



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

Wednesday, March 02, 2016 at 4:30 p.m.

Board Members

John Shoals, Chair
Matthew Guerrero, Vice Chair
Jim Hill, Director

Agencies

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

Alternate Board Members

Mary Lucey, Director
Tim Brown, Director
Barbara Nicolls, Director

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

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT ON CLOSED SESSION

3. CLOSED SESSION

PUBLIC EMPLOYEE APPOINTMENT (pursuant to Gov. Code section 54957(b)(1))
Title: District Administrator

4. RETURN TO OPEN SESSION; REPORT ON CLOSED SESSION

5. FLAG SALUTE

6. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON AGENDA

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

- Direct Staff to assist or coordinate with you.

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

Please adhere to the following procedures when addressing the Board:

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

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

7. 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.

7A. Review and Approval of Minutes of Meeting of February 17, 2016

7B. Review and Approval of Warrants

7C. Second Reading of Ordinance 2016-01

8. PLANT SUPERINTENDENT'S REPORT

9. BOARD ACTION ON INDIVIDUAL ITEMS:

9A. Review of Board Bylaws

Staff recommends that the Board, by motion, approve an amendment to the Bylaws providing for chairperson when the Chair is absent.

9B. Mid-Year Budget Review

Staff recommends that the Board

1. Review the attached Profit and Loss Statements comparing actual revenues and expenses with the adopted budget, and provide direction to staff regarding recommended budget amendments and related matters presented in this staff report; and
2. Adopt Resolution No. 2016-XXX providing for these amendments.

9C. Re-Scoped Recycled Water Facilities Planning Study (RWFPS)

Staff recommends that the Board of Directors approve the re-scoped Recycled Water Facilities Planning Study (RWFPS) and direct Staff to proceed with the study as described in the attached Scope of Work.

10. MISCELLANEOUS ITEMS

10A. Miscellaneous Oral Communications

10B. Miscellaneous Written Communications

- SDRMA Re: Property/Liability Longevity Distribution

11. VERBAL REPORT BY INTERIM DISTRICT ADMINISTRATOR

This item gives the District Administrator the opportunity to present future agenda items.

12. PUBLIC COMMENT ON CLOSED SESSION

13. CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

[Paragraph (1) of subdivision (d) of Government Code Section 54956.9]; (one case).

(1) *South San Luis Obispo County Sanitation District v. State Water Resources Control Board (Superior Court of Sacramento), case number 34-2012-80001209-CU-WM-GDS)*

(2) *South San Luis Obispo County Sanitation District vs. State Water Resources Control Board Case Number CV130473 District vs. SDRMA*

14. RETURN TO OPEN SESSION; REPORT ON CLOSED SESSION

15. ADJORNMENT

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 February 17, 2016
6:00 P.M.

1. CALL TO ORDER AND ROLL CALL

Present: Chairman John Shoals, City of Grover Beach; Alternate Mary Lucey, Oceano Community Services District; Director Jim Hill, City of Arroyo Grande

District Staff in Attendance: John Clemons, Interim District Administrator/Plant Superintendent; Wendy Stockton, District Legal Counsel; Amy Simpson, District Bookkeeper/Secretary.

2. FLAG SALUTE

3. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

Chairman Shoals opened the public comment period.

Patty Welsh would like the Benefits package agendaized.

Julie Tacker gave comment on having an Alternate serve as Vice Chair of the Board. She has concerns over Barbara Nicolls being an alternate because of her relationship to Bill Nicolls.

Debbie Peterson believes there were two items in the Knudson Report that were redacted but not protected.

Beatrice Spencer spoke to the Knudson report finding that invoices were not being reviewed.

There being no more public comment, Chairman Shoals closed the public comment period.

4. CONSENT AGENDA

4A. Review and Approval of the Minutes of the February 03, 2016 Meeting

4B. Review and Approval of Warrants

Chairman Shoals opened the public comment period.

Julie Tacker and Patty Welsh commented on the legal bills.

Chairman Shoals closed the public comment period.

Motion: Director Hill made a motion to approve the consent agenda.

Second: Alternate Lucey

Action: Approved unanimously by roll call vote.

5. PLANT SUPERINTENDENT'S REPORT

Superintendent Clemons presented the report. He reported that the plant is in good standing. He gave an update on maintenance, in progress, and training happening at the District.

Director Hill commented on the Satellite Plant Study and asked staff if the grant will cover the change of direction the study is taking.

Alternate Lucey has concerns over the FFR and would like an update.

Chairman Shoals opened the public comment period.

Julie Tacker and Beatrice Spencer gave public comment.

Chairman Shoals closed the public comment period.

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

6. BOARD ACTION ON INDIVIDUAL ITEMS:

6A. 218 PUBLIC HEARING FOR RATE INCREASE

Staff recommended that the Board of Directors:

(1) Hold an open public hearing to hear public comment/protests on the proposed increase of charges for wastewater treatment services and facilities

(2) Adopt Ordinance 2016-XX, an ordinance of the Board of Directors of the South San Luis Obispo Sanitation District increasing charges for wastewater treatment services and facilities.

Chairman Sholas opened the public comment period.

Frank G. Loversty, Michael Furman, Beatrice Spencer, Julie Tacker, Debbie Peterson, and Patty Welsh gave protest against the increase.

Sharon Brown, Ron Holt and Patricia Price would like to move forward and figure out how to pay for what needs to be done at the plant.

Chairman Shoals closed the public comment period.

Director Hill went through a list of reasons to support the rate increase and pointed out

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that the District can choose not to increase rates if current projects come in under budget.

District Administrator Clemons announced that the District had received a total of 22 protests. A majority protest would have been 6,268 protests.

Legal Counsel Wendy Stockton read into the record page 3 of the Ordinance chart. The first column, March 1st, 2016, will be eliminated and the rate increase will take effect starting July 01, 2016.

Motion: Director Hill made a motion to adopt Ordinance 2016- with the date of implementation to be at the beginning of the next budget year.

Second: Chairman Shoals

Action: Approved 2-1 by roll call vote.

Yes: Hill, Shoals

No: Lucey

6B. SELECTION OF DESIGN ENGINEERING FIRM FOR WASTEWATER TREATMENT FACILITY REDUNDANCY PROJECT AND APPROVAL OF CONTRACT

Staff recommended that the Board of Directors issue a Notice of Award to Kennedy/Jenks Consultants, Inc., and authorize the Interim District Administrator to execute the attached contract for design of the WWTF Redundancy Project.

The Board had a discussion and decided not to take action on this item tonight.

Chairman Shoals opened the public comment period.

Patty Welsh, Debbie Peterson and Julie Tacker all gave public comment.

Chairman Shoals closed the public comment period.

Motion: Alternate Lucey made a motion to table Professional Agreement with Kennedy/Jenks Consultants, Inc. until the meeting of March 16, 2016.

Second: Director Hill

Action: Approved unanimously by roll call vote.

6C. CHLORINE CONTROLS SYSTEM REPLACEMENT

Staff recommended that the Board of Directors authorize the Interim District Administrator to execute a contract with CannonCorp Engineering Consultants for the design and installation of a chemical feed control system for the chlorine contact tank at the WWTP.

Chairman opened the public comment period and there being no public comment, Chairman Shoals closed the public comment period.

Motion: Director Hill made a motion to authorize the Interim District Administrator to execute the provided contract with CannonCorp Engineering

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Consultants for the design and installation of a chemical feed control system for the chlorine contact tank at the WWTP.

Second: Alternate Lucey

Action: Approved unanimously by roll call vote.

7. MISCELLANEOUS ITEMS

A. Miscellaneous Oral Communications
None to report.

B. Miscellaneous Written Communications
None to report.

Chairman Shoals opened the public comment period.

Julie Tacker believes there were two communications

1. An addendum from Kundson
2. Some correspondence from Oceano.

Chairman Shoals closed the public comment period.

8. VERBAL REPORT BY INTERIM DISTRICT ADMINISTRATOR

John Clemons announced that he has posted a short video to the website that shows how the plant operates. This video can be found under Documents on the SSLOCSD.org website.

The March 3rd agenda will have the Board By Law review and a Mid-Year Financial Review.

He also announced that the District is preparing to send out the billing to the residents of Oceano.

March 17 agenda will bring back Item 6B, selection of design Engineering Firm for Redundancy Project and approval of contract with Kennedy/Jenks.

9. PUBLIC COMMENT ON CLOSED SESSION

Julie Tacker gave comment.

10. CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

[Paragraph (1) of subdivision (d) of Government Code Section 54956.9]; (one case).

Minutes of the 02-17-2016 SSLOCSD Board Meeting

- (1) *South San Luis Obispo County Sanitation District v. State Water Resources Control Board (Superior Court of Sacramento), case number 34-2012-80001209-CU-WM-GDS)*

CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

[Paragraph (2) of subdivision (d) of Government Code Section 54956.9]; (one case).

11. REPORT OUT OF CLOSED SESSION

The Board received a status report, provided direction to staff, and had no reportable action.

12. ADJOURNMENT

There being no further business to come before the Board, Chairman Shoals adjourned the meeting at approximately 9:30p.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
03/02/2016 FY 2015/16

ISSUED TO	BUDGET LINE ITEM	DESCRIPTION	WARRANT NO	ACCT	ACCT BRKDN	TOTAL
ABBA EMPLOYER SERVICES, INC.	TEMPORARY LABOR	22136;	030216-1081	6085	665.60	665.60
AMY SIMPSON	MEDICAL REIMBURSEMENT	FY15/16	82	6075	79.00	79.00
ARAMARK	EMPLOYEE UNIFORMS	02/12; 02/19; 02/26	83	7025	616.64	616.64
AUTOSYS, INC.	SCADA	874	84	20-8010	2,655.00	4,110.00
	EQUIPMENT MAINTENANCE			8030	1,455.00	
BRENNTAG PACIFIC, INC.	PLANT CHEMICALS	BPI600729	85	8050	4,476.81	4,476.81
CALPERS	HEALTH INSURANCE	MARCH	86	6010	14,484.96	14,484.96
CARR'S BOOTS	UNIFORM	094051	87	7025	125.00	125.00
CHARTER	COMMUNICATIONS	02/29/16 THROUGH 03/28/16	88	7013	301.36	301.36
FANNY MUI	PER DIEM	TRI COUNTIES WORKSHOP	89	7050	7.00	7.00
FARM SUPPLY COMPANY	TOOLS	34179	90	8055	214.69	214.69
FERGUSON ENTERPRISES, INC.	EQUIPMENT MAINTENANCE	2946698-1	91	8030	267.41	267.41
GRAINGER	HOUSEHOLD	9031493068	92	8035	16.86	294.14
	EQUIPMENT MAINTENANCE	9031493076	88	8030	277.28	
HARDY DIAGNOSTICS	SAFETY SUPPLIES	1603280	93	8056	28.50	28.50
I.I. SUPPLY	SAFETY SUPPLIES	37146	94	8056	22.63	22.63
INDUSTRIAL MEDICAL GROUP	SAFETY SUPPLIES	40479; 40480	95	8056	80.00	80.00
JB DEWAR	FUEL	808592	96	8020	100.22	100.22
JIM HILL	BOARD MEMBER	FEBRUARY	97	7075	200.00	200.00
JOHN CLEMONS	MEDICAL REIMBURSEMENT	FY15/16	98	6075	38.40	38.40
JOHN SHOALS	BOARD MEMBER	FEBRUARY	99	7075	200.00	200.00
JOSHUA MOODY STRUCTURAL ENGINEER	AG PIPE SEWER BRIDGE	16016	1100-000		3,995.00	3,995.00
MARIO DE LEON	PER DIEM	TRI COUNTIES WORKSHOP	01	7050	7.00	7.00
MARY LUCEY	BOARD MEMBER	FEBRUARY	02	7075	100.00	100.00
MATTHEW GUERRERO	BOARD MEMBER	FEBRUARY	03	7075	100.00	100.00
MCMaster CARR	EQUIPMENT MAINTENANCE	49563504	04	8030	30.85	30.85
MICHAEL K. NUNLEY & ASSOC, INC	REDUNDANCY PHASE 1	1803	05	20-7080	4,414.20	11,892.45
	HEADWORKS IMPROVEMENTS	1799		26-8065	6,818.25	
	GRIT REMOVAL IMPROVEMENT	1798		20-8010	660.00	
OEC	BRINE EXPENSE	1600540;1600633	06	7086	292.00	292.00
POLYDYNE, INC.	PLANT CHEMICALS	1026741	07	8050	919.13	919.13
SO CAL GAS	GAS	DECEMBER/JANUARY	08	7092	242.23	242.23
SPRINT	CELL PHONES	JANUARY	09	7014	141.52	141.52
STANLEY SECURITY	COMMUNICATIONS ALARM	MARCH	10	7011	64.06	64.06
STATE FUND INSURANCE	WORKERS COMPENSATION INSUR	MARCH	11	8040	4,754.17	4,754.17
VWR	LAB SUPPLIES	8043950286; 8044012839; 8044007764	12	8040	483.80	483.80
WILLIAM ROMHILD	MEDICAL REIMBURSEMENT	FY15/16	13	6075	53.35	53.35
SUB TOTAL					\$ 48,722.32	\$ 48,722.32
GRAND TOTAL					\$ 48,722.32	\$ 48,722.32

We hereby certify that the demands numbered serially from 030216-1081 to 030216-1113 together with the supporting evidence have been examined, and that they comply with the requirements of the SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT. The demands are hereby approved by motion of the SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT, together with warrants authorizing and ordering the issuance of checks numbered identically with the particular demands and warrants.

BOARD OF DIRECTORS:

DATE: _____

Chairman

Board Member

Board Member

Secretary



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Staff Report

To: Board of Directors
From: John Clemons, Interim District Administrator
Date: March 2, 2016

**Subject: SECOND READING, ORDINANCE INCREASING CHARGES FOR
WASTEWATER TREATMENT SERVICES AND FACILITIES**

RECOMMENDATION

That the Board, by motion, approve on second reading an Ordinance Increasing Charges for Wastewater Treatment Services and Facilities.

BACKGROUND AND DISCUSSION

The Board approved the rate increase ordinance on first reading at its February 17, 2016 meeting, after receiving input from staff, the consultant, and the public. Staff introduced the item. Alex Handlers of Bartle Wells Associates presented the revised Wastewater Financial Plan and Rate Study. A public/protest hearing followed, in which the Board received a wide range of comments about the proposed rates and timing.

After closing the hearing, the Board determined that 22 protests had been filed. The Board determined that no majority protest had occurred. During deliberations, two Board members expressed support for deferring proposed rate increases until July 1, 2016. The proposed ordinance was modified according to this request and the Board voted 3-2 to approve the ordinance on first reading.

FISCAL CONSIDERATIONS

If approved on second reading, the ordinance would impose a phased-in rate increase for wastewater treatment services and facilities. As an example, the monthly residential sewer charge would rise from \$14.86 to \$19.60 in July, 2016 to a potential high of \$25.48 in July, 2019 (assuming State Revolving Fund financing, which the District is pursuing). If the District receives other sources of funding, lower actual rates can be charged.

According to Bartle Wells Associates, the new rates would recover the District's costs of service, support long-term financial stability, provide adequate funding for the Redundancy project and long-term capital needs, and maintain a prudent level of fund reserves.

OPTIONS

Decline to enact the proposed ordinance. The District would ***lack*** funding to recover its costs of service, support long-term financial stability, provide adequate funding for the Redundancy project and long-term capital needs, and maintain a prudent level of fund reserves.

**ATTACHMENT: AN ORDINANCE OF THE BOARD OF DIRECTORS OF SOUTH SAN LUIS OBISPO COUNTY
SANITATION DISTRICT INCREASING CHARGES FOR WASTEWATER TREATMENT SERVICES AND
FACILITIES**

ORDINANCE NO. 2016 – 01**AN ORDINANCE OF THE BOARD OF DIRECTORS OF SOUTH SAN LUIS OBISPO COUNTY
SANITATION DISTRICT INCREASING CHARGES FOR WASTEWATER TREATMENT
SERVICES AND FACILITIES**

THE BOARD OF DIRECTORS OF SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
ORDAINS AS FOLLOWS:

WHEREAS, Health & Safety Code §§5471 provides that, by an ordinance approved by a two-thirds vote of its membership, the Board of Directors of a sanitation district may prescribe, revise and collect charges for services and facilities it furnishes; and

WHEREAS, California Constitution Article XIII D, §6, entitled “property related fees and charges,” specifies procedures the District must use when increasing charges for wastewater treatment services and facilities, and imposes substantive requirements for those charges; and

WHEREAS, Government Code §53755 contains additional procedures and clarifications for use by agencies that wish to impose an increase to their property-related fees and charges, including charges for wastewater treatment services and facilities; and

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

WHEREAS, in compliance with the authorities set out above and subsequent case law, the District has commissioned a Wastewater Financial Plan & Rate Study, revised 2/9/16, from Bartle Wells Associates, which demonstrates all of the following with regard to the District’s proposed increased charges:

- Revenues derived from the charges do not exceed the funds required to provide the property related service.
- Revenues derived from the charges will not be used for any purpose other than that for which the fee or charge was imposed.
- The amount of the charge imposed upon any parcel or person as an incident of property ownership does not exceed the proportional cost of the service attributable to the parcel.
- The charges will not be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question.
- The charges are not imposed for general governmental services, but only for wastewater treatment services and facilities; and

WHEREAS, also in compliance with the authorities set out above and subsequent case law, the District has identified the parcels upon which the increased charge is to be imposed as all parcels that are currently customers receiving wastewater treatment services from the District; and

WHEREAS, also in compliance with the authorities set out above and subsequent case law, the District has calculated the amount of the charge proposed to be imposed on each parcel; and

WHEREAS, also in compliance with the authorities set out above and subsequent case law, the District on December 30, 2015 caused notice of a public hearing on the proposed increases (a copy of which is set out in the Wastewater Financial Plan & Rate Study) to be sent by first-class mail to the address contained in the County Assessor's office for the record owner of each identified parcel *and* to the address of record for each customer signed up for wastewater treatment service at each identified parcel; and

WHEREAS, District staff has received proof of this mailing in electronic format, which is maintained at District offices; and

WHEREAS, on February 17, 2016, the District conducted a public hearing upon the proposed increases, which date is more than 45 days after mailing of the notice; and

WHEREAS, at the public hearing, the District considered all written protests previously filed concerning the proposed increases, and all protests concerning the proposed increases offered at the public hearing—and has determined that no majority protest has been presented; and

WHEREAS, the approval of this ordinance is exempt from the California Environmental Quality Act pursuant to Public Resources Code §21080(b)(8).

NOW, THEREFORE, THE DISTRICT finds that the above recitals are true, and ordains:

Section 1. Wastewater treatment rates shall be increased as shown in the following chart:

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

Wastewater Treatment Rates

	Monthly Service Charges Effective on or After			
	July 1 2016	July 1 2017	July 1 2018	July 1 2019
a. Residences & Apartments	\$19.60	\$21.56	\$23.52	\$25.48
b. Hotel Units with Kitchens	17.14	18.85	20.56	22.27
c. Hotel Units without Kitchens	11.02	12.12	13.22	14.32
d. Hotel Room	11.02	12.12	13.22	14.32
e. Commercial Establishments	8.81	9.69	10.57	11.45
Each additional employee above 5	1.77	1.95	2.13	2.31
f. Beauty Shops	17.63	19.39	21.15	22.91
Each additional operator above 5	2.66	2.93	3.20	3.47
g. Eating Establishments w/o Grinders	27.43	30.17	32.91	35.65
Each additional 5 seats above 30	4.12	4.53	4.94	5.35
h. Restaurants (w/Grinders) <30 seats	44.09	48.50	52.91	57.32
Restaurants (w/Grinders) over 30 seats	61.72	67.89	74.06	80.23
i. Laundromats - per washing machine	12.63	13.89	15.15	16.41
Minimum Charge	37.91	41.70	45.49	49.28
j. Service Stations - no wash/rack	51.92	57.11	62.30	67.49
Service Stations - with wash/rack	74.47	81.92	89.37	96.82
k. Factories	29.39	32.33	35.27	38.21
Each additional employee above 20	1.47	1.62	1.77	1.92
l. Churches	16.26	17.89	19.52	21.15
Per ADA with elementary school	0.49	0.54	0.59	0.64
Per ADA with other school	0.72	0.79	0.86	0.93
m. Bottling Plants	35.28	38.81	42.34	45.87
n. Schools (Non-boarding)	9.76	10.74	11.72	12.70
Per ADA with elementary school	0.49	0.54	0.59	0.64
Per ADA with other school	0.72	0.79	0.86	0.93
o. Schools (Boarding)	9.80	10.78	11.76	12.74
Per ADA with elementary school	0.98	1.08	1.18	1.28
Per ADA with other school	1.38	1.52	1.66	1.80
p. Trailer/Mobile Home Space	11.77	12.95	14.13	15.31
q. RV Dump Stations - Less than 50 services	91.12	100.23	109.34	118.45

Section 2. Severability. Should any provision, section, paragraph, sentence or word of this Ordinance be declared invalid by any court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections paragraphs, sentences or words of this Ordinance shall remain in full force and effect and, to that end, the provisions of this Ordinance are severable.

Section 3. Effective date. This ordinance shall become effective 30 days from the date of final passage.

Section 4. Publication. Within 15 days of its final passage, this ordinance shall be published once, with the names of the Board members voting for and against the ordinance, in a newspaper of general circulation published in the County of San Luis Obispo.

Alternatively, a summary of the proposed ordinance may be prepared by District Counsel and published by the District Bookkeeper. A certified copy of the full text of the proposed ordinance shall be made available to the public upon request at least five days prior to the District Board meeting at which the proposed ordinance is to be adopted. The District Bookkeeper shall also post a copy of the full text of the ordinance on the District's Internet website five days prior to the District Board meeting at which the proposed ordinance is to be adopted. Within 15 days after adoption of the ordinance, the District Bookkeeper shall publish a summary of the ordinance with the names of those directors voting for and against the matter and shall make available to the public, upon request, a certified copy of the full text of the ordinance. The District Bookkeeper shall also post a copy of the full text of the ordinance with the names of those directors voting for and against the ordinance on the District's Internet website.

Introduced at a regular meeting of the South San Luis Obispo County Sanitation District held February 17, 2016, and **passed and adopted** at a regular meeting of the South San Luis Obispo County Sanitation District held March 2, 2016, by the following roll-call vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

John Shoals, Chairman

ATTEST:

Secretary

APPROVED AS TO FORM:

District Counsel



SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

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

Date: February 26, 2016

To: SSLOCSD Board of Directors

From: John Clemons, District Superintendent

Subject: **Superintendent's Report**

Operations

Chart 1 – Plant Data

February 2016*	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	2.14	3.38	372	27	405	30	8	261	93
High	2.49	4.5	391	29	436	33	33	492	
Limit	5.0			40/60/90		40/60/90	2000		80
CY 2015 Monthly									
Average	2.17	3.42	415	29	438	36	67	194	93
High	2.42	4.8	495	43	494	47	255	402	

- * = Plant data through February 26th.

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

Maintenance

- Replaced broken fitting at chlorine pump.
- Installed piping for centrifuge grinder.
- De-ragged primary #1 sludge pump.
- Recorded vibration readings on motors.
- Replaced pressure regulator on #4 influent pump.

- Tested 10MGD bypass pump.
- Tested emergency generator.
- Removed piping from sludge thickener pump pad.
- Work Orders.

In-Progress

- Garing, Taylor, and Associates is working with staff to review and ensure the integrity of the District's **A.G. Sewer Bridge**. We currently preparing an RFP for a contractor to perform the recoating.
- Staff is working with MKN and Associates Engineers on the installation of a **grit removal system**. An RFP has been issued for this project.
- Staff is preparing an RFP for installation of a **mechanical bar screen** in the headworks.
- **Secondary Process Redundancy Project** – Permitting update.
- **Satellite Water Resource Recovery Facilities** Planning Feasibility Study. Project has been re-scoped.
- Staff is conferring with PG&E representatives regarding possible **energy conservation projects**.
- Staff is preparing a **short-term emergency back-up plan** in case of a FFR failure.
- Staff is working to restore **GIS manhole mapping system**.

Miscellaneous

- Staff attended an in-house safety meeting on chemical safety.
- Staff met with City of A.G. Staff and Dan Heimel of WSC to discuss potential scope of Recycled Water Study.

Best regards,

John Clemons
Superintendent



SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

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Staff Report

To: Board of Directors
From: John Clemons, Interim District Administrator
Date: March 02, 2016

Subject: ANNUAL UPDATE TO BOARD BYLAWS

RECOMMENDATION

That the Board, by motion, approve an amendment to the Bylaws providing for chairperson when the Chair is absent.

BACKGROUND AND DISCUSSION

As a good housekeeping practice, the Board reviews its bylaws annually. Annual review provides an opportunity for Board members to revisit these rules for internal operation and to implement changes to provide for smooth meeting flow.

District Legal Co-Counsel has reviewed the Bylaws and they appear to be in legal order. However, in preparing agendas, it is helpful for staff to know what person will be chairing each meeting in advance of the meeting. Currently the Bylaws do not address this consideration. The City of Santa Maria assigns the Mayor the responsibility to name the chair if s/he and the Vice Mayor cannot be present. A similar provision is proposed for the District's Bylaws. If approved, the provision would require the Chair to name the chairperson for any meeting when the Chair and Vice Chair will be absent, either by designation or standing order.

FISCAL CONSIDERATIONS

Knowing the chairperson in advance of the meeting helps staff to prepare the agenda efficiently.

OPTIONS

Decline to adopt the proposed amendment.

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
BOARD OF DIRECTORS BYLAWS
2016 UPDATE

1. OFFICERS OF THE BOARD OF DIRECTORS

- 1.1 The officers of the Board of Directors are the Chair and Vice Chair.
- 1.2 The Chair of the Board of Directors shall serve as chairperson at all Board meetings. He/She shall have the same rights as the other Directors of the Board in voting, introducing motions, resolutions and ordinances, and any discussion of questions that follow said actions.
- 1.3 In the absence of the Chair, the Vice Chair of the Board of Directors shall serve as chairperson over all meetings of the Board. If the Chair and Vice Chair of the Board will both be absent, the Chair may name any member of the Board to perform the duties of the presiding officer prior to the meeting. If the Chair's absence is unexpected, the chairperson shall be as specified by standing order of the Chair.
- 1.4 The Chair and Vice Chair of the Board shall be elected annually at the last regular meeting of each calendar year.
- 1.5 The term of office for the Chair and Vice Chair of the Board shall commence on January 1 of the year immediately following their election.
- 1.6 The Chair, and in his/her absence, the Vice Chair, are authorized to attend meetings of the San Luis Obispo County Planning Commission, meetings of the San Luis Obispo County Board of Supervisors, meetings between District Staff and Water Board Personnel, including either Regional Quality Control Staff or State Water Board Staff, without compensation except reimbursement for use of his/her private vehicle to attend such meetings pursuant to District Policy 10.01(b). If the Chair is absent, the Vice Chair or Boardmember shall attend these meetings.
- 1.7 The Chair, or in his/her absence, the Vice Chair shall meet with the General Manager in advance of a regularly scheduled meeting to review all Warrants to be presented at the next regular Board meeting immediately following the meeting with the General Manager.

2. MEETINGS

- 2.1 Subject to holidays and scheduling conflicts, regular meetings of the Board of Directors shall commence at 6:00 p.m. on the first and third Wednesday of each calendar month at such meeting location within the District boundaries designated by the Board Chair. The Board of Directors reserves the right to cancel and/or designate other dates, places and times for Director meetings due to scheduling conflicts and holidays.

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DIRECTOR BYLAWS
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2.2 SPECIAL MEETINGS.

Special meetings may be called by the Chair or two (2) Directors with a minimum of twenty-four (24) hours public notice. A special meeting agenda shall be prepared and distributed pursuant to the procedures of the Brown Act by the General Manager in consultation with the Chair, or in his or her absence, the Vice Chair or those Directors calling the meeting.

2.3 Directors shall attend all regular and special meetings of the Board unless there is good cause for absence.

2.4 No action or discussion may be taken on an item not on the posted agenda; provided, however, matters deemed to be emergencies or of an urgent nature may be added to the agenda under the procedures of the Brown Act. Pursuant to the Brown Act:

- (a)** Directors may briefly respond to statements or questions from the public;
- (b)** Directors may, on their own initiative or in response to public questions, ask questions for clarification, provide references to staff or other resources for factual information, or request staff to report back at a subsequent meeting;
- (c)** A Director individually, or the Board by motion, may take action to direct the General Manager to place a matter on a future agenda; and
- (d)** Directors may make brief announcements or make a brief report on his/her own activities under the Director Comment portion of the Agenda.

2.5 MEETING PROTOCOL

- (a)** Policy. The purpose of oral presentation at District meetings, as well as written presentations, is to formally communicate to the Board of Directors on matters (1) listed on the Agenda, or (2) matters that are within the jurisdiction of the Board of Directors during general public comment. Such presentations are helpful to the Board in its decision-making process. The Board of Directors welcomes information and expressions of opinion from members of the public on any item which it may be considering. However, the Board of Directors is not required to provide a public forum for remarks or conduct in violation of the Rules of Decorum.
- (b)** Public Comment. Subject to the following rules, the Board of Directors shall set aside 30 minutes on each agenda item for public comment:

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
DIRECTOR BYLAWS
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- (c) The Chairperson, after consideration of the length of the Agenda, the nature of the agenda item, and the meeting limitations of Section 2.2, may expand or further limit the 30 minute time allocation for public comment.
- (d) Each public commenter shall be limited to 3 minutes unless shortened or extended by the Chairperson with consideration of the length of the Agenda, the nature of the agenda item, and the meeting limitations of Sections 2.2, above.

2.6 DISTURBANCE OF BOARD MEETINGS

2.6.1 Rules of Decorum. The rules of decorum, below, shall apply to public comment and attendance at District meetings.

- (a) Members of the audience shall not engage in disorderly or boisterous conduct, including the utterance of loud, threatening or abusive language, whistling, stamping of feet, clapping and talking (other than giving public comment) or other acts which disrupts the orderly conduct of the District meeting.
- (b) Members of the audience who wish to address the Board on a particular item on the Agenda shall line up behind the podium or sit in the front two (2) rows next to the podium.
- (c) No person shall address the Board of Directors without first being recognized by the Chairperson.
- (d) Persons addressing the Board are requested to state their name and their general place of residence.
- (e) Public comment and public testimony shall be directed to the Chairperson and shall be addressed to the Board of Directors as a whole. Persons addressing the Board of Directors shall not engage in a dialogue with individual Directors, District staff or members of the audience. The Chairperson shall determine whether, or in what manner, the District will respond to questions.
- (f) Persons addressing the Board are limited to one opportunity per Agenda item unless otherwise directed by the Chairperson in his/her discretion.
- (g) A person cannot defer his/her time allocation to another person.
- (h) When a group or organization wishes to address the Board on the same subject, the Chairperson may request that a spokesperson be chosen to speak for that group. The spokesperson's three (3) minute time allocation may be extended by the Chairperson in his/her discretion.

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
DIRECTOR BYLAWS
2016 UPDATE**

- (i) Persons addressing the Board shall confine the subject matter of their comments to the Agenda item being considered by the Board of Directors.
- (j) Each person addressing the Board of Directors shall do so in an orderly and civil manner and shall not engage in conduct which disrupts the orderly conduct of the District meeting.
- (k) The Chairperson may rule a speaker out of order who is unduly repetitious or extending discussion of irrelevance.
- (l) Except as provided below, persons who reference or read from documents such as reports, exhibits, or letters ("Documents") as part of his/her comment to the Board shall lodge the Document (or a copy) with the District Secretary at the end of the comment, to allow the Document to be appropriately referenced in the meeting Minutes and to allow District staff the opportunity to review and respond to the Document. The Chairperson has the discretion to strike a speaker's comments from the record for failure to lodge the referenced Documents. Upon request, the lodged Documents shall be returned to the speaker after 1:00 p.m. on the day following the meeting.

Exceptions:

- Speaker's presentation outline, however, Documents referenced in the outline shall be lodged.
- Documents that are in the Agenda packet.
- Documents that have been previously published by the District, so long as the speaker identifies the Document by date, author and the pages referenced or read from.
- For voluminous Documents the speaker need only lodge the cover sheet that identifies the author and date and the pages read from or referenced.

2.7 Enforcement of Rules of Decorum. Any person who violates the Rules of Decorum may, at the discretion of the Chairperson, be removed from the meeting. The Rules of Decorum shall be enforced in the following manner:

- (a) Warning. The Chairperson shall warn the person who is violating the rules of decorum.
- (b) Expulsion. If after receiving a warning from the Chairperson, the person persists in violating the rules of decorum the Chairperson shall order the person to leave the Board meeting room for the remainder of the meeting.

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
DIRECTOR BYLAWS
2016 UPDATE**

- (c) Assisted Removal. If such person does not voluntarily remove himself/herself, the Chairperson may order any law enforcement officer who is on duty at the meeting, or who may be summoned to the meeting, to remove the person from the Board room.
 - (d) Restoration of Order. If order cannot be restored by the removal of individuals who are disrupting the meeting, the Board meeting will be continued under the provisions of Government Code §54957.9
- 2.8** Limitations (Government Code §59454.3(c)) The Rules of Decorum shall not be interpreted to prohibit public criticism of the policies, procedures, programs or services of the District.
- 2.9** The Chair, or in his/her absence the Vice Chair (or his/her designee), shall be the presiding officer at District Board meetings. He/She shall conduct all meetings in a manner consistent with the policies of the District. He/She shall determine the order in which agenda items shall be considered for discussion and/or actions taken by the Board. He/She shall announce the Board's decision on all subjects. He/She shall vote on all questions and on roll call votes his/her name shall be called last.
- 2.10** Two (2) Directors of the Board shall constitute a quorum for the transaction of business. When a quorum is lacking for a regular, adjourned, or special meeting, the Chair, Vice Chair, or any Director shall adjourn such meeting; or, if no Director is present, the District Secretary shall adjourn the meeting.
- 2.11** Except as otherwise specifically provided by law, a majority vote of the total membership of the Board of Directors is required for the Board of Directors to take action.
- 2.12** A roll call vote shall be taken upon the passage of all ordinances and resolutions, and shall be entered in the Minutes of the Board, showing those Directors voting aye, those voting no, those not voting because of a conflict of interest, and absent. A roll call vote shall be taken and recorded on any motion not passed unanimously by the Board. Silence shall be recorded as an affirmative vote.
- 2.13** Any person attending a meeting of the Board of Directors may record the proceedings with an audio or video tape recorder or a still or motion picture camera in the absence of a reasonable finding that the recording cannot continue without disruptive noise, illumination, or obstruction of view that constitutes or would constitute a disruption of the proceedings.
- 2.14** All video tape recorders, still and/or motion picture cameras shall remain stationary and shall be located and operated from behind the public speakers podium once the meeting begins. The Chair retains the discretion to alter these guidelines, including the authority to require that all video tape recorders, still and/or motion picture cameras be located in the back of the room.

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3. ETHICS TRAINING

- 3.1** Pursuant to sections 53234 et seq. of the Government Code all Directors and designated District personnel shall receive at least 2 hours of ethics training every two years.
- 3.2** Each newly appointed Board member will receive such training from their Agency. Each newly designated District personnel shall receive ethics training no later than one year from the first day of service with the District and thereafter shall receive ethics training at least once every two years.

4. AGENDAS

- 4.1** The General Manager, in cooperation with the Board Chair, shall prepare the agenda for each regular and special meeting of the Board of Directors. Any Director may call the General Manager and request an item to be placed on the regular meeting agenda no later than 5 p.m. 11 calendar days prior to the meeting date. Such a request must also be submitted in writing either at the time of communication with the General Manager or delivered to the office within the next working day.
- 4.2** A block of twenty (20) minutes time shall be set aside to receive general public comment. Comments on agendized items should be held until the appropriate item is called. Unless otherwise directed by the Chair, public comment shall be presented from the podium. The person giving public comment shall state his/her name and whether or not he/she lives within the District boundary prior to giving his/her comment. Public comment shall be directed to the Chair of the Board and limited to three (3) minutes unless extended or shortened by the Chair at his/her discretion.
- 4.3** Those items on the District Agenda which are considered to be of a routine and non-controversial nature are placed on the "Consent Agenda". These items shall be approved, adopted, and accepted, etc. by one motion of the Board of Directors; for example, approval of Minutes, approval of Warrants, various Resolutions accepting developer improvements, minor budgetary items, status reports, and routine District operations.
- (a)** Directors may request that any item listed under "Consent Agenda" be removed from the "Consent Agenda", and the Board will then take action separately on that item. Members of the public will be given an opportunity to comment on the "Consent Agenda"; however, only a member of the Board of Directors can remove an item from the "Consent Agenda". Items which are removed ("pulled") by Directors of the Board for discussion will typically be heard after other "Consent Agenda" items are approved unless a majority of the Board chooses an earlier or later time.
- (b)** A Director may ask questions on any item on the "Consent Agenda". When a Director has a minor question for clarification

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concerning a consent item which will not involve extended discussion, the item may be discussed for clarification and the questions will be addressed along with the rest of the "Consent Agenda". Directors are encouraged to seek clarifications prior to the meeting if possible.

- (c) When a Director wishes to consider/"pull" an item simply to register a dissenting vote, or conflict of interest, the Director shall inform the presiding officer that he/she wishes to register a dissenting vote, or conflict of interest, on a particular item without discussion. The item will be handled along with the rest of the Consent Agenda, and the District Secretary shall register a "no" vote, or conflict of interest, in the Minutes on the item identified by the Director.

5. PREPARATION OF MINUTES AND MAINTENANCE OF TAPES

- 5.1 The minutes of the Board shall be kept by the District Secretary and shall be neatly produced and kept in a file for that purpose, with a record of each particular type of business transacted set off in paragraphs with proper subheads;
- 5.2 The minutes of the Board of Directors shall record the aye and no votes taken by the members of the Board of Directors for the passage or denial of all ordinances, resolutions or motions.
- 5.3 The District Secretary shall be required to make a record only of such business as was actually considered by a vote of the Board and, except as provided in Sections 5.4 and 5.6 below, shall not be required to record any remarks of Directors or any other person;
- 5.4 Any Director may request for inclusion into the Minutes brief comments pertinent to an agenda item, only at the meeting in which the item is discussed. In addition, the minutes shall include brief summaries of public comment, the General Manager's report, matters of concern to District legal counsel, District committee reports, and Directors' reports. Materials submitted with such comments shall be appended to the minutes at the request of the General Manager, District Counsel, the Board Chair, or any Director.
- 5.5 The District Secretary shall attempt to record the names and general place of residence of persons addressing the Board, the title of the subject matter to which their remarks related, and whether they spoke in support or opposition to such matter.
- 5.6 Whenever the Board acts in a quasi-judicial proceeding such as in assessment matters, the District Secretary shall compile a summary of the testimony of the witnesses.
- 5.7 The District shall keep and maintain the electronic recordings of District Board Meetings for a period of three hundred sixty-five (365) days beyond the date that the Minutes for any meeting are approved. The purpose is to insure accuracy of

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
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the Minutes and the electronic recording is not intended to substitute for the official record of the meeting.

6. DIRECTORS

- 6.1 Directors shall prepare themselves to discuss agenda items at meetings of the Board of Directors.
- 6.2 Members of the Board of Directors shall exercise their independent judgment on behalf of the interest of the entire District, including the residents, property owners and the public as a whole.
- 6.3 Information may be requested from staff or exchanged between Directors before meetings, within such limitations as required by the Brown Act. Information that is requested or exchanged shall be distributed through the General Manager, and all Directors will receive a copy of all information being distributed.
- 6.4 Directors shall at all times conduct themselves with courtesy to each other, to staff and to members of the audience present at Board meetings.
- 6.5 Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions, but without being disagreeable. Once the Board of Directors takes action, dissenting Directors should not to create barriers to the implementation of said action.
- 6.6 Except during open and public meetings the use of direct communication, personal intermediaries, or technological devices that is employed by a majority of the Directors to develop a collective concurrence as to action to be taken on an item by the Board of Directors is prohibited.
- 6.7 Directors shall not be prohibited by action of the Board of Directors from citing his or her District affiliation or title in any endorsement or publication, so long as no misrepresentation is made, or implied, about the District's position on the issue.
- 6.8 Directors are cautioned when using e-mail communications. Any communication from the General Manager, or the District's legal counsel, or from other members of the Board of Directors, in each case the Director in responding to that e-mail shall not respond to "all", as that could constitute a violation of the Brown Act for a serial meeting or other provisions.

7. AUTHORITY OF DIRECTORS

- 7.1 The Board of Directors is the unit of authority within the District. Apart from his/her normal function as a part of this unit, Directors have no individual authority. As individuals, Directors may not commit the District to any policy, act or expenditure.
- 7.2 Directors do not represent any fractional segment of the community but are, rather, a part of the body which represents and acts for the community as a whole.

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DIRECTOR BYLAWS
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7.3 The primary responsibility of the Board of Directors is the formulation and evaluation of policy. Routine matters concerning the operational aspects of the District are to be delegated to professional staff members of the District.

7.4 Directors, when attending other meetings, may refer to their affiliation as a member of the Board of Directors and may make statements on their own behalf or endorsements on their own behalf as long as there is no misrepresentation made or implied about the District's position in regards to the issue presented.

8. AUTHORITY OF THE GENERAL MANAGER

The General Manager shall be responsible for all of the following:

8.1 The implementation of the policies established by the Board of Directors for the operation of the District.

8.2 The appointment, supervision, discipline, and dismissal of the District's employees, consistent with the District's Personnel Policies as established by the Board of Directors.

8.3 The supervision of the District's facilities and services.

8.4 The supervision of the District's finances.

9. DIRECTOR GUIDELINES

9.1 Directors, by making a request to the General Manager, shall have access to information relative to the operation of the District, including but not limited to statistical information, information serving as the basis for certain actions of Staff, justification for Staff recommendations, etc. If the General Manager cannot timely provide the requested information by reason of information deficiency, or major interruption in work schedules, workloads, and priorities, then the General Manager shall inform the individual Director why the information is not or cannot be made available.

9.2 In handling complaints from residents or property owners within the District, or other members of the public, Directors are encouraged to listen carefully to the concerns, but the complaint should be referred to the General Manager for processing and the District's response, if any.

9.3 Directors, when seeking clarification of policy-related concerns, especially those involving personnel, legal action, land acquisition and development, finances, and programming, should refer said concerns directly to the General Manager.

9.4 When approached by District personnel concerning specific District policy, Directors should direct inquiries to the General Manager. The chain of command should be followed. If a Director concludes that a personnel issue is not being adequately addressed in this manner, he/she should refer it to the Board's personnel committee for further consideration, in accordance with District Personnel Policy.

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
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- 9.5** Directors and General Manager should develop a working relationship so that current issues, concerns and District projects can be discussed comfortably and openly.
- 9.6** When responding to constituent request and concerns, Directors should respond to individuals in a positive manner and route their questions to the General Manager.
- 9.7** Directors are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.
- 9.8** No member may participate in a hearing or take action on an item which creates an economic conflict of interest for the member. Where there is an economic conflict of interest, the conflicted member shall announce the nature of the conflict of interest and recuse himself or herself from the hearing or deciding the matter and thereon step down from the dais and leave the room until the matter has been fully considered and voted upon, or otherwise continued.

10. DIRECTOR COMPENSATION

- 10.1** Each Director is authorized to receive one hundred dollars (\$100.00) as compensation for each regular, adjourned or special meeting of the Board of Directors attended by him/her.
- 10.2** Each Director is authorized to receive one hundred dollars (\$100) per day as compensation for representation of the District at a public meeting or public hearing conducted by another public agency and/or participation in a training program on a topic that is directly related to the District, provided that the Board of Directors has previously approved the member's participation at a Board of Director's meeting and the member delivers a written report to the Board of Directors at the District's next regular meeting regarding the member's participation.
- 10.3** In no event shall Director compensation exceed \$100 per day.
- 10.4** Director compensation shall not exceed six full days in any one calendar month.

11. DIRECTOR REIMBURSEMENT

- 11.1** Each Director is entitled to reimbursement for their actual and necessary expenses, including the cost of programs and seminars, incurred in the performance of the duties required or authorized by the Board.
 - (a)** It is the policy of the District to exercise prudence with respect to hotel/motel accommodations. It is also the policy of the District for Directors and staff to stay at the main hotel/motel location of a conference, seminar, or class to gain maximum participation and advantage of interaction with others whenever possible.

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
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If lodging is in connection with a conference or organized education activity, lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the member of the Board of Directors at the time of booking. If the group rate is not available, the Director shall use lodging that is comparable with the group rate. Personal phone calls, room service, and other discretionary expenditures are not reimbursable.

- (b)** Members of the Board of Directors shall use government and group rates offered by a provider of transportation for travel when available. Directors using his/her private vehicle on District business, shall be compensated at the prevailing IRS per diem mileage rate.
- (c)** Any Director traveling on District business shall receive in addition to transportation and lodging expenses, a per diem allowance to cover ordinary expenses such as meals, refreshments and tips. The amount set for per diem shall be considered fair reimbursement. The per diem shall include \$10.00 for breakfast, \$10.00 for lunch, \$20.00 for dinner, for a daily total of \$40.00.
- (d)** All travel and other expenses for District business, conferences, or seminars outside of the State of California shall require separate Board authorization, with specific accountability as to how the District shall benefit by such expenditure.

11.2 All expenses that do not fall within the reimbursement policy set forth in 10.1, above, shall be approved by the Board of Directors, at a public meeting, before the expense is incurred.

11.3 Board members shall submit an expense report on the District form within ten (10) calendar days after incurring the expense. The expense report shall be accompanied by receipts documenting each expense except for per diem allowances.

11.4 Members of the Board of Directors shall provide brief reports on meetings attended at the expense of the District at the next regular meeting of the Board of Directors.

12. CORRESPONDENCE DISTRIBUTION POLICY

Time permitting, the following letters and other documents shall be accumulated and delivered to the Board of Directors on Monday of each week and/or with agenda packet.

12.1 All letters approved by the Board of Directors and/or signed by the Chair on behalf of the District; and

12.2 All letters and other documents received by the District that are of District-wide concern, as determined by District staff.

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
DIRECTOR BYLAWS
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13. CONFLICTS AND RELATED POLICY

State laws are in place which attempt to eliminate any action by a Director or the District which may reflect a conflict of interest. The purpose of such laws and regulations is to insure that all actions are taken in the public interest. Laws which regulate conflicts are very complicated. The following provides a brief policy summary of various conflict related laws. Directors are encouraged to consult with District Legal Counsel and/or the FPPC at 1-800-ASK-FPPC (1-800-275-3772), prior to the day of the meeting, if they have questions about a particular agenda item.

13.1 Conflict of Interest

Each Director is encouraged to review the District Conflict Code on an annual basis. The general rule is that an official may not participate in the making of a governmental decision if it is: reasonably foreseeable that the decision will have a material financial effect on the official or a member of his or her immediate family or on an economic interest of the official, and the effect is distinguishable from the effect on the public generally. Additionally, the FPPC regulations relating to interests in real property have recently been changed. If the real property in which the Director has an interest is located within 500 feet of the boundaries of the property affected by decision, that interest is now deemed to be directly involved in the decision.

13.2 Interest in Contracts, Government Codes Section 1090

The prohibitions of Government Code Section 1090 provide that the Board of Directors may not contract with any business in which another Director has a financial interest.

13.3 Incompatible Office

The basic rule is that public policy requires that when the duties of two offices are repugnant or overlap so that their exercise may require contradictory or inconsistent action, to the detriment to the other public interest, their discharge by one person is incompatible with that interest. When a Director is sworn in for such a second office, he/she is simultaneously terminated from holding the first office.

14. EVALUATION OF CONSULTANTS

The District's legal counsel shall be evaluated by the Board of Directors annually during the months of May and June of each year.

15. CONTINUING EDUCATION

Directors are encouraged to attend educational conferences and professional meetings when the purposes of such activities are to improve District operation. Subject to

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
DIRECTOR BYLAWS
2016 UPDATE**

budgetary constraints, there is no limit to the number of Directors attending a particular conference or seminar when it is apparent that their attendance is beneficial to the District.

16. BOARD BYLAWS REVIEW POLICY

Subject to 3.1 the Board Bylaws Policy shall be reviewed annually at the first regular meeting in February. The review shall be provided by District Counsel and ratified by Board action.

17. RESTRICTIONS ON RULES

The rules contained herein shall govern the Board in all cases to which they are applicable, and in which they are not inconsistent with State or Federal laws.



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Staff Report

To: Board of Directors
From: Amy Simpson, District Bookkeeper/Secretary
Via: John Clemons, Acting District Administrator
Date: March 02, 2016

**Subject: Fiscal Year 2015/16 Mid-Year Budget Review; and Resolution No 2015-XXX
Amending the FY 2015-16 Budget at Mid-Year.**

Recommendation:

1. Review the attached Profit and Loss Statements comparing actual revenues and expenses with the adopted budget, and provide direction to staff regarding recommended budget amendments and related matters presented in this staff report; and
2. Adopt Resolution No. 2016-XXX providing for these amendments.

BACKGROUND:

As of December 31, 2015, District accounts show cash balances of \$923,148 in Fund 19, \$4,007,175 in Fund 20, and \$524,181 in Fund 26.

During the first half of FY 2015-16 the Operating Fund (19) received a total ordinary income (sewer fees) of \$1,348,648 from service fees. Total Expenses for that same period in Fund 19 were \$1,264,791. This fund also received other income totaling \$1,817,970. The majority of other income was the \$1,638,959 that was carried over from FY 2014-15. Fund 19 transferred \$940,000 to Fund 26 during this period. This fund had not received four of the six months of expected revenue from Oceano Community Service District customers as of December 31st.

Discussion:

Following the end of mid-year (50% year to date), District staff reviewed the FY 2015-16 account line items under each Fund. The account line items under each Fund are within or under the anticipated budget with the exception of four (4) items. These items are discussed below.

Recommended Adjustments:

1. Account 19-7032 Equipment Rental Other: 261.3% of annual budget expended. An increase to the budget line item by \$19,000 is being recommended to reflect actual expenditures for this account line item as of mid-year for a total budget of \$25,000. This adjustment would be taken from the Prior Year Budget Carryover.
2. Account 19-7050 Membership/Seminars/Meetings: 85.4% of annual budget expended. An increase to the budget line item by \$5,000 is being recommended to reflect actual expenditures for this account line item as of mid-year for a total budget of \$30,000. This adjustment would be taken from Advertisement/Legal and Recruitment.
3. Account 19-7071 Professional Services- Attorney Fee: 221.8% of annual budget expended. An increase to the budget line item by \$130,000 is being recommended to reflect actual expenditures for this account line item as of mid-year for a total budget of \$178,000. This adjustment would be taken from the Prior Year Budget Carryover.
4. Account 19-8056 Safety Supplies: 92.8% of annual budget expended. An increase to the budget line item by \$5,000 is being recommended to reflect actual expenditures for this account line item as of mid-year for a total budget of \$15,000. This adjustment would be taken from Advertisement/Legal and Recruitment.

Attachments

Attachment 1: Fund 19 Profit and Loss Statement - Budget vs. Actual

Attachment 2: Fund 20 Profit and Loss Statement - Budget vs. Actual

Attachment 3: Fund 26 Profit and Loss Statement - Budget vs. Actual

Attachment 4: Fiscal Year 2015/2016 Working Budget

SO SAN LUIS OBISPO CO SANITATION DISTRICT - OPERATING(19)

02/29/16

Profit & Loss Budget vs. Actual

Accrual Basis

July through December 2015

	Jul - Dec 15	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
19-4015 Arroyo Grande Services	741,658.16	1,440,500.00	-698,841.84	51.5%
19-4022 Grover Beach Services	520,417.83	1,050,000.00	-529,582.17	49.6%
19-4035 OCSD Services	81,904.45	500,000.00	-418,095.55	16.4%
19-4040 Other Service Income	4,668.00	0.00	4,668.00	100.0%
19-4045 School Services	0.00	23,000.00	-23,000.00	0.0%
19-5020 Other Reimbursements	0.00	0.00	0.00	0.0%
Total Income	1,348,648.44	3,013,500.00	-1,664,851.56	44.8%
Gross Profit	1,348,648.44	3,013,500.00	-1,664,851.56	44.8%
Expense				
19-6010 Medical Insurance	83,581.88	200,000.00	-116,418.12	41.8%
19-6025 Dental Insurance	5,573.06	15,000.00	-9,426.94	37.2%
19-6030 Plant Operators	311,766.41	601,620.00	-289,853.59	51.8%
19-6040 Secretary/Bookkeeper	28,336.15	57,132.00	-28,795.85	49.6%
19-6050 S.S. & Medicare	26,017.92	56,000.00	-29,982.08	46.5%
19-6055 State Disability Insur	1,473.54	3,300.00	-1,826.46	44.7%
19-6060 State Retirement	16,329.08	115,000.00	-98,670.92	14.2%
19-6065 Unfunded Liability	9,164.00	70,000.00	-60,836.00	13.1%
19-6075 Medical Reimbursement	3,562.43	5,000.00	-1,437.57	71.2%
19-6080 Workers Compensation	25,110.51	90,000.00	-64,889.49	27.9%
19-6085 Temporary Labor Service	4,225.20	7,000.00	-2,774.80	60.4%
19-6090 Payroll Process Fee	1,371.88	2,700.00	-1,328.12	50.8%
19-6095 Unemployment Remiburse	0.00	1,000.00	-1,000.00	0.0%
19-7005 Advert/Legal&Recruit	11,205.54	102,000.00	-90,794.46	11.0%
19-7011 Communications	1,536.14	3,300.00	-1,763.86	46.5%
19-7013 COMMUNICATIONS-Teleph	3,132.81	6,600.00	-3,467.19	47.5%
19-7014 COMM-Cell Phone	706.09	2,400.00	-1,693.91	29.4%
19-7015 Office Equip/Comp Supp	222.00	5,000.00	-4,778.00	4.4%
19-7025 Employee Uniforms	7,037.84	15,000.00	-7,962.16	46.9%
19-7032 Equip Rental Other	15,679.92	6,000.00	9,679.92	261.3%
19-7043 Ins, Liability/Auto	14,044.92	31,000.00	-16,955.08	45.3%
19-7050 Memberships/Seminars/Mtg	21,381.95	25,000.00	-3,618.05	85.5%
19-7060 Ocean Outfall Maint	0.00	40,000.00	-40,000.00	0.0%
19-7065 Source Ctrl Program	0.00	15,000.00	-15,000.00	0.0%
19-7068 Permits/Fees/License	29,253.10	40,000.00	-10,746.90	73.1%
19-7069 LAFCO Budget Share	11,414.79	9,800.00	1,614.79	116.5%
19-7070 Prof Svcs - Out.Counsel	48,703.29	100,000.00	-51,296.71	48.7%
19-7071 Prof Serv-Attorney Fee	106,441.47	48,000.00	58,441.47	221.8%
19-7072 Prof Serv - Auditing	6,225.00	10,000.00	-3,775.00	62.3%
19-7073 Prof Serv - AG Billing	7,100.89	22,000.00	-14,899.11	32.3%
19-7074 Prof Serv - OCSD Bill	3,666.00	22,000.00	-18,334.00	16.7%
19-7075 Prof Serv - Brd Member	3,800.00	7,500.00	-3,700.00	50.7%
19-7076 Prof Serv-Dist Admin	18,693.60	80,000.00	-61,306.40	23.4%
19-7077 Prof Serv-Engineering	1,445.00	100,000.00	-98,555.00	1.4%
19-7078 Prof Serv-Chem Analysis	7,167.52	20,000.00	-12,832.48	35.8%
19-7079 Prof Serv-Other Bill	14,867.37	20,000.00	-5,132.63	74.3%
19-7080 Prof Serv - AGP Video	7,595.00	20,000.00	-12,405.00	38.0%
19-7081 Prof Serv-GB Bill	0.00	22,000.00	-22,000.00	0.0%
19-7082 Prof. Serv.-Comp. Suprt	2,220.00	10,000.00	-7,780.00	22.2%
19-7084 FOG (Parent Agencies)	0.00	0.00	0.00	0.0%
19-7085 Solids Handling	18,505.60	60,000.00	-41,494.40	30.8%
19-7086 Brine Disposal Exp	0.00	5,000.00	-5,000.00	0.0%
19-7087 WDR & SSMP DISTRICT EXP	0.00	15,000.00	-15,000.00	0.0%
19-7088 Water Recycling Study	0.00			

SO SAN LUIS OBISPO CO SANITATION DISTRICT - OPERATING(19)

02/29/16

Profit & Loss Budget vs. Actual

Accrual Basis

July through December 2015

	Jul - Dec 15	Budget	\$ Over Budget	% of Budget
19-7089 Rate Study	7,128.28	5,000.00	2,128.28	142.6%
19-7090 Past Management Review	59,884.26	78,000.00	-18,115.74	76.8%
19-7091 Util-Elec	50,966.93	180,000.00	-129,033.07	28.3%
19-7092 Util-Gas	6,354.31	10,000.00	-3,645.69	63.5%
19-7093 Util-Rubbish	823.63	1,800.00	-976.37	45.8%
19-7094 Util-Water	732.69	1,500.00	-767.31	48.8%
19-7095 Zone 1/1A Agreement	14,487.10	30,000.00	-15,512.90	48.3%
19-7096 CogenEISA(Debt Serv)	0.00	0.00	0.00	0.0%
19-8010 Capital Equipment	5,583.55	15,000.00	-9,416.45	37.2%
19-8015 Trunk Sewer Maint	1,782.50	25,000.00	-23,217.50	7.1%
19-8020 Gas & Oil	7,167.70	10,000.00	-2,832.30	71.7%
19-8030 Equipment Maint-Reg	62,909.89	100,000.00	-37,090.11	62.9%
19-8032 Automotive Maint	3,359.13	8,000.00	-4,640.87	42.0%
19-8035 Household Expense	1,855.25	4,000.00	-2,144.75	46.4%
19-8040 Lab Supplies	11,538.26	15,000.00	-3,461.74	76.9%
19-8045 Office Supplies&Exp	2,758.37	8,500.00	-5,741.63	32.5%
19-8050 Plant Chemicals	92,425.01	175,000.00	-82,574.99	52.8%
19-8055 Small Tools	1,048.87	13,000.00	-11,951.13	8.1%
19-8056 Safety Supplies	9,278.22	10,000.00	-721.78	92.8%
19-8060 Structure Maint-Reg	9,267.15	50,000.00	-40,732.85	18.5%
19-8061 Struct Maint - Major	36,951.44	45,000.00	-8,048.56	82.1%
Total Expense	1,264,860.44	2,871,152.00	-1,606,291.56	44.1%
Net Ordinary Income	83,788.00	142,348.00	-58,560.00	58.9%
Other Income/Expense				
Other Income				
19-4005 Fund Balance Available	1,638,959.00	1,638,959.00	0.00	100.0%
19-4040 Pismo Beach Reimburse	0.00	0.00	0.00	0.0%
19-4050 Brine Disposal Service	165,764.00	190,000.00	-24,236.00	87.2%
19-4055 Lease (AT&T)	11,408.15	22,525.00	-11,116.85	50.6%
19-5015 Interest	3,645.46	7,600.00	-3,954.54	48.0%
19-5022 WDR Reimbursement	0.00	0.00	0.00	0.0%
19-5023 FOG Reimbursement	0.00	0.00	0.00	0.0%
19-5025 Other Sales	1,839.05	4,788.00	-2,948.95	38.4%
19-5030 IRWM Funding	0.00	1,400.00	-1,400.00	0.0%
19-8079 Transfer to Replacement	-940,000.00	-1,080,000.00	140,000.00	87.0%
19-8080 Trsf to Expansion	0.00	0.00	0.00	0.0%
Total Other Income	881,615.66	785,272.00	96,343.66	112.3%
Net Other Income	881,615.66	785,272.00	96,343.66	112.3%
Net Income	965,403.66	927,620.00	37,783.66	104.1%

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02/29/16

Accrual Basis

So San Luis Obispo Co Sanitation District-Expansion(20)

Profit & Loss Budget vs. Actual

July through December 2015

	Jul - Dec 15	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
20-4010 AG Connections	50,736.00	80,000.00	-29,264.00	63.4%
20-4020 GB Connections	67,443.00	30,000.00	37,443.00	224.8%
20-4030 OCSD Connections	6,806.00	10,000.00	-3,194.00	68.1%
20-5015 Interest Income	3,646.68	5,200.00	-1,553.32	70.1%
Total Income	128,631.68	125,200.00	3,431.68	102.7%
Expense				
20-7077 Prof. Serv. Engineering				
20-7080 Redundancy Project	19,662.00	35,000.00	-15,338.00	56.2%
20-7090 Water Recycling Study	20,212.65	40,000.00	-19,787.35	50.5%
20-7096 Cogen EISA	37,398.30	76,000.00	-38,601.70	49.2%
20-8010 Capital Equipment	29,058.66	534,854.00	-505,795.34	5.4%
20-8015 Trunk Sewer Improvement	40,730.61		40,730.61	100.0%
20-8065 Struct/Grnds Repl-Imp	1,538.98		1,538.98	100.0%
20-8070 Emergency Equip Repair				
Total Expense	148,601.20	685,854.00	-537,252.80	21.7%
Net Ordinary Income	-19,969.52	-560,654.00	540,684.48	3.6%
Other Income/Expense				
Other Income				
20-4005 Use of Fund Bal. Avail.	205,800.00		205,800.00	100.0%
20-5040 TRSF from Operating				
20-5090 Other Income				
20-8079 Transfer to 26				
Total Other Income	205,800.00		205,800.00	100.0%
Net Other Income	205,800.00		205,800.00	100.0%
Net Income	185,830.48	-560,654.00	746,484.48	-33.1%

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02/29/16

Accrual Basis

So San Luis Obispo Co Sanitation District - 26(Replacement)

Profit & Loss Budget vs. Actual

July through December 2015

	Jul - Dec 15	Budget	\$ Over Budget	% of Budget
Income				
26-5040 Transfer from funds	940,000.00	1,080,000.00	-140,000.00	87.0%
Total Income	940,000.00	1,080,000.00	-140,000.00	87.0%
Expense				
26-8010 Capital Equipment	48,259.55			
26-8015 Trunk Sewer Maintenanc	9,752.79	80,000.00	-70,247.21	12.2%
26-8065 Struct/Grnds Repl&Imp	87,771.98	600,000.00	-512,228.02	14.6%
26-8070 Emergency Equip Repair	366,346.58	400,000.00	-33,653.42	91.6%
Total Expense	512,130.90	1,080,000.00	-567,869.10	47.4%
Net Income	427,869.10	0.00	427,869.10	100.0%



SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

FY 2015/16 Budget

Consolidated

	Fund 19 Operating Fund	Fund 20 Expansion Fund	Fund 26 Replacement Fund	FY 2015/16 Total @9/16/15	
Revenues					
Gross Revenues					
Service Charges and Fees	3,013,500			3,013,500	
Connection Fees		120,000		120,000	
Interest	7,600	5,200		12,800	
Other Revenues	218,713			218,713	
Total Revenues	3,239,813	125,200	0	3,365,013	
Expenditures & Other Uses					
Operating Expenditures					
Salaries and Wages	658,752	0		658,752	
Employee Benefits and Other Personnel Costs	555,300			555,300	
Permits, Fees and Licenses	42,700			42,700	
Communications	12,300			12,300	
Computer Support	15,000			15,000	
Administrative Costs	757,300			757,300	
Disposal Services	65,000			65,000	
Utilities	193,300			193,300	
Maintenance, Tools & Replacements	281,000			281,000	
Materials, Services and Supplies	250,500			250,500	
Training, Education & Memberships	25,000			25,000	
Cogeneration EISA - Debt Principal and Interest		76,000		76,000	
Total Operating Expenditures	2,856,152	76,000	0	2,932,152	
Total Other Charges	0			0	
Capital Replacement/Maintenance (Fund 26)			0	0	
Capital Outlay					
Capital Equipment	15,000	609,854	1,080,000	1,704,854	
Expansion		76,000		76,000	
Total Capital Outlay	15,000	685,854	1,080,000	1,780,854	
Other Financing Sources & Uses					
Transfers (Out) In	-1,080,000	0	1,080,000	0	
Total Other Financing Sources & Uses	(1,080,000)	0	1,080,000	0	
Beginning Cash Balance Used for Funding	1,638,959	0	0	1,638,959	
Net Change (Deficit)	927,620	(560,654)	0	366,966	
9					
Note: There is sufficient fund balance to cover the 2010 ACL.					

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
FY 2015/16 BUDGET**

Fund 19 - Operating Fund		FY 15-16 BUDGET		
		Approved 09/16/15	Proposed Adj.	Adjusted Budget
Beginning Balance		1,638,959		
Revenues				
Gross Revenues				
Service Charges and Fees				
19-4015	Arroyo Grande Services	1,440,500		1,440,500
19-4022	Grover Beach Services	1,050,000		1,050,000
19-4035	OCSO Services	500,000		500,000
19-4040	Other Service Income	0		0
19-4045	School Services	23,000		23,000
Total Service Charges and Fees		3,013,500		3,013,500
19-5015	Interest	7,600		7,600
Total Interest		7,600		7,600
Other Revenues				
19-4050	Brine Disposal Service	190,000		190,000
19-4055	Lease (AT&T)	22,525		22,525
19-5025	Other Sales	4,788		4,788
19-5030	IRWM Funding	1,400		1,400
Total Other Revenues		218,713		218,713
Total Revenues		3,239,813		3,239,813
Beginning Balance		1,638,959		1,638,959
Total Revenues		4,878,772		3,239,813
Fund 19 Total Balance		4,878,772		4,878,772
Expenditures & Other Uses				
Operating Expenditures				
19-6030	Plant Operators	601,620		601,620
19-6040	Bookkeeper/Secretary	57,132		57,132
Total Salaries and Wages		658,752		658,752
Employee Benefits and Other Personnel Costs				
19-6010	Medical Insurance	200,000		200,000
19-6025	Dental Insurance	15,000		15,000
19-6050	Social Security & Medicare	56,000		56,000
19-6055	State Disability Insurance	3,300		3,300
19-6060	State Retirement	115,000		115,000
19-6075	Medical Reimbursement	5,000		5,000
19-6080	Worker's Compensation	90,000		90,000
	Unfunded Liability	70,000		70,000
19-6095	Unemployment Reimbursement	1,000		1,000
Total Employee Benefits and Other Personnel Costs		555,300		555,300

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
FY 2015/16 BUDGET**

Fund 19 - Operating Fund		FY 15-16 BUDGET		
Permits, Fees and Licenses				
19-6090	Payroll Process Fee	2,700		2,700
19-7068	Permits/Fees/Licenses	40,000		40,000
Total Permits, Fees and Licenses		42,700		42,700
Communications				
19-7011	Comm (Alarm, Web Hosting)	3,300		3,300
19-7013	Communications - Tele and Internet	6,600		6,600
19-7014	Communications - Cell Phones	2,400		2,400
Total Communications		12,300		12,300
Computer Support				
19-7015	Office Equipment/Comp Supplies	5,000		5,000
19-7082	Prof. Serv. Computer Support	10,000		10,000
Total Computer Support		15,000		15,000
Administrative Costs				
19-7005	Advertisements/Legal & Recruit	102,000	(10,000)	92,000
19-7043	Insurance Liability - Auto	31,000		31,000
19-7065	Source Control Program	15,000		15,000
19-7069	LAFCO Budget Share	9,800		9,800
19-7070	Prof Services - Outside Counsel/Lit	100,000		100,000
19-7071	Prof Services - Attorney Fee	48,000	130,000	178,000
19-7072	Prof Services - Auditing	10,000		10,000
19-7073	Prof Services - AG Billing	22,000		22,000
19-7074	Prof Services - OCSB Bill	22,000		22,000
19-7075	Prof Services - Board Members	7,500		7,500
19-7076	Prof Services - District Administration	80,000		80,000
19-7077	Prof Services - Engineering	100,000		100,000
19-7078	Prof Services Chemical Analysis	20,000		20,000
19-7079	Prof Services - Other Bill	20,000		20,000
19-7080	Prof Services - AGP Video	20,000		20,000
19-7081	Prof Services - GB Bill	22,000		22,000
19-7082	Prof Services - Computer Support			0
19-7087	WDR & SSMP District Expenses	15,000		15,000
19-7089	Rate Study	5,000		5,000
19-7090	Management Review	78,000		78,000
19-7095	Zone 1/1A Agreement	30,000		30,000
Total Administrative Costs		757,300		877,300
Disposal Services				
19-7085	Solids Handling	60,000		60,000
19-7086	Brine Disposal Expenses	5,000		5,000
Total Disposal Services		65,000		65,000
Utilities				
19-7091	Utilities - Electricity	180,000		180,000
19-7092	Utilities - Gas	10,000		10,000
19-7093	Utilities - Rubbish	1,800		1,800
19-7094	Utilities - Water	1,500		1,500
Total Utilities		193,300		193,300

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
FY 2015/16 BUDGET**

Fund 19 - Operating Fund		FY 15-16 BUDGET		
Maintenance, Tools & Replacements				
19-7060	Ocean Outfall Maintenance	40,000		40,000
19-8015	Trunk and Sewer Minor Maintenance	25,000		25,000
19-8030	Equip Maint Reg and Minor Replac	100,000		100,000
19-8032	Automotive Maintenance	8,000		8,000
19-8055	Tools	13,000		13,000
19-8060	Structure Maintenance - Regular	50,000		50,000
19-8061	Structure Maintenance - Major	45,000		45,000
Total Maintenance, Tools &		281,000		281,000
Materials, Services and Supplies				
19-6085	Temporary Labor Services	7,000		7,000
19-7025	Employee Uniforms	15,000		15,000
19-7032	Equipment Rental - other	6,000	19,000	25,000
19-8020	Gas and Oil	10,000		10,000
19-8035	Household Expense	4,000		4,000
19-8040	Laboratory Supplies	15,000		15,000
19-8045	Office Supplies and Expense	8,500		8,500
19-8050	Plant Chemicals	175,000		175,000
19-8056	Safety Supplies	10,000	5,000	15,000
Total Materials, Services and Supplies		250,500	24,000	274,500
Training, Education & Memberships				
19-7050	Membership/Seminar/Meeting	25,000	5,000	30,000
Total Training, Education & Memberships		25,000	5,000	30,000
Total Operating Expenditures		2,856,152		3,005,152
Capital Outlay				
19-8010	Capital Equipment	15,000		15,000
Total Capital Outlay		15,000		15,000
Other Financing Sources & Uses				
19-4005	Prior year's budget carryover	1,638,959	(149,000)	1,489,959
19-8079	Transfer out to fund 26	(1,080,000)		(1,080,000)
Total Other Financing Sources & Uses		558,959		409,959
Total Uses		3,430,111		3,430,111
Budget Income (Deficit)		-190,298		-190,298
Fund 19 Balance		1,448,661		1,448,661
Notes:				

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
FY 2015/16 BUDGET**

Fund 20 - Expansion Fund		FY 2015-16 BUDGET		
		Approved 09/16/15	Proposed Adj.	Adjusted Budget
Revenues				
Gross Revenues				
Connection Fees				
20-4010	Arroyo Grande Connections	80,000		80,000
20-4020	Grover Beach Connections	30,000		30,000
20-4030	OCSD Connections	10,000		10,000
Total Connection Fees		120,000		120,000
Interest				
20-5015	Interest Income	5,200		5,200
Total Interest		5,200		5,200
Total Revenues		125,200		125,200
Expenditures & Other Uses				
Other Charges				
20-7096	Cogeneration EISA - Debt Prin	76,000		76,000
Total Other Charges		76,000		76,000
Capital Outlay				
20-8010	Capital Equipment	534,854		534,854
20-8015	Pipeline Repair			0
20-8065	Structure/Grounds Replaceme	0		0
20-7080	Redundancy Project	35,000		35,000
20-7090	Water Recycling Study	40,000		40,000
Total Capital Outlay		685,854		685,854
Other Financing Sources and Uses				
20-4005	Uses fo Fund Bal. Avail.			
Total Uses		(609,854)		(609,854)
Budget Income (Deficit/Use of Fund Balance)		(560,654)		(560,654)

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
FY 2015/16 BUDGET**

Fund 26 - Replacement Fund		FY 2015-16 BUDGET		
		Approved 09/16/15	Proposed Adj.	Adjusted Budget
Revenues				
Gross Revenues				
Interest				
26-5015	Interest Income			
Total Interest				
Other Revenues				
26-5040	Transfer from Fund 19	1,080,000		1,080,000
26-5040	Transfer from Fund 20			
Total Other Revenues				1,080,000
Total Revenues		1,080,000		1,080,000
Expenditures & Other Uses				
26-8015	Trunk Sewer Maintenance	80,000		80,000
26-8061	Structures/Grounds Maint-Maj	0		
26-8065	Structures/Grounds Repl/Imp	600,000		600,000
26-8070	Emergency Equipment Repair	400,000		400,000
Total Expenditures		1,080,000		1,080,000
Total Uses		0		1,080,000
Budget Income (Deficit/Use of Fund Balance)		0		

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
RESOLUTION NO. 2016 – XXX**

**A RESOLUTION AMENDING
THE FY 2015-16 BUDGET AT MID YEAR**

WHEREAS, the Board of Directors has previously adopted a 2015-2016 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 included in the 2015-2016 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 2015-2016 budget shall be amended as follows:

1. Account 19-7032 Equipment Rental Other: Increase to the budget line item by \$19,000 for a total budget of \$25,000. This adjustment come from Account 19-4005 Prior Year Budget Carryover.
2. Account 19-7050 Membership/Seminars/Meetings: Increase to the budget line item by \$5,000 for a total budget of \$30,000. This adjustment will come from Account 19-7005 Advertisement/Legal and Recruitment.
3. Account 19-7071 Professional Services- Attorney Fee: Increase to the budget line item by \$130,000 for a total budget of \$178,000. This adjustment will come from Account 19-4005 Prior Year Budget Carryover.
4. Account 19-8056 Safety Supplies: Increase to the budget line item by \$5,000 for a total budget of \$15,000. This adjustment will come from Account 19-7005 Advertisement/Legal and Recruitment.

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 second day of March 2016.

John Shoals, Chair

ATTEST:

John Clemons, Acting District Administrator

APPROVED AS TO FORM:

Gilbert Trujillo, District Legal Counsel



SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

Post Office Box 339 Oceano, California 93475-0339

1600 Aloha Oceano, California 93445-9735

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

www.sslocsd.org

To: Board of Directors
From: John Clemons, Interim District Administrator
Date: March 2, 2016

Subject: Re-Scoped Recycled Water Facilities Planning Study (RWFPS)

RECOMMENDATION

Staff recommends that the Board of Directors approve the re-scoped Recycled Water Facilities Planning Study (RWFPS) and direct Staff to proceed with the study as described in the attached Scope of Work.

BACKGROUND

The original scope of work, developed by the SSLOCSD and the City of Arroyo Grande (City) evaluated potential opportunities for a Satellite Water Resources Recovery Facility (SWRRF) including an investment analysis of the SWRRF concept. The Investment Analysis determined that the SWRRF concept was not cost effective and consequently the SSLOCSD and the City requested that the remaining budget for the RWFPS, including the RWFPS grant funds, be utilized to evaluate alternate recycled water options.

DISCUSSION

At the request of SSLOCSD and the City, WSC prepared the attached updated scope of work to utilize the remaining grant funding to evaluate the potential for two perspective recycled water alternatives. These alternatives include: upgrades at the existing Wastewater Treatment Plant (WWTP) to provide water for agriculture irrigation and/or groundwater recharge; and construction of an off-site Advanced Treatment Facility to provide water for groundwater recharge.

WSC has contacted the State Water Board representatives to ask if we would need to amend our grant application in any way. Water Board Staff indicated that as long as we were pursuing a recycled water study, there would be no need to amend our grant application.

The updated scope of work will provide the District with an engineering and economic evaluation of the potential for advanced treatment upgrades at the existing WWTP and at an offsite location. The findings from this analysis and along with input received from the Coastal

Commission will provide the District with the necessary information to help identify the preferred alternative for a future recycled water program.

FISCAL CONSIDERATIONS

In development of the updated scope work, WSC determined that it could be completed within the remaining budget for the Recycled Water Facilities Planning Grant. The grant will match 50% of the District and the City of Arroyo Grande's cost for the study, up to \$75,000. Obtaining the grant funding, however, requires that the District complete the Draft and Final RWFPS, according to the SWRCB's requirements.

OPTIONS

1. Accept staff recommendation.
2. Provide other direction to staff.

Best Regards,

John Clemons III
Superintendent/Interim District Administrator

Attachment
SSLOCSO Recycled Water Facilities Planning Study Re-Scoping.

SSLOCSD RECYCLED WATER FACILITIES PLANNING STUDY RE-SCOPING

The following is an updated scope of work, fee, and schedule for the South San Luis Obispo County Sanitation District (SSLOCSD) Recycled Water Facilities Planning Study (RWFPS). The original scope of work, developed by the SSLOCSD and the City of Arroyo Grande (City), evaluated potential opportunities for a Satellite Water Resource Recovery Facility (SWWRF) including an Investment Analysis (i.e. a preliminary evaluation) of the SWRRF concept. The Investment Analysis determined that the SWRRF concept was not cost effective and consequently the SSLOCSD and the City requested that the remaining budget for the RWFPS be utilized to evaluate alternate recycled water options.

At the request of the SSLOCSD and the City, WSC prepared the following updated scope of work to utilize remaining grant funding to evaluate the potential for two prospective recycled water alternatives. These alternatives include: Advanced Treatment Facility upgrades at the existing SSLOCSD Wastewater Treatment Plant (WWTP) to provide water for agriculture irrigation and/or groundwater recharge; and an Offsite Advanced Treatment Facility to treat secondary effluent from the SSLOCSD WWTP and provide additional water to recharge the Santa Maria Groundwater Basin.

Re-scoping the RWFPS to include these two alternatives will allow the SSLOCSD and the City to evaluate the potential for advanced treatment upgrades at both the existing WWTP and at an offsite location. This analysis, combined with anticipated feedback from permitting agencies (the Coastal Commission, the Regional Water Quality Control Board (RWQCB), and other regulatory agencies) regarding the SSLOCSD's ability to obtain permits for infrastructure upgrades at the existing WWTP, will help the SSLOCSD and its member agencies (i.e. City of Arroyo Grande, Grover Beach and the Oceano Community Services District) identify the best path forward for developing a SSLOCSD recycled water program to improve water supply reliability for Southern San Luis Obispo County.

Task 2 - Recycled Water Facilities Planning Study

2.1 Project Management

2.1.1 Project Administration

2.1.1.1 Project schedule

- Prepare project schedule and update as-required based upon actual progress and SSLOCSD direction. Submit revised schedules to the SSLOCSD as necessary.

2.1.1.2 Progress reports

- Prepare progress reports to be submitted with each monthly invoice. The reports will include: 1) summary of activities accomplished in the current month; 2) outstanding information and/or coordination needs; and 3) schedule updates.

Deliverable: WSC will provide a preliminary project schedule at the Kickoff Meeting and will provide updated project schedules as-needed throughout the project. WSC will provide monthly progress reports with project invoices.

2.1.2 Kickoff Meeting

- It is assumed that there will be no Kick-off Meeting for the Re-scoping.

2.1.3 Workshops

2.1.3.1 Workshop #1: Conceptual Alternatives Development

- (1) Plan, schedule and lead a workshop with SSLOCSD, member agencies and regional stakeholder agency staff to review proposed recycled water alternatives, including use type, treatment, storage, and distribution. The workshop is anticipated to include the following topics:
 - (a) Review water supplies and characteristics (Task 2.3)
 - (b) Review wastewater characteristics and facilities (Task 2.4)
 - (c) Review treatment requirements (Task 2.5)
 - (d) Review recycled water market/opportunities (Task 2.6)
 - (e) Review legal, permitting and environmental criteria (Task 2.7)
 - (f) Review planning and design assumptions (Task 2.8.1)
 - (g) Develop two (2) conceptual recycled water alternatives: one onsite; and one offsite recycled water alternative
 - (h) Develop non-recycled water alternative
- (2) Budget is based on a 3-hour workshop attended by WSC's Principal, Associate Engineer I and Assistant Engineer.

2.1.3.2 Workshop #2: Alternatives Evaluation and Screening

- (1) Coordinate a workshop with SSLOCSD, member agencies and regional stakeholder agency staff to evaluate and screen each of the conceptual alternatives developed in Workshop #1, and to develop/select a preferred alternative for treatment, storage and distribution.
- (2) Develop screening/evaluation criteria for the conceptual alternatives, including:
 - (a) Cost (capital, O&M, NPV, EAC and \$/AF)
 - (b) Water supply benefits
 - (c) Water quality considerations
 - (d) Flexibility, expandability
 - (e) Sequencing/phasing/schedule considerations
 - (f) Consistency with project goals/objectives
- (3) Evaluate and compare the conceptual alternatives by applying the selected screening/evaluation criteria

- (4) Select the preferred project alternative, which may combine aspects/components of more than one conceptual alternative
- (5) Budget is based on a 3-hour workshop attended by WSC's Principal, Associate Engineer I and Assistant Engineer.

Deliverable: WSC will provide agenda and meeting materials at least three (3) working days prior to each workshop and will provide summary notes with action items within three (3) working days following the meeting.

2.1.4 Deliverable Review Meetings

2.1.4.1 Deliverable Review Meeting #1: Draft Recycled Water Facilities Planning Study

- (1) Plan, schedule and lead a meeting to review the draft recycled water facilities planning study
- (2) Budget is based on a 2-hour meeting attended by WSC's Principal, Associate Engineer I, and Assistant Engineer.

2.1.4.2 Deliverable Review Meeting #2: Final Draft Recycled Water Facilities Planning Study

- (1) Plan, schedule and lead a meeting to review the final draft recycled water facilities planning study
- (2) Budget is based on a 2-hour meeting attended by WSC's Principal, Associate Engineer I, and Assistant Engineer.

Deliverable: WSC will provide agenda and meeting materials at least three (3) working days prior to the meeting and will provide notes with action items within three (3) working days following the meeting.

2.2 Background

2.2.1 Study Area

- Prepare a summary of the Study Area that includes:
 - (1) Narrative description of the Study Area
 - (2) Descriptive maps and diagrams showing vicinity, jurisdictional boundaries, proposed annexation areas, regional topography/geography, groundwater basin boundaries, hydrologic features, and current and projected land use.

2.2.2 Goals and Objectives

- Summarize goals and objectives defined during the Kickoff Meeting.

2.3 Water Supplies and Characteristics

2.3.1 Water supply characteristics

- Summarize current and projected water supplies for the member agencies based on 2010 Urban Water Management Plans (2010 UWMPs) and NCMA Technical Group (TG) Annual Reports.

- For each water supply source, summarize:
 - (1) Source characteristics
 - (2) Capacities of existing facilities
 - (3) Wholesale agencies and delivery mechanisms
 - (4) Fixed and variable costs
 - (5) Management considerations including reliability
 - (6) Water quality considerations
- Water Pricing - Summarize the current water rate structures for the member agencies and any planned or upcoming rate increases.

2.3.2 Water Demand Characteristics

- Summarize current and projected water demand from 2010 UWMPs and NCMA TG Annual Reports.

2.4 Wastewater Characteristics and Facilities

2.4.1 Existing Facilities

- Describe existing wastewater treatment plant facilities including capacity, current flows, description of treatment processes and design criteria. It is assumed that this information will be readily available from previous documents.
- Summarize the SSLOCS's existing waste discharge requirements
- Characterize current and projected future influent flows. It is assumed that flow projection estimates will be available from previous studies.
- Characterize current effluent water quality including any seasonal variation
- Summarize source(s) of industrial or other problem constituents (including high-TDS infiltration) and control measures
- Summarize current wastewater flow variations including peaking factors for maximum month (MM), maximum day (MD), peak hour wet weather flow (PHWWF)
- Describe existing recycling including users, quantities, and contractual and pricing arrangements (none expected)
- Summarize existing rights to use of treated effluent after discharge (none expected)

2.4.2 Future Facilities

- Outline expected future waste discharge requirements, based on conversations with the SSLOCSD, member agency and regional stakeholder agency staff, review of the Basin Plan, and meetings with SSLOCSD, member agencies and regional stakeholder agency staff and the Regional Water Quality Control Board. In evaluating advanced treatment facilities, it will be assumed that the Redundancy Project will be completed and that information on anticipated treated effluent quality will be provided by the Redundancy Project consultant.
- Describe plans for new wastewater treatment facilities to achieve regulatory compliance

2.5 Treatment Requirements

2.5.1 Recycled Water Quality Requirements

- Describe required water qualities and/or treatment requirements for each category of potential recycled water use. It is assumed that the RWFPS will only include on Title 22 unrestricted irrigation and groundwater recharge and extraction.
- Describe regulatory requirements for recycled water including Title 22 unrestricted irrigation, and groundwater recharge
- Describe Basin Plan requirements for recycled water use
- Describe water quality related requirements of the RWQCB to protect surface or ground water from problems resulting from recycled water
- Describe operational and on-site requirements for recycled water (such as backflow prevention, buffer zones, etc.)

2.6 Recycled Water Market/Opportunities

2.6.1 Update Market Analysis

- Obtain and review information on potential recycled water customers. The market analysis for the RWFPS will focus on potential agriculture irrigation customers in close proximity to the existing SSLOCSD WWTP and potential potable reuse customers from an Indirect Potable Reuse groundwater recharge and extraction system. Estimates of potential agriculture demand will be obtained from the Regional Recycled Water Strategic Plan, NCMA Annual Reports and other recent relevant documents. Estimates of potential opportunities for groundwater recharge and extraction will be obtained from the Pismo Beach Recycled Water Facilities Planning Study, the Pismo Beach Regional Groundwater Sustainability Project (RGSP), and the upcoming Oceano Community Services District Groundwater Recharge Study (Recharge Study).
- Describe validation and market analysis methodology. For each identified user or category of potential user, summarize type of use, expected annual use, peak use, estimated internal capital investment required (on-site conversion costs), needed water cost savings, desire to use recycled water, date of possible initial use of recycled water, present and future source(s) of water and quality of use, quality and reliability needs and wastewater disposal methods.

2.6.2 Preliminary Market Assurances

- Contact a representative sample of potential future recycled water users and obtain preliminary market assurances. It is anticipated that WSC would develop a plan to identify potential agricultural customers and utilize analysis from the RGSP and the Recharge Study of potential groundwater recharge locations to determine the regional demand for recycled water. It is assumed that the SSLOCSD and the member agencies will assist in contacting and evaluating interested potential users of recycled water for agricultural irrigation.
- Develop map of proposed service area based on results of market assessment.

2.7 Legal, Permitting and Environmental Criteria

2.7.1 Tentative Water Recycled Requirements of RWQCB

- Contact RWQCB to obtain preliminary requirements for development of a recycled water treatment, conveyance, recharge and/or distribution systems for agriculture irrigation.

2.7.2 Permitting Requirements

- Identify and summarize the probable permitting requirements for implementing recycled water projects. Utilize previously completed recycled water studies as the basis for developing the summary of probable permitting requirements.
- It is assumed that the SSLOCSD, member agencies and regional stakeholder agency staff will take the lead in coordinating with the RWQCB.

2.7.3 Water Rights Considerations

- Summarize potential water rights impacts that the development of the recycled water program could have on the NCMA Agencies. It is assumed that findings from the RGSP will be leveraged to evaluate potential water rights considerations for the SSLOCSD and its member agencies.

2.7.4 Environmental Documentation Requirements (CEQA)

- Research and summarize the necessary environmental documentation requirements to implement a recycled water program.

2.8 Project Alternatives Analysis

2.8.1 Planning and Design Assumptions

- Develop relevant planning and design assumptions and criteria that will be used when evaluating project alternatives. These assumptions should include:
 - (1) System flow and pressure criteria
 - (2) Peak delivery criteria
 - (3) Storage criteria
 - (4) Cost basis: key assumptions; cost index; cost escalation and contingency factors; discount rate; evaluation term for present worth analysis; etc.
 - (5) Planning period

(6) Conceptual infrastructure design criteria

2.8.2 Conceptual Alternatives Development

- Develop representative conceptual treatment and conveyance facilities as required for each of the following recycled water alternatives:
 - (1) Full Advanced Treatment at the existing WWTP to produce water for agriculture irrigation (tertiary treated only) and/or groundwater recharge and extraction (advanced purified water)
 - (a) Analysis of the required recycled water upgrades and beneficial use opportunities will be based on findings from previously completed studies (e.g. Regional Recycled Water Strategic Plan; Water Recycling Update Report; etc.)
 - (2) Full Advanced Treatment at an Offsite Facility to produce water for groundwater recharge and extraction (advanced purified water)
 - (a) Analyze a potential offsite Advanced Treatment Facility to treat effluent from the existing SSLOCSD WWTP and provide water for groundwater recharge and extraction. This evaluation will focus on the potential for a stand-alone SSLOCSD facility, but will consider the option of a combined offsite Advanced Treatment Facility to treat flows from SSLOCSD and Pismo Beach.
- Each conceptual alternative will include:
 - (1) Narrative description including summary of required treatment processes and conveyance infrastructure and summary of pros, cons and/or key considerations
 - (2) Simplified process flow diagram
 - (3) Conceptual location and layout
 - (4) Preliminary estimates of capital and O&M cost, net present value, equivalent annual cost, and cost per acre-foot of supply
- Hydrogeological Evaluation
 - (1) Analyze the potential facility requirements (i.e. inject wells, percolation ponds, production wells, monitoring wells) and beneficial use yields (AFY of potable water) for a groundwater recharge and extraction program for SSLOCSD and its member agencies. It is assumed that this analysis will leverage findings from the Pismo Beach Recycled Water Facilities Planning Study and the RGSP and incorporate analysis from the Recharge Study. This study does not include scope for additional hydrogeologic evaluation.

2.8.3 Non-recycled Water Alternative

- Review the following previously completed studies to identify a preferred non-recycled water supply alternative:
 - (1) 2010 Urban Water Management Plan (WSC, 2011)
 - (2) Lopez Lake Spillway Raise Project (Stetson 2012)

- (3) Desalination Water Supply Study (Wallace 2006)
 - (4) City of Arroyo Grande Water Supply Alternative Study (Wallace 2004)
 - (5) South San Luis Obispo County Desalination Funding Study (Wallace 2008)
 - (6) Coastal Branch Capacity Assessment (WSC 2011)
 - (7) DCPD Desalination Hydraulic Feasibility Study (WSC 2015)
 - (8) Other relevant water supply studies
- Summarize existing estimates, when available, for capital and O&M cost, net present value, equivalent annual cost, and cost per acre-foot of the non-recycled water supply based on previously completed studies.

2.8.4 Water Conservation/Reduction Analysis

- Summarize the member agencies' current and future plans for water conservation. WSC will utilize 2010 UWMPs, NCMA TG reports, and other available resources as the basis for a water conservation summary.

2.8.5 No Project Alternative

- Evaluate the no project alternative and include in alternatives analysis.

2.8.6 Conceptual Alternatives Analysis

- Summarize the outcome from Workshop #2 including:
 - (1) Screening/evaluation criteria
 - (2) Results from the screening/evaluation
 - (3) Preferred conceptual alternatives

2.9 Recommended Facilities Project Plan

2.9.1 Preferred Alternative

- Develop preliminary design criteria and refined pipeline routes for the preferred alternative
- Prepare updated maps, figures, process flow diagram(s), and layouts to reflect the preferred treatment, distribution and storage alternatives
- Update cost estimates based on final configuration and considering expected time of construction
- Prepare list of all potential users, quantity of recycled water use, peak demand and commitments obtained to-date
- Compare reliability of the recycled water facilities to the user requirements
- Summarize on-site improvements required including cost
- Prepare a schedule for the implementation of the recycled water project that includes design and construction of the treatment plant upgrades and construction of the distribution system infrastructure. Provide phasing considerations/recommendations in the preferred project plan.

2.10 Stakeholder Involvement

2.10.1 Stakeholder Outreach

- Conduct stakeholder meetings to coordinate project objectives, elements, etc. Document stakeholder outreach efforts.
- Budget based on three (3) 1-hr meetings attended by WSC's Principal and Associate Engineer I.

2.10.2 Public Outreach

- Provide project updates at public meetings as requested by the SSLOCSD, including preparation of an explanatory presentation and/or graphics presenting the analysis and/or conclusions contained within the Recycled Water Facilities Planning Study.
- Document public outreach efforts.
- Budget based on two (2) 1-hr meetings attended by WSC's Principal and Associate Engineer I.

2.11 Implementation Plan

2.11.1 Coordination and Governance

- Determine needed agreements and ordinances for implementing a preferred alternative recycled water system.
- Evaluate recycled water mandatory use ordinances and provide SSLOCSD with recommended course of action.
- Prepare a draft user contract for connecting customers.

2.11.2 Construction Financing Plan and Revenue Program

- Prepare funding plan that outlines sources and timing of funds for design and construction.
- Summarize pricing policy recommendations for recycled water
- Evaluate costs that can be allocated to water pollution control and/or water supply reliability
- Develop criteria and annual projections for:
 - (1) Water prices for each user or category of users
 - (2) Recycled water used by each user
 - (3) Annual costs (required revenue) of recycling project
 - (4) Allocation of costs to users
 - (5) Unit costs to serve each user or category of users
 - (6) Sensitivity analysis assuming portion of potential users fail to use recycled water

2.11.3 Detailed Schedule

- Develop a detailed schedule for the implementation of the recycled water project that includes design and construction, critical milestones from the financing and revenue program and on-site customer improvements.

2.12 Prepare Recycled Water Facilities Planning Study

2.12.1 Prepare Draft Recycled Water Facilities Planning Study

- Prepare draft Executive Summary and compile draft report including title page(s), acknowledgements, table of contents, list of figures, list of tables, draft chapters, reference list and appendices.

Deliverable: Draft Recycled Water Facilities Planning Study

2.12.2 Final Draft Recycled Water Facilities Planning Study

- Prepare Final Draft Recycled Water Facilities Planning Study based on comments received from the SSLOCS and any identified stakeholders on the draft Recycled Water Facilities Planning Study

Deliverable: Final Draft Recycled Water Facilities Planning Study

2.12.3 Final Recycled Water Facilities Planning Study

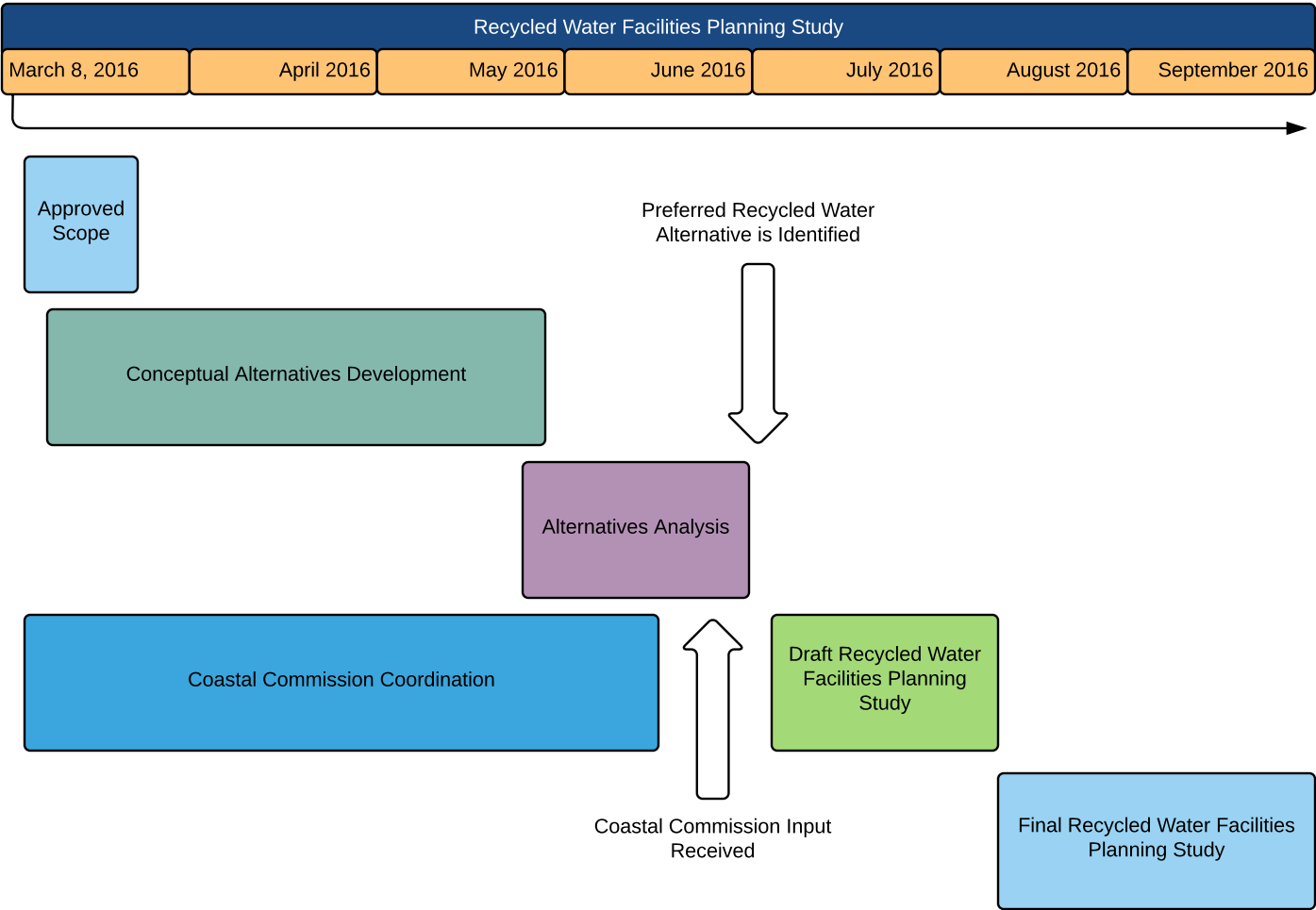
- Prepare Final Recycled Water Facilities Planning Study based on comments received from the SSLOCS on the Final Draft Recycled Water Facilities Planning Study.

Deliverable: Final Recycled Water Facilities Planning Study

Deliverable Summary

Task	Deliverable Description	Format/Copies	Due Date
2.1.1	Project Schedule	Emailed PDF and 11x17 hardcopies for all meeting attendees	At Kickoff Meeting and revised as-needed
2.1.2	Kickoff Meeting Agenda and Minutes	Emailed PDF	See project schedule
2.1.3	Workshops #1 and #2 Agenda and Minutes	Emailed PDF	See project schedule
2.1.4	Deliverable Review Meetings #1 and #2 Agenda and Minutes	Emailed PDF	See project schedule
2.12.1	Draft Recycled Water Facilities Planning Study	Emailed PDF and four (4) hardcopies	See project schedule
2.12.2	Final Draft Recycled Water Facilities Planning Study	Emailed PDF and four (4) hardcopies	See project schedule
2.12.3	Final Recycled Water Facilities Planning Study	Emailed PDF and four (4) hardcopies	See project schedule

SSLOCSD Recycled Water Project Schedule Outline



February 19, 2016

Mrs. Amy Simpson
Bookkeeper/Secretary
South San Luis Obispo County Sanitation District
Post Office Box 339
Oceano, California 93475-0339

RE: Property/Liability Longevity Distribution

Dear Mrs. Simpson,

On February 3, 2016, the SDRMA Board of Directors approved a longevity distribution for the seventh year in a row. The Longevity Distribution Policy was adopted by the Board to recognize and reward members for their loyalty and commitment to SDRMA programs. The policy is consistent with the goals and objectives of the Board's strategic business plan and helps ensure pool stability by rewarding members for remaining in our Property/Liability and Workers' Compensation programs.

This year, the Board approved a longevity distribution in the amount of \$856,492 for Property/Liability members and \$327,076 for Workers' Compensation members. For the Property/Liability program, over 90% of members will receive the distribution credit and for the Workers' Compensation program, over 86% of members will receive the distribution credit.

Congratulations! Since you have participated in our Property/Liability Program for 16 years as of June 30, 2015, your agency will receive a longevity distribution credit on your 2016-17 renewal invoice in the amount of \$2,228. We encourage you to share this valuable news with your governing body!

There is no action required by your agency. Every member that has completed the 3 full program year initial commitment period for the Property/Liability program is eligible to receive a longevity distribution credit when they renew coverage. The longevity distribution may be declared by the Board of Directors each year only after all Board policy reserve requirements have been met. The amount available for the longevity distribution is the amount of investment earnings on reserves above the Board approved confidence level for each program as of June 30. The distribution is weighted based on the member's length of time in that program and the amount of the member's annual contributions compared to the total contributions of all pool members.

REMINDER – We hope to see you at our Annual Membership Meeting and Safety/Claims Education Day on March 29, 2016 at the Newport Beach Marriott Hotel and Spa! Visit our website, www.sdrma.org and click on "Register for a training workshop" in the right-hand column for more information.

Thank you for your participation and helping make SDRMA a premier risk management provider! If you have any questions, please contact the SDRMA Finance Department at 800.537.7790 or 916.231.4141.

Sincerely,
Special District Risk Management Authority



David Aranda, President
Board of Directors