



**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](http://www.sslocsd.us)

**AGENDA  
BOARD OF DIRECTORS MEETING**

Grover Beach City Hall Chambers  
154 South 8<sup>th</sup> Street  
Grover Beach, CA 93433

**Wednesday, July 18, 2018, at 6:00 p.m.**

**Board Members**

Linda Austin, Chair  
Barbara Nicolls, Vice Chair  
Jim Hill, Director

**Agencies**

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

**Alternate Board Members**

Karen White, Director  
Mariam Shah, Director  
Tim Brown, Director

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

- 
- 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 FY 17/18**
- 5B. Approval of Warrants FY 18/19**
- 5C. Approval of Meeting Minutes of June 20, 2018**
- 5D. Notice of Contract Completion; Biosolids Handling Facility Project**
- 5E. Financial Report for May 2018**

**6. ACTION ITEMS:**

**6A. DISTRICT ADMINISTRATOR AND PLANT OPERATIONS REPORT**

Recommendation: Receive and File.

**6B. 2018 CONFLICT OF INTEREST CODE**

Recommendation: The Board of Directors of the South San Luis Obispo County Sanitation District;

- 1.) Adopt Resolution 2018-398, and
- 2.) Direct staff to process amended Conflict-of-Interest Code with the County no later than October 1, 2018.

**6C. CONSIDERATION OF APPROVAL TO EXECUTE A CONTRACT TO PERFORM PROFESSIONAL AUDITING SERVICES FOR THE DISTRICT'S FY 2016-17, 2017-18 AND 2018-19 FINANCIAL AUDITS**

That the Board of Directors authorize the District Administrator to advise Glenn Burdette (GB) of the District's intent to change auditor; and  
That the Board authorize the District Administrator to sign and execute a professional services contract with Moss, Levy & Hartzheim (MLH) to perform the

District audit for FY 2016-17, 2017-18, and 2018-19 for an amount of \$9,300, \$9,630 and \$9,970 respectively.

**6D. DISCUSSION AND CONSIDERATION OF APPROVAL TO SUBMIT AN APPLICATION FOR MEMBERSHIP OF JEREMY GHENT TO THE SAN LUIS OBISPO COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT ZONE 1 AND 1A ADVISORY COMMITTEE**

Recommendation: The Board recommend Mr. Jeremy Ghent as the District's representative, to the San Luis Obispo County Flood Control and Water Conservation District Zone 1 and 1A, Advisory Committee to fill the vacancy of Paul J. Karp, and

Direct staff to submit an application to the County Board of Supervisors for formal consideration and appointment.

**7. MISCELLANEOUS ITEMS:**

**7A. Written Communications**

**8. BOARD MEMBER COMMUNICATIONS:**

**9. CLOSED SESSION:**

**(A) CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION**

(Paragraph (1) of subdivision (d) of Section 54956.9)  
One Case: Case No. 18CV-0402 - Carol A. Wolff v. Mathew Robert Dutra;  
Duna Vista Mobile Home Park; South San Luis Obispo County Sanitation District; Alexander Keith; Christine Keith

**10. ADJOURNMENT**

The next regularly scheduled Board Meeting on August 8, 2018, 6:00 pm at the Grover Beach City Hall Chambers,  
154 South 8<sup>th</sup> Street, Grover Beach, California

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT  
WARRANT REGISTER  
07/18/2018 FY 2017/18

VENDOR	BUDGET LINE ITEM	DETAIL	WARRANT NO.	ACCT	ACCT BRKDN	TOTAL
ABALONE COAST ANALYTICAL	CHEMICAL ANALYSIS	18-3763	071818-3084	19-7078	175.00	175.00
AGP VIDEO	PROF-SERV AGP VIDEO	JUNE	3085	19-7080	1,592.50	1,592.50
ALL STAR INDUSTRIAL SUPPLY	SAFETY SUPPLIES	2210; 2219	3086	19-8056	630.64	630.64
AMY SIMPSON	MEDICAL REIMBURSEMENT	FY 17/18	3087	19-6075	445.00	445.00
ARAMARK	UNIFORMS	6695; 3966; 1084	3088	19-7025	508.79	508.79
AUTOSYS, INC.	ELECTRICIAN/INTEGRATOR	2150; 2157	3089	19-7062	10,845.00	10,845.00
BANK OF THE WEST	OFFICE SUPPLIES	UPS.COM	3090	19-8045	308.50	465.71
	WEBSITE	SHERWEB		19-7082	148.65	
	FINANCE CHARGE	JUNE		19-8045	8.56	
BARBARA NICOLLS	PROF-SERV. BOARD SERVICE	JUNE	3091	19-7075	300.00	300.00
BRENNTAG	PLANT CHEMICALS	BPI846677; BPI850627	3092	19-8050	12,023.32	12,023.32
CARQUEST	AUTOMOTIVE MAINTENANCE	1000500; 1004017; 1000499	3093	19-8032	15.03	15.03
CENTRAL COAST TECHNOLOGY	PROF-SERV COMPUTER SUPPORT	JUNE	3094	19-7082	200.00	200.00
CITY OF ARROYO GRANDE	PROF-SERV. BILLING	APRIL, MAY & JUNE	3095	19-7073	5,030.25	5,030.25
CITY OF GROVER BEACH	PROF-SERV. BILLING	JUNE	3096	19-7081	1,754.00	1,754.00
CPS HR CONSULTING	RECRUITMENT	359763	3097	19-7076	751.60	751.60
CULLIGAN/CCWT	EQUIPMENT RENTAL	50032	3098	19-7032	190.00	190.00
ENGEL & GRAY, INC.	BIOSOLIDS HANDLING	86X00014	3099	19-7085	6,269.89	6,269.89
FGL	CHEMICAL ANALYSIS	88007484; 88118A	3100	19-7078	9,311.00	9,311.00
HACH	LAB SUPPLIES	11023276	3101	19-8040	167.53	167.53
HAULAWAY	EQUIPMENT RENTAL	5/17/18-6/13/18	3102	19-7032	93.80	93.80
I.I. SUPPLY	EQUIPMENT MAINTENANCE	54308; 54411	3103	19-8030	321.74	321.74
JB DEWAR	FUEL	879093	3104	19-8020	153.05	153.05
JIM HILL	PROF-SERV. BOARD SERVICE	JUNE	3105	19-7075	300.00	300.00
JONES & MAYER	LEGAL COUNSEL	APRIL, MAY & JUNE	3106	19-7071	11,360.50	11,360.50
KAREN WHITE	PROF-SERV. BOARD SERVICE	JUNE	3107	19-7075	200.00	200.00
KEMIRA	PLANT CHEMICALS	9017592781	3108	19-8050	8,170.91	8,170.91
KENNEDY JENKS	REDUNDANCY	123087	3109	20-7080	78,298.14	78,298.14
LINDA AUSTIN	PROF-SERV. BOARD SERVICE	JUNE	3110	19-7075	100.00	100.00
MCS, INSPECTION GROUP	DIGESTER NO. 1 REHAB	200	3111	26-8065	14,630.00	14,630.00
MKN & ASSOCIATES, INC.	BIOSOLIDS HANDLING FACILITY	4583	3112	26-8065	5,900.90	12,659.05
	DIGESTER NO. 1 REHAB	4557		26-8065	4,563.65	
	DIGESTER NO. 1 VALVE REPLACE	4585		26-8065	1,864.50	
	HEADWORKS	4556		26-8065	330.00	
MINERS	HOUSEHOLD SUPPLIES	JUNE	3113	19-8035	216.49	216.49
NBS	PROF. - SERV. OCEANO BILLING	61800260	3114	19-7074	721.79	721.79
OILFIELD ENVIRON. & COMPLIANCE	CHEMICAL ANALYSIS	1802091; 1802095	3115	19-7078	175.00	175.00
PRAXAIR	EQUIPMENT RENTAL	JUNE	3116	19-7032	30.54	30.54
R.F. MCDONALD CO.	EQUIPMENT MAINTENANCE	260366	3117	19-8030	1,135.00	1,135.00
READY REFRESH	HOUSEHOLD SUPPLIES	JUNE	3118	19-8040	128.79	128.79
REGIONAL GOVT. SERVICES	PROF-SERV HUMAN RESOURCES	JUNE	3119	19-7076	476.25	476.25
SO CAL GAS	UTILITIES - GAS	05/30/18-06/28/18	3120	19-7092	2,385.33	2,385.33
SOUTH COUNTY SANITARY	RUBBISH	JUNE	3121	19-7093	659.18	659.18
SPRINT	CELL PHONES	06/04/18-07/03/18	3122	19-7014	221.45	221.45
THOMA ELECTRIC	ELECTRICIAN/INTEGRATOR	40279	3123	19-7062	315.00	315.00
UNITED STAFFING	TEMPORARY LABOR	114586; 114950; 115323; 116087	3124	19-6085	2,717.28	2,717.28
USA BLUEBOOK	SAFETY SUPPLIES	607133; 602147	3125	19-8056	145.15	1,131.40
	EQUIPMENT MAINTENANCE	584712		19-8030	986.25	
VWR	LAB SUPPLIES	P.O.#'S 2018-040; 2018-039; 2018-046	3126	19-8040	417.03	417.03
WINEMA INDUSTRIAL & SAFETY	SAFETY SUPPLIES	2318	3127	19-8056	789.21	789.21
<b>SUB TOTAL</b>					<b>\$ 188,482.19</b>	<b>\$ 188,482.19</b>
SSLOCS	RABOBANK TRANSFER JUNE	PAYROLL 06/08/18; 06/22/18;	3128		39,624.89	57,587.63
		CALPERS HEALTH JULY		19-6010	11,008.92	
		CALPERS RETIREMENT		19-6060	6,953.82	
					<b>\$ 57,587.63</b>	<b>\$ 57,587.63</b>
<b>GRAND TOTAL</b>					<b>\$ 246,069.82</b>	<b>\$ 246,069.82</b>

We hereby certify that the demands numbered serially from 071818-3084- to 071818-3128 together with the supporting evidence have been examined, and that they comply with the requirements of the SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT. The demands are hereby approved by motion of the SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT, together with warrants authorizing and ordering the issuance of checks numbered identically with the particular demands and warrants.

BOARD OF DIRECTORS:

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

\_\_\_\_\_  
Chairman

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

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

\_\_\_\_\_  
Secretary

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT  
WARRANT REGISTER  
07/18/2018 FY 2018/19

VENDORS	BUDGET LINE ITEM	DETAIL	WARRANT NO.	ACCT	ACCT BRKDN	TOTAL
ALLIED ADMINISTRATORS	EMPLOYEE DENTAL	AUGUST	071818-3129	19-6025	871.15	871.15
AMY SIMPSON	MEDICAL REIMBURSEMENT	FY 18/19	3130	19-6075	255.00	255.00
ARAMARK	UNIFORMS	8259	3131	19-7025	175.36	175.36
CULLIGAN/CCWT	EQUIPMENT RENTAL	JULY	3132	19-7032	60.00	60.00
ERIKA FROST	BOOT ALLOWANCE	FY 18/19	3133	19-7025	250.00	250.00
EVERYWHERE RIGHT NOW, INC	WEBSITE SUPPORT	JULY	3134	19-7082	100.00	100.00
HARBANS SINGH-KALER	STRUCTURE MAINTENANCE	0001	3135	26-8065	480.00	480.00
MARIO DE LEON	BOOT ALLOWANCE	FY 18/19	3136	19-7025	250.00	250.00
MICHAEL ARIAS	BOOT ALLOWANCE	FY 18/19	3137	19-7025	250.00	250.00
MYCHAL JONES	BOOT ALLOWANCE	FY 18/19	3138	19-7025	250.00	250.00
PACE DS	CENTRIFUGE RENTAL	JULY	3139	26-8061	15,500.00	15,500.00
SLOACTTC	LAFCO BUDGET SHARE	LAFCO 2018/19	3140	19-7069	12,838.28	12,838.28
SOUTH COUNTY SANITARY	RUBBISH	JULY	3141	19-7093	338.41	338.41
STANLEY SECURITY	ALARMS	AUGUST	3142	19-7011	67.25	67.25
STATE FUND INSURANCE COMP	WORK COMP	JULY	3143	19-6080	2,174.50	2,174.50
WILLIAM JACKMAN	BOOT ALLOWANCE	FY 18/19	3144	19-7025	250.00	250.00
WILLIAM ROMHILD	BOOT ALLOWANCE	FY 18/19	3145	19-7025	250.00	250.00
<b>SUB TOTAL</b>					<b>33,488.80</b>	<b>33,488.80</b>
<b>GRAND TOTAL</b>					<b>\$ 33,488.80</b>	<b>\$ 33,488.80</b>

We hereby certify that the demands numbered serially from 071818-3129 to 071818-3145 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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## SUMMARY ACTION MINUTES Regular Meeting of Wednesday, June 20, 2018

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### 1. CALL TO ORDER AND ROLL CALL

Chair Austin called the meeting to order and recognized a quorum.

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

District Staff: Paul Karp, Technical Consultant  
Gilbert Trujillo, District Legal Counsel  
Amy Simpson, District Bookkeeper/Secretary

### 2. PLEDGE OF ALLEGIANCE

Chair Austin led the Pledge of Allegiance.

### 3. AGENDA REVIEW

Approved as presented.

### 4. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON AGENDA

Chair Austin opened the Public Comment period.

Julie Tacker commented on the censure of Director Hill; requested a censure of John Shoals; correction to statements of Mary Lucey; civil action against former District Administrator John Wallace; and the Brown Act.

Shirley Gibson asked the Board to stay focused on current issues and move the District beyond follow up on past matters.

Ron Arnoldsen asked the Board to consider a civil suit against former District Administrator John Wallace.

Chair Austin closed the Public Comment period.

### 5. CONSENT AGENDA:

A revised Warrant Register was distributed at the meeting.

- 5A. Approval of Warrants**
- 5B. Approval of Meeting Minutes of May 16, 2018 - Amended**
- 5C. Approval of Meeting Minutes of June 6, 2018**
- 5D. Approval of Meeting Minutes of June 14, 2018**

Director Hill requested the Warrant Register be pulled from the Consent Agenda to allow inspection of the legal counsel and Technical Consultants invoices.

Chair Austin opened the Public Comment period for Items 5B, 5C, and 5D.

There was no public comment.

Chair Austin closed the Public Comment period.

**Motion:** Director Hill made a motion to approve Items 5B, 5C, and 5D.  
**Second:** Vice Chair Nicolls

**Action:** Approved unanimously by voice vote.

Chair Austin opened the Public Comment period for Item 5A Warrant Register.

Julie Tacker and Ron Arnoldsen commented on warrants.

Chair Austin closed the Public Comment period.

Director Nicolls and Chair Austin responded to the public commenter's statement and both stated that they are reviewing the warrant register and take up questions on specific warrants with Staff individually prior to the meeting.

#### **6A. Technical Consultants and Plant Operations Report**

Technical Consultant Karp presented the Technical Consultants and Plant Operations Report. He highlighted the progress of the Redundancy Project. He also said that conversations with the auditors for the FY 16/17 have begun, as well as commencement of work to the updates to the Personnel Policy Manual (PPM) requested by individual Board Members during the detailed reviews. Mr. Karp reported that there were multiple call outs one evening related to a failed circuit board in the telemetry system for the headworks that has since been repaired. He also stated that a 50-year old reclaimed water pipe had broken next to number 1 digester.

The Board had a brief discussion related to the number 1 digester rehabilitation and the broken pipeline.

Chair Austin opened the Public Comment period.

Julie Tacker commented on the brine program and the final days of the Technical Consultants.

Chair Austin closed the Public Comment period.

Technical Consultant Karp said Interim Superintendent Jones has contacted various agencies regarding their practices to operate their brine programs. We await the arrival of the new Laboratory Technician so that the new staffer can provide input prior to presentation of the status or proposed modifications to either the Board or to Surf Rider with regard to the existing brine program. Mr. Karp said the Technical Consultants had planned to curtail services to the District within one or two days after the new administrator, Mr. Ghent, begins his service, but that either or both are available should Mr. Ghent or the Board request additional support between that date and July 27, 2018 on the same terms and rates in the Agreement approved by the Board on May 16, 2018.

**Action:** The Board received and filed the report.

**6B. CANCELLATION OF JULY 4, 2018 BOARD OF DIRECTORS MEETING**

Technical Consultant Karp presented this item. He noted that the Bookkeeper is corresponding with vendors and requesting extensions for bills that will be due prior to the meeting of July 18<sup>th</sup>.

Chair Austin opened the Public Comment period.

Julie Tacker commented on this item.

Chair Austin closed the Public Comment period.

**Motion:** Director Hill made a motion to cancel the regularly scheduled meeting of July 4, 2018.

**Second:** Vice Chair Nicolls

**Action:** Approved unanimously by voice vote.

Technical Consultant Karp noted that staff would issue a press release to inform the public that the meeting of July 4, 2018 is cancelled.

**7. MISCELLANEOUS ITEMS**

**7A. Written Communications**

- 1. Letter to Michael S. Frye, San Luis Obispo County District Attorney's Office, Public Integrity Unit, Re: April 7, 2018 Brown Act Violation Warning.**

Chair Austin opened the Public Comment period.

Julie Tacker commented on this item.

Chair Austin closed the Public Comment period.

Chair Austin reopened the Board discussion of Item 5A. Approval of the Warrant Register.



**5A. Approval of Warrants**

Director Hill provided his comments on his review of the invoices.

**Motion:** Vice Chair Nicolls made a motion to approve the Revised Warrant Register.

**Second:** Chair Austin

**Action:** Approved unanimously by roll call vote.

**8. BOARD MEMBER COMMUNICATIONS**

Director Hill requested the Board have a discussion to consider the issue to sue former District Administrator Wallace.

**9. CLOSED SESSION:**

**(A) PERFORMANCE EVALUATION**  
**Title: District Counsel**

**(B) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION**

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: (one case)

Legal Counsel Trujillo announced Closed Session.

Chair Austin opened the Public Comment period.

Julie Tacker, Shirley Gibson and Ron Arnoldsen commented on Closed Session.

Chair Austin closed the Public Comment period.

The Board adjourned to Closed Session at 6:46 p.m.

The Board reconvened from closed session at 7:40 p.m.

The Board took no reportable action with regard to either item.

**10. ADJOURN MEETING**

The meeting was adjourned at 7:43 p.m. and will return at 6:00 PM for the next regular Meeting on July 18, 2018 at the Grover Beach City Chambers located at 154 South 8<sup>th</sup> Street, Grover Beach, California 93433.

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



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## STAFF REPORT

**Date:** July 18, 2018  
**To:** Board of Directors  
**From:** Jeremy Ghent, District Administrator  
**Subject:** **NOTICE OF CONTRACT COMPLETION; BIOSOLIDS HANDLING FACILITY PROJECT**

### **RECOMMENDATION:**

That the Board of Directors of the South San Luis Obispo County Sanitation District approve the Notice of Contract Completion for the Biosolids Handling Facility Project, authorize Staff to appropriately record the Notice at the County of San Luis Obispo; and make final payments in conformance with the terms of the contract.

### **BACKGROUND AND DISCUSSION:**

The Biosolids Handling Facility Project provided for the construction of a twenty foot by twenty foot (20'x20') reinforced concrete pad with drainage and curbing for containment, to deposit and process the sludge for subsequent loading and transportation. This provides the opportunity to make more sludge drying bed area available and allows for the elimination of the present worn out conveyor belt system.

The project was completed by Whitaker Construction Group, Inc. for a price of \$47,578.85. The project was funded by the District under Fund 26-8065, Structures/Grounds Replacement and Improvements.

### **Options**

1. Approve the Notice of Contract Completion and make the payments required under the contract;
2. Do not approve the Notice and cause the contractor to pursue other remedies to recover funds due; or
3. Provide further direction to staff.

### **Fiscal Consideration**

Funds are included in the budget to pay for this completed project.

**ATTACHMENT:** Notice of Contract Completion

**NOTICE OF COMPLETION**

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Owner: South San Luis Obispo County Sanitation District 1600 Aloha Pl, Oceano, CA 93445	Owner's Contract No.:
Contractor: Whitaker Construction Group, Inc.	Contractor's Project No.:
Engineer: MKN and Associates, Inc.	Engineer's Project No.:
Project: SSLOCSD Biosolids Handling Facility Project	Contract Name: SSLOCSD WWTP Biosolids Handling Facility Project

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**This Notice of Completion applies to:**

All Work  The following specified portions of the Work:

\_\_\_\_\_  
May 29, 2018  
**Date of Substantial Completion**  
\_\_\_\_\_  
July 9, 2018  
**Date of Completion**

The Work to which this Certificate applies has been inspected by authorized representatives of Owner, Contractor, and Engineer, and found to be complete. The Date of Completion of the Work or portion thereof designated above is hereby established, subject to the provisions of the Contract pertaining to Substantial Completion. The date of Completion marks the commencement of the contractual correction period and applicable warranties required by the Contract.

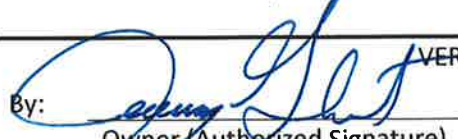
The responsibilities between Owner and Contractor for security, operation, safety, maintenance, heat, utilities, insurance, and warranties upon Owner's use or occupancy of the Work shall be as provided in the Contract, except as amended as follows:

Amendments to Owner's responsibilities:  None  As follows

Amendments to Contractor's responsibilities:  None  As follows:

Notice is hereby given that the Owner is the only owner of the Property, and that the Owner contracted with the Contractor to perform construction services and construct a certain improvement ("Work") at the property. That on the date: May 29, 2018, the Work was completed.

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VERIFICATION	
By: <u></u>	By: _____
Owner (Authorized Signature)	Contractor (Authorized Signature)
Title: <u>District Administrator</u>	Title: _____
Date: <u>7/10/18</u>	Date: _____



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## STAFF REPORT

**Date:** July 18, 2018  
**To:** Board of Directors  
**From:** Amy Simpson, District Bookkeeper/Secretary  
**Via:** Jeremy Ghent, District Administrator  
**Subject:** **Financial Review as of May 31, 2018**

### **Overall Financial Summary**

As of May 31, 2018, the District has received total revenues of \$4,937,286. Of this amount, \$4,428,113 are operating revenues. Operating revenues are generated from the collection of wastewater treatment fees. Non-operating revenues as of May 31, 2018 totaled \$509,173 and are detailed in Table "A".

District expenses as of May 31, 2018 totaled \$4,381,754. Operating expenses totaled \$3,113,051. Operating expenses are all expenses in Operating Fund 19. Non-operating expenses are expenses in Expansion Fund 20 and Replacement Fund 26. Non-operating expenses as of May 31, 2018 were \$1,268,703. The majority of the non-operating expenditures were for projects including Redundancy, Digester No. 1 Rehabilitation and the Arroyo Grande Cherry Ave. Sewer Bridge.

As of May 31, 2018 the District revenue exceeds expenses (net income) by \$555,533.

### **Local Agency Investment Fund**

The balance in the District's LAIF account was \$2,464,037 as of May 31, 2018.

### **County of San Luis Obispo Treasury Pool**

As of May 31, 2018, the reconciled cash balance with the County of San Luis Obispo Treasury Pool was \$3,712,280. The County issues the majority of the District's checks. The District's revenues are deposited with the County. As such, the County provides 'banking services' to the District and provides accounting documents utilized for internal control purposes.

**Rabobank Funds**

At May 31, 2018, the reconciled cash balance in the District's Rabobank account totaled \$135,654. This account has been used to process the District's contracted payroll provider service, CalPers Health and Retirement payments and website services.

Table "A"

<i>UNAUDITED</i>				
	FUND 19 OPERATING	FUND 20 EXPANSION	FUND 26 REPLACEMENT	TOTAL DISTRICT-WIDE
<b>REVENUES - YTD</b>				
<b>OPERATING</b>	4,428,113	-	-	4,428,113
<b>NON-OPERATING</b>				
Connection Fees	-	105,803		105,803
Water Recyc. Reimburse	-	68,623		68,623
Brine Disposal	237,266	-	-	237,266
Lease (At&t)	2,396	-	-	2,396
Interest	27,347	28,779	-	56,125
FOG Reimbursement	640	-	-	640
Other Sales P/Y		5,222		5,222
Wallace Restitution	18,098			18,098
SDRMA	15,000			15,000
<b>TOTAL NON-OPERATING</b>	<b>300,746</b>	<b>208,427</b>	-	<b>509,173</b>
<b>TOTAL REVENUES</b>	<b>4,728,859</b>	<b>208,427</b>	-	<b>4,937,286</b>
<b>EXPENSES - YTD</b>	3,113,051	446,152	822,550	4,381,754
<b>TOTAL EXPENSES</b>	<b>3,113,051</b>	<b>446,152</b>	<b>822,550</b>	<b>4,381,754</b>
TRANSFERS	(947,200)		947,200	-
<b>NET INCOME (LOSS) - YTD</b>	<b>668,608</b>	<b>(237,725)</b>	<b>124,650</b>	<b>555,533</b>
	<b>NEW CONNECTIONS</b>	<b>FY 2017/18 NUMBER</b>	<b>FY 2017/18 REVENUE</b>	
	Arroyo Grande	23	71,774	
	Grover Beach	7	19,180	
	Oceano	3	14,849	
	<b>TOTAL NEW DISTRICT CONNECTIONS</b>	<b>33</b>	<b>105,803</b>	



# SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

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## STAFF REPORT

**Date:** July 18, 2018  
**To:** Board of Directors  
**From:** Jeremy Ghent, District Administrator; Mychal Jones, Interim Plant Superintendent  
**Subject:** **DISTRICT ADMINISTRATOR AND PLANT OPERATIONS REPORT**

This report represents ongoing information on the latest District staff activities on major capital projects and studies, programmatic initiatives, regional collaboration, National Pollutant Discharge Elimination System discharge permit renewal, and Plant Operations report detailing our operation and maintenance activities. *Updates since the last report are provided in italics below:*

### **Capital Projects:**

#### **Headworks:**

**Status:** Project is substantially complete. Work is proceeding with minor punchlist items.

#### **Redundancy Project:**

**Design:** The bid-ready documents are scheduled for completion in February 2019, and the 2½ year construction will begin in the fall of 2019. Financial consultant, Bartle Wells Associates, is advising the District regarding rates and financing. *Kennedy/Jenks submitted the 30% contract drawings and Concept Design Report. The District Administrator and Interim Superintendent have begun plan review and have been providing feedback to the design team.*

**Financing State:** All portions of the State Revolving Fund loan package application have been submitted to State Water Resources Control Board. A number of additional items have been requested to make the application more favorable. Those items are nearing completion with submittal expected within the next two weeks. The bid price for the Redundancy Project construction with the 30% design submittal is estimated at \$17.6 million, and the estimated project cost/funding amount is \$22.8 million. As the design progresses, staff will continue to update Bartle Wells regarding the engineer's projections.

The District may be eligible for grants and loans up to one-third of the amount needed for the Redundancy Project through a disadvantaged community program. Discussion with USDA is underway.

**Biosolids Concrete Slab:**

*Project Complete*

**Primary Digester No. 1 Rehabilitation:**

*MKN Inspectors and engineers are working with FRM to correct minor material failures on Coatings. Return to service is expected.*

**Raise Manholes to Grade:**

*No Update*

**Programmatic Initiatives:****Human Resources/Personnel Policy Manual (PPM) Update:**

The Board completed its review of the revised draft PPM at its meeting on June 6, 2018. Staff is now in the process of correcting errors and reviewing Board comments/questions. Staff will bring the final PPM to the Board for approval and adoption at an upcoming meeting.

**Financial Initiative:**

The fiscal year 2015-2016 audit was presented to the Board and filed. The budget for FY 2018-19 was approved at the June 6, 2018 Board meeting, and the Bookkeeper is performing the appropriate follow-up logistics with the County Auditor. *Strategy for completing FY 2016-17 Audit is agendized.*

**Regional Collaboration:****Central Coast Blue (Regional Groundwater Sustainability Project (RGSP)):**

*The District Administrator met with the City of Pismo Beach and The CCB project engineer on site at the SSLOCSD Treatment Plant. Discussion was both for background and strategic planning. District agreed to provide the project team with 30% Plans of the Redundancy Project for project site planning.*

**Regional Water Quality Control Board (RWQCB) National Pollutant Discharge Elimination System (NPDES) Permit Renewal:**

The District is awaiting a draft of a revised permit from RWQCB staff.

**Recruitment of Laboratory Technician:**

*The District has hired Erika Frost. Ms. Frost has a Bachelor's Degree in Biology from the University of Miami and has worked as both a lab and environmental technician. Most recently she was the Lab Director for Abalone Coast Analytical, a private water quality lab in San Luis Obispo. She joined the District's team on July 9<sup>th</sup>.*

**Upcoming Agenda Items:**

- Approval and Adoption (Resolution) of the final draft of the PPM
- Status of Brine Program
- Memorandum of Agreement (MOA) with City of Pismo Beach for Use of District Site for Central Coast Blue (Received Draft from Pismo 7/13/18)
- Year-end Financial Report (FY 2017-18)
- Rules of Decorum
- *Project Change Request for Kennedy Jenks*

## Plant Operations Report

The District exceeded its NPDES Permit limit for fecal coliform bacteria on July 4<sup>th</sup> and 5<sup>th</sup>. Immediately following the observation, Operations staff raised the chlorine dosage at the chlorine contact tank to lessen bacterial activity. The cause of the exceedance may be due to the District's chlorine controller not operating correctly. Although the District had a residual present during both violations, chlorine usage was low. With the higher flows experienced both days, chlorine usage should have been higher than normal. Operations staff flushed the fixed film reactor, cleaned the chlorine contact chamber and continued troubleshooting the chlorine controller. The Regional Water Quality Control Board has been notified of the permit exceedances. All process values for fecal coliform bacteria following the exceedance have been within permit limits. *All other process values (lab test results) were within permit limits.*

### Monthly Plant Data for June 2018

June 2018	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	2.23	3.2	384	8		468	26		<1.8	94
High	2.72	4.3	594	35.6		702	35		920	250
Average	2.38	3.61	508	23.9	95.3	556	31.3	94.4	126	188
June 2017 AVG	2.4	3.7	487	24.2	95	547	31.3	94.3	4.9	210
Limit	5.0			40/60/90	>80		40/60/90	>80	2000	

\*Note - Included June 2018 monthly data above due to cancellation of July 4, 2018 Board meeting.

### Monthly Plant Data as of July 11, 2018

July 2018	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	2.36	3.5	475	27		418	30.8		2	188
High	2.61	4.6	516	27.9		558	34.5		9,200	250
Average	2.48	3.92	496	27.5	94.5	466	32	93.1	2146	195
July 2017 AVG	2.5	3.9	359	27.9	92.2	452	36.1	92	8.2	231
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

- Completed and submitted e-ROAR documents for diesel fleet vehicles
- Troubleshoot and installed new O2 sensor on 3 gas detectors



- Provided overview of plant operations to Fluid Resource Management operators
- Completed monthly safety walk and spill prevention, control, and countermeasures
- Inspected and cleaned polymer pump at splitter box
- Troubleshoot backup chlorine and backup dechlorinating control systems and sent both systems to ProMinent for reprogramming
- Repaired check valve on sump pump
- Flushed fixed film reactor (FFR)
- Kevin Seifert of Autosys moved existing PLC controls for the influent Pump Station from the existing antiquated PLC to the existing new PLC
- Continued troubleshooting chlorine controller with Kevin Seifert of Autosys
- Unplugged secondary sludge return line
- Drained and rinsed chlorine contact tank (CCT)
- San Luis Powerhouse load tested emergency generator

### **Work Orders Completed**

- Test ran emergency generator and emergency bypass pump
- Rinse secondary clarifier weir, launder, and center ring
- Rinse both primary clarifier weirs, launders, and center rings
- De-ragged primary clarifier sludge pumps
- Greased motors throughout plant
- Cleaned fixed film reactor orifices and changed oil in distributor drive
- Performed preventative maintenance on forklift, front loader, and plant carts
- Annual inspection of all sump pump amperage readings
- Replace influent and effluent ISCO sampler tubing

### **Training**

- Operations staff participated in a safety meeting on injuries and fatalities at wastewater treatment plants and preventative measures

### **Call Outs**

- On June 29<sup>th</sup>, 6:32 PM – Oceano Community Services District needed access to the plant to empty a vacuum truck and vacuum trailer.
- On July 1<sup>st</sup>, 8:28 PM - Secondary Digester High Sump Level. Operator Jackman responded and upon arrival the high level had subsided. Rinsed down sump, wiped sensor, and reset alarm.



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## STAFF REPORT

**Date:** July 18, 2018  
**To:** Board of Directors  
**From:** Jeremy Ghent, District Administrator  
**Subject:** **2018 CONFLICT OF INTEREST CODE**

### **RECOMMENDATION:**

That the Board of Directors of the South San Luis Obispo County Sanitation District;

- 1.) Adopt Resolution 2018-398, and
- 2.) Direct staff to process amended Conflict-of-Interest Code with the County no later than October 1, 2018.

### **BACKGROUND AND DISCUSSION:**

The Political Reform Act requires every local government agency to review its conflict-of-interest code biennially. After review, each agency must submit to the County Clerk-Recorder a notice indicating whether or not an amendment is necessary.

In order to timely comply with this regulation, staff and legal counsel worked jointly to prepare draft Resolution No. 2018-398. The District's Conflict-of-Interest Code was last updated on August 17<sup>th</sup> 2016 through Resolution No. 2016-355.

Upon counsel's review code references within the District's Conflict-of-Interest Code were updated to correct minor reference errors adopted by the 2016-355 Resolution.

### **Fiscal Consideration**

None

**Attachment:** Appendix A  
Appendix B

**RESOLUTION NO. 2018-398**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT  
AMENDING ITS CONFLICT OF INTEREST CODE**

**WHEREAS**, Government Code Section 87300 requires the District to "adopt and promulgate" a conflict of interest code according to the provisions of Article 3 of Chapter 7 of Title 9 of the Government Code which designates where Form 700 disclosure statements are filed and retained; and

**WHEREAS**, the Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act; and

**WHEREAS**, The District desires to adopt by reference 2 California Code of Regulations Section 18730, a current copy of which is attached hereto as **Appendix "A,"** which provides the rules for disqualification procedures, reporting financial interests, and references the current gift limit; and

**WHEREAS**, each conflict of interest code must list all agency positions that involve the making or participation in making of decisions that "may foreseeably have a material effect on any financial interest;" and

**WHEREAS**, each conflict of interest code must be regularly—at least every other year—updated to reflect the current structure of the agency and properly identify all officials and employees who should be filing a Form 700;

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** The terms of 2 California Code of Regulations Section 18730 as set forth in the attached Appendix "A" and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated into this Resolution and adopted by reference; and

**SECTION 2.** This regulation and the attached **Appendix "B,"** designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the South San Luis Obispo County Sanitation District ("District"); and

**SECTION 3.** Individuals holding designated positions shall file their statements of economic interests with the District, which will make the statements available for public inspection and reproduction (Gov. Code Sec. 81008). Upon receipt of the statements for the Members of the Board, Alternates, and the District Administrator, the District shall make and retain copies and forward the originals to the County of San Luis Obispo. All other statements will be retained by the District.

**PASSED AND ADOPTED** at a regular meeting of the South San Luis Obispo County Sanitation District held July 18, 2018.

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Board Chair

ATTEST:

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DISTRICT SECRETARY

APPROVED AS TO FORM:

BY: \_\_\_\_\_  
DISTRICT COUNSEL

CONTENTS:

BY: \_\_\_\_\_  
DISTRICT ADMINISTRATOR

[2 CCR 18730](#)

This document is current through Register 2018, No. 18, May 4, 2018

*Barclays Official California Code of Regulations > TITLE 2. ADMINISTRATION > DIVISION 6. FAIR POLITICAL PRACTICES COMMISSION > CHAPTER 7. CONFLICTS OF INTEREST > ARTICLE 2. DISCLOSURE*

**§ 18730. Provisions of Conflict of Interest Codes**

---

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Section 87300 or the amendment of a conflict of interest code within the meaning of Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (Regulations 18110, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

(2) Section 2. Designated Employees.

The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

(3) Section 3. Disclosure Categories.

This code does not establish any disclosure obligation for those designated employees who are also specified in Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must

report their economic interests pursuant to article 2 of chapter 7 of the Political Reform Act, Sections 87200, et seq.

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

(A)The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;

(B)The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Section 87200; and

(C)The filing officer is the same for both agencies.<1>

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of economic interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those economic interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the economic interests set forth in a designated employee's disclosure categories are the kinds of economic interests which he or she foreseeably can affect materially through the conduct of his or her office.

**(4)Section 4. Statements of Economic Interests: Place of Filing.**

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code.<2>

**(5)Section 5. Statements of Economic Interests: Time of Filing.**

(A)Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B)Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

**(C)Annual Statements.** All designated employees shall file statements no later than April 1. If a person reports for military service as defined in the Servicemember's Civil Relief Act, the deadline for the annual statement of economic interests is 30 days following his or her return to office, provided the person, or someone authorized to represent the person's interests, notifies the filing officer in writing prior to the applicable filing deadline that he or she is subject to that federal statute and is unable to meet the applicable deadline, and provides the filing officer verification of his or her military status.

**(D)Leaving Office Statements.** All persons who leave designated positions shall file statements within 30 days after leaving office.

**(5.5)Section 5.5. Statements for Persons Who Resign Prior to Assuming Office.**

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

**(A)Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:**

**(1)File a written resignation with the appointing power; and**

**(2)File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.**

**(6)Section 6. Contents of and Period Covered by Statements of Economic Interests.**

**(A)Contents of Initial Statements.**

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

**(B)Contents of Assuming Office Statements.**

Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of as



suming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

**(C)Contents of Annual Statements.** Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Section 87302.6, the day after the closing date of the most recent statement filed by the member pursuant to Regulation 18754.

**(D)Contents of Leaving Office Statements.**

Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

**(7)Section 7. Manner of Reporting.**

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

**(A)Investment and Real Property Disclosure.**

When an investment or an interest in real property<sup><3></sup> is required to be reported,<sup><4></sup> the statement shall contain the following:

- 1.A statement of the nature of the investment or interest;
- 2.The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
- 3.The address or other precise location of the real property;
- 4.A statement whether the fair market value of the investment or interest in real property equals or exceeds \$ 2,000, exceeds \$ 10,000, exceeds \$ 100,000, or exceeds \$ 1,000,000.

**(B)Personal Income Disclosure.** When personal income is required to be reported,<sup><5></sup> the statement shall contain:

1. The name and address of each source of income aggregating \$ 500 or more in value, or \$ 50 or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was \$ 1,000 or less, greater than \$ 1,000, greater than \$ 10,000, or greater than \$ 100,000;
3. A description of the consideration, if any, for which the income was received;
4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;
5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported, the statement shall contain:

1. The name, address, and a general description of the business activity of the business entity;
2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than \$ 10,000.

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

**(8) Section 8. Prohibition on Receipt of Honoraria.**

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any

source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

**(B)**This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

**(C)**Subdivisions (a), (b), and (c) of Section 89501 shall apply to the prohibitions in this section.

**(D)**This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Section 89506.

**(8.1)**Section 8.1. Prohibition on Receipt of Gifts in Excess of \$ 470.

**(A)**No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than \$ 470 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

**(B)**This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

**(C)**Subdivisions (e), (f), and (g) of Section 89503 shall apply to the prohibitions in this section.

**(8.2)**Section 8.2. Loans to Public Officials.

**(A)**No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

**(B)**No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.
2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans from a person which, in the aggregate, do not exceed \$ 500 at any given time.
4. Loans made, or offered in writing, before January 1, 1998.

**(8.3) Section 8.3. Loan Terms.**

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of \$ 500 or more,

except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

**(B)**This section shall not apply to the following types of loans:

- 1.Loans made to the campaign committee of the elected officer.
- 2.Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
- 3.Loans made, or offered in writing, before January 1, 1998.

**(C)**Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

**(8.4)**Section 8.4. Personal Loans.

**(A)**Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

- 1.If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.
- 2.If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:
  - a.The date the loan was made.
  - b.The date the last payment of \$ 100 or more was made on the loan.
  - c.The date upon which the debtor has made payments on the loan aggregating to less than \$ 250 during the previous 12 months.

**(B)**This section shall not apply to the following types of loans:

- 1.A loan made to the campaign committee of an elected officer or a candidate for elective office.
- 2.A loan that would otherwise not be a gift as defined in this title.
- 3.A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.

**4.**A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.

**5.**A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

**(9)**Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth \$ 2,000 or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth \$ 2,000 or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating \$ 500 or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$ 470 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

**(9.3)**Section 9.3. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

**(9.5)Section 9.5. Disqualification of State Officers and Employees.**

In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A)Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property;  
or

(B)Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value \$ 1,000 or more.

**(10)Section 10. Disclosure of Disqualifying Interest.**

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

**(11)Section 11. Assistance of the Commission and Counsel.**

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Section 83114 and Regulations 18329 and 18329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

**(12)Section 12. Violations.**

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Sections 81000-91014. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Section 87100 or 87450 has occurred may be set aside as void pursuant to Section 91003.

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<1> Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded

statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Section 81004.

<2> See Section 81010 and Regulation 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

<3> For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

<4> Investments and interests in real property which have a fair market value of less than \$ 2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

<5> A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

<6> Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

## **Statutory Authority**

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### **AUTHORITY:**

Note: Authority cited: [Section 83112, Government Code](#). Reference: [Sections 87103\(e\), 87300-87302, 89501, 89502 and 89503, Government Code](#).

### **History**

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### **HISTORY:**

1. New section filed 4-2-80 as an emergency; effective upon filing (Register 80, No. 14). Certificate of Compliance included.



2. Editorial correction (Register 80, No. 29).
3. Amendment of subsection (b) filed 1-9-81; effective thirtieth day thereafter (Register 81, No. 2).
4. Amendment of subsection (b)(7)(B)1. filed 1-26-83; effective thirtieth day thereafter (Register 83, No. 5).
5. Amendment of subsection (b)(7)(A) filed 11-10-83; effective thirtieth day thereafter (Register 83, No. 46).
6. Amendment filed 4-13-87; operative 5-13-87 (Register 87, No. 16).
7. Amendment of subsection (b) filed 10-21-88; operative 11-20-88 (Register 88, No. 46).
8. Amendment of subsections (b)(8)(A) and (b)(8)(B) and numerous editorial changes filed 8-28-90; operative 9-27-90 (Reg. 90, No. 42).
9. Amendment of subsections (b)(3), (b)(8) and renumbering of following subsections and amendment of Note filed 8-7-92; operative 9-7-92 (Register 92, No. 32).
10. Amendment of subsection (b)(5.5) and new subsections (b)(5.5)(A)-(A)(2) filed 2-4-93; operative 2-4-93 (Register 93, No. 6).
11. Change without regulatory effect adopting Conflict of Interest Code for California Mental Health Planning Council filed 11-22-93 pursuant to title 1, section 100, California Code of Regulations (Register 93, No. 48). Approved by Fair Political Practices Commission 9-21-93.
12. Change without regulatory effect redesignating Conflict of Interest Code for California Mental Health Planning Council as chapter 62, section 55100 filed 1-4-94 pursuant to title 1, section 100, California Code of Regulations (Register 94, No. 1).
13. Editorial correction adding History 11 and 12 and deleting duplicate section number (Register 94, No. 17).
14. Amendment of subsection (b)(8), designation of subsection (b)(8)(A), new subsection (b)(8)(B), and amendment of subsections (b)(8.1)-(b)(8.1)(B), (b)(9)(E) and Note filed 3-14-95; operative 3-14-95 pursuant to [Government Code section 11343.4\(d\)](#) (Register 95, No. 11).
15. Editorial correction inserting inadvertently omitted language in footnote 4 (Register 96, No. 13).
16. Amendment of subsections (b)(8)(A)-(B) and (b)(8.1)(A), repealer of subsection (b)(8.1)(B), and amendment of subsection (b)(12) filed 10-23-96; operative 10-23-96 pursuant to [Government Code section 11343.4\(d\)](#) (Register 96, No. 43).

17. Amendment of subsections (b)(8.1) and (9)(E) filed 4-9-97; operative 4-9-97 pursuant to [Government Code section 11343.4\(d\)](#) (Register 97, No. 15).
18. Amendment of subsections (b)(7)(B)5., new subsections (b)(8.2)-(b)(8.4)(C) and amendment of Note filed 8-24-98; operative 8-24-98 pursuant to [Government Code section 11343.4\(d\)](#) (Register 98, No. 35).
19. Editorial correction of subsection (a) (Register 98, No. 47).
20. Amendment of subsections (b)(8.1), (b)(8.1)(A) and (b)(9)(E) filed 5-11-99; operative 5-11-99 pursuant to [Government Code section 11343.4\(d\)](#) (Register 99, No. 20).
21. Amendment of subsections (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) filed 12-6-2000; operative 1-1-2001 pursuant to the 1974 version of [Government Code section 11380.2](#) and Title [2, California Code of Regulations, section 18312\(d\)](#) and (e) (Register 2000, No. 49).
22. Amendment of subsections (b)(3) and (b)(10) filed 1-10-2001; operative 2-1-2001. Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 2).
23. Amendment of subsections (b)(7)(A)4., (b)(7)(B)1.-2., (b)(8.2)(E)3., (b)(9)(A)-(C) and footnote 4. filed 2-13-2001. Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 7).
24. Amendment of subsections (b)(8.1)-(b)(8.1)(A) filed 1-16-2003; operative 1-1-2003. Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2003, No. 3).
25. Editorial correction of 24 (Register 2003, No. 12).
26. Editorial correction removing extraneous phrase in subsection (b)(9.5)(B) (Register 2004, No. 33).
27. Amendment of subsections (b)(2)-(3), (b)(3)(C), (b)(6)(C), (b)(8.1)-(b)(8.1)(A), (b)(9)(E) and (b)(11)-(12) filed 1-4-2005; operative 1-1-2005 pursuant to [Government Code section 11343.4](#) (Register 2005, No. 1).
28. Amendment of subsection (b)(7)(A)4. filed 10-11-2005; operative 11-10-2005 (Register 2005, No. 41).

29. Amendment of subsections (a), (b)(1), (b)(3), (b)(8.1), (b)(8.1)(A) and (b)(9)(E) filed 12-18-2006; operative 1-1-2007. Submitted to OAL pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2006, No. 51).
30. Amendment of subsections (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) filed 10-31-2008; operative 11-30-2008. Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2008, No. 44).
31. Amendment of section heading and section filed 11-15-2010; operative 12-15-2010. Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2010, No. 47).
32. Amendment of section heading and subsections (a)-(b)(1), (b)(3)-(4), (b)(5)(C), (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) and amendment of footnote 1 filed 1-8-2013; operative 2-7-2013. Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2013, No. 2).
33. Amendment of subsections (b)(8.1)-(b)(8.1)(A), (b)(8.2)(E)3. and (b)(9)(E) filed 12-15-2014; operative 1-1-2015 pursuant to [section 18312\(e\)\(1\)\(A\), title 2, California Code of Regulations](#). Submitted to OAL for filing and printing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2014, No. 51).
34. Redesignation of portions of subsection (b)(8)(A) as new subsections (b)(8)(B)-(D), amendment of subsections (b)(8.1)-(b)(8.1)(A), redesignation of portions of subsection (b)(8.1)(A) as new subsections (b)(8.1)(B)-(C) and amendment of subsection (b)(9)(E) filed 12-1-2016; operative 12-31-2016 pursuant to [Cal. Code Regs. tit. 2, section 18312\(e\)](#). Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate

District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2016, No. 49).

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End of Document

**APPENDIX “B”**

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT  
2018 CONFLICT OF INTEREST CODE  
APPENDIX OF DESIGNATED OFFICERS & EMPLOYEES  
WITH DISCLOSURE CATEGORIES**

**I. DESIGNATED POSITIONS**

The persons occupying the positions listed below are hereby considered designated officers and employees and are deemed to make, or participate in the making of, decisions, which may have a material effect on a financial interest.

<b>DESIGNATED POSITION</b>	<b>ASSIGNED DISCLOSURE CATEGORIES</b>
District Legal Counsel	1,2,3
District Engineer	1,2,3
Plant Superintendent	1,2,3
Consultants, contractors and Contract Employees that are identified by contract.	1,2,3

**II. OFFICIALS WHO MANAGE PUBLIC INVESTMENTS**

Disclosure is required of the following positions and shall be provided as stated in Government Code section 87200 et seq.

<b>DESIGNATED POSITION</b>
Members of the Board of Directors
District Administrator

**III. DISCLOSURE CATEGORIES**

Category 1: All persons in this disclosure category shall disclose all interests in real property located in the District or within two miles of the District’s boundaries. This disclosure is not applicable to the person’s principal residence or real property interests with a fair market value of less than \$2,000.

Category 2: All persons in this disclosure category shall disclose all investments in business entities and business positions in business entities that have an interest in real property in the District, or that have done business with the District during the year prior to the date of the person’s disclosure statement, or that are likely to do business with District during the year subsequent to the date of the person’s disclosure statement. This disclosure category is not applicable to investments with a fair market value of less than \$2,000.

Category 3: All persons in this disclosure category shall disclose all sources of personal and business entity income from entities that provide services, materials, machinery equipment, or supplies of the type utilized by the District or that are located within the District, including gifts, loans and travel payments. This disclosure category is not applicable to income received from the District.

**Consultants.** “Consultant” means an individual who, pursuant to a contract with the District, either: (A) Makes a governmental decision whether to (1) approve a rate, rule, or regulation; (2) adopt or enforce a law; (3) issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement; (4) authorize the District to enter into, modify, or renew a contract provided it is the type of contract that requires District approval; (5) grant District approval to a contract that requires District approval and to which the District is a party, or to the specifications for such a contract; (6) grant District approval to a plan, design, report, study, or similar item; or (7) adopt or grant District approval of policies, standards, or guidelines for the agency, or for any subdivision thereof; or (B) Serves in a staff capacity with the District and in that capacity participates in making a governmental decision as defined in California Code of Regulations, title 2, section 18704 or performs the same or substantially all the same duties for the District that would otherwise be performed by an individual holding a position specified in the District’s conflict of interest code. (California Code of Regulations, title 2, section 18700.3(a).)



# SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

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## STAFF REPORT

**Date:** July 18, 2018  
**To:** Board of Directors  
**From:** Jeremy Ghent, District Administrator  
**Subject:** **CONSIDERATION OF APPROVAL TO EXECUTE A CONTRACT TO PERFORM PROFESSIONAL AUDITING SERVICES FOR THE DISTRICT'S FY 2016-17, 2017-18 AND 2018-19 FINANCIAL AUDITS**

### **RECOMMENDATION:**

That the Board of Directors authorize the District Administrator to advise Glenn Burdette (GB) of the District's intent to change auditor; and

That the Board authorize the District Administrator to sign and execute a professional services contract with Moss, Levy & Hartzheim (MLH) to perform the District audit for FY 2016-17, 2017-18, and 2018-19 for an amount of \$9,300, \$9,630 and \$9,970 respectively.

### **BACKGROUND AND DISCUSSION:**

The audit for fiscal year (FY) 2015-16 was recently completed for the District by Glenn Burdette. The original estimate by GB to prepare the document was \$11,500. The final cost of the product paid by the District was \$16,500. The District was advised in a meeting with GB on June 26, 2018, that the actual budget prepared by the firm to perform the work exceeded the billed amount. In that meeting, GB estimated the amount that would be required to perform the audit for FY 2016-17 as \$30,000. GB informed the District that it is understood that the District may want to pursue performance of the work by an alternate provider, but that the firm could begin work in mid-July, 2018.

Prior to the hiring of GB, the District had contracted with Moss, Levy, & Hartzheim, Santa Maria office, for the previous four (4) years. Staff has contacted the firm to obtain a proposal to expedite completion of the audit for FY 2016-17. MLH will complete the audit for a cost of \$9,300.

### **OPTIONS:**

1. Direct staff to employ Moss, Levy, & Hartzheim (MLH) for completion of next three audits; or
2. Direct staff to employ Moss, Levy, & Hartzheim (MLH) for FY 2016-17 only; or
3. Direct staff to employ Glenn Burdette (GB), and authorize an additional \$15,000 increase in the budget; or
4. Provide other direction to staff.

**FISCAL CONSIDERATIONS:**

**ATTACHMENT:** Proposal from MLH.



**SOUTH SAN LUIS OBISPO COUNTY  
SANITATION DISTRICT**

**AUDIT PROPOSAL**

For Fiscal Year Ending June 30, 2017-2019

**Submitted By:**

Moss, Levy & Hartzheim LLP  
2400 Professional Parkway, Suite 205  
Santa Maria, CA 93455  
Phone: 805.925.2579  
Fax: 805.925.2147

**Submitted On:**

July 5, 2018

**Contact Person:**

Ronald A. Levy, CPA  
rlevy@mlhcpas.com

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT  
AUDIT PROPOSAL  
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Moss, Levy & Hartzheim LLP

Certified Public Accountants

Attention: Paul Karp  
South San Luis Obispo County Sanitation District  
1600 Aloha Place  
Oceano, CA 93445

We are pleased to respond to the South San Luis Obispo County Sanitation District's (the District) Request for Proposal for independent auditing services. We have prepared our proposal to address each specification included in the District's Request for Proposal.

After 61 years in public accounting and more than 41 years of performing nonprofit and local governmental audits, it is extremely gratifying to witness the continued growth of Moss, Levy & Hartzheim LLP. The firm has evolved from a one-person operation to a regional public accounting firm with offices in Beverly Hills, Santa Maria, and Culver City with clients throughout the State of California, as well as thirty-one other states. We and the entire staff are pleased with not only the continuing development of the firm, but also the progress and economic health of our clients. We understand that governmental accounting is a specialized industry with its own accounting standards and requirements and that is why we strive to constantly improve the quality of our professional services. This degree of dedication coupled with our ability to inform our clients of any new accounting and auditing issues is paramount to our success.

We feel that our size is such that we are large enough to provide a broad spectrum of services and experience backed by an in-house training program, professional development courses, and an extensive professional library, yet not so large as to become impersonal and rigid. Our informal style allows us to be flexible enough to complete our audits in a timely manner that is the most convenient for each client. Also, this style allows us to be more accessible to our clients when our clients have questions or concerns.

It is our understanding that we will be responsible for expressing an opinion on the District's financial statements in conformity with accounting principles generally accepted in the United States of America. It is also our understanding that we will be responsible for issuing the following:

1. An auditor's opinion letter on the fair presentation of the financial statements of the District in accordance with auditing standards generally accepted in the United States of America.
2. A Management Letter addressed to the Board of Directors of the District, setting forth recommendations for improvements in the Agency's accounting systems.
3. We will communicate in a letter to the District Administrator any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the District's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. "Non-reportable conditions" discovered by us will also be communicated in the "Management Letter".
4. We will make immediate, written notification to the Board President and Business and Accounting Manager of all irregularities and illegal acts or indications of illegal acts of which we become aware.
5. Preparation and submission of the Report of Financial Transactions to the State Controller's Office.
6. Preparation of a Single Audit Report (if applicable).

We will make all communications to the District as required by the audit standards under which the engagement is performed. Those communications include, but are not limited to:

1. The auditors' responsibility under auditing standards generally accepted in the United States of America.
2. Significant accounting policies.
3. Management judgment and accounting estimates.
4. Significant audit adjustments.

5. Other information in documents containing audited financial statements.
6. Disagreements with management.
7. Management consultation with other accountants.
8. Major issues discussed with management prior to retention.
9. Difficulties encountered in performing the audit.
10. Errors, irregularities, and illegal acts.

All work papers and reports will be retained, at our expense, for a minimum of seven years (or the retention timeframe established by the professional standards, whichever is longer) unless the firm is notified in writing by the District of the need to extend the retention period. The work papers are subject to review by state and county agencies and other individuals designated by the District. Accordingly, the work papers will be made available upon request.

In addition, we will respond to the reasonable inquiries of successor auditors and allow successor auditors to review work papers.

All adjusting journal entries made by us will be discussed and explained to the designated personnel prior to recording.

If convenient for the District's staff, the approximate target dates for an audit would be as follows:

1. Preliminary audit entrance conference with staff – July 23
2. Detailed audit plan – July 27
3. Audit Fieldwork- August 2-3
4. Exit conference with staff – August 3
6. Draft of Financial Statements & Management Letter – August 24
7. Issue Audit Report and final Management Letter – within three days of the District's final approval of these documents
8. Present and discuss annual financial statements with the Board – Date of District's Choice

Minimal assistance of the District's staff is required during the course of the audit, however, we ask that the District provide the following: cooperation in answering questions, requested audit confirmations, bank reconciliations, trial balance at June 30, 2017, detailed general ledger for the fiscal year, and other original documentation supporting amounts and disclosures in the financial statements.

This proposal is a firm and irrevocable offer until September 3, 2018.

Thank you for your consideration and please do not hesitate to contact the authorized representative listed below with any questions, problems, or concerns.

Ronald A. Levy, CPA  
Partner  
2400 Professional Parkway, Ste. 205  
Santa Maria, CA 93455  
(805) 925-2579

Sincerely,

  
Ronald A. Levy, CPA

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

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### **INDEPENDENCE**

Moss, Levy & Hartzheim LLP is independent of South San Luis Obispo County Sanitation District, and its component units, as defined by auditing standards generally accepted in the United States of America.

### **LICENSE TO PRACTICE IN CALIFORNIA**

Moss, Levy & Hartzheim LLP is a properly licensed certified public accounting firm in the State of California, license # 5863. All certified public accountants engaged in the audit of the District are licensed to practice in the State of California and have received at least the minimum number of continuing professional education hours required by the State Board of Accountancy to perform audits under professional standards.

### **FIRM QUALIFICATIONS AND EXPERIENCE**

Moss, Levy & Hartzheim LLP is a minority owned regional firm that performs audits of entities throughout the State of California. The firm currently employs 31 professionals and has annual gross revenues between 4.5 and 5.0 million dollars. Eighty-four percent of the 31 total employees are women or belong to an ethnic minority. The firm has three offices in California; Beverly Hills, Santa Maria, and Culver City.

The firm is in good standing with both the America Institute of Certified Public Accounts and the California Society of Certified Public Accountants.

The audit work will be completed by staff from our Santa Maria office.

The Santa Maria office is currently staffed by eight certified public accountants (five partners, two managers, and one supervisor). In addition, the office employs four senior accountants, four staff accountants, and two administrators.

The District will have one partner and one alternate partner assigned to the audit at all times. In addition, a manager, supervisor, and one or two staff accountants will be assigned on a full-time basis to the audit from the Santa Maria office. The South San Luis Obispo County Sanitation District will also have a computer specialist assigned to the audit on a full-time basis. This individual assists the audit team in documenting the computer system internal control structure.

Please see *Appendix C - Current and/or Recently Completed Governmental Audits*.

### **PARTNER, SUPERVISORY, AND STAFF QUALIFICATIONS AND EXPERIENCE**

It is the firm's policy to have our partners involved in the management function of our audits. Having multiple partners involved in the engagement allows the District to receive immediate responses to questions about accounting and audit topics, concerns, and recommendations.

Mr. Ronald Levy will be the partner in charge of the District's audit. Mr. Levy will have primary responsibility for the audit. Mr. Levy will be responsible for final review of the District's audit report, financial statements, and the State Controller's Report. Mr. Levy will also be responsible for addressing any questions or concerns that arise during the fiscal year.

Mr. Craig Hartzheim will be the alternate partner assigned to the audit. As alternate partner, it is his responsibility to be familiar with the District, its staff, the audit, and any special problem areas of the District in the event that Mr. Levy is unavailable.

Mr. Alexander Hom will be the manager assigned to the audit. As the manager, Mr. Hom will oversee the day to day operations of the audit and will review all audit areas. Mr. Hom will be at the District for 100% of the fieldwork. He performs in-house training for governmental auditing staff members and is in charge of keeping the firm updated on aspects of governmental accounting and auditing issues.

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT  
AUDIT PROPOSAL**

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**PARTNER, SUPERVISORY, AND STAFF QUALIFICATIONS AND EXPERIENCE-  
continued**

Mr. Adam Guise will be the supervisor assigned to the audit. As the supervisor, it will be Mr. Guise's responsibility to oversee the senior staff, the staff accountants, do preliminary reviews of audit sections, and to perform more difficult audit sections.

Mr. Pablo Torres will be the senior assigned to the audit. As the senior, it will be Mr. Torres' responsibility to help oversee the staff accountants, do preliminary reviews of audit sections, and to perform more difficult audit sections.

Mr. David Ortiz will be the Information Technology Director assigned to the audit. Mr. Ortiz has extensive knowledge in auditing EDP functions. Mr. Ortiz will also perform the statistical sampling procedures for the audit. Also, he will document and test the internal control structure of the computer systems.

In addition to the supervisory staff listed above, one or two staff accountants will be assigned to the audit. All staff accountants have degrees from accredited colleges or universities, have received in-house audit training, and at present have at least one year of auditing experience. All staff accountants will be directly supervised by the fieldwork supervising partner assigned to the audit at all times. All partners and staff members have worked on numerous engagements together. Consistently working together will provide the District with a knowledgeable and efficient audit team.

The firm will maintain staff continuity on the engagement throughout the term of the contract, barring any terminations, illnesses, or other unforeseen circumstances. At the request of the District, any Moss, Levy & Hartzheim LLP employee assigned to the audit can be removed and replaced by another qualified employee. Moss, Levy & Hartzheim LLP has an advantage in that there is relatively low turnover in employees, as can be seen on individual resumes, and therefore the firm will not use the District as a training ground for its employees.

Please see *Appendix A - Resumes* for each individual's resume.

**SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENT ENTITIES**

Please see *Appendix B - References*.

**SPECIFIC AUDIT APPROACH**

The extent of our work will be what is required to enable us to express an opinion on the financial statements in accordance with:

1. *AICPA Industry Audit Guide for Local Governments,*
2. *AICPA Audit Standards,*
3. Laws of the State of California,
4. Generally Accepted Accounting Principles,
5. Our firm's own additional standards and procedures.

The audit will be conducted in accordance with auditing standards generally accepted in the United States of America.

The primary purpose of the audit is to express an opinion on the financial statements, and such an audit is subject to the inherent risk that material errors or fraud may exist and not be detected by us. If conditions are discovered which lead to the belief that material errors, defalcations, or fraud may exist, or if any other circumstances are encountered that require extended services, we will promptly advise the District.

## SPECIFIC AUDIT APPROACH -continued

Our audit will begin when it is convenient for the District's staff. We estimate this date to be in July to perform audit planning and internal control testing, and in August for year-end fieldwork. Upon acceptance of the audit proposal, the engagement partner or manager will contact your District Administrator to discuss the scope and timing of the annual audit, to review any accounting issues known at that time, to prepare audit confirmations, and to address any concerns or questions you may have about the impending audit.

We will schedule approximately three days of fieldwork each fiscal year. We will utilize the prior fiscal year's financial statements and our learned knowledge of your systems to determine materiality for the different audit sections. Each fiscal year, we will select a sample of transactions to determine to what extent the systems are functioning as described to us. The extent of our sample size will depend upon our assessment of the internal control structure. The selection of transactions for testing will be made using a combination of random, systematic, and haphazard sampling techniques. We will identify the strength of the systems upon which we can rely in planning our substantive tests. Our internal control review will meet all the requirements of the AICPA Statement on Auditing Standards (SAS) No. 55, *Consideration of the Internal Control Structure in a Financial Statement Audit*, as amended by SAS Nos. 78 and 99, *Consideration of Fraud in a Financial Statement Audit*. We will also perform preliminary analytical review procedures using the prior fiscal year's audited financial statements.

We will also review the following documents in order to determine compliance with laws and regulations:

- (a) Minutes of the Board of Directors with special attention to: indications of new income sources, including state and local grants; expenditure authorizations and related disbursements, including any special or restrictive provisions; authorization for bank or other debt incurred; awards to successful bidders; authorization for new leases entered into; changes in licenses, fines or fees; and authorization for significant new employees hired,
- (b) New agreements and amendments to new agreements including but not limited to: grant agreements; debt and lease agreements; labor agreements; joint venture agreements; and other miscellaneous agreements,
- (c) Administrative Code, and
- (d) Investment and/or Endowment Policies.

The objective in testing transactions for compliance with laws, regulations, and the provisions of contracts and grant agreements is to express an opinion on whether the District has complied, in all material respects, with applicable compliance requirements, noncompliance with which could have a material effect on each major program. In selecting audit samples for purposes of tests of compliance, we will plan our tests to support a low assessed level of control risk. We will select transactions from each program or area that requires testing. The selection of transactions to test is based on the auditors' professional judgment.

In addition to the work above, we will perform an analytical review of all significant balance sheet and revenue and expense accounts, which includes a comparison of prior fiscal year financial statements and current fiscal year budget, to the fiscal year-end trial balance.

The primary objective of the year-end audit work is to audit the final numbers that will appear in the District's financial statements. Our fieldwork includes procedures required under SAS No. 99, *Consideration of Fraud in a Financial Statement Audit*. We will also maintain compliance with SAS Nos. 103-112 during the fiscal year ended June 30, 2017. These procedures significantly changed the way auditors approach audits and what is required for audits with a fiscal year ended beginning after December 31, 2006. This will entail a risk-based audit approach that will increase the time spent on audit planning. Standards also require interviews with audit committee members (if applicable), and/or members of the board of directors and management.

We will also perform audit procedures such as:

- (a) Confirmations, by positive and negative circularization including but not limited to all cash and investment accounts; selected receivable and income balances; all bonds, loans, notes payable, and capital leases; all notes receivable; all insurance carriers; all legal firms contracted by the District; and other miscellaneous confirmations as deemed necessary,
- (b) Physical verifications and observations of assets,
- (c) Analysis and review of evidential material,
- (d) Interviews and investigative efforts,
- (e) Electronic data processing testing for computer and software reliability, and
- (f) Numerous other procedures as deemed necessary for audit completion.

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT  
AUDIT PROPOSAL**

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**SPECIFIC AUDIT APPROACH -continued**

SAS No. 99, *Consideration of Fraud in a Financial Statement Audit*, impacts both the planning and the performance of the audit. In planning, the audit team will discuss how and where the financial statements might be susceptible to material misstatement due to fraud. To determine this, we will inquire of management, consider results of analytical procedures, and consider other fraud risk factors. We will review the results of our inquiries and identification of potential fraud areas on a daily basis to ensure compliance with SAS No. 99.

We have extensive knowledge in auditing computer systems. We have assisted numerous clients with the implementation of accounting software and database systems. This assistance has provided our firm with a thorough background in computer systems in both software applications, and auditing such systems. It is our policy to have a computer specialist as part of the audit team. This individual assists the audit team in documenting the computer system's internal control structure and highlighting strengths and weaknesses relating to the computer structure of the District.

Moss, Levy & Hartzheim LLP uses networked laptop computers for audit fieldwork that connect to our office computer network via the internet. Software used by our staff includes Word, Excel, PPC Engagement Manager, and AuditWare for financial statement preparation. The firm employs a paperless audit approach. We will request the majority of the audit schedules and information electronically.

As part of the audit, we will compose a management letter, informing you of required audit disclosures, and noting certain observations or recommendations that we feel will assist you in strengthening internal control, and/or gaining efficiency in conducting your daily operations. The management letter is intended to be a helpful tool for management based on our experience, and never a critique of operations or management. The management letter is provided to management in draft form, and is subject to revision and approval, prior to issuance.

We will retain working papers and reports at our expense for a period of seven years. In addition, we will make our working papers available, upon your request, to any oversight District or successor auditor, if any.

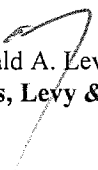
**MAXIMUM PRICE**

All out of pocket expenses are included in the fee and no additional costs will be passed on to the District. The District is, however, expected to provide adequate working space and access to a copier. We will provide all items and equipment, including laptop computers, scanners, calculators, and office supplies.

The maximum annual audit fees are as follows:

Fiscal Year 2016-17: \$9,300  
Fiscal Year 2017-18: \$9,630  
Fiscal Year 2018-19: \$9,970

Respectfully submitted,

  
Ronald A. Levy, CPA  
Moss, Levy & Hartzheim LLP is an Equal Opportunity Employer



## **APPENDICES**

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT**  
**APPENDIX A - RESUMES**

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**RONALD A. LEVY, CPA - PARTNER**

- California licensed CPA with 41 years of audit experience with governmental entities.
- Partner in charge of all governmental audits, currently including 30 municipal audits (including Single Audits), 29 school district audits, and 62 special district audits.
- Has assisted governmental clients with year-end closings, key position interviews, preparation of award winning CAFRs, and preparation of State Controller's Reports.
- Honored as CPA of the year (2006) by the Santa Barbara Chapter of the California Special Districts Association.
- Has met or exceeded all continuing education requirements, including recent courses in:
  - 2018, 2017, and 2016 Governmental Accounting Conferences*
  - 2018, 2017, and 2016 School District Conferences*
  - GASB Statement No.34 Training Conference*
  - Compliance Auditing, Audit Sampling and Concluding the Audit*
  - Audits of State and Local Governments*
  - Governmental Accounting Update*
  - The Single Audit Act*
  - Auditor's Reports on Audits of Local Governments*
  - Planning a Governmental Audit Engagement*
- Member of the following:
  - California Society of Municipal Finance Officers
  - American Institute of Certified Public Accountants
  - California Society of Certified Public Accountants
  - California Association of School Business Officials
  - Kiwanis Club
- A Bachelor of Science degree from Oregon State University conferred in 1977.
- Taught accounting courses at a branch of La Verne College and Chapman College.
- Knowledgeable about all areas of tax law.

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT**  
**APPENDIX A - RESUMES**

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**CRAIG HARTZHEIM, CPA – PARTNER (ALTERNATE)**

- California licensed CPA with 29 years of audit experience with governmental, non-profit, and commercial entities.
- Engagement partner for governmental and non-profit audits (Beverly Hills office), currently including 40 special district audits (including Los Angeles County Flood Control District and the County Sanitation District of Los Angeles County), 12 school districts and related audits, and 17 municipal audits.
- Has assisted governmental clients with year-end closings, key position interviews, preparation of award winning CAFRs, and preparation of State Controller's Reports.
- Has met or exceeded all continuing education requirements, including recent courses in the following:
  - 2018, 2017, and 2016 Governmental Accounting Conferences*
  - 2018, 2017, and 2016 School District Conferences*
  - Audits of States and Local Governments*
  - Preparing Governmental Financial Statements*
  - GAAS Guide*
  - Other Comprehensive Basis of Accounting (OCBOA) Statements*
  - Audit Standards Update*
  - Implementing SAS No. 112*
  - Implementing SAS No. 114*
  - Auditing Update*
  - Grants Management*
- Member of the following:
  - American Institute of Certified Public Accountants*
  - California Society of Certified Public Accountants*
- A Bachelor of Science degree in Accounting from Marquette University conferred in 1982.
- Knowledgeable about all areas of tax law including non-profit and payroll tax issues.

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT**  
**APPENDIX A - RESUMES**

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**ALEXANDER HOM, CPA (PARTNER)– MANAGER**

- California Licensed CPA with 8 years of audit experience with governmental, non-profit, and commercial entities.
- A Bachelor of Science degree in Business Administration with a concentration in accounting from California Polytechnic State University, San Luis Obispo.
- Manager for the following special districts:
  - Santa Cruz Regional Transportation Commission*
  - Five Cities Fire Authority*
  - Vandenberg Community Services District*
  - Mosquito and Vector Management District*
  - Goleta Cemetery District*
  - Lompoc Cemetery District*
- Manager for 9 school districts and 7 special districts.
- Has attended recent courses in the following:
  - 2018, 2017, and 2016 School District Conferences*
  - 2018, 2017, and 2016 Governmental Accounting Conferences*
  - Audit of State and Local Governments*
  - Single Audits of Governmental Entities*
  - Internal Control and Fraud in Governmental and Nonprofit Entities*
  - California Ethics: Making Ethical Decisions in the Practice of Public Accounting*

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT**  
**APPENDIX A - RESUMES**

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**ADAM GUISE, CPA (PARTNER) – SUPERVISOR**

- California Licensed CPA with 10 years of audit experience with governmental, non-profit, and commercial entities.
- A Bachelor of Science degree in Business Administration with concentrations in accounting and financial management from California Polytechnic State University, San Luis Obispo.
- Manager for 8 cities, 3 school district audits, and 7 special districts. The special districts audited are:

*Transportation Agency of Monterey County*  
*San Luis Obispo Council of Governments*  
*San Luis Obispo Regional Transit Authority*  
*Santa Barbara County Association of Governments*  
*Pleasant Valley Recreation & Parks District*  
*Los Osos Community Service District*  
*Goleta Sanitary District*

- Has assisted governmental clients with year-end closings, preparation of award winning CAFRs, and preparation of State Controller's Reports.
- Has met or exceeded all continuing education requirements, including recent courses in the following:
  - 2018, 2017, and 2016 School District Conferences*
  - 2018, 2017, and 2016 Governmental Accounting Conferences*
  - Audits of State and Local Governments*
  - Single Audits of Governmental Entities*
  - Internal Control Over Governmental Financial Reporting*
  - Advanced Fraud Techniques*
  - California Ethics: Making Ethical Decisions in the Practice of Public Accounting*
- Previous work experience included 2 years auditing publicly traded corporations with an international public accounting firm.

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT**  
**APPENDIX A - RESUMES**

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**PABLO TORRES, CPA – SENIOR AUDITOR**

- California Licensed CPA with 8 years of audit experience with governmental, non-profit, and commercial entities.
- A Bachelor of Science degree in Business Administration with a concentration in accounting from California Polytechnic State University, San Luis Obispo.
- Auditor for 4 cities, 11 school district audits, 8 special districts, and 2 non-profits.
- Has attended recent courses in the following:
  - 2018, 2017, and 2016 School District Conferences*
  - 2018, 2017, and 2016 Governmental Accounting Conferences*
  - Government Financial Reporting*
  - Single Audits of Governmental Entities*
  - Governmental Auditing Standards*

**DAVID ORTIZ – INFORMATION TECHNOLOGY DIRECTOR**

- Eighteen years of audit and computer experience with governmental entities.
- A Bachelor of Science degree in Business Administration with a concentration in accounting from California Polytechnic State University, San Luis Obispo.
- Extensive knowledge of:
  - Network design and implementation
  - Network maintenance and troubleshooting
  - Network security
  - Microsoft, Mac, and Linux operating systems
  - Database systems
  - Various accounting programs

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT**  
**APPENDIX B - REFERENCES**

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**CITY OF ARROYO GRANDE**

Audit of basic financial statements, presentation of state controllers report

Contact: Debbie Malicoat, (805) 473-5430

Email: [dmalicoat@arroyogrande.org](mailto:dmalicoat@arroyogrande.org)

300 E. Branch St, Arroyo Grande CA 93420

**LOS OSOS COMMUNITY SERVICES DISTRICT**

Audit of basic financial statements, preparation of state controller's report

Contact: Renee Osborne, (805) 528-9370

Email: [rosborne@losososcsd.org](mailto:rosborne@losososcsd.org)

2122 9<sup>th</sup> Street, Suite 102, Los Osos CA 93402

**CITY OF GROVER BEACH**

Audit of basic financial statements, preparation of state controller's report

Contact: Gayla Chapman, (805) 473-4550

Email: [gchapman@grover.org](mailto:gchapman@grover.org)

154 S. Eighth Street, Grover Beach CA 93433

**VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT**

Audit of basic financial statements, preparation of state controller's report

Contact: Patricia LeCavalier, (805) 733-2475

Email: [plecavalier@vvcasd.org](mailto:plecavalier@vvcasd.org)

3757 Constellation Road, Lompoc, CA 93436

**CAYUCOS SANITARY DISTRICT**

Audit of basic financial statements, preparation of state controller's report

Contact: Danielle Crawford, (805) 995-3290

Email: [dcrawford@cayucossd.org](mailto:dcrawford@cayucossd.org)

200 Ash Avenue, Cayucos, CA 93430

# SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

## APPENDIX C - CURRENT AND/OR RECENTLY COMPLETED GOVERNMENTAL AUDITS

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### SANITATION DISTRICTS

Cayucos Sanitary District  
County Sanitation Districts of LA County -  
All 25 Districts  
Encina Wastewater Authority  
Goleta Sanitary District  
Orange County Sanitation District-Internal audits

### WATER/IRRIGATION DISTRICTS

Foothill Municipal Water District  
Main San Gabriel Basin Watermaster  
Montecito Water District  
Valley County Water District  
Valley of the Moon Water District

### RESOURCE CONSERVATION DISTRICT

Cachuma  
Monterey County

### UTILITY DISTRICT

Georgetown Divide Public Utility District

### AMBULANCE SERVICES DISTRICTS

Cambria Community Healthcare District  
North Coast Emergency Medical Services

### FIRE PROTECTION DISTRICTS

Cayucos Fire Protection District

### CEMETERY DISTRICTS

Atascadero Cemetery District  
Carpinteria Cemetery District  
Guadalupe Cemetery District  
Lompoc Cemetery District  
Oak Hill Cemetery District  
San Miguel Cemetery District  
Santa Margarita Cemetery District  
Santa Maria Cemetery District

### BUILDING AUTHORITY

County of San Diego Regional Building Authority

### COMMUNITY SERVICES DISTRICTS

Cuyama CSD  
Los Alamos CSD  
Los Osos CSD  
San Simeon CSD  
Vandenberg Village CSD

### RECREATION AND PARK DISTRICTS

Conejo Recreation and Park District  
Mountains Recreation and Conservation  
Authority  
Pleasant Valley Recreation and Park District  
Rancho Simi Park and Recreation District

### TRANSPORTATION DEVELOPMENT ACTS

Arroyo Grande  
Atascadero  
Brawley  
Calexico  
El Centro  
Grover Beach  
Holtville  
Paso Robles  
San Luis Obispo Council of Governments  
Santa Barbara Council of Governments  
Santa Cruz County Regional Transportation  
San Luis Obispo Regional Transit Authority  
South County Area Transit  
Transportation Authority of Marin County  
Transportation Authority of Monterey County

### TRANSIENT OCCUPANCY TAX AUDITS

Arroyo Grande  
Bellflower  
Bishop  
Calexico  
Carmel  
Greenfield  
Ojai  
Santa Maria  
Whittier

### OTHER PUBLIC SCHOOL ENTITIES

Academia Semillas Del Pueblo Charter School  
East Bay Regional Occupational Program  
Family Partnership Charter School  
Garr Academy of Mathematics and Entrepreneurial  
Studies  
Santa Barbara County Special Education Local  
Plan Area  
Pacoima Charter School  
Santa Ynez Valley Charter School  
Southern California Regional Occupational Center  
Stella Academy  
Synergy Charter School  
Tri-Valley Regional Occupational Program



**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT**  
**APPENDIX C - CURRENT AND/OR RECENTLY COMPLETED GOVERNMENTAL AUDITS**

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**CITIES AND REDEVELOPMENT AGENCIES**

Adelanto  
Arcata  
Arroyo Grande  
Atascadero  
Bellflower  
Brawley  
Buellton  
Calabasas  
Calexico  
Camarillo-Internal control audits  
Clayton  
County of San Diego Redevelopment Agency  
Dinuba  
El Cerrito  
Eureka  
Fillmore  
Fort Bragg  
Greenfield  
Grover Beach  
Gustine  
Healdsburg  
Holtville  
Imperial  
Lathrop  
Lemon Grove  
Lompoc  
Lynwood  
Morgan Hill  
Oakdale  
Ojai  
Pacifica  
Paradise  
Paso Robles  
Santa Maria  
Susanville  
Taft  
Tracy  
Watsonville  
Whittier  
Winters  
Yuba City

**SCHOOL DISTRICTS**

Acton-Agua Dulce Unified School District  
Ballard School District  
Bellflower Unified School District  
Beverly Hills Unified School District  
Blochman Union School District  
Bradley Elementary School District  
Buellton Union School District  
Carpinteria Unified School District  
Cayucos Elementary School District  
Coast Unified School District  
Cold Spring School District  
College Elementary School District  
Cuyama Joint Unified School District  
Eastside School District  
El Segundo Unified School District  
Garvey School District  
Goleta Union School District  
Graves School District  
Heber School District  
Hope Elementary School District  
Hughes-Elizabeth Lakes Union School District  
Keppel Union School District  
Lagunita School District  
Lakeside Joint School District  
Los Alamos Elementary School District  
Los Olivos Elementary School District  
Magnolia Union School District  
Manhattan Beach Unified School District  
Meadows Union School District  
Mission Elementary School District  
Monrovia Unified School District  
Montecito Union School District  
Mulberry School District  
Novato Unified School District  
Orcutt Union School District  
Pacific Elementary School District  
San Ardo Elementary School District  
San Lucas Elementary School District  
San Miguel School District  
Shandon Unified School District  
Solvang Elementary School District  
Temple City Unified School District  
Templeton Unified School District  
Torrance Unified School District  
Vista del Mar Elementary School District  
Westmoreland Elementary School District  
Washington School District

**PUBLIC FINANCING AUTHORITIES**

The majority of our municipalities issue debt through an established public financing authority.

**COUNTIES**

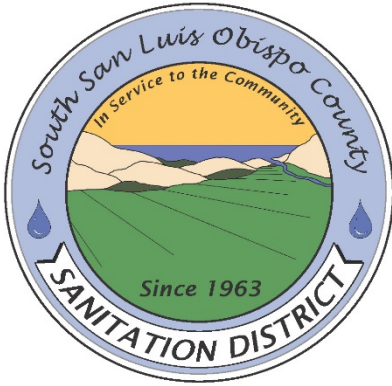
Los Angeles County (Master List)  
San Diego County (Master List)

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT**  
**APPENDIX C - CURRENT AND/OR RECENTLY COMPLETED GOVERNMENTAL AUDITS**

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**OTHER DISTRICTS**

Beach Cities Health District  
County of San Diego - Emergency Services Organization  
County of San Diego First 5 Commission  
County of San Diego In-Home Supportive Services  
Public Authority  
County of San Diego Health and Human Services Agency  
Child Development Program Grant  
County of San Diego MIOCR Grant  
County of San Diego RLETC Grant  
County of Los Angeles Delta Sigma Theta, Head Start  
Program, Inc.  
County of San Diego District Attorney's Office of  
Auto Insurance Fraud Grant, Urban Auto Fraud  
Grant and WC Insurance Fraud Grant  
Los Angeles County Flood Control District  
Marin/Sonoma Mosquito and Vector Control District  
Mosquito and Vector Management District  
San Diego Geographic Information Source  
Tracy Area Public Facilities Financing Agency  
West Contra Costa Integrated Waste Management Authority



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

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

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**Date:** July 18, 2018  
**To:** Board of Directors  
**From:** Jeremy Ghent, District Administrator  
**Subject:** **APPOINTMENT TO SAN LUIS OBISPO COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT ZONE 1 AND 1A, ADVISORY COMMITTEE**

### **RECOMMENDATION:**

1. The Board recommend Jeremy Ghent as the District's representative, to the San Luis Obispo County Flood Control and Water Conservation District Zone 1 and 1A, Advisory Committee to fill the vacancy of Paul J. Karp, and
2. Direct staff to submit an application to the County Board of Supervisors for formal consideration and appointment.

### **BACKGROUND**

In 2001, the San Luis Obispo County Board of Supervisors formed the San Luis Obispo County Flood Control and Water Conservation District Zone 1 and 1A, Advisory Committee to provide input on the maintenance and operation of the flood control facilities for the Arroyo Grande and Los Berros Creeks. The Advisory Committee is made up of seven members. Due to the District's significant interest in successful operation of the flood control facilities, the District has traditionally been represented on the Advisory Committee. In September 2017, the Board appointed Mr. Paul J. Karp as the District's representative. Mr. Karp is no longer with the District leaving the need for a replacement representative.

### **DISCUSSION:**

Mr. Ghent in his tenure with County Public Works assisted efforts on both maintenance and emergency response of the Zone 1 and 1A flood control facilities. He is available and willing to participate in the Advisory Committee.