



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

Post Office Box 339, Oceano, California 93475-0339

1600 Aloha Oceano, California 93445-9735

Telephone (805) 489-6666 FAX (805) 489-2765

[www.sslocsd.org](http://www.sslocsd.org)

## **AGENDA**

### **BOARD OF DIRECTORS MEETING**

City of Arroyo Grande, City Council Chambers

215 East Branch Street

Arroyo Grande, California 93420

**Wednesday, December 03, 2014 at 6:00 P.M.**

#### **Board Members**

Matthew Guerrero, Chair

Jim Hill, Director

John Shoals, Director

#### **Agencies**

Oceano Community Services District

City of Arroyo Grande

City of Grover Beach

#### **Alternate Board Members**

Mary Lucey, Director

Jim Guthrie, Director

Glenn Marshall, Director

Oceano Community Services District

City of Arroyo Grande

City of Grover Beach

---

## **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 which are within the jurisdiction of the District. The Brown Act restricts the Board from taking formal action on matters not published on the agenda. In response to your comments, the Chair or presiding Board Member may:

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

Please adhere to the following procedures when addressing the Board:

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

Any writing or document pertaining to an open-session item on this agenda which is distributed to a majority of the Board after the posting of this agenda will be available for public inspection at the time the subject writing or document is distributed. The writing or document will be available for public review in the offices of the Oceano CSD, a member agency located at 1655 Front Street, Oceano, California. Consistent with the Americans with Disabilities Act (ADA) and California Government Code §54954.2, requests for disability related modification or accommodation, including auxiliary aids or services may be made by a person with a disability who requires modification or accommodation in order to participate at the above referenced public meeting by contacting the General Manager or Bookkeeper/Secretary at (805) 481-6903.

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

**3A. Review and Approval of the Minutes of the November 19, 2014 meeting**

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

**4. PLANT SUPERINTENDENT'S REPORT**

**5. BOARD ACTION ON INDIVIDUAL ITEMS:**

A. CALPERS EXCEPTION TO THE 180-DAY WAIT PERIOD. The District Board consider a resolution for the CalPERS exception to the 180-day wait period pursuant to Government Code sections 7522.56 and 21224.

B. Amendment to District Manager's Contract to Reduce Hourly Rate and Increase Hours.

**6. MISCELLANEOUS ITEMS**

A. Miscellaneous Oral Communications

B. Miscellaneous Written Communications

1. Special District Leadership Academy Conference

**7. PUBLIC COMMENT ON CLOSED SESSION**

**8. CLOSED SESSION**

Conference with Legal Counsel pursuant to government Code Section 54956.9; 1 case

a. Central Coast RWQCB vs. SSLOCSD et al. (pending litigation)  
ACLC No. R3-2012-0030

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

**10. ADJOURNMENT**

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT**

City of Arroyo Grande, City Council Chambers  
215 East Branch Street  
Arroyo Grande, California 93420

Minutes of the Meeting of Wednesday November 19, 2014  
6:00 P.M.

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

Present: Chair Matthew Guerrero, Oceano Community Services District; Director Debbie Peterson, City of Grover Beach

District Staff in Attendance: Mike Seitz, District Counsel; Rick Sweet, District Manager; Amy Simpson, District Bookkeeper/Secretary;

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

Director Guerrero opened the public comment period.

Sharon Brown Grover Beach read a letter regarding the District filing a Writ involving the State Water Board. It is attached to the end of the minutes.

Mr. Browse thanked Sharon Brown for her letter.

Carol Henson of Oceano wanted to voice the sentiments of Sharon Brown as well. She wants to know how countersuing the Water Board will benefit the rate payers of the Sanitation District. She believes that the cost of litigation will out cost the benefits to the rate payers. She wants the Board to go back and give this item some more consideration.

Julie Tacker wants to encourage the Board to get out of the litigation business unless we are going after John Wallace. She would like the District to use Seitz to file the Writ, he can dust off the original material and get the Water Board to the table to negotiate the settlement. Ms. Tacker would like to see Melissa Thorne on contingency. She points out that the District is still vulnerable to flooding. The county has not fixed the existing issues that cause flooding.

Brad Snook of Arroyo Grande spoke about the critical transparency of the Board of Directors to getting the citizens engaged. He wants to decrease the amount of discharge and get the people to trust what the Sanitation District does.

Ron Holt Arroyo Grande was wondering where there is a source of information to know about what is going on at the Sanitation District.

John Carter Oceano, was also surprised to see the District was going to countersue. He pointed out how positive the District has been over the last year balancing the budget and replacing old equipment. He would like to see the fine negotiated to put some of the money back into the plant.

Patricia Price spoke to how well the plant is operating and how quickly it was turned around. She pointed out that even though she attends meetings regularly, she knew nothing about the law suit. She encouraged everyone to start coming to the meetings to hear about the exciting stuff going on

at the District. She is a big advocate of ponds to bring the wildlife.

Director Peterson read a letter from Jim Hill. He wants the public to urge that the litigation against the RWQCB to be placed on the next agenda. This letter is attached to these minutes.

Director Guerrero closed the public comment period.

### **3. CONSENT AGENDA**

#### **3A. Review and Approval of the Minutes of the November 05, 2014 meeting**

**Action:** It was moved to approve the Consent Agenda Item 3A unanimously by Director Guerrero as presented.

Director Peterson wanted to know if we could amend the agenda and make the litigation decision an emergent item on the agenda tonight. The two qualifications needed to qualify for an emergent agenda item are for the action to have taken place after the posting of the agenda. Or if there is a need to take immediate action in regards to the item.

Director Peterson moved that it be put in closed session on the agenda for December 3, 2014.

#### **3B. Review and Approval of Warrants**

Director Peterson questioned the legal fees. Mr. Seitz bill covers the cost of recovering fees from SDRMA that is now settled.

**Action:** Item 3B was approved with 2 warrants; Adamski, Moroski and Madden, and Shipsey and Seitz being pulled.

Director Peterson abstained from signing the warrants requests for legal fees and the Warrant Register.

### **4. PLANT SUPERINTENDENT'S REPORT**

Mr. Sweet let the public know that the District has done a lot to replace old pumps and other various equipment and the District Operators are confident that the plant is in great shape for the winter season.

Director Peterson asked for information regarding redundancy. Mr. Sweet responded that the District is working with engineers about plans that will fulfill redundancy.

**Action:** The Board received and filed the Plant Superintendent's report.

### **5. MISCELLANEOUS COMMUNICATIONS**

The District has received a correspondence from the Ferguson Group LLC. Via Caren Ray; District Four Supervisor, regarding possible grant opportunities.

Director Peterson thanked Glenn Marshall for being her representative on the SSLOCSD Board. She commended staff for turning around the District so fast. She is concerned about the amount of money spent in law suits. She believes every penny that goes into

this plant should be used for redundancy and recycled water.

Director Guerrero thanked Director Peterson for her contributions to the District.

**6. Public Comment on Closed Session**

Ms. Tacker commended District Manager Sweet for getting the budget balanced. She also thanked Director Peterson for her service to the Board. She believes that Oceano should not be participating in the recycled water plant.

**7. CLOSED SESSION**

- A. (1) Closed Session pursuant to Government code section 54957:  
PUBLIC EMPLOYEE PERFORMANCE EVALUATION:  
Annual Evaluation of District General Manager Rick Sweet

There was no reportable action from closed session.

**8. ADJOURNMENT**

There being no further business to come before the Board, Director Guerrero adjourned the meeting at approximately 7:15 p.m.

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

11/19/2014

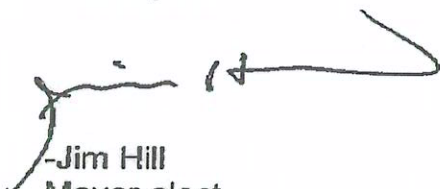
Honorable Members of the SSLOCSD Board:

I understand that during public comment, members of this Board are not allowed to make statements regarding the comments made by the public, other than to ask questions for clarification.

What you are allowed to do in response to a public comment is ask for an item to be placed on the next meeting agenda, or, in extraordinary or emergent circumstances, to determine that an item should be added to this agenda as an emergency, and act on it now.

Accordingly, I personally urge you to immediately cease and desist from the pending litigation against the RWQCB which will incur unaffordable legal cost to residents of this District and has not only no chance of success, but the real possibility of incurring an even higher fine. This litigation was originally proposed for the purpose of protecting the record of the former District Administrator, Mr. Wallace, whom the Regional Board has already determined to be directly responsible for the 2010 sewage spill here. This pending litigation, if allowed to continue, will have such adverse effect on this District and its residents that I believe it does rise to the level of an emergency – that is, an emergent issue that needs to be dealt with now. On behalf of all District residents, I urge your Board to add this item to this agenda as emergent and then take action to stop the pending litigation immediately.

Thank you!



-Jim Hill  
Mayor-elect,  
City of Arroyo Grande



My name is Sharon Brown. I am a resident of Grover Beach. During the committee reports agenda item of the Grover Beach City Council on Monday, November 17, 2014, a report was given regarding the activities of the South SLO County Sanitation District. It was during this report that information surfaced that a decision had been made to file a Writ involving the State of California – in layman's terms – taking the State to Superior Court. This was the only information which was revealed, since the decision had been made in closed session at the board's November 5, 2014 meeting, and therefore apparently not subject to public input or scrutiny. On learning this information, many of us were stunned. We have many questions, which are unanswered. Certainly you agree that the public has the right to know the policies, practices, and expenditure of public funds of any public agency, including this one.

Being a member of the public, and in the interest of the public's right to know, I am respectfully asking the following questions. I hope that these questions can be answered now and in this forum.

- 1) Who suggested this action and when? How was it placed on the agenda to meet the criteria of the Brown Act?
- 2) What reasons did the board use in making this decision? How many closed sessions were devoted to this decision? If only one, please estimate time spent.
- 3) Was it necessary to file this action to meet a deadline?
- 4) Who is the Attorney of Record? How was she or he chosen?
- 5) What is the estimated cost of litigation? How will this cost be met?
- 6) To date, how much has been spent on legal fees for filing previous appeals on this issue? When this amount is combined with estimate of the current filing, how does it compare with the amount of the assessed fine? If the amount exceeds the fine, should this be considered malfeasance?
- 7) Has the Writ actually been filed and by whom?
- 8) If it has been filed, has it been docketed?
- 9) How is it handled within the court system? Who will be hearing the case? When should a decision be expected?
- 10) What does the board foresee as the optimum positive outcome? The negative outcome?
- 11) How will the board proceed if the outcome of this litigation is negative?

Thank you for your consideration for me and for the public's right to know.

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT  
WARRANT REGISTER  
12/03/2014 FY 2014/15

ISSUED TO	PURCHASE/SERVICE	INV. # / SERVICE PERIOD	WARRANT NO.	ACCT	ACCT BRKDN	TOTAL
ADAMSKI MOROSKI MADDEN	LEGAL SERVICES	34155	1205-9022	7070	3,697.77	3,697.77
AMERICAN INDUSTRIAL SUPPLY	MISC SUPPLIES	0273548-IN	23	8030	92.03	92.03
APPLIED INDUSTRIAL TECHNOLOGY	MISC SUPPLIES	7003773583	24	8030	46.76	46.76
ARAMARK	UNIFORMS	11/14/14 11/21/14 11/28/14	24	7025	761.64	761.64
AT&T	TELEPHONE	NOVEMBER	24	7013	231.45	231.45
AUTOSYS, INC.	INFLUENT PUMP CONTROLS	723	24	7079	580.00	580.00
BRENNTAG PACIFIC, INC.	SODIUM BISULFITE	BPI470609, BPI473456	24	8050	11,271.58	11,271.58
CALIFORNIA ELECTRIC SUPPLY	MISC SUPPLIES	587780	24	8030	135.36	135.36
CALPERS	HEALTH INSURANCE	1609	24	6010	13,411.98	13,411.98
CARQUEST	AUTOMOTIVE SUPPLY'S	738091, 732993, 740496	24	8032	92.52	92.52
CARR'S BOOTS	EMPLOYEE BOOTS	RODRIGUEZ	24	7025	125.00	125.00
CENTRAL COAST WTR TRT	LAB WATER	23762	24	8040	181.50	181.50
CHARTER BUSINESS	COMMUNICATIONS	11/29/14 TO 12/28/14	24	7011	192.26	192.26
DARBYSHIRE PLUMBING	BACKFLOW TEST	2673	24	7079	60.00	60.00
DEBBIE PETERSON	BOARD SERVICE	NOVEMBER	24	7075	100.00	100.00
DOWNEY BRAND ATTORNEYS	OUTSIDE LEGAL	476643	24	7070	2,015.50	2,015.50
FASTENAL	MISC SUPPLIES	CAS1410458	24	8030	323.39	323.39
FEDEX	OFFICE SUPPLYS	2-853-00505	24	8045	46.66	46.66
FRED PRYOR SEMINARS	TRAINING	123437	24	7050	398.00	398.00
GLENN MARSHALL	BOARD SERVICE	NOVEMBER	24	7075	100.00	100.00
HDS WHITECAP CONST SUPPLY	CONCRETE	10002622764	24	26-8015	112.99	112.99
INDUSTRIAL MEDICAL GROUP	PRE EMPLOYMENT SCREENING	23221	24	8035	155.00	155.00
JB DEWAR INC	VEHICLE FUEL AND OIL	107196, 73242	24	8020	390.10	390.10
JERRY'S PLUMBING & HEATING	NEW A.C. UNIT	44227	24	26-8061	7,800.00	7,800.00
MATT GUERRERO	BOARD SERVICE	NOVEMBER	24	7075	200.00	200.00
MULLAHEY FORD	AUTOMOTIVE	02695	24	8032	2,285.51	2,285.51
OCSD	SEWER VAC/JET	11/14/14	24	26-8015	383.98	383.98
OCSD	WATER	11/28/14	24	7094	163.41	163.41
PERRY'S	MOTOR	17405	24	8030	553.24	553.24
POLDYNE	CLARIFLOC	927450	24	8050	5,835.10	5,835.10
RAIN FOR RENT	TRUNK SEWER MAINTENANCE	031052729	24	26-8015	7,581.29	7,581.29
SHIPSEY & SEITZ, INC.	LEGAL SERVICES	OCTOBER	24	7070	9,619.20	10,155.70
SHIPSEY & SEITZ, INC.	LEGAL SERVICES	OCTOBER		7071	536.50	
SM TIRE	AUTOMOTIVE SUPPLY'S	582207	25	8032	154.80	154.80
SOUTH COUNTY SANITARY SERVICES	GARBAGE	4691470	26	7093	114.25	114.25
STANLEY SECURITY	ALARM SYSTEM	11953921	27	7011	62.20	62.20
STATE FUND	WORK COMP INSURANCE	DECEMBER	28	6080	7,232.67	7,232.67
STEMAR	RENTAL EQUIPMENT	ST198669	29	26-8015	1,408.80	1,408.80
TELEDYNE INSTRUMENTS	MISC SUPPLYS	S020055875	30	8030	220.75	220.75
TONY FERRARA	BOARD SERVICE	NOVEMBER	31	7075	100.00	100.00
TRINIDAD RODRIGUEZ	MEDICAL REIMBURSEMENT	FINAL PAYOUT FY 14/15	32	6075	239.00	239.00
UNITED RENTALS	TRUNK SEWER MAINTENANCE	123187458-002	33	26-8015	456.14	456.14
VWR	MISC SUPPLIES	8059575000, 8059560333	34	8030	128.97	128.97
WALLACE GROUP	CO-GEN DSGN ANYL/UPGRADE	38088	35	20-8065	1,559.59	1,559.59
WW GRAINGER	MISC SUPPLIES VFD#3	9599313922	36	8030	30.58	30.58
SUB TOTAL					\$ 81,187.47	81,187.47
SO. SLO CO. SANITATION DISTRICT	PERS RETIREMENT	10/31/14, 11/14/14, 11/28/14	37	6020	9,705.24	9,705.24
SO. SLO CO. SANITATION DISTRICT	PAYROLL REIMBURSEMENT	11/14/14	38	1016	21079.49	21,079.49
SO. SLO CO. SANITATION DISTRICT	PETTY CASH REIMBURSEMENT	OCTOBER/NOVEMBER	39		91.00	91.00
GRAND TOTAL					\$ 112,063.20	\$ 112,063.20

We hereby certify that the demands numbered serially from 120314-9022 to 120314-9039 together with the supporting evidence have been examined, and that they comply with the requirements of the SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT. The demands are hereby approved by motion of the SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT, together with warrants authorizing and ordering the issuance of checks numbered identically with the particular demands and warrants.

BOARD OF DIRECTORS:

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

\_\_\_\_\_  
Chairman

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

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

\_\_\_\_\_  
Secretary





# SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

Post Office Box 339, Oceano, California 93475-0339

1600 Aloha Oceano, California 93445-9735

Telephone (805) 489-6666 FAX (805) 489-2765

www.sslocsd.org

## Subject: **Superintendent's Report**

November 29, 2014

**Chart 1 – Plant Data**

November* 2014	INF Flow MGD	Peak Flow MGD	INF BOD mg/L	EFF BOD mg/L	INF TSS mg/L	EFF TSS mg/L	Fecal Coli	Cl2 lbs/day	BOD REM Eff. %
Average	2.28	3.8	402	23.2	385	28.1	131	182	94.22
High	2.46	4.6	435	26.8	440	33.8	1600	375	
Limit	5.0			40/60/90		40/60/90	2000		80
1 <sup>st</sup> Half CY 2014									
Average	2.37	3.8	390.7	27.9	404	33.5	66	151	92.85
High	3.24	4.8	540	34.1	560	46.5	1600	500	

- \* = Plant data through November 29<sup>th</sup>.

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

Plant processes continue to perform well. Fecal results were very good in November except for a one time spike value of 1600 MPN/ml. This is one of only two results of over 100 MPN/ml for the month. The other was a value of 300 in the first week of the month.

**Business** – Moss, Levy & Hartzheim LLP visited the Plant to perform our Annual Audit for FY 2013-14.

The Districts Annual Backflow Prevention Device Inspection was performed by Darbyshire Plumbing. This inspection is a requirement of the SLO County Public Health Department.

**New staff members** - Staff would like to welcome Mr. Michael Arias and Mr. Marc Lewis to our team. Michael has been hired as a Grade II Operator. Marc has been hired as an Operator in Training/Intern.



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

Post Office Box 339 Oceano, California 93475-0339

1600 Aloha Oceano, California 93445-9735

Telephone (805) 489-6666 FAX (805) 489-2765

[www.sslcsd.org](http://www.sslcsd.org)

---

### **Staff Report**

To: Board of Directors  
From: Richard Sweet, PE, District Manager  
Date: December 3, 2014

Subject: **RESOLUTION TO THE CALPERS EXCEPTION TO THE 180-DAY WAIT PERIOD PURSUANT TO GOVERNMENT CODE SECTIONS 7522.56 AND 21224**

#### **RECOMMENDATION:**

That the Board adopts a resolution approving an exception to the 180-day wait period pursuant to Government Code sections 7522.56 and 21224.

#### **BACKGROUND**

In 2012, the Public Employees' Pension Reform Act of 2013 (PEPRA) was passed and went into effect on January 1, 2013. Specifically, as CalPERS retirees working in any capacity for CalPERS employers are subject to a 180-day wait period between the retirement date and the date employment begins, unless an exception is applied.

There are exceptions to the 180-day wait period, two of which affect local employers. One of these exceptions allows a retired firefighter or police officer to perform firefighter or police officer retired annuitant work under 960 hours in a fiscal year. The other exception allows an employer to employ a recent retiree before the expiration of the 180-day wait period if the governing body certifies that an appointment is necessary to fill a critical need, prior to the expiration of the 180-day wait period.

#### **DISCUSSION:**

On December 11, 2014, Richard Sweet, will retire from the City of Santa Maria (a CalPERS employer). The attached resolution authorizes the Board to make the required findings to allow the present District Manager, Richard Sweet, to continue in the role as District Manager.

## Options

1. Do not adopt the resolution. Mr. Sweet could not continue as District Manager and a replacement should be sought.

Richard G. Sweet, PE  
District Manager

A RESOLUTION OF THE SOUTH SAN LUIS OBISPO  
COUNTY SANITATION DISTRICT BOARD  
OF DIRECTORS APPROVING A RESOLUTION  
FOR THE CALPERS EXCEPTION TO  
THE 180-DAY WAIT PERIOD PURSUANT  
TO GOVERNMENT CODE SECTIONS  
7522.56 AND 21224

**WHEREAS**, in compliance with Government Code section 7522.56 and 21224, the Board of Directors must provide CalPERS this certification resolution when hiring a retiree before 180 days has passed since his or her retirement date; and

**WHEREAS**, Richard Sweet will separate from the City of Santa Maria (a CALPERS employer) on December 11, 2014 and retire on December 12, 2014; and

**WHEREAS**, section 7522.56 requires that post-retirement employment commence no earlier than 180 days after the retirement date, which is June 10, 2015 without this certification resolution; and

**WHEREAS**, section 7522.56 provides that the exception to the 180 day wait period shall not apply if the retiree accepts any retirement-related incentive; and

**WHEREAS**, the City of Santa Maria and Richard Sweet certify that Richard Sweet has not and will not receive a Golden Handshake or any other retirement related incentive; and

**WHEREAS**, the Board of Directors will provide Richard Sweet to continue in the critical role of District Manager as a retired annuitant for the South San Luis Obispo County Sanitation District under section 21224; and

**WHEREAS**, per the term of the employment contract, Richard Sweet, will not work more than 520 hours per fiscal year for the District;

**WHEREAS**, Richard Sweet, has not and will not receive any other benefit incentive, compensation in lieu of benefit or other form of compensation in excess of the hourly rate specified with the contract between the District and Richard Sweet.

**THEREFORE, BE IT RESOLVED THAT**, the City Council hereby certifies the appointment of Richard Sweet as District Manager is necessary to fill a critically needed position for the South San Luis Obispo County Sanitation District.

**PASSED AND ADOPTED** at a regular meeting of the South San Luis  
County Sanitation District Board of Directors held this 3<sup>rd</sup> day of December 2014.

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

AYES:

NOES:

ABSENT:

CONFLICTS:

\_\_\_\_\_  
Matthew Guerrero, Chairman  
Board of Directors, South San Luis Obispo  
County Sanitation District

\_\_\_\_\_  
Richard Sweet, District Manager





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

Post Office Box 339 Oceano, California 93475-0339

1600 Aloha Oceano, California 93445-9735

Telephone (805) 489-6666 FAX (805) 489-2765

[www.sslocsd.org](http://www.sslocsd.org)

---

## **Staff Report**

To: Board of Directors  
From: Richard Sweet, PE, District Manager  
Date: December 3, 2014

Subject: **AMENDMENT TO DISTRICT MANAGER'S CONTRACT TO REDUCE  
HOURLY RATE AND INCREASE HOURS**

### **RECOMMENDATION:**

That the Board adopt an amendment to the District Managers contract to increase the number of biweekly hours from twelve to twenty hours and increase the biweekly contract fee from \$1,900 to \$2,000.

### **BACKGROUND:**

There are a number of pending issues facing the District that require additional effort by the District Manager. These include:

- Developing approaches and alternatives to the results of a rate study presently under preparation.
- Developing options to the Regional Water Quality Control Board's (RWQCB) requirement for redundancy.
- Oversight of the planning study that is developing scenarios for a recycled water project.
- Requirements of a new permit for the plant being developed by the RWQCB.

Section 3 of the District Manager's contract reads as follows:

### **SECTION 3. SALARY**

1. District agrees to pay the District Manager for services rendered at a biweekly rate of \$1,900, which entitles the District to an average biweekly allocation of 12 work hours.
2. Reimbursables will be invoiced as an additional cost

### **DISCUSSION:**

The District Manager, Richard Sweet, is retiring from his present full time position as Utilities Director for the City of Santa Maria on December 11, 2014. This will provide Mr. Sweet a greater opportunity to work on District issues. The Public Employees' Pension Reform Act of 2013 (PEPRA) requires that all CalPERS retirees working in any capacity for a CalPERS employer be paid an equivalent salary to comparable positions. This would require that the District Manager be paid no more than approximately \$100 per hour. While the terms of the contract and the relationship between the District and the District Manager are clearly an agency/consultant relationship rather than an agency/employee relationship, Mr. Sweet would prefer to avoid the potential for any conflict with PEPRA, work the number of hours required to address the issues of the District and provide excellent value to the District.

Therefore, Mr. Sweet is requesting that the biweekly hours in the Manager's existing contract be raised from 12 hours to 20 hours and the Manager's biweekly rate be increased from \$1,900 (\$158.33 per hour) to \$2,000 (\$100.00 per hour).

If approved by the Board, Section 3 of the District Manager's contract would read:

### **SECTION 3. SALARY**

1. District agrees to pay the District Manager for services rendered at a biweekly rate of \$2,000, which entitles the District to an average biweekly allocation of 20 work hours.
2. Reimbursables will be invoiced as an additional cost

### **Options**

1. Decline to approve the proposed amendment.

Richard G. Sweet, PE  
District Manager

Attachment: Present Contract with District Manager

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT  
DISTRICT MANAGER  
PROFESSIONAL SERVICES CONTRACT**

**THIS CONTRACT** is between the South San Luis Obispo County Sanitation District, a political subdivision of the State of California (herein referred to as "District"), and Richard Sweet (herein referred to as "District Manager"), with reference to the following recitals:

**RECITALS**

- A. District is a County Sanitation District organized and operating pursuant to Health & Safety Code § 4700 et seq., of the California Health & Safety Code.

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, the parties agree as follows:

**SECTION 1. DUTIES**

- A. District hereby agrees to contract with Richard Sweet as District Manager.
1. The duties of the District Manager are at the direction and request of the District Board of Directors and are generally described in Health & Safety Code § 4700 as follows:
- (a) The implementation of the policies established by the Board of Directors for the operation and administration of the District.
  - (b) The appointment, supervision, discipline and dismissal of the District's employees, consistent with the District Personnel Policy established by the Board of Directors.
  - (c) The overall supervision of the District's facilities and services.
  - (d) The administration of the District's finances.

- (e) Liaison with member agencies and all regulatory agencies.
  - (f) Regularly update regulatory documents necessary to endeavor to keep the District in compliance with requirements of applicable State or Federal agencies.
- B. Both parties acknowledge that specific duties of the position may vary from time to time.
- C. It shall be the responsibility of the District Manager to communicate with the Board of Directors and/or District Counsel whenever there are questions or clarifications relative to the scope of work as defined in this contract.

## **SECTION 2. TERM**

This Contract shall take effect on January 1, 2014, ("Effective Date") and shall remain in effect until terminated as provided in the following provisions:

- A. Nothing in this Contract shall prevent, limit or otherwise interfere with the right of the District to terminate the services of the District Manager at any time, subject only to the provisions set forth in Section 2C of this Contract.
  - 1. District Manager understands and expressly agrees that he has no constitutionally protected property right or interest in his Contract as District Manager.
- B. Nothing in this Contract shall prevent, limit or otherwise interfere with the right of the District Manager to resign at any time from his/her position with the District, subject only to the provisions set forth in Section 2C of this Contract.
- C. The District Manager shall serve at the will and pleasure of the District Board of Directors and may be terminated with or without cause. In the event the District Manager voluntarily resigns his position with the District, the District Manager shall give the District thirty (30) days written notice in advance, unless the parties otherwise agree.



### **SECTION 3. SALARY**

- A. District agrees to pay the District Manager for services rendered at a biweekly rate of \$1,900, which entitles the District to an average biweekly allocation of 12 work hours.
- B. Reimbursables will be invoiced as an additional cost.

### **SECTION 4. PERFORMANCE REVIEW**

- A. The Board of Directors reserves the right, in its discretion, to review District Manager's performance at any time.

### **SECTION 5. OTHER TERMS, CONDITIONS AND RESPONSIBILITIES**

- A. The District may set other terms, conditions and responsibilities of the Contract as it may determine from time to time, relating to performance of the District Manager, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Contract, or any Federal, State or local law.

### **SECTION 6. NOTICES**

- A. Notices pursuant to this Contract shall be in writing given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

- 1. South San Luis Obispo County Sanitation District  
P.O. Box 339  
Oceano, CA 93475

Richard Sweet  
551 Amber Lane  
Santa Maria, CA 93454



Alternatively, notices required pursuant to this Contract may be personally served in the same manner as is applicable to the civil judicial process. Notice shall be deemed given as of the date of personal service or as of the third day following the date of deposit of such written notice in the course of transmission in the United States Postal Service, with postage prepaid.

## **SECTION 7. GENERAL PROVISIONS**

- A. District Manager shall comply with applicable local and State requirements regarding conflicts of interest and shall avoid involvement in situations or demonstrate behavior that is inconsistent or incompatible with a position of District Manager.
- B. District shall defend and indemnify the District Manager in any action or proceeding alleging an act or omission within the scope of the contract of the District Manager in conformance with Government Code Section 995 et seq. District is not required to indemnify the District Manager for any illegal acts or intentional wrong doing committed by the District Manager
- C. The terms of this Contract are intended by the parties as a final expression of their Contract and may not be contradicted by evidence of any prior Contract or contemporaneous oral Contract. The parties further intend that this Contract constitutes the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial or arbitration proceeding, if any, involving this Contract. Any amendments to this Contract must be in writing and executed by both parties.
- D. In the event of District Manager's death, District Manager's heirs, legatees, devisees, executors or legal representatives shall be entitled to all fees earned, but not paid. District Manager and his heirs, legatees, devisees, executors or legal representatives shall not be entitled to any other compensation, including, without limitation, any severance compensation.

- E. If any term, covenant, condition or provision of this Contract is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be effected, impaired or invalidated thereby.
- F. This Contract shall be governed by the laws of the State of California. The parties agree that in the event any legal action is taken to enforce/interpret any provisions of this Contract, said action shall be filed in the court of proper jurisdiction within the County of San Luis Obispo.
- G. The parties acknowledge that they understand the significance and consequences of this Contract. The parties also acknowledge that they have been given full opportunity to review and negotiate this Contract and execute it only after full reflection and analysis, and that they have had an opportunity to review this document and its application and meaning with their respective attorneys and advisors. This Contract shall not be interpreted against the party who prepared the initial draft, because all parties participated in the drafting of this Contract by having ample opportunity to review and submit suggested changes or corrections for incorporation into the final version of this Contract.
- H. This Contract shall be binding upon and shall inure to the benefit of the prospective heirs, executors, administrators, successors and assigns of the parties.
- I. District Manager shall not assign this Contract in whole or in part.

#### **SECTION 8. Conclusion**

- A. The above Recitals are true and correct and incorporated herein by reference.
- B. This Contract may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument, and shall be governed by the laws of the State of California.

**IN WITNESS WHEREOF**, the parties hereto have executed this Contract on the below identified dates.

DISTRICT MANAGER:

  
\_\_\_\_\_  
RICHARD SWEET

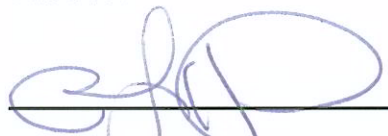
DISTRICT:

  
\_\_\_\_\_  
MATTHEW GUERRERO, Chairman

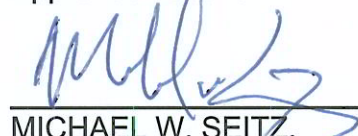
DATE: Dec 4, 2013

DATE: 12-4, 2013

Witness:

  
\_\_\_\_\_  
Secretary to the Board

Approved as to form:

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

DATE: Dec 4, 2013

DATE: 12/4, 2013