



**SOUTH SAN LUIS OBISPO COUNTY
SANITATION DISTRICT**

Post Office Box 339, Oceano, California 93475-0339
1600 Aloha, Oceano, California 93445-9735
Telephone (805) 489-6666 FAX (805) 489-2765
www.sslocsd.us

**AGENDA
BOARD OF DIRECTORS MEETING**
Arroyo Grande City Council Chambers
215 E. Branch Street,
Arroyo Grande, California

Wednesday, April 03, 2019, at 6:00 p.m.

Board Members

Jeff Lee, Chair
Caren Ray Russom, Vice Chair
Linda Austin, Director

Agencies

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

Alternate Board Members

Barbara Nicolls, Director
Lan George, Director
Cynthia Repogle, Director

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

-
- 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 March 20, 2019

5C. Request Approval to Purchase a New Replacement Front Loader

6. ACTION ITEMS:

6A. TRIBUTE TO BARBARA NICOLLS

Recommendation: Adopt Resolution No. 2019-404 commending and thanking Director Barbara Nicolls for her contributions to the Sanitation District and its rate payers.

6B. UPDATE ON PROJECT EXPENDITURES FOR DISTRICT'S WASTEWATER REDUNDANCY PROJECT

Recommendation: Receive and File Report.

6C. PLANT OPERATIONS REPORT

Recommendation: Receive and File Report.

7. MISCELLANEOUS ITEMS:

8. BOARD MEMBER COMMUNICATIONS:

9. ADJOURNMENT

The next regularly scheduled Board Meeting on April 17, 6:00 pm at the
Arroyo Grande City Hall Chambers,
215 E. Branch Street, Arroyo Grande, California

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
WARRANT REGISTER
4/3/2019

VENDOR	BUDGET LINE ITEM	DETAIL	WARRANT NO	ACCT	ACCT BRKDN	TOTAL
ABALONE COAST ANALYTICAL, INC	CHEMICAL ANALYSIS	CENTRAL COAST BLUE	040319-3676	7078	125.00	125.00
AMY SIMPSON	MEDICAL REIMBURSEMENT	FY 18/19	3677	6075	245.00	245.00
ARAMARK	UNIFORMS	3/22/2019; 3/29/19	3678	7025	440.66	440.66
AT&T	TELEPHONE	03/11/19-04/10/19	3679	7013	246.89	246.89
BARTLE WELLS ASSOCIATES	RATE STUDY	1003D	3680	20-7080	3,185.00	3,185.00
BRENNTAG	PLANT CHEMICALS	BPI929033	3681	8050	5,824.91	5,824.91
CAREN RAY RUSSOM	BOARD SERVICE	MARCH	3682	7075	200.00	200.00
CHARTER BUSINESS	TELEPHONE/INTERNET	03/29/19-04/28/19	3683	7013	299.95	299.95
DE JESUS GARDENING	GROUPS MAINTENANCE	1100; MARCH	3684	8060	900.00	900.00
FED EX	OFFICE EXPENSE	1-795-88742	3685	8045	57.69	57.69
GILBERT TRUJILLO, ESQ.	LEGAL COUNSEL	FEBRUARY	3686	7071	2,923.00	2,923.00
GRAINGER	EQUIPMENT MAINTENANCE	9113413836	3687	8030	34.82	34.82
HARDY DIAGNOSTICS	LAB SUPPLIES	2093547	3688	8040	327.66	327.66
II SUPPLY	SAFETY SUPPLIES	59803	3689	8056	5,274.46	5,274.46
JB DEWAR	FUEL	901695	3690	8020	146.57	146.57
JEFF LEE	BOARD SERVICE	MARCH	3691	7075	200.00	200.00
JWC ENVIRONMENTAL	RUBBISH	96535; 96534; 96540	3692	7093	630.87	630.87
LINDA AUSTIN	BOARD SERVICE	MARCH	3693	7075	200.00	200.00
MISSION COMMUNICATIONS	COMMUNICATIONS	1027560	3694	7011	454.80	454.80
MULLAHEY FORD	AUTOMOTIVE	78675	3695	8032	54.40	54.40
NBS	OCEANO BILLING	03/01/19-06/30/19	3696	7074	1,675.79	1,675.79
OEC ENVIRONMENTAL	CHEMICAL ANALYSIS	SSLOCSD	3697	7078	69.00	875.00
	CHEMICAL ANALYSIS	CENTRAL COAST BLUE		7078	806.00	
PACIFIC GAS & ELECTRIC	ELECTRICITY	02/08/19-03/11/19	3698	7091	13,443.38	13,443.38
SAN LUIS POWERHOUSE	EQUIPMENT MAINTENANCE	40943; 40942	3699	8030	2,259.04	2,259.04
SANTA MARIA FAMCOM PIPE	EQUIPMENT MAINTENANCE	1575	3700	8030	232.20	232.20
SUB TOTAL					\$ 40,257.09	\$ 40,257.09
GRAND TOTAL					\$ 40,257.09	\$ 40,257.09

We hereby certify that the demands numbered serially from 040319-3676 to 040319-3700 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, March 20, 2019

1. CALL TO ORDER AND ROLL CALL

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

Present: Jeff Lee, Chair, City of Grover Beach
Caren Ray Russom, Vice Chair, City of Arroyo Grande
Linda Austin, Director, Oceano Community Services District

District Staff: Jeremy Ghent, District Administrator;
Gilbert Trujillo, Legal Counsel,
Amy Simpson, District Bookkeeper/Secretary

2. PLEDGE OF ALLEGIANCE

Chair Lee led the Pledge of Allegiance.

3. AGENDA REVIEW

Approved as presented.

4. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON AGENDA

Chair Lee opened the Public Comment period.

Mary Lucey commented on funding the Redundancy Project and collecting all three agencies wastewater treatment fees on the property tax roll.

Julie Tacker also commented on collecting wastewater treatment fees on the property tax roll.

Chair Lee closed the Public Comment period.

5. CONSENT AGENDA:

5A. Approval of Warrants

5B. Approval of Meeting Minutes of March 06, 2019

Chair Lee opened the Public Comment period.

Julie Tacker is not in favor of paying warrants for Central Coast Blue water testing.

Chair Lee closed the Public Comment period.

Administrator Ghent said the agreement between the District and the City of Pismo states that the District provide water quality data for the Central Coast Blue Project.

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

Second: Vice Chair Ray Russom

Action: Approved unanimously by voice vote. Vote carries 3-0.

6. ACTION ITEMS:

6A. PRESENTATION AND APPROVAL OF FISCAL YEAR ENDING 2018 FINANCIAL AUDIT

Alex Hom, representative from Moss, Levy & Hartzheim, presented the audit. He said the District received an unmodified clean opinion. There was one finding regarding unsigned Personnel Action Form's (PAF's). He also said there was one major change in the financial statements from last year and that is the Other Post Employment Benefit (OPEB) Unfunded Liability. The accounting rules changed. The old rule was the liability was amortized over 30 years. Now it is all completely shown. This can be seen in the Restatement. The note to this restatement is on page 22.

Vice Chair Ray Russom asked about the 2017 and 2018 Findings, the Financial Plan and Note 2 Section A.

Administrator Ghent responded to the questions. Regarding the finding for unsigned PAF's, he said that he was not employed on the date of the PAF's and was not comfortable signing documents with dates prior to his employment. He responded to the question about the 2017 finding about Fund 20. He said that the Operating Fund 19 did not have the same type of constraints as the Expansion Fund 20.

Regarding the Financial Plan, he responded that the work with Bartle Wells is ongoing, but it has been determined that at this time there is no need to increase rates. If it becomes necessary Bartle Wells will provide an update. There would be an analysis of the rates and budgets and there would be a Prop 218 Hearing to approve any rate increase.

Alex Hom responded to the comment regarding private sector guidance. He said this District follows General Accounting Standards Board (GASB) rules not Financial Accounting Standards Board (FASB) rules and he does not recommend following FASB rules.

Director Austin asked her questions regarding net position and Deferred Outflows and Inflows of Resources.

Administrator Ghent said that net position includes plant property and this statement refers to the fact that debt cannot be paid out of the portion of net position that is capital assets or plant equipment.

Alex responded to the comment regarding Deferred Outflows of Pension. He said pensions and OPEB are measured a year behind. The inflows and outflows are the activity that occurred after the measurement date. He said there is a Note in the back that will show the deferred outflows and inflows. (Notes 7 & 8).

Chair Lee opened the Public Comment period.

Julie Tacker commented on the 2017 Finding Grit Removal.

Mary Lucey commented new connections for Oceano Community Services District (OCSD) and a Life Insurance Policy.

Chair Lee closed the Public Comment period.

Alex Hom replied to Ms. Tackers comments. He said it was an audit adjustment to move the money for Grit Removal. The expense was moved from Fund 20 to Fund 19. He is not aware of what the previous auditors (Fiscal Year 15/16) recommended regarding this finding.

Administrator Ghent responded to Ms. Lucey's comments. He said the County Planning and Building Department will notify the District of new connections in Oceano and that the District does not provide Life Insurance.

Motion: Director Austin made a motion to receive and file the 2017/18 Fiscal Year Audit.

Second: Vice Chair Russom

Action: Approved unanimously by voice vote. Vote carries 3-0.

6B. CONTRACT FOR REDUNDANCY ADMINISTRATION SERVICES WITH MKN AND ASSOCIATES

Administrator Ghent presented this item. He said this contract would provide the staff augmentation services for management of the Redundancy Project. The District needs assistance to manage the various consultants work, respond to data needs, and help ensure critical financing and permitting requirements are met. It is a one-year contract and we expect it to be renewed annually through completion of the project. Mr. Nunley was available to answer any questions.

Vice Chair Ray Russom asked why we are not going to publish a request for proposals (RFP) for this item.

Legal Counsel Trujillo said there is no legal requirement to go out to bid for professional services. The engineer's familiarity with the project is one of the key factors in this type of contract.

Administrator Ghent said the fiscal advantage is MKN's past knowledge of the project and support on the project. He is not a fan of sole sourcing but as he started to develop a plan to go out for RFP, he determined that having MKN's historical knowledge on the team was a substantial benefit. MKN has agreed to not propose on larger components such as construction management.

Administrator Ghent said that MKN will be writing the RFP for construction management as part of this contract and will not be able to propose on the CM work.

Chair Lee opened the Public Comment period.

Julie Tacker asked the Board to reject staff recommendation.

Mary Lucey sees the benefit of approving staff recommendation.

Chair Lee closed the Public Comment period.

The Board is supportive of staff's recommendation and would like a provision for local hire to be put into the final product MKN would be crafting.

Motion: Director Austin made a motion to approve the District Administrator to execute a contract for Redundancy Administration services with MKN and Associates, Inc. in the amount of \$105,725.

Second: Vice Chair Ray Russom

Action: Approved unanimously by roll call vote. Vote carries 3-0.

6C. PLANT OPERATIONS REPORT

Administrator Ghent presented this report. He said the numbers continue to be good and the plant is running fantastic. There were water leaks repaired and safety and lab training during this reporting period.

Chair Lee opened the Public Comment period.

Julie Tacker commented on an Infiltration and Inflow Study (I & I), she asked about the Fats Oils and Grease (FOG) program and if there was a video of the Fixed Film Reactor (FFR) backup plan.

Chair Lee closed the Public Comment period.

Administrator Ghent said there was an I & I study in 2011 that is still relevant today. He is not aware of a video on the backup system for the FFR.

Action: The Board received and filed the report.

7. MISCELLANEOUS ITEMS

None.

8. BOARD MEMBER COMMUNICATIONS

Vice Chair Ray Russom announced that San Luis Obispo Council of Governments (SLOCOG) is holding a meeting regarding the El Campo intersection March 21 at the Arroyo Grande Hospital Annex at 6 p.m.

9. ADJOURN MEETING

The meeting was adjourned at 7:11 p.m.

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

DRAFT



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STAFF REPORT

Date: April 03, 2019

To: Board of Directors

From: Jeremy Ghent, District Administrator

Via: Mychal Jones, Plant Superintendent

Subject: **REQUEST APPROVAL TO PURCHASE A NEW REPLACEMENT FRONT LOADER**

RECOMMENDATION:

1. That the Board of Directors approve and authorize the District Administrator to purchase a new Quinn Caterpillar 926M wheel loader from Quinn Company in the amount of \$187,787.75, and;
2. Authorize staff to dispose of existing loader.

BACKGROUND:

The District has budgeted for the replacement of a 1993 Case 621 B Front Loader.

DISCUSSION:

To meet operational demands at the WWTP and handling of biosolids, staff is seeking to replace our existing front loader with a new front loader of similar size and capability.

Operations staff solicited quotes and test drove equipment from three vendors comparing both new and used loaders. All companies responded. The selected quote from Caterpillar Inc. was \$187,787.75 for a new 2018 Caterpillar Inc. Model: 926M Wheel Loader, utility forks, and extended warranty of 84 months or 3000 hours.

MODEL	PRICE	WARRANTY	NEW/USED
CAT 926M selected	\$187,787	7 years 3000hrs	New
John Deere 544L	\$185,437	5 years 2400hrs	New
Case 621G	\$205,675	1 year	New
CAT 926M	\$145,860	1 year	Used
John Deere 544K	\$146,396	30 Day	Used

This loader was chosen because of the number of features that include, but are not limited to; backup camera, multiple mirrors to see around entire cab, accessibility around the cab and engine, ease of performing routine maintenance, and length of extended warranty offered.

The used equipment quoted had substantial hours and did not display a clear value as compared to the new equipment.

FISCAL CONSIDERATIONS:

This piece of equipment was scheduled to be replaced during Fiscal Year 2018-2019. A line item of \$200,000.00 was included in the Adopted Budget for Fiscal Year 2018-2019, under Fund 19, Project No. 18-A2-04. Staff recommends that the budgeted funds be used for the purchase of a front loader.

ATTACHMENT: Quotes



Quote 131184-01

March 27, 2019

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
1600 ALOHA PLACE
OCEANO
California
93445

Attention: Mychal Jones

Dear Sir,

We would like to thank you for your interest in our company and our products, and are pleased to quote the following for your consideration.

CATERPILLAR INC. Model: 926M Wheel Loader

STOCK NUMBER: NS0010618

SERIAL NUMBER: 0LTE05555

YEAR: 2018

We wish to thank you for the opportunity of quoting on your equipment needs. This quotation is valid for 30 days, after which time we reserve the right to re-quote. If there are any questions, please do not hesitate to contact me at 805-310-9296 or dneedelman@quinncompany.com.

Sincerely,

Dave Needelman
Machine Sales Representative

Sell Price	\$218,500.56
Less Governmental Discount (Sourcwell 24%)	(\$52,440.13)
Local Freight & Prep Charges	\$1,500.00
54" Pallet Forks & Carriage for Fusion Coupler	\$3,051.00
Net Balance Due	\$170,611.43
State Sales Tax (7.25%)	\$12,369.33
State of California Tire Tax \$1.75 Per Tire	\$7.00
84 Month 3,000 Hour Premier Warranty	\$4,800.00
After Tax Balance	\$187,787.75

WARRANTY

Standard Warranty:	12 Months Full Machine
Extended Warranty:	84 Month 3,000 Hour Total Machine (excludes Fluids & Wear Parts) This starts from year 2 & covers through year 7 from delivery date.

F.O.B/TERMS

Delivered to the Sanitation Yard

ADDITIONAL CONSIDERATIONS

- In Stock
- Quinn Company Will provide a Certified Operator Trainer for 1 full day after delivery. Training must be provided within 2 weeks from machine delivery.

Accepted by _____ on _____

Signature

Quote Summary

Prepared For:
 SOUTH SAN LUIS OBISPO COUNTY SANITATION
 DISTRIC
 CA

Prepared By:
 STEVE LOUGEE
 Coastline Equipment Company
 1950 Roemer Place
 Santa Maria, CA 93454
 Phone: 805-922-8329
 Mobile: 805-896-4920
 steve.lougee@coastlineequipment.com

This is Sourcewell Pricing
New 2019 John Deere JD 544L Loader

Quote Id: 19030913
Created On: 25 February 2019
Last Modified On: 25 March 2019
Expiration Date: 29 March 2019

List Price \$261,729.00
 Discount 38% (99,457.02)
\$162,271.98

Dealer Attachments:

Freight/PDI/Delivery \$8,450
 Operators Manual \$90
\$8,540

TOTAL \$170,721.98
 7.25% Sales Tax \$12,377.43
TOTAL \$183,099.41

FOB 1600 Aloha Oceano Cal
Terms: Net 30
Delivery: 120 Days or Sooner
Warranty: 1 Year Full Machine

Cost for an additional 4 Years/2500 Hour Power Train and Hydraulic Secure, which ever comes first would be \$2,180 + tax

Equipment Summary	Selling Price	Qty	Extended
JOHN DEERE 544L WHEEL LOADER	\$ 170,721.98 X	1 =	\$ 170,721.98
Equipment Total			\$ 170,721.98

Quote Summary

Equipment Total \$ 170,721.98
 SubTotal \$ 170,721.98
 Sales Tax - (7.25%) \$ 12,377.34
 Total \$ 183,099.32
 Down Payment (0.00)
 Rental Applied (0.00)
Balance Due \$ 183,099.32

Salesperson : X _____

Accepted By : X _____

Diamond A Equipment Sales Proposal

821 N Rice Avenue, Oxnard CA 93030 • 1306 White Court, Santa Maria CA 93458
2635 E South Street, Long Beach CA 90805 • 10232 Glenoaks Blvd, Pacoima CA 91331

☐ Assembly Request ☐ Delivery Request ☐ Pick-Up Request ☐ Demo Return Date

Customer: South San Luis Obispo County Sanitation District

Date: _____

Contact: Mychal Jones **Phone:** 805-489-6666 **Customer P.O. #:** _____

Address: 1600 Aloha Place **City:** Oceano **Sales Rep:** Rafael Cardenas

State: CA **Zip:** 93445 **Cell #:** 805-720-5009

Status		Service Items		Service Items		Service Items	
<input checked="" type="checkbox"/> Sold	<input type="checkbox"/> Stock	<input type="checkbox"/> Water in tires	<input type="checkbox"/> Tire Spacing _____"	<input type="checkbox"/> GPS	<input type="checkbox"/> Top N Tilt		
<input type="checkbox"/> Rental	<input type="checkbox"/> Trade In	<input type="checkbox"/> Canopy	<input type="checkbox"/> Radio	<input type="checkbox"/> Drawbar	<input type="checkbox"/> Other		
<input type="checkbox"/> Transfer	<input type="checkbox"/> Demo	<input type="checkbox"/> Lights	<input type="checkbox"/> Weights _____	<input type="checkbox"/> Hammerstrap	_____		

Tractors & Equipment

[illegible]

Assembly Instructions

--

Totals

Selling Price:	
Tax:	
Total:	
Trade In:	
Freight:	
Cash/Down Payment:	
Balance:	

Customer Signature: _____

Date: _____

Sales Representative: _____

Date: _____

QUINN

Quinn
10006 Rose Hills Rd
City of Industry, California 90601
(562) 463-4000

Sale Document

03/01/2019 10:33:56 AM

Equipment Description

\$136,000 + sales tax

12 months or 500 hours powertrain and hydraulics warranty

Includes delivery to South San Luis Sanitation District

Photos

ID: 160150 Model: 926M Contract: 085075



01/30/2019 02:40:52 PM



01/30/2019 02:41:06 PM



01/30/2019 02:41:23 PM



01/30/2019 02:41:30 PM



01/30/2019 02:41:55 PM



01/30/2019 02:42:05 PM

Quote Summary

Prepared For:
 SOUTH COUNTY WASTE WATER TREATMENT
 PLANT
 CA

Prepared By:
 STEVE LOUGEE
 Coastline Equipment Company
 1950 Roemer Place
 Santa Maria, CA 93454
 Phone: 805-922-8329
 Mobile: 805-896-4920
 steve.lougee@coastlineequipment.com

This is a Cab and Air unit with a 3 yd Bucket.

Machine has Full Machine Secure till June 25th, 2019 or 5000
 Hours, which ever comes first

Quote Id: 18936368
Created On: 07 February 2019
Last Modified On: 07 February 2019
Expiration Date: 28 February 2019

Price includes freight from Idaho

Quote is good for 30 days

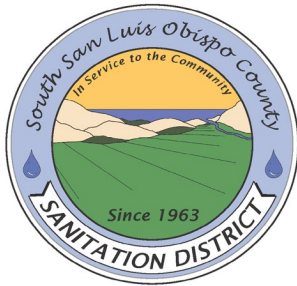
Equipment Summary	Selling Price	Qty	Extended
2016 JOHN DEERE 544K LOADER - 1DW544KZVGF675749 <i>3,303 Hrs.</i>	\$ 136,500.00 X	1 =	\$ 136,500.00
Equipment Total			\$ 136,500.00

Quote Summary

Equipment Total	\$ 136,500.00
SubTotal	\$ 136,500.00
Sales Tax - (7.25%)	\$ 9,896.25
Total	\$ 146,396.25
Down Payment	(0.00)
Rental Applied	(0.00)
Balance Due	\$ 146,396.25

Salesperson : X _____

Accepted By : X _____



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STAFF REPORT

Date: April 03, 2019

To: Board of Directors

From: Jeremy Ghent, District Administrator

**Subject: SUBMITTAL OF A RESOLUTION HONORING BARBARA NICOLLS FOR
HER OUTSTANDING SERVICE TO THE RATEPAYERS OF THE SOUTH
SAN LUIS OBISPO COUNTY SANITATION DISTRICT**

RECOMMENDATION:

It is recommended that the Board adopt Resolution No. 2019-404 commending and thanking Director Barbara Nicolls for her contributions to the Sanitation District and its rate payers.

DISCUSSION:

Over the course of many years Director Barbara Nicolls has served our communities in a variety of capacities. Barbara remains a Council Member for the City of Grover Beach and has served as both a Director and Vice Chair for the Sanitation District.

Barbara could always be counted on to arrive to a meeting with a smile, well-read, and ready to conduct the people's business.

RESULTS:

The result of action before your Board will provide South San Luis Obispo County Sanitation District Director Barbara Nicolls recognition for her many years of service and provide a small token of the appreciation that staff and the community have for her steadfast and dedicated service during both good and difficult times.

RESOLUTION NO. 2019-404

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH SAN
LUIS OBISPO COUNTY SANITATION DISTRICT HONORING**

BARBARA NICOLLS

**FOR HER OUTSTANDING SERVICE TO THE RATEPAYERS OF THE
SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT**

WHEREAS, the Board of Directors of the South San Luis Obispo County Sanitation District wishes to express its appreciation to BARBARA NICOLLS for her years of service resulting in a safe, highly efficient treatment facility, an extensive sewage system serving the communities of Arroyo Grande, Grover Beach, and Oceano; and

WHEREAS, BARBARA NICOLLS in her tenure as a District Director has served with Distinction on the South San Luis Obispo County Sanitation District Board as an Alternate from December of 2014 to January 2018 and as the Representative from February 2018 through January of 2019.

WHEREAS, BARBARA NICOLLS has provided her personal time, dedication, and knowledge for the benefit of the District; and

WHEREAS, the District, under the direction of BARBARA NICOLLS, has accomplished many significant improvements including, the hiring of the District Administrator, Digester No. 1 Cleaning and Repair Project, completion of the Cherry Ave Sewer Bridge Project, installation of a Grit Removal System, a Mechanical Bar Screen, and a Biosolids Handling Facility; and

WHEREAS, BARBARA NICOLLS knowledge and insight are hereby recognized in leading the District through several critical periods with respect to rates, finances, and administration; and

NOW, THEREFORE BE IT RESOLVED, *by the Board of Directors of the South San Luis Obispo County Sanitation District, that the District recognizes the accomplishments of BARBARA NICOLLS as a member the Board of Directors and hereby commend and extend its deepest thanks and appreciations to BARBARA NICOLLS for her contribution and the manner in which she has served the citizens of the South San Luis Obispo County Sanitation District; and*

BE IT FURTHER RESOLVED, *that the Board of Directors and staff of the South San Luis Obispo County Sanitation District wishes continued health and success to BARBARA NICOLLS in her future endeavors.*

On motion of Director_____, seconded by
Director_____, and by the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

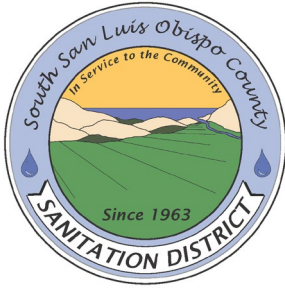
The foregoing Resolution was passed and adopted this 3rd day of April 2019.

ATTEST:

Jeremy Ghent, Administrator

APPROVED AS TO FORM:

Gilbert Trujillo, District Legal Counsel



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Staff Report

Date: April 3, 2019
To: Board of Directors
From: Jeremy Ghent
Subject: **UPDATE ON PROJECT EXPENDITURES FOR DISTRICT'S
WASTEWATER REDUNDANCY PROJECT**

RECOMMENDATION:

Receive and File Report.

BACKGROUND:

Since 2005, at the request of the Regional Water Quality Control Board (RWQCB), the District has evaluated the need for a project that would construct and operate additional or redundant secondary treatment processes at the District WWTP. In 2010 the Board held a public hearing and adopted a Resolution for such a project. During 2015 and 2016 the Board pursued and approved funding for the project as well as initiated the process for permitting and design. In April of 2016 the District entered into an agreement with Kennedy Jenks for engineering design services.

At the March 6, 2019 meeting the Board requested an update on Redundancy project expenditures.

DISCUSSION:

Accounting efforts for Redundancy began in FY 15/16. Through March 8, 2019 the District has spent \$1,843,547 in total project effort. *Table 1* shows that for FY 18/19 the District has budgeted \$1,400,000 and spent \$1,012,199. In addition to previous and existing expenditures *Table 2* forecasts project costs through Fiscal Year 21/22 and project completion.

Table 3 illustrates the Redundancy Project Budget and Expenditures as subdivided into 8 primary project phases. A text summary of each phase follows.

PHASE 1

Phase 1 covers Permits, Fees, Environmental, and Utilities. This phase accounts for \$330,000 of the total \$27.9 million project budget. To date \$191,504 of that budget has been expended. These expenditures have been used to obtain environmental analysis and CEQA document,

compliance efforts for the Coastal Development Permit, PG&E Utility relocation design, etc. This phase will remain open throughout the duration of the project.

PHASE 2

Phase 2 covers project Design. The current project budget for design is \$1,700,000. To date the District has expended \$1,642,004 in completing project Design. This phase is nearly complete and is anticipated to stay within budget.

PHASE 3

Phase 3 provides Bid Support from the designer. This phase is budgeted at \$60,000. During bidding contractors often seek clarifying information in support of preparing a competitive bid. No monies have been spent to date in this project phase, but the District is under contract with Kennedy Jenks to provide this support at a contract price of \$56,361.

PHASE 4

Phase 4 provides Design Team Support During Construction. This phase is budgeted at \$600,000. During construction contractors and the construction management firm will need design support in structural and geotechnical inspection, review of product submittals, and design effort for any potential Change Orders. No monies have been spent to date in this project phase, but the District is under contract with Kennedy Jenks to provide this support at a contract price of \$580,627.

PHASE 5

Phase 5 provides construction management and inspection services. This phase is budgeted at \$1,700,000. The District is under contract with MKN and Assoc. to prepare and solicit an RFP to procure these services. To date no money has been spent in this project phase.

PHASE 6

Phase 6 is for Project Finance and Administration Support. This phase is budgeted at \$500,000 and covers the costs of obtaining financing, selecting a construction manager, bidding and awarding the project. The District currently has a contract (Referenced in Phase 5) with MKN and Assoc. to provide these administrative services through March of 2020 in the amount of \$105,725. The District has currently spent \$10,039 in this phase. Expenditures to date have been in pursuit of financing options, analysis and documentation.

PHASE 7

Phase 7 is for project construction. The Designer estimates construction costs at \$21,010,000. No monies have been expended in this phase.

PHASE 8

Phase 8 is for training, start-up support, and preparation of Standard Operating Procedures for the newly constructed processes and equipment. This phase is budgeted at \$300,000. A contract for these services will be obtained after project construction begins.

CONTINGENCY

In addition to the \$26,200,000 currently assigned to phases 1 through 8. The District maintains a \$1,700,000 Project Contingency. No charges will settle directly to the contingency. The contingency is maintained to protect the project from increases or undetermined work efforts in any of the named project phases.

Table 1 FY 18/19 Summary

FY 18/19	
Approved Budget	\$1,400,000.00
Expense as of 3/15/19	\$1,012,199.00
Budget Remaining FY 18/19	\$387,801.00

Table 2 Historic Expenditures and Future Projections

DISTRICT PHASE	PROJECT PHASE	FY 15/16	FY 16/17	FY 17/18	FY 18/19 To Date	FY 18/19 Year End	FY 19/20	FY 20/21	FY 21/22
1	PERMITS, FEES, ENVIRONMENTAL and UTILITIES	\$ 112,533	\$ 18,315	\$ 37,998	\$ 22,658	\$ 40,000	\$ 135,000	\$ 10,000	\$ 10,000
2	DESIGN	\$ 78,070	\$ 117,377	\$ 467,055	\$ 979,502	\$ 1,100,000	\$ -	\$ -	\$ -
3	BID SUPPORT	\$ -	\$ -	\$ -		\$ 15,000	\$ 45,000	\$ -	\$ -
4	DESIGN TEAM SERVICES DURING CONSTRUCTION	\$ -	\$ -	\$ -			\$ 120,000	\$ 240,000	\$ 240,000
5	CONSTRUCTION MANAGEMENT	\$ -	\$ -	\$ -		\$ 10,000	\$ 400,000	\$ 700,000	\$ 600,000
6	PROJECT FINANCE and ADMINISTRATION	\$ -	\$ -	\$ -	\$ 10,039	\$ 30,000	\$ 130,000	\$ 130,000	\$ 130,000
7	CONSTRUCTION	\$ -	\$ -	\$ -			\$ 6,300,000	\$ 8,200,000	\$ 6,510,000
8	START-UP SUPPORT and SOPs	\$ -	\$ -	\$ -			\$ -	\$ 50,000	\$ 250,000
	CONTINGENCY	\$ -	\$ -	\$ -			\$ 70,000	\$ 770,000	\$ 860,000
	TOTAL REDUNDANCY PROJECT BUDGET	\$ 190,603	\$ 135,692	\$ 505,052	\$ 1,012,199	\$ 1,195,000	\$ 7,200,000	\$ 10,100,000	\$ 8,600,000

Table 3 Project Budget and Expenditures

DISTRICT PHASE	PROJECT PHASE	BUDGET	To Date
1	PERMITS, FEES, ENVIRONMENTAL and UTILITIES	\$330,000.00	\$ 191,504
2	DESIGN	\$1,700,000.00	\$ 1,642,004
3	BID SUPPORT	\$60,000.00	\$ -
4	DESIGN TEAM SERVICES DURING CONSTRUCTION	\$600,000.00	\$ -
5	CONSTRUCTION MANAGEMENT	\$1,700,000.00	\$ -
6	PROJECT FINANCE and ADMINISTRATION	\$500,000.00	\$ 10,039
7	CONSTRUCTION	\$21,010,000.00	\$ -
8	START-UP SUPPORT and SOPs	\$300,000.00	\$ -
	CONTINGENCY	\$1,700,000.00	\$ -
	TOTAL REDUNDANCY PROJECT BUDGET	\$27,900,000.00	\$1,843,547.00



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STAFF REPORT

Date: April 03, 2019
To: Board of Directors
From: Jeremy Ghent, District Administrator
Via: Mychal Jones, Plant Superintendent
Subject: **PLANT OPERATIONS REPORT**

Plant Operations Report

During this reporting period (March 14th – March 27th) 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 March 27th, 2019

March 2019	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	2.31	3.65	523	14.6		600	19.3		<1.8	125
High	3.19	4.6	631	19.6		742	28		9.3	313
Average	2.77	4.05	568	17.2	97	677	23.5	96.5	2.9	204
March 2018 AVG	2.5	3.8	531	19.6	96.3	551	27	95.1	730	219
Limit	5.0			40/60/90			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 March 2019

3/2/2019	=	2	MPN/100 mL
3/5/2019	=	2	MPN/100 mL
3/6/2019	=	7.8	MPN/100 mL
3/7/2019	=	4.5	MPN/100 mL
3/8/2019	=	9.3	MPN/100 mL
3/9/2019	=	2	MPN/100 mL
3/12/2019	=	2	MPN/100 mL
3/13/2019	<	1.8	MPN/100 mL
3/14/2019	=	2	MPN/100 mL
3/15/2019	<	1.8	MPN/100 mL
3/16/2019	<	1.8	MPN/100 mL
3/19/2019	<	1.8	MPN/100 mL
3/20/2019	<	1.8	MPN/100 mL
3/21/2019	<	1.8	MPN/100 mL
3/22/2019	<	1.8	MPN/100 mL
3/23/2019	<	1.8	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

- Installed non-potable signs on reclaim water hose bibs throughout plant
- Continued review and update of operation and maintenance standard operating procedures
- Checked gearbox oil and greased bearing on centrifuge auger
- Began review and update of Operations and Maintenance Manual
- Setup new gas detector docking station and monitors
- Thoma Electric setup electrical stop switches on automatic valve
- Removed flow through plug in digester feed line and cleared blockage

Work Orders Completed

- Performed forklift maintenance
- Wash down all clarifiers
- De-ragged primary sludge pumps
- Verified sodium hypochlorite and sodium bisulfite tanks are not siphoning
- Flushed sodium bisulfite header
- Performed weekly inspection of digester vacuum/pressure relief valves

Training

- No trainings this reporting period

Call Outs

- March 25th, 3:05 AM – Wet Well Low Level. Operator Jones responded and inspected wet well level, shut down influent pumps, cleaned level sensor and placed system back in normal operation.
- March 26th, 4:58 AM – Wet Well Low Level. Operator Arias responded and inspected wet well level, shut down influent pumps, cleaned level sensor, and placed system back in normal operation.

Note – Operations staff is soliciting quotes to purchase a new level sensor to replace current sensor.