



**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

**AGENDA
BOARD OF DIRECTORS MEETING
Arroyo Grande City Council Chambers – NEW LOCATION
215 East Branch Street
Arroyo Grande, California 93420**

Wednesday, August 16, 2017, at 6:00 p.m.

Board Members

John Shoals, Chair
Linda Austin, Vice Chair
Jim Hill, Director

Agencies

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

Alternate Board Members

Karen White, 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. PLEDGE OF ALLEGIANCE**
 - 3. AGENDA REVIEW**
 - 4. 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 Administrator 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.

5. 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.

5A. Approval of Warrants

5B. Approval of Minutes of Special Meeting of July 26, 2017

5C. Approval of Minutes of Meeting of August 2, 2017

6. ACTION ITEMS:

6A. APPROVAL OF CONTRACTS WITH TECHNICAL CONSULTANTS; AUTHORIZE THE BOARD CHAIR OR HIS DESIGNEE TO EXECUTE CONTRACTS FOR SPECIALIZED TECHNICAL AND ADMINISTRATIVE SERVICES TO THE DISTRICT FOR UP TO SIX MONTHS

1. Resolution No. 2017-374 was adopted by the Board on August 2, 2017 approving the hiring of Paul J. Karp and Richard Sweet to provide specialized technical and administrative services to the District; and the Board Chair or his designee authorized and directed to return with the contracts for approval at the next regular meeting of the Board.
2. Adopt Resolution No. 2017-375. Consideration of Contract for Specialized Technical and Administrative Services with Technical Consultants, Paul J. Karp and Richard Sweet.

6B. TECHNICAL CONSULTANTS AND PLANT OPERATIONS REPORT

Receive and File Report.

7. BOARD MEMBER COMMUNICATIONS

8. CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATORS pursuant to Government Code Section 54957.6:

Agency designated representatives: Richard Sweet or Paul J. Karp; Susan Wells
Employee organization: Service Employees International Union (SEIU) Local 620

9. ADJOURNMENT

The next regularly scheduled Board meeting on September 6, 2017, 6 pm at the ARROYO GRANDE CITY COUNCIL CHAMBERS, 215 East Branch Street, Arroyo Grande, California 93420

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
WARRANT REGISTER**

8/16/2017 FY 2016/2017 FY 2017/2018

VENDORS	BUDGET LINE ITEM	DESCRIPTION	WARRANT NO.	ACCT	ACCT BRKDN	TOTAL
ALLIED ADMINISTRATORS	DENTAL INSURANCE	Sep-17	08162017-2329	19-6025	862.26	862.26
AGP	PROF SERVICES-AGP	7052	2330	19-7080	920.00	920.00
ARAMARK	UNIFORMS	532627457	2331	19-7025	241.28	241.28
AUTOSYS	EQUIPMENT MAINTENANCE	2034/2019/2012/2020	2332	19-8030 2016-A1-29	4,814.00	4,814.00
BANK OF THE WEST	OFFICE SUPPLIES	OFFICE MAX/USPS	2333	19-8045	91.59	3,195.60
	TRAINING	HUBNER/WATER BOARD WORKSHOP		19-7067	353.69	
	ADMIN OFFICE SPACE	TRI COUNTY OFFICE		19-7040	2,690.32	
	UTILITIES-RUBBISH	WASTE RECYCLING		19-7093	60.00	
BRENNTAG	PLANT CHEMICALS	BPI753758/BPI753117	2334	19-8050	10,442.78	10,442.78
CWEA	MEMBERSHIP	MUI/ LAB ANALYST GRADE 2/ RENEWAL	2335	19-7050	90.00	90.00
CAL COAST REFRIGERATION	EQUIPMENT MAINTENANCE	166758	2336	19-8030 2017-A1-25	137.50	137.50
CENTRAL COAST TECHNOLOGY	COMPUTER SUPPORT	1161	2337	19-7082	493.43	493.43
CHARTER	COMMUNICATIONS	8245 10 101 0085060	2338	19-7013	376.54	376.54
CITY OF GROVER	BILLING	JULY 2017/ INV# 80869	2339	19-7081	1,944.00	1,944.00
CULLIGAN CCWT	EQUIPMENT RENTAL	43952	2340	19-7032	60.00	60.00
CULLIGAN SANTA MARIA	EQUIPMENT RENTAL	65485	2341	19-7032	17.50	17.50
EMPLOYMENT DEVELOP DEPT.	UNEMPLOYMENT INSURANCE	L1386693408/L1338393376	2342	19-6095	4,121.51	4,121.51
ENGEL&GRAY	BIO SOLIDS HANDLING	78898	2343	19-7085	2,697.12	2,697.12
FAYE RUSSO E.A TAX ACCOUNTING	PROF SERVICES-FISCAL SERVICES	Jul-17	2344	19-7083	3,325.00	3,325.00
GARING, TAYLOR & ASSOCIATES	PROF SERVICES-AG SEWER BRIDGE	14517	2345	26-8065 2017-B1-01	1,290.00	1,290.00
GRAND AWARDS	OFFICE SUPPLIES	16207	2346	19-8045	252.72	252.72
GILBERT TRUJILLO	LEGAL COUNSEL	JULY 2017	2347	19-7071	15,466.00	15,466.00
HIRIARTE'S INDOOR CLEANING SER.	HOUSEHOLD EXPENSE	CLEANING PREP ADMIN BUILDING	2348	19-8035	425.00	425.00
JESSICA MATSON	WEBSITE	JULY 2017	2349	19-7065	382.50	382.50
JB DEWAR	FUEL	852458	2350	19-8020	61.08	61.08
OCSD	UTILITIES-WATER	5/18/17-7/18/17	2351	19-7094	2,262.37	2,262.37
OILFIELD & ENVIRO. COMPLIANCE	CHEMICAL ANALYSIS	1702939/1702776/1702907	2352	19-7078	390.00	390.00
PACE DS	CENTRIFUGE RENTAL	U-27-018	2353	26-8065 2017-B1-02	15,500.00	15,500.00
PRAXAIR	EQUIPMENT RENTAL	78254519	2354	19-7032	29.10	29.10
POLYDYNE INC.	PLANT CHEMICALS	1160450	2355	19-8050	916.99	916.99
QUILL.COM	OFFICE SUPPLIES	8708717	2356	19-8045	135.46	135.46
SAN LUIS POWERHOUSE	EQUIPMENT MAINTENANCE	38172	2357	19-8030 2017-A1-25	1,545.00	1,545.00
SOUTH COUNTY SANITARY	UTILITIES-RUBBISH	5746588	2358	19-7093	441.40	441.40
SO CAL GAS	UTILITIES-GAS	6/28/17-7/28/2017	2359	19-7092	1,135.51	1,135.51
STANLEY SECURITY	COMMUNICATIONSALARMS	14780467	2360	19-7011	64.06	64.06
STATE FUND	WORK COMP	8/1/2017-9/1/2017	2361	19-6080	3,595.00	3,595.00
TELEDYNE INSTRUMENTS	LAB SUPPLIES	S020197337	2362	19-8040	248.82	248.82
TRIBUNE	ADVERTISING	Oceano Billing	2363	19-7005	150.04	150.04
VWR	LAB SUPPLIES	8049317409	2364	19-8040	29.20	29.20
WENDY STOCKTON	PROF SERVICES ATTORNEY FEE	JULY 2017	2365	19-7071	8,547.00	8,547.00
SUB TOTAL					\$ 86,605.77	\$ 86,605.77
SO. SLO CO. SANITATION DISTRICT	PAYROLL	PPE 8/4/2017	2366	19-6030 19-6040 19-6045	85,301.31	89,456.69
	CALPERS RETIREMENT	PPE 8/4/2017		19-6060	4,001.98	
	WEBHOSTING	AUG 2017			153.40	
GRAND TOTAL					\$ 176,062.46	\$ 176,062.46

We hereby certify that the demands numbered serially from 08162017-2329 to 08172017-2366 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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**ACTION SUMMARY MINUTES
of the SPECIAL MEETING
BOARD OF DIRECTORS MEETING**

Grover Beach City Hall Chambers
154 South 8th Street
Grover Beach, California 93433

Wednesday, July 26, 2017, at 4:30 p.m.

1. CALL TO ORDER AND ROLL CALL

Vice Chair Austin called the meeting to order at 4:48 p.m. and recognized a quorum.

Present: Jim Hill, District Director, City of Arroyo Grande
Linda Austin, Vice Chair, Oceano Community Services District

District Staff: Gilbert A. Trujillo, District Legal Counsel
Wendy Stockton, District Legal Counsel

Absent: John Shoals, Director, City of Grover Beach
Gerhardt Hubner, District Administrator

2. PLEDGE OF ALLEGIANCE

Director Shoals arrived to the meeting at 4:50 p.m.

3. PUBLIC COMMENTS ON ITEMS APPEARING ON AGENDA

Chairman Shoals opened the Public Comment period.

Teri Kleir commented on leadership at the District, reduction of costs under Clemons, changes in consultant fees, grievances filed, meetings being held in the Community and a petition to take the District back.

Ron Arnoldsen asked the Board what would your constituents want you to do.

Mary Lucey stated the problem with the public comment process is asking the Public to comment on something they are only guessing what to comment on.

Patty Welsh stated that Gerhardt Hubner is not present at the meeting and it is her hope that he is not the subject of the meeting.

Kris Victorine commented on Director Shoals suggesting at the July 5, 2017 meeting that an executive committee for technical oversight be appointed and since the District has a full time Administrator it shouldn't be necessary to retain people from the outside

Patricia Price spoke on not knowing what the Litigation is about, and she would like more information on the legal fees.

John Clemons commented on having Closed Sessions on the Agenda for over a year, having two attorneys at the meeting, needing someone to take leadership, needing to change the direction the District is going and spending \$20,000 a month in legal fees with nothing to show for it.

Chairman Shoals closed the Public Comment period.

In response to a question from the Chairman, District Legal Counsel Trujillo advised the Board that the Brown Act requires a Public Comment period for matters appearing on the Special Meeting Agenda. The Agenda for the July 26, 2017 Special Meeting complies with the Brown Act.

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraphs (2) of subdivision (d) and (5) of subdivision (e) of Section 54956.9: (one potential case).

The Board recessed to Closed Session at 5:05 p.m.

5. RETURN TO OPEN SESSION; REPORT ON CLOSED SESSION

The Board reconvened from Closed Session at 5:58 p.m.

District Legal Counsel Trujillo announced that there was no reportable action.

6. ADJOURN MEETING

The Chairman adjourned the meeting at 5:59 p.m.

The next regularly scheduled Board meeting is at 6 p.m. on August 2, 2017, at the Grover Beach City Hall Chambers, 154 South 8th Street, Grover Beach, California 93433.



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BOARD OF DIRECTORS MEETING

Grover Beach City Hall Chambers
154 South 8th Street
Grover Beach, California 93433

**Action Summary Minutes of the
Meeting of Wednesday, August 2, 2017, at 6:00 p.m.**

1. CALL TO ORDER AND ROLL CALL

Chairman Shoals called the meeting to order and recognized a quorum.

Present: John Shoals, Chairman, City of Grover Beach
Linda Austin, Vice Chair, Oceano Community Services District
Jim Hill, Director, City of Arroyo Grande

District Staff: Paul Karp, Technical/Administrative Services Advisor
Gilbert A. Trujillo, District Legal Counsel

2. PLEDGE OF ALLEGIANCE

Chairman Shoals led the Pledge of Allegiance.

3. AGENDA REVIEW

Upon consensus of the Board of Directors the Agenda was approved as presented.

4. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON AGENDA

Chairman Shoals opened the Public Comment period.

Julie Tacker, Los Osos, commented on items that continue to not be on the Agenda, the the Public deserving a full explanation of former District Administrator Hubner's separation from the District, her continued request as to why Liebert Cassidy Whitmore was retained, and she looks forward to seeing the District's Strategic Plan.

Shirley Gibson, Halcyon, spoke regarding former District Administrator Hubner's success was dependent on a supportive environment which did not exist during his employment and the District Board doing their due diligence when looking at applications for a new District Administrator.

Mary Lucey, Oceano, commented on the Board keeping personnel issues confidential, a memo from Director Hill and the Board providing more leadership and protection for the District employees.

Coleen Kubel, Grover Beach, stated the need to look forward and that no one should be criticized.

Patty Welsh, Arroyo Grande, agreed with the previous speaker.

Debbie Peterson, Grover Beach, read excerpts from the 1714 Riot Act of the Parliament of Great Britain and the Ralph M. Brown Act.

Patricia Price, Arroyo Grande, read excerpts from the Ralph M. Brown Act.

Ron Holt, Arroyo Grande, commented on the Ralph M. Brown Act, a cease and desist order being ignored, improper notice of Closed Session items, employees not given a reason for Admin Leave, public apology for Director Hill, John Clemons and Amy Simpson, certificates for Harassment and Brown Act trainings.

Ron Arnoldsen, Grover Beach, commented on Closed Session items, no report of actions taken in Closed Session and the former District Administrator.

Chairman Shoals closed the Public Comment period.

Chairman Shoals welcomed Paul Karp and asked the District Counsel to comment on Closed Session Brown Act requirements.

Gil Trujillo, District Legal Counsel, advised the Board the Brown Act had been followed to the best of their ability and knowledge and there had been no violations of the Brown Act.

Director Hill commented on the memo referenced by Mary Lucey.

Chairman Shoals spoke of the public being allowed to make comments and working toward meetings decorum.

5. CONSENT AGENDA:

Director Hill requested each Consent Agenda item be taken separately.

5A. Approval of Warrants

Director Hill commented on the legal and Human Resource fees and stated he would be voting against the Warrants because of those fees.

Chairman Shoals opened the Public Comment period.

Julie Tacker, Los Osos, commented on outside legal bills coming back to the Board if they exceeded \$20,000, not knowing if the legal bills are coming out of last the Fiscal Year budget or the current budget, her concern about six invoices for Liebert Cassidy Whitmore on one Warrant Register, if there is one big investigation or little ones, a large

check from the Regional Water Quality Board, ground water modeling, intrusion of sea water in 2009, and cost for the Redundancy Project.

Mary Lucey, Oceano, spoke of high legal costs when negotiating employee contracts.

Debbie Peterson, Grover Beach, compared the District's legal costs to other Districts.

Chairman Shoals closed the Public Comment period.

Motion: Director Austin made a motion to approve the Warrant Register.

Second: Director Shoals seconded the motion.

Action: Motion was approved 2 - 1. Director Hill voted NO.

Ayes: Directors Austin and Shoals

Noes: Director Hill

5B. Approval of Minutes of Meeting of July 19, 2017

Chairman Shoals advised he had not been present at the July 19, 2017 Board of Directors meeting.

Director Hill also advised he was not at the July 19, 2017 Board of Directors meeting and requested District Legal Counsel's opinion on whether they should vote on the Minutes.

District Legal Counsel Trujillo advised not being present at a meeting did not bar a member from voting on the Minutes if they have viewed the video or listened to a tape recording of the meeting and they are familiar with the contents of the meeting.

Chairman Shoals opened the Public Comment period.

There being no Public Comment Chairman Shoals closed the Public Comment period.

Motion: Director Austin made a motion to approve the Minutes of July 19, 2017.

Second: Director Hill seconded the motion.

Action: Motion was approved 2 – 0. Since he was not in attendance at the July 19, 2017 meeting nor had he viewed or listened to a recording of the meeting Director Shoals abstained from the vote.

Ayes: Directors Austin and Hill

Noes: None

Abstain: Director Shoals

5C. Financial Review for June

Director Hill commented that revenues throughout the last Fiscal Year are itemized at \$4.99 million with expenses at \$4.8 million, the District dispenses a total of \$400,080.00, almost \$1 million of revenues exceeded expenses. He further commented

that when comparing the cash balance of June 30, 2016 at \$5.5 million he would expect to see an increase of District funds somewhere between \$6.4 and \$6.5 million but the District is only reporting \$5.8 million. He stated he was concerned about a discrepancy of somewhere between \$600 - \$700 thousand.

Paul Karp, Technical/Administrative Services Advisor stated he would review the financials and report to the Board at the next meeting.

Chairman Shoals opened the Public Comment period.

6. ACTION ITEMS:

6A. APPROVE HIRING OF PAUL KARP AND RICK SWEET TO PROVIDE SPECIALIZED TECHNICAL SERVICES TO THE DISTRICT FOR UP TO SIX MONTHS; AUTHORIZE THE BOARD CHAIR TO EXECUTE CONTRACTS FOR THEIR SERVICES

District Legal Counsel Trujillo provided details of the proposed contract.

Director Hill suggested revisions be made to the Resolution and contract to include administrative services.

Chairman Shoals opened the public comment period.

Julie Tacker, Los Osos, called a point of order regarding decorum at the meeting. She spoke on there being no contracts for the public to review, and the Board needing to find a new District Administrator.

Amy Simpson, Oceano, questioned the account numbers listed in the Resolution.

Debbie Peterson, Grover Beach, commented on Paul Karp returning to the District, the Knudsen Report, and August 13, 2015 Minutes.

Mary Lucey, Oceano, spoke on the contract signed by John Clemons when he was Interim District Administrator, record requests and other items that will bog down the District Administration.

Chairman Shoals closed the Public Comment period.

Legal Counsel Trujillo advised there was not time to negotiate a contract before the Agenda had to be made available to the Public.

Director Hill stated he was delighted to see the return of Paul Karp and Rick Sweet and for transparency he would like to see their contract brought back to the Board.

Motion: Director Hill made a motion to adopt Resolution No. 2017-374, of the South San Luis Obispo County Sanitation District Board of Directors approving the hiring of Paul Karp and Rick Sweet to provide specialized technical and administrative services to the District, change to say technical and administrative services to the District for up to six months, and authorize and directing the Board Chair to bring the contract back at the next regular meeting for approval; and the language in the Resolution to be changed to coincide with that, specifically the first Whereas to say short-term needs for specialized technical and administrative services; the second line to provide specialized technical and administrative services to the District the change to say, technical and administrative services to the District for up to six months and authorizing and directing the Board Chair to bring the contract back at the next regular meeting for approval and the language in the Resolution to be changed to coincide with that, specifically the first Whereas that says short-term needs for specialized technical and administrative services, the second line would say to provide specialized technical and administrative services, the Resolution in item 1 would say hire to provide specialized technical and administrative services and item 2 would say the Board Chair or his designee is authorized and directed to return the contract for approval at the next regular meeting of the Board.

Second: Director Austin seconded the motion.

Action: Motion was approved unanimously by roll call vote.

Ayes: Directors Hill, Austin and Shoals

Noes: None

Abstain: None

6B. ADOPTED FISCAL YEAR 2017-18 BUDGET

Mr. Karp advised the Board that all changes had been identified and made except the transfer from Fund 19 to Fund 20 due to no specific amounts or percentages listed in the rate Ordinance for the Redundancy Project.

Director Hill commented on the rate study and amounts being identified in the budgets specifically for the Redundancy Project.

Chairman Shoals opened the Public Comment period.

Julie Tacker, Los Osos, commented on supporting documents that go with the 218 process are one package, staff not going back far enough with their research on the rate study and the transfer needs to happen.

Debbie Peterson, Grover Beach, read excerpts from the code regarding Budgets and revisions to the Budget.

Chairman Shoals closed the Public Comment period.

Chairman Shoals stated no one was interested in diverting funds.

Director Hill commented on the Board not being diligent on district funds, but he would like to see a fund within Fund 20 set aside for the Redundancy Project specifically.

6C. DISTRICT ADMINISTRATOR AND PLANT OPERATION'S REPORT

Mr. Karp spoke on there being forward progress on each project in the Report.

Director Hill spoke on financing regarding a request for a number of items from the Regional Water Quality Control Board in regard to the State Revolving Loan.

Mr. Karp advised each item is in process.

Chairman Shoals opened the Public Comment period.

Julie Tacker, Los Osos, spoke on the District loan application being incomplete, not knowing if the Community of Oceano is still a disadvantaged community, the District Control building, the trailer, the C-Train, the Human Resources Personnel Policy Manual update and an update from the July 28, 2017 meeting.

Debbie Peterson, Grover Beach, commented on a publication from the Attorney General's office regarding the Brown Act, and the press release regarding the former District Administrator.

Patty Welsh, Arroyo Grande, spoke on Public Comment.

Patricia Price, Arroyo Grande, read excerpts from the Brown Act.

Chairman Shoals called a recess at 7:20 p.m.

Chairman Shoals reconvened the meeting at 7:25 p.m.

Chairman Shoals closed the Public Comment period.

Chairman Shoals stated that the Board takes their guidance regarding the Brown Act from the District's Legal Counsel and it is his hope that future meetings can move forward in a positive way.

7. BOARD MEMBER COMMUNICATIONS

Director Hill requested four items be placed on the Agenda 1) Review of the Budget for actual attorney costs as of the end of July for Fiscal Year 2016/17, 2) place on the next agenda the number of and subjects of all investigations being conducted and associated costs, 3) full discussion of the agreement with the former Administrator and the vote taken and 4) an item to advise to return Mr. Clemons and Ms. Simpson to their positions.

8. ADJOURN MEETING

The meeting was adjourned at 7:30 p.m.

The next regularly scheduled Board meeting is on August 16, 2017, 6 pm at the Grover Beach City Hall Chambers, 154 South 8th Street, Grover Beach, California 93433



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STAFF REPORT

Date: August 16, 2017

To: Board of Directors

From: Richard Sweet and Paul Karp, Technical Consultants

Subject: **APPROVAL OF CONTRACT FOR TECHNICAL CONSULTANTS TO PROVIDE SPECIALIZED TECHNICAL AND ADMINISTRATIVE SERVICES**

RECOMMENDATION:

Consider and adopt Resolution No. 375, approving the contract of Mr. Paul J. Karp and Mr. Richard Sweet to provide Specialized Technical Services to the District for a period of up to six months.

BACKGROUND AND DISCUSSION:

At the August 2, 2017 Board meeting, the Board adopted Resolution No. 374, Attachment No. 1, which directed that a contract for Specialized Technical Services with Messrs. Karp and Sweet be presented at this meeting for Board approval and upon approval of the contract by the Board, the Board Chair execute said contract. Messrs. Karp and Sweet have extensive experience in the public sector, including decades of experience with direct responsibility for wastewater treatment plants for various agencies. They are familiar with District operations. They are willing to assist the District for up to six months by providing their technical expertise and advice on pending District projects, including Plant maintenance, the Redundancy project, and District operation, at a cost of \$150/hour. Messrs. Karp and Sweet have requested that any contract between the District and them contain an indemnification clause.

The District has an immediate need for the technical services and advice that Messrs. Karp and Sweet can provide. No one else has their combination of experience, expertise and availability.

Options

1. Adopt the resolution approving the contract between the District and Technical Consultants, Paul J. Karp and Richard Sweet, to provide specialized technical services and advice to the District for a period of up to six months, and authorizing and directing the Board Chair to execute the contract for their services.

2. Do not adopt the resolution.
3. Provide further direction to staff.

Fiscal Consideration

Funds are available to pay for consultant technical services within the District's allocated 2017-18 fiscal year budget through Professional Services/Engineering Account Number No. 19-7077.

ATTACHMENTS:

1. Resolution No. 2017-374, Adopted on August 2, 2017
2. Resolution No. 2017-375
3. Contract for Specialized Technical and Administrative Services

RESOLUTION NO. 2017-374

**A RESOLUTION OF THE SOUTH SAN LUIS OBISPO COUNTY
SANITATION DISTRICT BOARD OF DIRECTORS APPROVING THE
HIRING OF PAUL J. KARP AND RICK SWEET TO PROVIDE SPECIALIZED
TECHNICAL AND ADMINISTRATIVE SERVICES TO THE DISTRICT FOR
UP TO SIX MONTHS, AND AUTHORIZING AND DIRECTING THE BOARD
CHAIR TO EXECUTE CONTRACTS FOR THEIR SERVICES**

WHEREAS, the District has immediate, short-term needs for specialized technical and administrative services and advice in order to complete maintenance and construction projects at its wastewater treatment plant and continue its operations, including the daily direction of plant staff, attorneys, and District consultants; and

WHEREAS, Paul J. Karp and Rick Sweet are willing to provide specialized technical and administrative services and advice to the District for up to six (6) months, and to begin immediately; and

WHEREAS, Paul J. Karp and Rick Sweet have had extensive experience in public wastewater treatment plant and public-sector operations and are familiar with District operations; consequently, hiring them appears to be in the District's best interest; and

WHEREAS, funds are available in Budget Account 19-7077 to pay for specialized technical and administrative services and advice.

NOW, THEREFORE, BE IT RESOLVED by the South San Luis Obispo County Sanitation District Board of Directors as follows:

1. Paul J. Karp and Rick Sweet are hired to provide specialized technical advice and administrative services to the District, including daily direction of plant staff, attorneys, and District consultants for a period of up to six (6) months, subject to execution of contracts with terms outlined in the District's staff report dated August 2, 2017 and in a form acceptable to District Co-Counsel;
2. The Board Chair or his designee is authorized and directed to execute the contracts on the District's behalf after the contracts are brought forward for approval by the Board at its next regular meeting on August 16, 2017.

PASSED AND ADOPTED at a regular meeting of the South San Luis Obispo County Sanitation District Board of Directors held this 2nd day of August, 2017.

On motion of _____, seconded by _____, and by the following roll call vote:

AYES:
NOES:
ABSENT:
CONFLICTS:

RESOLUTION NO. 2017-374

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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 August 2, 2017.

**PAUL J. KARP OR RICK SWEET
TECHNICAL CONSULTANTS**

**JOHN SHOALS
CHAIR, BOARD OF DIRECTORS
SOUTH SAN LUIS OBISPO COUNTY SANITATION
DISTRICT**

**GILBERT A. TRUJILLO
DISTRICT CO-COUNSEL**

RESOLUTION NO. 2017-375

**A RESOLUTION OF THE SOUTH SAN LUIS OBISPO COUNTY
SANITATION DISTRICT BOARD OF DIRECTORS APPROVING THE
CONTRACT FOR SPECIALIZED TECHNICAL AND ADMINISTRATIVE
SERVICES WITH TECHNICAL CONSULTANTS, PAUL J. KARP AND
RICHARD SWEET**

WHEREAS, the District has an immediate, short term need for specialized technical and administrative services and advice in order to complete maintenance and construction projects at its wastewater treatment plant and continue its operations, including the daily direction of plant staff, attorneys and District consultants; and

WHEREAS, the Board adopted Resolution No. 2017-374 approving the hiring of Paul J. Karp and Richard Sweet to provide specialized technical advice and administrative services to the District for up to six months; and

WHEREAS, Resolution No. 2017-374 directs that the contracts for these services be brought back to the Board for their consideration at the Board meeting of August 16, 2017.

NOW, THEREFORE, BE IT RESOLVED by the South San Luis Obispo County Sanitation Board of Directors as follows:

1. The Board Chair or his designee is authorized and directed to execute the contract for Specialized Technical and Administrative Services with Technical Consultants, Paul J. Karp and Richard Sweet, on the District's behalf.

PASSED AND ADOPTED at a regular meeting of the South San Luis County Sanitation District Board of Directors held this 16th day of August, 2017.

On motion of _____, seconded by _____, and by the following roll call vote:

AYES:

NOES:

ABSENT:

CONFLICTS:

RESOLUTION NO. 2017-375
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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 August 16, 2017.

PAUL J. KARP OR RICHARD SWEET
TECHINICAL CONSULTANTS

JOHN SHOALS
CHAIR, BOARD OF DIRECTORS
SOUTH SAN LUIS OBISPO COUNTY SANITATION
DISTRICT

GILBERT A. TRUJILLO
DISTRICT CO-COUNSEL

AGREEMENT FOR SPECIALIZED TECHNICAL AND ADMINISTRATIVE SERVICES
SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
PAUL J. KARP, PE AND RICHARD SWEET, PE

This Agreement is made by and between the SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT ("District") and Paul J. Karp, PE and Richard Sweet, PE (Technical Consultants), in San Luis Obispo County, California.

RECITALS

- A. The District needs prompt access to technical and administrative services from a skilled technical and management team whose qualifications have been reviewed and approved by District according to terms which have been agreed in advance; and
- B. District requested proposals for technical and administrative services; and
- C. Term of this contract shall be up to six (6) months from the date of District approval,
- D. Technical Consultants submitted a proposal to provide technical and administrative services to District;
- E. District wishes to hire Technical Consultants to provide technical and administrative services as independent contractors.

NOW, THEREFORE, District and Technical Consultants agree:

- 1. District hereby hires Technical Consultants to provide technical and administrative services as specified in this Agreement. Technical Consultants will utilize special technical skills to provide services to the District.
- 2. Technical Consultants shall be paid at the hourly rate of \$150 as needed for technical and administrative services. The District makes no promise that any minimum number of hours will be requested. If business costs increase, Technical Consultants may raise the hourly rate by providing one month's advance written notice to the District Board. These services include:
 - a. Provide direction to plant staff, District Counsel, and consultants to facilitate the direction of the Board.
 - b. Technical Consultants will utilize specialized technical expertise pertaining to District and wastewater plant operations in performing the services to be provided.
 - c. Operations Support – Define and provide for operational needs.
 - d. Budget Management and Control – Allocate revenue and expenditures to achieve District goals and objectives.
 - e. Management of District Capital and Maintenance Projects – Utilize Project Management skills to manage projects for maintenance and capital needs of the District.

- f. District Board Meetings – Under Direction of the Board Chair, prepare Board agenda and items for Board consideration. Attendance at all Board meetings by Paul J. Karp or Richard Sweet.
- g. Personnel – Coordinating with District Counsel and personnel services, implement District personnel policy as defined by the Board.
- h. Coordinate Recruitment of New District Administrator – Under direction of the Board, coordinate recruitment of a new District Administrator.

3. Technical Consultants agree to provide services in a prompt and competent fashion and will determine the order and sequencing of the services. It is understood that Technical Consultants are free to engage in employment or to serve as independent consultants elsewhere. The District may not supervise, direct or control the technical consultants in providing their services.

4. Technical Consultants will prepare monthly billing statements for services. The District Board will approve consulting fees as part of the general warrant approval process prior to payment.

5. Technical Consultants will provide, at their expense, all assistants, office space, tools, equipment, training, and licensing necessary to complete services under this Agreement. Technical Consultants will not expense the District for long distance phone calls, photocopying, emailing or secretarial time.

6. Technical Consultants will bill their hourly rate, one way, for travel outside San Luis Obispo County.

7. Technical Consultants will comply with Federal, State and District conflict-related rules and regulations. Technical Consultants agree to at all times avoid conflicts of interest, with the interests of the District in the performance of technical and administrative services. Technical Consultants further agree to avoid personal involvement in situations that are inconsistent or incompatible with providing services to the District. Technical Consultants will file form 700 Statements of Economic Interest as consultants.

8. Any modifications to this Agreement must be in writing and signed by the party to be charged.

9. Notices required under this Agreement shall be sent to the following:
DISTRICT:

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
P.O. Box 339
Oceano, CA 93445

PAUL J. KARP
596 Woodland Drive
Arroyo Grande, CA 93420
With a copy to: pjkarp49@gmail.com

RICHARD SWEET
551 Amber Lane
Santa Maria, CA 93454
With a copy to: rick.sweet@comcast.net

Notices given pursuant to this Agreement shall be deemed received as follows:

- (a) If sent by United States Mail – 5 calendar days after deposit into United States Mail, first-class postage prepaid.
- (b) If by express courier service or hand-delivery – on the date of receipt by the receiving party.

Addresses set forth for notices may be changed upon written notice to District or Technical Consultants, as appropriate.

10. Technical Consultants agree to cooperate with District and subsequent District leadership to assist in an orderly transition of services.

11. Indemnification. Except in the event of reckless or intentional misconduct by Technical Consultants, and excluding any motor vehicle accidents or professional liability claims, District agrees to indemnify, hold harmless, and defend Technical Consultants from any and all charges, complaints, claims, liabilities, obligations, demands, suits, actions, damages, debts and expenses (including attorney's fees and costs actually incurred) hereinafter made, or brought, arising out of the technical and administrative services performed by Technical Consultants within the scope of this Agreement.

12. This Agreement is effective on July 27, 2017.

SOUTH SAN LUIS OBISPO COUNTY
SANITATION DISTRICT:

By: John Shoals, Chairman
SOUTH SAN LUIS OBISPO COUNTY
SANITATION DISTRICT Board of Directors

Date: _____

Technical Consultants:

Paul J. Karp, PE

Date: _____

Richard Sweet, PE

Date: _____

Approval as to Form:

Gil Trujillo or Wendy Stockton
Attorney for the District

Date: _____



SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

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

<http://www.sslocsd.org/>

Date: August 16, 2017

To: Board of Directors

From: Paul J. Karp and Rick Sweet, Technical Consultants; Fanny Mui, Interim Plant Superintendent

Subject: **TECHNICAL CONSULTANTS AND PLANT OPERATION'S REPORT**

This report represents ongoing information on latest District staff activities on, major capital project and studies, programmatic initiatives, regional collaboration, NPDES discharge permit renewal, Plant Operation's report detailing our operation and maintenance activities. *Updates since the last report are provided in italics below:*

Major Capital Projects:

- **Cherry Ave. Arroyo Grande Sewer Bridge Project:**

CEQA: Status: Complete. Board approved MND at its September 7, 2016 meeting.
Regulatory permits: Complete. All Regulatory permits received.

At the June 21, 2017 Board meeting, the Board awarded a contract to Brough Construction Inc. in the amount of \$280,200. Since then an Agreement has been executed by both parties. A bird nesting survey was recently commissioned in order for the project to initiate work on August 1st. If birds are found, then the start date will need to be pushed back to September 1st per permits issued for the projects.

- **Mechanical Bar Screen** – Status: Operational.

During the week of July 24th, Duperon representatives were on-site to install additional components and address remaining operational issues. Final payment is pending completion of our punch list for project close out (final payment and record drawings).

- **Redundancy Project:**

Design: On March 16, 2016, the Board approved a design contract with Kennedy/Jenks for Phase I of this project. On June 21st, the Board approved proceeding with the remaining phases under the contract, including final design. On July 5th, the Board approved Optional Task 1.4A – Alternatives for Future Production of Recycled Water. Several meetings are planned with Kennedy/Jenks on August 2nd to discuss both the design for flood mitigation and progress on optional recycled water task.

A meeting with the Design team and stakeholders was held on Wednesday, August 2, 2017 to define Flood Hazard Mitigation priorities.

Coastal Commission Permitting:

On May 10, 2017, the Commission voted unanimously to approve a 30-year Coastal Development Permit for the Project (see attached press release). The Commission approved revised Findings on June 7th finalizing their May 10th decision. The Notice of Intent to Issue a CDP was received from Coastal Commission staff on June 19th, and staff returned it acknowledging its receipt. *Environmental Science Associates is under contract to develop the Coastal Hazard Plan, (one of the conditions contained in the CDP), and will be meeting/touring our facility on August 1st.*

Financing:

State: All portions of the SRF loan package application have been submitted to SWRCB. On July 13th, staff attended a SWRCB SRF Policy and Prioritization workshop. At the workshop SWRCB staff presented the latest information on the program, future fund/loan availability (still more demand than funds availability), and suggestions from audience members on how to make the program more efficient. In addition, a conference call with SWRCB SRF loan staff was held on June 28th to discuss our application. Based upon the call, SWRCB staff has requested a number of submittals including recirculating the MND Addendum through the State Clearinghouse and Board re-adoption, updated cultural resources report, biological species lists for project area, and air quality modeling for construction. Staff will be bringing at a future meeting options to move forward on these submittals.

Federal: United States Department of Agriculture: On June 2nd, staff and MKN met on-site with two USDA representatives to discuss programs USDA administers for funding wastewater infrastructure. The meeting was very positive, with indications the District could be eligible for grants and loans up to one third of the amount needed for the Redundancy Project through a disadvantageous community program. A follow-up meeting and tour of our WWTP was held July 11th. Additional items they are requiring include a preliminary engineering report, updated alternative analysis consistent with NEPA, and preparation of a categorical exclusion.

- **Biosolids Concrete Slab:** Preliminary engineering and design work is complete. With Coastal Commission approval now received, this project can proceed to the next step, with bid advertisement, and award. We anticipate construction of this project (approximately \$33,000) occurring in late 2017 or Spring 2018.
- **Primary Digester No. 1 Cleanout and Structural Evaluation:** The District has two primary digesters at its facility. Primary Digester No. 1 (constructed in 1965) is long overdue for its regular clean out and inspection (last completed in 2005). In addition, staff and our consultant engineering firm MKN, are concerned with its structural integrity. The first phase

is for the cleanout of the digester. The second phase will involve, after cleanout, an inspection and structural survey to determine the digester's structural integrity. Recommendations for any repairs are also proposed as part of this second phase. At the April 5th Board meeting, the Board approved funding for 1st phase of this project. An executed Agreement was recently issued to Wastewater Solids Management for \$243,690 and work is expected to start on August 21st. The temporary centrifuge has arrived from Pace, and is operational. *District staff continues to prepare the plant for the project. During the week of August 8th, staff repaired a valve necessary to redirect sludge from digester no. 1 to digester no. 2.*

District Control Building and Office: Significant issues and problems are evident in the District's Operational and Administrative Building. The new concrete flooring for the building has been installed. The next steps are a thorough/deep cleaning of the building, replacement baseboards, interior painting and new furniture. *A painting contractor has been retained and efforts to schedule the contractor are underway.*

District staff executed a contract with an architectural firm for an audit/assessment of the existing building for disabled access and 2016 Building Code compliance. The Audit Report completed identifies a number of deficiencies that will need major and minor corrective actions. Surveying for the ADA ramps and project plans are projected to be completed in the next two weeks.

Studies:

Recycled Water Planning Facilities Study Grant: Complete. Staff submitted the Final Study to SWRCB on June 9, 2017. We are awaiting SWRCB final acceptance and a letter allowing final reimbursement. Upon receipt of that letter, District staff will prepare the required documentation and invoice for submission.

Inflow & Infiltration (I & I) Study: The District's plant received significant increased flow this past wet weather season. A multiple phased I&I study approach is being utilized first with the installation of new flow meters to measure any increase flow from our member agencies collection system. Both Phase I and Phase II of the Study were included in the adopted Budget for Fiscal Year 2017-18. As the first step, District staff has purchased another flow meter to collect data for one of our trunk lines

Programmatic Initiatives

Outreach Initiative: *At the June 19th Board meeting, the Board approved the Summer 2017 Newsletter. Next steps include printing and distributing the Newsletter through our member agencies utility bills.*

Records Management Initiative: At the May 3, 2017, Board meeting the Board adopted a comprehensive overhaul of our existing Records Retention Policy. Staff is also considering various options for housing our C-Train records, as the C-Train must be removed by September 1st per the Coastal Commission CDP waiver issued back in December 2016. These options are being coordinated through the SLO District Attorney's office. *A storage locker has been rented and records will be transported to that facility prior to September 1st.*

- Human Resources/Personnel Policy Manual Update: All Sections of PPM have now been reviewed (including legal input), updated with significant and comprehensive revisions.

Subsequently, the entire revised and updated Manual was sent to SEIU employee union representatives. At the June 17th meeting SEIU representatives provided comments on all Sections of the Updated PPM, except the job descriptions. Comments on the latter are expected at the July 28th meeting. As noted previously, the “meet and confer” process must be concluded prior to the PPM consideration and adoption by the Board.

As noted above, to build on substantial progress already made, staff will again meet with SEIU representatives on August 18th to discuss and refine SEIU’s latest proposals and revisions to the draft Memorandum of Understanding.

Strategic Planning Initiative: The Strategic Planning Workshop has been postponed to September.

Financial Initiative: Annual Fiscal Year 2015-2016 Audit: District auditors Glenn Burdette, continue to work with staff to complete our Audit. On July 21st, staff received another list of open items to complete, and have tasked our bookkeeper to work with our Auditors to complete the items as soon as possible. *There has been a flurry of materials provided to Glenn Burdette. Significant progress is being made towards completion of the audit.*

Regional Collaboration

- Regional Groundwater Sustainability Project (RGSP): This project consists of a potential future regional recycling project in the South San Luis Obispo County area in conjunction with the City of Pismo Beach, and the District (with participation of our member agencies: Cities of Arroyo Grande, Grover Beach, and Oceano CSD). On June 20th, the MOU between the City of Pismo Beach and the District was approved by the Pismo Beach City Council. The City also awarded a contract for the joint EIR to Rincon Consultants at that same meeting.
- Northern Cities Management Area Technical Group - The NCMA TG, formed as a result of the Santa Maria Groundwater Basin (SMGB) Adjudication, is exploring various ways to protect and enhance future water supplies in the basin through groundwater monitoring, and the collection and analyzing of data pertinent to water supply and demand. *The next meeting is scheduled for August 14th.*
- Water Reuse, Central Coast Chapter - The Association is a not-for-profit association (501c6) of utilities, government agencies and industry that advocates for laws, policies and funding to promote water reuse and reclamation.
- Zone 1/1A Flood Control Advisory Committee – The Committee’s focus is to provide input and coordination on proposed improvements and maintenance of the Zone 1/1A flood facilities, working with the Coastal San Luis Resource Conservation District. The meeting scheduled for June 20th was cancelled, and a committee update dated June 9th circulated.
- Integrated Regional Water Management (IRWM). IRWM is a collaborative effort with the County of San Luis Obispo to manage all aspects of water resources on a region-wide scale. *The next scheduled meeting is September 6th.*
- San Luis Obispo County Flood Control and Water Conservation District Water Resources Advisory Committee (WRAC) – *The next scheduled meeting is September 6th.*

- Countywide Water Action Team/Water Management Efforts: Water managers throughout San Luis Obispo County meet quarterly to discuss and collaborate on water supply management solutions. *The next meeting is scheduled for September 22nd.*

RWQCB NPDES Permit Renewal

Based upon a recent conversation with RWQCB staff, a draft permit is not likely to be released for public review before late 2017.

In addition, staff revised the Sewer System Management Plan Audit Report to come in compliance with our General WDR. The WDR requires an Audit be completed every two years. Unfortunately, this Audit report which was due last summer, was not timely completed. This Audit Report describes our planned activities under the Plan for the upcoming year.

District's Brine Disposal Program:

District staff completed a revised Brine Disposal Plan this month, and submitted it to the RWQCB for review and evaluation.

Public Records Requests

- *Year to date (July 1 to August 11, 2017), staff fulfilled 6 individual requests.*

Plant Operation's Report

During the reporting period of August 1st – August 9th, 2017, it is not yet known if the District's facility continues to regularly meet its Permit limitations as required under the State of California's National Pollutant Discharge Elimination System (NPDES) Permit. Due to renovation of the District's Office, lab analysis has been contracted out. Results from contracted labs take longer to receive than in house lab analysis. Data will be updated as lab results are received. *All process values (lab test results) were within permit limits.*

Monthly Plant Data as of August 9, 2017

August 2017	INF Flow MGD	INF Peak Flow MGD	INF BOD mg/L	EFF BOD mg/L	BOD % Removal	INF TSS mg/L	EFF TSS mg/L	TSS % Removal	Fecal Coliform MPN/100mL	Chlorine Usage lbs/day
Low	2.43	3.5	330	32		580	43		2	125
High	2.63	4.5	330	32		580	43		23	312
Average	2.51	3.8	330	32	90.3	580	43	92.6	11	236
Aug 2016 AVG	2.3	3.6	467	30	93.6	450	32	92.9	20.1	273
Limit	5.0			40/60/90	>80		40/60/90	>80	2000	

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

Operation and Maintenance Projects

- All Operations staff assisted in completion of daily operations, rounds, and reads

- Removed ferric pump station at Headworks
- Repaired sodium bisulfite leak at chemical pump room and installed a switch on back-up sodium bisulfite system
- Primary Digester Cleaning Project
 - Transferred sludge from primary digester to secondary digester
 - Turned off mixing pump for primary digester
 - Changed valve configuration to have primary clarifier sludge sent to secondary digester sump
 - Flushed and repaired XY7 valve/line
- Flushed Fixed Film Reactor
- Drained and rinsed Chlorine Contact Chamber
- Work Orders
 - SLO Powerhouse ran Emergency Generator under load
 - Obtained oil sample from FFR
 - Amiad filter and secondary clarifier maintenance
 - Changed influent and effluent ISCO pump tubing

Training

- No staff trainings to report this reporting period

Call Outs

- No call outs to report for this reporting period