



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

***** NOTICE OF SPECIAL MEETING AND AGENDA *****

BOARD OF DIRECTORS MEETING

City of Arroyo Grande, City Council Chambers

215 East Branch Street

Arroyo Grande, California 93420

Friday September 25, 2015 at 1:00 P.M.

Board Members

Jim Hill, Chair

John Shoals, Vice Chair

Matthew Guerrero, Director

Agencies

City of Arroyo Grande

City of Grover Beach

Oceano Community Services District

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 COMMENTS ON ITEM 3A AND 3B

Pursuant to the Brown Act, at special meetings members of the public may only address the Board on matters set forth within the agenda. Therefore, please limit comments accordingly.

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.

3. BOARD ACTION ON INDIVIDUAL ITEMS:

3A. CONSIDERATION OF CONTRACT FROM OCSD THAT WAS DISCUSSED AT THE MEETING OF SEPTEMBER 2, 2015

Staff recommends that the Board (1) review the action taken at the September 2, 2015 meeting and if consistent with the intent of the Board, sign the attached OCSD Billing Services Agreement that was referred to in the agenda and staff report on this matter for the Board's September 2, 2015 Board Meeting and (2) authorize the Interim District Administrator (DA) to provide total payment to OCSD in the amount of \$7,332.00 as required in the contract. Although the contents of this Billing Services Agreement were discussed at the September 2, Board Meeting, and the Board has stated that it intended to approve the contract at that time, the contract itself was inadvertently left out of the staff report.

3B. (1) APPROVAL OF THE CORRECTION TO THE JOB DESCRIPTION FOR DISTRICT ADMINISTRATOR

Staff recommends that the Board review and approve by resolution the correction to the job classification title of District Administrator.

(2) APPROVAL OF CONTRACT FOR INTERIM DISTRICT ADMINISTRATOR THAT WAS DISCUSSED AT THE MEETINGS OF SEPTEMBER 02, 2015 AND SEPTEMBER 16, 2015

Staff recommends the Board review and approve Interim District Administrator John Clemons' contract.

4. ADJOURNMENT



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To: Board of Directors

From: John Clemons

Date: September 21, 2015

Subject: Staff Report

RECOMMENDATION

Staff recommends that the Board (1) review the action taken at the September 2, 2015 meeting and if consistent with the intent of the Board, sign the attached OCSD Billing Services Agreement that was referred to in the agenda and staff report on this matter for the Board's September 2, 2015 Board Meeting and (2) authorize the Interim District Administrator (DA) to provide total payment to OCSD in the amount of \$7,332.00 as required in the contract. Although the contents of this Billing Services Agreement were discussed at the September 2, Board Meeting, and the Board has stated that it intended to approve the contract at that time, the contract itself was inadvertently left out of the staff report.

BACKGROUND

The following is a timeline of events related to OCSD billing.

8/19/15 SSLOCSD Board Meeting - The SSLOCSD DA indicates that OCSD has offered the Short Term Agreement for Billing Services. SSLOCSD Board of Directors approves the agreement authorizing payment of \$3666 to OCSD. Terms were stated to be \$3666 for current cycle billing, plus billing for the immediately past cycle not previously billed, plus collection for new connections, all included in the \$3666, however there would be additional incidental charges (represented to be relatively minor) for including the previous cycle billing.

8/20/15 - The SSLOCSD District Administrator (DA) sends letter outlining these terms to OCSD General Manager (GM) requesting consideration during 8/26/15 OCSD meeting.

8/26/15 OCSD Board Meeting - Discussion among OCSD Board indicate that the terms of agreement presented to the SSLOCSD Board (i.e., "Short Term Billing Agreement") were not those offered by OCSD, instead the Billing Services Agreement was being considered by

OCSD at that time. OCSD Board votes 3-2 to present Billing Services Agreement (with August date) to SSLOCSO. Terms include \$7332 for current and past cycle, plus \$3666 per cycle going forward for one year subject to 60 day opt-out clause. The SSLOCSO Chairman Hill, Director Guerrero, and the SSLOCSO DA; Rick Sweet are in attendance at this OCSD meeting. SSLOCSO Director Shoals was not present.

9/2/15 SSLOCSO Board Meeting - An aggregation of past staff reports and documents are presented in the current staff report for OCSD Billing in the Board packet. Among those documents is the Short Term Billing Agreement, still bearing July date. The Billing Services Agreement recently received from OCSD is presented as a late add to the agenda material. The discussion includes the Billing Services Agreement. The Billing Services Agreement is not included in the Board packet. Later it is described as having "30 day termination". Director Shoals notes that OCSD has "come back with another agreement" (other than the Short Term Billing Agreement originally discussed at 8/19 meeting). Director Guerrero's comments indicate he has in mind recent Billing Services Agreement presented as late add to packet. Motion made by Director Shoals to approve "this Short Term Billing Agreement". Second is made by Director Guerrero, apparently with the understanding the motion is referring to Billing Services Agreement, as approved by OCSD. Motion passes 2-1 with a "no" vote being made by Chairman Hill who also understood the Billing Services Agreement was the subject of the motion.

Several individuals, who must have also thought the motion was to approve the Billing Services Agreement as discussed prior to the motion and vote, inquire of the Director Shoals after the meeting regarding his vote to support that. Director Shoals responds the motion only intended a single payment for one prior billing cycle. This would be consistent with the Short Term Billing Agreement discussed and approved at the prior meeting but rejected by OCSD, not the Billing Services Agreement that was currently offered by OCSD.

9/5/15 - Staff then took the Billing Service Agreement to the Chairman Hill, who still understood it to have been the subject of the motion and successful vote. Chairman Hill signed the Billing Services Agreement on that basis.

9/16/15 SSLOCSO Board Meeting - Director Shoals sees proposed \$7332 payment to be made pursuant to Billing Services Agreement and pulls that warrant from the Warrant Register because 'that was not what he agreed to'. Both Chairman Hill and Director Guerrero are surprised as the proposed payment is consistent with the Billing Services Agreement that they both understood to be the subject of the motion and successful vote at the 9/2 Board meeting.

DISCUSSION

During the September 2, 2015 SSLOCSO Board Meeting, the proposed Billing Services Agreement, from OCSD was added to the Board Pack after the Packet had been distributed and published. As a result, many packets did not include the written Billing Services Agreement which was currently being offered by OCSD. However, the Short Term Billing Agreement (which was no longer being offered) was included in every package for background reference.

During Board discussion the only written contract available in Director Shoals packet, was the Short Term Agreement that was no longer available for approval. Director Shoals stated, “This Short Term Agreement”, in his motion to approve. The other two Directors understood the motion to be on the Billing Agreement which was currently being offered by OCSD (both Board Members had been present at the OCSD Board Meeting in which the agreement was approved by the OCSD Board).

The SSLOCSB Board of Directors needs to review the motion and vote to determine if the result of the vote taken at the 9/2 Board meeting was truly what the Board intended. The vote result from September 2nd should be disqualified because the Short Term Agreement was not being offered or presented for consideration.

OPTIONS

1. Discuss current OCSD “Billing Services Agreement” and vote to approve.
2. Do not approve “Billing Services Agreement” from OCSD.
3. Direct Staff to investigate other options to collect revenue from OCSD residents.
4. Modify “Billing Services Agreement” and direct staff to present modified agreement to OCSD.

Attachment: A. Billing Services Agreement
 B. Short Term Billing Agreement



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

BILLING SERVICES AGREEMENT

This Billing Services Agreement ("Agreement") is entered into day of September __, 2015, between the SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT ("Sanitation District") and OCEANO COMMUNITY SERVICES DISTRICT ("OCSD") (collectively "Parties").

WHEREAS, OCSD has historically provided routine billing services for the Sanitation District ratepayers living in Oceano; and

WHEREAS, on June 10, 2015, OCSD approved an agreement to continue to provide billing services to the Sanitation District; and

WHEREAS, the OCSD proposed agreement was not approved by the Sanitation District and OCSD ceased providing these services as of July 1, 2015; and

WHEREAS, the Sanitation District has not established a means to bill its customers resulting in a lapse of billing for the period from mid-May 2015 through mid-July 2015, which would have been included in the OCSD bills sent out after July 1, 2015, and due in August 2015; and

WHEREAS, the Sanitation District desires to again retain OCSD to provide routine bi-monthly billing services to the Sanitation District ratepayers on its behalf; and

WHEREAS, the Sanitation District also desires to have OCSD collect connection fees due the Sanitation District as independently determined and verified by the Sanitation District; and

WHEREAS, OCSD agrees to collect the connection fees upon the effective date of this agreement and to provide routine monthly billing services to the Sanitation District including retroactive billing for the period covering mid-May through mid-July, and referred herein as the "August 2015 billing cycle."

NOW THEREFORE, in consideration of the mutual agreements set forth herein, the Parties agree as follows:

1. **Services.** In return for payment of the Service Fee, and provided that the Sanitation District is not in breach of the Agreement, OCSD agrees, during the Term, to include in its billing statements the routine charges for services provided by the Sanitation District to Sanitation District ratepayers and as submitted to OCSD by the Sanitation District. OCSD will also commence collecting connection fees due the Sanitation District provided, however, that any and all such connection fees or other charges shall



Oceano Community Services District

be determined and verified by the Sanitation District together with the determination on whether any special conditions need to be established for said new connection, including but not limited to the determination of any Special Industrial Use Permits.

2. **August 2015 “Catch Up” Billing.** The Sanitation District shall pay to the OCSD the Service Fee plus additional costs incurred by OCSD for the Catch Up Billing, including but not limited to the cost of postage, and other additional costs that normally would not have been incurred if not for the lapse in billing. The Service Fee shall be due and payable upon execution of this Agreement. Upon receipt of the Service Fee, OCSD will bill Sanitation District ratepayers that were otherwise billed for Oceano services in the regularly sent August 2015 billing cycle. OCSD will deduct from revenues collected from Sanitation District customers the amount of postage and other additional costs for the Catch Up billing in determining the amount that OCSD remits to the Sanitation District. OCSD will provide an itemized accounting of all of such additional costs.
3. **Term.** The initial Term of this Agreement shall commence on August__, 2015, and unless earlier terminated as provided herein, shall continue thereafter for a period of one (1) year. Upon the expiration of the initial Term or renewal Term, as applicable, the Agreement shall renew for additional, consecutive renewal Terms for one year each, unless either party notifies the other party in writing at least sixty (60) days prior to the end of the then current Term.
4. **Fees.** The Sanitation District agrees to pay OCSD Three Thousand Six Hundred and Sixty Six Dollars (\$3,666) (“Service Fee”) for each two month billing cycle as follows: Upon the execution of this Agreement, the Sanitation District shall pay OCSD the Service Fee as provided in Section 2 of this Agreement. Thereafter, the Sanitation District shall pay the Service Fee, without notice or request, on or before the 15th day of September, November, January, March, May, and July of each Term or renewal Term.
5. **Termination.** The Sanitation District may terminate this Agreement, for any or no reason, upon sixty (60) days written notice to the OCSD. In addition, either party may terminate this Agreement by written notice if the other party commits a material breach of this Agreement and fails to cure such breach within thirty (30) days of receipt of a written said notice. Upon an event of Termination that occurs at any time other than the end of a Term, any services provided prior to the date of termination shall remain payable until paid in full.
6. **Suspension of Service.** In addition to any other rights under the Agreement, the Sanitation District agrees that OCSD may suspend services during any period that the



Oceano Community Services District

Sanitation District fails to pay amounts due under this Agreement. Upon suspension, any services provided prior to the date of suspension remain payable until paid in full.

7. **Time is of the Essence.** The Sanitation District must approve and execute this Agreement by September 18, 2015, and provide payment in the amount of \$3,666 for the August 2015 Billing Cycle in addition to \$3,666 for the subsequent billing cycle for a total of \$7,332 or this Agreement will be null and void.

IN WITNESS WHEREOF, DISTRICT and OCEANO COMMUNITY SERVICES DISTRICT have executed this Agreement the date first written above.

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

By: _____
Jim Hill, Chairman of the Board

Approved as to Form:

By: _____
_____, District Legal Counsel
South San Luis Obispo County Sanitation District

By: _____
Mary Lucey, President of the Board

Attest:

By: _____

Approved as to Form:

By: _____
Jeff Minnery, District Legal Counsel

SHORT-TERM AGREEMENT FOR BILLING SERVICES

THIS SHORT-TERM AGREEMENT FOR BILLING SERVICES ("Agreement") is made and effective as of the ____ of July, 2015 ("Effective Date") by and between the SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT, a county sanitation district ("SSLOCSD"), and OCEANO COMMUNITY SERVICES DISTRICT, a community services district ("OCSD") (collectively, the "Parties") at Arroyo Grande, California.

WHEREAS, OCSD has provided bi-monthly customer billing services ("Billing Services") to SSLOCSD rate payers within its jurisdiction for many years; and

WHEREAS, SSLOCSD desires that OCSD continue to provide these Billing Services on a short-term basis; and

WHEREAS, OCSD agrees to provide continued Billing Services to SSLOCSD as provided in this Agreement; and

WHEREAS, in good faith, the Parties agree to participate in negotiations with SSLOCSD and the other member agencies to negotiate terms of a long-term agreement to define standards, practices and costs to provide Billing Services; and

WHEREAS, the Parties understand and agree that Billing Services do not include any ancillary services such as billing for the collection of connection fees or other fees or costs that will be billed and collected directly by SSLOCSD.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. INCORPORATION OF RECITALS.

- 1.1 **Incorporation of Recitals.** SSLOCSD and OCSD agree the foregoing Recitals are true and correct and are hereby incorporated by reference.

2. SERVICES.

- 2.1 **Services.** OCSD agrees to continue to bill SSLOCSD customers who are also OCSD customers for the services provided by SSLOCSD to such customers and to remit payment received from the charges billed to SSLOCSD on a bi-monthly basis. It is the intention of the Parties that OCSD services pursuant to this paragraph shall be undertaken in the same manner and method as has been done in the past.
- 2.2 **Limitation on Services.** The Parties agree that Billing Services do not include any ancillary services such as billing for the collection of connection fees or other fees or costs that will be billed and collected directly by SSLOCSD.

3. **TERM.** The initial term of this Agreement shall begin on the Effective Date and shall continue until and including August 31, 2015 (“**Initial Term**”) and shall renew automatically for successive two (2) month terms (“**Subsequent Term(s)**”), unless terminated by either Party pursuant to Section 5.
4. **COMPENSATION.**
- 4.1 **Compensation.** SSLOCSD agrees to pay OCSD \$3,666.00 (“**Service Fee**”) on the following payment schedule. For the Initial Term, SSLOCSD shall pay OCSD \$3,666.00 on the Effective Date of this Agreement. For each Subsequent Term, SSLOCSD shall pay OCSD \$3,666.00 on the first day of each Subsequent Term. OCSD shall provide SSLOCSD with an invoice for the Service Fee at least fifteen (15) days before each payment is due.
5. **TERMINATION.**
- 5.1 **Termination Without Cause.** Either party may terminate this Agreement, for any or no reason, upon thirty (30) days written notice to the other party as provided in Section 7.2. In the event of a termination, the date of termination shall be deemed to be the first business day occurring after the expiration of the notice period.
- 5.2 **Termination With Cause.** Either party may terminate this Agreement by written notice (as provided in Section 7.2) if the other party commits a material breach of this Agreement and fails to cure such breach within thirty (30) days of receipt of said written notice. In the event of a termination, the date of termination shall be deemed to be the first business day occurring after the expiration of the notice period.
- 5.3 **Termination Upon Mutual Consent.** This Agreement may also be terminated by mutual consent of the Parties and in accordance with the terms and conditions of any plan of termination established by the Parties. In the event of a termination by mutual consent, the date of termination shall be such date as is agreed upon by the Parties. The Parties may agree to suspend or terminate a portion of this Agreement and such suspension or termination shall not make void or invalidate the remainder of this Agreement.
- 5.4 **Payment Upon Termination.** In the event this Agreement is terminated pursuant to this Section, OCSD shall reimburse SSLOCSD for the remaining balance already paid for Services through the end of the current term..
6. **FUTURE NEGOTIATIONS.**
- 7.1 **Agreement to Negotiate in Good Faith.** SSLOCSD and OCSD each agree, in good faith, to participate in negotiations with SSLOCSD and the other member agencies to negotiate terms of a long-term agreement to define standards, practices and costs to provide Billing Services.
7. **GENERAL PROVISIONS.**

- 7.1 **Further Assurances.** SSLOCSD and OCSD each agree to cooperate with one another, to use their best efforts, to act in good faith, and to promptly perform such acts and execute such documents or instruments as are reasonably necessary and proper to consummate the transactions contemplated by this Agreement.
- 7.2 **Notices.** All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if personally served or on the second day after mailing if mailed by first-class mail, registered or certified, return receipt requested, postage prepaid and properly addressed as follows:

SSLOCSD:

Rick Sweet, District Manager
South San Luis Obispo County Sanitation District
P.O. Box 552
Oceano, CA 93475
P: (805) 489-6670
F: (805) 489-2765

OCSD:

Paavo Ogren, General Manager
Oceano Community Services District
1655 Front St.
Oceano, CA 93445
P: (805) 481-6730
F: (805) 481-6836

Any party may change their address for the purpose of this paragraph by giving the other party written notice of the new address in the above manner.

- 7.3 **Waiver.** No waiver of a provision of this Agreement shall constitute a waiver of any other provision, whether or not similar. No waiver shall constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.
- 12.11 **Force Majeure.** Neither SSLOCSD nor OCSD shall be liable for any delays resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, act of God, strike or labor dispute, war or other violence, or any law, order or requirement of any governmental agency or authority.
- 7.12 **Construction of Terms.** All parts of this Agreement shall in all cases be construed according to their plain meaning and shall not be construed in favor or against either of the parties. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, in whole or in part, the remainder of this Agreement shall remain in full force and effect and shall not be affected, impaired or invalidated thereby. In the event of any provision shall be adjudged invalid, void or unenforceable, the parties hereto agree to enter into a supplemental agreement to effectuate the intent of the parties and the purposes of this Agreement.

- 7.13 **Controlling Law.** The Parties understand and agree that the laws of the State of California shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement, with venue proper only in the County of San Luis Obispo, State of California.
- 7.14 **Authorization.** All officers and individuals executing this and other documents on behalf of the respective Parties hereby certify and warrant that they have the capacity and have been duly authorized to execute said documents on behalf of the entities indicated.
- 7.15 **Entire Agreement.** This Agreement constitutes the entire Agreement between the Parties and supersedes all prior and contemporaneous agreements, representations and understandings of the Parties. This Agreement may be altered, amended or modified only by a supplemental writing executed by the Parties to this Agreement and by no other means. Each party waives any future right to claim, contest, or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreement, course of conduct, waiver or estoppel.
- 7.16 **Counterparts.** This Agreement may be executed in counterparts, each of which shall remain in full force and effect as to each party.
- 7.17 **Severability.** In the event that any term or provision of this Agreement shall be held to be invalid, void or unenforceable, then the remainder of this Agreement shall not be affected, impaired or invalidated, and each such term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

IN WITNESS WHEREOF, the parties have executed this Agreement at the place and as of the date first written above.

"SSLOCSD"

South San Luis Obispo County Sanitation District

"OCCSD"

Oceano Community Services District

By: _____
Rick Sweet, District Manager

By: _____
Paavo Ogren, General Manager

APPROVED AS TO FORM:
South San Luis Obispo County Sanitation District

APPROVED AS TO FORM:
Oceano Community Services District

By: _____
Jena Shoaf, on behalf of
Brownstein Hyatt Farber Schreck, LLP
Acting as Legal Counsel for SSLOCSD

By: _____
Jeff Minnery, legal counsel



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Staff Report

To: Board of Directors

From: John Clemons III, Interim District Administrator

Date: September 25, 2015

**Subject: APPROVE CORRECTION TO EMPLOYMENT STANDARDS JOB
DESCRIPTION OF DISTRICT ADMINISTRATOR**

RECOMMENDATION:

That the Board approve a correction to the employment standards job description for classification of District Administrator.

BACKGROUND:

On August 5, 2015, the part-time District Manager resigned, effective September 11, 2015. At the August 19, 2015, Board meeting, the Board determined to fill the classification on a full-time basis, and directed among other items, that a job description be developed.

At the September 16, 2015 Board meeting, the Board considered Employment Standards for District Manager, specifically adopted Attachment "A" Job Description, and Attachment "C" amendment to the District Personnel Policy Manual – Chapter Seven.

However, an inconsistency was noted with regard to references to the classification title. The title of District Manager was used on the staff report, resolution and job description versus the title of District Administrator being used in the District Personnel Policy Manual – Chapter Seven.

The Board directed staff to look into the classification title inconsistency to clarify. Based on the research done, the Board had appointed the part-time position as District Manager in December 2013. Prior to that time the position had been classified as a full-time District Administrator. However, the Board had not taken any formal action to change the classification title from District Administrator to District Manager. Further, it was determined the reference to the position in the Board of Director's Bylaws is District Administrator, who serves as the Secretary to the Board.

DISCUSSION:

The employment standards for District employees are defined in the District Personnel Policy Manual Chapter Seven – Job Descriptions. The official title of the classification is District Administrator. The Board took action on September 16, 2015, to fill the vacancy on a full-time basis. Staff is requesting the Board approve a correction to the previously adopted classification job description (from the September 16, 2015 meeting) noting the correct title as District Administrator.

The corrected job description as Attachment "A" is presented for the Board's review.

Options

1. Approve the changes to classification title for the Job Description of District Administrator.
2. Direct staff to present further options to the classification title.

Fiscal Consideration

The correction to the classification title has no fiscal impact.

John Clemons III
Interim District Administrator

Attachment A: Employment Standards Job Description for District Administrator

RESOLUTION NO. 2015-____
A RESOLUTION OF THE SOUTH SAN LUIS OBISPO
COUNTY SANITATION DISTRICT BOARD OF DIRECTORS
APPROVING THE CORRECTION TO THE TITLE OF
DISTRICT ADMINISTRATOR

WHEREAS, the South San Luis Obispo County Sanitation District (District) Board of Directors desires to replace the part-time District Manager with a full-time position; and

WHEREAS, the on September 16, 2015, the job description was adopted as District Manager, and

WHEREAS, the correct classification title of the full-time position is District Administrator; and

WHEREAS, pursuant to the Board of Director Bylaws, the District Administrator serves as the Secretary to the Board, and

BE IT RESOLVED that the South San Luis Obispo County Sanitation Board of Directors adopt Employment Standards Exhibit "A" correcting the classification job title to District Administrator.

PASSED AND ADOPTED at a Special Meeting of the South San Luis County Sanitation District Board of Directors held this 25th day of September 2015.

On the motion of _____seconded by_____, and of the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

CONFLICTS:

CERTIFICATION

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the South San Luis Obispo County Sanitation District held on September 25, 2015.

 John Clemons III
 Interim District Administrator

Jim Hill
Chairman Board of Directors,
South San Luis Obispo County Sanitation District

Jena Shoaf
District Legal Counsel

CHAPTER SEVEN – JOB DESCRIPTIONS**EFFECTIVE: SEPTEMBER 2015**

Adopted by Resolution: 2015-_____

7005 – DISTRICT ~~MANAGER~~ ADMINISTRATOR**EMPLOYMENT STANDARDS**

Position Characteristics Under contract and general direction from the District Board of Directors responsible for the implementation of the policies established by the Board of Directors for the operation and administration of the District. Incumbent oversees, participates in and provides direction for planning, coordination, and management of the administrative affairs of the District, engineering services as well as maintenance, and operations within a framework of legal requirements, policies and established organizational values and processes, with independence of action to meet changing operational conditions.

Direct supervision is provided at various levels within the organization requiring the use of sound management skills, business management practices, professional development, and supervisory skills; performs related duties as required. This is an at-will, exempt salaried position.

Education and Experience: Graduation from an accredited college or university with a related Bachelor's Degree; and five years increasingly responsible management or administrative experience with the responsibility for the formulation and implementation of programs and services, and three years supervisory responsibilities.

Possession of: Must possess a valid California class C driver license and a satisfactory driving record to meet eligibility standards for motor vehicle insurance coverage established by the District's insurance carrier. Possession of a valid Certificate of Registration as a Civil, Mechanical, or Sanitary Engineer issued by the California State Board of Registration for professional Engineers is desired.

Knowledge of:

- Principles and practices of public administration, including administrative analysis, fiscal planning and control, record keeping/retention, and policy and program development.
- Cost estimating, construction processes, and contract administration.
- Laws, rules, ordinances, and legislative processes controlling sanitary district functions, programs, and operations.
- Organization, operations, and complexities of special districts.
- Research and evaluation methodologies.
- Budgeting principles and practices.
- Personnel and employer-employee relations.
- Principles of supervision, training and management.
- Project management.

CHAPTER SEVEN – JOB DESCRIPTIONS**EFFECTIVE: SEPTEMBER 2015**

- Recent developments, current technology and informational resources regarding wastewater treatment and reclamation.
- Computer applications related to the work.
- Standard office practices and procedures, including the use of standard office equipment.
- Effective and diplomatic communications techniques.
- Techniques for providing a high level of customer service to the public, elected/appointed officials, and District staff, in person, electronically, and over the telephone.

Ability to:

- Plan, organize, coordinate, and direct the work of staff to achieve efficient operations and meet program goals.
- Exercise leadership, authority, and supervision tactfully and effectively.
- Administer and enforce District budgeting and fiscal controls.
- Prepare concise and comprehensive reports.
- Coordinate the preparation of Board agendas and other Board activities in conformance with the Brown Act; and attend Board meetings.
- Direct, coordinate, and implement programs to develop complex capital projects.
- Take a proactive approach to complex problem solving using a variety of techniques.
- Conduct technical research work.
- Review designs, plans and specifications.
- Provide advice and consultation to the Board of Directors on the development of ordinances, regulations, programs, policies, technical complexities, and services.
- Communicate effectively during public presentations.
- Effectively represent the District's policies, programs, and services with the public, community groups, and other government agencies.
- Establish and maintain cooperative and effective working relationships.
- Effectively interact and coordinate with regulatory agencies.

Typical Duties:

- Serves as District Administrator to implement the policies and provide services as established by the Board of Directors for the operation and administration of the District; and acts as liaison with member agencies and all regulatory agencies.
- Responsible to plan for the operation, maintenance, and expansion of the District's wastewater collection, treatment, and reclamation facilities.
- Makes recommendations regarding the long-and short-range planning of plant collection, operational and reclamation facility construction and modification activities, including plans for financing.
- Represents the Board's policies and programs with employees, community representatives, and other governmental agencies.
- Acts as appointing authority consistent with District Personnel Policy as established by the Board of Directors, relative to employee appointment, supervision, training, evaluation,

CHAPTER SEVEN – JOB DESCRIPTIONS**EFFECTIVE: SEPTEMBER 2015**

discipline, dismissal, and resolution of grievances.

- Oversees and participates in the preparation of the annual and capital improvement budgets, making recommendations to the Board on final expenditure levels.
- Responsible for the administration of the District's finances ensuring District finances are performed in accordance with proper public sector accounting principles.
- Oversees, participates in, and directs the preparation and timely submission of a variety of written correspondence, reports, minutes, procedures, ordinances, bid specifications, and other materials.
- Oversees the records keeping system, pursuant to District policy.
- Monitors changes in laws, regulations and technology necessary to endeavor to keep the District in compliance with requirements of applicable State or Federal agencies; implements changes to policies and procedures, after approval.
- Oversees resolution of and responses to complaints regarding plant operations.
- Studies systems and procedures and proposes improvements and simplification.
- Performs other related duties as necessary.

Working Conditions:

The work environment characteristics described herein are representative of those an employee encounters while performing the essential functions of this job. Works in administrative office of a wastewater treatment plant, which may require working in or near wastewater collection system environments; some exposure to water, chemicals, fumes, airborne particles, hazardous materials, and noise; the noise level in the work environment is usually low to moderate. Requires sitting, standing, walking, occasional climbing, bending, stooping. May work at heights, on uneven construction surfaces and in inclement weather conditions. Must be available for evening meetings and emergency response, as required.

Physical Demands: The physical demands described here are representative of those that must be met by an employee to successfully perform the essential duties of this job. Employee must possess sufficient strength to pull, push, carry or lift material, equipment or parts weighing up to 25 pounds and sufficient stamina to walk, stoop, kneel, crouch, crawl, step or climb. Employee is regularly required to stand, sit; use hands to finger, handle, or feel; arms to reach; and talk and hear, with vision abilities to include close, distance, and peripheral vision, depth perception and ability to adjust focus.



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.us

Staff Report

To: Board of Directors

From: John Clemons III, Interim District Administrator

Date: September 25, 2015

Subject: APPROVE CONTRACT FOR INTERIM DISTRICT ADMINISTRATOR

RECOMMENDATION:

That the Board approve the contract for John Clemons, Plant Superintendent, as Interim District Administrator.

BACKGROUND:

On August 5, 2015, the part-time District Manager resigned, effective September 11, 2015. Mr. Clemons is the current Plant Superintendent and presented the Board with a letter expressing his availability to serve as the Interim District Administrator, pending the recruitment for a permanent District Administrator. At the September 2, 2015, Board meeting, the Board approved the appointment of John Clemons as Interim District Administrator and directed staff to develop and present a contract for Mr. Clemons' interim assignment.

At the September 16, 2015 Board meeting, the Board requested to hold over the proposed contract for Mr. Clemons (Item 6C), as it had only been finalized that day, and not yet fully reviewed by each Director. In addition, the Board desired to give Mr. Clemons an opportunity to also fully familiarize himself with the provisions of the contract.

DISCUSSION:

The contract for Mr. Clemons as Interim District Administrator is presented to the Board this evening for final review and approval. The duties of the interim assignment are defined in the classification job description for District Administrator attached to the contract as Exhibit "A."

Options

1. Approve the contract for John Clemons as Interim District Administrator.
2. Make modifications to the contract, and approve the modifications.
3. Direct staff to redraft the contract for the Board's future review and approval.

Fiscal Consideration

The fiscal impact of approving the contract for John Clemons as Interim District Administrator with an additional 10% salary to his current classification of Plant Superintendent can be accomplished within the current adopted budget.

John Clemons III
Interim District Administrator

Attachment: Contract for John Clemons, as Interim District Administrator, including Employment Standards Job Description for District Administrator, Exhibit "A"

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
INTERIM DISTRICT ADMINISTRATOR
EMPLOYMENT CONTRACT**

Attachment: Exhibit "A" – District Administrator Job Description

This Agreement (sometimes referred to herein as "Contract"), is made and entered into by and between the SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT (herein referred to as "District") and JOHN CLEMONS (herein referred to as "Interim District Administrator") with reference to the following recitals:

RECITALS

- A. District is a County Sanitation District organized and operating pursuant to § 4700 et. seq., of the California Health & Safety Code.
- B. District desires to enter into a Contract Employment relationship with John Clemons as Interim District Administrator of the District.
- C. John Clemons desires to enter into an employment relationship as Interim District Administrator of the District until such time that the District can retain a permanent District Administrator.

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

SECTION 1. EMPLOYMENT OF INTERIM DISTRICT ADMINISTRATOR

- A. Subject to the terms and conditions of this Contract, District hereby agrees to employ John Clemons as the District's Interim District Administrator to the Board of Directors ("Interim District Administrator").
- B. It will be John Clemons' option to return to Plant Superintendent duties upon completion of his term as District Interim District Administrator.
- C. During John Clemons' position as the District's Interim District Administrator, his duties will include acting as Chief Plant Operator.

SECTION 2. DUTIES

A. The duties of the Interim District Administrator are generally described in Exhibit "A", attached hereto and incorporated herein by this reference, and Health & Safety Code § 4700 which provides as follows:

The District Administrator shall be responsible for all of the following:

1. The implementation of the policies established by the Board of Directors for the operation of the District.
2. The appointment, supervision, discipline, and dismissal of the District's employees, consistent with the employee relations system established by the Board of Directors.
3. The supervision of the District's facilities and services.
4. The supervision of the District's finances.

B. Both parties acknowledge that specific duties of the position may vary from time to time.

C. The Interim District Administrator agrees to perform the function and duties specified in paragraphs A and B above and to perform other legally permissible and proper duties and functions as the District Board of Directors shall from time to time assign without additional compensation.

SECTION 3. TERM

A. This Contract shall take effect on Friday, September 11, 2015 ("Effective Date"), and shall remain in effect until the first of the following to occur ("termination date"):

1. One week after the permanent District Administrator starts employment with the District.

B. Nothing in this Contract shall prevent, limit or otherwise interfere with the right of Interim District Administrator to resign at any time from his position with District, subject only to the provisions set forth in Section 4 of this Contract.

SECTION 4. TERMINATION

A. Interim District Administrator understands and expressly agrees that he has no constitutionally protected property or other interests in his employment as Interim District Administrator. Interim District Administrator understands and expressly agrees that he serves at the will and pleasure of the District Board of Directors and that he may be terminated or asked to resign at any time by the District Board of Directors, with or without cause.

B. District and Interim District Administrator acknowledge that when this contract is terminated, except for when that termination is for cause, that the Interim District Administrator shall return to his position as Plant Superintendent at the salary then applicable to that position and without loss of credit for longevity in that position if he so chooses.

C. Termination For Cause: In the event Interim District Administrator is terminated for good cause, Interim District Administrator shall be entitled to all salary earned, but not paid as of the date of termination only. Interim District Administrator shall not be entitled to any other compensation, including, without limitation, any severance compensation. For purpose of this Contract, "good cause" shall include, but not necessarily be limited to, any of the following:

- (1) Any material breach by Interim District Administrator of any term or provision of this Contract;
- (2) Interim District Administrator's failure to perform his duties in a professional and responsible manner consistent with generally accepted standards of the profession;
- (3) Interim District Administrator's misfeasance;
- (4) Interim District Administrator's malfeasance;
- (5) Conduct unbecoming the position of Interim District Administrator or likely to bring discredit or embarrassment to the District;
- (6) Insobriety;
- (7) Conviction of a misdemeanor involving moral turpitude;
- (8) Conviction of a felony;

- (9) Engaging in illegal business practices in connection with the District's business;
- (10) Misappropriation of the District's assets;
- (11) Excessive unexcused absences of Interim District Administrator from his employment during usual working hours; or
- (12) Failure to perform or habitually neglecting the duties which he is required to perform under this Contract.

D. Interim District Administrator may terminate this Contract at any time by giving District twenty-one (21) calendar days written notice in advance, unless the parties otherwise agree. Should Interim District Administrator fail to give such period of notice, Interim District Administrator shall pay to the District as liquidated damages the sum of forty dollars (\$40) per working day (not to exceed a maximum of 4 days per week), for the difference between the number of actual days of prior notice and twenty-one (21) calendar days. Interim District Administrator agrees that the liquidated damages may be deducted from his final paycheck.

E. If this Contract is terminated by District for cause pursuant to Section C, above and it is later determined that the termination was wrongful, such termination automatically shall be converted and treated as a Termination Without Cause under Section B, above, and Interim District Administrator shall be entitled to receive only the amounts payable hereunder in the event of a Termination Without Cause.

SECTION 5. SALARY AND WORKING HOURS

A. District agrees that John Clemons' service as both Interim District Administrator and Chief Plant Operator merits a ten percent (10%) increase in the salary he is currently receiving pursuant to the terms of his Plant Superintendent Contract. As of the effective date of this contract, John Clemons' salary as Plant Superintendent is \$8,361.00 monthly, paid bi-weekly in installments of \$3,859.00. During the term of the Contract, John Clemons shall receive a salary of \$9,197.00 monthly, paid bi-weekly in installments of \$4,245.00, which reflects a ten percent (10%) increase above his salary as Plant Superintendent.

B. At the time John Clemons is serving as both Interim District Administrator and Chief Plant Operator, should his position of Plant Superintendent become eligible for an incremental or step increase in salary pursuant to his contract as Plant Superintendent, his salary under this Contract shall be adjusted accordingly.

C. At such time that John Clemons no longer serves as Interim District Administrator, the ten percent (10%) increase in salary shall terminate and John Clemons shall be entitled only to his salary pursuant to the Plant Superintendent Contract.

D. District agrees to reimburse John Clemons for all authorized and reasonable reimbursable costs incurred by Mr. Clemons pursuant to this Contract.

E. Notwithstanding any other provision of this Contract, John Clemons' total District salary for his service as Interim District Administrator and Chief Plant Operator shall not exceed his salary as Plant Superintendent plus ten percent (10%).

F. Interim District Administrator shall work a minimum of forty (40) hours per week in his position as Interim District Administrator and Chief Plant Operator.

G. Interim District Administrator shall work a minimum of eight (8) hours per day, five (5) days per week in his position as Interim District Administrator and in his position as Chief Plant Operator.

While working as a part of this contract, Interim District Administrator shall be considered as an exempt employee.

SECTION 6. TIME OFF

Interim District Administrator is entitled to vacation and holidays in the same manner as he is entitled to those as Plant Superintendent.

SECTION 7. BENEFITS

Interim District Administrator is entitled to District benefits equivalent to those he is currently receiving in his position as Plant Superintendent, such as health insurance, retirement, vacation or sick leave.

SECTION 8. EXPENSES

The District shall reimburse Interim District Administrator for incurred expenses as follows:

A. Automobile. Interim District Administrator shall provide his own automobile. District shall reimburse Interim District Administrator for automobile expenses at the prevailing IRS per diem mileage rate for:

- (1) Expenses incurred in performing services for the District.

B. Professional expenses. District shall consider requests for funds for certain items, activities and materials deemed necessary and desirable for Interim District Administrator's continued professional development, participation, growth and advancement including travel and subsistence expenses for professional meetings and similar functions as follows:

- (1) Interim District Administrator shall prepare a budget for anticipated expenses that shall be approved by the District Board of Directors.
- (2) Interim District Administrator shall receive prior Board approval for all travel and subsistence expenses to courses, conferences and seminars conducted outside of the County of San Luis Obispo.
- (3) All expenses shall be paid in accordance with the laws of California and District Board policies and procedures.

C. Payment. Interim District Administrator shall invoice District on a monthly basis for expenses referenced in this Section which shall be considered for approval as part of the monthly Warrant Register prior to payment.

SECTION 9. AUTOMOBILE INSURANCE

During the Contract Term Interim District Administrator shall maintain automobile insurance on personal vehicles. Proof of insurance shall be lodged with the District prior to the Effective Date.

SECTION 10. PERSONNEL POLICIES

Interim District Administrator has read and agrees to be bound by the following District Policies:

- A. INJURED ON DUTY
- B. SAFETY
- C. USE OF DISTRICT VEHICLES AND PROPERTY
- D. APPEARANCE AND CONDUCT
- E. SUBSTANCE ABUSE
- F. SEXUAL HARASSMENT

- G. HARASSMENT
- H. FITNESS FOR DUTY

SECTION 11. NOTICES

A. Notices pursuant to this Contract shall be in writing and shall be deemed received at the earlier of either (a) actual receipt or (b) three (3) days following deposit in the U.S. Mail as provided below. Notices delivered by U.S. or private mail shall be directed to the addresses shown below, provided that a party may change addresses by giving written notice to the other party in accordance with this subsection:

1. District:
SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
P.O. Box 339
Oceano, CA 93475
Attn: Chairman of the Board of Directors
2. Interim District Administrator:
John Clemons
*
*

- B. Notices under this section may be:
- (1) Served personally; or
 - (2) Sent by facsimile (provided a hard copy is mailed within one (1) business day); or
 - (3) Delivered by first class U.S. Mail, certified, with postage prepaid and a return receipt requested; or
 - (4) Sent by Federal Express or equivalent private mail delivery service.

SECTION 12. GENERAL PROVISIONS

A. Interim District Administrator shall comply with all local and state requirements regarding conflicts of interest and shall avoid personal involvement in situations which are inconsistent or incompatible with a position of Interim District Administrator or give rise to the appearance of impropriety.

B. In accordance with and to the extent provided by California's Tort Claims Act (Government Code Section 825 et seq. and Government Code Sections 995-996.5), the District shall defend and indemnify Interim District Administrator against any and for all losses sustained by the Interim District Administrator in direct consequences of the

discharge of the Interim District Administrator's duties on the District's behalf for the period of the Interim District Administrator's employment pursuant to this Contract.

C. The terms of this Contract are intended by the parties as the final expression of their agreement and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. The parties further intend that this Contract constitutes the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial or arbitration proceeding, if any, involving this Contract. Any amendments to this Contract must be in writing and executed by both parties.

D. In the event of Interim District Administrator's death, Interim District Administrator's heirs, legatees, devisees, executors or legal representatives shall be entitled to all salary earned, but not paid. Interim District Administrator and his heirs, legatees, devisees, executors or legal representatives shall not be entitled to any other compensation, including, without limitation, any severance compensation.

E. If any term, covenant, condition or provision of this Contract is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

F. This Contract shall be governed by the laws of the State of California. Interim District Administrator and the District agree that venue for any dispute shall be in San Luis Obispo County, California.

G. The parties acknowledge that they understand the significance and consequences of this Contract. The parties also acknowledge that they have been given full opportunity to review and negotiate this Contract and execute it only after full reflection and analysis, and that they have had an opportunity to review this document and its application and meaning with their respective attorneys and advisors. This Contract shall not be interpreted against the party who prepared the initial draft because all parties participated in the drafting of this Contract by having ample opportunity to review and submit suggested changes or corrections for incorporation into the final version of this Contract.

H. Interim District Administrator may not assign this Contract in whole or in part.

I. This Contract may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument, and shall be governed by the laws of the State of California.

J. This Contract shall become effective on the date the Contract is approved by the District Board of Directors.

IN WITNESS WHEREOF, District and Interim District Administrator have executed this Contract on the day and year first set forth below.

I have read this Contract and agree to be employed by the District under the terms and condition herein stated. I understand and agree that no representative of the District has the authority to enter into any agreement, expressed or implied, that would modify the terms and conditions of this Contract.

John Clemons,
Interim District Administrator

Date

Approved by District Board of Directors

Jim Hill, Chairman
SOUTH SAN LUIS OBISPO COUNTY
SANITATION DISTRICT

Date