal of sludge and solids derived from wastewater treatment must comply with applicable provisions of U.S. EPA regulations at 40 CFR 257, 258, 501, and 503, including all monitoring, record keeping, and reporting requirements.

Solids and sludge treatment, storage, and disposal or reuse shall not create a nuisance, such as objectionable odors or flies, and shall not result in groundwater contamination. Sites for solids and sludge treatment and storage shall have adequate facilities to divert surface water runoff from adjacent areas to protect the boundaries of such sites from erosion, and to prevent drainage from treatment and storage sites.

The treatment, storage, disposal, or reuse of sewage sludge and solids shall not cause waste material to be in a position where it is, or can be, conveyed from the treatment and storage sites and deposited into waters of the State. The Discharger is responsible for assuring that all biosolids produced at its facility are used or disposed of in accordance with the above rules, whether the Discharger uses or disposes of the biosolids itself, or transfers them to another party for further treatment, use, or disposal. The Discharger is responsible for informing subsequent preparers, applicators, and disposers of the requirements that they must adhere to under these rules.



- b. Pretreatment.** A Pretreatment Program is a regulatory program administered by the Discharger that implements National Pretreatment Standards. These standards are promulgated by the USEPA in accordance with Section 307(b) and (c) of the Federal Clean Water Act (CWA). This permit implements General Pretreatment Regulations of 40 CFR 403, latest revision.

The objective of the pretreatment program is to prevent the introduction of pollutants into the POTW which will interfere with the operation of the treatment works, pass through the treatment facility, reduce opportunities to recycle and reuse municipal wastewater and sludge, or expose POTW employees to hazardous chemicals.

In order to provide adequate legal authority for the Discharger to protect its POTW, and to evaluate sources of industrial discharges, the Discharger must perform the following pretreatment activities:

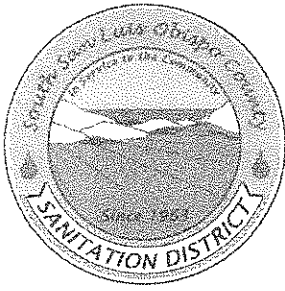
- (1) Maintain a sewer use ordinance to provide all of the legal authorities described in 40 CFR 403.8(f)(1).
- (2) By February 1, 2013, submit to this office the results of an updated industrial waste survey as described in 40 CFR 403.8(f)(2)(i)-(ii), and a report summarizing potential impacts of industrial discharges upon the POTW. The report must include an evaluation of the need for regulation of industrial discharges to implement the objectives of the federal pretreatment program.
- (3) If, in the evaluation of b.2. above, the Executive Officer determines that a formal pretreatment program is necessary to adequately meet program objectives, then the Discharger shall develop such a program in accordance with 40 CFR 403.9(b).
- (4) The Discharger shall comply, and ensure affected "indirect dischargers" comply, with Paragraph D.1. of "Standard Provisions and Reporting Requirements."

## 6. Other Special Provisions

- a. **Discharges of Storm Water.** For the control of storm water discharged from the site of the wastewater treatment and disposal facilities, if necessary, the Discharger shall seek authorization to discharge under and meet the requirements of the State Water Resources Control Board's Water Quality Order 97-03-DWQ, NPDES General Permit No. CAS000001, *Waste Discharge Requirements for Discharges of Storm Water Associated with Industrial Activities Excluding Construction Activities*.

Storm water flows from the wastewater treatment process areas are directed to the headworks and discharged with treated wastewater. These storm water flows constitute all industrial storm water at this facility and, consequently, this permit regulates all industrial storm water discharges at this facility along with wastewater discharges.

- b. **Statewide General Waste Discharge Requirements for Sanitary Sewer Systems (State Water Board Order No. 2006-0003-DWQ).** This General Permit, adopted on May 2, 2006, is applicable to all federal and state agencies, municipalities, counties, districts, and other public entities that own or operate sanitary sewer systems greater than one mile in length that collect and/or convey untreated or partially treated wastewater to a publicly owned treatment facility in the State of California. The purpose of the General Permit is to promote the proper and efficient management, operation, and maintenance of sanitary sewer systems and to minimize the occurrences and impacts of sanitary sewer overflows. The Discharger is enrolled under the General Permit.



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<http://sslocsd.org/>

### Staff Report

**To:** Board of Directors  
**From:** Bob Barliogio, *Plant Superintendent*  
**Via:** John Wallace, *District Administrator*   
**Date:** November 16, 2011

**Subject:** 04 MBI 16 -- Electrical System Upgrade, Clarifier Equipment

#### Recommendation:

Staff recommends the Board approve the purchase of electrical wire to further the reconductoring project, from IES of San Luis Obispo, in the expected amount of **\$7,000.22**.

#### Funding:

The FY 2011-12 Budget includes Major Budget Item *04 MBI 16 – Electrical System Upgrade* in the amount of **\$239,586**. To date **\$42,520.30** has been spent on the influent reconductoring and contract administration.

Assuming this expenditure is approved, the remaining budget will be approximately **\$ 190,066**.

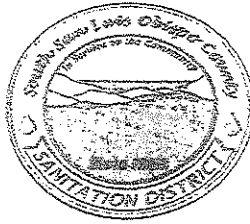
#### Discussion:

In an effort to progress toward replacing the UG wiring at the plant, staff received three quotations for #12 and #14 wires to complete rewiring all of the Primary and Secondary Clarifier equipment except for the three Clarifier Drives (which will be completed during the drive replacement project).

	Parts	Estimated Tax	Total
<b>IES, San Luis Obispo</b>	<u>\$6,527.01</u>	<u>\$473.21</u>	<u>\$7,000.22</u>
<b>CED, Paso Robles</b>	\$7,125.00	\$516.56	\$7,641.56
<b>Graybar, Santa Barbara</b>	\$7,276.15	\$527.52	\$7,803.67

When completed, this project combined with the FFR rewiring will put the overall progress at around 94%. All that's remaining would be plant lighting and the Clarifier Drives. Completion of these items will allow the entire project to finish well below budget.

Staff recommends the Board approve the purchase of the wire to further the reconductoring project from IES of San Luis Obispo, in the expected amount of **\$7,000.22**.



## 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: 10-28-11

Item Description: XHHW-2 electrical copper stranded wire

Supplier:	<u>Independent Electrical Supply</u>	Cost:	<u>\$7000.22 w/Tax (no freight)</u>
	<u>CEO</u>		<u>7641.56 w/Tax + Freight</u>
	<u>Gray box</u>		<u>7840.05 w/Tax + Freight</u>

Additional Information: This wire is for rewiring the primary & final clarifier and pump stations. This is a major budget item of the plant electrical systems upgrade.

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



INDEPENDENT ELECTRIC SUPPLY, INC  
4540 BROAD ST STE 130  
SAN LUIS OBISPO, CA 93401-8729  
805-781-0169  
Fax 805-781-0179

## Quotation

QUOTE DATE	QUOTE NUMBER
10/24/2011	S100900704
INDEPENDENT ELECTRIC SUPPLY, INC 4540 BROAD ST STE 130 SAN LUIS OBISPO, CA 93401-8729 805-781-0169 Fax 805-781-0179	
PAGE NO. 1 of 1	

QUOTE TO:

SHIP TO:

SOUTH SAN LUIS OBISPO  
P.O. BOX 339  
P.O. BOX 339  
OCEANO, CA 93475

SOUTH SAN LUIS OBISPO  
1600 ALOHA PLACE  
SANITATION DISTRICT  
1600 ALOHA PLACE  
OCEANO, CA 93445

CUSTOMER NUMBER	CUSTOMER PO NUMBER	JOB NAME / RELEASE NUMBER	ORDERED BY		
36667	XHHW-2	SOUTH SAN LUIS OBISPO	TRINI		
WRITER		SHIP VIA	TERMS	SHIP DATE	FREIGHT ALLOWED
Cameron Shaffer			P10TH NET 30	10/24/2011	No
ORDER QTY	DESCRIPTION		UNIT PRICE	EXT PRICE	
	<div>SHIPPING INSTRUCTIONS NO FREIGHT ALL WIRE ON 5000 SPOOLS EXCEPT 14 PURPLE THAT WILL BE ON 2X2500'</div>				
5000ft	WIR XHHW-12-BRN-7STR-CU-2500S/R XHHW-12-BRN-7STR-CU-2500S/R		164.865/m	824.32	
5000ft	WIR XHHW-12-ORN-7STR-CU-2500S/R XHHW-12-ORN-7STR-CU-2500S/R		164.865/m	824.32	
5000ft	WIR XHHW-12-YEL-7STR-CU-2500S/R XHHW-12-YEL-7STR-CU-2500S/R		164.865/m	824.32	
5000ft	WIR XHHW-12-BLU-7STR-CU-2500S/R XHHW-12-BLU-7STR-CU-2500S/R		164.865/m	824.32	
5000ft	WIR XHHW-12-WHT-7STR-CU-2500S/R XHHW-12-WHT-7STR-CU-2500S/R		164.865/m	824.32	
5000ft	WIR XHHW-12-GRN-7STR-CU-2500S/R XHHW-12-GRN-7STR-CU-2500S/R		164.865/m	824.32	
5000ft	WIR XHHW-14-RED-7STR-CU-2500S/R XHHW-14-RED-7STR-CU-2500S/R		105.406/m	527.03	
5000ft	WIR XHHW-14-BLU-7STR-CU-2500S/R XHHW-14-BLU-7STR-CU-2500S/R		105.406/m	527.03	
5000ft	WIR XHHW-14-PUR-7STR-CU-2500S/R XHHW-14-PUR-7STR-CU-2500S/R		105.406/m	527.03	
***** ALL BIDS ARE GOOD FOR 30 DAYS OR LESS *****					
**** Sales Tax, Freight, and Misc Items may not be included ****			Subtotal	6527.01	
No returns without prior approval. All returns must be accompanied by a copy of the invoice and are subject to a restocking charge.			S&H Charges	0.00	
No returns allowed on non-stocked items or cut wire. Complete terms are included on the IES website at "iesupply.com".			Amount Due	493.22	

7000.22

CED - PASO ROBLES  
2525 RIVERSIDE AVE

PASO ROBLES CA 93446 USA

TEL: ( ) - FAX: ( ) -

CONTACT: TODD WILLIAMS 237-0202

ATTN: TRINI

QUOTE FOR: SOUTH SLO COUNTY SANITATION DIST  
ACCT: 27-80795 SOUTH SLO COUNTY SANITATION

SOUTH SLO COUNTY SANITATION DIST  
P.O. BOX 339  
OCEANO, CA 93445  
TEL: (805)544-4011

<b>QUOTATION</b>			PAGE 1
QUOTE # 1008106	DATE 10/26/2011	REV # 0	REV DATE 10/26/2011
QUOTE EXPIRES 11/25/2011		PREPARED BY TODD WILLIAMS	
SLS 0701		INSL 0701	
FOB SHIPPING POINT		FREIGHT PP & CHARGE	

CUST PO #
JOB NAME RECONDUTING

LN	QTY	PRODUCT CODE	DESCRIPTION	PRICE	PER	EXT AMT
01	30000	WIRE XHHW-2 #12	YEL, BRN, ORN, BLU, WHT, GRN	180.00	M	5400.00
02	15000	WIRE XHHW-2 #14	RED, BLU, PUR	115.00	M	1725.00

\* MDSE: 7125.00

TAX: 516.56

\*\* TOTAL: 7641.56

**PLEASE NOTE: This is not an offer to contract, but merely a quotation of current prices for your convenience and information. Orders based on this quotation are subject to your acceptance of C.E.D.'s terms and Conditions. We make no representation with respect to compliance with job specifications.**

Consolidated Electrical Distributors, Inc.  
Cus #: SOUTH SLO COUNTY SANITATION DIST

TERMS AND CONDITIONS

- Sales:**  
All sales are expressly conditional on Buyer's agreement to the standard terms and conditions herein. Any of the terms and provisions of Buyer's order which are inconsistent with or in addition to the terms and conditions hereof shall not be binding on Seller and shall not be considered applicable to the sale or shipment of the merchandise referred to herein. Unless Buyer shall notify Seller in writing to the contrary as soon as practicable after Buyer's receipt hereof, acceptance of the terms and conditions hereof by Buyer shall be indicated, and, in the absence of such notification, the sale and shipment by Seller of the merchandise covered hereby shall be conclusively deemed to be subject to the terms and conditions hereof.
- Warranties:**  
The goods sold by Seller are products of recognized manufacturers sold under their respective brand or trade name in accordance with their terms and conditions. Seller shall use its best efforts to obtain from each manufacturer, in accordance with the manufacturer's warranty (copies of which will be furnished upon request) or customary practice, the repair or replacement of goods that may prove defective in material, design, or workmanship. The foregoing shall constitute the exclusive remedy of Buyer and the sole obligation of Seller. Except as to title, SELLER GIVES NO WARRANTY, EXPRESS OR IMPLIED, AS TO MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, OR OTHERWISE. Seller shall not, under any circumstances be liable for any special, direct, indirect, incidental, exemplary, liquidated, or consequential damages to persons or property arising out of or connected with the transactions contemplated hereby or the design, manufacture, subsequent sale or use of the goods, including, but not limited to, loss of profit or revenues, loss of use of the products or any associated equipment, cost of capital, cost of substitute products, facilities, service or replacement power, down time, costs, or claims of Buyer's customers for such damages. Seller's maximum cumulative



5360 OVERPASS RD  
SANTA BARBARA CA 93111-2008  
Phone: 805-964-7771  
Fax: 805-967-3753

To: COUNTY OF SAN LUIS OBISPO/COMMD  
INFORMATION TECHNOLOGY DEPT  
976 OSOS STREET ROOM 400  
SAN LUIS OBISPO CA 93408  
Attn: VERBAL  
Phone: 805-781-5049  
Fax: 805-~~781-1074~~  
Email:

Date: 10/28/2011  
Proj Name: WIRE  
GB Quote #: 214161962  
Valid From: 10/26/2011  
Valid To: 11/05/2011  
Contact: ARMANDO BARRETO  
Email: armando.barreto@graybar.com

489-2765

### Proposal

We Appreciate Your Request and Take Pleasure in Responding As Follows

Item	Quantity	Supplier	Catalog Nbr	Description	Price	Unit	Ext. Price
Notes: WE SHOW AN ACCOUNT FOR COUNTY OF SLO. DID NOT FIND AN ACCOUNT FOR SLO - SANITATION.							
PER MANUFACTURE: All this material is in stock on 5000# reels in Rome, NY except the #12 Green. With an order today (Wed), can fit some green into production schedule today and ship complete tomorrow (Thurs). QUOTE IS PLUS FREIGHT.							
100	5,000 EA	KRIS-TECH	#12-7str	XHHW BRN	\$169.63	1000	\$848.15
200	5,000 EA	KRIS-TECH	#12-7str	XHHW ORG	\$169.63	1000	\$848.15
300	5,000 EA	KRIS-TECH	#12-7str	XHHW YEL	\$169.63	1000	\$848.15
400	5,000 EA	KRIS-TECH	#12-7str	XHHW BLU	\$169.63	1000	\$848.15
500	5,000 EA	KRIS-TECH	#12-7str	XHHW WHT	\$169.63	1000	\$848.15
600	5,000 EA	KRIS-TECH	#12-7str	XHHW GRN	\$169.63	1000	\$848.15
700	5,000 EA	KRIS-TECH	#14-7str	XHHW RED	\$119.15	1000	\$595.75

This equipment and associated installation charges may be financed for a low monthly payment through Graybar Financial Services (subject to credit approval). For more information call 1-800-241-7408 to speak with a leasing specialist.

To learn more about Graybar, visit our website at [www.graybar.com](http://www.graybar.com)

24-Hour Emergency Phone#: 1-800-GRAYBAR

Subject to the standard terms and conditions set forth in this document. Unless otherwise noted, freight terms are F.O.B. shipping point prepaid and bill.

Unless noted the estimated ship date will be determined at the time of order placement.

Oct. 28, 2011 8:01AM

No. 2611 P. 2

To: COUNTY OF SAN LUIS OBISPO/COMMD  
INFORMATION TECHNOLOGY DEPT  
976 OSOS STREET ROOM 400  
SAN LUIS OBISPO CA 93408

Date: 10/28/2011  
Proj Name: WIRE  
GB Quote #: 214161962

Attn: VERBAL

### Proposal

We Appreciate Your Request and Take Pleasure in Responding As Follows

800	5,000 EA	KRIS-TECH	#14-7str XHHW BLU	\$119.15	1000	\$595.75
900	5,000 EA	KRIS-TECH	#14-7str XHHW PUR	\$119.15	1000	\$595.75
1000	1 EA		INBOUND FREIGHT	\$400.00	1	\$400.00

Subtotal: \$7,276.15

Estimated Tax: \$563.90

(Actual tax value will be calculated at time of order placement)

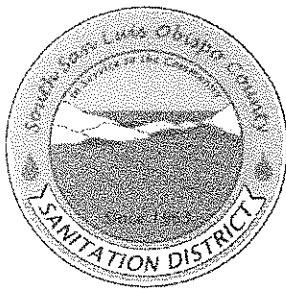
Total: \$7,840.05

This equipment and associated installation charges may be financed for a low monthly payment through Graybar Financial Services (subject to credit approval). For more information call 1-800-241-7408 to speak with a leasing specialist.

To learn more about Graybar, visit our website at [www.graybar.com](http://www.graybar.com)

24-Hour Emergency Phone#: 1-800-GRAYBAR

Subject to the standard terms and conditions set forth in this document. Unless otherwise noted, freight terms are F.O.B. shipping point prepaid and bill.  
Unless noted the estimated ship date will be determined at the time of order placement.



# 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/>

## Staff Report

**To:** Board of Directors  
**From:** John Wallace, *District Administrator*  
**Date:** November 16, 2011

**Subject:** Distribution of the conformed FY 2011-12 Final Budget; FY 2011-12 First Quarter Budget Review; and Resolution No 2011-294 Amending the FY 2011-12 Budget at First Quarter

### Recommendation:

1. Receive the FY 2011-12 Final Budget (conformed for minor, non-substantive changes made at the Board's August 3, 2011 adoption hearing);
2. Review the attached Budget Amendment Request form for the first quarter Fiscal Year 2011-12 Budget Review, and provide direction to staff regarding recommended budget amendments and related matters presented in this staff report; and
3. Adopt Resolution No. 2011-294 providing for these amendments.

### Funding:

The expense account line items under each Fund (Operating fund 19, Expansion Fund 20, and Replacement Fund 26) and the Major Budget Items (MBIs) overall are under or within the anticipated budget with the exception of 16 items. In addition, two items are being reduced and two items are being adjusted internally so there is no net increase or decrease. As a result, there is a need to transfer of \$87,305 from the Operating Fund 19 fund balance and \$117,005 from the Expansion Fund balance to facilitate the adjustments as described below. Revenue account line items to date are approximately within expected amounts and will be analyzed in more detail at mid-year review. No revenue changes are being recommended at first quarter.

#### Expenses

	Adopted Budget	Amount Expended as of 09-30-11	Percent Expended as of 09-30-11	Recommended First Quarter Adjustments	Amended Budget
Fund 19	\$ 3,018,064	\$ 835,010	28%	\$ 87,305	\$ 3,105,369
Fund 20	\$ 561,069	\$ 173,989	31%	\$117,005	\$ 678,074
Fund 26	\$ 1,767,313	\$ 42,283	2%	\$0	\$ 1,767,313

### Discussion:

#### FY 2011-12 Final Budget

On August 3, 2011, the Board was provided with a final budget document for review and adoption. At that meeting there were some minor corrections noted in the document. The following is list of these minor corrections which are now reflected in the 2011-12 Final Budget documents being distributed at this meeting:

Page 5

- Resolution number adopting the 2011-12 Fiscal Year Budget has been corrected to 2011-288.
- Resolution number adopting Employee Compensation, FY 2011-11 has been corrected to 2011-289.

Page 17

- An explanation regarding the deficit balance in the Operating Fund has been inserted.

Page 22

- The estimated yearend total for 19-7081 Professional Services-Grover Beach Billing has been changed from \$0 to \$2,262.64 to reflect the actual FY 2010-11 amount.

Page 41

- The proposed 2011-12 amount for 05 MBI 06 New Centrifuge has been changed from \$95,395 to \$93,746 to reflect the actual carryover amount.

Page 62

- The missing bottom portion of the table has been added.

Page 70

- The amounts for 05 MBI 06 New Centrifuge has been changed from \$95,395 to \$93,746 to reflect the actual carryover amounts.

Page 78

- 10 MBI 15 SSMP Update and Audit and 10 MBI 17 District Trunk Line I&I Study are now in numeric order.

Page 80

- 10 MBI 09 Tri-Annual Outfall Inspection was omitted and has now been included.

Page 85

- Resolution adopting Employee Compensation, FY 2011-11 has been numerically corrected to 2011-289.

Page 87

- Table footnote has been correct to now read 3% Class Adjustment.

Page 93

- The most current resolution (2009-256) for the District's Investment Policy has been included.

Pages 93-108

- Have been renumbered with the inclusion of resolution 2009-256.

Pages 109-156

- The project details sheets have been removed per 08-03-11 Board direction.

**FY 2011-12 First Quarter Budget Review (25% of year to date)**

Following the end of first quarter, District staff reviewed the FY 2011-12 account line items under each Fund, as well as each Major Budget Item (MBI). The account line items under each Fund and the Major Budget Items (MBIs) are within or under the anticipated budget with the exception of 16 items. In

addition, two items are being reduced and two items are being adjusted internally so there is no net increase or decrease.

1. Account 19-6025 – Dental Insurance (36% expended at first quarter). To reflect actual premium amounts, a transfer of \$1,820 from the Fund 19 fund balance in addition to the original account line item budget of \$7,762 is recommended for a total account line item budget of \$9,582.
2. Account 19-6040 – Secretary/Bookkeeper (32% expended at first quarter). To reflect actual salary amounts, a transfer of \$15,600 from the Fund 19 fund balance in addition to the original account line item budget of \$23,642 is recommended for a total account line item budget of \$39,242.
3. Account 19-6085 – Temporary Services (118% expended at first quarter). Due to the need for additional temporary maintenance staff in the absence of two full operations staff, a transfer of \$44,250 from the Fund 19 fund balance in addition to the original account line item budget of \$20,076 is recommended for a total account line item budget of \$64,326.
4. Account 19-7011 – Communications (49% expended at first quarter). To reflect accurate invoicing from vendors, a transfer of \$3,000 from the Fund 19 fund balance in addition to the original account line item budget of \$3,000 is recommended for a total account line item budget of \$6,000.
5. Account 19-7043 – Insurance, Liability/Auto (43% expended at first quarter). To reflect accurate premium amounts, a transfer of \$1,900 from the Fund 19 fund balance in addition to the original account line item budget of \$19,000 is recommended for a total account line item budget of \$20,900.
6. Account 19-7071 – Professional Services-Attorney (45% expended at first quarter). Due to personnel issues and retention of outside counsel, a transfer of \$32,500 from the Fund 19 fund balance in addition to the original account line item budget of \$200,000 is recommended for a total account line item budget of \$232,500, which is the same amount as last fiscal year.
7. Account 19-7076 – Professional Services-District Admin (28% expended at first quarter). An adjustment among the tasks within this account line item is being recommended. There is no net increase or decrease to this account line item at this time.
8. Account 19-7082 – FEMA Expenditures (unbudgeted expenditures at first quarter). Due to documentation required by FEMA and responses to the Water Board, a transfer of \$14,650 from the Fund 19 fund balance is recommended. It is anticipated that most of these expenditures will be offset by FEMA Funding account line item 19-5021. The actual amount of reimbursement is still pending FEMA review.
9. Account 19-7086 – Brine Disposal (61% expended at first quarter). An adjustment among the tasks within this account line item is being recommended. There is no net increase or decrease to this account line item at this time.
10. Account 19-7087 – WDR & SSMP District Expense, SWRCB SSO NOV Response (61% expended at first quarter). Due to required response to the Notice of Violation, a transfer of \$20,000 from the Fund 19 fund balance in addition to the original account line item budget of \$10,000 is recommended for a total account line item budget of \$30,000.
11. 10 MBI 15 – Sewer System Management Plan (SSMP) Update and Bi-Annual Audit (183% expended at first quarter). Due to additional Water Board requirements and processing of the bi-annual audit required by the SWRBC permits, a transfer of \$11,720 from the Fund 19 fund balance in addition to

the original account line item budget of \$6,809 is recommended for a total account line item budget of \$18,529. No further expenditures are anticipated.

12. 10 MBI 17 – District Trunk Line Inflow and Infiltration (I&I) Study (135% expended at first quarter). Due to additional presentations to member agencies and coordination with the Water Board, a transfer of \$1,765 from the Fund 19 fund balance in addition to the original account line item budget of \$5,021 is recommended for a total account line item budget of \$6,786.
13. Account 19-7091 – Utilities-Electric (31% expended at first quarter). As a result of co-gen equipment downtime and to reflect actual expenditures, a transfer of \$30,000 from the Fund 19 fund balance in addition to the original account line item budget of \$100,000 is recommended for a total account line item budget of \$130,000.
14. Account 19-7092 – Utilities-Gas (53% expended at first quarter). As a result of co-gen equipment downtime and to reflect actual expenditures, a transfer of \$10,000 from the Fund 19 fund balance in addition to the original account line item budget of \$10,000 is recommended for a total account line item budget of \$20,000.
15. 09 MBI 04 – Vehicle Replacement (0% expended at first quarter). It is recommended this \$18,500 major budget item be deleted from this fiscal year. The item may be budgeted in a future fiscal year.
16. Account 19-8020 – Gas & Oil (77% expended at first quarter). Due to increased diesel prices and storm preparations, a transfer of \$2,500 from the Fund 19 fund balance in addition to the original account line item budget of \$7,500 is recommended for a total account line item budget of \$10,000.
17. Account 19-8050 – Plant Chemical (21% expended at first quarter). Originally budgeted at \$500,000 for the fiscal year, due to a reduction in chemical usage, a saving of at least \$100,000 may be achieved and a reduction to \$400,000 for this account is recommended.
18. Account 19-8055 – Small Tools (46% expended at first quarter). To reflect actual expenditures, a transfer of \$6,500 from the Fund 19 fund balance in addition to the original account line item budget of \$8,000 is recommended for a total account line item budget of \$14,500.
19. Account 19-8056 – Safety Supplies (45% expended at first quarter). To reflect actual expenditures, a transfer of \$9,600 from the Fund 19 fund balance in addition to the original account line item budget of \$12,000 is recommended for a total account line item budget of \$21,600.
20. 05 MBI 06 – New Centrifuge (186% expended at first quarter). In accordance with project closeout and as discussed in a staff report to the Board dated September 28, 2011, a transfer of \$117,005 from the Fund 20 fund balance in addition to the original account line item budget of \$93,746 is recommended for a total account line item budget of \$210,751.

Attached is a “transfer/fund balance” Budget Amendment Request sheet showing recommended transfer and corrections. Also attached is a copy of the FY 2011-12 Final Budget, reconciled with the minor adjustments shown above.

At this time, staff recommends the Board adopt Resolution No. 294 providing for the recommended adjustments.

## PAGE 1 OF 2

ACCOUNT	ACCOUNT DESCRIPTION	PROJECT	CURRENT BUDGET	AMOUNT EXPENDED AS OF 09-30-11	PERCENT EXPENDED AS OF 09-30-11	PROPOSED AMENDMENTS	AMENDED BUDGET
Revenue to date is approximately within expected amounts and will be analyzed in more detail at mid-year review. No changes recommended at first quarter.							
		TOTAL	\$ -			\$ -	\$ -

EXPENDITURES		ACTIVITY DESCRIPTION	PHASE	CURRENT BUDGET	AMOUNT EXPENDED AS OF 09-30-11	PERCENT EXPENDED AS OF 09-30-11	PROPOSED AMENDMENTS	AMENDED BUDGET
OPERATING FUND								
19-6025	Dental Insurance			\$ 7,762	\$ 2,821	36.34%	\$ 1,820	\$ 9,582
19-6040	Secretary/Bookkeeper			\$ 23,462	\$ 7,424	31.64%	\$ 15,600	\$ 39,062
19-6085	Temporary Labor Service			\$ 20,076	\$ 23,673	117.92%	\$ 44,250	\$ 64,326
19-7011	Communications			\$ 3,000	\$ 1,461	48.71%	\$ 3,000	\$ 6,000
19-7043	Ins, Liability/Auto			\$ 19,000	\$ 8,221	43.27%	\$ 1,900	\$ 20,900
19-7071	Prof Serv - Attorney Fee			\$ 200,000	\$ 89,362	44.68%	\$ 32,500	\$ 232,500
19-7076	Prof Serv - Dist Admin			\$ 150,000	\$ 41,338	27.56%	\$ -	\$ 150,000
19-7082	FEMA Expenditures		-	\$ -	\$ 14,647	-	\$ 14,650	\$ 14,650
19-7086	Brine Disposal			\$ 5,000	\$ 3,057	61.13%	\$ -	\$ 5,000
19-7087	Operating Fund - WDR Expense			\$ 10,000	\$ 6,066	60.66%	\$ 20,000	\$ 30,000
10 MBI 15 - SSMP Update and Bi-Annual Audit				\$ 6,809	\$ 18,529	272.12%	\$ 11,720	\$ 18,529
10 MBI 17 - District Trunk Line Inflow and Infiltration (I&I) Study				\$ 5,021	\$ 6,787	135.17%	\$ 1,765	\$ 6,786
19-7091	Util-Elec			\$ 100,000	\$ 30,962	30.96%	\$ 30,000	\$ 130,000
19-7092	Util-Gas			\$ 10,000	\$ 5,304	53.04%	\$ 10,000	\$ 20,000
19-8010	Operating Fund - Capital Equipment							
09 MBI 04 - Vehicle Replacement				\$ 18,500	\$ -	0.00%	\$ (18,500)	\$ -
19-8020	Gas & Oil			\$ 7,500	\$ 5,806	77.41%	\$ 2,500	\$ 10,000
19-8050	Plant Chemicals			\$ 500,000	\$ 106,113	21.22%	\$ (100,000)	\$ 400,000
19-8055	Small Tools			\$ 8,000	\$ 3,647	45.59%	\$ 6,500	\$ 14,500
19-8056	Safety Supplies			\$ 12,000	\$ 5,414	45.11%	\$ 9,600	\$ 21,600
SUBTOTAL - OPERATING FUND				\$ 1,106,130	\$ 380,629	34.41%	\$ 87,305	\$ 1,193,435

EXPANSION FUND							
20-8065 - Expansion Fund - Struct/Grnds Replace-Inpr 05 MBI 06 - New Centifuge		\$	93,746 \$	173,989	185.60%	\$	210,751
SUBTOTAL - EXPANSION FUND		\$	93,746 \$	173,989	185.60%	\$	210,751
TOTALS		\$	1,199,876 \$	554,618	46.22%	\$	1,404,186

PURPOSE

1.	Additional temporary maintenance staff in the absence of two full operations staff.
2.	To reflect actual salary amounts.
3.	Due to the need for additional temporary maintenance staff in the absence of two full operations staff.
4.	To reflect accurate invoicing from vendors.
5.	To reflect accurate premium amounts.
6.	Due to personnel issues and retention of outside counsel.
7.	Adjustment among tasks within account line item; No net increase or decrease.
8.	Documentation required by FEMA and responses to the Water Board.
9.	Adjustment among tasks within account line item; No net increase or decrease.
10.	Due to required response to the Notice of Violation.
11.	Additional requirements and processing of the bi-annual audit required by the SWRBC permits.
12.	Due to additional presentations to member agencies and coordination with the Water Board.
13.	To reflect actual expenditures.
14.	To reflect actual expenditures.
15.	It is recommended vehicle replacement major budget item be deleted from this fiscal year.
16.	Due to increased diesel prices and storm preparations.
17.	Plant chemical usage has dropped, expected savings of \$100,000 for this fiscal year
18.	To reflect actual expenditures.
19.	To reflect actual expenditures.
20.	Project closeout and as discussed in a staff report to the Board dated September 28, 2011.

DISTRICT ADMINISTRATOR	ENTERED BY
DATE:	DATE:
	11/11/11

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT  
RESOLUTION NO. 2011 - 294**

**A RESOLUTION AMENDING  
THE FY 2011-2012 BUDGET AT FIRST QUARTER**

**WHEREAS**, the Board of Directors has previously adopted a 2011-2012 budget consisting of Operating Fund 19, Expansion Fund 20, and Replacement/Improvements Fund 26; and

**WHEREAS**, District Staff has reviewed the account line items under each Fund, as well as each Major Budget Item (MBI) included in the 2011-2012 adopted budget; and

**WHEREAS**, District Staff has identified the account line items that will require less monies and the account line items that will require additional monies than originally budgeted; and

**WHEREAS**, District Staff believes amending these account line items to reflect actuals will produce a trend that can be used for future budgeting efforts.; and

**WHEREAS**, budget amendments are recommended which will change the total amount budgeted from a Fund and will require a transfer from the Fund balance; and

**WHEREAS**, the recommended budget amendments will result in the transfer of \$87,305 from the Operating Fund 19 fund balance, and \$117,005 from the Expansion Fund balance; and

**WHEREAS**, the Board believes the recommended amendments are in the best interest of the public's health, safety and general welfare.

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED** by the Board of Directors, South San Luis Obispo County Sanitation District, San Luis Obispo County, California, that the 2011-2012 budget shall be amended as follows:

1. Operating Fund 19:

- a. Transfer \$1,820 from Fund balance to 19-6025 – Dental Insurance reflect actual premium amounts.
- b. Transfer \$15,600 from Fund balance to 19-6040 – Secretary/Bookkeeper to reflect actual salary amounts.
- c. Transfer \$44,250 from Fund balance to 19-6085 – Temporary Services due to need for additional temporary maintenance staff in the absence of two full operations staff.
- d. Transfer \$3,000 from Fund balance to 19-7011 – Communications to reflect accurate invoicing from vendors.

- e. Transfer \$1,900 from Fund balance to 19-7043 – Insurance, Liability/Auto to reflect accurate premium amounts.
- f. Transfer \$32,500 from Fund balance to 19-7071 – Professional Services-Attorney due to personnel issues and retention of outside counsel.
- g. Adjust tasks within 19-7076 – Professional Services-District Admin to better reflect actual expenditures.
- h. Transfer \$14,650 from Fund balance to 19-7082 – FEMA Expenditures due to documentation required by FEMA and response to water board.
- i. Adjust tasks within 19-7086 – Brine Disposal to better reflect actual expenditures.
- j. Transfer \$20,000 from Fund Balance to 19-7087 – WDR & SSMP District Expense, SWRCB SSO NOV Response due to required response to the Notice of Violation.
- k. Transfer \$11,720 from Fund balance 19 to 10 MBI 15 – Sewer System Management Plan (SSMP) Update and Bi-Annual Audit due to additional requirements and processing of the bi-annual audit required by the SWRBC permits.
- l. Transfer \$1,765 from Fund balance 19 to 10 MBI 17 – District Trunk Line Inflow and Infiltration (I&I) Study due to additional presentations to member agencies and coordination with the Water Board.
- m. Transfer \$30,000 from Fund balance to 19-7091 – Utilities-Electric to reflect actual expenditures.
- n. Transfer \$10,000 from Fund balance to 19-7092 – Utilities-Gas to reflect actual expenditures.
- o. Return \$18,500 to Fund balance for 09 MBI 04 – Vehicle Replacement as it is recommended this \$18,500 major budget item be deleted from this fiscal year.
- p. Transfer \$2,500 from Fund balance to 19-8020 – Gas & Oil due to increased diesel prices and storm preparations.
- q. Return \$100,000 to Fund balance from 19-8050 – Plant Chemicals due to a reduction in chemical usage.
- r. Transfer \$6,500 from Fund balance to 19-8055 – Small Tools to reflect actual expenditures.
- s. Transfer \$9,600 from Fund balance to account 19-8056 – Safety Supplies to reflect actual expenditures.

2. Expansion Fund 20:

- t. Transfer \$117,005 from Fund balance 20 to 05 MBI 06 – New Centrifuge in accordance with project closeout and as discussed in a staff report to the Board dated September 28, 2011.

Upon motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_,  
and on the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

the foregoing Resolution is hereby adopted this sixteenth day of November, 2011.

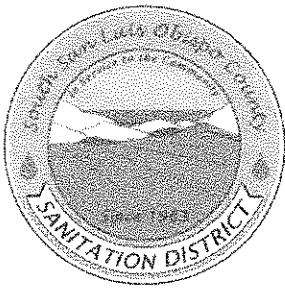
\_\_\_\_\_  
Bill Nicolls, Chairman

ATTEST:

\_\_\_\_\_  
JOHN WALLACE, Secretary to the Board

APPROVED AS TO FORM:

\_\_\_\_\_  
MICHAEL W. SEITZ, District Legal Counsel



## 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/>

### Staff Report

**To:** Board of Directors  
**From:** John Wallace, District Administrator *N*  
**Date:** November 16, 2011  
**Subject:** Oceano Lagoon Environmental Assessment - Update

#### Recommendation:

1. Receive this update on the status of the State Water Board's Investigative Order, Section 4- *Impacts of the Unauthorized Discharge of Untreated Sewage*, and recent District withdrawal from San Luis Obispo County Public Works Department - *Request for Proposal PS-#1149*, soliciting professional biological investigation and environmental assessment services in and around the Oceano Lagoon on Meadow Creek.
2. Direct Staff to continue to coordinate with the State Water Resources Control Board (SWRCB) regarding future anticipated revised requirements to satisfy Section 4 of the State Water Board's written Investigative Order issued April 18, 2011.

#### Funding:

Funding for this study would be provided from Fund 19-7079; (\$20,000 balance) but will most likely need to draw from reserves if meeting revised requirements of Section 4 of the State Water Board's Investigative Order exceeds the current Fund balance. At this time it is unclear how detailed the impact assessment will need to be until the State Water Board has had time to further review District information submitted to date.

#### Discussion:

Subsequent to the December 19, 2010 rain event that resulted in an overflow from the District trunk sewer and the Oceano Community Services District collection system, the State Water Resources Control Board issued an Investigative Order. The intent of the investigative order was to request additional information deemed necessary to "*effectively evaluate the nature, circumstances, extent, and gravity of the unauthorized discharge of untreated sewage.*"

The District responded to the investigative order by providing the State Water Board an extensive written technical report (currently under review by the State Water Board). The District's technical report addressed each of the items requested in the investigative report. Most items provided in the District's response to the Water Board were provided in full and are therefore considered "complete" by the District. A few of the response items provided described the current status of the District's efforts to date to complete specific tasks. The Water Board has also since requested additional, subsequent information to support their investigation.

One section that remains in progress is Section 4 – *Impacts of the Unauthorized Discharge of Untreated Sewage*. As reported the District Board by Staff Report on August 17, 2011, District Staff discussed current status of Lagoon studies with Environmental Scientist and Certified Fisheries Professional Douglas

Rischbieter (California State Parks), with the intent of retaining Mr. Rischbieter to provide the necessary professional services. Mr. Rischbieter has performed extensive surveys over the prior 8 years on the Arroyo Grande Lagoon (immediately downstream of the County flap gates) and in the Arroyo Grande Creek (0.2 miles upstream from the County flap gates and immediately behind the treatment plant).

Mr. Rischbieter was unable to provide the District with the professional services necessary to satisfy the requirements of Section 4 of the Investigative Order, but did provide written correspondence to SWRCB expressing his opinion that his recent qualitative and quantitative observations have presented no evidence that the December 2010 discharge through the Meadow Creek flapgates had any deleterious impact on the fish species in Arroyo Grande Creek.

Concurrent to District coordination efforts with Mr. Rischbieter, District Staff coordinated with San Luis Obispo County Flood Control and Water Conservation District (Flood Control District) staff to partner in their efforts to solicit qualified environmental consulting firms for environmental services including biological investigations within the Oceano Lagoon on Meadow Creek.

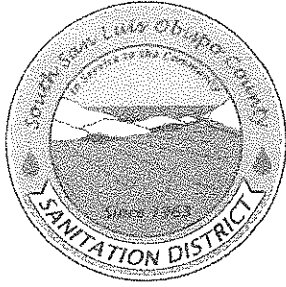
The intent of Flood Control District was to utilize information obtained from the study to determine the best course of action towards developing a project (or projects) that address flooding while complying with State and Federal regulations that protect wetlands, sensitive habitats, and listed species. The intent of the Sanitation District was to satisfy State Water Board requirements to assess the impacts of the discharge during the December storm events on public health, animal and plant communities, and on the overall ecosystem downstream of the discharge. As a result of these similar objectives, it was anticipated that mutual benefit existed between both Districts when the two independent projects were combined into a single project containing a scope of services that satisfied each District requirement.

As a result, the Flood Control District took lead on preparing and administering a Request for Proposal (RFP PS#1149) for these services and the Sanitation District tentatively agreed to enter into a reimbursement agreement with the County to pay the Sanitation District's portion of the optional tasks being provided in addition to County overhead associated with administering the future contract and services. Responses to RFP PS#1149 were received October 5, 2011 and are currently under review.

However, additional clarification provided by SWRCB Office of Enforcement Staff during the October 26, 2011 meeting attended by District Staff has indicated that the scope of the District's Study may be revised, given the time lapse between the spill and any proposed study. Furthermore, the dilution of the spill with the quantity of stormwater flowing to the lagoon area (as calculated by the County) resulted in a preliminary calculation that sewage was less than one percent of the total volume.

As a result, District Staff has prepared and delivered the attached letter to the Flood Control District, formally withdrawing from RFP PS#1149 and thanking them for their support and assistance.

District Staff continues to coordinate with SWRCB Office of Enforcement regarding revised requirements to satisfy Section 4 of the State Water Board's written Investigative Order issued April 18, 2011, and will return to the Board to provide updates when they are available.



## **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  
**Date:** November 16, 2011

**Subject:** Brine discharge evaluation

### **Recommendation:**

Staff recommends that the Board approve Kennedy/Jenks Consultants proposal for professional services to evaluate the potential impact of accepting brine, as stated in their letter dated Nov 7, 2011. The Kennedy/Jenks proposal is attached.

### **Funding:**

To be determined. It is estimated that this proposal would pay for itself in a short time. The proposed evaluation will cost approximately \$47,340. Since the district charges \$0.11 per gallon of brine discharged, this works out to 430,364 gallons of disposed brine to payback. Windset Farms has submitted a request to discharge up to 45,000 gallons per day and an estimated maximum of gallons per month of 1,395,00 gallons. The pay back on the propose evaluation would be about one month, at one half of the estimated disposal. And if my memory services me, they would use the brine disposal station for possible for up to 2 ½ years.

### **Discussion:**

The District stopped taking brine for disposal after the Dec 19, 2010 storm event, due to that the electrical power to the influent pumps was ran above ground, near the brine disposal station. The concern was that if a truck was to damage the electrical above ground line, it could cause another loss of power to the influent pumps. The reconductoring project has been completed, and the wiring is below the surface.

When staff talked to our Water Quality Control Board contact person, Mr. Matt Keeling, he was concerned that our brine disposal monitoring requirements in our current NPDES permit (discharge permit), may not be in compliance with the current NPDES regulations, specifically with the California Ocean Plan. I ran the Kennedy/Jenks proposal by him for review and he had a couple recommendations. He said the proposal addressed the main point regarding compliance monitoring and mixing issues as a result of increased brine to secondary effluent ratio. But this would most likely require additional outfall/diffuser modeling. He also suggests that the District confers with the RWQCB prior to implementing any final recommendations for their evaluation and that the recommendations would be consistent with the possible changes to the next NPDES permit (2013).

Since the brine disposal is not monitored with our final effluent, we will need to evaluate the potential impact it has to the environment.

**Kennedy/Jenks Consultants**  
**Engineers & Scientists**

2191 East Bayshore Road, Suite 200  
Palo Alto, California 94303  
650-852-2800  
FAX: 650-856-8527

7 November 2011

Bob Barlogio  
Plant Superintendent  
South San Luis Obispo County Sanitation District  
1600 Aloha  
Oceano, CA 93445-9735

Subject: Proposal for Professional Services  
South San Luis Obispo County Sanitary District  
Brine Discharge Evaluation  
K/J B10880024

Dear Mr. Barlogio:

At your request, we have prepared this proposal to assist the South San Luis Obispo County Sanitary District (SSLOCSD) to evaluate potential impacts of accepting brine waste from water conditioner regeneration and other water treatment processes. This proposal was revised from our previous proposal dated 29 September 2011 to address the request for additional mixing zone studies in the 26 October 2011 e-mail from Matt Keeling at the Central Coast Regional Water Quality Control Board. Based on your request for proposal dated 13 September 2011, we understand that SSLOCSD's waste discharge permit (NPDES permit) allows for blending of brine with treated effluent prior to discharge to a coastal outfall that is shared with the City of Pismo Beach. The brine station has been closed since December 2010, but in 2008, SSLOCSD accepted approximately 325,000 gallons of brine waste for discharge. SSLOCSD has received a request from Windset Farms to discharge brine from their reverse osmosis water treatment system, and the District is considering reopening the brine station to accept this discharge. The District is concerned about possible impacts to water and sediment quality at the outfall and permit compliance.

### **Project Understanding**

We understand that SSLOCSD's current discharge permit requires annual monitoring of each brine discharger for Ocean Plan metals, flow volume, electrical conductivity and pH so that data on the characteristics of the brine discharges are available. SSLOCSD's current Brine Disposal Plan dated 1 July 2010 includes requirements for permitting brine discharges and testing of the brine delivered to the station. The plan also includes prohibitions on certain chemicals and limits on physical and chemical properties. We assume that Windset Farms can provide the

Bob Barlogio  
South San Luis Obispo County Sanitation District  
7 November 2011  
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chemical and batch discharge flow data needed to evaluate the discharge and that SSLOCSD can provide historical chemical and flow data from other brine discharges.

The SSLOCSD/Pismo Beach outfall has a dilution credit of 165 to 1; effluent discharge limits are set in your NPDES permit. In addition, the State Board's Ocean Plan standards apply. In an e-mail from Matt Keeling of the Regional Water Quality Control Board (RWQCB) dated 11 August 2011 it is suggested that current brine monitoring requirements may not meet your discharge permit requirements. In particular, Mr. Keeling is concerned that "effluent sampling is not being conducted for the blended/combined secondary and brine effluents being discharged to verify compliance with the Table B Ocean Plan based effluent limitations for toxic pollutants." Mr. Keeling states that this issue will likely be addressed in the next permit cycle.

To address these issues, you would like a review and recommendations for:

1. Improvements to the District Brine Ordinance and plan, including the application and disposal and monitoring processes, and
2. Additional studies that may be or are required to comply with the District NPDES permit and the Ocean Plan.

## **Scope of Services**

We understand that it would be difficult to monitor the blended effluent. Therefore, we recommend a mass balance approach to setting brine concentration limits and discharge conditions. In addition, we recommend setting total dissolved solids limits such that the effluent density is not affected to the point that it alters the mixing characteristics of the outfall (so no additional mixing studies are needed). Based on the outcome of this approach we would recommend modifications to your Brine Disposal Ordinance and Plan. The tasks to accomplish this approach are detailed below.

### **Task 1 – Data Collection and Review Background Material**

Under this task, Kennedy/Jenks will meet with SSLOCSD staff to kick off the project, and obtain monitoring data needed for the mass balance calculations. This task would also include a review of the Plans, Ordinance, and supporting background material.

### **Task 2 – Mass Balance Evaluation to Set Brine Limits**

Under this task, we will compile historical discharge data for the last four years for both SSLOCSD and City of Pismo Beach effluent for parameters found in pollutant scan analyses required by the permit and flows that are required by the permit. These data would be used to determine worst-case discharge conditions (i.e. highest concentrations and lowest flows) to set background concentrations for blending in the mass balance calculation. We will then back calculate the maximum brine discharge concentrations and flows that can be allowed to assure that permit and Ocean Plan limits are met. These limits would be set for the instantaneous maximum, daily maximum, and six-month median values set for the protection of marine aquatic

Bob Barlogio  
South San Luis Obispo County Sanitation District  
7 November 2011  
Page 3

life. The parameters to be evaluated include those in your NPDES permit and in Table B of the Ocean Plan.

### **Task 3 – Whole Effluent Toxicity Assessment**

Impacts of whole effluent toxicity should be assessed in this task. Our approach is to use published data on desalination brine toxicity being developed at the Marine Pollution Studies Laboratory at Granite Canyon on behalf of the State Water Resources Control Board, as described in the Ocean Plan link in the Regional Board e-mail. If the data are not relevant or available, then we will rely on the results of the SSLOCSD and Pismo Beach toxicity data. By normalizing toxicity data to no observed effect concentrations, lowest observed effect concentrations (LOECs), and median lethal or median effects concentrations (LC50 or EC50), we should be able to calculate these parameter values for the combined effluent.

### **Task 4 – Evaluate Mixing Study Sensitivity to Brine Discharge**

Kennedy/Jenks will review the mixing study done for the ocean outfall to assess whether changes in effluent density resulting from brine discharge could affect the mixing characteristics of the outfall. We have obtained a copy of the current mixing study for review (William Ankikouchine, Ph.D, 27 February 2000). Our approach is to use Visual Plumes to assess whether an increase in effluent density due to increased total dissolved solids or decrease in temperature would affect the current mixing characteristics, and therefore dilution credits. Our approach will be to set up the appropriate computer model using current conditions, then increase density and flows based on brine characteristics, and evaluate if there is a significant change to the mixing characteristics. The results will be presented in a technical memorandum that will include model input parameters and results. Our budget for the mixing modeling assumes that data needed for the model is sufficient in the current mixing study. Our budget does not include field data collection such as receiving water, flow, or outfall inspection studies.

### **Task 5 – Prepare Memorandum with Recommendations for Brine Monitoring/Discharge Ordinance and Plan.**

Following completion of Tasks 1 through 4, we will prepare a memorandum recommending changes to SSLOCSD's Brine Ordinance, Brine Management Plan, and associated application and monitoring forms. This will include a draft mark up of the current plans. This task includes a meeting with SSLOCSD staff to review our findings and finalize decisions on our recommendations.

### **Task 6 – Project Management, Meetings, and QA/QC**

This task includes project management, time for up to two one-hour teleconferences, and a meeting to present our recommendations following completion of Task 5 and to receive feedback from the District to help finalize the documents. A meeting with the Regional Board can also be included as an optional service.

Bob Barlogio  
 South San Luis Obispo County Sanitation District  
 7 November 2011  
 Page 4

## Deliverables

The results of Tasks 1, through 4 would be summarized in a Brine Waste Disposal Study for submittal to the RWQCB. Task 5 recommendations will be provided in a separate memorandum, including a marked up revision to the current Brine Ordinance, Brine Management Plan, and associated application and monitoring forms.

## Schedule

We are prepared to initiate the kick off meeting and data collection approximately one week from authorization to proceed. We anticipate that Tasks 2, 3 and 4 will take about four weeks to complete following receipt of the required data. Task 5 draft recommendations and document changes will require an additional two weeks following completion of Task 4.

## Budget

We propose to conduct this work on a time and materials basis according to our attached Schedule of Charges dated 1 January 2011. We have established a working budget of \$47,340 for the services described herein. We will not exceed this amount without prior written authorization. The budget break down is provided on the table below.

Task	Budget
Task 1 – Data Collection and Review Background Material	\$6,850
Task 2 – Mass Balance Evaluation to Set Brine Limits	\$6,840
Task 3 – Whole Effluent Toxicity Assessment	\$2,850
Task 4 – Model Mixing Study for Sensitivity to Brine Discharge	\$14,900
Task 5 – Prepare Draft and Final Memorandum with Recommendations for Brine Monitoring/Discharge Ordinance and Plan	\$12,000
Task 6 – Project Management, Meetings, and QA/QC	\$3,900
TOTAL	\$47,340

Bob Barlogio  
South San Luis Obispo County Sanitation District  
7 November 2011  
Page 5

### Terms and Conditions

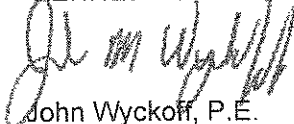
To assure a clear understanding of all matters related to our mutual responsibilities, the attached Standard Conditions dated 1 January 2007 are made a part of our agreement. We have found these terms to be appropriate for use with agreements for the provision of engineering and scientific services, and accordingly, should any conflict exist between the attached terms and the form of any purchase order or confirmation issued, the terms of this proposal and the attached Standard Conditions shall prevail in the absence of our express written agreement.

### Authorization

If this task order meets with your approval, please sign both copies and return one to Kennedy/Jenks to serve as our authorization to proceed.

Very truly yours,

KENNEDY/JENKS CONSULTANTS, INC.

  
John Wyckoff, P.E.  
Vice President

### AUTHORIZATION:

SOUTH SAN LUIS OBISPO COUNTY  
SANITATION DISTRICT

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Client: South San Luis Obispo County Sanitation District

Contract/Proposal Date: 7 November 2011

## Standard Conditions

January 1, 2007

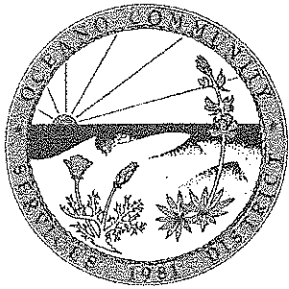
CLIENT and KENNEDY/JENKS CONSULTANTS, INC. ("CONSULTANT") agree that the following provisions shall be a part of their agreement.

1. **TERMS OF PAYMENT.** CLIENT will be invoiced at the end of the first billing period following commencement of work and at the end of each billing period thereafter. Payment in full of an invoice must be received by CONSULTANT within thirty (30) days of the date of such invoice.
2. **EFFECT OF INVOICE.** The work performed shall be deemed approved and accepted by CLIENT as and when invoiced unless CLIENT objects within fifteen (15) days of invoice date by written notice specifically stating the details in which CLIENT believes such work is incomplete or defective, and the invoice amount(s) in dispute. CLIENT shall pay undisputed amounts as provided for in the preceding paragraph.
3. **INTEREST; SUSPENSION OF WORK.** Failure of CLIENT to make full payment of an invoice so that it is received by CONSULTANT within said thirty (30) days of the date thereof subjects the amount overdue to a delinquent account charge of one percent (1%) of the invoice amount per month, compounded monthly, but not to exceed the maximum rate permitted by law. Failure of CLIENT to submit full payment of an invoice within thirty (30) days of the date thereof subjects this agreement and the work herein contemplated to suspension or termination at CONSULTANT's discretion.
4. **ADVANCE PAYMENT; WITHHOLDING OF WORK PRODUCT.** CONSULTANT reserves the right to require payment in advance for work it estimates will be done during a given billing period. CONSULTANT, without any liability to CLIENT, reserves the right to withhold any services and work products herein contemplated pending payment of CLIENT's outstanding indebtedness or advance payment as required by CONSULTANT. Where work is performed on a reimbursable basis, budget may be increased by amendment to complete the scope of work. CONSULTANT is not obligated to provide services in excess of the authorized budget.
5. **STANDARD OF CARE.** CONSULTANT's services performed under this agreement will be performed in a manner consistent with the care and skill ordinarily exercised by members of the profession practicing under similar conditions at the same time and in the same or similar locality. When the findings and recommendations of CONSULTANT are based on information supplied by CLIENT and others, such findings and recommendations are correct to the best of CONSULTANT's knowledge and belief. No warranty, express or implied, is made or intended by this agreement, or by the foregoing statement of the applicable standard of care, or by providing consulting services or by furnishing oral or written reports of findings made. No entity other than CLIENT or CONSULTANT shall be construed as a beneficiary to this Agreement.
6. **INSURANCE COVERAGE.** CONSULTANT is protected by Worker's Compensation insurance as required by applicable state laws and will maintain employer's liability coverage. During the performance of this agreement CONSULTANT will maintain professional liability insurance with a limit of \$1 million on a claims made, annual aggregate basis, and commercial general liability and automobile liability insurance each with a limit of not less than \$1 million on an occurrence basis.
7. **ALLOCATION OF RISK.** CLIENT and CONSULTANT have discussed the risks associated with this project and the extent to which those risks should be shared by CLIENT and by CONSULTANT, and have agreed:
  - (a) To the fullest extent permitted by law, CLIENT agrees to limit the liability of CONSULTANT, its officers, employees, and subconsultants to CLIENT, all landowners, contractors, subcontractors, lenders,
- suppliers, manufacturers, third parties, and their employees such that the total aggregate liability, including all attorneys fees and costs shall not exceed \$50,000.00 or the total fees paid for CONSULTANT's services on this project, whichever is greater. (b) All damages such as loss of use, profits, anticipated profits, and the like losses are consequential damages for which CONSULTANT is not liable. (c) CLIENT shall give written notice to CONSULTANT of any claim of negligent act, error or omission within one (1) year after the completion of the work performed by CONSULTANT. Failure to give notice herein required shall constitute a waiver of said claim by CLIENT.
8. **SERVICES DURING CONSTRUCTION.** Any construction inspection or testing provided by CONSULTANT is for the purpose of determining compliance by contractors with the functional provisions of project documents only. CLIENT agrees that CONSULTANT will have no inspection responsibilities at the jobsite except to the extent specifically provided for in the agreed upon scope of work. CONSULTANT shall not be held in any way to guarantee any contractor's work, nor to assume responsibility for means, methods or appliances used by any contractor nor to assume responsibility for a contractor's compliance with laws and regulations or for contractor's errors, omissions, or defective work. CLIENT agrees that in accordance with generally accepted construction practices, the construction contractor will be required to assume sole and complete responsibility for jobsite conditions during the course of construction of the project, including safety of all persons and property and that this responsibility shall be continuous and not be limited to normal working hours. CLIENT agrees to require in all construction contracts for the project, provisions that CLIENT and CONSULTANT shall be defended and indemnified by the contractor and its subcontractors and named additional insureds on contractor's and subcontractor's insurance. Any statements of estimated construction costs furnished by CONSULTANT are based on professional opinions and judgment, and CONSULTANT will not be responsible for fluctuations in construction costs.
9. **SERVICES BY CLIENT.** CLIENT will provide access to site of work, obtain all permits, provide all legal services in connection with the project, and provide environmental impact reports and energy assessments unless specifically included in the scope of work. CLIENT shall pay the costs of checking and inspection fees, zoning application fees, soils engineering fees, testing fees, surveying fees, and all other fees, permits, bond premiums, and all other charges not specifically covered by the scope of work. CLIENT shall designate to CONSULTANT the location of all subsurface utility lines and other subsurface man-made objects (in this agreement collectively called "buried utilities") within the boundaries of the jobsite. CONSULTANT will conduct at CLIENT's expense such additional research as in CONSULTANT's professional opinion is appropriate to attempt to verify the location of buried utilities at the jobsite, but CLIENT shall remain responsible for the accurate designation of their location and, shall indemnify, defend, and hold CONSULTANT harmless from any claims or loss arising from the failure to accurately locate buried utilities.
10. **COMPLIANCE WITH LAWS.** CLIENT and CONSULTANT shall each use reasonable care in its efforts to comply with laws, codes, ordinances and regulations in force at the time of the performance by each under this agreement, insofar as such laws are applicable to a party's performance. Unless otherwise provided for in the scope of work of this agreement or by law, the responsibility for making any disclosures or reports to any third party, for notifying all governmental authorities of the discovery of hazardous materials on the jobsite, and for taking corrective, remedial, or mitigative action shall be solely that of CLIENT. It is CONSULTANT's belief that the work is not subject to California Prevailing Wage Law, unless expressly identified as such within the scope of work. Should it be alleged or determined that some or all of the work is subject to California's Prevailing Wage Law, then CLIENT shall reimburse CONSULTANT for the additional costs associated with CONSULTANT complying with those laws.

January 1, 2007

**Standard Conditions (Page 2)**

11. **USE OF DOCUMENTS.** Drawings, reports, writings and other original documents (documents) furnished by CONSULTANT are for the exclusive use of CLIENT and CONSULTANT retains all intellectual property rights including copyrights. Documents are furnished to CLIENT upon CLIENT's specific agreement that it assumes all liability resulting from the further distribution of such documents, or any portion of them, and that CLIENT will indemnify CONSULTANT and hold it harmless against any claims associated with the unauthorized use of such documents. In no event will CLIENT or any person acting on its behalf edit, abridge, or modify any document prepared by CONSULTANT without CONSULTANT's express written consent.
12. **ELECTRONIC OR MAGNETIC DATA.** Documents provided by CONSULTANT in electronic or magnetic formats are provided under the following conditions unless detailed otherwise in the scope of work or by a written amendment. Documents are provided in CONSULTANT's standard software formats. CLIENT recognizes that electronic or magnetic data and its transmission can be easily damaged, may not be compatible with CLIENT'S software formats and systems, may develop inaccuracies during conversion or use, and may contain viruses or other destructive programs, and that software and hardware operating systems may become obsolete. As a condition of delivery of electronic or magnetic data, CLIENT agrees to defend indemnify and hold CONSULTANT, its subconsultants, agents and employees harmless from and against all claims, loss, damages, expense and liability arising from or connected with its use, reuse, misuse, modification or misinterpretation. In no event shall CONSULTANT be liable for any loss of use, profit or any other damage.
13. **TERMINATION.** This agreement may be terminated by either party by written notice should the other party fail substantially to perform its obligations under this agreement and continue such default after the expiration of a seven (7) day notice period. Either party may terminate this agreement without necessity of cause upon the expiration of a thirty (30) day notice period. If this agreement is terminated by CLIENT in the absence of default by CONSULTANT, CONSULTANT shall be paid for services performed and costs incurred by it prior to its receipt of notice of termination from CLIENT, including reimbursement for direct expenses due, plus an additional amount, not to exceed ten percent (10%) of charges incurred to the termination notice date, to cover services to orderly close the work and prepare project files and documentation, plus any additional direct expenses incurred by CONSULTANT including but not limited to cancellation fees or charges. CONSULTANT will use reasonable efforts to minimize such additional charges.
14. **PRECEDENCE OF CONDITIONS.** Should any conflict exist between the terms herein and the terms of any purchase order or confirmation issued by CLIENT, the terms of these Standard Conditions shall prevail in the absence of CONSULTANT's express written agreement to the contrary.
15. **ASSIGNMENT; SUBCONTRACTING.** Neither CLIENT nor CONSULTANT shall assign any of its rights including a right to sue, or delegate its duties under this agreement without the written consent of the other.
16. **FORCE MAJEURE.** Any delay or default in the performance of any obligation of CONSULTANT under this agreement resulting from any cause(s) beyond CONSULTANT's reasonable control shall not be deemed a breach of this agreement. The occurrence of any such event shall suspend the obligations of CONSULTANT as long as performance is delayed or prevented thereby, and the fees due hereunder shall be equitably adjusted.
17. **MERGER; WAIVER; SURVIVAL.** This agreement constitutes the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations and/or agreements, written or oral. One or more waiver of any term, condition or other provision of this agreement by either party shall not be construed as a waiver of a subsequent breach of the same or any other provision. Any provision hereof which is legally deemed void or unenforceable shall not void this entire agreement and all other provisions shall survive and be enforceable.
18. **APPLICABLE LAW.** This agreement shall be interpreted and enforced according to the laws of the State of California. In the case of invalidity or unenforceability of any provision or portion thereof, the provision shall be rewritten and enforced to the maximum extent permitted by law to accomplish as near as possible the intent of the original provision. Nothing herein shall be construed to provide for indemnification against damages arising from a party's gross negligence or willful misconduct.



# Oceano Community Services District

1655 Front Street, P. O. Box 599, Oceano, CA 93445 (805) 481-6730 FAX (805) 481-6836

## BOARD MEMBERS

Lori J. Angello, President  
Matthew G. Guerrero, Vice President  
Mary K. Lucey, Director  
Felma L. Hurdle, Director  
Richard P. Searcy, Director

## (I) GENERAL MANAGER / SECRETARY TO THE BOARD

Thomas A. Geaslen

## OCS D STAFF

CarolAnn Pardo, Secretary  
Marie McGrath, Accounting Manager  
Dan Silveira, Utility Operations Supervisor

## AGENDA

### BOARD OF DIRECTORS MEETING

WEDNESDAY, NOVEMBER 9, 2011 – 6:30 P.M.

Oceano Community Services District Board Room  
1655 Front Street, Oceano, CA

## ALL ITEMS APPEARING ON THE AGENDA ARE SUBJECT TO BOARD ACTION

All persons desiring to speak on agenda items, during Public Comment or prior to Closed Session, are asked to fill out a "Board Appearance Request Form" to submit to the general manager prior to the start of the meeting. Each individual speaker is limited to a presentation total of a MAXIMUM of three (3) minutes per item.

1. CALL TO ORDER

2. ROLL CALL

3. FLAG SALUTE

4. AGENDA REVIEW:

At this time, the Board will review the order of business to be conducted and receive requests for, or make announcements regarding any change(s) in the order of the day. The Board should by motion approve the agenda as presented or as revised.

5. PUBLIC COMMENTS:

Comments should be limited to items not on the agenda and 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. Your comments should be directed to the Board as a whole and not directed to an individual Board Member. In response to your comments, the Board may:

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

6. BOARD MEMBER COMMENTS \*

7. REPORTS: \*

- a. Report of Sheriff's South Station, Commander Robin Weckerly
- b. Report of Fire Cities Fire Authority, Fire Chief Michael Hubert
- c. Report of OCSD Operations
- d. Report of OCSD and Outside Committees, Board of Directors

8. REVIEW AND APPROVAL OF MINUTES

- a. October 26, 2011  
Recommended Action: Board to approve the minutes of the regular Board meeting of October 26, 2011 minutes, as submitted.

9. CASH DISBURSEMENTS

Recommended Action: Board approval of cash disbursements as submitted as presented by AM McGrath.

10. ADMINISTRATIVE ITEMS

- a. Discussion: Cancellation of the Following Board of Director Meetings Held on November 23, 2011 and December 28, 2011
- b. Discussion: Oceano Community Services District Notice of Public Hearing Regarding Proposed Solid Waste Rate Increase
- c. Discussion: Public Hearings Held by the San Luis Obispo County Board of Supervisors Tuesday, December 13, 2011, 9:00 A.M., in the Board of Supervisors Chambers, County Government Center
  - Proposed Amendments to the Community Participation Plan of the Urban County of San Luis Obispo
  - To Invite Public Input for the Proposed 2012 Community Development Block Grant (CDBG), Home Investment Partnerships Act (HOME), and Emergency Shelter Grant (ESG)
  - The Reallocation of Community Development Block Grant (CDBG) Funds from the 2009 and 2010 Action Plans
  - To Invite Public Input for the Proposed Amendment to the 2010-2015 Consolidated Plan



d. RESOLUTION NO. 2011-09 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OCEANO COMMUNITY SERVICES DISTRICT CONFERRING AUTHORITY ON ANY DIRECTOR REPRESENTING OCEANO COMMUNITY SERVICES DISTRICT AT ANY SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT MEETING TO VOTE, DISCUSS BUSINESS, AND PARTICIPATE FULLY ON ANY ITEMS OR ISSUES TAKEN UP AT SUCH MEETINGS

Recommended Action: Board approval.

11. UTILITY ITEMS:

a. Will Serve:  
None.

b. Fee Letter:  
None.

12. PUBLIC COMMENT \*

13. BOARD MEMBER DISCUSSION \*

14. BOARD MEMBER ITEMS FOR THE NEXT BOARD MEETING AGENDA \*

15. WRITTEN COMMUNICATIONS

(Correspondence for the Board Received after Preparation of this Agenda is presented by the Staff)

ADJOURNMENT

\*Oral Presentation/Discussion

ALL ITEMS APPEARING ON THE AGENDA ARE SUBJECT TO BOARD ACTION

Consistent with the American with Disabilities Act and California Government Code §54954.2 requests for disability related modification or accommodation, including auxillary aids or services, may be made by a person with a disability who requires the modification or accommodation in order to participate at the referenced public meeting by contacting the District General Manager at 805-481-6730.

PO Box 599/Oceano, CA 93475  
1655 Front Street/Oceano, CA 93445  
(805) 481-6730 / FAX (805) 481-6836  
[www.oceanocsd.org](http://www.oceanocsd.org) [office@oceanocsd.org](mailto:office@oceanocsd.org)

**OCEANO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2011-09**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OCEANO  
COMMUNITY SERVICES DISTRICT CONFERRING AUTHORITY ON ANY  
DIRECTOR REPRESENTING OCEANO COMMUNITY SERVICES DISTRICT  
AT ANY SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT  
MEETING TO VOTE, DISCUSS BUSINESS, AND PARTICIPATE FULLY ON  
ANY ITEMS OR ISSUES TAKEN UP AT SUCH MEETINGS**

WHEREAS, the Oceano Community Services District, as a representative of the community of Oceano, is a board member of the South San Luis Obispo County Sanitation District; and

WHEREAS, the current President of the Oceano Community Services District, who attends the South San Luis Obispo County Sanitation District board meetings, may, from time to time, be unable to attend said meetings; and

WHEREAS, the Oceano Community Services District, in representing the community of Oceano, desires to attend, participate in, and vote at South San Luis Obispo County Sanitation District board meetings.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED by the Board of Directors of the Oceano Community Services District, San Luis Obispo County, California, as follows:

Effective as of November 9, 2011, whenever the current President is unable to attend, any Oceano Community Services District Director who attends a South San Luis Obispo County Sanitation District board meeting, as a representative of the Oceano Community Services District, shall have the authority to vote, discuss business, be included in closed session, and otherwise participate in said meetings to the same extent that the current President of the Oceano Community Services District currently can.

Upon the motion of \_\_\_\_\_, seconded by \_\_\_\_\_, and upon the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

The foregoing Resolution is hereby passed and adopted this 9<sup>th</sup> day of November, 2011.

\_\_\_\_\_  
LORI J. ANGELLO  
President

ATTEST:

\_\_\_\_\_  
THOMAS A. GEASLEN  
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://sslocsd.org/>

November 8, 2011

Ms. Lori Angello, SSLOCSD Director

c/o

Oceano Community Services District

PO Box 599

Oceano, CA 93445

Re: October 28, 2011 OCSD General Manager's Friday Report

Dear Director Angello:

As we discussed on November 7<sup>th</sup> concerning several inquiries that OCSD's Interim General Manager Mr. Geaslen had noted in his OCSD October 28, 2011 Friday Report, I understand that you would like me to respond to you directly regarding these questions. Please refer to the following:

1. *Level of Sanitation District insurance coverage.*

The District utilizes the Special Districts' Risk Management Authority for insurance coverage. A summary of our coverage is attached.

2. *Explanation and justification on the high amount of legal fees incurred.*

As you will recall, there have been some significant legal expenses, both last fiscal year and on-going into this fiscal year due to several personnel actions and other matters requiring District Legal Counsel's as well as outside Counsel's assistance. Also, it was necessary for Counsel to respond to a number of public records requests including those from the press as well as information requested by the State concerning the December 2010 spill. However, we hope to reduce these expenses as these matters are resolved.

3. *Request a mid-year budget review*

In addition to midyear reviews, the Sanitation District has conducted quarterly budget reviews for several years and is continuing to do so in order to inform the Board as to current financial status and any budget adjustments needed for various projects and line items. This is in addition to the monthly financial report being provided as part of the second board packet of the month detailing the status year to date up through the previous month. The first quarterly review for FY 2011-12 is scheduled for November 16, 2011 and that information is included in the current board packet.

4. *Provide an understanding of the pending fines due to last year's spill to be levied by the State.*

Over the last 10 months, Staff has provided very extensive documentation and engineering analysis to the State Water Resources Control Board to meet their requests for information and has recently met with their enforcement staff to present the District's analysis. To better understand the enforcement action, the District has in turn requested documents from the State staff. There has not yet been any determination by the State as to the potential amount of fine to be levied and that will most likely be a negotiated settlement.

We expect the process to exchange information to continue throughout this year and the State to reach a preliminary conclusion on the Notice of Violation sometime early in 2012..

Should you have any questions regarding the above, please don't hesitate to contact me.

Sincerely,  
South San Luis Obispo County Sanitation District

A handwritten signature in blue ink, appearing to read 'JL Wallace', with a stylized flourish at the end.

JOHN L. WALLACE,  
District Administrator

Issue Date  
07/01/2011

MEMBER'S CERTIFICATE OF COVERAGE



This is to certify that coverages listed below have been issued to the Member named below for the period indicated. This certificate is not an insurance policy or an agreement of coverage and does not amend, extend or alter the coverage afforded by the agreements listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the coverage described herein is subject to all the terms, exclusions, and conditions of the specific coverage document.

This certificate of coverage evidences the limits of liability in effect at the inception of the agreements shown; limits shown may have been reduced by paid claims. This certificate is issued as a matter of information only and confers no rights upon the certificate holder.

**Participating Member:**  
South San Luis Obispo County Sanitation District  
Post Office Box 339  
Oceano, CA 93475-0339

**Member Number:**  
PLP-7126

**Entity Affording Coverage:**  
Special District Risk Management Authority  
1112 'I' Street, Suite 300  
Sacramento, California 95814  
800.537.7790 www.sdrma.org

Type of Coverage	Policy Number	Effective Date	Expiration Date	Limits
<input checked="" type="checkbox"/> General Liability Personal Injury and Property Damage	LCA-SDRMA-201112	07/01/2011	07/01/2012	Per Occurrence \$10,000,000
<input checked="" type="checkbox"/> Public Officials and Employees Errors Occurrence Form	LCA-SDRMA-201112	07/01/2011	07/01/2012	Per Occurrence \$10,000,000 General Aggregate \$10,000,000
<input checked="" type="checkbox"/> Personal Liability Coverage for Board Members Occurrence Form	LCA-SDRMA-201112	07/01/2011	07/01/2012	Per Occurrence \$500,000 General Aggregate \$500,000
<input checked="" type="checkbox"/> Employment Practices Liability Occurrence Form	LCA-SDRMA-201112	07/01/2011	07/01/2012	Per Occurrence \$10,000,000 General Aggregate \$10,000,000
<input checked="" type="checkbox"/> Employee Benefits Liability Occurrence Form	LCA-SDRMA-201112	07/01/2011	07/01/2012	Per Occurrence \$10,000,000 General Aggregate \$10,000,000
<input checked="" type="checkbox"/> Employee Dishonesty Coverage	EDC-SDRMA-201112	07/01/2011	07/01/2012	Per Occurrence \$400,000
<input checked="" type="checkbox"/> Auto Liability Personal Injury and Property Damage	LCA-SDRMA-201112	07/01/2011	07/01/2012	Per Occurrence \$10,000,000
<input type="checkbox"/> Auto Physical Damage	LCA-SDRMA-201112	07/01/2011	07/01/2012	
<input checked="" type="checkbox"/> Uninsured / Underinsured Motorists	UMI-SDRMA-201112	07/01/2011	07/01/2012	Each Accident \$1,000,000
<input type="checkbox"/> Trailer Coverage	LCA-SDRMA-201112	07/01/2011	07/01/2012	
<input checked="" type="checkbox"/> Property Coverage Includes Fire, Theft and Flood	PPC-SDRMA-201112	07/01/2011	07/01/2012	Each Occurrence \$1,000,000,000 Replacement cost for Scheduled Property
<input checked="" type="checkbox"/> Boiler and Machinery Coverage	BMC-SDRMA-201112	07/01/2011	07/01/2012	Each Occurrence \$100,000,000 Replacement cost for Scheduled Property
<input type="checkbox"/> Workers' Comp.	WCP-SDRMA-201112	07/01/2011	07/01/2012	
<input type="checkbox"/> Other Coverage	LCA-SDRMA-201112	07/01/2011	07/01/2012	

Description: All listed coverage is in effect only for the time period specified.

Gregory S. Hall - Chief Executive Officer



## CONTACT US

### Sacramento Office:

500 Capitol Mall  
Suite 1000  
Sacramento, CA 95814  
PHONE: 916.446.7979  
FAX: 916.446.8199

### Washington Office:

1130 Connecticut Avenue Suite  
300  
Washington, D.C. 20036  
PHONE: 202.454.3944  
FAX: 202.331.1598

[somachlaw.com](http://somachlaw.com)

## FIRM PROFILE

Somach Simmons & Dunn provides a unique combination of experience in the fields of water, natural resources, environmental, public land, public agency, toxics and hazardous waste, zoning, planning, and land development law.

[ [read more](#) ]



### Effluent and Monitoring Violations Top the List of Water Board Enforcement Actions in 2010

November 8, 2011

by Cassie N. Aw-yang  
[cawyang@somachlaw.com](mailto:cawyang@somachlaw.com)

On October 1, 2011, the State Water Resources Control Board (State Water Board) released its updated Enforcement Report. The Enforcement Report summarizes violations of combined waste discharge requirements (WDRs) and National Pollutant Discharge Elimination System (NPDES) permits issued to wastewater and stormwater facilities. The Enforcement Report also summarizes enforcement actions taken in response to violations and includes an update on those involving minimum mandatory penalties (MMPs). This article describes the findings and conclusions in the October 1, 2011 Enforcement Report.

California Water Code section 13385(o) requires the State Water Board to report information on enforcement activities related to surface water discharges from wastewater and stormwater facilities within California. The State Water Board and regional water quality control boards (Regional Water Boards) authorize and condition such discharges in combined WDRs/NPDES permits. Reports must include: (1) a compilation of the number of permit violations in the previous calendar year; (2) a record of the formal and informal compliance and enforcement actions taken for each violation; and (3) an analysis of the effectiveness of current enforcement policies, including MMPs required by statute for certain violations.

### Summary of Violations and Responsive Enforcement Actions

#### *Wastewater Facilities Regulated by WDRs/NPDES Permits*

During the 2010 reporting period, 1,898 wastewater facilities operated under WDRs/NPDES permits in California. Examples of such facilities include sewage treatment plants, food processors, oil refineries, power plant cooling waters, pulp and paper mills, mining operations, and fish hatcheries.

The Enforcement Report shows a generally consistent number of wastewater permit violations statewide between the years of 2000 and 2010. The number of violations in 2010 was 6,613, compared to 5,743 in 2001 to 7,384 violations in 2006. The 2010 total may rise as some violations that occurred in 2010 have yet to be recorded.

The average number of violations per non-complying facility was 9.69 statewide; there was significant variation in the statistics among the nine Regional Water Boards. For example, for facilities regulated by the Sacramento office of the Central Valley Regional Water Board, the average number of violations per non-complying facility was 40.65. The San Diego Regional Water Board had the least with an average of 1.90. The Enforcement Report explains the variability as resulting from differences in facility-specific requirements, Regional Water Board office processes, the priority assigned to report review and data entry, and rates of compliance among dischargers.

Violations of WDRs/NPDES permits in 2010 ranged from not submitting monitoring reports on time to acute toxicity violations. The percentage breakdown of total violations by violation category is as follows:

- Category 1 pollutant (listed at pages 41-45 of the State Water Board's *Water Quality Enforcement Policy (WQEP)*)—33%
  - Reporting—20%
- Category 2 pollutant (listed at pages 46-57 of the WQEP)—20%
  - Effluent—15%
  - Other requirement—4%
    - Monitoring—3%
    - Surface water—2%
    - Acute toxicity—1%
- Best management practices (BMPs)—1%
  - Unauthorized discharge—1%

The Enforcement Report identifies 53 percent of the total violations as priority violations, which represent a greater water quality threat than other violations. In 2010, approximately 71 percent of the total violations resulted in a completed enforcement action, whether informal (e.g., notice of violation issued) or formal (e.g., cleanup and abatement order issued).

#### *Stormwater Facilities Regulated by WDRs/NPDES Permits*

At the time of the enforcement report, nearly 25,000 facilities, or permittees, were regulated by NPDES stormwater permits in California. Each of these falls into one of five categories: (1) industrial activities (e.g., discharges from manufacturing, transportation and recycling facilities); (2) construction activities (e.g., projects disturbing one or more acres of soil); (3) linear stormwater facilities (i.e., underground/overhead projects disturbing at least one acre, but less than five acres); (4) municipal stormwater Phase I facilities (i.e., municipal separate storm sewer systems (MS4s) serving populations of more than 100,000 people); and (5) municipal stormwater Phase II facilities (i.e., MS4s serving populations between 10,000 and 100,000 people). With the exception of the Phase I MS4s, which generally hold individual or county-wide permits, stormwater dischargers are governed by general permits.

There were 1,548 stormwater violations in 2010. Between 2000 and 2010, the most violations typically occurred in the Los Angeles, Central Valley (Sacramento area) and Santa Ana regions. The fewest violations typically occurred in the Central Valley (Fresno area) and Lahontan (Victorville area) regions.

The Enforcement Report summarizes the percentage of total violations in 2010 by violation category as follows:

- Reporting—40%
- Deficient BMP implementation—34%
  - Unauthorized discharge—18%
- Incomplete/Insufficient Storm Water Pollution Prevention Plan—6%
  - Other requirements—1%

The Enforcement Report identifies approximately 6.7 percent of NPDES stormwater violations in 2010 as priority violations. Most of these priority violations involved noncompliance with reporting requirements and deficient BMP implementation. Approximately 88 percent of 2010 violations resulted in a completed enforcement action.

#### *MMP Update*

Water Code section 13385 requires the Water Boards to assess MMPs for specified categories of violations of NPDES permits. During the ten years the law has been in effect, 29,257 violations subject to MMPs occurred, the vast majority of which were for effluent limitations rather than reporting requirements. Eighty-eight percent of the violations received at least the minimum penalty, while others qualified for statutory exemptions to MMP assessment such as small disadvantaged community relief. The number of MMP violations spiked in 2006 and then significantly tapered off due to the greater emphasis beginning in 2006 on documentation of violations and enforcement for late reports. Similarly, MMP violations for effluent limitations increased in 2003 and 2004 purportedly due to an increased emphasis on recording, reviewing, tracking, and collecting these MMPs. Compliance rates for major facilities operating under NPDES permits are improving over time. "Major facilities" are facilities with an average daily discharge greater than one million gallons per day or those that

pose a high degree of threat to water quality. The total number of major facilities with violations recorded has declined, and the number of facilities with more than 25 violations during the year has gone from 31 in the year 2000, to 13 in 2007, and 18 in 2010.

Since 2000, the Regional Water Boards have addressed 21,380 MMP violations (out of a total of 29,457 MMP violations) through administrative civil liability (ACL) complaints. Some ACLs are unresolved, while others resulted in an ACL order or settlement. During the same time period, 3,345 MMP violations were resolved via court order.

#### Conclusions and Implications

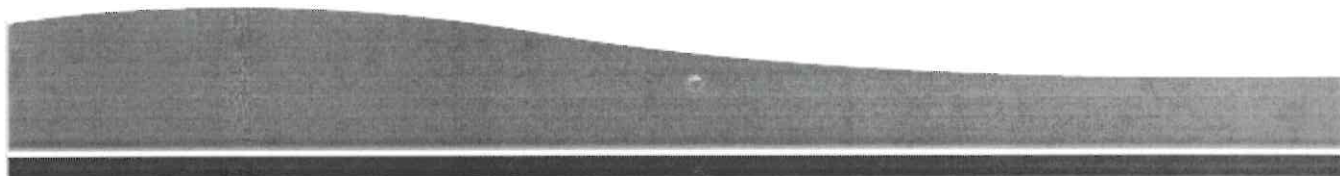
The Enforcement Report is useful for following trends associated with noncompliance with WDRs/NPDES permits for wastewater and stormwater facilities and predicting what types of violations are of greatest concern to the Regional Water Boards. For example, complying with requirements related to Category 1 pollutants was most problematic for wastewater facilities.

Complying with reporting requirements was most problematic for stormwater facilities. Further, the Regional Water Boards have fairly high rates of completed enforcement actions for reported violations, with stormwater facilities experiencing higher completed enforcement rates than wastewater facilities.

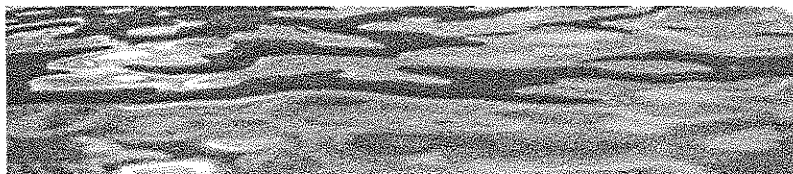
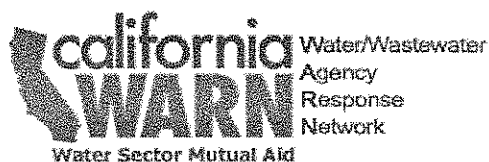
For additional information on the Enforcement Report, please contact Cassie Aw-yang at [cawyang@somachlaw.com](mailto:cawyang@somachlaw.com).

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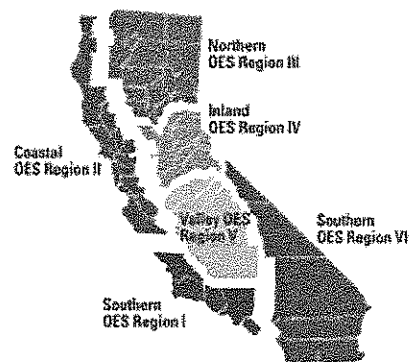
## California Water/Wastewater Agency Response Network

### Welcome

The mission of the California Water/Wastewater Agency Response Network (CalWARN) is to support and promote statewide emergency preparedness, disaster response, and mutual assistance matters for public and private water and wastewater utilities.

The CalWARN Web site does this by providing its members with emergency planning, response and recovery information before, during and after an emergency.

### California Regions



### The CalWARN Program provides its member utilities with:

- A standard omnibus mutual assistance agreement and process for sharing emergency resources among members statewide.
- The resources to respond and recover more quickly from a disaster.
- A mutual assistance program consistent with other statewide mutual aid programs and the Standardized Emergency Management System (SEMS) and the National Incident Management System (NIMS).
- A forum for developing and maintaining emergency contacts and relationships.
- New ideas from lessons learned in disasters.

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