



**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, October 03, 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**

**5B. Approval of Meeting Minutes of September 19, 2018**

**6. ACTION ITEMS:**

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

Recommendation: Receive and File.

**6B. REVIEW OF REDUNDANCY PROJECT 60% ENGINEER'S COST ESTIMATE**

Recommendation: Receive and File.

**7. MISCELLANEOUS ITEMS:**

**7A. Written Communication Received**

**Special District Risk Management Authority (SDRMA) Letter Re: No Paid Property/Liability Claims in 2017-18**

**8. BOARD MEMBER COMMUNICATIONS:**

**9. CLOSED SESSION:**

**(A) CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION**

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

**10. ADJOURNMENT**

**The next regularly scheduled Board Meeting on October 17, 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  
10/03/2018 FY 2018/19

VENDOR	BUDGET LINE ITEM	DETAIL	WARRANT NO.	ACCT	ACCT BRKDN	TOTAL
ARAMARK	UNIFORMS	09/21/18; 09/28/18	100318-3286	7025	417.48	417.48
AT&T	COMMUNICATIONS	09/08/18-10/07/18	3287	7013	387.12	387.12
BARBARA NICOLLS	BOARD SERVICE	SEPTEMBER	3288	7075	200.00	200.00
BRENNTAG	PLANT CHEMICALS	BPI877497	3289	8050	6,386.68	6,386.68
CARQUEST	AUTOMOTIVE	7314-1027029	3290	8032	42.99	42.99
CENTRAL COAST TECH CONSULTANTS	COMPUTER SUPPORT	1755	3291	7082	700.00	700.00
CHARTER	COMMUNICATIONS	09/29/18-10/28/18	3292	7013	380.29	380.29
COLE-PARMER	CAPITAL EQUIPMENT	1627189	3293	8010	1,550.09	1,550.09
CULLIGAN CENTRAL COAST WTR TRT	EQUIPMENT RENTAL	51360	3294	7032	190.00	190.00
DE JESUS GARDENING	MAINTENANCE	SEPTEMBER	3295	8030	450.00	450.00
FERGUSON	EQUIPMENT MAINTENANCE	6537193	3296	8030	64.28	64.28
HACH	LAB SUPPLIES	11136129	3297	8040	130.21	130.21
HEACOCK TRAILERS	CAPITAL EQUIPMENT	4790; 4791	3298	8010	4,804.36	4,804.36
JB DEWAR	GAS AND OIL	886757	3299	8020	133.73	133.73
JIM HILL	BOARD SERVICE	SEPTEMBER	3300	7075	200.00	200.00
LINDA AUSTIN	BOARD SERVICE	SEPTEMBER	3301	7075	200.00	200.00
MC MASTER-CARR	EQUIPMENT MAINTENANCE	73445634	3302	8030	292.68	292.68
MCS INSPECTIONS	DIGESTER 1 REHAB	213	3303	26-8065	9,548.00	9,548.00
MKN & ASSOCIATES	DIGESTER 1 REHAB	4714	3304	26-8065	6,927.68	9,528.98
	DIGESTER VALVE REPLACEMENT	4715		26-8065	4,601.30	
NBS	OCEANO BILLING	OCTOBER THROUGH DECEMBER	3305	7074	1,675.91	1,675.91
OILFIELD ENVIRONMENTAL	CHEMICAL ANALYSIS	1803470	3306	7078	45.00	45.00
TOTAL COMPENSATION SYSTEMS	AUDITING	GASB 75 VALUATION	3307	7072	3,060.00	3,060.00
USA BLUEBOOK	EQUIPMENT MAINTENANCE	687539	3308	8030	1,138.72	1,278.78
	OFFICE SUPPLIES	690209		8045	140.06	
VAC	EQUIPMENT MAINTENANCE	1924780	3309	8030	1,977.78	1,977.78
VWR	LAB SUPPLIES	2018-057	3310	8040	94.40	94.40
<b>SUB TOTAL</b>					<b>\$ 45,738.76</b>	<b>\$ 43,738.76</b>
<b>GRAND TOTAL</b>					<b>\$ 45,738.76</b>	<b>\$ 43,738.76</b>

We hereby certify that the demands numbered serially from 100318-3286- to 100318-3310 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:

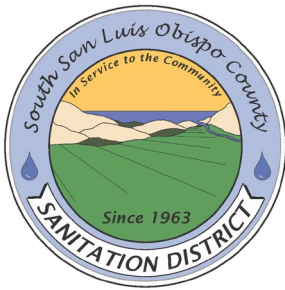
DATE: \_\_\_\_\_

\_\_\_\_\_  
Chairman

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

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

\_\_\_\_\_  
Secretary



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## **SUMMARY ACTION MINUTES Regular Meeting of Wednesday, September 19, 2018**

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### **1. CALL TO ORDER AND ROLL CALL**

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

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

District Staff: Jeremy Ghent, District Administrator  
Gil 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.

Charlotte Wilson commented on the Arroyo Grande candidate forum; leadership at the District; lack of civility at meetings; electing Director Hill as the Chair of the Board; removing the censure of Director Hill and increasing the Board to five members.

Julie Tacker commented on rescinding the censure of Director Hill; requested an investigation and censure of former Chair John Shoals and correction to inaccurate statements of former Director Mary Lucey regarding recycled water.

Jim Coldwell commented on inaccurate accusations against Oceano.

Mary Lucey commented on a letter in a local tabloid written by Jim Hill and moving forward.

Kris Victorine commented on a civil suit against former District Administrator John Wallace and money that the rate payers are due back and civility at District meetings.

Kelly Myrich commented on a previous investigation.

Patricia Price commented on a CalCoast News article written by Jim Hill and her hopes of coming together as a community and working together.

Patty Welsh commented on members of the public and hopes of moving forward.

Clark De Souza commented on a member of the public.

Director Hill responded to the speakers and said that all citizens are welcome to speak at public meetings.

Chair Austin closed the Public Comment period.

Chair Austin clarified previous inaccurate comments of Ms. Tacker regarding the infiltration of Oceano water. Chair Austin said Oceano has a Sewer System Management Plan (SSMP) and submits monthly reports. They are complying with regulations and are aware of some hot spots they have submitted to the Regional Quality Control Board RWQCB. Oceano has set aside reserves to do the Request for Proposals (RFP) for the wastewater system. Chair Austin said Oceano has taken measures to prevent water infiltration in manholes. Oceano is working in the black. The organization is sound and solid. Oceano has secured water sources for future generations and the community is thriving. Oceano is in sound fiscal condition, they are taking care of business and the previous comments made by Ms. Tacker are completely out of line.

## **5. CONSENT AGENDA:**

**5A. Approval of Warrants**

**5B. Approval of Meeting Minutes of September 05, 2018**

**5C. Notice of Contract Completion; Valve Replacement Project**

**5D. Notice of Contract Completion: Digester No. 1 Rehabilitation Project**

Chair Austin opened the Public Comment period.

Julie Tacker commented on the warrants; suggested an infiltration and inflow study; the City of Pismo Beach warrant; the Rincon Consultant warrant and legal expenses.

Clark De Souza commented on the previous speaker.

Patty Welsh commented on the Certified Public Accountant, CPA, warrant.

Mary Lucey commented on the warrants and in-house duties vs. contracted.

Chair Austin closed the Public Comment period.

Administrator Ghent said the Board gave previous direction to hire a C.P.A. to provide financial support. He also clarified the roles of legal counsel. District Counsel serves to represent the Board at the meetings and Outside Counsel is used to review contracts and provide the ok for the District to enter into those contracts.

**Motion:** Director Nicolls motioned to approve the Consent Agenda as presented.

**Second:** Director Hill

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

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

Administrator Ghent presented this item. He said staff has received the 60% plans from Kennedy Jenks for the Redundancy Project. He said staff continues to work with United States Department of Agriculture (USDA) and it does remain promising that Oceano will qualify for partial funding with favorable lending terms from USDA. He said Digester No. 1 is back on-line, producing gas and heating and mixing. Staff has an updated draft for a brine disposal Standard Operating Procedure (SOP) that will be presented to the Board at a future date. An agency working for the Department of Defense has submitted a request to place a small piece of radio equipment for the navy at the plant. The agreement will be presented to the Board for review. He said that Chair Austin and Keith Storton toured the plant. He also presented the Operations Report and said the plant is running well, no exceedances or violations.

Chair Austin opened the Public Comment period.

Julie Tacker commented on the engineers estimate of the Redundancy Project; USDA financing and plant tours.

Mary Lucey commented on the Supervisory Control Data Acquisition system (SCADA).

Administrator Ghent responded to the comments. He said USDA has put it on staff to come up with a formula for pro rata share. He said he is working with Michael K. Nunley & Associates (MKN) and they are looking at the most beneficial formula to capitalize the most money the District can capture and is the most advantageous to the District. There is an updated engineer estimate that will be presented to the Board. He said SCADA is bringing value to the plant and those trends and historical data have allowed staff to solve problems that would have required continuous samples.

Chair Austin closed the Public Comment period.

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

#### **7. MISCELLANEOUS ITEMS**

#### **8. BOARD MEMBER COMMUNICATIONS**

**9. CLOSED SESSION:**

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

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

Legal Counsel Trujillo announced Closed Session.

Chair Austin opened the Public Comment period.

Julie Tacker commented on Closed Session and hopes that it is about John Wallace.

Chair Austin closed the Public Comment period.

The Board adjourned to Closed Session at 6:47 p.m.

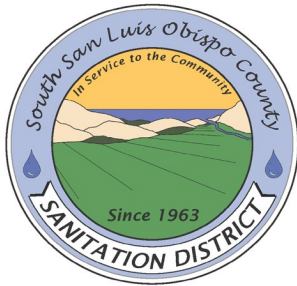
The Board reconvened from closed session at 6:54 p.m.

The Board took no reportable action.

**10. ADJOURN MEETING**

The meeting was adjourned at 6:54 p.m.

***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:** October 3, 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, Miscellaneous activities, and Plant Operations. *Updates since the last report are provided in italics below:*

#### **Capital Projects:**

##### **Redundancy Project:**

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 will submit 60% complete plans on 9/14. *60% Plans have been received*

##### **Rental Centrifuge:**

The need for the rental centrifuge remains until Digester #1 is fully back online. District is expected to return rental centrifuge approximately 11/01/18. *No Update*

##### **SCADA Automation:**

SCADA Plant optimization has been reinitiated and plant automation features are being added weekly. *No Update*

#### **Programmatic Initiatives:**

**Human Resources/Personnel Policy Manual (PPM) Update:** *No Update*

##### **Financial Initiative:**

The Audit for FY 16/17 is underway with Moss Levy Hartzheim. The auditors were on site the week of 8/27 and completed their review of District records. *No Update*



**Brine Program:**

The Administrator, CPO, and Lab Tech have begun updating the Standard Operating Procedure for the Brine Disposal Program. Staff anticipates bringing a final revision to the Board by the end of the calendar year. *Staff has made progress on developing a Standard Operating Procedure for Brine Program. Final document will be brought to the Board for 'receive and file'*

**Misc.:****Lease Request:**

District received a request from NextEdgeNetworks who is working with the FCC and DoD to install on-shore radio equipment for managing radio transmissions. NextEdgeNetworks provided project information to the District Administrator. Administrator has shared information with counsel for review and comment. Administrator will update the Board if and when more information becomes available. *No update*

**CSDA Annual Conference:**

*District Administrator attended the California Special District Association Annual Conference 9/23-9/27. The conference brings together nearly 800 special district professionals. Providing opportunities for exchange of new ideas and best practices, discover new products and services, and learn about new, pending, and upcoming legislation.*

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

*District Staff coordinated a meeting between CCB (WSC and Carollo) and Redundancy (Kennedy Jenks) design teams on 10/1/18. The meeting provided project status information sharing along with process coordination efforts.*

**Plant Tours: NONE****Upcoming Agenda Items:**

- Approval and Adoption (Resolution) of the final draft of the PPM
- Year-end Financial Report (FY 2017-18)
- Rules of Decorum

## Plant Operations Report

During this reporting period (Sept. 13<sup>th</sup> – Sept. 26<sup>th</sup>) the District's facility met its Permit Limitations as required under the State of California's National Pollutant Discharge Elimination System (NPDES) Permit issued to the District.

### Monthly Plant Data as of September 26, 2018

September 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	2.29	3.3	351	13.6		422	21.8		<1.8	188
High	2.85	4.5	445	21.9		480	27		40	313
Average	2.54	3.84	401	17	95.8	455	24.2	94.7	5.9	262
Sept. 2017 AVG	2.5	4	391	25.2	93.6	474	38.5	91.9	90.5	265
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 maximum value for plant effluent Biochemical Oxygen Demand and Total Suspended Solids.

### Fecal Coliform Numbers for September 2018

9/3/2018	=	6.8	MPN/100 mL
9/4/2018	=	40	MPN/100 mL
9/5/2018	<	1.8	MPN/100 mL
9/6/2018	=	7.8	MPN/100 mL
9/7/2018	<	1.8	MPN/100 mL
9/10/2018	<	1.8	MPN/100 mL
9/11/2018	<	1.8	MPN/100 mL
9/12/2018	=	13	MPN/100 mL
9/13/2018	=	1.8	MPN/100 mL
9/14/2018	<	1.8	MPN/100 mL
9/17/2018	<	1.8	MPN/100 mL
9/18/2018	<	1.8	MPN/100 mL
9/19/2018	<	1.8	MPN/100 mL
9/20/2018	=	2	MPN/100 mL
9/21/2018	=	7.8	MPN/100 mL
9/24/2018	=	2	MPN/100 mL
9/25/2018	=	4.5	MPN/100 mL

\*Limit – 200/2000 represent NPDES Permit limits for the running weekly median and instantaneous maximum for fecal coliform bacteria.

### Operation and Maintenance Projects

- Repaired broken valve on deionized water system

- Delivered District vehicles to Heacock for installation of truck tool boxes and emergency lighting
- Checked and marked Underground Service Alerts
- Replaced lid seal on digester No. 1 feed box
- Installed flow-through plug on digester No. 1 feed line due to gas leak. Planning is underway with Michael K. Nunley and Associates to repair the leak
- Autosys reinstalled centrifuge electrical
  - Created SCADA level controls for digester No. 2 sump
- Completed installation of centrifuge water piping, feed line, and centrate line

#### **Work Orders Completed**

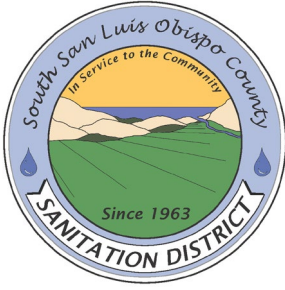
- De-ragged both primary sludge pumps
- Rinsed secondary clarifier and both primary clarifiers
- Test run emergency generator and emergency bypass pump
- Inspected digester vacuum/pressure relief valves
- Inspected both primary clarifiers and secondary clarifier drives

#### **Training**

- Operations staff participated in eye protection safety
- Operations staff participated in group discussion on real world accidents and injuries part two

#### **Call Outs**

- September 24<sup>th</sup>, 12:00 AM – High digester sump alarm. Operator Romhild responded and inspected sump and digester. High level subsided and was back in normal operation.



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### **STAFF REPORT**

**Date:** October 03, 2018  
**To:** Board of Directors  
**From:** Jeremy Ghent, District Administrator  
**Subject:** **REVIEW OF REDUNDANCY PROJECT 60% ENGINEER'S COST ESTIMATE**

#### **RECOMMENDATION:**

Receive and file.

#### **BACKGROUND:**

At the Board's March 16, 2016 meeting, the Board unanimously approved the issuance of a Notice of Award to Kennedy/Jenks Consultants, Inc. and execution of the District's agreement with several scope of work phases under the contract. Kennedy Jenks continues to complete plans and specifications for construction of the District's redundant treatment process.

#### **DISCUSSION:**

This staff report is intended to update the Board and the Public on the current cost estimate for the redundancy project and summarize the changes in costs between the 30% estimate and the current 60% estimate.

On June 8, 2018 the District received 30% Plans and Estimate. At the time of 30% submission, the estimated construction cost was \$17.6 million and total project costs were estimated at \$22.8 million. Total project costs have increased by approximately \$5 million between 30% Design and 60% Design. Construction costs are now estimated at \$21.6 million and total project costs are estimated at \$28.0 million. There are several contributing factors, but three areas account for nearly 90% of the increases.

#### PRIMARY FACTOR 1

The Board approved PCR 8 on August 15, 2018. PCR 8 added major rehabilitation to the plant's existing secondary clarifier. This change accounted for approximately \$2.64 million of the \$5 million increase.

#### PRIMARY FACTOR 2

Construction costs for the new aeration basins have increased by 15%. Costs for both material and labor for construction of the aeration basins has increased by \$1.25 million. National and international material costs have seen substantial increases. Since the beginning of the calendar year the U.S. Labor index indicates there has been a 19% increase in material cost for steel.

#### PRIMARY FACTOR 3

Electrical service estimates at the 30% plans underestimated the magnitude of improvements needed to the existing electrical system. The 60% estimate incorporates knowledge gained through site investigations and review of existing equipment. Electrical material costs also increased. Increases in electrical costs accounted for approximately \$710,000 of the \$5 million increase.

#### OTHER FACTORS

The other 10% are from a variety of factors, soil corrosivity test results requires material upgrades, additional flood mitigation, minor SCADA increases, etc.

#### **FINANCIAL CONSIDERATIONS:**

Staff will begin working with Bartle Wells and Associates to develop 'Summary Funding Scenarios' that will assess the current funding market and the updated cost estimates.

Construction and financing costs both continue an upward trend. Keeping the project on schedule will be an important cost control effort.

#### **ATTACHMENTS:**

Engineer's Estimate

# OPINION OF PROBABLE CONSTRUCTION COST (OPCC) AND PROJECT COST - SUMMARY

KENNEDY/JENKS CONSULTANTS

Project: SSLOCSD WWTP REDUNDANCY PROJECT - 60% DESIGN SUBMITTAL

Prepared By: JLH

Building, Area: SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT WWTP, OCEANO CA

Date Prepared: 14-Sep-18

K/J Proj. No.: 1668009'00

Estimate Type: ☐ Conceptual  
☐ Preliminary (w/o plans)  
☒ Design Development @ 60% Complete

☐ Construction  
☐ Change Order

Current at ENR N/A

Escalated to ENR N/A

Months to Midpoint of Construct 27

## SUMMARY BY AREA

ITEM NO.	ITEM DESCRIPTION	MATERIALS	INSTALLATION	SUB-CONTRACTOR	TOTAL
1	Aeration Tank Feed, Primary Effluent, and WAS Pumping Stations	477,049	279,965		757,014
2	Activated Sludge Aeration Basins, Equipment, Piping, Ground Improvements	1,974,708	1,564,890	386,888	3,926,486
3	Blower Building (Building Only)	7,407	7,407	425,699	440,514
4	Existing Secondary Clarifier Rehabilitation	607,066	602,774		1,209,839
5	New Secondary Clarifier, Equipment, Ground Improvements	1,134,640	974,771	401,721	2,511,132
6	WAS Thickening	315,822	107,589	25,300	448,711
7	Site Improvements, Yard Piping:	368,513	734,389	279,771	1,382,674
8	Instrumentation and Controls & Electrical Construction			2,194,733	2,194,733
9	Emergency Generator for New Facilities	133,472	3,472	54,715	191,659
10	Flood Mitigation Improvements	114,404	24,202	124,500	263,107
	Subtotals	5,133,082	4,299,460	3,893,326	13,325,868
	Division 1 Costs @ 8%	410,647	343,957	311,466	1,066,069
	Subtotals	5,543,729	4,643,417	4,204,792	14,391,938
	Taxes - Materials @ 7.75%	429,639			429,639
	Bonds and Insurance @ 2.50%	138,593	116,085	105,120	359,798
	Contractor MU for Sub @ 12%			504,575	504,575
	Contractor OH&P @ 15%	831,559	696,513		1,528,072
	Subtotals	6,943,520	5,456,015	4,814,487	17,214,022
	Estimate Contingency @ 15%				2,582,103
	Subtotals				19,796,125
	Escalate to Midpt of Const. @ 3%				1,361,355
	<b>Estimated Bid Price (rounded to nearest \$10k)</b>				<b>21,160,000</b>
	Engineering Design + Bid Support + Eng Service During Construction (Under Contract)				2,305,468
	Construction Mgt (Estimated)				1,700,000
	Legal/Admin Costs (Estimated)				500,000
	Owner's Contingency				1,900,000
	County Permits, Inspections, Agency Review, Other fees (Estimated)				330,000
	<b>Subtotal of Additional Project Costs</b>				<b>6,735,468</b>
	<b>Estimate of Funding Amount Required (rounded to nearest \$10k)</b>				<b>27,900,000</b>

## NOTES:

(1) In accordance with American Association of Cost Engineers (AACE), this OPCC has a range of accuracy of +20%/-15% consistent with an AACE Class 2 estimate.

Estimate Accuracy	
+20%	-15%

Estimated Range of Probable Cost - Bid Price		
+20%	Total Est.	-15%
<b>\$25,392,000</b>	<b>\$21,160,000</b>	<b>\$17,986,000</b>

September 13, 2018

Mrs. Linda Austin  
Board Chair  
South San Luis Obispo County Sanitation District  
Post Office Box 339  
Oceano, California 93475-0339

**Re: No Paid Property/Liability Claims in 2017-18**

Dear Mrs. Austin:

This letter is to formally acknowledge the dedicated efforts of the South San Luis Obispo County Sanitation District's Governing Body, management and staff towards proactive risk management and loss prevention training. Your agency's efforts have resulted in no "paid" property/liability claims for program year 2017-18. A "paid" claim for the purposes of this recognition represents the first payment on an open claim during the prior program year and excludes property claims. This is a great accomplishment!

It is through the efforts of members such as South San Luis Obispo County Sanitation District that SDRMA has been able to continue providing affordable property/liability coverage to over 505 public agencies throughout California. In fact, 428 members or 85% in the property/liability program had no "paid" claims in program year 2017-18.

In addition to this annual recognition, members with no "paid" claims during 2017-18 earned 2 credit incentive points (CIPs) thereby reducing their annual contribution amount. Also, members with no "paid" claims for at least 3 consecutive program years may receive a lower "risk factor" which also reduces their annual contribution amount.

As SDRMA is dedicated to serving its members and preventing claims, we would appreciate your agency taking a moment and sharing with us what made your District successful in preventing property/liability losses. Our goal is to incorporate your successful ideas and suggestions into our loss prevention programs to benefit all members of SDRMA. Please forward any comments or suggestions to Dennis Timoney, SDRMA Chief Risk Officer at [dtimoney@sdma.org](mailto:dtimoney@sdma.org).

On behalf of the SDRMA Board of Directors and staff, it is my honor to congratulate the Governing Body, management and staff for their commitment to proactive risk management and loss prevention training.

Sincerely,  
Special District Risk Management Authority



Jean Bracy, President  
Board of Directors