



SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

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SUMMARY ACTION MINUTES Virtual Zoom Meeting of Wednesday, November 4, 2020

1. CALL TO ORDER AND ROLL CALL

Chair Ray Russom called the meeting to order and recognized a quorum.

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

District Staff: Jeremy Ghent, District Administrator
Keith Collins, District Legal Counsel
Amy Simpson, District Bookkeeper/Secretary

2. PLEDGE OF ALLEGIANCE

Chair Ray Russom 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 October 7, 2020

There was no public comment.

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

Second: Director Lee

Action: Approved unanimously by roll call vote.

6. ACTION ITEMS:

6A. CONSIDERATION OF FISCAL YEAR 2020/21 FIRST QUARTER (Q1) BUDGET REVIEW

The Board had a brief discussion regarding how Covid has affected the budget. Administrator Ghent said the District impact from Covid on the expense side has been minimal. There may be a disruption to revenue due to the schools being closed. School revenue is based on Average Daily Attendance and will not be known until after June.

There was no public comment.

Action: The Board received and filed this report.

6B. BOARD CONFIRMATION OF THE EXECUTION, DELIVERY AND SALE OF WASTEWATER REVENUE CERTIFICATES OF PARTICIPATION, APPROVING PRELIMINARY OFFICIAL STATEMENT, AND APPROVING RELATED DOCUMENTS AND ACTIONS

Alex Handlers, Financial Advisor and Bond Counsel James Wawrzyniak were present. Administrator Ghent opened this item and reported that this item gives permission to advertise the District's bond sale. Alex handlers said that the two documents before the Board are the Preliminary Official Statement and the Notice of Sale. He gave a brief description of the documents. Mr. Handlers explained that the authorization is for up to \$25M but if bids come in higher staff will return for additional authorization. The Preliminary Official Statement (POS) is a legally required offering document that gives the investors material information they need to make an informative decision as to whether they want to buy District debt. The staff report contains a preliminary form and the final version will be completed after construction are received on November 10, 2020. The second document is the Notice of Sale. The District is planning for a Competitive Sale. If it is a bad bidding environment, staff may return to the Board and change to a Negotiated Sale.

The Board had no questions and feels comfortable relying on the experts to guide them through this process.

There was no public comment.

Motion: Director Lee motioned to Adopt Resolution 2020-423 confirming the execution, delivery and sale of wastewater revenue Certificates of Participation, approving Preliminary Official Statement, and approving related documents and actions.

Second: Director Austin

Action: Approved unanimously by roll call vote.

6C. RECOMMENDATION OF AWARD FOR WWTP REDUNDANCY PROJECT COMMUNITY WORKFORCE AGREEMENT (CWA) CONSULTING SERVICES CONTRACT WITH PACIFIC RESOURCES SERVICES

Director Ghent presented this item. He provided the scope of work that the Agreement will cover.

The Board had questioned page 12 regarding grievances. Administrator Ghent responded that an advantage to the District is that grievances will be handled behind the scenes and no work will be stopped on site. If there are no grievances, the work would be non-performed and the budget for grievances would not be charged.

Public Comment

Eric Christen and Richard Markuson are not in favor of this agreement.

Sean Perry and David Baldwin spoke in favor of the CWA

Legal Counsel Collins explained that none of the actions being taken this evening present any conflict or financial interest. Collins additionally addressed the email from Richard Markuson that alleged there may be an appearance of conflict of interest. Counsel Collins explained that campaign contributions are not considered a financial interest for purposes of conflict of interest analysis and out of an abundance of caution, the board has directed him to solicit an opinion from the Fair Political Practices Commission.

Motion: Director Lee motioned to Authorize the District Administrator to execute a contract for Community Workforce Agreement Consulting Services for the Wastewater Treatment Plant Redundancy Project with Pacific Resources Services. in the amount of \$79,828 and authorize the District Administrator to review and approve changes to the contract for up to 15% of the initial amount, or \$11,974, for a total potential amount of \$91,802.

Second: Director Austin

Action: Motion approved unanimously by roll call vote.

6D. AWARD A CONTRACT FOR THE DIGESTER NO. 2 CLEANING PROJECT TO MP ENVIRONMENTAL SERVICES, INC.

Superintendent Jones read this staff report.

There was no public comment.

Motion: Director Austin motioned to Award a contract for the Digester No. 2 Cleaning Project to MP Environmental Services, Inc. in the amount of \$142,078 and authorize the District Administrator to review and approve changes to the contract up to 15% of the initial amount, or \$21,312 for a total potential amount of \$163,390.

Second: Director Lee

Action: Approved unanimously by roll call vote.

6E. AWARD A CONTRACT FOR THE CLEANING AND CLOSED-CIRCUIT TELEVISION OF THE DISTRICT'S TRUNK SEWER LINES

Superintendent Jones read this staff report. There was a correction to Financial Consideration. The budget for the cleaning will be from Operating Fund 19.

There was no Public Comment

Motion: Director Lee motioned to Award a contract for the cleaning and closed-circuit television of the remainder of the District's trunk sewer lines to Mainline Utility Co. in the amount of \$87,011 and authorize the District Administrator to review and approve changes to the contract for up to 10% of the initial amount, or \$8,701 for a total potential amount of \$95,712.

Second: Director Austin

Action: Motion approved unanimously by roll call vote.

6F. DISTRICT ADMINISTRATOR AND PLANT OPERATIONS REPORT

Administrator Ghent presented this item. He said the District continues to be in Covid 19 precautions. He also reported that last Thursday the District became aware of a CalOES grant opportunity. Staff worked with MKN to apply for the grant that will fund a larger fuel tank if awarded to the District. There will be a second meeting in the months of November and December. NBS has begun compiling information from agencies to put rates and charges on County tax roll for the cities of Arroyo Grande and Grover Beach.

Superintendent Jones said the District did meet its NPDS permit as required. He provided operations and maintenance tasks and staff training.

The Board thanked him for the report and said they appreciate the pictures.

There was no public comment.

Action: The Board received and filed this report.

7. BOARD MEMBER COMMUNICATIONS

The Board acknowledged and thanked the staff for their work.

8. ADJOURNMENT:

7:16 p.m.

THESE MINUTES WERE APPROVED BY THE BOARD OF DIRECTORS AT THE MEETING NOVEMBER 18, 2020.