



# SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

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

## SUMMARY ACTION MINUTES Regular Meeting of Wednesday, July 17, 2019

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### 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;  
Keith Collins, Legal Counsel,  
Mychal Jones, Plant Superintendent  
Amy Simpson, District Bookkeeper/Secretary

### 2. PLEDGE OF ALLEGIANCE

Legal Counsel Keith Collins led the Pledge of Allegiance.

### 3. AGENDA REVIEW

Approved as presented.

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

There was no public Comment.

### 5. CONSENT AGENDA:

**5A. Approval of Warrants**

**5B. Approval of Meeting Minutes of June 5, 2019**

Public Comment was opened. Julie Tacker commented on the Pismo Beach Central Coast Blue expenditure; and Item 6B. paragraph eight of the Minutes. Chair Lee closed Public Comment.

The Board amended the Minutes. Item 6B. paragraph eight (8) will now read, "The Board took a five-minute break to allow staff to confer with representatives of the trades regarding discussion agreement on indemnification language and to receive core employee documentation so that the Board may continue discussion."

Administrator Ghent responded to Public Comment and said the District had pledged a little over \$112,000 to the City of Pismo Beach in support of the Environmental Impact Report (EIR) in a previous fiscal year. The project team of Central Coast will be giving an update on the current status of Central Coast Blue soon.

**Motion:** Vice Chair Ray Russom moved to approve the Consent Agenda with amendment to Item 6B. in the Minutes.

**Second:** Director Austin

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

## 6. ACTION ITEMS:

### 6A. PLANT OPERATIONS REPORT

Superintendent Jones presented the Plant Operations Report. He reported that the plant continued to meet its NPDES permit limitations. He said two proposals have been received for the Primary Clarifier No. 2 Rehabilitation and Control Box Valve Replacement Project. Also, the District received an Air Pollution Control District (APCD) Mutual Settlement for the violation due to venting of digester gas and not notifying APCD within four hours in the amount of \$1,000. In addition, the District will submit for APCD approval, a written operation and maintenance plan that describes the processes taken to ensure proper operation of the manual and automatic digester gas valves. He also reported that eighteen potential candidates interviewed for the Operator in Training position. Five second interviews will be held tomorrow.

Public Comment was opened, Patricia Price commented on monthly plant data regarding fecal coliform numbers. Julie Tacker commented on lack of a District Administrators report and cost spent on the EIR. Public Comment was closed.

Superintendent Jones responded to the comments and said there are higher flows during summer due to tourism season and this is the cause for higher fecal numbers. This year numbers are well below previous year averages.

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

### 6B. ADOPTION OF RESOLUTION 2019-407 FOR COLLECTING FISCAL YEAR 2019-20 DISTRICT ANNUAL WASTEWATER TREATMENT CHARGES FROM THE COMMUNITY OF OCEANO THROUGH THE COUNTY PROPERTY TAX ROLL

Recommendation: That the Board approve Resolution No. 2019-407 authorizing the transmittal of the report to the County to collect District wastewater treatment charges from the OCSD service area for Fiscal Year 2019-20 on the County Property Tax Roll.

Administrator Ghent presented this report. He provided the history and the original intent of the Board regarding agency billing. Currently only Oceano is on the tax roll and Grover Beach and Arroyo Grande place the billing on the city water bills.

There was direction to move forward and May 4, 2016 the Board directed staff to place the Community of Oceano charges onto the property tax roll and to continue using the city water bills for the billing of Arroyo Grande and Grover Beach. There has been no formal action of the Board to renegotiate the current arrangement. Current billing cost for NBS to place the Oceano parcels on the tax roll is \$10,000. This is an approximate \$12,000 savings to the District by utilizing the tax roll. There would be similar measure of savings in moving the other two agencies to the tax rolls. But there is more consideration to the move, because additional services are provided by the cities. Arroyo Grande and Grover Beach also aid in the collection of connection fees for new development. This is a service not provided by the Oceano Community Services District (OCSD). He reached out to the Manager of the OCSD and will continue to have discussion with all City Managers.

Public Comment was opened. Mary Lucey, Stella Lopez, Julie Tacker and Patricia Price all commented on this item. Public Comment was closed.

The Board had a brief discussion. Director Austin provided a history of agency billing. The Board is in favor of revisiting agency billing to make it an equal process for all three agencies.

Administrator Ghent encouraged the Board to adopt the Resolution presented tonight to not delay the revenue stream of approximately \$1.3 million dollars. He would like to have discussions with the City Managers regarding agency billing and return to the Board after with a recommendation.

**Motion:** Director Ray Russom moved to adopt Resolution No. 2019-407 authorizing the transmittal of the report to the County to collect District wastewater treatment charges from the OCSD service area for Fiscal Year 2019-20 on the County Property Tax Roll with the additional direction as discussed earlier about revisiting within the next four months after conference with the other City Managers and the Oceano Director.

**Second:** Director Austin

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

**6C. DRAFT COMMUNITY WORKFORCE AGREEMENT FOR WASTEWATER TREATMENT PLANT REDUNDANCY PROJECT**

Recommendation: Consider draft Community Workforce Agreement (CWA) for approval, receive and consider the update on potential impact of the CWA on the Request for Qualifications for Construction Management Services, and provide direction to staff.

Administrator Ghent announced that there has been correspondence received since publishing the Board Pack and that correspondence is available at the back of the room and on the District website. Prior to this report, the District had not received feedback from the construction managers. Some of the concerns of the construction management firms were regarding the way in which CM firms are selected. The way fringe benefits are paid under the CWA. Professional liability insurance and the Union Labor component.

Public Comment was opened. (Spelling of names are approximated) Kevin Dayton, Jim Bowley, Fred Potthast, Greg Chelini, Brenda Daniels, Cordella Perry submitted letter, Jennifer Pitcher, Mary Lucey, Ji Shin and Rob Down all spoke in opposition of adopting the Community Workforce Agreement.

Martin Rodriguez, Autumn Brown, David Baldwin, Jesse Brooks, Scott Zimmerman, Tony Skinner, Eddie Pina, Richard Bell, Cherie Cabral, Tyler Schite, , Manly McNich, Doug Moulder and Andy Garcia all spoke in support of adopting the Community Workforce Agreement.

Julie Tacker commented on costs associated with the agreement. Public Comment was closed.

The Board took a five-minute recess and returned at 8 p.m.

The Board had a discussion and answered questions from public comment.

Ghent responded to the questions of the Board and commenters. He said all 18 trades have their own Master Labor Agreement (MLA) and are incorporated in the document by reference. Regarding the cost of the PLA, he said that this work effort has taken majority of his time for past several weeks. Legal bills are 10-15 thousand dollars as a result of the negotiations and internal labor is not tracked. Substantial work from contracted project manager MKN has occurred and the budget for unknown work will need to be increased. Regarding the redacted version of correspondence received by District, he said that the unredacted letters will be made available once the active solicitation for the CM contract is complete. He responded to questions regarding the previous contract and said the Design and Geotechnical team are under contract to inspect during construction since adoption of the design contract in 2016. Yeh and Associates would remove themselves from the project.

A couple letters were submitted indicating this agreement does not comply with Federal Regulations regarding the USDA funding. Legal counsel Collins did indicate that this is something to investigate. There is a provision in the agreement that if any of the funding sources are incompatible the PLA would be void.

Discussion ensued and the Board members voiced their thought process regarding forming a motion and vote.

**Motion:** Director Ray Russom upon consideration of information that has come in since last meeting, made a motion that the Board remove the PLA from the Construction Management portion of the contract.

**Second:** Chair Lee for purpose of discussion.

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

There was no further discussion on this motion.

**Motion:** Director Ray Russom made a second motion to confirm that the Board is going forward with the agreement that has been negotiated on the construction side of the contract.

**Second:** Chair Lee

**Action:** Chair Lee and Director Ray Russom vote Yes. Director Austin voted no.

The Board had further discussion.

**7. MISCELLANEOUS ITEMS:**

The District did receive correspondence regarding Item 6C. and this correspondence has been provided tonight and on the District website.

**8. BOARD MEMBER COMMUNICATIONS**

None

**9. ADJOURNMENT**

9:09pm

***THESE MINUTES ERE APPROVED BY THE BOARD OF DIRECTORS AT THE MEETING OF AUGUST 7, 2019.***