



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

AGENDA

BOARD OF DIRECTORS Meeting

1655 Front Street

Oceano, California 93445

Wednesday, May 1, 2013 at 6:00 P.M.

Board Members

Matthew Guerrero, Chair

Tony Ferrara, Vice Chair

Debbie Peterson, Director

Agencies

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.

3. CONSENT AGENDA

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.

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 April 17, 2013 meeting

3B. Review and Approval of Warrants

3C. Resolution No. 2013-307: A Resolution Amending the FY 2012/13 Budget at Third Quarter

4. PLANT SUPERINTENDENT'S REPORT

5. BOARD ACTION ON INDIVIDUAL ITEMS:

A. AB 371 (SALAS)

Staff recommends the Board review and direct staff with regard to the draft letter addressed to the Local Government Committee opposing Assembly Bill 371.

B. PRO FORMA AND SUPPORTING DOCUMENTS (1-hour)

Staff recommends the Board listen to staff's presentation including review of the pro forma and supporting documents (attached); authorize the Interim General Manager to develop a scope of work; request proposals from providers of financial consulting services for wastewater enterprises; and appoint an ad-hoc committee to interview and recommend a financial consultant for Board consideration.

6. MISCELLANEOUS ITEMS

A. Miscellaneous Oral Communications

B. Miscellaneous Written Communications

1. Letter to RWQCB responding to NPDES Compliance Evaluation Inspection Report

7. ADJOURNMENT

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

Oceano Community Services District
1655 Front Street
Oceano, CA 93445

Minutes of the Meeting of Wednesday, April 17, 2013
6:00 P.M.

1. CALL TO ORDER AND ROLL CALL

Present: Chair Matthew Guerrero, Oceano Community Services District; Vice Chair Tony Ferrara, City of Arroyo Grande; Director Debbie Peterson, City of Grover Beach.

District Staff in Attendance: Paul Karp, Interim General Manager; Mike Seitz, District Counsel; Trini Rodriguez, Interim Chief Plant Operator; Matthew Haber, Bookkeeper/Secretary.

Others in Attendance: Shannon Sweeney

2. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

Mr. Jeff Edwards of Los Osos asked the Board to consider the relative costs and benefits of County projects related to drainage and flooding in Oceano. Director Guerrero said that Mr. Edwards' letter to the County Planning Department would be attached to the minutes.

Ms. Julie Tacker of Los Osos spoke about the hiring of a forensic accountant. She said that she was happy to download the audio of the previous meeting and was thrilled with what she had heard presented at that meeting. She said that she was encouraged with the direction of the current Board.

There being no more public comment, Director Guerrero closed the public comment period.

3. CONSENT AGENDA

Director Guerrero asked for public comments regarding the Consent Agenda. There being none, Director Guerrero closed the public comment period.

Director Guerrero pulled Item 3A from the Consent Agenda as Director Ferrara was not present at the meeting of April 3, 2013.

Action: It was moved by Director Peterson to approve Consent Agenda Items 3B and 3C, as presented. Director Ferrara seconded, and the motion was carried 3-0.

A. Review and Approval of the Minutes of the Meeting of April 3, 2013

Action: It was moved by Director Peterson to approve the Minutes of the Meeting of April 3,

2013, as presented. Director Guerrero seconded, and the motion was carried 2-0.

4. PLANT SUPERINTENDENT'S REPORT

Interim General Manager Karp introduced Mrs. Shannon Sweeney, consultant to the District Interim General Manager, who presented Mr. Bob Barlogio's final report as Plant Superintendent.

Mrs. Sweeney introduced Mr. John Clemons III who will be the District's new Plant Superintendent/Chief Plant Operator beginning in May. Mr. Karp informed the Board that Trini Rodriguez will be acting Chief Plant Operator until Mr. Clemons begins work.

Director Guerrero asked for public comment on the Plant Superintendent's Report.

Ms. Giselle Nailer of Oceano said that it was nice to see something new with the District, but she expressed concerns about the preservation of old records. She spoke about the availability of free resources on-line.

There being no more comments, Director Guerrero closed the public comment period.

Action: Received and filed the Plant Superintendent's report and welcomed Mr. Clemons.

5. BOARD ACTION ON INDIVIDUAL ITEMS

A. FY 2012/13 BUDGET REVIEW AT END OF 3RD QUARTER

Interim General Manager Karp and District Bookkeeper Matthew Haber presented the Fiscal Year 2012/13 Budget Review and recommended that the Board approve the proposed budget adjustments. As part of the discussion, Mr. Haber mentioned reducing future workers' compensation costs, and Mr. Karp informed the Board that Staff had taken necessary steps to bring a risk manager on board to help the District lower its assessed risk rating.

Director Guerrero asked for public comment.

Ms. Nailer spoke about sewer hook-ups, water resources and development.

There being no more comments, Director Guerrero closed the public comment period.

Counsel Seitz informed the Board that, since the FY 2012/13 budget was adopted by resolution, it would require a resolution to amend the budget. He said that he would prepare a resolution to be placed on the Board's next consent calendar.

Action: It was moved by Director Peterson to approve the recommended changes to the FY 2012/13 budget as presented in the staff report with a resolution coming back to the Board for approval and adoption on the next Board meeting's consent agenda. Director Ferrara seconded, and the motion was carried unanimously.

6. MISCELLANEOUS ITEMS

- a. Miscellaneous Oral Communications
 - 1. AB 371 (Salas)

Interim General Manager Karp spoke about State Assembly Bill 371 (Salas) which relates to Kern County's ability to regulate the land application of biosolids within its jurisdiction.

Director Guerrero asked for public comment.

Ms. Nailer asked for clarification on the issue which Mr. Karp provided.

Ms. Tacker asked that the Assembly bill be attached to the letter for the next meeting.

Director Peterson spoke about Grover Beach City Council's decision to respectfully decline holding the District's meetings at the City's meeting hall. She also mentioned the review of the by-laws and the consideration of a forensic audit. She said that Staff had mentioned doing more public outreach, and she thought that the hiring of a great CPO would be some welcome news to share.

Action: The Board directed Interim General Manager Karp to email Assembly Bill 371 to the Board, to draft a letter to the Local Government Committee and to email the draft letter to the Directors for their comments to be incorporated into the draft. The Board directed Staff to bring this item back at the May 1, 2013 Board meeting. Counsel Seitz reminded the Directors not to discuss the draft letter with another Board Member as this would be a Brown Act violation.

- b. Miscellaneous Written Communications
 - 1. FEMA Reimbursement Update

Interim General Manager Karp spoke about the letter received from FEMA which addresses the District's appeal for a Net Small Project Overrun (NSPO) and explains that FEMA has approved an adjustment of \$37,414.60 over the prior approved amount. He also shared an email received from John Wallace which talks about the possibility of additional reimbursements. Mr. Karp suggested having the Wallace Group seek the additional reimbursements with the stipulation that the District be reimbursed more than what it would cost to pay the Wallace Group for its services related to obtaining this additional reimbursement.

Action: The Board concurred with Interim General Manager Karp suggestion.

7. PUBLIC COMMENT ON CLOSED SESSION

Mr. Edwards spoke about the Administrative Civil Liability and encouraged the Board to be a little more transparent and to convey to the public what the overall goals are with respect to the ACL. He added that he would no longer hire the Wallace Group.

Ms. Nailer brought up the issue of insurance.

8. CLOSED SESSION

- (1) Conference with Legal Counsel pursuant to Government Code Section 54956.9; 2 cases
 - a. Mascolo v. SSLOCSD et al. (existing litigation) CV110676
 - b. Central Coast RWQCB vs. SSLOCSD et al. (pending litigation) ACLC No. R3-2012-0030

9. RETURN TO OPEN SESSION; REPORT ON CLOSED SESSION

Counsel Seitz reported that the Board had not taken any reportable action on the first case. Regarding the second case, Counsel Seitz reported that the Board had moved to retain the services of Schindler Law Group for the recovery of costs from SDRMA for insurance coverage of legal expenses related to the NOV and ACL.

10. ADJOURNMENT

There being no further business to come before the Board, Director Guerrero adjourned the meeting at approximately 8:00 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
5/1/2013

ISSUED TO	PURCHASE/SERVICE	INV. # / SERVICE PERIOD	WARRANT NO.	ACCT	ACCT BRKDN	TOTAL
ABBA EMPLOYER SERVICES	CONTRACT LABOR	18808 18818	050113-7583	6085	2,737.19	2,737.19
AMIAD WATER SYSTEMS	WATER FILTER PARTS	161628	84	8030	390.99	390.99
ARAMARK UNIFORMS	EMPLOYEE UNIFORMS	7802687 7819478	85	7025	468.36	468.36
BATTERIES PLUS	12V BATTERY	464-260565	86	8030	39.24	39.24
BRENNTAG PACIFIC, INC	PLANT CHEMICALS	296201 297935	87	8050	9,792.96	9,792.96
CA ELECTRIC SUPPLY	ELEC SYS UPGRADE 04 MBI 16	520229 520247 521531 521593	88	26/8065	317.37	317.37
CARQUEST	AUTO MAINTENANCE SUPPLIES	7314-623000	89	8032	19.72	19.72
CNH CAPITAL	LOADER SERVICE	SERVICE BY BERCHTOLD SJ08620	90	8030	186.00	186.00
D'ANGELO'S	ACETONE AND SOLVENT	S231109	91	8060	135.64	135.64
DEBBIE PETERSON	BOARD SERVICE	APRIL	92	7075	200.00	200.00
DOWNEY BRAND LLP	LEGAL SERVICES	449479 450054	93	7070	3,171.89	3,171.89
ENVIRONMENTAL WATER SOLUTIONS	VAREC PARTS	1723	94	8060	358.07	358.07
FARM SUPPLY COMPANY	MISC SUPPLIES	13856	95	8060	435.56	435.56
FEDEX	SHIPPING	2-238-22447 2-245-97190	96	8045	54.50	54.50
FGL ENVIRONMENTAL	CHEMICAL ANALYSIS	381088A 381119A 381143A 381194A	97	7078	336.00	336.00
GRAY LIFT INC	FORKLIFT SERVICE	6006549	98	8030	1,505.36	1,505.36
I.I. SUPPLY	MISC SUPPLIES	18432 18609 18610	99	8060	353.25	353.25
JB DEWAR INC	VEHICLE FUEL	26813	7600	8020	129.87	129.87
JIM GUTHRIE	BOARD SERVICE	APRIL	7601	7075	100.00	100.00
LIBERTY COMPOSTING	BIOSOLIDS HANDLING - MARCH	4523	7602	7085	3,498.75	3,498.75
LINC DELIVERY	LAB DELIVERY SERVICE	MARCH	3	8040	367.50	367.50
MATTHEW GUERRERO	BOARD SERVICE	APRIL	4	7075	200.00	200.00
McMASTER CARR	MISC SUPPLIES	49671163 50147140 50165470	5	8060	493.16	493.16
PAUL KARP	ADMINISTRATIVE SERVICES	4/18/13 - 5/1/13	6	7076	1,750.00	1,750.00
PERS	EMPLOYEE MEDICAL	MAY	7	6010	16,723.26	20,081.84
	EMPLOYEE RETIREMENT	PPE 4/19/2013		6060	3,358.58	
PG&E	ELECTRICITY SERVICE	3/14/13 TO 04/11/2013	8	7091	11,622.00	11,622.00
STANLEY SECURITY	SECURITY - MAY	10131466	9	7011	62.20	62.20
STATE FUND COMPENSATION	WORKERS' COMP PREMIUM	MAY	10	6080	10,391.75	10,391.75
TEKTEGRITY	MANAGED IT SERVICE - MAY	26288-113	11	7015	346.50	346.50
TITAN INDUSTRIAL	GASKET	1053737	12	8060	123.32	123.32
TONY FERRARA	BOARD SERVICE	APRIL	13	7075	100.00	100.00
WW GRAINGER	GATE REMOTE CONTROLS	9110704336	14	8032	216.08	487.63
	MISC SUPPLIES	9113641956		8035	271.55	
SUB TOTAL					70,256.62	70,256.62
PAYROLL	PPE 04/19/2013				21,492.19	21,492.19
GRAND TOTAL					91,748.81	91,748.81

We hereby certify that the demands numbered serially from 050113-7583 to 050113-7614 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
RESOLUTION NO. 2013 – 307**

**A RESOLUTION AMENDING
THE FY 2012-2013 BUDGET AT THIRD QUARTER**

WHEREAS, the Board of Directors has previously adopted an amended FY 2012-2013 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 FY 2012-2013 adopted budget; and

WHEREAS, District Staff has identified the account line items which will require less monies and the account line items which 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, 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 FY 2012-2013 budget shall be amended as follows:

1. Operating Fund 19:
 - a. Transfer \$1,000 from Account 19-7013 Communications - Telephone to Account 19-7005 Advertising – Legal and Recruitment to better reflect actual expenses as of the end of the third quarter.
 - b. Transfer \$3,518 from Account 19-8061 04 MBI 11 Annual GIS/GPS Survey and transfer \$1,088 from Account 19-7013 Communications – Telephone to Account 19-7043 Insurance – Liability and Automobile to better reflect actual expenses as of the end of the third quarter.
 - c. Transfer \$110,000 from Account 19-8015 Trunk Sewer Maintenance to Account 19-7070 Professional Services – Outside Legal Counsel and Litigation to better reflect actual expenses as of the end of the third quarter.
 - d. Transfer \$30,000 from Account 19-7076 Professional Services - District Administration to Account 19-7091 Utilities – Electricity to better reflect actual expenses as of the end of the third quarter.

- e. Transfer \$6,000 from Account 19-7094 Utilities – Water to Account 19-7092 Utilities – Gas to better reflect actual expenses as of the end of the third quarter.
- f. Transfer \$50,000 from Account 19-8061 12 MBI 04 Backflow Preventer to Account 19-8030 Equipment Maintenance – Regular to better reflect actual expenses as of the end of the third quarter.
- g. Transfer \$3,000 from Account 19-7094 – Utilities – Water to Account 19-8032 Automotive Maintenance to better reflect actual expenses as of the end of the third quarter.
- h. Transfer \$30,000 from Account 19-8061 12 MBI 04 Backflow Preventer to Account 19-8060 Structure Maintenance – Regular to better reflect actual expenses as of the end of the third quarter.

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 first day of May 2013.

MATTHEW GUERRERO, Chair

ATTEST:

PAUL KARP, Secretary to the Board

APPROVED AS TO FORM:

MICHAEL W. SEITZ, District Legal Counsel



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www.sslocsd.org

To: Board of Directors
From: Trinidad Rodriguez, Interim Plant Superintendent
Via: Paul Karp, Interim General Manager
Date: April 26, 2013

Subject: Superintendent's Report

April data through April 24 are as follows:

Average daily flow 2.5 MGD with an average daily peak flow of 4.0 MGD

Chlorine use averaged 365 gallons per day. Chlorine use remains high through the process improvement period to respond to potential incomplete nitrification, which results in a higher chlorine demand.

Monthly average of BOD through April 12, influent was 305 mg/l, effluent was 19 mg/l.

Monthly average of TSS through April 12, influent was 455 mg/l, effluent was 24 mg/l.

For the month of April through April 24, the Plant has been in compliance for fecal coliform.

The chlorine residual analyzer is now working continuously. The next step to providing reliable disinfection system operation is to set the backup chlorination pump to operate when the chlorine residual analyzer residual drops below 6 mg/L.

Staff has completed the annual sampling for NPDES permit compliance.

The process improvement plan continues to be phased in. In April 3, the fixed film reactor arm drive was lowered to 35 Hz on April 3 and lowered again to 30 Hz on April 15 to slow the arm rotation down. Effluent samples continue to meet permit requirements. TSS numbers are higher than desirable, but may be due to the change in pump flow each day to achieve flushing when the water is available. Once the pump and variable speed drive are installed to provide adequate recycle, the TSS values may drop. The pump has been ordered, and is expected to arrive the first full week in May. To accommodate pump installation, an 8-inch gate valve was installed off the final clarifier the morning of April 25.

Centrifuge operation will be discontinued for the summer months, starting May 6. Sludge dewatering will be performed using the onsite sludge drying beds until the fall.

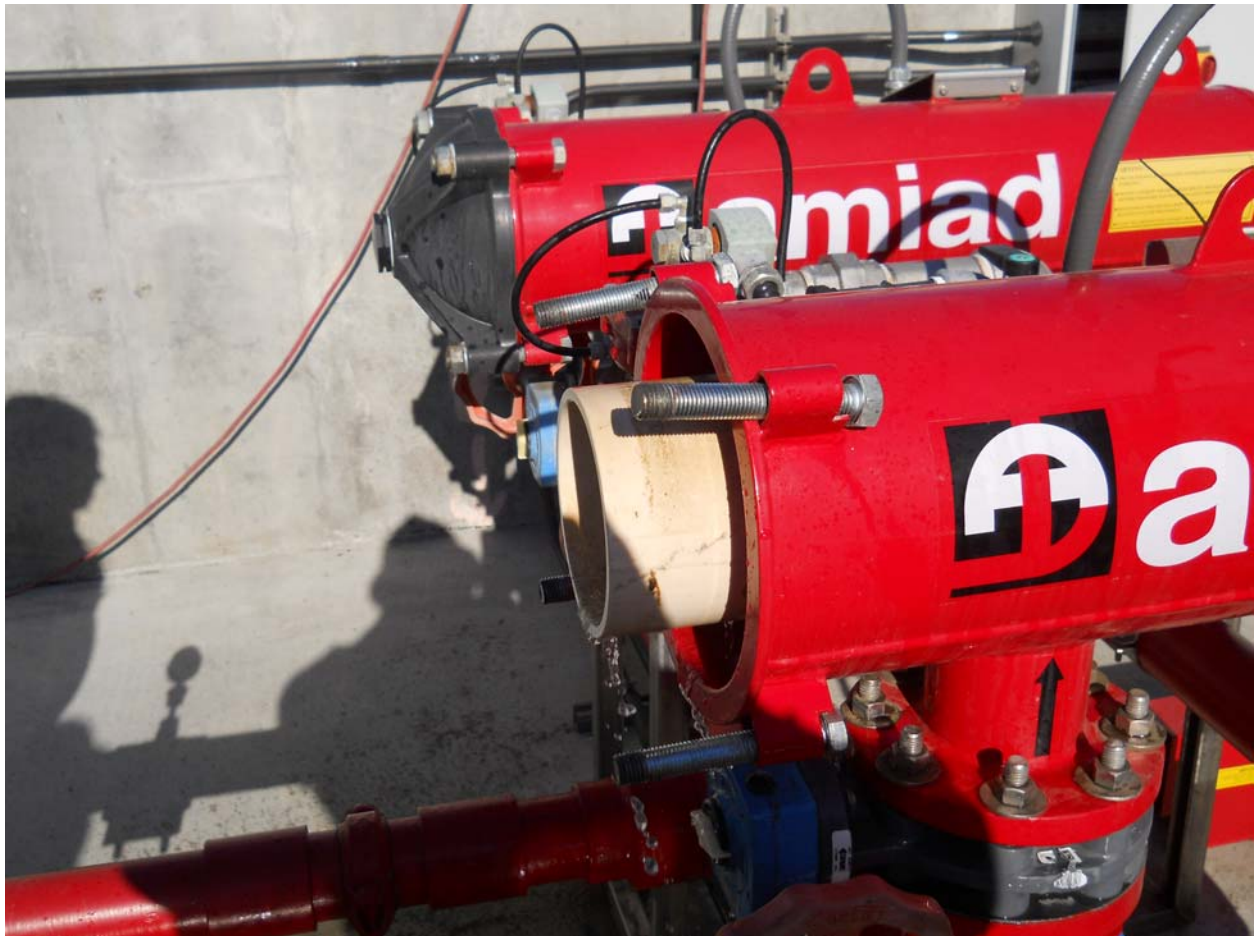
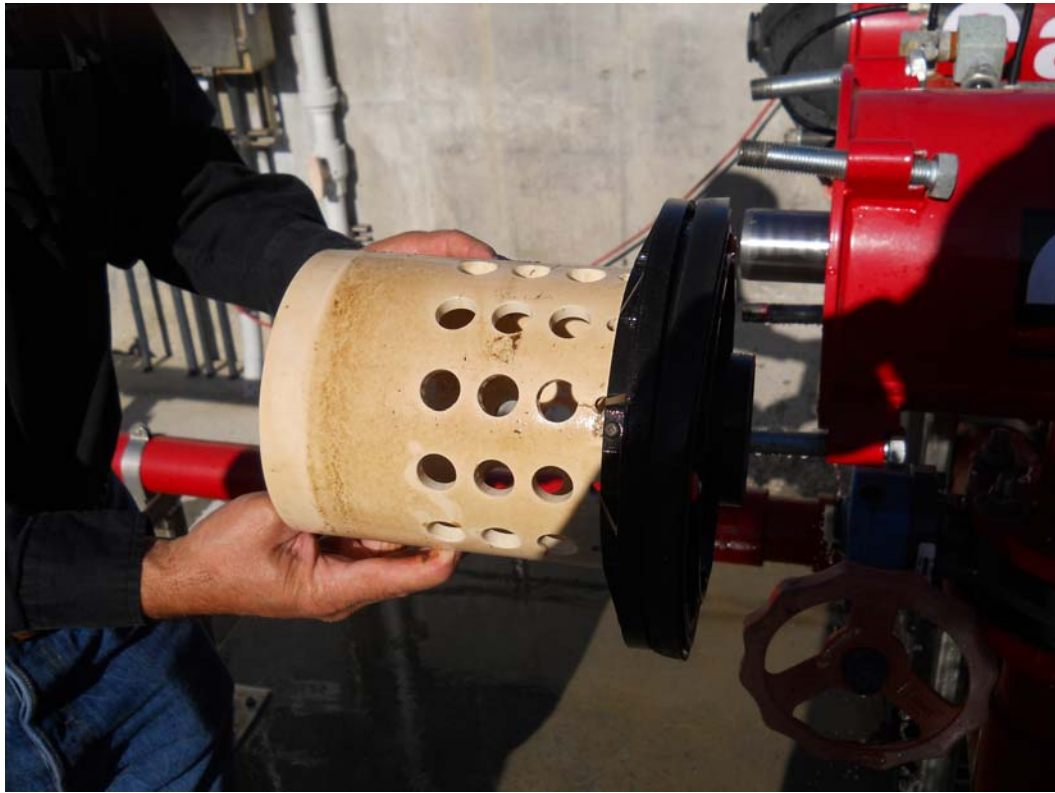
The treatment plant has a filtration system that treat a portion of the plant effluent for use as a nonpotable industrial water supply for the plant. The 100 micron filters in this filtration system were refurbished during the month of April.

The twelve inch valve on the discharge side of the 10 MGD diesel pump at the headworks was replaced. This valve is locked in the open position so that the system is in a ready state in the event of an emergency.

The front end loader experienced a transmission failure. The cost to repair has not yet been determined. A loader is on rental, at a cost of \$1,850 per week until we have a functioning loader.

An attempt was made to start up the cogeneration system the week of April 22. The engine started up successfully multiple times, but failed to maintain operation for more than 10 minutes at a time. A review of the system revealed that the gas train is nearly completely clogged with siloxane. Any hopes of successful operation in the future will likely require a complete rebuild of the gas train. We are expecting a report in the near future that provides a more detailed analysis.







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To: Board of Directors
From: Paul Karp, Interim General Manager
Date: May 1, 2013

Subject: AB 371 (SALAS)

Recommendation:

Staff recommends that the Board review and provide direction to Staff regarding the letter opposing Assembly Bill 371.

Discussion:

At the Board meeting of April 17, 2013, the Board directed Staff to draft a letter to the Local Government Committee opposing Assembly Bill 371 (SALAS). Having done as previously directed, Staff seeks further input and direction from the Board on this important issue.

Attachments:

Attachment 1: Draft letter to Assembly Local Government Committee

Attachment 2: Assembly Bill No. 371 (SALAS)

May 1, 2013

The Honorable Katcho Achadjian, Chair
The Honorable Marc Levine, Vice Chair
Assembly Local Government Committee
State Capitol, Rooms 4098 and 2137
Sacramento, CA 95814

RE: AB 371 (Salas) – OPPOSE

Dear Assembly Members Achadjian and Levine:

The South San Luis Obispo County Sanitation District (SSLOCSD) has taken an “oppose” position on AB 371 relating to the land application of “sewage sludge” in Kern County. SSLOCSD is located in South San Luis Obispo and provides wastewater treatment and disposal to the communities of Arroyo Grande, Grover Beach and Oceano, as well as ocean discharge of treated wastewater for the City of Pismo Beach, CA.

Litigation challenging the constitutionality of Kern County’s Measure E, the initiative ordinance banning the land application of biosolids in unincorporated areas of the county has been ongoing for many years. AB 371 seeks to circumvent this litigation involving important constitutional questions and would authorize Kern County to regulate or prohibit by ordinance the land application of “sewage sludge” in unincorporated areas in the jurisdiction of the county. There are several legal, policy and scientific principles that all indicate these types of bans are inappropriate and unsupportable.

Specifically, the type of ban which Kern County has previously sought to enforce, and which could be authorized by AB 371, is in conflict with the Integrated Waste Management Act (IWMA), in conflict with the regional welfare doctrine, and contrary to the overwhelming weight of scientific evidence that land application of biosolids is a safe and beneficial practice. The biosolids ban that would be authorized by AB 371 contradicts science-based federal and California regulations that currently govern land application of biosolids.

If AB 371 is passed and Kern County is allowed to adopt and enforce a land application ban, California cities and agencies will face more difficulty finding methods to recycle or dispose of their biosolids in both the short and long term, and available management options will be more expensive than before the ban - a cost that will undoubtedly be passed on to ratepayers. Biosolids are a beneficial soil amendment which makes marginal soil productive, increases crop production, and increases moisture-holding capacity, which reduces the need to irrigate crops. Recycling biosolids to farmland is a time-tested practice that occurs every day on hundreds of farms across California and the United States with no adverse impacts on public health or the environment.

SSLOCSD strongly opposes AB 371 and respectfully request your Committee’s consideration of our concerns.

Sincerely,

Matthew Guerrero, Chairman
South San Luis Obispo County Sanitation District

cc Assembly Member Luis Alejo, State Capitol Room 2117
 Assembly Member Steve Bradford, State Capitol Room 5136
 Assembly Member Rich Gordon, State Capitol Room 4126
 Assembly Member Melissa Melendez, State Capitol Room 4009
 Assembly Member Kevin Mullin, State Capitol Room 3126
 Assembly Member Marie Waldron, State Capitol Room 5128

AMENDED IN ASSEMBLY MARCH 19, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 371

Introduced by Assembly Member Salas

February 14, 2013

An act to amend Section ~~120392.2~~ of the Health and Safety Code, relating to ~~health~~ sewage sludge.

LEGISLATIVE COUNSEL'S DIGEST

AB 371, as amended, Salas. ~~Immunizations~~. Sewage sludge: Kern County.

Existing law requires the State Water Resources Control Board or a California regional water quality control board, upon receipt of an application for waste discharge requirements for discharge of dewatered, treated, or chemically fixed sewage or other biological solids, to prescribe general waste discharge requirements for that sludge or those other solids. The California Integrated Waste Management Act of 1989, establishes an integrated waste management program that includes the regulation of solid waste disposal and solid waste facilities, and defines solid waste to include dewatered, treated, and chemically fixed sewage sludge that is not a hazardous waste.

This bill would authorize the Kern County Board of Supervisors, upon a majority vote, to regulate or prohibit by ordinance, in a manner more stringent than state or federal law and in a nondiscriminatory manner, the land application of sewage sludge in unincorporated areas in the jurisdiction of the county, as prescribed.

This bill would make legislative findings and declarations as to the necessity of a special statute for Kern County.

~~Existing law requires every skilled nursing facility, immediate care facility, and nursing facility, as defined, each year, commencing October 1 to the following April 1, inclusive, to offer immunizations for influenza and pneumococcal disease to residents, 65 years of age or older, receiving services at the facility, based upon the latest recommendations of the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention, and the latest recommendations of appropriate entities for the prevention, detection, and control of influenza outbreaks in California long-term care facilities.~~

~~This bill would make a technical, nonsubstantive change to this provision.~~

Vote: majority. Appropriation: no. Fiscal committee: no.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 13274 of the Water Code is amended to
2 read:

3 13274. (a) (1) The state board or a regional board, upon receipt
4 of applications for waste discharge requirements for discharges of
5 dewatered, treated, or chemically fixed sewage sludge and other
6 biological solids, shall prescribe general waste discharge
7 requirements for that sludge and those other solids. General waste
8 discharge requirements shall replace individual waste discharge
9 requirements for sewage sludge and other biological solids, and
10 their prescription shall be considered to be a ministerial action.

11 (2) The general waste discharge requirements shall set minimum
12 standards for agronomic applications of sewage sludge and other
13 biological solids and the use of that sludge and those other solids
14 as a soil amendment or fertilizer in agriculture, forestry, and surface
15 mining reclamation, and may permit the transportation of that
16 sludge and those other solids and the use of that sludge and those
17 other solids at more than one site. The requirements shall include
18 provisions to mitigate significant environmental impacts, potential
19 soil erosion, odors, the degradation of surface water quality or fish
20 or wildlife habitat, the accidental release of hazardous substances,
21 and any potential hazard to the public health or safety.

22 (b) The state board or a regional board, in prescribing general
23 waste discharge requirements pursuant to this section, shall comply
24 with Division 13 (commencing with Section 21000) of the Public

1 Resources Code and guidelines adopted pursuant to that division,
2 and shall consult with the State Air Resources Board, the
3 Department of Food and Agriculture, and the Department of
4 Resources Recycling and Recovery.

5 (c) The state board or a regional board may charge a reasonable
6 fee to cover the costs incurred by the board in the administration
7 of the application process relating to the general waste discharge
8 requirements prescribed pursuant to this section.

9 (d) Notwithstanding any other law, except as specified in
10 subdivisions (f) to ~~(i)~~ (j), inclusive, general waste discharge
11 requirements prescribed by a regional board pursuant to this section
12 supersede regulations adopted by any other state agency to regulate
13 sewage sludge and other biological solids applied directly to
14 agricultural lands at agronomic rates.

15 (e) The state board or a regional board shall review general
16 waste discharge requirements for possible amendment upon the
17 request of any state agency, including, but not limited to, the
18 Department of Food and Agriculture and the State Department of
19 Public Health, if the board determines that the request is based on
20 new information.

21 (f) This section is not intended to affect the jurisdiction of the
22 Department of Resources Recycling and Recovery to regulate the
23 handling of sewage sludge or other biological solids for
24 composting, deposit in a landfill, or other use.

25 (g) This section is not intended to affect the jurisdiction of the
26 State Air Resources Board or an air pollution control district or
27 air quality management district to regulate the handling of sewage
28 sludge or other biological solids for incineration.

29 (h) This section is not intended to affect the jurisdiction of the
30 Department of Food and Agriculture in enforcing Sections 14591
31 and 14631 of the Food and Agricultural Code and any regulations
32 adopted pursuant to those sections, regarding the handling of
33 sewage sludge and other biological solids sold or used as fertilizer
34 or as a soil amendment.

35 (i) This section does not restrict the authority of a local
36 government agency to regulate the application of sewage sludge
37 and other biological solids to land within the jurisdiction of that
38 agency, including, but not limited to, the planning authority of the
39 Delta Protection Commission, the resource management plan of

1 which is required to be implemented by local government general
2 plans.

3 (j) *The Kern County Board of Supervisors, upon a majority*
4 *vote, may regulate or prohibit by ordinance, in a manner more*
5 *stringent than state or federal law and in a nondiscriminatory*
6 *manner, the land application of sewage sludge, including sewage*
7 *sludge imported from another California county, in unincorporated*
8 *areas in the jurisdiction of the county.*

9 SEC. 2. *The Legislature finds and declares that a special law*
10 *is necessary and that a general law cannot be made applicable*
11 *within the meaning of Section 16 of Article IV of the California*
12 *Constitution due to the unique and special problems associated*
13 *with the land application of sewage sludge in Kern County*
14 *requiring the control of sewage sludge for the public good.*

15 SECTION 1. ~~Section 120392.2 of the Health and Safety Code~~
16 ~~is amended to read:~~

17 ~~120392.2. (a) Each year, commencing October 1 to the~~
18 ~~following April 1, inclusive, every health care facility, as defined~~
19 ~~in subdivision (a) of Section 120392, shall offer, pursuant to~~
20 ~~Section 120392.4, immunizations for influenza and pneumococcal~~
21 ~~disease to residents, 65 years of age or older, receiving services at~~
22 ~~the facility, based upon the latest recommendations of the Advisory~~
23 ~~Committee on Immunization Practices (ACIP) of the federal~~
24 ~~Centers for Disease Control and Prevention, and the latest~~
25 ~~recommendations of appropriate entities for the prevention,~~
26 ~~detection, and control of influenza outbreaks in California~~
27 ~~long-term care facilities.~~

28 ~~(b) Each health care facility, as defined in subdivision (a) of~~
29 ~~Section 120392, shall offer, pursuant to Section 120392.4,~~
30 ~~pneumococcal vaccine to all new admittees to the health care~~
31 ~~facility, based on the latest recommendations of the ACIP.~~

32 ~~(c) The facility shall be reimbursed the standard Medi-Cal rate~~
33 ~~for an immunization provided to a Medi-Cal recipient, unless he~~
34 ~~or she is also a Medicare recipient whose coverage includes~~
35 ~~reimbursement for the immunization.~~



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

To: Board of Directors
From: Paul Karp, Interim General Manager
Date: May 1, 2013

Subject: Pro Forma and Supporting Documents

The attached documents provide information on the status of District finances. Historical information from FY 2008-9 to present is shown so that annual trends in revenue and expenses can be observed. Current budget numbers for FY 12-13 have been adjusted to reflect the amended budget. Future years are projected through FY 2020-21 to reflect major plant construction to attain facility reliability and redundancy, and capital replacement to maintain existing infrastructure. Major Budget Items in the FY 2012-13 budget were evaluated to determine which ones need to continue to be funded, and which could be postponed or eliminated. These documents will be presented at the Board meeting.

Attachments:

- Attachment 1: Pro Forma (7 pages)
- Attachment 2: Capital Replacement Program (3 pages)
- Attachment 3: Fiscal Year 13-14 Project List (1 page)
- Attachment 4: Evaluation of Major Budget Items (6 pages)

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
Overall Cash Balance

FUND	DESCRIPTION	ACTUAL FY 08-09	ACTUAL FY 09-10	ACTUAL FY 10-11	ACTUAL FY 11-12	BUDGET FY 12-13	ESTIMATE FY 13-14	ESTIMATE FY 14-15	ESTIMATE FY15-16	ESTIMATE FY16-17	ESTIMATE FY17-18	ESTIMATE FY18-19	ESTIMATE FY19-20	ESTIMATE FY20-21
19	Cash Balance	(1,063,589)	(751,905)	(702,990)	(268,033)	(1,356,642)	(2,412,174)	(11,675,092)	(12,746,985)	(14,009,982)	(14,960,510)	(15,871,675)	(17,044,325)	(18,664,722)
20	Cash Balance	5,625,860	5,246,270	4,313,426	4,379,753	4,200,893	2,844,949	0	25,996	51,992	77,988	103,984	129,980	155,976
26	Cash Balance	1,325,908	893,630	885,108	674,011	280,636	0	0	0	0	0	0	0	0
CONSOLIDATED CASH BALANCE		5,888,179	5,387,995	4,495,543	4,785,731	3,124,887	432,775	(11,675,092)	(12,720,989)	(13,957,990)	(14,882,522)	(15,767,691)	(16,914,345)	(18,508,746)

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

Fund 26 - Replacement Revenues and Expenditures

Cash - Beginning of Fiscal Year	2,506,815	2,318,281	2,074,301	1,318,933	879,665	689,687	280,636	280,636	0	0	0	0	0	0	0	0
REVENUES		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE
		FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21
ACCOUNT	DESCRIPTION															
26-5015	Interest Income	118,900	95,754	42,889	10,985	7,018	3,799									
26-5040	Transfer from Fund 19							1,043,378	662,461	915,819	912,022	534,053	398,400	435,525	764,982	
	Subtotal	118,900	95,754	42,889	10,985	7,018	3,799	0	1,043,378	662,461	915,819	912,022	534,053	398,400	435,525	764,982
EXPENDITURES		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE
		FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21
ACCOUNT	DESCRIPTION															
26-8080	Transfer to Fund 19	307,433														
26-8010	Capital Equipment		51,647	12,876												
26-8015	Trunk Sewer Maintenance			11,082	25,492	1,576			160,000	160,000	50,000	160,000	50,000	160,000	50,000	160,000
26-8061	Structures/Grounds Maint-Maj			7,425	1,725				177,000	22,000	22,000	27,000	22,000	172,000	27,000	22,000
26-8065	Structures/Grounds Repl/Imp		288,088	759,879	378,198				766,344	370,051	691,182	573,018	373,044	0	285,938	455,485
26-8070	Emergency Equipment Repair				30,873		19,475									
	Subtotal	307,433	339,734	791,262	436,288	1,576	19,475	0	1,324,013	662,461	915,819	912,022	534,053	398,400	435,525	764,982
Cash - End of Fiscal Year		2,318,281	2,074,301	1,325,908	893,630	885,108	674,011	280,636	0	0	0	0	0	0	0	0

Notes: For 26-8015, assume 1/3 of system cleaned and videoed every other year, with 5% repaired/lined at \$100 per foot.
 For 26-8061, refer to Attachment 1, page 3: Worksheet for 26-8061
 For 26-8065, refer to Attachment 3: Capital Replacement Program spreadsheet for anticipated projects

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

Fund 26 - Replacement

Account 26-8061

Structures/Grounds Maintenance - Major

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ESTIMATE	ESTIMAT	ESTIMAT	ESTIMAT	ESTIMAT	ESTIMAT	ESTIMAT	ESTIMAT
Item	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	E	E	E	E	E	E	E
Digester Cleaning						150,000					150,000		
Pump Rebuilding						12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Grinder Replacement						10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Flare Maintenance						5,000			5,000			5,000	
TOTAL	0	0	0	0	0	177,000	22,000	22,000	27,000	22,000	172,000	27,000	22,000

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

Fund 20 - Expansion Revenues and Expenditures

Cash - Beginning of Fiscal Year		6,116,082	5,628,335	5,246,270	4,314,878	4,295,111	4,200,893	2,844,949	0	25,996	51,992	77,988	103,984	129,980
REVENUES		ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	EST	EST	EST	EST	EST	EST	EST	EST
		FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21
ACCOUNT	DESCRIPTION													
20-4010	Arroyo Grande Connections	19,800	13,621	84,788	29,790	13,621	13,621	13,621	13,621	13,621	13,621	13,621	13,621	13,621
20-4020	Grover Beach Connections	48,881	45,168	7,425	9,900	7,425	7,425	7,425	7,425	7,425	7,425	7,425	7,425	7,425
20-4030	OCSD Connections	17,325	8,662	12,375	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950
20-5015	Interest Income	92,049	23,587	15,070	10,333	10,286	10,060	6,813						
20-2300	Energy Project Finance		483,519											
20-5030	SGIP Rebate				150,000									
20-xxx	Transfer from Fund 19							7,330,242						
	Subtotal	178,055	574,557	119,638	204,883	36,282	36,056	7,363,051	25,996	25,996	25,996	25,996	25,996	25,996
EXPENDITURES		ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	EST	EST	EST	EST	EST	EST	EST	EST
		FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21
ACCOUNT	DESCRIPTION													
20-8080	Transfer to Fund 19	7,425												
20-8010	Capital Equipment	13,362	13,253	19,874		100,000								
20-8061		0												
20-8065	Struct/Grnds Repl	647,490	943,369	1,032,609	140,008	30,500								
	Expansion						1,392,000	10,208,000						
	Subtotal	668,277	956,621	1,052,482	140,008	130,500	1,392,000	10,208,000	0	0	0	0	0	0
Cash - End of Fiscal Year		5,625,860	5,246,270	4,313,426	4,379,753	4,200,893	2,844,949	0	25,996	51,992	77,988	103,984	129,980	155,976
Notes: Total \$11.6M for expansion includes \$8.2M for secondary system improvements, \$2.4M for FFR rehabilitation and grit removal, and \$1M for splitter box repairs. Twelve percent of total cost set up for FY 13-14 for design/permitting.														

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

Fund 19 - Operating Revenues

CURRENT REVENUES		ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE
		FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21
ACCOUNT	DESCRIPTION													
19-4015	Arroyo Grande Services	1,166,080	1,321,399	1,442,577	1,456,784	1,440,500	1,440,500	1,440,500	1,440,500	1,440,500	1,440,500	1,440,500	1,440,500	1,440,500
19-4022	Grover Beach Services	712,848	920,511	1,020,539	1,064,832	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000
19-4035	OCSD Services	414,157	454,971	476,921	484,431	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
19-4040	Pismo Beach Reimbursement			15,377			17,000			17,000			17,000	
19-4045	School Services	21,173	23,824	31,301	25,479	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000
19-4050	Brine Disposal Service	3,579	3,563	3,342	7,630	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900	20,900
19-4055	Lease (Cellular One)	17,689	18,574	19,948	22,571	22,525	22,525	22,525	22,525	22,525	22,525	22,525	22,525	22,525
19-5015	Interest	1,275	222	4,201	1,270	750								
19-5020	Other Reimbursements	10,230		356	300	250								
19-5021	FEMA Funding		76,659		73,504	30,000								
19-5022	WDR Reimburs. (MAs)	24,849	9,225	8,969	7,342	10,000	10,300	10,610	10,930	11,260	11,600	11,950	12,310	12,680
19-5023	FOG Reimbursement	28,305	38,803	25,915	24,810	30,000	30,900	31,830	32,780	33,760	34,770	35,810	36,880	37,990
19-5025	Other Sales	998	1,400			250								
19-5030	IRWM Funding													
19-5060	WDR Support Reimbursement													
Total		2,401,183	2,866,949	3,049,445	3,168,955	3,128,175	3,115,125	3,099,365	3,100,635	3,118,945	3,103,295	3,104,685	3,123,115	3,107,595
Total Without Reimbursements		2,337,799	2,744,463	2,998,828	3,062,998	3,057,925	3,056,925	3,056,925	3,056,925	3,056,925	3,056,925	3,056,925	3,056,925	3,056,925

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

Fund 19 - Operating
Operational Costs

ACCOUNT	DESCRIPTION	ACTUAL FY 08-09	ACTUAL FY 09-10	ACTUAL FY 10-11	ACTUAL FY 11-12	BUDGET FY 12-13	ESTIMATE FY 13-14	ESTIMATE FY 14-15	ESTIMATE FY 15-16	ESTIMATE FY 16-17	ESTIMATE FY 17-18	ESTIMATE FY 18-19	ESTIMATE FY 19-20	ESTIMATE FY 20-21
PERSONNEL EXPENSES														
16-6010	Medical Insurance	112,937	114,350	121,888	141,000	158,069	168,340	179,280	190,930	203,340	216,560	230,640	245,630	261,600
19-6020	Medicare													
19-6025	Dental Insurance	8,736	9,192	9,270	9,999	11,200	11,930	12,710	13,540	14,420	15,360	16,360	17,420	18,550
19-6030	Plant Operators	507,470	470,910	460,481	460,842	464,862	497,177	529,490	563,910	600,560	639,600	681,170	725,450	772,600
19-6040	Secretary/Bookkeeper	17,619	16,430	16,021	16,878	16,708	17,856	18,620	19,550	20,550	21,620	22,760	23,970	25,260
19-6050	Social Security & Medicare	11,983	10,221	10,934	11,095	11,135	11,680	12,300	12,980	13,720	14,520	15,380	16,300	17,280
19-6055	State Disability Insurance	2,581	2,843	2,868	2,826	2,558	2,720	2,900	3,090	3,290	3,500	3,730	3,970	4,230
19-6060	State Retirement	74,602	72,475	161,184	86,717	92,486	98,500	104,900	111,720	118,980	126,710	134,950	143,720	153,060
19-6075	Medical Reimbursement	10,250	2,082	6,740	3,137	4,000	4,260	4,540	4,840	5,150	5,480	5,840	6,220	6,620
19-6080	Worker's Compensation	91,974	42,174	36,111	65,816	125,000	125,000	100,000	77,000	62,010	67,340	93,020	99,070	105,510
19-6085	Temporary Labor Services				88,095	65,000	69,230	73,730	78,520	83,620	89,060	94,850	101,020	107,590
19-6090	Payroll Process Fee	2,209	2,271	2,378	2,329	2,500	2,660	2,830	3,010	3,210	3,420	3,640	3,880	4,130
19-6095	Unemployment Reimbursement			9,450	13,363	13,163	14,020	14,930	15,900	16,930	18,030	19,200	20,450	21,780
TOTAL PERSONNEL EXPENSES		840,260	802,941	891,224	949,135	1,024,681	1,088,373	1,125,990	1,169,690	1,245,710	1,326,680	1,412,930	1,504,780	1,602,580
OPERATING EXPENSES														
19-7005	Advertisements/Legal & Recruit	5,398	480	105	1,768	2,000	2,060	2,120	2,180	2,250	2,320	2,390	2,460	2,530
19-7011	Comm (Alarm, Internet, USA, Web Hosting)	2,520	2,477	3,679	2,519	3,180	3,280	3,380	3,480	3,580	3,690	3,800	3,910	4,030
19-7013	Communications - Telephone	5,323	6,101	6,709	7,967	5,912	6,090	6,270	6,460	6,650	6,850	7,060	7,270	7,490
19-7014	Communications - Paging	422	630	163	195	200	210	220	230	240	250	260	270	280
19-7015	Office Equipment/Computer Supplies	3,567	7,580	6,936	6,689	16,000	10,000	10,300	10,610	10,930	11,260	11,600	11,950	12,310
19-7020	Drying Bed Rental													
19-7025	Employee Uniforms	9,425	10,948	10,809	12,783	12,000	12,380	12,730	13,110	13,500	13,910	14,330	14,760	15,200
19-7032	Equipment Rental - other	109	3,844	245	518	5,000	5,150	5,300	5,460	5,620	5,790	5,960	6,140	6,320
19-7043	Insurance Liability - Auto	20,814	17,930	18,554	23,368	28,006	30,807	31,730	32,680	33,660	34,670	35,710	36,780	37,880
19-7050	Memberships/Seminars/Meetings	6,363	6,367	6,864	23,585	21,000	21,630	22,280	22,950	23,640	24,350	25,080	25,830	26,600
19-7055	Misc. Expenses													
19-7060	Ocean Outfall Maintenance			30,753		0	34,000	0	0	40,610	0	0	48,500	0
19-7065	Source Control Program	39,936	19,942	14,053	27,995	80,000	30,000	30,900	31,830	32,780	33,760	34,770	35,810	36,880
19-7068	Permits/Fees/Licenses	27,127	63,241	80,497	38,482	40,000	41,200	1,254,440	55,710	57,380	59,100	60,870	62,700	64,580
19-7069	LAFCO Budget Share	10,098	8,962	8,441	8,520	9,235	9,510	9,800	10,090	10,390	10,700	11,020	11,350	11,690
19-7070	Prof Services - Outside Counsel/Litigation					430,000	20,000	20,600	21,220	21,860	22,520	23,200	23,900	24,620
19-7071	Prof Services - District Counsel	86,297	132,813	232,507	278,221	45,000	46,350	47,740	49,170	50,650	52,170	53,740	55,350	57,010
19-7072	Prof Services - Auditing	5,800	5,300	6,788	5,450	5,640	5,810	5,980	6,160	6,340	6,530	6,730	6,930	7,140
19-7073	Prof Services - AG Billing	13,120	13,677	12,813	12,497	20,000	22,000	22,600	23,340	24,040	24,760	25,500	26,270	27,060
19-7074	Prof Services - OCSD Bill	4,930	4,930	4,930	4,930	10,000	22,000	22,600	23,340	24,040	24,760	25,500	26,270	27,060
19-7075	Prof Services - Board Members	6,800	7,000	7,000	6,900	7,200	7,420	7,640	7,870	8,110	8,350	8,600	8,860	9,130
19-7076	Prof Services - District Administration	122,025	170,197	167,451	148,259	120,000	123,600	127,310	131,130	135,060	139,110	143,280	147,580	152,010
19-7077	Prof Services - Engineering	117,814	108,814	104,586	130,968	125,000	128,750	132,610	136,590	140,690	144,910	149,260	153,740	158,350
19-7078	Prof Services Chemical Analysis	18,480	23,429	28,759	30,126	60,000	61,800	63,650	65,560	67,530	69,560	71,650	73,800	76,010
19-7079	Prof Services - Other Bill	1,418	9,741	11,033	15,312	10,000	10,300	10,610	10,930	11,260	11,600	11,950	12,310	12,680
19-7081	Prof Services - GB Bill	2,248	2,298	2,263	1,000	9,000	22,000	22,600	23,340	24,040	24,760	25,500	26,270	27,060
19-7082	FEMA Expenditures	1,731		81,508	18,194	5,000	5,150	5,300	5,460	5,620	5,790	5,960	6,140	6,320
19-7083	WDR & SSMP Reporting (MAs)	24,859	9,225	6,853	7,342	10,000	10,300	10,610	10,930	11,260	11,600	11,950	12,310	12,680
19-7084	FOG (MAs)	28,308	36,693	25,807	24,967	30,000	30,900	31,830	32,780	33,760	34,770	35,810	36,880	37,960
19-7085	Solids Handling	8,200	65,798	61,341	45,460	85,000	87,550	90,180	92,890	95,680	98,550	101,510	104,560	107,700
19-7086	Brine Disposal Expenses		3,494	1,890	4,717	5,000	5,150	5,300	5,460	5,620	5,790	5,960	6,140	6,320
19-7087	WDR & SSMP District Expenses		1,434	61,118	114,918	155,000	30,000	30,900	31,830	32,780	33,760	34,770	35,810	36,880
19-7088	Water Recycling Study		38		1,954		0	0	0	0	0	0	0	0
19-7089	Rate Study					25,000	0	0	0	0	0	0	0	0
19-7091	Utilities - Electricity	162,134	196,599	118,698	122,627	145,000	125,000	128,750	132,610	136,590	140,690	144,910	149,260	153,740
19-7092	Utilities - Gas	25,558	19,813	9,351	16,169	23,000	24,210	24,840	25,690	26,460	27,250	28,070	28,910	29,780
19-7093	Utilities - Rubbish	1,022	1,157	1,052	1,130	1,250	1,290	1,330	1,370	1,410	1,450	1,490	1,530	1,580
19-7094	Utilities - Water	669	642	664	667	1,000	1,030	1,060	1,090	1,120	1,150	1,180	1,220	1,260
19-7095	Zone 1/1A Agreement	20,297	25,923	26,332	27,058	28,500	29,360	30,240	31,150	32,080	33,040	34,030	35,050	36,100
19-7096	Cogeneration EISA (Debt Service)			71,634	73,766	75,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000
19-7097	Cogeneration Service Contract			30,247	32,722	35,000	36,050	37,130	38,240	39,390	40,570	41,790	43,040	44,330
TOTAL OPERATING EXPENSES		776,407	979,568	1,322,117	1,306,027	1,688,623	1,138,317	2,347,160	1,178,940	1,252,620	1,208,090	1,205,190	1,289,860	1,278,600
MATERIALS AND SUPPLIES														
19-8010	Capital Equipment					54,256	15,000							
19-8015	Trunk and Sewer Minor Maintenance	64,020		979	19,808	40,000	40,000	41,200	42,440	43,710	45,020	46,370	47,760	49,190
19-8020	Gas and Oil	6,396	8,871	2,704	9,231	10,000	10,000	10,300	10,610	10,930	11,260	11,600	11,950	12,310
19-8030	Equip Maint Reg and Minor Replacement	65,296	41,430	60,944	70,801	150,000	150,000	154,500	159,140	163,910	168,830	173,890	179,110	184,480
19-8031	Equip Maintenance - Major	5,898												
19-8032	Automotive Maintenance	4,091	3,482	1,788	2,231	8,000	8,240	8,490	8,740	9,000	9,270	9,550	9,840	10,140
19-8035	Household Expense	3,500	5,148	1,163	1,190	3,500	3,610	3,720	3,830	3,940	4,060	4,180	4,310	4,440
19-8040	Laboratory Supplies	21,890	22,488	12,500	11,918	11,500	11,850	12,210	12,580	12,960	13,350	13,750	14,160	14,580
19-8045	Plant Supplies and Expense	8,844	3,998	4,802	7,913	9,000	8,240	8,490	8,740	9,000	9,270	9,550	9,840	10,140
19-8050	Plant Chemicals	295,576	690,621	467,295	471,972	260,000	267,800	275,830	284,100	292,620	301,400	310,440	319,750	329,340
19-8055	Small Tools	5,246	4,024	6,848	11,836	12,500	12,550	12,770	13,070	13,400	13,740	14,090	14,450	14,820
19-8060	Safety Supplies	8,851	4,294	6,168	16,034	18,000	18,500	19,000	19,500	20,000	20,500	21,000	21,500	22,000
19-8065	Structure Maintenance - Regular	58,076	32,098	95,035	81,947	119,000	113,300	116,700	120,200	123,810	127,520	131,350	135,290	139,350
19-8061	Structure Maintenance - Major													
19-8065	Structures/Grounds/Repl & Imp					238,325	245,470	252,830	260,410	268,220	276,270	284,560	293,100	301,890
19-8071	Solids Handling Expense													
19-8070	Transfer to Fund 26						1,043,378	662,461	915,819	912,022	534,053	398,400	435,525	764,982
19-8075	Transfer to Fund 20						0	7,330,242						
19-8075	Bad Debt Expense			27,528										
Transfers														
19-5037	From Fund 20	7,425												

Notes on Operational Costs

1. All Fund 19 accounts increased in future years by 3% of FY12-13 budget unless otherwise noted below.
2. 19-6080 Workers Compensation expected to drop off from current high costs, starting in about FY14-15
3. 19-6085 Temporary Services costs maintained for now, but likely to shift to 19-6030, salaries, in future fiscal years
4. 19-7015 Office equipment/computer supplies contains high speed scanner for current FY. Expenses to \$10K for FY 13-14
5. 19-7043 FY 13-14 costs increased by 10% due to higher loss ratio due to previous claims which raised risk factor from 1.0 to 1.1.
6. 19-7065 Current costs for Source Control unusually high. Lowered to \$30K for FY 13-14
7. 19-7068 Permits/fees includes \$1.2M fine in FY 14-15, and additional \$12K for MMPs in future fiscal years
8. 19-7070 Adjusted downward to reflect expected costs.
9. 19-7073 Increased to \$22K for FY 13-14 to reflect actual costs
10. 19-7073 Increased to \$22K for FY 13-14 to reflect actual costs
11. 19-7074 Increased to \$22K for FY 13-14 to reflect actual costs
12. 19-7081 Increased to \$22K for FY 13-14 to reflect actual costs
13. 19-7082 FEMA expenses zeroed out for future years
14. 19-7087 Current costs for WDR/SSMP unusually high. Lower to \$30K for FY 13-14
15. 19-7088 Any recycled Water Study costs to be offset by any grand funds received.
16. 19-7089 Rate study funds to be applied to financial consultant to evaluate revenue and financing options.
16. 19-7091 Electrical costs reflect expected expenses in absence of cogeneration facility
17. 19-7096 Reflects actual cogeneration facility payback schedule.
18. 19-8015 Trunk line minor maintenance reduced to \$40K in FY 13-14 for minor issues

WWTP

Equipment

Current Year

2013

replacement years forced to set replacement date to desired year
adjust upon replacement

Equipment	Item	Comment	Rplc -yrs	Orig	Last Done	\$ at New/ Replaced	Current Cost	Estd Nxt Rplcmnt	Pre 2013	2013	2014
Headworks	Structure		60	1966	1966	\$350,000	\$987,000	2026			
	Structure Coating		48	1966	1966	\$14,500	\$40,890	2014			\$49,068
	Parshall Flume Flow Transmitter		5	1966	2012	\$5,000	\$5,050	2017			
	Influent Slide Gate		47	1966	1966	\$20,000	\$56,400	2013		\$67,680	
	Auger #1		15	1966	1998	\$5,300	\$7,076	2013		\$8,491	
	Auger #2		15	1966	1998	\$5,300	\$7,076	2013		\$8,491	
	Bar Screen #1		50	1966	1966	\$10,000	\$28,200	2016			
	Bar Screen #2		50	1966	1966	\$10,000	\$28,200	2016			
	Pump 1 Influent Valve	RW 10 (16")	20	1966	2012	\$2,000	\$2,020	2032			
	Influent Pump #1 (3500 gpm)		20	1966	2012	\$35,000	\$35,350	2032			
	Pump 1 Effluent Valve	RW 14 (16")	20	1966	2012	\$2,000	\$2,020	2032			
	RW 14 Check Valve		20	1966	2012	\$2,000	\$2,020	2032			
	Pump 2 Influent Valve	RW 13 (16")	20	1966	2012	\$2,000	\$2,020	2032			
	Influent Pump #2 (3,500 gpm)		20	1966	2013	\$60,000	\$60,000	2033			
	Pump 2 Effluent Valve	RW 15 (12")	20	1966	2012	\$2,000	\$2,020	2032			
	RW 15 Check Valve		20	1966	2012	\$2,000	\$2,020	2032			
	RW12 (16-inch)	RW 12 (16")	35	1966	1978	\$980	\$2,117	2013		\$2,540	
	Influent Pump #3 (3,500 gpm)		20	1966	1999	\$17,500	\$22,925	2019			
	RW 16 14-inch	RW 16 (14")	34	1966	1979	\$980	\$2,006	2013		\$2,407	
	RW 16 Check Valve		34	1966	1979	\$980	\$2,006	2013		\$2,407	
	RW 10 16-inch	RW 10 (16")	20	1966	2012	\$2,000	\$2,020	2032			
	Influent Pump #4 (3,500 gpm)		20	1966	2012	\$50,000	\$50,500	2032			
	RW 17 (16-inch)	RW 17 (16")	20	1966	2012	\$2,000	\$2,020	2032			
	RW 17 Check Valve		20	1966	2012	\$2,000	\$2,020	2032			
	Diesel Pump Inlet valve	RW 19 (12")	20	1966	2012	\$2,000	\$2,020	2032			
	Diesel Pump		20	2005	2005	\$80,000	\$92,160	2025			
	Diesel Pump Outlet Valve	RW 20 (12")	20	1966	2012	\$2,000	\$2,020	2032			
	Hoist		20	2010	2010	\$2,000	\$2,108	2030			
Splitter Box	Structure		70	1966	1966	\$350,000	\$987,000	2036			
	Effluent Valve to PC#2	RW 21 (24")	20	1966	1996	\$4,700	\$6,406	2016			
	Effluent Valve to PC#1	RW 23 (20")	20	1966	2011	\$6,000	\$6,234	2031			
	Effluent Valve to Bypass Primary	RW 22 (20")	20	1966	2011	\$6,000	\$6,234	2031			
Primary	Clarifier #1 Structure		70	1966	1966	\$500,000	\$1,410,000	2036			
	Clarifier #1 Coating		15	1966	2012	\$20,000	\$20,200	2027			
	Clarifier #1 Mechanism		50	1966	1966	\$140,000	\$394,800	2016			
	Clarifier #1 Drive		30	1966	2012	\$136,195	\$137,557	2042			
	Clarifier #1 Bridge		30	1966	2012	\$77,189	\$77,961	2042			
	Clarifier #1 Sludge Pump #1		4	1966	2009	\$3,000	\$3,168	2013		\$3,802	
	Clarifier #1 Sludge Pump #1 VFD		15	1966	1998	\$1,500	\$2,003	2013		\$2,403	
	Clarifier #1 Sludge Pump #2		4	1966	2009	\$3,000	\$3,168	2013		\$3,802	
	Clarifier #1 Sludge Pump #2 VFD		15	1966	1998	\$1,500	\$2,003	2013		\$2,403	
	Clarifier #2 Structure		50	1990	1990	\$900,000	\$1,368,900	2040			
	Clarifier #2 Coating		23	1990	1990	\$25,000	\$38,025	2013		\$45,630	
	Clarifier #2 Mechanism		25	1990	1990	\$250,000	\$380,250	2015			
	Clarifier #2 Drive		30	1990	1990	\$90,500	\$137,651	2020			
	Clarifier #2 Bridge		23	1990	1990	\$51,000	\$77,571	2013		\$93,085	
	Clarifier #2 Sludge Pump #4		2	1990	2012	\$3,000	\$3,030	2014			\$3,636
	Clarifier #2 Sludge Pump #4 VFD		15	1990	1998	\$1,500	\$2,003	2013		\$2,403	
	Clarifier #2 Sludge Pump #6		2	1990	2012	\$3,000	\$3,030	2014			\$3,636
	Clarifier #2 Sludge Pump #6 VFD		15	1990	1998	\$1,500	\$2,003	2013		\$2,403	
Secondary	FFR #1 Structure		50	1986	1986	\$1,200,000	\$2,038,800	2036			
	FFR #1 Rotary Mechanism		25	1986	1986	\$250,000	\$424,750	2011	\$424,750		
	FFR #1 Media		25	1986	1986	\$450,000	\$764,550	2011	\$764,550		
	FFR Pump 1 Inlet Valve	FF1 (12")	20	1986	2013	\$3,000	\$3,000	2033			
	FFR Feed Pump #1		25	1986	2013	\$35,000	\$35,000	2038			
	FFR Feed Pump 1 VFD		25	1986	2008	\$10,000	\$10,820	2033			
	FFR Pump 1 Outlet Valve	FF3 (12")	20	1986	2013	\$3,000	\$3,000	2033			
	FFR Pump 2 Inlet Valve		20	1986	2011	\$3,000	\$3,117	2031			
	FFR Feed Pump #2	FF2 (12")	25	1986	2012	\$35,000	\$35,350	2037			
	FFR Feed Pump 2 VFD		25	1986	2008	\$10,000	\$10,820	2033			

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Equipment

Current Year

2013

replacement years forced to set replacement date to desired year
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	Item	Comment	Rplc -yrs	Orig	Last Done	\$ at New/ Replaced	Current Cost	Estd Nxt Rplcmnt	Pre 2013	2013	2014
	FFR Pump 2 Outlet Valve		20	1986	2011	\$3,000	\$3,117	2031			
	FFR Blower #1		30	1986	1986	\$3,000	\$5,097	2016			
	FFR Blower #1 Motor		20	1986	2007	\$10,000	\$10,900	2027			
	FFR Blower #2		30	1986	1986	\$3,000	\$5,097	2016			
	FFR Blower #2 Motor		20	1986	2007	\$10,000	\$10,900	2027			
Sec Clar #1	Sec Clarifier #1 Structure		60	1966	1966	\$900,000	\$2,538,000	2026			
	Sec Clarifier #1 Coating		60	1986	1986	\$14,000	\$23,786	2046			
	Sec Clarifier #1 Mechanism		60	1986	1986	\$240,000	\$407,760	2046			
	Sec Clarifier #1 Drive		31	1986	1986	\$80,000	\$135,920	2017			
	Sec Clarifier #1 Bridge		31	1986	1986	\$100,000	\$169,900	2017			
	Hellan Strainers		13	1986	2000	\$4,700	\$6,007	2013		\$7,208	
Solids Handling											
Thickener #1	Sludge Thickener #1 Structure		60	1979	1979	\$35,000	\$71,645	2039			
	Sludge Thickener #1 Coating		15			\$25,000		15			
	Thickener #1 Mechanism		50	1979	1979	\$35,000	\$71,645	2029			
	Thickener #1 Drive		40	1979	1979	\$85,000	\$173,995	2019			
Digester #1	Digester #1		70	1964	1964	\$480,000	\$1,375,680	2034			
	Digester 1 Coating		15	2005	2005	\$130,000	\$149,760	2020			
	Digester #1 Cleanout		12	1964	2001	\$120,000	\$151,440	2013		\$181,728	
	Digester 1 Gas Train Piping		25	1964	2001	\$228,170	\$287,951	2026			
Digester #2	Digester #2		50	1992	1992	\$900,000	\$1,320,300	2042			
	Digester 2 Gas Train Piping		25	1992	2009	\$228,170	\$240,948	2034			
	Heating and Mixing Building		50	1982	1982	\$580,741	\$1,055,206	2032			
	Sludge Recirc Pump #1		30	1982	2011	\$21,000	\$21,819	2041			
	Recirc Pump #1 Motor		30	1982	2011	\$3,500	\$3,637	2041			
	Hot Water Recirc Pump		20	1982	2004	\$21,000	\$24,969	2024			
	Hot Water Recirc Pump Motor		31	1982	1982	\$1,900	\$3,452	2013		\$4,143	
	Heat Exchanger #1		30	1982	2004	\$7,617	\$9,056	2034			
	Centrifuge		15	2010	2010	\$1,000,000	\$1,054,000	2025			
	Flare		20	1964	2003	\$30,000	\$36,660	2023			
Chemical Feed											
	Ferric Chloride Tank		15	1992	2007	\$36,000	\$39,240	2022			
	Ferric Chloride Feed Pump		15	1992	2008	\$5,000	\$5,410	2023			
	Sodium Hypochlorite Tank 6K		20	1979	2010	\$10,000	\$10,540	2030			
	Sodium Hypochlorite Tank 3K		20	1979	2010	\$6,000	\$6,324	2030			
	Sodium Hypochlorite Feed Pump		10	1979	2012	\$5,000	\$5,050	2022			
	Sodium Bisulfite Tank		25	1990	1990	\$6,000	\$9,126	2015			
	Sodium Bisulfite Feed Pump		10	1979	2012	\$5,000	\$5,050	2022			
	ORP Chemical Feed Control		7	1990	2006	\$8,900	\$10,057	2013		\$12,068	
	Satellite Feed Systems		23	1990	1990	\$12,000	\$18,252	2013		\$21,902	
Effluent											
	Chlorine Contact Chamber		60	2007	2006	\$2,700,000	\$3,051,000	2066			
	Effluent Pump 100HP #1		30	2005	2006	\$45,000	\$50,850	2036			
	Effluent Pump 100 HP #2		30	2005	2006	\$45,000	\$50,850	2036			
	Ocean Outfall		50	1964	1978	\$1,500,000	\$3,240,000	2028			
Miscellaneous											
	Emergency Generator		20	2009	2009	\$600,000	\$633,600	2029			
	Plant Water System		20	1982	2005	\$163,147	\$187,945	2025			
	Plant Water pump		10	1982	2005	\$21,000	\$24,192	2015			
	Standby Water Well		20	1964	1999	\$4,500	\$5,895	2019			
	Operations Building		50	1982	1982	\$844,161	\$1,533,841	2032			
	Maintenance Shop		50	1982	1982	\$202,495	\$367,933	2032			
	Propane/Gas Boiler		10	2005	2005	\$92,634	\$106,714	2015			
	Standby Propane Boiler		31	1982	1982	\$21,016	\$38,186	2013		\$45,823	
	Maintenance Building		50	1982	1982	\$800,000	\$1,453,600	2032			
	Facility Asphalt		22	1992	1992	\$20,000	\$29,340	2014			\$35,208
	Supernatant Pump		10	1996	2009	\$6,000	\$6,336	2019			
	Security System		10	2006	2006	\$4,000	\$4,520	2016			
	Plant Air System		25	1979	2004	\$60,000	\$71,340	2029			
	Plant Drainage Sump Pump #1		15	1996	2012	\$5,900	\$5,959	2027			
	Plant Drainage Sump Pump #2		15	1996	2012	\$5,900	\$5,959	2027			
	Plant Drainage Sump Pump #3		15	1996	2012	\$5,900	\$5,959	2027			
	IT System		5		2011	\$5,000	\$5,195	2016			

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Equipment
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	Item	Comment	Rplc -yrs	Orig	Last Done	\$ at New/ Replaced	Current Cost	Estd Nxt Rplcmnt	Pre 2013	2013	2014
	Fuel Tank		35	1980	1980	\$5,000	\$9,695	2015			
	Arroyo Grande Pipe Bridge		34	1966	1980	\$90,000	\$174,510	2014			\$209,412
Mobile Equip	Front End Loader		19	1994	1994	\$110,000	\$155,870	2013		\$187,044	
	6-inch Trash Pump		15	2003	2004	\$4,500	\$5,351	2019			
	6-inch Trash Pump Motor		15	2003	2004	\$20,000	\$23,780	2019			
	Diesel Pump		15	2005	2005	\$80,000	\$92,160	2020			
	1997 Ford Ranger		16	1997	1997	\$17,900	\$24,111	2013		\$28,934	
	1997 Ford F250		16	1997	1997	\$18,280	\$24,623	2013		\$29,548	
	2001 Ford F150		13	2001	2001	\$18,300	\$23,095	2014			\$27,714
	2004 Ford Explorer		10	2004	2004	\$29,000	\$34,481	2014			\$41,377
	Cushman Electric Vehicles (4)		15	2000	2000	\$36,000	\$46,008	2015			
Total							\$30,820,277		\$1,189,300	\$766,344	\$370,051

Fiscal Year 13-14 Project List

The Capital Replacement Program considers the age of existing treatment plant components, their expected life, and the cost of the components when they were installed or last replaced. The program identifies the items to be replaced each year based on this schedule, and develops an expected cost for that replacement. That total cost is then applied to the Pro Forma, so that regular replacement of treatment plant components is funded.

The following table lists the components due for replacement in the next fiscal year, including the anticipated cost for replacement. Replacement cost has been augmented from what is shown on the table by 20 percent to account for design and/or installation.

Table 1: Fiscal Year 13-14 Project List

Item	Base Cost	Cost with Design/Installation
Influent Slide Gate	\$56,400	\$67,700
Auger #1	\$7,100	\$8,500
Auger #2	\$7,100	\$8,500
Headworks Improvements	\$6,100	\$7,400
Clarifier #1 Sludge Pump Rebuild	\$6,300	\$7,600
Clarifier Sludge Pump VFDs	\$8,000	\$9,600
Clarifier #2 Coating and Drive	\$115,600	\$138,700
Hellan Strainers	\$6,000	\$7,200
Digester #1 Cleaning	\$151,400	\$181,700
Hot water recirculation pump motor	\$3,452	\$4,100
ORP Chemical Feed Control	\$10,100	\$12,100
Satellite Chemical Feed Systems	\$18,252	\$21,900
Standby Propane Boiler	\$38,200	\$45,800
1997 Ford Ranger	\$24,100	\$28,900
1997 Ford F250	\$24,600	\$29,500
Front Loader	\$155,900	\$187,000
Total	\$638,604.00	\$766,200.00

Evaluation of Major Budget Items (MBIs)

As listed in FY 2012-13 Budget (only for projects not yet completed):

Item 1:	Influent Grinder Annual Service (04 MBI 03)
Expected Cost:	\$10,000 annually
Listed rationale:	Funding for "Monster Care" service agreement
Needed?	Yes. Fold cost into 26-8061
Reason:	Influent grinders are high-wear items and need regular replacement

Item 2:	Annual GIS/GPS Survey (04 MBI 11)
Expected Cost:	\$3,500 annually
Listed rationale:	Annual maintenance of database for addition or replacement of sewer main
Needed?	No.
Reason:	Changes are infrequent and can be incorporated on as-needed basis. Fold costs into Professional Services

Item 3:	Paperwork Archive (08 MBI 04)
Expected Cost:	\$12,550, now \$6,000 for C-Train
Listed rationale:	For purchase of large format, high speed scanner
Needed?	Not as written.
Reason:	Documents should first be reviewed against retention schedule, and destroyed by shredding service where appropriate. In-house staff should review existing documents. Remaining documents can be stored in C-Train or scanned on as-needed basis.

Item 4:	Vehicle Replacement (09 MBI 04)
Expected Cost:	\$18,500
Listed rationale:	Vehicle reaching end of useful life
Needed?	Not sure.
Reason:	Part of MBI includes District Vehicle plan. Plant needs have not been fully considered. Funds are included in Capital Replacement until decision is made.

Item 5:	Entrance Road Light Relocation (10 MBI 08)
Expected Cost:	\$15,000
Listed rationale:	Move lights to avoid inadvertent collisions
Needed?	Not urgent.
Reason:	Can be completed with cost savings from other projects if available.

Item 6:	Tri-Annual Outfall Inspection (10 MBI 09)
Expected Cost:	\$34,000
Listed rationale:	Required by permit
Needed?	Yes. Fold recurring costs into 26-8061.
Reason:	Required and recurring.

Item 7:	Influent Screenings Transport System (10 MBI 10)
Expected Cost:	\$100,000
Listed rationale:	More screenings needs a safer way to lift than up a flight of stairs
Needed?	No.
Reason:	Limited funds do not support this project, as truck hoist serves to address the safety issue. Operators concur.

Item 8:	O&M Manual/SOP Maintenance and Training
Expected Cost:	\$9,129
Listed rationale:	Required as part of NOV, but should be part of normal operation
Needed?	Yes. Fold recurring costs into Chief Plant Operator duties.
Reason:	Regular training on plant operations is an expected regular and ongoing cost.

Item 9:	Gas Treatment Awning (11 MBI 06)
Expected Cost:	\$25,000
Listed rationale:	Minimize impact of sun and moisture on gas treatment system
Needed?	Not needed.
Reason:	Overkill for existing conditions. Operators concur.

Item 10:	Permanent Recirculation Piping (12 MBI 02)
Expected Cost:	\$45,000
Listed rationale:	Needed to keep primary system from going septic
Needed?	Yes, but in different configuration as presented in 13 MBI 01, funded through 19-8061.
Reason:	See staff report.

Item 11:	Digester 1 cleaning (12 MBI 03)
Expected Cost:	\$45,000
Listed rationale:	Digesters should be cleaned regularly
Needed?	Yes. Fold recurring costs into 26-8061
Reason:	Maintains digester capacity.

Item 12:	Backflow Preventor (12 MBI 04)
Expected Cost:	\$80,000
Listed rationale:	Protect staff from potential cross contamination and add fire hydrant
Needed?	Not at this time.
Reason:	Limited funds do not support this project. Address with education.

Item 13:	Reclaimed water studies
Expected Cost:	\$40,000
Listed rationale:	Explore potential use of recycled water with local stakeholders
Needed?	Only if funded by grants
Reason:	Limited funds do not support this project. Recycled water is not core mission.

Item 14:	Miscellaneous MBI Projects
Expected Cost:	\$660,000
Listed rationale:	Placeholder for future projects
Needed?	Yes. Fold into 26-8065
Reason:	Ongoing replacement necessary as supported by Capital Replacement Program.

Item 15:	Co-generation Design Analysis and Upgrade (01 MBI 01)
Expected Cost:	\$30,500
Listed rationale:	Address design and performance issues
Needed?	Yes, to a point.
Reason:	Sunk costs will only be recovered if cogen is running. Even when operating, costs may not be recovered. Cost benefit analysis should be completed before more expenses are paid.

Item 16:	Long Range Plant Expansion (07 MBI 14)
Expected Cost:	\$8,494,072
Listed rationale:	See supporting documentation from Kennedy Jenks, Carollo.
Needed?	Yes. Costs need to be adjusted for inflation, and included in Fund 20.
Reason:	Lack of redundancy affects plant's ability to maintain regulatory requirements if specific plant processes shut down, and staff's ability to perform basic maintenance.

Item 17:	Grease to Gas System (07 MBI 16)
Expected Cost:	\$109,227
Listed rationale:	Creates more power, helps local restaurants, will be offset by tipping fees.
Needed?	No.
Reason:	Insufficient electrical demand at plant. Grease handling labor intensive for plant staff. Not District's core mission.

Item 18:	Lagoon Lining Project (08 MBI 25)
Expected Cost:	\$154,500
Listed rationale:	Protect against groundwater contamination.
Needed?	Not immediately. Fold into expansion project if appropriate.
Reason:	Current truck storage meets immediate need.

Item 19:	SCADA Completion (11 MBI 11)
Expected Cost:	\$100,000
Listed rationale:	Needed for monitoring plant processes.
Needed?	Yes. Costs to complete are currently being developed, included in 20-8010.
Reason:	Monitoring for after hours condition needed when plant is unmanned.

Item 20:	Primary Clarifier #2 Catwalk (06 MBI 05)
Expected Cost:	\$40,000
Listed rationale:	Coating to protect from future damage.
Needed?	Yes. Fold into 26-8065.
Reason:	Protecting existing infrastructure extends life.

Item 21:	Influent Pumps Gate and Check Valves (06 MBI 13)
Expected Cost:	\$250,134 remaining for sliplining 55 feet of AG trunk line.
Listed rationale:	Trunk has known weaknesses
Needed?	Yes. Fold \$100,000 into 26-8015 Trunkline Maintenance. Remaining HW parts are in Capital Replacement Program.
Reason:	Protect against failure

Item 22:	Flood Gate Upgrade Project (08 MBI 18)
Expected Cost:	\$212,340
Listed rationale:	Evaluate facility. Install new gates at critical facilities.
Needed?	Not in this manner.
Reason:	Evaluation provided in 2007. Shows existing flood gates are adequate for four critical locations for Base Flood Elevation, but not adequate for three of four for wave run-up. Since base flood elevation is met, existing sump pumps can address splash over into three critical locations.

Item 23:	CIPP Lining of SSLOCSD Trunk Sewers (08 MBI 19)
Expected Cost:	\$295,611
Listed rationale:	Install lining in critical areas.
Needed?	Yes.
Reason:	Approximately 5 percent of videoed line expected to need repair or lining. Fold expenses into Fund 26-8015 for ongoing funding for trunk line maintenance.

Item 24:	Arroyo Grande Pipe Bridge Recoating (10 MBI 12)
Expected Cost:	\$175,000
Listed rationale:	None provided.
Needed?	Not sure.
Reason:	Recommend bridge to be assessed by steel inspection specialist for recommendations. Maintain funding until actual needs have been determined. Fold into Capital Replacement Program.

Item 25:	FFR Plastic Media Replacement (10 MBI 13)
Expected Cost:	\$1,000,000
Listed rationale:	None provided.
Needed?	Yes. Fold into expansion project.
Reason:	Media failed specification for loading, but replacement cannot occur until redundant facilities are built.

Item 26:	FFR Distribution Arm Replacement (10 MBI 14)
Expected Cost:	\$400,000
Listed rationale:	None provided.
Needed?	Replacement or major rehabilitation needed. Fold into expansion project.
Reason:	Arms are corroded and need attention. Work cannot occur until redundant facilities are built.

Item 27:	Upgrade Co-Generation from 150 to 200 kW Generator
Expected Cost:	\$175,000
Listed rationale:	None provided.
Needed?	No.
Reason:	Insufficient plant electrical demand (avg 147 kWh) to support upgrade at this time.

Item 28:	Emergency Equipment Repair
Expected Cost:	\$165,000
Listed rationale:	Placeholder for unanticipated emergency equipment repairs.
Needed?	Probably not.
Reason:	A well developed Capital Replacement Program will reduce the need. Maintenance to extend the life of capital equipment may allow for deferred replacement, providing a fund for emergency repairs.

As requested by Plant Staff:

Item 29:	Influent Augers
Expected Cost:	\$20,000
Listed rationale:	Existing augers worn.
Needed?	Yes. Fold into 26-8065
Reason:	Worn augers reduce effectiveness of solids removal, causing more wear on downstream processes.

Item 30:	VFD's for moyno and sludge pumps (4)
Expected Cost:	\$7,500
Listed rationale:	Time to replace.
Needed?	Yes. Fold into 26-8065
Reason:	VFD's allow for plant control, balance feed to digesters.

Item 31:	Hellan Strainer screens (4)
Expected Cost:	\$5,700
Listed rationale:	Existing hardware is worn.
Needed?	Yes. Fold into 26-8065.
Reason:	New parts in stainless steel will help maintain service.

Item 32:	Dump truck or trailer for sludge removal
Expected Cost:	\$80,000
Listed rationale:	Provide permanent solution.
Needed?	No.
Reason:	Current \$1,900 per month rental is reasonable until permanent solution is developed, likely during expansion.

Item 33:	ORP for chlorine feed control
Expected Cost:	\$10,000
Listed rationale:	Existing system is obsolete and parts are no longer available.
Needed?	Yes. Fold into Fund 26-8065.
Reason:	System is critical for disinfection control.

Item 34:	Diesel Tank for Extended Power outages
Expected Cost:	\$30,000
Listed rationale:	Existing plant storage will support 6 day outage, and longer outages may occur.
Needed?	No.
Reason:	Six days is a good length of time for emergency planning. Load shedding plan may be a more economical means for extending operation during extended utility power outages.

Item 35:	Polymer Pump for Centrifuge
Expected Cost:	\$5,000
Listed rationale:	Backup.
Needed?	No.
Reason:	Backup for centrifuge is existing sludge beds, even in winter. This is not a critical element for operation that warrants an on-shelf spare.

Item 36:	Vacuum Truck for cleaning Trunk Lines
Expected Cost:	\$350,000
Listed rationale:	Allows for self-sufficiency.
Needed?	No.
Reason:	More cost effective to contract out than to purchase equipment.

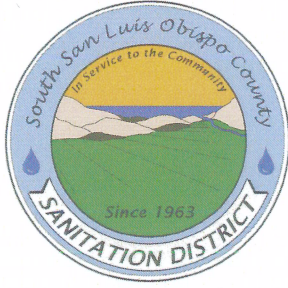
Item 37:	Sodium Bisulfite Tank
Expected Cost:	\$6,500
Listed rationale:	Time to replace due to age.
Needed?	Yes, but not immediately.
Reason:	Tank is in Capital Replacement Program for replacement in 2015 for 25 year life.

Item 38:	Portable Welder
Expected Cost:	\$5,000
Listed rationale:	Useful for plant tasks.
Needed?	No
Reason:	This item can be rented when needed.

Item 39:	Concrete Bore Machine
Expected Cost:	\$3,000
Listed rationale:	Useful for plant tasks.
Needed?	No.
Reason:	Nice to have, but can borrow or rent for now.

Item 40:	Handheld Cutting Saw
Expected Cost:	\$1,500
Listed rationale:	Useful for plant tasks.
Needed?	Not immediately.
Reason:	Renting is an option. Can be purchased with cost savings.

Item 41:	Flare Maintenance
Expected Cost:	\$5,000
Listed rationale:	Maintain functionality.
Needed?	Yes.
Reason:	Fold into Fund 26-8061



SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

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April 25, 2013

Mr. Kenneth A. Harris, Jr.
Interim Executive Officer
Central Coast Regional Water Quality Control Board
895 Aerovista Place, Suite 101
San Luis Obispo, CA 93401

SUBJECT: Response to NPDES Compliance Evaluation Inspection Report – Inspection
Date December 19, 2012

Dear Mr. Harris,

The South San Luis Obispo County Sanitation District appreciates this opportunity to respond to the required and recommended actions listed in PG Environmental's NPDES Compliance Inspection Report for the District's wastewater treatment plant. The current District Board and management share your interest in obtaining consistent plant performance that meets or exceeds regulatory requirements, and are working closely with Regional Board staff to achieve this goal. With that in mind, the following comments respond to the individual points made in the inspection report, listed in the order that they are presented in the Major Findings:

Records/Reports

1. Certification language: The District's monthly electronic self monitoring reports are now certified with the specific language listed in the report, and included on the signed cover letter to the report, which is both scanned as part of the CIWQS submittal and maintained in the facility's files.

Facility Site Review

1. Nonfunctioning equipment: Significant work has been completed since the inspection date. Three of the four influent pump upstream and downstream isolation valves have been replaced. Three of four influent pumps are now operational, and the fourth is scheduled to be rebuilt and installed mid-summer. For added reliability, existing influent pump number 3 will be removed from service and will be rebuilt in the fall. By the end of

the year all pumps will have been completely renewed, installed, and operational.

The valve exercise program is scheduled to begin in the summer. Currently, plant valves are being tagged to facilitate documentation of valve status.

2. Chemical storage and handling: Your comments regarding chemical storage and handling are on point. The numerous satellite chemical feed systems increase the potential for mishandling. A workplan has been developed and is attached, which works towards stabilizing the plant process and reducing or eliminating the need to regularly flush the fixed film reactor or feed chemicals at other portions of the process. Where chemicals are needed to maintain a stable process, they will ALWAYS be properly labeled and in secondary containment.

Effluent and Receiving Waters

1. Floating material: Excessive floating material is a product of an unstable plant process. The attached workplan describes how the plant can be stabilized to minimize the propagation of filter flies and eliminate the need to flush the filter weekly. This should greatly reduce the floating material observed during the inspection.

Operations and Maintenance

1. Staffing: The organization is currently in a state of transition. A new chief plant operator has been hired and is scheduled to begin on May 6. Four additional operators, an electrician/maintenance technician, and a bookkeeper/secretary round out the current permanent staff. An interim general manager and a two-person consultant team are assisting in the transition from a long-standing consultant-based administration/engineering firm. One of the tasks of this interim team is to evaluate the plant staffing needs and propose a long-term staffing plan to see the District into a stable and productive future.

District staff is happy to provide any additional information you may need as we continue to move toward a more predictable and stable operation of our facility. Feel free to direct any questions to me, at (805) 234-0731.

Regards,

A handwritten signature in purple ink, appearing to read 'P. Karp', with a large, stylized flourish extending from the end.

Paul J. Karp
Interim General Manager

Attachment: Process Improvements Workplan

South San Luis Obispo County Sanitation District
Work Plan for Process Improvements
April 2013

Introduction

The plant process and historical documents and records were reviewed to determine whether the plant was operating in a desirable manner. Several plant issues were identified, and a conceptual plan was developed to address those issues. The conceptual plan was presented to the District Board. Board members unanimously approved the conceptual plan with the stipulation that the Regional Water Quality Control Board sign off on the assumptions that the District makes about the implications of implementing this plan. This work plan serves to identify the actions that need to be taken to implement the plan and the anticipated water quality implications of these changes and mitigation measures, for Regional Board review.

Process problems to address:

- Insufficient dissolved oxygen to primary system inhibits primary system BOD removal.
- Insufficient continuous flow/poor flow regime to Fixed Film Reactor (FFR) encourages filter flies.
- Nutrient/alkalinity removal by ferric chloride possibly impacts downstream biological activity.
- Regular flushing of FFR inhibits nitrifiers and impacts disinfection.
- Overall lack of plant operational consistency.

Mechanisms for addressing process problems:

- Provide consistent flow to the process upstream of the primary clarifier, using final clarifier recycle as needed.
- Increase flow to/decrease arm rotational speed of FFR.
- Decrease/discontinue ferric/polymer feed to primary process.
- Discontinue weekly flushing/chemical treatment of FFR.

Chronology and Anticipated Impacts:

The recommended changes may negatively impact water quality while undesirable biota dies off and desirable biota develops. Phasing of the process improvements may reduce these negative impacts. The following chronology describes the anticipated implementation and impacts after each step. Elements that plant staff believed to be beneficial and had no cost implications have been implemented already. Observations of the impacts are described.

NOTE: Initial improvements assume adequate primary effluent water quality for sufficient secondary BOD removal. This is a fairly safe assumption, as BOD removal has typically been achievable. Primary effluent samples have been collected to confirm this assumption. Unfortunately, sample results will not be available until Friday, 4/12/13.

NOTE: Water sample results may warrant a change in the timing or order of improvements to achieve highest water quality results possible as the process evolves.

1. **Week of 3/25/13:** Raise FFR motors to full flow during daytime hours.

Explanation: full flow allows for self-sloughing of media biofilm.

Expected impact: positive – fewer pests, more desirable biota if primary effluent water quality is adequate.

Expected impact: negative – possible incomplete nitrification can increase chlorine demand.

Mitigation measure: Observe chlorine residual, raise ORP setpoint if necessary.

Actual Observations: About half the filter flies were observed during subsequent flushes.

2. **Week of 4/1/13:** Lower FFR arm rotational speed to 35 Hz.
Explanation: full FFR pump flow causes flow from all four arms. Rotational speed needs to be reduced to compensate. Rotational speed decreased from 3 minutes per rotation to 3.5 minutes per rotation.
Expected impact: positive – fewer pests, more desirable biota if primary effluent water quality is adequate.
Expected impact: negative – possible incomplete nitrification can increase chlorine demand.
Mitigation measure: Observe chlorine residual, adjust ORP setpoint if necessary. Analyze process control samples at final clarifier to observe ammonia trends.
Actual Observations: ORP setpoint raised from 425 to 450, then brought down to 430 to maintain adequate chlorine residual. Chlorine residual fell, then rose, possibly related rise, then fall of nitrite. Preliminary ammonia results show decreasing trend several days after latest flush. Bacteriological samples for total and fecal coliform below 40 mpn from 4/1/13-4/4/13. Operators observe sloughings in final clarifier, and water over final clarifier weir appears more greenish than blackish, which is believed to be a good sign.
3. **Week of 4/15/13:** Lower FFR arm rotational speed to 30 Hz.
Explanation: full FFR pump flow causes flow from all four arms. Rotational speed needs to be reduced to compensate. Rotational speed expected to decrease from 3.5 minutes per rotation to 4 minutes per rotation.
Expected impact: positive – fewer pests, more desirable biota if primary effluent water quality is adequate.
Expected impact: negative – possible incomplete nitrification can increase chlorine demand.
Mitigation measure: monitor final clarifier effluent ammonia trends after flushing.
4. **Week of 5/13/13:** Install pump, motor, and VFD, set for 2.5 MGD minus influent flow.
Explanation: extra flow allows for consistent flow to FFR. Flow set at 2.5 MGD rather than 3.5 MGD to compensate for temporary unburied line, that will remain until pump can be plumbed to the splitter box.
Expected impact: positive – fewer pests, more desirable biota if primary effluent water quality is adequate.
Expected impact: negative – possible incomplete nitrification can increase chlorine demand.
Mitigation measure: Observe chlorine residual, adjust ORP setpoint if necessary.
5. **Week of 5/27/13:** Discontinue FFR flushing.
Explanation: Weekly FFR flushing should no longer be necessary if consistent self-sloughing flows are provided.
Expected impact: positive – stable population of BOD removers and nitrifiers.
Expected impact: negative – possible incomplete nitrification during transition can increase chlorine demand.
Mitigation measure: Observe chlorine residual, adjust ORP setpoint if necessary.
6. **Week of 6/3/13:** Plumb final clarifier recycle line to splitter box.
Explanation: Plumbing the recycle to the splitter box allows for removal of the temporary recycle line.
Expected impact: positive – stable and consistent flow to primary system encourages BOD removal in the primary.
Expected impact: negative – none expected.
Mitigation measure: none needed.
7. **Week of 6/10/13:** Evaluate chemical feed to primary system. Discontinue if warranted.
Explanation: Chemical feed to primary system may no longer be warranted.
Expected impact: positive – Cost savings, reduced chemical exposure, more consistent process
Expected impact: negative – May change quality of sludge for digester, cogeneration facility.
Mitigation measure: activate thickener, feed ferrous chloride to sludge for hydrogen sulfide control.