



GRANADA COMMUNITY SERVICES DISTRICT

AGENDA

BOARD OF DIRECTORS

SPECIAL MEETING at 6:30 p.m.

REGULAR MEETING at 7:30 p.m.

Thursday, April 18, 2019

CALL SPECIAL MEETING TO ORDER AT 6:30 p.m. District Office Meeting Room,
504 Avenue Alhambra, 3rd Floor, El Granada.

ROLL CALL

Directors:	President:	Matthew Clark
	Vice-President:	Barbara Dye
	Director:	Jim Blanchard
	Director:	David Seaton
	Director:	Eric Suchomel
Staff:	General Manager:	Chuck Duffy
	Legal Counsel:	Bill Parkin
	Assistant Manager:	Delia Comito

The Board has the right to take action on any of the items listed on the Agenda. The Board reserves the right to change the order of the agenda items, to postpone agenda items to a later date or to table items indefinitely.

GENERAL PUBLIC PARTICIPATION

Communications from the public and members of the District Board and District Staff concerning matters under the subject jurisdiction of the board which are not on the agenda. Speakers are limited to 3 minutes each.

ADJOURN TO CLOSED SESSION

1. Conference with Real Property Negotiator (Government Code Section 54956.8).

District's Negotiator: Chuck Duffy.

Negotiating parties: Half Moon Bay Fire Protection District and Granada Community Services District.

Property under negotiation: Vacant Land with no address located at Obispo Road and Avenue Portola, El Granada, California. (Parcel "A", APN 047-261-030)

Under negotiation: Instruction to negotiator will concern price and terms.

2. Conference with Legal Counsel – Existing Litigation (Gov. Code Section §54956.9(d)(1)).

City of Half Moon Bay v. Granada Community Services District and Montara Water and Sanitary District (RPI, Sewer Authority Mid-Coastside) - Santa Clara County Superior Court, Case No. 17CV316927.

RECONVENE TO OPEN SESSION

Report final Board action, if any, from Closed Session.

ADJOURN SPECIAL MEETING

CALL REGULAR MEETING TO ORDER AT 7:30 p.m.

ROLL CALL

GENERAL PUBLIC PARTICIPATION

Communications from the public and members of the District Board and District Staff concerning matters under the subject jurisdiction of the board which are not on the agenda. Speakers are limited to 3 minutes each.

ACTION AGENDA

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2. Consideration to Approve Class 3 Mainline Extension Permit To Serve APN 047-311-030 and 047-312-040, Big Wave, LLC, Associated Resolution, and Joint Subdivision Improvement Agreement. Recommendation: Approve the Class 3 permit, Resolution and Agreement.	19
3. Consideration to Create Parks and Recreation Staff Position. Recommendation: To be made by the Board.	47
4. Consideration to Approve Independent Contractors Agreement with Weist Law Firm for Bond Counsel Services. Recommendation: Approve the agreement as presented.	53
5. Discuss Provisions of the Sewer Authority Mid-Coastside Memorandum of Understanding with IUOE, Stationary Local No. 39. Recommendation: For Board Information.	75
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11. Approve Assessment District Distribution #10-18/19.	219

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ADJOURN REGULAR MEETING

At the conclusion of the March 21, 2019 Meeting:

Last Ordinance adopted: No. 172

Last Resolution adopted: No. 2019-001

This meeting is accessible to people with disabilities. Individuals who require special assistance to participate may request an alternative format of the agenda and packet materials. Notification in advance of the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it. To request a disability-related modification or accommodation, please contact the District office at (650) 726-7093.

Except for records exempt from disclosure under section 6254 of the Public Records Act, all materials distributed for the discussion or consideration of items on the Agenda are disclosable to the public upon request, and shall be made available without delay or at the time of distribution to the Board. Please contact Delia Comito at (650) 726-7093 to request copies of Agenda materials.

ITEM #1

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AGENDA MEMORANDUM

To: Board of Directors
From: Delia Comito, Assistant General Manager
Subject: Consideration of Request to Refund Fees (Matthews)
Date: April 8, 2019

This Item was tabled from the last meeting at the request of Jeffrey Matthews and his agent, who were unable to attend.

Mr. Matthews, the property owner of APN 048-033-110, by way of his agent Judy Taylor, is requesting the Board to consider approving a refund for unused sewer capacity purchased under permit #2615, to build five-unit bed and breakfast, located at 325 Alameda Ave., Miramar. The District issued the sewer permit on 02/21/96.

BACKGROUND

Mr. Matthews initially applied for and received a sewer connection permit (#2563) on 11/09/94, for two ERU's of sewer capacity or 442 gallons per day (gpd).

In November of 1994, the District charged \$5,800 per connection (per ERU), and Mr. Matthews paid \$10,800 in fees for permit #2563.

Mr. Matthews was subsequently issued a second sewer connection permit (#2615) on 02/21/96, for two additional ERU's of sewer capacity, as required by the District Engineer based on standard usage calculations for the five-unit project.

In February of 1996, the District charged \$6,086 per connection (per ERU), plus an Assessment Reduction Fee (ARF) of \$8,371.36 per connection (per ERU), and Mr. Matthew paid \$28,914.72 in fees for permit #2615.

The combined total number of ERU's purchased by Mr. Matthews for the project is four (4) capacity units, equivalent to 884 gallons per day, or 322,660 gallons per year.

On 11/27/18, the District received an email correspondence from agent Judy Taylor, on behalf of Mr. Matthews, requesting that the District address the issue of excess sewer capacity purchased for the project.

Pursuant to District Code, non-residential/commercial customer sewer service charges are based on water usage or the minimum flat fee charged to residential users. Water usage information (in measurements of 100 cubic feet (ccf's), equal to 748 gallons) is obtained yearly by the District from the Coastside County Water District, for all non-

residential/commercial customers to calculate sewer service charges. Using water data for the subject property from past years, I created a table showing water usage for a 15-year period, from 2004/05 FY to 2018/19 FY. The table also converts ERU - gallons per day, to ccf - gallons per year, to compare annual usage against the allotted sewer capacity. The highest usage year for the property, 2009/10 FY, was at 139,876 gallons, which does not exceed a two ERU allotment of 161,330 gallons per year. (Mr. Matthews paid for four ERU's).

District Counsel received all documentation on the Matthews permit, and has rendered a legal opinion on the refunding permit fees, and provides refunding options.

For your review of this Item, the following documents are attached:

- 11/16/18 Email Request (for refund) from Judy Taylor
- A copy of the first permit issued, permit #2563
- Conditions attached to permit #2563
- A copy of the second permit issued and the subject of the refund, permit #2615
- The 15-year summary of water usage and permit fees
- Legal Memorandum from District Counsel
- Assessor's Parcel Map

From: Judy Taylor
Sent: Friday, November 16, 2018 5:44 PM
To: 'Delia Comito'
Cc: Jeff Matthews
Subject: excess sewer service to 325 Alameda Ave, Miramar

Delia,

Please consider this a formal request to address the issue of excess capacity allocated to the Pacific Victorian Bed and Breakfast at 325 Alameda Ave, Miramar. You and I have spoken about it. The owner and you have communicated. The owner has met with one of the Board members and he and I met with another. The project was required to obtain far more capacity than has ever been used. I believe that this will need to go to the Board for a final resolution.

There were 4 reallocations of priority capacity to provide service to the project, Resolutions 522, 552, 662 and 663. I am fairly certain that the contingent assessments were paid at the time of permitting. I am not sure about the non-contingent assessments.

Attached are 2 water bills that show the typical high and low water use range. A longer history can certainly be provided. There was one bill that was high due to a leaky fixture that was repaired.

Please put this on the agenda as soon as you can. If further information is needed, please let me know and I will get it to you ASAP. Thanks.

Judy Taylor
BRE 00603297
Alain Pinel Realtors

The economy is a wholly owned subsidiary of the environment, not the other way around.
Gaylord Nelson

This email communication contains CONFIDENTIAL INFORMATION WHICH ALSO MAY BE LEGALLY PRIVILEGED and is intended only for the use of the recipients identified above. The information may also be protected by the Electronic Communications Privacy Act 18 USC §§ 2510-2521. If you are not the intended recipient of this communication, you are hereby notified that any unauthorized review, use, dissemination, distribution, downloading, or copying of this communication is strictly prohibited. If you are not the intended recipient and have received this communication in error, please immediately notify us by reply email, delete the communication and destroy all copies. I have not and will not verify or investigate the information supplied by 3rd parties.

SEWER CONNECTION PERMIT

GRANADA SANITARY DISTRICT OF SAN MATEO COUNTY
P.O. BOX 335
EL GRANADA, CALIFORNIA 94018-0335
(415) 726-7093

PERMIT NUMBER 2563 DATE ISSUED Nov. 9, 1994 PERMIT TYPE 1B
PERMIT EXPIRATION DATE Nov. 9, 1996 USE 5 unit Bed & Breakfast
CAPACITY ENTITLEMENT: 442 GPD
PERMIT ISSUED TO: Jeff Matthews
1208 Sanchez
Burlingame CA 94010

IDENTIFICATION OF REAL PROPERTY

Assessor's Parcel No. 048-033-110 Lot 17 B 18 Block 4, 5 2 5
Street Address 325 Alameda Avenue Owner's Name _____

FEE AND COSTS

Application Fee \$ 100.00
Connection Charge \$ 10,800.00
Additional Cost \$ 500.00
Amount Paid \$ 10,900.00
+ \$500.00
Date PAID _____

**FOR FINAL INSPECTION OF
SEWER CONNECTION CONTACT:
SEWER AUTHORITY MID-COASTSIDE
726-0124
REQUEST FOR INSPECTION MUST
BE MADE 48 HOURS IN ADVANCE**

RESTRICTIONS AND CONDITIONS

This permit is subject to all of the provisions of the Granada Sanitary District Ordinance Code and any special conditions and restrictions required by the District.

This permit will expire 2 years from date of issue. In the event the Building Permit has not been obtained by the expiration date, this permit, shall, at that date become void. The District must be furnished a copy of the Building Permit when it is obtained.

This permit is not transferable to another parcel or to be used for a purpose other than is described in the application on file with the District.

The Sewer Authority Mid-Coastside must be notified when the building sewer is ready for inspection and connection to the sewer main, but before any portion of the work is covered.

SPECIAL CONDITIONS: _____

APPROVED BY: Barbara Rosse

Date _____

CERTIFICATION

Date Connection Made _____

Notes _____

Certification of Work Completed By _____

Date _____

Permit No. 2563 is issued subject to the Applicant's full and complete performance of all of the following conditions:

1. The Applicant shall provide District with a true copy of the executed "Agreement" between Applicant and the County of San Mateo having to do with issuance of a County Encroachment Permit. Applicant shall fully comply with all of the requirements of the agreement and the Encroachment Permit
2. Applicant promptly apply for and take all necessary actions required under the District's Transfer of Capacity Program to obtain additional capacity for his project equal to, at least, two (2) Equivalent Dwelling Units (ERUs). Applicant shall pay any transfer fees which may hereafter be imposed by the District as a condition of granting transfers of capacity. Applicant's project shall not be occupied until this condition has been fully satisfied.
3. Applicant shall observe and comply with all of the five numbered construction conditions on pages 2 - 3 as set forth in the letter dated October 17, 1994 from the District's Engineer to the District Board.
4. Applicant shall pay \$500 in additional permit application fees to the District

SEWER CONNECTION PERMIT

GRANADA SANITARY DISTRICT OF SAN MATEO COUNTY
P.O. BOX 335
EL GRANADA, CALIFORNIA 94018-0335
(415) 726-7093

PERMIT NUMBER 2615 DATE ISSUED Feb. 21, 1996 PERMIT TYPE 2A

PERMIT EXPIRATION DATE Feb. 21, 1998 USE Purchase of additional capacity

CAPACITY ENTITLEMENT: 442 GPD to service 5 unit Bed & Breakfast

PERMIT ISSUED TO: Jeff & Lori Matthews
P.O. Box 2560
El Granada, CA 94018

IDENTIFICATION OF REAL PROPERTY

Assessor's Parcel No. 048-033-110 Lot 17 & 18 Block 4

Street Address 325 Alameda - Miramar Owner's Name

FEE AND COSTS

Application Fee \$ 100.00
Connection Charge \$ 12,172.00
Additional Cost \$ 46,742.72 Assess. red. Fee
Amount Paid \$ 29,014.72
Date PAID 1/22/96

FOR FINAL INSPECTION OF SEWER CONNECTION CONTACT: SEWER AUTHORITY MID-COASTSIDE 726-0124 REQUEST FOR INSPECTION MUST BE MADE 48 HOURS IN ADVANCE

RESTRICTIONS AND CONDITIONS

This permit is subject to all of the provisions of the Granada Sanitary District Ordinance Code and any special conditions and restrictions required by the District.

This permit will expire 2 years from date of issue. In the event the Building Permit has not been obtained by the expiration date, this permit, shall, at that date become void. The District must be furnished a copy of the Building Permit when it is obtained.

This permit is not transferable to another parcel or to be used for a purpose other than is described in the application on file with the District.

The Sewer Authority Mid-Coastside must be notified when the building sewer is ready for inspection and connection to the sewer main, but before any portion of the work is covered.

SPECIAL CONDITIONS:

APPROVED BY:

Date

CERTIFICATION

Date Connection Made

Notes

Certification of Work Completed By

Date

PERMIT #	# ERU'S	AMT PAID
2563	2 *	\$10,800.00
2615	2 *	\$28,914.72

\$12,172 Connection Fee &
\$16,742.72 ARF

90% of Connection Fee: \$ 10,954.80
 90% of ARF: \$ 15,068.44
 Combined Total: \$ 26,023.24

* 1 ERU = 221 gpd X 365 days = 80,665 gallons per year (gpy)
 2 ERU's = 442 gpd X 365 days = 161,330 gpy
 4 ERU's = 884 gpd X 365 days = 322,660 gpy

HISTORICAL WATER USAGE FOR APN 048-033-110

1 ccf 748 gallons

FY	ccf's		Total Gallons
04/05	132	X 748 =	98,736
05/06	136	X 748 =	101,728
06/07	127	X 748 =	94,996
07/08	170	X 748 =	127,160
08/09	182	X 748 =	136,136
09/10	187	X 748 =	139,876
10/11	173	X 748 =	129,404
11/12	137	X 748 =	102,476
12/13	140	X 748 =	104,720
13/14	134	X 748 =	100,232
14/15	128	X 748 =	95,744
15/16	127	X 748 =	94,996
16/17	108	X 748 =	80,784
17/18	89	X 748 =	66,572
18/19	85	X 748 =	63,580

LEGAL MEMORANDUM

TO: Delia Comito, Assistant General Manager, Granada Community Services District

FROM: Jonathan Wittwer, District General Counsel

DATE: February 27, 2019

RE: Matthews Request for Repurchase of 1996 Sewer Connection Fees and
“Assessment red. Fees”

CONCLUSION. Under District Code Section 701(08), the District Board has the discretion to agree to repurchase two ERUs of wastewater discharge entitlements from the Matthews by paying 90% of the current sewer service connection charges. Additionally, though there are no District Code sections or Resolutions directly addressing the point, the District Board also has the discretion to refund the two transfer fees paid in 1996 but should consider whether to condition such refund so as to avoid any special privilege to the Matthews.

BACKGROUND. On behalf of Jeff Matthews, Judy Taylor has requested that GCSD repurchase excess wastewater discharge capacity required by GCSD to the Five-Unit Pacific Victorian Bed and Breakfast (B&B) at 325 Alameda Ave, Miramar in 1996. In 1994 the Matthews paid GCSD Sewer Connection Charges of \$10,800 for two ERUs and were issued a Sewer Connection Permit for that use on November 9, 1994 on the condition that the B&B not be occupied until the Matthews had obtained a Transfer of Capacity enabling two additional ERUs because the GCSD Engineer determined that a total of four ERUs was required for the B&B use.

GCSD approved two additional transfers under the Transfer of Capacity Program for the Matthews B&B. On January 22, 1996 the Matthews paid GCSD Sewer Connection Charges of \$12,172 and “Assessment red. Fees” of \$16,742.72 and on February 21, 1996 the Matthews were issued Sewer Connection Permits for two additional ERUs (for a total of four ERUs).

The Matthews now seek to obtain a refund of their January 22, 1996 payments on the basis that historic wastewater generation does not show that there was a need for any wastewater discharge entitlement beyond the two ERUs permitted and paid for in 1994.

LEGAL ANALYSIS. The applicable legal parameters are as follows.

Law Applicable to Sewer Connection Charges

District Code Section 701(08) authorizes capacity repurchase of excess wastewater discharge entitlements by GCSD where there is mutual agreement¹ with the Matthews (as property owner), as follows:

(08) Repurchase of Capacity. Excess wastewater discharge entitlements for any premises may, upon the mutual consent of the District and the property owner, be repurchased by the District subject to the following conditions:

- (A) The remaining wastewater discharge entitlement for the premises after repurchase shall be at least 221 gallons per day, average daily flow.
- (B) The price to be paid by the District shall be 90% of the sewer connection charge rate in effect at the time the repurchase occurs.

As a result, given that the Matthews by their request apparently consent to repurchase of the two ERUs they paid for on January 22, 1996, the District Board could (in its discretion) give consent on behalf of GCSD since after repurchase the Matthews premises would still have a remaining wastewater discharge entitlement of two ERUs (442 gpd) average daily flow. Literal application of Subsection 701(08)(B) would result in a repurchase price of \$8,460 since the current sewer connection charge is \$4,700 per ERU ($\$4,700 \times 2 \text{ ERUs} \times 90\% = \8460).^{2, 3}

Law Applicable to “Assessment red. Fees”

Effective November 16, 1995 the GCSD Board adopted Resolution No. 668, a RESOLUTION ESTABLISHING FEES PAYABLE IN CONNECTION WITH DISTRICT PRIORITY-USE CAPACITY TRANSFER PROGRAM. Resolution No. 668 (copy attached) provides that every transfer of priority capacity must be conditioned to require “the applicant or applicants to pay the District a transfer fee” and that:

¹ The Matthews are far too late now (as of Judy Taylor’s November 2018 email request) to unilaterally obtain such refunds by challenging GCSD’s 1994 decision that they had to acquire a total of four ERUs for their B&B and pay “Assessment red. Fees.”

² The Board could consider a repurchase price of \$10,954.80 since the sewer connection charge on January 22, 1996 was \$6,086 per ERU ($\$6,086 \times 2 \text{ ERUs} \times 90\% = \$10,954.80$). This would be consistent with one way to read the approach taken in Resolution No. 668, *i.e.*, giving the property owner the most favorable result where there has been a change in rates in the future.

³ Resumption of use (not sought here) but a possible consideration in the future is governed by District Code Sections 701(06) and 607. The result is not clear since the resumption may or may not be required to follow “discontinued use” – *i.e.*, that the “the premises have been disconnected for more than one year”).

“(b) The amount of the transfer fee shall be \$8371.36 (the same dollar amount as the contingent assessment established in the [Integrated Financing District] Proceedings) for each equivalent dwelling unit [ERU] of capacity transferred determined in the same manner as "contingent assessment units" are determined under the Proceedings; provided, however that if the amount of the contingent assessment should be reduced in the future, the amount of any transfer fee imposed after that time shall likewise be reduced so as to be equal to the amount of the contingent assessment then in effect.”

On January 22, 1996 the Matthews were charged \$16,742.72 as an “Assessment red. Fee,” exactly the same amount as two transfer fees. The logical conclusion is that the “Assessment red. Fee” should be treated the same as a transfer fee.

A transfer fee, in turn, was apparently intended to place the property owner in the same position as other property owners would be under the Integrated Financing District which was in the process of being finalized. However, while the transfer fee was designed to parallel the contingent assessment, there was no discussion of the need for a property owner to have a noncontingent assessment underlying each contingent assessment.

There is no direct provision in the District Code or past District Ordinances or Resolutions addressing whether GCSD can or cannot refund a transfer fee where the evidence shows that it was based on connections which turned out to be in excess of actual wastewater discharge needs. Since the wastewater discharge entitlements related to the transfer fees can be repurchased by paying the Matthews 90% of the current sewer connection charges, the absence of a provision precluding refund of a transfer fee (“Assessment red. Fee”) should allow the District Board to exercise its discretion to do so. If the District Board wanted to parallel the wastewater discharge entitlement repurchase provision, it could decide to refund 90% of the transfer fee.

The risk the District Board may wish to consider when exercising its discretion is that a property owner might get a refund and avoid assessments beyond two ERUs for (hypothetically) 10 years and then purchase the assessments for the greater development apparently already allowed by the Land Use category (as defined by Integrated Financing District Ordinance). This would result in avoidance of the assessments and earring interest on the funds during the interim. This might be viewed as unfair to other assesseees, particularly in the situation of the Matthews if the result would be that there were no noncontingent or contingent assessments whatsoever paid for the ERUs from 1996 to the present (or the hypothetical 10 years from now). GCSD’s Board could, in its discretion, endeavor to condition any refund to prevent any unfairness in that regard. For example GCSD could agree to acquire (or reacquire) the contingent assessment represented by the transfer fee by refunding it to the Matthews, but only if the Matthews provide a recorded irrevocable binding restriction precluding further development of the property beyond a use requiring more than two ERUs. (See *e.g.*, Ord. 153, Section 3(a)(i)(D)). An alternative might be to require any future development or expansion of

the B&B to obtain some or all of the previously unpaid assessments (contingent or noncontingent) with interest.

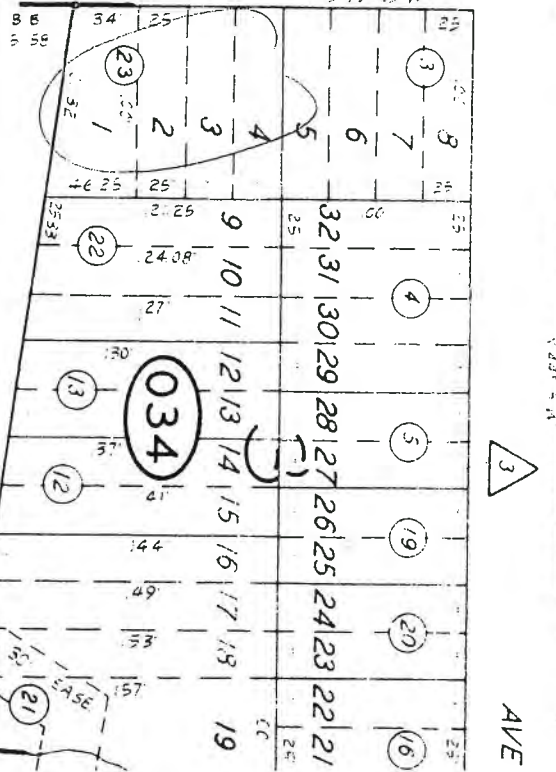
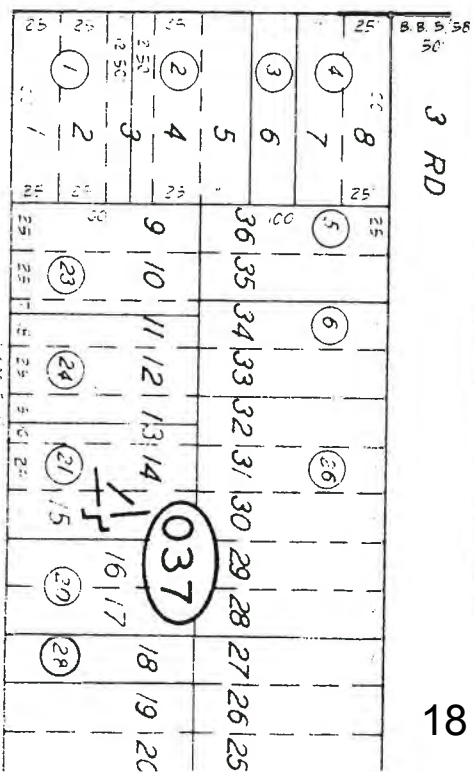
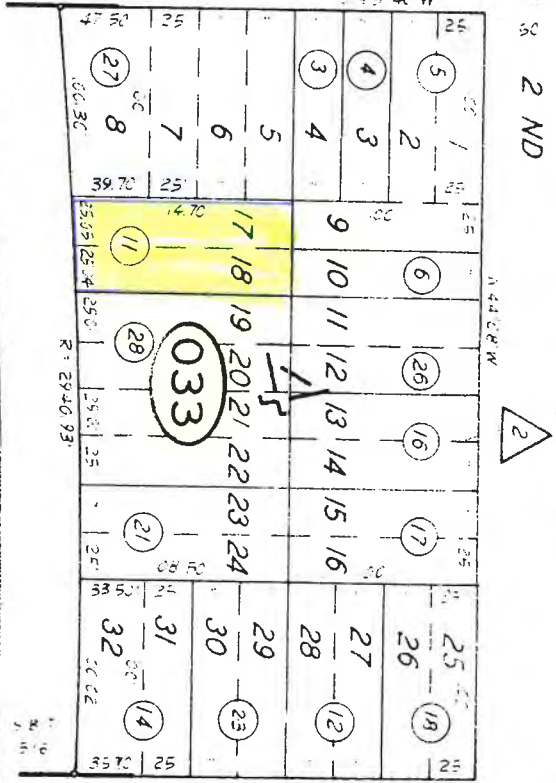
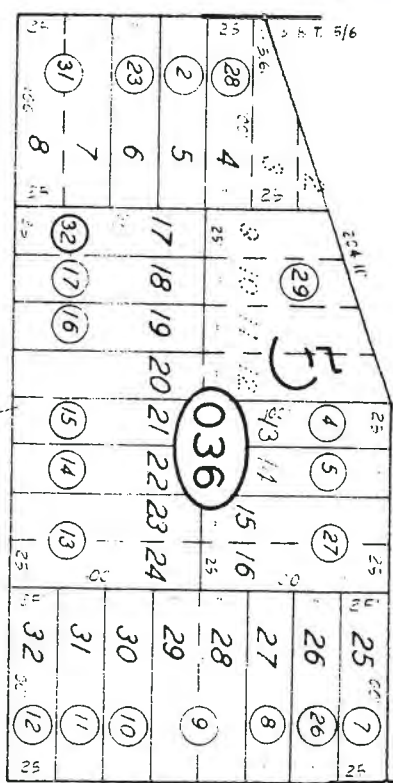
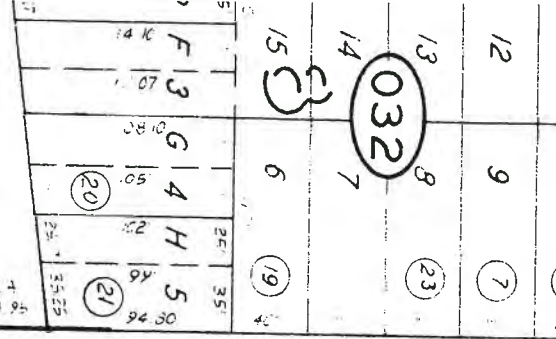
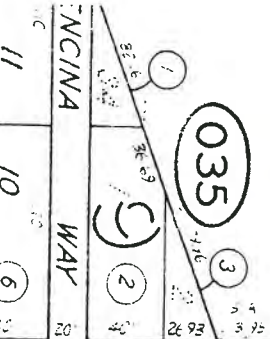
EVIDENCE. The Matthews have provided a Spreadsheet which purports to show that their actual use from July 1, 2003 through June 30, 2019 (sic) has never exceeded two ERUs per “Tax Roll Yr.” It will be up to the District Board as fact finder to determine whether this evidence is sufficiently credible.

Very truly yours,
WITTWER PARKIN LLP

Jonathan Wittwer

Cc: GCSO General Manager Chuck Duffy
GCSO General Counsel William Parkin

HMM 1 T



OCEAN

CORTEZ

SHORE

RAILROAD

MEDIO

R/W

AVE

048-033-110

MATTHEWS

(1)

(2)

(3)

1 SHORE ACRES RSM 3/95

2 SOUTH BALBOA TRACT RS

ITEM #2

Blank

AGENDA MEMORANDUM

To: Board of Directors
From: Delia Comito, Assistant General Manager
Subject: Consideration of Class 3 Mainline Extension Permit to Serve
APN 047-311-060 and 047-312-040, Owner: Big Wave LLC, Jeff Peck
Date: April 18, 2019

This item is presented for the Board's consideration to approve a Class 3 Mainline Extension Permit to serve APN 047-311-060, a 17,600 square foot parcel, and APN 047-312-040, a 229,779 square foot parcel, to Big Wave, LLC. The extension is required to provide sewer service to the proposed project, which includes the subdivision of both parcels; construction of three Wellness Center buildings to provide affordable housing for developmentally disabled adults; five office park buildings; storage facilities, a public restroom; and associated parking. Approval of the mainline extension permit does not authorize connection of the project to the sewer system. Pursuant to District Code, the applicant will have to separately apply for a Class 2M (mixed use) permit to connect the project after the mainline extension is dedicated to the District.

The Class 3 application, associated documents, and fees were submitted on 09/21/17 on behalf of the owner, Jeff Peck, by agent Mike Kuykendall of Sandis Civil Engineers. The off-site sewer plans have been reviewed by District Engineer John Rayner, and are determined to be in accordance with District Plans and Specifications. Mr. Rayner has issued a written recommendation to the Board to approve the issuance of a Class 3 Mainline Extension permit, subject to payment of \$4,000, to be held on deposit for permit related engineering fees. To date, the applicant has paid \$4,800 towards engineering.

Please be advised, a Stipulated Judgement among the GCSD, MWSD, County of San Mateo, and Big Wave, LLC, was entered and recorded on 10/22/18, providing nullification by the County of the approval of the Original Project; County approval of the North Parcel Alternative Project subject to appeal; GCSD Responsible Agency status under CEQA; and GCSD language integrated into the Addendum and Final Addendum for the Project and Conditions of Approval relating to portions of the Project Description and Mitigation Measures related to sewer and garbage service. As such, Counsel has drawn a Joint Subdivision Improvement Agreement between the District and Big Wave, LLC, and an associated Resolution, which are provided with this memorandum.

The following documents are attached for your review:

- Resolution Approving Mainline Extension Permit
- Joint Subdivision Improvement Agreement
- Engineer's Recommendation Letter
- Permit Application
- Assessor's Parcel Map
- Mainline Map

GRANADA COMMUNITY SERVICES DISTRICT

RESOLUTION NO. 2019-

RESOLUTION APPROVING MAINLINE EXTENSION PERMIT TO SERVE APN 047-311-060 AND 047-312-040 (OWNERS: BIG WAVE LLC, JEFF PECK)

WHEREAS, an application has been submitted on behalf of Jeff Peck for a Class 3 Mainline Extension Permit to serve a proposed project on Assessor’s Parcel Number 047-311-060, a 17,600 square foot parcel, and Assessor’s Parcel Number 047-312-040, a 229,779 square foot parcel; and

WHEREAS, the mainline extension is required to provide sewer service to the proposed project, which includes a subdivision, construction of three Wellness Center buildings to provide affordable housing for developmentally disabled adults, five office park buildings, storage facilities, a public restroom, and associated parking; and

WHEREAS, a Stipulated Judgement among the Granada Community Services District (District), the Montara Water and Sewer District, the County of San Mateo (County), and Big Wave, LLC, was entered and recorded on October 22, 2018 providing, *inter alia*, for County approval of the proposed project; and

WHEREAS, the off-site sewer plans have been reviewed by the District Engineer, and are determined to be in accordance with District Plans and Specifications.

WHEREAS, the District has reviewed the Environmental Impact Report, and the Addendum and Final Addendum thereto; and

NOW, THEREFORE BE IT RESOLVED, the Board of Directors of the Granada Community Services District hereby approves the Mainline Extension Permit to Serve Assessor’s Parcel Numbers 047-311-060 and 047-312-040 under the following conditions of approval:

- 1) The Joint Subdivision Improvement Agreement, in the form attached hereto as Exhibit A, shall be fully executed and recorded prior to issuance of the permit for the Mainline Extension Permit; and
- 2) That the Owners, Big Wave LLC and Jeff Peck, their successors in interest, assigns and tenants, shall separately apply to the District for approval for any and all connections to the mainline.

The above and foregoing Resolution was regularly introduced and thereafter adopted and passed and adopted at the regular meeting of the Board of Directors of the Granada Community Services District held on April 18, 2019, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Approved:

President, Matthew Clark

Countersigned:

Delia Comito, District Secretary

JOINT SUBDIVISION IMPROVEMENT AGREEMENT

THIS SUBDIVISION IMPROVEMENT AGREEMENT (“Agreement”),

made and entered into this _____ day of _____, 2018, by and between the COUNTY OF SAN MATEO, a political subdivision of the State of California, hereinafter called “County,” and BIG WAVE, LLC, hereinafter called “Developer” and also by and between GRANADA COMMUNITY SERVICES DISTRICT (“GCSD”) and Developer

W I T N E S S E T H:

WHEREAS, Developer has applied for and received approval from the County of a Subdivision and mixed-use development project known as

THE BIG WAVE COMMUNITY

APN 047-311-060 AND 047-312-040

PLN 2013-00451

(the “Development”) subject to Developer meeting all the conditions of approval of the Development (“Conditions of Approval”) as approved by the Board of Supervisors for the Subdivision on May 19, 2015 (subsequently amended on June 6, 2017), including the construction of certain onsite and offsite improvements which will benefit the public; and

WHEREAS, as part of the Development, the County approved the following (collectively referred to as the ‘Subdivision Approval’):

- (a) Major Subdivision: The north parcel (APN 047-311-060) was approved to be subdivided into 7 lots (Lots 1-7). Lot 1 includes the common areas of the wetlands, wetland buffer areas, area proposed for wetland habitat creation, and fire trail. Lots 2 through 6 would contain one building for each lot and Building

A, owned by the Wellness Center. Lot 7 includes the 3-building Wellness Center;
and

- (b) Minor Subdivision: The south parcel (APN 047-312-040) was approved to be subdivided into two lots (Lots 1-2). Lot 1 would contain outdoor boat storage and a designated archaeological site reserve area. Lot 2 would remain undeveloped;
and

WHEREAS, the purpose of this Subdivision Improvement Agreement is to address the Improvement Plans required of, and to be implemented by, the Developer as a result of the Subdivision Approval, including but not limited to the following requirements of Section 7031 of the County Subdivision Regulations:

- (a) Improvement Plans Required: As a condition of approval of a tentative map or tentative parcel map, the subdivider will be required to submit improvement plans to the Director of Public Works for review and approval prior to beginning improvement construction **or prior to approval of the final or parcel map**, whichever occurs first. Improvement plans must include, at a minimum, plans for grading, storm drains, landscaping, streets, and related facilities. Plans for other improvements may be required as necessary as determined by the Director of Public Works; and

- (b) Review and Approval by Other Agencies: Approval of the improvement plans by the Director of Public Works should not be construed as approval of the sanitary sewer ... construction plans. Verification that the construction plans for these facilities have been reviewed and approved by the appropriate agency having jurisdiction over such services and facilities (here GCSD) will be required prior to the start of construction **or prior to final map or parcel map approval**, whichever occurs first; and

WHEREAS, Developer has had plans and specifications for said improvements prepared and said plans and specifications are entitled “BIG WAVE COMMUNITY” prepared by Daniel G. Macleod, Civil Engineer and Surveyor, inspection drawings prepared by Sandis Engineering, shown and attached hereto as Exhibits A and B. respectively, and hereinafter collectively referred to as “Plans”; and

WHEREAS, Section 7033 of the County Subdivision Regulations requires that a written agreement be entered into by the Developer with the County and that said agreement shall specify the terms and conditions in conformance with Section 7033 of the County Subdivision Regulations; and

WHEREAS, the Developer and GCSD desire to include in this Agreement certain terms and conditions addressing GCSD's requirements for sewer improvements that Developer must include in its Final Subdivision Map or a recorded Subdivision Improvement Agreement .

NOW, THEREFORE, IN CONSIDERATION OF THE COUNTY'S AND GCSD'S APPROVALS AND THE PUBLIC BENEFITS THAT WILL RESULT, THE PARTIES AGREE AS FOLLOWS:

1. Developer, at its own proper cost and expense, shall do all the work and furnish all the labor, materials, equipment, and utilities necessary to perform and complete in a good workmanlike and substantial manner, and to the satisfaction of:

A. the Director of Public Works, all work as shown on Exhibit A, which Plans are incorporated by reference herein as part of this Agreement. Said work shall be completed on or before the pertinent dates for such completion specified in the Conditions of Approval and, if no time is so specified, as of the date specified by the Director of Public Works; and

B. GCSD, all public sewer improvements as shown on Exhibit A.

Developer hereby warrants that its plans and specifications will comply with all standards, specifications, and ordinances of County/GCSD as applicable and that the work done pursuant thereto shall be in conformity with the said standards, specifications, and ordinances and that they are adequate to accomplish the work in a good skillful manner and in accordance with sound construction practices. This warranty shall survive any review, inspection or approval by the Director of Public Works and any other officers, employees, or agents of County/GCSD as applicable.

2. Offsite Improvements

A. County-required Offsite Improvements. Notwithstanding any provision to the contrary, the completion of the Class 1 trail along Airport Street (the “Trail”) and installation of the traffic signal and related intersection improvements at the intersection of Highway 1 and Cypress Avenue (the “Intersection Improvements”), which shall fully satisfy the Conditions of Approval shall be completed not later than the date of issuance of the first certificate of occupancy for any Office Park Building or business space at the Wellness Center (excluding Wellness Center-operated businesses). The Trail and the Intersection Improvements (together, the “County-required Offsite Improvements”) comprise all County-required offsite improvements for the Development pursuant to the Conditions of Approval. The Trail will be completed at an estimated cost to the Developer of \$350,000.00 and the Intersection Improvements will be completed at an estimated cost to the Developer of \$600,000.00, which estimated total includes the costs of engineering and contingencies.

B. GCSD-required Offsite Improvements. In accordance with and subject to the provisions of Section 11 of this Agreement, Developer shall construct a minimum 8-inch gravity sanitary sewer main line (“Sewer Main Line”) complying with GCSD standard specifications and details that would run approximately 995 feet north along the Airport Street right-of-way from the existing manhole at Airport Street and Stanford Avenue to the northern limit of the northern parcel, which shall be completed not later than the date of issuance of the first certificate of occupancy on any parcel shown on the Final Map authorized by the Subdivision Approval. GCSD’s engineers have accepted the construction cost estimate of \$195,000 provided by the Developer for the installation of the Sewer Main Line; accordingly, Developer shall post with GCSD security satisfactory to GCSD in the form of a bond in that amount.

3. In addition, Developer, at its own cost and expense, shall maintain all improvements referenced herein in good condition and repair and guarantee the same against any defects in material and workmanship for a warranty period of one year from the date of final acceptance by the County or GCSD, whichever entity grants final acceptance to the improvement needing maintenance or which is defective. Developer hereby further agrees that notwithstanding any other provision of this Agreement, **USE OF ANY AND ALL OF THE WORKS OF IMPROVEMENT SHALL BE AT THE SOLE AND EXCLUSIVE RISK OF DEVELOPER UNTIL ONE (1) YEAR AFTER FINAL ACCEPTANCE BY COUNTY OR GCSD OF THE COMPLETED WORKS OF IMPROVEMENT.** It is further agreed by Developer that the acceptance

of said improvements by County or GCSD shall not eliminate or reduce any of Developer's obligations or undertakings contained in this Agreement.

4. In addition, Developer shall pay the County the cost of inspecting all improvements (other than sewer improvements) as required in Section 7035.2 of the Subdivision Regulations and shall pay GCSD the cost of inspection of sewer improvements.

5. In addition, Developer shall furnish to the County, in accordance with Chapter 5 of the Subdivision Map Act, the following security to guarantee compliance with the terms of conditional approval set by the San Mateo County Board of Supervisors on May 19, 2015 (subsequently amended on June 6, 2017). The security shall be in the form of a Lien on Real Property Pursuant to Gov. Code § 66499(a)(4) on certain real property owned by the Developer: APN 047-312-040 (the "Southern Parcel Lien"). Said security shall be documented in a form reasonably satisfactory to the County, and in accordance with the Subdivision Regulations, be filed prior to final map approval, and shall meet the conditions specified below:

A. Performance Security: Performance of the required work shall be secured by a "Faithful Performance" Security in the sum of one hundred percent (100%) of the total estimated cost of the Offsite Improvements and Onsite Improvements, including engineering and contingencies, said sum being in the total amount of \$1,485,000.00. County shall release said security partially upon the performance of the act or final completion and acceptance by the County of the required Trail or Intersection Improvements and shall release any remaining portion of said security upon the

performance of the act or final completion by the County of all Onsite Improvements and Offsite Improvements.

B. Labor and Materials Payment Security: Security to guarantee payment to the contractor retained by Developer, its subcontractors and to persons furnishing labor, materials, or equipment to them for the improvements or performance of work required (“Payment Security”) shall be made in the sum of fifty percent (50%) of the estimated cost of the improvements, said sum being in the amount of \$742,500.00 and secured by the Southern Parcel Lien.

C. Warranty Security: Security for the guarantee and warranty of the work (“Warranty Security”) shall be made for a period of one year following the completion and acceptance thereof against any defective work or labor done, or defective materials, and shall be furnished in the sum of fifty percent (50%) of said total estimated cost of the improvements, said sum being in the amount \$742,500.00, secured by the Southern Parcel Lien, and effective upon final acceptance of said work by the County and prior to release of the Performance and Payment Securities.

6. The Developer shall ensure that no construction of improvements referenced herein (onsite or offsite) will adversely affect any adjacent property.

7. The Developer shall ensure that survey monuments shown on the Tentative Map interior to the subdivision are placed prior to recording of the final map or, if the engineer or surveyor has certified on the map that interior monuments shall be set on or before a specified later date, shall provide security in an amount determined by the Director of Public Works to be sufficient to guarantee the setting of the monuments or

to the County for the cost of setting the monuments if the Developer should fail to perform.

8. Indemnity and Insurance.

Indemnity. The Developer shall defend, save harmless and indemnify the County and GCSD, and each of their respective officers, agents, employees, invitees, and contractors, and each of them, from and against any and all losses incurred in connection with any improvements constructed on-site or off-site of the subdivision and any other terms, conditions or improvements required as part of the subdivision approval and which result from the acts or omissions of the Developer, its officers, employees, agents and/or contractors or subcontractors. This duty to defend, hold harmless and indemnify shall apply to any and all demands, claims for injuries or damage to persons and/or property, legal or administrative proceedings, losses, costs, penalties, fines, liens, judgments, damages, attorneys' fees, and liabilities of any kind, or any other loss or cost, including but not limited to, the concurrent active or passive negligence of County or GCSD, and each of their respective officers, agents, employees, or servants resulting from the performance of any work required of Developer or payments made pursuant to this Agreement, provided that this shall not apply to injuries or damage for which the County or GCSD has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of the Developer to indemnify and save harmless, as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

Insurance. Developer hereby agrees that as to all aspects compliance with this Agreement, Developer or it's Contractor(s) or Subcontractor(s) shall maintain the following insurance coverages:

(i) Errors and Omissions Insurance: Developer hereby agrees to require each and every contractor or subcontractor involved in the design or construction of any improvement to carry errors and omissions insurance coverage (primary as to County/GCSD as applicable) as to such involvement in the minimum amount of two million dollars (\$2,000,000) combined single limit and to name the County/GCSD as applicable and its officers, employees and agents as additional insureds utilizing ISO form #CG 20 10 11 85, or equivalent language approved by the County/GCSD as applicable administration.

(ii) Commercial General and Automobile Liability Insurance: - Developer hereby agrees to require each and every contractor or subcontractor involved in the design or construction of any improvement to carry Commercial General and Automobile Liability Insurance. This insurance shall protect contractors and subcontractors from claims for bodily injury and property damage which may arise because of the nature of the work or from operations under this Agreement. The coverage shall be at least as broad as Insurance Services Office (ISO) Commercial General Liability coverage (occurrence Form CG 0001), ISO Form G0009 11 88 Owners and Contractors Protective Liability Coverage – Coverage for Operations of Designated Contractor) and Insurance Services Office Form Number CA 0001 covering Automobile Liability, code 1 (any auto). Claims-made policies will not be accepted. The insurance policy shall be endorsed to name as additional insureds the County/GCSD as applicable and its officers, employees, and agents, using ISO Form CG20 11 85, or equivalent language approved by the County/GCSD as applicable Administrative Services Director. This policy shall provide coverage to each of the additional insureds with respect to the improvement. Both bodily injury and property damage insurance must be on an occurrence basis. Each policy shall be endorsed to provide primary coverage to the full limit of liability stated in the declarations. If the additional insureds have any other insurance or self-insurance against the loss covered by this policy, that other insurance shall be excess insurance and not contribute with contractors and subcontractors' policy.

(A) Amount of Coverage - The bodily injury and property damage liability of the Commercial General and Automobile Liability Insurance shall provide coverage in the following limits of liability: \$1,000,000 per occurrence with an annual general aggregate limit of not less than

\$2,000,000, and \$2,000,000 products and completed operations aggregate, combined single limit. The Automobile Liability insurance policy shall provide minimum limits of \$1,000,000 per accident for bodily injury and property damage.

(B) Included Coverage - The Commercial General and Automobile Liability Insurance shall also include all of the following coverages:

- Premises – Operations;
- Owner's/Independent Contractors and Contractor's Protective;
- Products Completed Operations;
- Personal Injury (False Arrest, Libel, Wrongful Eviction, etc.);
- Blanket Contractual Liability, including the indemnity agreement in this contract;
- Separation of Insureds/Cross-Liability Provisions;
- Duty to Defend All Insureds;
- Deletion of any limitation on Coverage for Bodily Injury or Property Damage Arising Out of Subsidence or Soil or Earth Movement;
- A provision that the annual general aggregate and the products and completed operations annual aggregate shall apply separately to the improvement(s);
- Pollution Legal Liability Endorsement;
- XCU - Explosion, Collapse, Underground Damage. (XCU may be deleted with the prior written approval of County/GCSD administration as applicable when not applicable to operations performed by the Developer or its sub-contractors.)

(C) The certificate of insurance shall guaranty that the policy will not be amended, altered, modified, or canceled without at least thirty (30) days' notice by registered mail to the County/GCSD administration as applicable.

(D) In accordance with Insurance Code Section 11580.04, coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where any agreement to indemnify the additional insured would be invalid under Civil Code Section 2782(b).

9. The County will retain the right to modify the plans and specifications when necessary to protect the public health and safety, and the right to require the Developer to pay for such modifications. As to sewer improvements, GCSD retains the right to modify the plans and specifications when necessary to protect the public health and safety, and the right to require the Developer to pay for such modifications.

10. Upon any failure by Developer to complete or maintain the improvements or to correct any defects, the County (or GCSD in the case of sewer improvements) may perform any necessary construction, maintenance or corrective work and recover the full cost and expense from the Developer, including interest from the date of notice of the cost and expense until paid.

11. Additional requirements and provisions specific to GCSD.

A. As required by County Subdivision Regulations Section 7027:

(1) Each parcel created by a subdivision must be served by a sanitary sewer or individual sewage disposal system unless that requirement is waived by GCSD for one or more specified parcels and the subdivider (Developer) shall be responsible for the design and installation of a sewage disposal system in accordance with GCSD standards.

(2) Connection to the existing sanitary sewer system shall be required, and all sewer improvements shall be installed in accordance with GCSD standards.

B. Written evidence acceptable to GCSD must be provided by the Developer to GCSD in the form of rights-of-entry, permanent easements, statutory authority, or other rights enabling the Developer to construct all sewer improvements required by GCSD across public or private property outside of the subdivision permitting or granting access for the Developer to perform necessary construction work and permitting the maintenance of the proposed facilities for sewer service and garbage and recycling collection service, and for GCSD to accept dedication of such facilities if it so chooses. Furthermore, such access shall be dedicated on the final map for Developer's Subdivision Approval.

C. In addition to the County-required Offsite Improvements, Developer shall at a minimum construct an 8-inch gravity sanitary sewer main line ("Sewer Main Line") complying with GCSD standard specifications and details that would run approximately 995 feet north along the Airport Street right-of-way from the existing manhole at Airport Street and Stanford Avenue to the northern limit of the northern parcel. Such Sewer Main Line extension to serve the Development shall be located in Airport Street and not off the paved roadway in an easement or other portion of a right-of-way. Prior to commencing construction of any sewer improvements, and prior to obtaining any Building Permits for any portion of the Development, the property owner(s) shall file a complete application with GCSD, pay for all of GCSD's costs associated with its processing, review, inspection, conditioning, approval, and all fees and assessments for connection, and obtain a Sewer Connection Permit from GCSD. GCSD currently estimates the required size of this Sewer Main Line to be 8 inches in diameter, but the final system and sizing

shall be based on a detailed sewer system design and analyses prepared by Developer that is satisfactory to GCSD. GCSD's engineers have accepted the construction cost estimate of \$195,000 provided by the Developer for the installation of the Sewer Main; accordingly, Developer shall post with GCSD security in the form of bond(s) as follows: Faithful Performance in the amount of 100% of the estimated cost, Labor and Materials Payment in the amount of 50% of the estimated cost, and Warranty in the amount of 50% of the estimated cost.

D. Subsection 11.C above applies only to the Sewer Main Line. The private onsite sewer lateral system will not be accepted by GCSD; however, that private system will still require the Developer to file a complete application with GCSD, pay for all of GCSD's costs associated with its processing, review, inspection, conditioning, approval, and all fees and assessments for connection, and obtain from GCSD a Sewer Connection Permit which will require all portions of the private onsite sewer system to be constructed in accordance with GCSD regulations and specifications. Furthermore subsequent building connections and associated lateral connections to the Sewer Main Line are required to be processed and approved through GCSD's standard Sewer Connection Permit process. In addition, GCSD shall be granted reasonable access to all onsite sewer improvements.

E. GCSD RESERVES THE RIGHT TO IMPOSE ADDITIONAL REQUIREMENTS AS PART OF FUTURE SEWER CONNECTION PERMIT(S) FOR FUTURE HOOK UPS TO BUILDINGS OR OTHER USES.

Nothing in this Agreement supersedes any of GCSD's rights under its ordinances,

regulations, standards, policies, police power authority, or lawful discretion as applicable at the time any Sewer Connection Permit is considered by GCSD. Nor does anything in this Agreement supersede the rights of any party to that JUDGMENT BY STIPULATION PURSUANT TO COURT ORDER recorded with the San Mateo County Recorder as Instrument No. 2018-081691 which is not merged herein and remains fully and completely binding and enforceable.

12. In addition to the Offsite Improvements, Developer shall construct an emergency access route, and a stormwater drainage basin (together, the “County Onsite Improvements”) which shall fully satisfy the Conditions of Approval. The emergency access route will be completed at an estimated cost to the Developer of \$202,000.00, and the stormwater drainage basin will be completed at an estimated cost to the Developer of \$138,000.00, which estimated total costs includes the costs of engineering and contingencies. The obligation to construct the Onsite Improvements shall be secured by the Southern Parcel Lien, described in Section 4, above.

13. The County shall promptly notify Developer of any claim, action or proceeding arising out of the subdivision and will cooperate fully in the defense.

14. As required by County Subdivision Regulations Section 7033.1.j, the Developer shall cause this Agreement to be recorded in the Office of the County Recorder at Developer’s expense, which shall constitute notice to all successors and assigns of the title to the real property of the obligation set forth herein, and also shall constitute a lien in an amount to fully reimburse the County, including interest as above,

subject to foreclosure in event of default in payment. The Developer shall provide a copy of the recorded Agreement to the County and to GCSD prior to final map approval.

15. In the event of litigation occasioned by any default of the Developer, Developer agrees to pay all costs involved, including reasonable attorney's fees, and that the same will become a part of the lien against the real property.

16. The terms "Developer," "Subdivider," and "Owner" shall include not only the Developer, subdivider and the present owner(s) of the real property, but also heirs, successors, executors, administrators, and assigns, it being the intent of the parties that the obligations undertaken shall run with the real property and constitute a lien against it.

17. This Agreement, together with the Plans, Specifications, Conditions of Approval and the Faithful Performance, Payment, and Warranty Bonds described herein form the Agreement, and said documents by this reference become as fully a part of the Agreement as if hereto attached or herein set forth in full. The Standard Specifications of the County of San Mateo, State of California, which, except as specifically noted in the County Agreement documents and specifications, are identical with the Standard Specifications of the State of California, Department of Transportation, dated July 2010, and are on file with the County Manager/Clerk of the Board of Supervisors, County of San Mateo, are incorporated herein by reference as a part of the Agreement documents and shall apply to this project except where the terms of this Agreement or other Agreement documents are inconsistent therewith, in which case the provisions of this Agreement shall prevail.

18. Merger Clause: Except as otherwise provided herein, this Agreement, including the Exhibit(s) attached hereto and incorporated herein by reference, constitutes the sole Agreement of the parties hereto with regard to the Subdivision Approval and correctly states the rights, duties, and obligations of each party with regard to the Subdivision Approval as of this document's date. Except as otherwise provided herein, any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications shall be in writing and signed by the parties.

19. Controlling Law: The validity of this Agreement and of its terms or provisions, as well as the rights and duties of the parties hereunder, the interpretation, and performance of this Agreement shall be governed by the laws of the State of California, and any and all claims or lawsuits related to this agreement or the work performed hereunder shall be venued in the Superior Court of the County of San Mateo.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by its duly authorized representatives on day and year first above written.

“County”

COUNTY OF SAN MATEO

By: _____
_____ (name)
_____ (title)

“GCSD”

GRANADA COMMUNITY SERVICES DISTRICT

By: _____
Chuck Duffy, General Manager

“Developer”

BIG WAVE, LLC

By: _____
JEFFREY PECK, PRESIDENT,
BIG WAVE, LLC

Kennedy/Jenks Consultants
Engineers & Scientists

2350 Mission College Blvd., Suite 525
Santa Clara, CA 95054
650-852-2800

7 February 2019

Board of Directors
Granada Community Services District
P.O. Box 335
El Granada, CA 94018

Subject: Class 3 Sewer Mainline Extension Permit
Big Wave Community
Mainline Extension on Airport Street
APN 047-311-060
K/J 015011*10

Dear Board Members:

We have reviewed the Sewer Mainline Extension Plans, dated December 20, 2018, and find them acceptable for construction. Accordingly, we recommend that the Board approve the subject Class 3 Mainline Extension Permit.

Please let me know if you have any questions or if you need further information.

Very truly yours,

KENNEDY/JENKS CONSULTANTS



John H. Rayner, P.E.
District Engineer
Granada Community Services District

cc: Chuck Duffy, GCSD
Delia Comito, GCSD

SEP 22 2017

SEWER PERMIT APPLICATION

Rec'd By: _____

Parcel Assessor's Parcel Number(s): 047-311-060 Lot(s): 4 Block: N/A

Data: Address/Location: 207 AIRPORT STREET, PRINCETON-BY-THE-SEA, CA 94019

Owner: Name(s) BIG WAVE, LLC - JEFF PECK Phone: 415 999 0145 Fax #: _____

Address: P.O BOX 1901 EL GRANADA CA 94018 Cell #: _____

Agent: Name(s) SANDIS CIVIL ENGINEERS Phone: 510 540 3415 Fax #: _____

Address: 636 9th ST OAKLAND CA 94607 Cell #: _____

Contractor: Name(s) HALF MOON BAY GRADING - PAVING Phone: 650 726 3588 Fax #: _____

Address: _____ Cell #: _____

Type of Work: (Check one)

New Construction _____ Remodel/Addition _____ Demolition _____ Mainline Ext.

Project Description: (Check one)

Single Family Dwelling _____ Multiple Unit Residential _____
In-law Unit/Auxiliary Structure _____ Hotel/Condo/B&B _____
Commercial Building/Warehouse Mixed Use _____
Other _____ Explain: _____

General Information: (Complete applicable sections)

Parcel Sq. Ft.: 17600 Structure(s) Sq. Ft.: 14770 Garage Sq. Ft.: 0
No. of Bedrooms: 0 No. of Baths: 1 No. of Offices: 0
No. of Living Units: 0 If Mixed Use, what is Living Unit Sq. Ft?: _____
No. of Trees to be Removed: 0 Is tree removal for lateral placement? NO

Additional Comments: _____

In consideration of granting this permit, the undersigned agrees:

1. To accept and abide by all provisions of the Granada Sanitary District Code.
2. To notify the District when the sewer is ready for connection to the sewer main.
3. In the event that all required planning approvals are not final, the application shall be deemed incomplete, and any permit issued may be revoked.
4. To provide the District with the final Building Plans for this project if requested, prior to permit issuance.

Signature: _____ Print Name: MICHAEL KUYKENDI Date: 2017-09-21

FOR DISTRICT USE ONLY (Please do not write below this line)

<input checked="" type="checkbox"/> Planning Approval Letter	<input type="checkbox"/> Pick up Notice	<input checked="" type="checkbox"/> Plans/Elevations
<input checked="" type="checkbox"/> Grant Deed/Legal Description	<input checked="" type="checkbox"/> Topographical Map	<input checked="" type="checkbox"/> Agent Form
<input type="checkbox"/> Application Fee \$ <u>150 -</u>	<input type="checkbox"/> Is there a ML to serve?	<input type="checkbox"/>
<input checked="" type="checkbox"/> Other: <u>4000 Eng Deposit</u>	<input checked="" type="checkbox"/> Is App. Complete?	RECEIVED BY: _____
<input type="checkbox"/> No. of Connections	<input type="checkbox"/> No. of NCA's on parcel	DATE: _____

BK-37

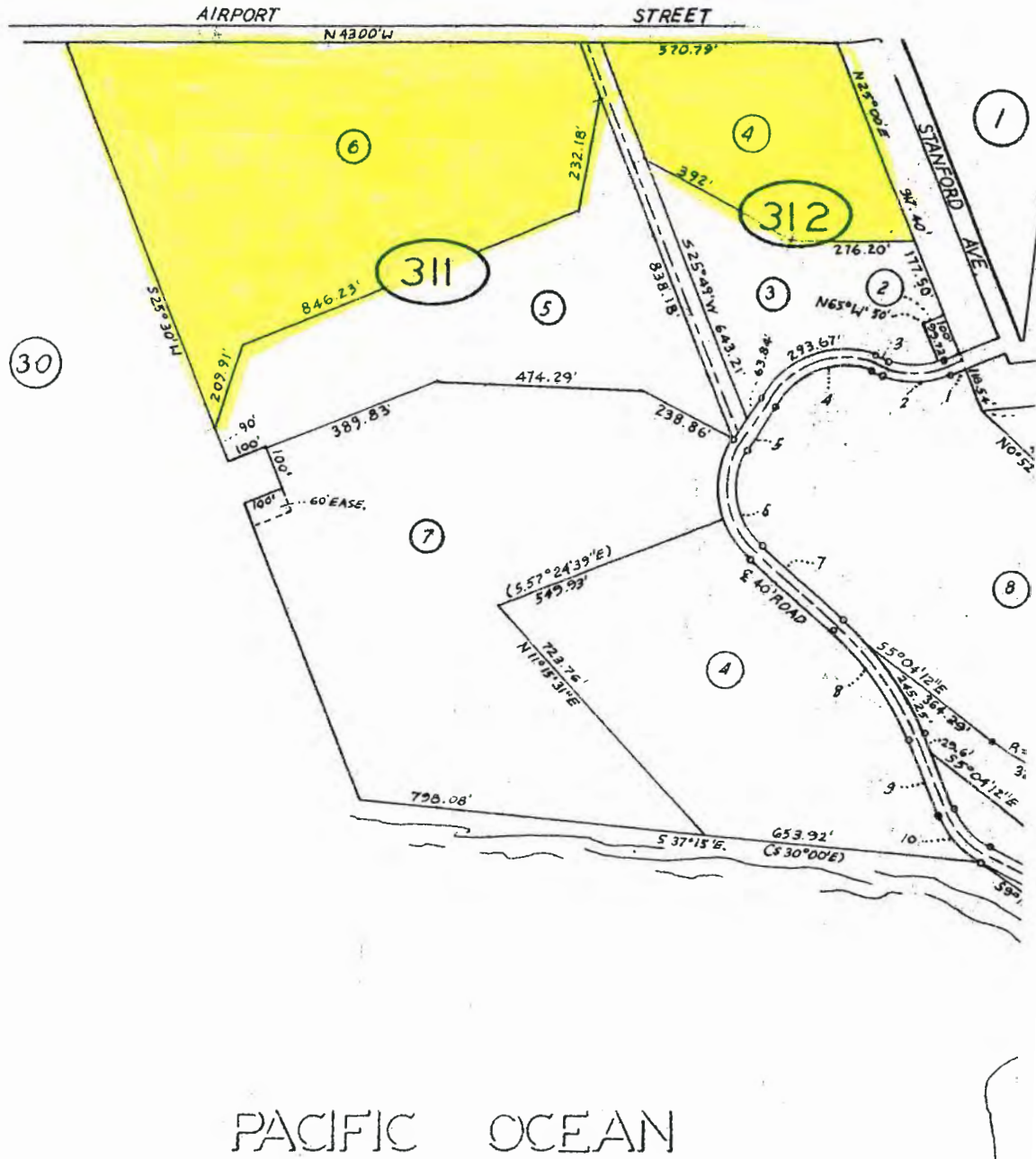
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AIRPORT

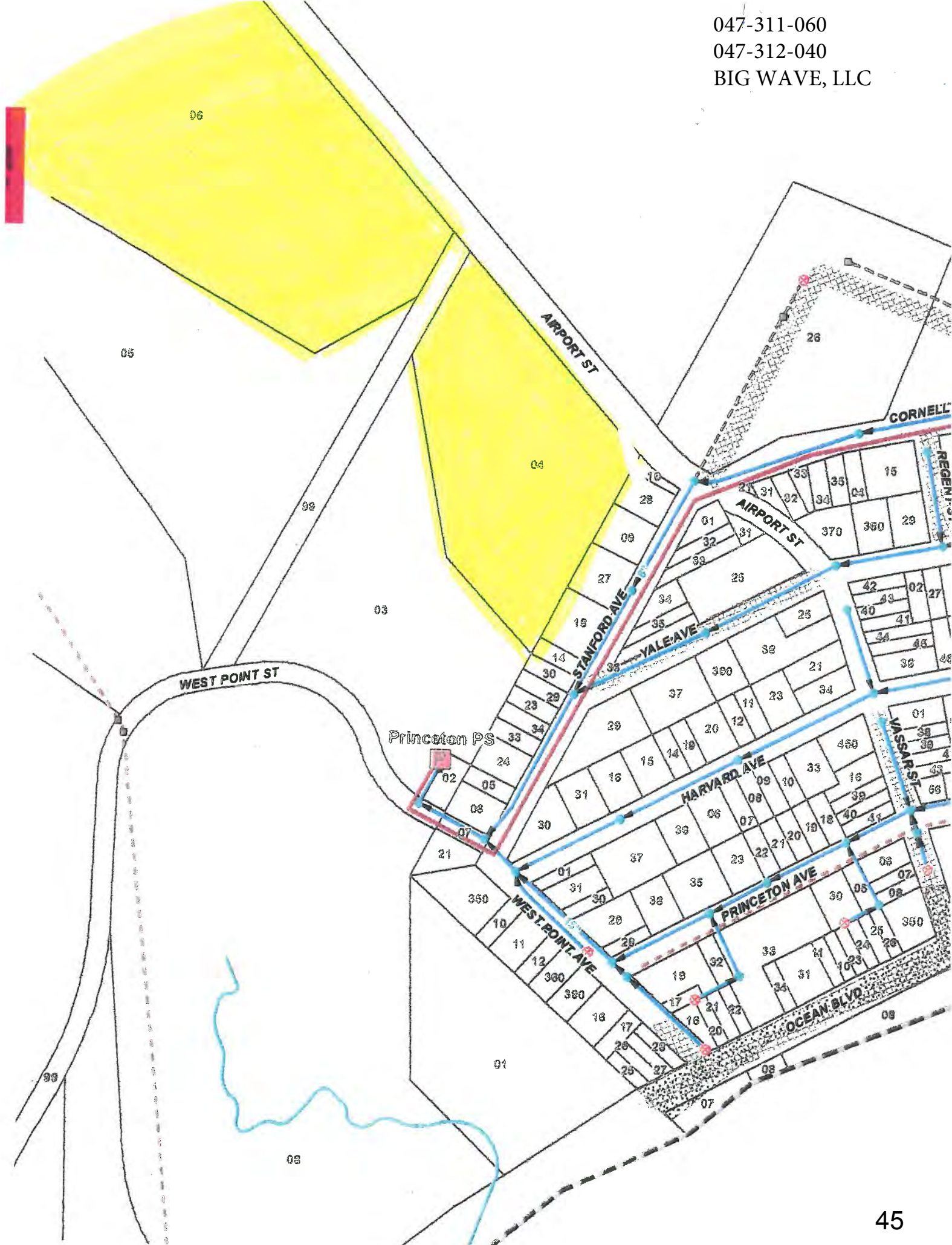
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047-312-040

BIG WAVE, LLC



047-311-060
047-312-040
BIG WAVE, LLC



ITEM #3

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GRANADA COMMUNITY SERVICES DISTRICT

AGENDA MEMORANDUM

To: Board of Directors
From: Delia Comito, Assistant General Manager
Subject: Consideration to Create Parks and Recreation Staff Position
Date: April 18, 2019

This Item is for a Board discussion regarding the District's potentially hiring a part-time or full-time staff member to handle parks and recreation related tasks.

Currently, the District has two positions of employment; the Assistant General Manager, an "exempt" position; and the Administrative Assistant, a "non-exempt" position. The responsibilities of these positions are attached

Since 2015, I have taken on additional responsibilities related to parks and recreation, which has included the following, in addition to my regular responsibilities:

- Creating the Parks Advisory Committee (PAC) informational sheet, and creating/updating/reviewing PAC application forms, publications, and managing the formation of the PAC.
- Developing the 2015 parks survey, cover letter, response spreadsheet, and coordinating work with the PAC Chair and data entry contractors.
- Developing/updating the PAC General Rules and Procedures.
- Developing design for the PAC logo.
- Serving as District Liaison to PAC, which includes:
 - Attending all PAC meetings, and coordinating, scheduling, notifying all interested parties, and set-up of all Committee meetings.
 - Posting all required notices/agendas, and recording minutes of the meeting.
 - Serving as a communication link between the Committee, GCSD Board, and other involved staff and professionals.
 - Providing guidance and recommendations.
 - Assisting with research, report preparation, and correspondence in keeping with the Committee's GCSD Board-approved work plan.
- Participating in creating the Medians Agreement with the County, and associated meetings with District and County staff.
- Answering questions from the public regarding proposals.
- Providing support for outreach events, and the design and ordering of promotional fliers and products.
- Working with the RCD to develop and implement the Burnham Strip Management Plan.

- Contributions in writing, review and design of parks and recreation portion of District newsletter and webpage.
- Investigating homeless encampment and solutions.
- Research and application to become an Originating Agency with the Department of Justice, and appointment as the Custodian of Records for fingerprinting and background check program.

If the District hires an additional staff member, pursuant to the District's Personnel System Manual, the General Manager has overall responsibility for management of District employees, agents, volunteers, consultants and contractors. Any part-time employee working over 20 hours per week, will be entitled to participation in the District's CalPERS retirement plan.

Job Descriptions

Duties of the Assistant General Manager

Working to accomplish the results directed by the District General Manager or the District Board of Directors, the Assistant General Manager shall:

1. Assist in the development of policies, programs and budgets necessary for the operation of the District
2. Assist in the development of long-range plans covering the essential elements of operations, facilities, finances and personnel
3. Assist in administering provisions for effective and efficient operation and control of facilities, finances, personnel and equipment
4. Oversee District operations along with the General Manager
5. Assist the General Manager in developing, implementing, and monitoring short and long-term plans, goals, and objectives focused on achieving the District's mission and priorities
6. Within assigned areas of accountability, serve as the District's representative to professional, industry, community groups, customers, and to other agencies, organizations and individuals
7. Coordinate, prepare, and post agendas
8. Serve as the Secretary to and Clerk of the Board of Directors
9. Attend all regular District meetings
10. Generate meeting minutes; Maintain records of all proceedings
11. Write staff reports and prepare recommendations to go before the Board as appropriate and necessary
12. Publish, post, and mail public and legal notices
13. Maintain communication and working relationships among/between Administrative Staff, Contract Staff, and Board Members
14. Work with Board members to establish District policy
15. Ensure implementation of District Ordinances, Resolutions, Bylaws, and policies and procedures
16. Develop and prepare annual District budget
17. Compile data for annual audit; Review and correct final audit reports
18. Conduct research and prepare data for special projects
19. Prepare Requests for Proposals as directed
20. Establish and maintain effective relationships with the County, other public agencies, the general public, parcel owners, developers, contractors, architects, and real estate agents
21. Answer incoming phone calls, assist walk-in customers, and as necessary respond to email
22. Process all incoming mail, distribute and review as necessary
23. Respond to written correspondence when necessary
24. Organize and maintain all District records
25. Prepare and generate warrants for accounts payable as appropriate
26. Generate pro-rated sewer service charge invoices and process payments received
27. Prepare bank account deposit slips and monthly reports
28. Analyze monthly bank account statements to maintain adequate balances
29. Periodic review of investment earnings
30. Periodic review of general ledger for accuracy
31. Initiate District office purchasing and compliance with Bidding and Procurement Policy
32. Initiate and review lease agreements
33. Train new District employees

34. Analyze and perform Assessment District related administrative procedures
35. Periodically review Assessment District investment statements to verify transactions
36. Prepare invoices and initiate transfers for Assessment District accounts payable/receivable as necessary
37. Prepare data and reports for annual county tax roll submission
38. Record legal documents with the County
39. Review, process, and issue sewer permits per District policy
40. Coordinate and follow-up on District engineering related issues and projects
41. Schedule parcel site and hook up inspections
42. Develop and revise written procedures and public information handouts
43. Record and handle incoming sewer related emergencies
44. Provide information and respond to public concerns regarding capital improvement projects
45. Coordinate, prepare, and post Park Committee agendas
46. Attend all Park Committee meetings
47. Generate Park Committee meeting minutes; Maintain records of all proceedings
48. Write Park Committee staff reports and prepare recommendations to go before the Board as needed
49. Maintain communication and working relationships among/between County Parks Staff, other professionals, and Committee Members
50. Carry District cell phone and be on-call at all times

and all such other duties as may be assigned by the Board or the General Manager as being within the scope of the Assistant General Manager position.

Duties of the Administrative Assistant

Working under the direction of the District General Manager and the Assistant General Manager, the Administrative Assistant shall be responsible for:

1. Retrieving messages from answering machine
2. Answering phone
3. Answering general questions when possible
4. Taking messages
5. Returning calls when appropriate
6. Greeting and assisting walk-in customers
7. Picking up, opening, date stamping and logging of mail
8. Mail distribution and tracking
9. Posting of other agency and County agendas, public notices, etc.
10. Upkeep of non-agenda correspondence log distributed to Board Members
11. Maintenance of invoice file
12. Prepare and generate warrants for accounts payable as directed
13. Generating and upkeep of monthly Transaction Detail Sheet
14. Maintenance of "Checks Received" Log
15. Writing money receipts
16. Copying and distribution of original check and check copies
17. Filing of original Agenda Packets, Minutes, Ordinances and Resolutions in proper binders
18. Inventory and reordering
19. Logging incoming permit applications after acceptance
20. Setting up file for new applications
21. Scheduling and coordination of site and hook-up inspections
22. Generating pro-rated sewer service charge bills and related follow up
23. Sending hook-up verifications to County
24. Entering hook-up data into permit log
25. Preparing agenda packets
26. Meeting room set up
27. General organization of District Office and Pump Station
28. Organization and labeling of general filing system
29. Logging and filing incoming call-out/overflow reports
30. Follow-up on estimates and scheduling for authorized repairs
31. Generation of solid waste related letters and providing information to franchised waste hauler
32. Special projects delegated by the Assistant General Manager

and all such other duties as may be assigned by the General Manager and Assistant General Manager as being within the scope of the Administrative Assistant position.

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ITEM #4

AGENDA MEMORANDUM

To: Board of Directors
From: Delia Comito, Assistant General Manager
Subject: Consideration of Approving Independent Contractors Agreement for Bond Counsel
Date: April 18, 2019

In 1994 the District formed an assessment district to issue bonds to pay for the District's portion of the SAM treatment plant expansion. The Sewage Treatment Facility Improvement Integrated Financing District, and the subsequent 2003 Reassessment and Refunding Project, require specialized legal counsel as the District nears the time when the bonds are paid off in 2022.

The District has been without Bond Counsel for several years, and outgoing General Counsel Jonathan Wittwer has recommended that GCSD hire bond counsel well in advance of the 2022 bond payoff.

Attached is a Statement of Qualification from the Weist Law Firm provided in October 2018. In subsequent conversations with Mr. Weist, I found that he is familiar with prior bond Jerry Laster's work.

AGREEMENT FOR BOND COUNSEL SERVICES

THIS AGREEMENT is made and entered into this ___th day of April, 2019 by and between the Granada Community Services District (the “District”), whose address is 504 Avenue Alhambra, Third Floor, El Granada, California 94018, and The Weist Law Firm (the “Special Counsel”), whose address is 108 Whispering Pines Drive, Suite 235, Scotts Valley, California 95066.

WITNESSETH:

WHEREAS, the District desires to better understand and manage its Sewage Treatment Facility Improvements Integrated Financing District (the “Assessment District”) that was created in 1994 by the District pursuant to financing proceedings taken under the Municipal Improvement Act of 1913 and the Improvement Bond Act of 1915 in combination with the Integrated Financing District Act, as well as any impediments and/or enhancements that may have a material influence (both positive or negative), on the continued viability of the Assessment District (the “Impediments and/or Enhancements”); and

WHEREAS, the District desires to retain Special Counsel to do the necessary consulting, legal and analytical work hereinafter outlined, upon the terms and conditions hereinafter set forth, with the objective of producing a report setting forth the Structuring Options and Impediments and/or Enhancements (the “Report”); and

WHEREAS, Special Counsel is specifically trained and experienced in the conduct of Restructuring proceedings for accomplishing the issuance of the Obligations, and hereby represents that it is ready, willing and able to perform said work; and

NOW, THEREFORE, in consideration of the covenants and premises herein contained and other good and valuable consideration, the parties hereto agree as follows:

Section 1. Scope of Services.

Special Counsel Services: Special Counsel shall provide the following services in connection with the preparation of the Report:

1. Consult with representatives of the District, including the General Manager and Assistant General Manager, as well as the District’s financing and accounting staff, rate consultants, financial advisors, and others, as Special Counsel deems necessary to properly achieve the purposes of the Agreement.
2. Review of all financial statements, budget reports, title reports, appraisals, resolutions, ordinances, notices, indentures, loan agreements, notes, deeds, and other such documents as required for preparation and delivery of the Report.
3. Attend such meetings or hearings of the District’s Board of Directors (the “Board”), and working group meetings or conference calls as the District may request, and as Special Counsel deems prudent and necessary.

4. Coordinate conference calls and/or meetings with potential lenders, investors, rating agencies and/or credit enhancement providers as Special Counsel deems necessary to achieve the purposes of the agreement.

Excluded Services Special Counsel's services are limited to those specifically set forth above. Special Counsel's services do not include representation of the District or any other party to the transaction in any litigation or other legal or administrative proceeding involving the Restructuring Options or any other matter.

Special Counsel's services also do not include legal services relating to the Restructuring, including but not limited to compliance with the California Environmental Quality Act, the National Environmental Policy Act, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Hazardous Material Transportation Act, the Resource Conservation and Recovery Act, the Federal Water Pollution Control Act, the Occupational Safety and Health Act, the Safe Drinking Water Act, the Porter-Cologne Water Quality Control Act, the Safe Drinking Water and Toxic Enforcement Act of 1986, the Hazardous Substance Account Act, the Hazardous Waste Control Act, or any determinations pertaining to completion and readiness for acceptance.

Special Counsel's services also do not include any responsibility for compliance with state blue sky, environmental, land use, real estate or similar laws or for title to or perfection of security interests in real or personal property, including the acquisition of interests in real property, whether through gift, negotiation or the exercise of the power of eminent domain. Special Counsel's services also do not include any responsibility for the negotiation or preparation of joint powers agreements with other agencies. Special Counsel will not be responsible for the services performed or acts or omissions of any other participant.

Special Counsel may be willing to perform such excluded services on such terms as might be mutually agreed to at the time of need. The performance by Special Counsel of services excluded by the above paragraph, if required by the District, shall be under separate written agreement.

Also, Special Counsel's services will not extend past the date of issuance of the Report.

Section 2. Compensation.

(a) Legal Fees for Special Counsel Services. Special Counsel shall be paid an hourly rate of \$485 per hour, with a cap of \$25,000.

(b) Out-of-Pocket Expenses. In addition to the legal fees, Special Counsel shall be reimbursed its normal and customary out-of-pocket expenses, including travel (which includes an out of office fee of \$650 for each day of travel) and customary mileage rates; parking charges and bridge tolls as incurred, photocopies at forty-five cents per page, telephone and facsimile charges as incurred, and postage and express delivery charges as incurred.

(c) Payment: Fees and expenses will be billed monthly for the preceding month, and will be payable within 30 days of the date of the invoice. A late charge of 1.0 percent per month may be applied to balances unpaid after 60 days.

Section 3. Termination of Agreement and Legal Services.

This Agreement and all legal services to be rendered under it may be terminated at any time by written notice from either party, with or without cause. In that event, all finished and unfinished documents prepared for adoption or execution by the District, shall, at the option of the District, become its property and shall be delivered to it or to any party it may designate; provided that Special Counsel shall have no liability whatsoever for any subsequent use of such documents. In the event of termination by the District, Special Counsel shall nevertheless be entitled to receive compensation earned up to the point of termination. This continuing right to receive earned compensation shall survive the term of this Agreement.

If not sooner terminated as aforesaid, this Agreement and all legal services to be rendered under it shall terminate upon final delivery of the Report. Upon termination, Special Counsel shall have no future duty of any kind to or with respect to the District.

Section 4. Insurance.

Special Counsel specifically represents that it maintains errors and omissions insurance applicable to the Special Counsel services to be rendered under this Agreement.

Section 5. Nature of Engagement.

The District acknowledges that Special Counsel regularly performs legal services for many private and public entities in connection with a wide variety of matters. Special Counsel has represented, is representing or may in the future represent other public entities, underwriters, trustees, rating agencies, insurers, credit enhancement providers, lenders, contractors, suppliers, financial and other consultants/advisors, accountants, investment providers/brokers, providers/brokers of derivative products and others who may have a role or interest in the Prior Debt or the Restructuring or that may be involved with or adverse to the District in this or some other matter.

As of the date of the Agreement, there are no actual or potential conflicts of interest that Special Counsel is aware of that might impair its ability to render unbiased and competent advice or to fulfill its fiduciary duty. Special Counsel represents that in connection with the issuance of municipal securities, Special Counsel may receive future compensation from the District for services rendered, which compensation is partially contingent upon the successful closing of a transaction and/or is based on the size of a transaction. This fee arrangement will not impair Special Counsel's ability to render unbiased and competent advice or to fulfill its fiduciary duty to the District. If Special Counsel becomes aware of any potential conflict of interest that arises after this disclosure, Special Counsel will disclose the detailed information in writing to the District in a timely manner.

Given the special, limited role of Special Counsel described above, the District acknowledges that it is also unaware of any conflict of interest that may exist by virtue of this Agreement, and agrees to disclose the detailed information in writing to Special Counsel immediately upon becoming aware of any potential conflict of interest that arises after this disclosure.

During the term of the engagement, this Agreement will be promptly amended or supplemented to reflect any material changes in or additions to the terms or information within this Agreement and the revised writing will be promptly delivered to the District.

Section 6. Standards of Professional Conduct.

Special Counsel and every employee thereof shall provide their services, advice and any reports in full compliance with all applicable law and professional standards. Special Counsel represents that it is specially trained, experienced, expert and competent to perform the services required under this Agreement, and that each individual providing legal services is a member in good standing of the State Bar and is licensed to practice in California. Special Counsel certifies that it will not accept representation in any matters, including litigation, under this Agreement if it or any employee thereof has any personal or financial interest therein.

Special Counsel agrees to deal honestly and with the utmost good faith with the District and act in the District's best interests without regard to the financial or other interests of Special Counsel. Special Counsel will eliminate or provide full and fair disclosure to the District about each material conflict of interest (as applicable).

Special Counsel certifies that it accepts this retention because it has the time, energy, skills and ability necessary to perform the duties required in an efficient, trustworthy, professional and businesslike manner. It is understood that the services under this Agreement must be provided immediately, and that they are time-critical. Special Counsel is engaged by District for its unique qualifications and skills.

Special Counsel may subcontract, delegate or assign the services to be provided under this Agreement, in part, at Special counsel's discretion, to any other person or entity not employed in Special Counsel's firm without consent of District.

Section 7. No Guarantee of Outcome.

It is presently estimated that the Report will be deliverable within sixty (60) days from the effective date of this Agreement, however, this is an estimate, and is subject to change. District hereby acknowledges and agrees that this is a best efforts undertaking, and that no guarantee of timing, success or outcome has been, or can be, made by Special Counsel.

Section 8. Arbitration.

Any controversy, claim or dispute arising out of or relating to this Agreement, shall be settled solely and exclusively by binding arbitration in San Francisco, California. Such arbitration shall be conducted in accordance with the then prevailing commercial arbitration rules of JAMS/Endispute ("JAMS"), with the following exceptions if in conflict: (a) one arbitrator shall be chosen by JAMS; (b) each party to the arbitration will pay its pro rata share of the expenses and fees of the arbitrator, together with other expenses of the arbitration incurred or approved by the arbitrator; and (c) arbitration may proceed in the absence of any party if written notice (pursuant to the JAMS' rules and regulations) of the proceedings has been given to such party. Each party shall bear its own attorneys fees and expenses.

The parties agree to abide by all decisions and awards rendered in such proceedings. Such decisions and awards rendered by the arbitrator shall be final and conclusive. All such controversies, claims or disputes shall be settled in this manner in lieu of any action at law or equity; provided however, that nothing in this Section shall be construed as precluding the bringing an action for injunctive relief or other equitable relief. The arbitrator shall not have the right to award punitive damages or speculative damages to either party and shall not have the

power to amend this Agreement. The arbitrator shall be required to follow applicable law. if for any reason this arbitration clause becomes not applicable, then each party submits to the ongoing jurisdiction of the state of California and/or the united states district court for the enforcement hereof.

Section 9. Entire Agreement.

This Agreement contains the entire understanding between Special Counsel and District. All previous proposals, offers and communications relative to the Restructuring and this Agreement, whether oral or written, are hereby superseded except to the extent that they have been incorporated into this Agreement.

No future waiver of or exception to any of the terms, conditions, and provisions of this Agreement shall be considered valid unless specifically agreed to in writing by both Special Counsel and District. No oral agreement or implied covenant shall be held to vary the provisions of this Agreement. This Agreement shall bind and inure to the benefit of the parties to this Agreement and any subsequent successors or assigns as may be permitted pursuant to the provisions of this Agreement.

Section 10. Modification.

Both District and Special Counsel understand that it may be desirable or necessary during the execution of this Agreement for Special Counsel or District to modify the scope of services provided for under this Agreement. Any material extension or change in the scope of work shall be discussed with District and all changes and their cost shall be memorialized in a written amendment to this original Agreement prior to the performance of the additional work. Until a written change order is so executed, District shall not be responsible to pay any charges Special Counsel may incur in performing such additional services, and correspondingly Special Counsel shall not be required to perform any such additional services.

Section 11. Severability.

All sections and subsections of this Agreement are severable, and the unenforceability or invalidity of any of the sections or subsections of this Agreement shall not affect the validity or enforceability of the remaining sections or subsections of this Agreement, but such remaining sections or subsections shall be interpreted and construed in such a manner as to carry out fully the intention of the parties.

Therefore, if any part, term, or provision of this Agreement shall be held illegal, unenforceable, or in conflict with any law of a federal, state, or local government having jurisdiction over this Agreement, the validity of the remaining portions or provisions shall not be effected by such holding and shall nevertheless continue in full force without being impaired or invalidated in any way.

Section 12. Waiver.

The waiver by either party of a default or breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent default or breach of the same or of a different provision of that party. No waiver or modification of this Agreement or of any covenant condition, or limitation contained in this Agreement shall be valid unless in writing and duly executed by the party or parties to be charged therewith.

Section 13. Counterparts.

This Agreement may be executed in any number of counterparts and each counterpart shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers and representatives thereto duly authorized, all as of the day and year first above written.

GRANADA COMMUNITY SERVICES DISTRICT

By: _____

THE WEIST LAW FIRM

By: _____

THE WEIST LAW FIRM

Bond Counsel / Securities Counsel / Municipal Advisor

STATEMENT OF QUALIFICATIONS

Last Updated: July 2018

**20 South Santa Cruz Avenue, Suite 300
Los Gatos, California 95030**

Telephone: (831) 438-7500

WWW.WEISTLAW.COM

STATEMENT OF QUALIFICATIONS

We are pleased to have this opportunity to present our Statement of Qualifications, and summary of highlighted public finance transactions, attached as Appendix A hereto, setting forth our experience as bond counsel, disclosure counsel, bank counsel and municipal advisor.

INTRODUCTION

The Weist Law Firm (WeistLaw) was founded in 1990 in the Bay Area of California on the principle of providing sound independent legal and financial advice to local, state, regional government, and non-profit clients. As a leading bond counsel firm, as well as a registered Municipal Advisor with the U.S. Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB), WeistLaw has established a proven track record and an outstanding reputation in securities law and public finance matters, having advised clients on over 625 transactions to date—please refer to Appendix A for a partial listing of our consummated transactions. Since our founding by public finance lawyer Cameron A. Weist over 28 years ago, we have steadily forged a reputation as being a respected leader in the area of structured project finance, which includes the correlated practice of municipal bond law, tax law and securities law. Our time-tested prominence has spanned numerous challenging economic cycles, and we continue to thrive in the present era of ever-increasing financial and governmental regulation.

With vast experience handling all types of public securities, our California-based law firm is known for its ability to undertake any municipal financing transaction – from the most routine to the most complex. We serve state and local municipalities, nonprofits, national and international banks, investment banking firms and many other entities that seek the counsel of an experienced lawyer in public securities and municipal bond financing matters.

The types of projects in which our firm is engaged typically includes the financing of public and public-private (P3) facilities, such as water and wastewater facilities, government buildings and facilities, airport facilities, transportation facilities, irrigation and drainage facilities, educational equipment and facilities, student housing, single-family and multi-family housing, recreational facilities, non-profit facilities, electrical generation and transmission facilities, alternative energy facilities and waste-to-energy facilities, police and fire facilities, parking structures, solid waste facilities, docks, wharves, harbors and port facilities, seawalls, aquaculture facilities, etc.

Our firm has been involved in, and has successfully implemented, a wide array of single purpose and multi-modal financing instruments including, certificates of participation (COPs); installment sale obligations; water and wastewater revenue bonds; enterprise revenue bonds; general obligation bonds, Mello-Roos bonds; several variations of Joint Exercise of Powers Agency (JPA) bonds (both stand-alone and “pooled”); assessment district bonds; New Markets Tax Credit obligations, clean renewable energy bonds, Green Bonds; tax allocation bonds (pre and post Dissolution); Pension Obligation Bonds; refunding bonds; tax credit bonds; miscellaneous variations of swap contracts, derivative securities, reinvestment contracts; and various forms of bond, grant, revenue and tax anticipation notes.

In short, WeistLaw constantly evolves to remain at the forefront of our profession. Due to the large volume of deals handled by our firm, we are perpetually “cross training” and refining our skills, which, in-turn allows us to devise innovative strategies for our clients, leading to highly successful and cost-efficient transactions.

INDUSTRY LEADER

For over two decades The Weist Law Firm has been a leader in the area of public finance and municipal securities law, annually ranking as one of the most active in the State of California. However, our rankings reflect more than simply the volume of transactions handled by The Weist Law Firm year after year. They are evidence of the consistent quality of service rendered by our firm and the accumulated experience we draw upon to serve our clients efficiently, effectively and creatively.

ACCOLADES

The Weist Law Firm has served as bond counsel, underwriter counsel and bank counsel on several unique bond financings over the years and has continued to occupy a prominent position in this practice area. We believe that our firm offers unparalleled experience in creatively structuring and consummating public finance transactions. Much of this experience comes from the experience we have gained over the years in “unwinding” troubled financings structured by other public finance consultants. In order to legally and effectively “dismantle” a bond transaction, it is imperative that one has the experience and know-how to put a bond issue together properly in the first place.

We have gained the reputation as a “go-to law firm” for complex financing structures, often involving highly-structured underlying security compositions. We often counsel clients on the design of their own creative financing programs involving an array of leveraged credit strengthening techniques and enhancements—adding value and amplified success.

The Weist Law Firm has several public finance “firsts” to its credit. In July of 2014 we successfully structured California’s first privately placed Successor Agency refinancing. WeistLaw worked on California’s first and largest “water bank” (aquifer recharge) financings, which was underwritten on a variable, swapped to fixed multi-modal structure involving tax-exempt and taxable components. We structured California’s first ever successful purchase of securities through the Department of Commerce under the McCorquodale-Neilsen-Hauser Rural Renaissance Act of 1986. We have worked on one of the largest CREBs financings structured to date, which was issued to finance a Caltrans solar project. We worked on the first aquaculture project financed with New Market Tax Credits. We prepared the documentation necessary in forming California’s first geological abatement district. We were instrumental in helping several large national and international Banks to penetrate the public finance arena to purchase municipal securities for their own account on a privately placed basis (“Private Placements”), which in turn has created tremendous competition leading to interest rate decline. Within the past year alone we have worked on over twenty such Private Placements that have each outperformed the publicly offered alternative – thereby saving our clients’ a great deal of time and money.

We also maintain an excellent working relationship with the California Department of Finance (“DOF”), United States Department of Agriculture (“USDA”) as well as SRF. Over the course of the past couple of years we have worked on some of the more complex issued ever encountered by USDA. By working in concert with the lead lawyers at USDA’s Office of General Counsel, we were able to create the internal legal templates that have led to what has turned out to be many successful project financings for our clients, as well as all other clients utilizing USDA financing in the future. This successful working relation has, in turn, led to our engagement directly with USDA to provide webinar training for all Area Specialists.

DIVERSITY AND INGENUITY

To complement Weist Law’s expertise in the municipal law, securities law and tax law aspects of public and P3 finance, we are also educated and trained in several branches of economics, urban and regional planning, public policy, business administration, operations research, demography, accounting, finance and real estate. We are able to apply these skills to a broad array of projects and programs, addressing complex issues pertaining to infrastructure development; economic development; public/private development; development feasibility; policy research; strategic planning; special tax, assessment and rate increase implementation programs.

Our dedicated broad-minded professionals bring vast experience from various disciplines to serve the increasingly sophisticated financial needs of our local government clients. We always strive to develop clear and concise reports and presentations which often times become the basis upon which government and its stakeholders gain a fundamental common understanding of the matters at hand. We have counseled literally hundreds of municipalities to navigate the myriad legal and financial impediments in order to foster successful projects that achieve public acceptance.

We have developed an expertise in joint powers authority pooled financings, lease and installment sale financings, RDA tax allocation financings—including “post-dissolution-era” refunding transactions approved through DOF, special assessment financings, Private Placements of all kinds, New Markets Tax Credit obligations, non-profit financings of all varieties, tribal economic development bonds, clean renewable energy bonds, special districts formations, USDA financings, urban redevelopment projects, impact fee financings, municipal utility district formations, capital recovery charge programs and numerous other value-added services.

Our extensive experience with a variety of financing techniques, and our expertise in the myriad of legal issues, including federal tax law, securities law, tax law, and state statutory and constitutional provisions, enable us to assist our clients in meeting their financing goals, and providing financial solutions that serve both the immediate and long-term best interests of each client.

We are also acutely aware of the time constraints facing each new project, and we take a great deal of pride in our ability to be responsive to a client’s needs for agility and speed in concluding a transaction. We strive to take advantage of market conditions when advantageous and we make every effort to always stay ahead of schedule.

INDUSTRY RELATIONS

The Weist Law Firm has the range of capabilities to handle all aspects of securities finance, from the routine to the complex. In addition to our extensive knowledge of debt and equity financings, we maintain a working relationship with DOF, USDA, SRF, Department of Public Health, and other state and federal agencies providing municipal finance enhancements, as well as all of the major bond insurance providers, rating agencies, and a cross section of national and international banks providing direct placements and letters of credit (and other credit enhancement products). Over the course of the past couple of years we have represented and/or developed high-level business relations with many national and international Bank that possesses the capability of purchasing municipal securities on a privately placed basis, which in turn helped our clients achieve their objectives at best interest rates possible, and without the ever-increasing burden of continuing disclosure.

CREATING VALUE

As a complement to our bond counsel practice, we are also registered with the SEC as a Municipal Advisor under the Dodd-Frank Act. As such, we provide a full range of related legal services for our clients in connection with matters such as: procurements of grant and low interest rate loans, short-term bridge loans and lines of credit; refundings and debt consolidations; designating and issuing state and federal tax credit and other forms of “Stimulus Bonds;” CalPERS pension obligation (Unfunded Actuarial Accrued Liability) refunding transactions; “Prop 218” rate adjustment campaigns; sensitivity reports; formation and financing of non-profit corporations and joint exercise of powers agencies; formation of assessment districts and community facility districts, for both pay-as-you-go public safety components, as well as for backbone infrastructure; arbitrage and rebate compliance; and General Obligation Bond campaigns.

We are a “Recognized Bond Counsel” for certain State and Federal programs such as the USDA Rural Development Grant and Loan Program and certain other such state sponsored low interest grant and loan programs. We are also a “Recognized Bond Counsel” for most statewide joint powers authorities, such as the California Statewide Communities Development Authority, the California Municipal Finance Authority, the California Enterprise Development Authority, the Independent Cities Lease Finance Authority, and the like.

Many of our clients are infrequent issuers of public debt, having not been previously involved in complex public finance projects. We always take the extra time required to ensure that they are full partners in the process. Our willingness to provide enhanced customized personal service to each and every one of our clients – no matter the sophistication level – not only results in a superior transaction, but also leads to better public relations as well as better relations between staff and its board or council.

We carefully and meticulously counsel our clients about each facet of the public finance process, and about the advantages of choosing one form of technique or strategy over another. In many cases, a blending of techniques and strategies becomes the most advantageous economic strategy. In all cases, we provide clients with all the information they need to competently and successfully conclude a project.

OUR CLIENTS

We represent a variety of different types of financial institutions and governmental entities including cities, counties, redevelopment agencies (now, Successor Agencies and Oversight Boards), joint powers authorities, non-profit organizations, water agencies, community college districts, sanitary districts, irrigation districts, community services districts, port authorities, transportation agencies, tribal nations, utility districts, school districts, harbor districts, fire districts, vector districts and various other special districts throughout California.

We provide the appropriate legal, tax and disclosure advice and act as liaison between staff, financial advisor, underwriter, trustee and bondholder. We “quarterback” each transaction with diligence and professionalism. This allows us to foster teamwork that typically results in fully developed strategies that accommodate the desires of the issuer, while at the same time accounting for legal and economic peculiarities and impediments that could otherwise potentially affect the success of a public finance transaction.

“The internal standard we espouse is to earn each client’s confidence on the very first matter of involvement, and then continue earning it on every matter thereafter.”

HELPING STAFF SUCCEED

Although the client is typically the municipality as an entity, we interface with, and answer to “staff,” being the city and county managers and administrators, finance directors, treasurers, executive directors, general managers and community development directors, who, in turn, take their direction from corresponding boards of directors, boards of supervisors and city councils. We understand and relish our roll of helping “staff” succeed. We also understand politics, and the various related “pressure points” commonly associated with the financing of public improvement projects. Ensuring the legal efficacy of each transaction is our number one responsibility; however, we never lose sight of the fact that the management of perception is a crucial component of our engagement.

In addition to providing the highest caliber transactional documents, we take the time to produce well-written, clearly understandable “staff reports” and other corresponding agenda material that management can confidently rely upon when taking matters to its board or council. We are always ready to publicly present the subject matter to the requisite board or council when called upon to do so by staff. We have spoken in public forums literally thousands of times, and are very comfortable and articulate in this type of setting.

In short, we serve as an extension of staff, collaborating at each step of the way on public finance projects. Saving time and money, increasing financial flexibility, enhancing staff’s knowledge and understanding of all potential legal and financial nuances, and positioning each potential project for future success are among the many benefits delivered by our focused, results-oriented practice.

PROFESSIONAL AFFILIATIONS

The Weist Law Firm is proud of its history of professional affiliations with the following organizations: State Bar of California, American Bar Association, California Association of Bond Lawyers, California Association of Sanitation Agencies, MSRB, National Association of Bond Lawyers, Association of California Water Agencies, County Engineer’s Association, Bay Area Municipal Forum, Public Securities Association, and Committee on Assessments, Special Taxes and Other Financing Facilities.

LEGAL OPINION

The professional legal opinion of The Weist Law Firm, passing upon the tax-exempt status of proceedings for the public issuance of governmental securities, is accepted by all major municipal bond underwriters, banks, and financial institutions that normally purchase these securities.

GOVERNMENT CLIENT REPRESENTATION

A list of past (some of which date back twenty years or longer) public sector clients which The Weist Law Firm has represented as either bond counsel or disclosure counsel is as follows:

CITIES

City of Anderson	City of Greenfield	City of Paso Robles
City of Arcata	City of Grover Beach	City of Pismo Beach
City of Atascadero	City of Guadalupe	City of Ridgecrest
City of Atwater	City of Gustine	City of Riverbank
City of Avenal	City of Isleton	City of San Francisco
City of Bakersfield	City of King	City of San Rafael
City of Brentwood	City of Lakeport	City of San Juan Bautista
City of Capitola	City of Lemoore	City of Santa Cruz
City of California City	City of Livingston	City of Scotts Valley
City of Clearlake	City of Los Banos	City of Selma
City of Colma	City of Marina	City of Shasta Lake
City of Colusa	City of McFarland	City of Soledad
City of Crescent City	City of Merced	City of Susanville
City of Dos Palos	City of Morgan Hill	City of Stockton
City of Dublin	City of Morro Bay	City of Tehachapi
City of Escalon	City of Oakdale	City of Tracy
City of Firebaugh	City of Pacifica	City of Yuba City
City of Fortuna	City of Pacific Grove	City of Wasco
City of Fresno	City of Palm Desert	City of Watsonville
City of Gonzales	City of Paso Robles	City of Woodland

COUNTIES

County of Amador	County of King	County of Santa Cruz
County of Butte	County of Madera	County of Siskiyou
County of Calaveras	County of Mariposa	County of Stanislaus
County of Del Norte	County of Monterey	County of Sutter
County of Humboldt	County of San Bernardino	County of Tulare
County of Kern	County of San Francisco	

WATER DISTRICTS

Aromas Water District	Padre Dam Municipal Water District
Borrego Water District	Olivenhain Municipal Water District
Byron Bethany Irrigation District	Rio Linda Elverta County Water District
Calaveras County Water District	San Lorenzo Valley Water District
Central San Joaquin Water District	Santa Nella County Water District
Clearlake Oaks County Water District	Scotts Valley Water District
Del Puerto Water District	Soquel Creek Water District
Glide Water District	South Feather Water and Power Agency
Kanawha Water District	Squaw Valley County Water District
Madera Irrigation District	Stinson Beach County Water District
Mammoth Community Water District	

OTHER DISTRICTS

Auburn Valley Community Services District	Muroc Joint Unified School District
Barstow Heights Community Services District	Needles Unified School District
Bear Valley Community Services District	Palo Verde Community College District
Byron Sanitary District	Place de Mer Geological Abatement District
Channel Islands Community Service District	Placer County Transportation Agency
Discovery Bay Community Services District	Planada Community Services District
Foresthill Public Utility District	Quincy Community Services District
Hartnell Community College District	River High Community Services District
Hayfork Fire Protection District	Santa Cruz County Sanitation District
Humboldt Bay Harbor District	Santa Cruz Port District
Jamestown Sanitary District	Shaffer Union School District
Janesville Union School District	Shasta Regional Transportation Agency
June Lake Public Utility District	Sierra Foothills Public Utility District
June Lake Fire District	South Feather Water and Power Agency
Kern Community College District	South Placer Transportation Authority
Kirkwood Meadows Public Utility District	Sweetwater Union High School District
Lake Arrowhead Community Service District	Victor Valley Community College District
Long Beach Community College District	Victor Valley Union High School District
Luther Burbank School District	West Hills Community College District
Middletown Unified School District	West Kern Community College District
Moss Landing Harbor District	

PUBLIC FINANCING AND HOUSING AUTHORITIES

Arcata Joint Powers Financing Authority	Municipal Financing Agency of Lakeport
Auburn Valley Public Financing Authority	Mammoth Public Financing Authority
Avenal Public Financing Authority	Merced Public Financing Authority
Brentwood Public Financing Authority	Monterey Housing Authority
Byron Bethany Public Financing Authority	Municipal Financing Agency of Lakeport
Calaveras Water Public Financing Authority	North Selma Sewer Financing Authority
California Communities Development Authority	Palm Desert Financing Authority
California Municipal Finance Authority	Pismo Beach Public Financing Authority
Capitola Public Financing Authority	Riverbank Public Financing Authority
Coalinga Public Financing Authority	Sacramento Transportation Authority
Crescent City Public Financing Authority	San Juan Bautista Public Fin Authority
Discovery Bay Public Financing Authority	Scotts Valley Public Financing Authority
Grover Beach Financing Authority	Selma Public Financing Authority
Humboldt Waste Management Authority	Suisun City Housing Authority
Independent Cities Finance Authority	Susanville Public Financing Authority
June Lake Public Financing Authority	Yuba City Public Financing Authority
Kanawha-Glide Public Financing Authority	Wasco Public Financing Authority
King City Public Financing Authority	

COMMITMENT TO EXCELLENCE

Highly motivated and driven by our history of success, we are continuously expanding and “fine-tuning” our capabilities in order to maintain our commitment to meeting the specialized legal and financial needs of our clients. Our proven ability to ascertain and define a client’s needs, then provide superior support and guidance each step of the way, execute on a timely basis, and close quality transactions has transpired as a result of our very real commitment to excellence.

CONCLUSION

In summary, we believe that our proven track record along with our corresponding highly-seasoned veteran public finance experience and expertise, combined with our genuine focus on helping staff to succeed on each project financing, uniquely sets us apart from all others in the industry.

We would also like to take this opportunity to thank all of our existing clients for their valued support over the years.

To our new, and prospective new, clients, we assure you that we will work to build a lasting relationship by delivering services in the highest ethical manner that reflects and respects the trust that you place in us.

APPENDIX A

HIGHLIGHTED BOND AND NOTE TRANSACTIONS

- ~ Pismo Beach Public Financing Agency, Series 2017 Lease Revenue Bonds (Pismo Beach Municipal Pier Project): \$7,685,000
- ~ City of Lakeport, Series 2017 Limited Obligation Refunding Bonds (Reassessment District No. 2017-1) Bank Qualified: \$2,854,000
- ~ City of Selma (Fresno County, California), Series 2017 General Obligation Bonds (Selma Police Station Construction Project), Bank Qualified: \$4,000,000
- ~ City of Fortuna, Series 2017 Wastewater Revenue Refunding Bonds (Wastewater Enterprise Project): \$8,740,000
- ~ Byron Bethany Irrigation District, Series 2017 Revenue Refunding Loan Obligation (Debt Consolidation and Refunding Project), Bank Qualified: \$2,606,000
- ~ Byron Bethany Irrigation District, Series 2017 Revenue Refunding Loan Obligation (Debt Consolidation and Refunding Project), Bank Qualified: \$2,606,000
- ~ Foresthill Public Utility District, Series 2017 Water Revenue Refunding Loan Obligation (Assessment District Refunding Project), Bank Qualified: \$1,037,500
- ~ Clearlake Oaks County Water District, Series 2017 Certificates of Participation (Wastewater System Improvement Project), Bank Qualified: \$2,831,000
- ~ Successor Agency to the Redevelopment Agency of the City of Clearlake, Series 2017 Taxable Tax Allocation Refunding Bonds (Highlands Park Community Development Project): \$13,275,000
- ~ Byron Bethany Irrigation District, Series 2017 Revenue Refunding Loan Obligation (Debt Consolidation and Refunding Project), Bank Qualified: \$2,606,000
- ~ Municipal Financing Agency of Lakeport, Series 2017 Wastewater Enterprise Revenue Bonds (Wastewater System Improvement Project), Bank Qualified: \$3,433,000
- ~ City of Fortuna, Series 2017 Water Revenue Refunding Bonds (Water Enterprise Project): \$5,405,000
- ~ Channel Islands Beach Community Services District, Wastewater Revenue Refunding Bonds (Refinancing of 2005 Wastewater Bonds), Bank Qualified: \$2,605,000
- ~ City of Auburn, Wastewater Revenue Refunding Bonds, Bank Qualified: \$7,005,000

- ~ Foresthill Public Utility District, Series 2017 Limited Obligation Refunding Bonds, Reassessment District No. 2017-1, Bank Qualified: \$1,190,200
- ~ Successor Agency to the Redevelopment Agency of the City of Lakeport, Tax Allocation Refunding Bonds (Lakeport Redevelopment Project), Bank Qualified: \$4,120,000.00
- ~ City of Corcoran, Water Revenue Refunding Bonds: \$19,790,000
- ~ Humboldt Bay Harbor, Recreation and Conservation District, Harbor Enterprise Revenue Obligation (Humboldt Harbor Improvement Project), Bank Qualified: \$1,560,000
- ~ City of Lakeport, Water Revenue Refunding Loan Obligations (Water Refunding Project), Bank Qualified: \$2,587,000
- ~ Humboldt Waste Management Authority, Revenue Refunding Loan (Debt Consolidation and Refunding Project), Bank Qualified: \$6,338,132.00
- ~ Desert Water Agency, Water Revenue Refunding Bonds: \$19,720,000
- ~ Los Banos Designated Local Authority (As Successor Agency to the Los Banos Redevelopment Agency), Los Banos Redevelopment Project, Tax-Exempt Tax Allocation Refunding Bonds: \$22,897,284.00
- ~ City of Lakeport, Refunding Lease Obligation (CalPERS Refinancing Project): \$3,184,000
- ~ Los Banos Designated Local Authority (As Successor Agency to the Los Banos Redevelopment Agency), Los Banos Redevelopment Project, Taxable Tax Allocation Refunding Bonds: \$3,153,415.00
- ~ Shasta Regional Transportation Agency, Lease Obligation (Administration Building Acquisition Project), Bank Qualified: \$923,000.00
- ~ Successor Agency to the Community Development Agency of the City of Arcata (Arcata Redevelopment Project), Tax Allocation Refunding Bonds (Bank Qualified): \$6,655,926.00
- ~ Successor Agency to the Lemoore Redevelopment Agency, Lemoore Redevelopment Project, Tax Allocation Refunding Bonds: \$15,855,465.00
- ~ California Enterprise Development Authority, Recovery Zone Economic Development Bonds, (Biomass Waste-to-Energy Power Plant Project): \$29,930,000
- ~ South Placer Regional Transportation Authority, Lease Revenue Refunding Bonds (Transportation Refunding Project), Tax-Exempt Series A Bonds: \$1,043,840

Excerpt from 2/24/19 email from Jonathan Wittwer:

As my primary #1 recommendation as I retire, I recommend that GCSD hire bond counsel ASAP. Taken from the Assessment District ordinance (Ord No. 153), in light of the final maturity of the outstanding bonds occurring on September 2, 2022, here is what we are needing to get caught up on/prepared for:

a. What GCSD needs to do:

“commencing with the Fiscal Year of the Sanitary District that commences not less than five 12-month periods prior [*i.e.*, not later than July 1, 2017] to the final maturity of the outstanding Bonds” to satisfy Section 5(a)(ii) on page 41 of Ord 153, namely:

“to determine the occurrence of any and all Contingencies that shall not previously have been taken into account in the assignment to such Parcel of Contingent Assessment Units, and shall identify the Land Use Category or Categories of the Parcel.”

See Section 5(b)(ii) as to how to carry this out. It will involve the Engineer of Work as well.

b. What GCSD needs to do to comply with Section 4(d)(i) on page 26 of Ord 153 regarding the intent of:

“Contingent assessment sufficiency to finance all costs”
[including] “(i) Reimbursement of noncontingent assessments.”

In other words, “to the extent that the [‘improvement bonds, together with administrative costs’] are paid by the noncontingent assessments, to reimburse therefor as described by Section 4(c), such that after all contingent assessments shall have been paid, the financing of the acquisitions and improvements will have been entirely paid or reimbursed by the contingent assessments and no such financing will have been paid by the noncontingent assessments that will not have been reimbursed thereby.”

ITEM #5

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AGENDA MEMORANDUM

To: Board of Directors
From: Delia Comito, Assistant General Manager
Subject: Sewer Authority Mid-Coastside (SAM) Memorandum of Understanding (MOU) with IUOE Stationary Local Union No. 39
Date: April 18, 2019

This Item is presented for information and discussion regarding the Sewer Authority Mid-Coastside (SAM) Memorandum of Understanding (MOU) with IUOE, Stationary Local No. 39, to ensure the Board has a thorough understanding of the provisional changes, and the financial impact of those changes.

Fourteen of seventeen SAM employees are represented by the Union, and are covered under the current MOU expiring on 6/30/19. The Brown Act allows a legislative body to hold a Closed Session during labor negotiations to provide instructions to their designated negotiator, and the SAM Board held Closed Sessions for this purpose on January 14, January 28, February 11, February 25, and March 11. The final agreement was approved in public at the SAM meeting held on March 25. The new MOU will take effect on July 1, 2019.

Significant changes from the previous agreement include:

- Term of agreement – The SAM agenda memo states that the MOU has a 3.5 year term to 1/31/2023, but the MOU itself stipulates a term from 7/1/2019 to 6/30/2023.
- Compensation increases – Pay rate increases of 4.5% effective 7/1/19, 4% effective 7/1/20, 3% effective 7/1/21, and 3% effective 7/1/22. Each job classification also includes an additional 3% pay rate increase called a “step” increase for all employees who achieve a “Satisfactory” rating on their annual review. For employees who are past the 7 years of step increases, these employees are designated “Y-Rated” and will not officially receive a step increase, but will receive a lump sum payment each year equal to that of the 3% step increase.
- Longevity pay – Each employee who has served from 10-15 years at SAM will receive a lump sum payment each year of \$1000; for 15-20 years, \$1500; and for 20+ years, \$2500.
- Vertical certification pay – According to the MOU, vertical over certification is defined as a certificate that is required by an employee’s job classification but at a grade higher than what is required. Each additional certification grade above that required would receive a 2.5% pay rate increase. For instance, if an employee is

only required to have a Grade 3 Wastewater Operators Certificate but obtains a Grade 5 Certificate, that employee would receive a 5% increase in pay.

- Other compensation increases - Increase in the employer contribution toward health and welfare premiums. Increase in boot allowance, cell phone reimbursement, and standby pay. Modified vacation leave accrual and added New Year's Eve as an official holiday.



SEWER AUTHORITY MID-COASTSIDE

Staff Report

TO: Honorable Board of Directors
FROM: Beverli A. Marshall, General Manager
SUBJECT: **Approve and Authorize the General Manager to Execute the Memorandum of Understanding between SAM and International Union of Operating Engineers, Stationary Local No. 39**

Executive Summary

The purpose of this report is for the Board of Directors to consider the proposed Memorandum of Understanding (MOU) with Local 39.

Fiscal Impact

The total cost of the amendments is an increase of approximately \$108,000 for fiscal year 2019/20. The proposed Budget for FY 2019/20 incorporates the recommended changes.

Strategic Plan Compliance

The recommendation complies with the SAM Strategic Plan's Goal 4: "A well-organized, motivated, and well-trained staff with an effective Board of Directors are the most important keys to success for SAM."

Background and Discussion/Report

The previous agreement with the Union was approved by the Board on September 26, 2016, and expires on June 30, 2019. SAM representatives met in closed session with the Board on several occasions to receive direction on the goals for the successor agreement. SAM representatives and Union representatives met and conferred, in good faith, eight times beginning on November 20, 2018, and concluding with the ratification by the Union on February 27, 2019.

The significant changes from the previous agreement are as follows.

BOARD MEMBERS:	J. Blanchard	B. Dye	R. Lohman
	D. Penrose	D. Ruddock	K. Slater-Carter
ALTERNATE MEMBERS:	S. Boyd	M. Clark	A. Eisen
	J. Harvey	H. Rarback	

- 3.5 year term – 7/1/19 to 1/31/2023
- Increase in the employer contribution toward health and welfare premiums.
- Cost of Living Adjustment: 4.5% effective 7/1/19, 4% 7/1/20, 3% 7/1/21, and 3% 7/1/22.
- Increase boot allowance, cell phone reimbursement, and standby pay.
- Modified vacation leave accrual and added New Year’s Eve as an official holiday.

Staff Recommendation

Staff recommends that the Board of Directors approve and authorize the General Manager to execute the MOU between the Sewer Authority Mid-Coastside and the International Union of Operating Engineers, Stationary Local No. 39, for the period of July 1, 2019, through January 31, 2023.

Supporting Documents

Attachment A: Memorandum of Understanding showing changes

BOARD MEMBERS:	J. Blanchard	B. Dye	R. Lohman
	D. Penrose	D. Ruddock	K. Slater-Carter
ALTERNATE MEMBERS:	S. Boyd	M. Clark	A. Eisen
	J. Harvey	H. Rarback	

**Memorandum of Understanding
between**



Sewer Authority Mid-Coastside

and



**International Union of Operating Engineers,
Local No. 39**

July 1, 2019 – January 31, 2023

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**Memorandum of Understanding
Sewer Authority Mid-Coastside
And
International Union of Operating Engineers, Stationary Local No. 39
July 1, 2019 – June 30, 2023**

This Memorandum of Understanding (MOU) is entered into by and between the Sewer Authority Mid-Coastside ("Authority"), and the International Union of Operating Engineers, Stationary Local No. 39, ("Union").

PREAMBLE

It is the purpose of the MOU to achieve and maintain harmonious relations between the parties and to provide for the peaceful and equitable adjustment of difference which may arise, and to establish wages, hours and other terms and conditions of employment.

ARTICLE I RECOGNITION

The Authority recognizes the Union as the exclusive bargaining agent for all employees working in the following classifications.

ACCOUNTING TECHNICIAN
ADMINISTRATIVE ASSISTANT
COLLECTION MAINTENANCE WORKER I/II/III
LABORATORY AND SOURCE CONTROL PROGRAM COORDINATOR (LSCPC)
LEAD COLLECTION MAINTENANCE WORKER
LEAD WASTEWATER OPERATOR
MAINTENANCE TECHNICIAN I/II/III
OPERATOR IN TRAINING
SUPERVISOR OF TREATMENT/FIELD OPERATIONS
UTILITY WORKER
WASTEWATER OPERATOR I/II/III

The Union and its authorized representatives have the exclusive right to represent bargaining unit members on all matters within the scope of representation.

No changes can be made to this list of classifications without meeting and consulting with the Union.

ARTICLE II UNION SECURITY

A. UNION MEMBERSHIP AGENCY SHOP

~~Membership in good standing in the Union shall be a condition of continued employment for employees covered by this Agreement on and after the 31st day following the beginning of employment or the date of execution of this Agreement, whichever shall be the later. This clause shall be enforceable to the extent permitted by law.~~

~~For the purpose of this Section only, tender of the initiation fee and periodic dues uniformly required as a condition of obtaining and retaining membership shall constitute membership in good standing in the Union.~~

~~Upon receipt of written notice from the Union of failure on the part of any employee covered by this Agreement to attain and maintain membership in the Union as above defined and required, the Authority within five (5) working days, shall discharge said employee after the Authority is reasonably assured that "due process" has taken place. The parties to this Memorandum of Understanding mutually understand and agree that all members of the bargaining unit have to right to join or not join the Union.~~

~~If a bargaining unit member elects to join the Union, the employee shall provide authorization to the Union for membership dues deduction. The Authority shall deduct the appropriate Union dues and /or initiation fees from the employee's paycheck upon receipt of written certification from the Union that the Union has received and has on file the employee's voluntary authorization for the deduction.~~

B. PAYROLL DUES DEDUCTIONS AND PAY OVER

~~Employees of the Authority covered by this contract who have authorized dues deductions shall continue to have such deductions made by the Authority during the term of this contract. Upon receipt of the Union's dues deduction authorization, the Authority shall start payroll deduction of the dues and /or initiation fees from the employee's paycheck effective the first full pay period following receipt of the authorization. Dues dDeductions shall be for a specific amount and shall not include fines. Dues deductions shall be made only upon the employee's written authorization. The amounts deducted shall be transmitted ~~remitted promptly~~ as soon as administratively possible to the Union ~~or its designee~~, along with an alphabetical list of the employees from whom deducted to an account specified by the Union.~~

~~Upon written request from the Union, the Authority agrees to provide the Union with an electronic file that shows a list of names and the amount deducted for each employee for whom a deduction was made.~~

C. SUFFICIENCY OF EARNINGS

~~The employees' earnings must be sufficient, after all other required deductions, i.e. federal income tax, state income tax and Medicare portion of social security, are made, to cover the amount of the deductions herein authorized. When an employee is in a non-pay status for an entire pay period, no withholdings will be made to cover that pay period from future earnings nor will the employee deposit the amount with the Authority which would have been withheld if the employee had been in a pay status during that period. In the case of an employee who is in a non-pay status during part of the pay period, and the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other required deductions have priority over the Union deduction.~~

~~The employee's earnings must be sufficient after the other legal and required deductions are made to cover the amount of the dues authorization. When an employee is in a non-pay status for an entire pay period, no withholding will be made to cover the pay period from future earnings. In case of an employee who is in non-pay~~

status during only part of the pay period, and the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other legal and required deductions (including health care deductions) have priority over Union dues.

D. INDEMNIFICATION BY THE UNION

The Union shall file with the General Manager an indemnity indemnification statement wherein the Union shall indemnify, defend and hold the Authority harmless against any claim made and any suit initiated against the Authority on account of ~~check-off of~~ Union dues deductions or premiums for benefits. In addition, the Union shall refund to the Authority any amounts paid to it in error upon presentation of supporting evidence.

E. NOTICE OF NEW EMPLOYEES AND NEW EMPLOYEE ORIENTATION

1. Employee Information

The following provisions will apply regarding notice of new employees:

The Authority shall provide the Union with an electronic list of the following information for new employees within thirty (30) days of hire:

- a. employee's full name,
- b. employee status,
- c. hire date,
- d. department,
- e. job title,
- f. hourly rate,
- g. assigned work location,
- h. phone number (home (if available), personal cellular (if available), and work),
- i. email address, personal and work, if available, and
- j. address (home and mailing).

In addition, the Authority agrees to provide an electronic list to the Union of the employee information above for all bargaining unit employees at least every one hundred twenty (120) days.

2. New Employee Orientation

- A. The Authority shall notify new employees represented by Local 39 that Local 39 is the recognized employee organization for the employee's classification. Within thirty (30) days of hire into the Local 39 bargaining unit, the Union shall have the opportunity to make a 30-minute presentation to each new employee. The Authority shall notify the Union of a new hire at the earliest opportunity but no later than ten (10) calendar days in advance of the employee's start date.
- B. The Authority shall provide thirty (30) minutes of Authority paid release time for a Local 39 Shop Steward to make a presentation on the Union's behalf to a new employee. A shop steward shall be selected by the Union.

ARTICLE III NO DISCRIMINATION

The Authority prohibits discrimination against or harassment of an individual due to that individual's sex, sexual orientation, age, race, religious creed, color, national origin, ancestry, marital status, physical disability, mental disability, medical condition, political opinions or affiliations.

ARTICLE IV UNION RIGHTS

A. WORK ACCESS

Reasonable access to employee work locations shall be granted officers of the Union and their officially designated representatives for the purpose of processing grievances or contacting members of the Union concerning business within the scope of representation. Such officers or representatives shall not enter any work location without the consent of the Manager. Access shall be restricted so as not to interfere with the normal operations of the department or with established safety or security requirements.

Solicitation of membership and activities concerned with the internal management of the Union, such as collecting dues, holding, membership meetings, campaigning for office, conducting elections and distributing literature shall not be conducted during the working hours.

B. BULLETIN BOARD

The Authority will furnish reasonable bulletin board spaces for posting of Union Notices. Unless special arrangements are made, materials posted will be removed by the Authority 31 days after the posting date.

C. MEETING SPACE

Authority employees or their representatives or the Union may, with the prior approval of the General Manager, be granted the use of Authority facilities during non-work hours for meetings of Authority employees provided space is available.

D. SHOP STEWARDS

Authority employees who are shop stewards of the Union shall be given reasonable time off with pay to attend meetings with management representatives or to be present at hearings where matters within the scope of representation or grievances are being considered. The use of official time for this purpose shall be reasonable and shall not interfere with the performance of Authority services as determined by the Authority. Except by mutual agreement, the number of employees excused for such purposes shall not exceed three.

ARTICLE V HOURS AND OVERTIME

A. WORK SCHEDULES

The standard work week shall be defined as beginning at 12:01 a.m. Saturday and ending at 12:00 midnight Friday.

The standard work week for all Bargaining bargaining Unit-unit employees other than the certified Wastewater Operator classifications shall consist of 40 hours of work during five consecutive work days.

The standard work day for all Bargaining bargaining Unit-unit employees other than the certified Wastewater Operator classifications shall consist of 8 consecutive hours of work which may be interrupted by a meal period.

A four-day, 10-hour work schedule shall be established for the certified Wastewater Operator classifications only. This schedule will be maintained only if, in the sole discretion of the Authority, it is operationally feasible.

If the Authority discontinues a four-day, 10-hour work schedule for the certified Wastewater Operator classification, the Authority and the Union shall meet and confer to discuss a 5% differential for shifts scheduled on Saturdays and Sundays.

Work schedules showing employee shifts, work days, and hours shall be posted on employee bulletin boards.

- Except in cases of emergency shifts, no Bargaining bargaining Unit-unit employee will have his/hertheir schedule work hours changed unless and until he/she hasthey have been given ten days' written notice of such change.
- Any Bargaining bargaining Unit-unit employee whose scheduled hours are changed without the requisite notice, except in cases of emergency, shall be paid a 10% premium in addition to regular pay, for all hours worked outside the previously scheduled hours until the 10-day notice has been complied with.

Classifications other than the certified Wastewater Operator classifications may work with the Authority to develop flexible scheduling. Such scheduling will be implemented and maintained only if, in the sole discretion of the Authority, it is operationally feasible.

B. MEAL AND REST PERIOD

When working a shift scheduled to be six or more hours, an employee shall be granted a meal period of at least 30 but not more than 60 minutes, at or near the mid-point of the shift.

After each four-hour segment of overtime work, an employee shall be granted a 30-minute and duty free meal period.

Employee shall be entitled to a paid rest period of 15 minutes during each four-hour segment of work.

C. OVERTIME

An employee required to work in excess of his/hertheir work week shall be compensated for such overtime work as follows.

1. Any time worked in excess of the standard eight-hour work day for employees other than the certified Wastewater Operator classifications, the 10-hour work day for the certified Wastewater Operator classification, or the standard 40-hour work week, shall be considered overtime work and shall be compensated at the overtime pay rate of one and one-half times the employees' regular hourly rate of pay, with the exception identified in 2) below.
2. Any time worked in excess of the standard eight-hour work day (or other such negotiated "flexible" schedule as stipulated in Article V, Hours and Overtime, A. Work Schedules, 5), or ten-hour work day in the case of the certified Wastewater Operators, and four hours overtime (as in all cases), will be compensated at the overtime rate of two times the employee's hourly rate of pay for such time. As in the example of employees other than the Operators classification, work in excess of 12 consecutive hours would be considered double time hours. For the certified Wastewater Operators classifications, work in excess of 14 consecutive hours would be considered double time hours.
3. All overtime must be approved in advance by the General Manager or [his/her/their](#) designated representative, except when such work is required in response to an after-hours service call, in an emergency in order to prevent a threat to the public's health and safety, loss of life, injury or damage to person or property or to insure the proper operation of the Authority facilities.
4. It is the policy of the Authority that overtime work shall be discouraged. The Authority shall notify employees of the need for overtime work as far in advance as possible and, except in cases of emergency or threat to health and safety, employee shall have the right to accept or reject the offer of overtime work. The Authority shall attempt to distribute overtime work equitably among [Bargaining Unit](#) employees.
5. Compensation for overtime work shall be in an amount equal to one and one-half times the applicable hourly rate of pay of the employee entitled to such compensation times the number of hours of overtime worked. Notwithstanding the foregoing, and upon request of an employee entitled to overtime compensation, the Supervisor/General Manager may approve Compensatory Time Off (CTO) with pay for a period equal to one and one-half times the amount of time during which such overtime work was performed, in lieu of overtime pay, up to the accrual level for compensatory time off.
6. Employees may accumulate up to a total of sixty-five (65) hours of CTO. In the event an employee resigns or is terminated, the employee shall be entitled to compensation for [his/her/their](#) accumulated CTO.

D. CALL BACK

Employees called back to work after completion of their regular shifts or on days off shall be entitled to a minimum of ~~three (3)~~two hours of call-back time for each duty call that involves leaving their place of residence or other location. If the employee is called back to work, the employee shall be compensated at one and one-half times his/her

base wage for the ~~2~~three-hour minimum call back time and any time worked beyond the minimum call-back time.

If a subsequent call is received within the original ~~threetwo~~-hour minimum call-back time, the responding employee shall not receive an additional ~~three2~~-hour minimum call back pay. Instead, the employee shall be paid for actual time worked, but no less than the original minimum two hours of call back time.

Time worked for which an employee is entitled to compensation shall include reasonable travel time to and from employee's residence not to exceed 60 minutes of total travel time. Such allowable travel time shall begin from the time an employee is notified of the call out.

Employees who are called in within one hour of their start time shall not receive call back minimum.

For the purposes of FLSA overtime premium calculations, the portion of the minimum ~~three2~~-hour call-back time that was not actually worked shall not be counted towards the total hours worked during the regular work week.

E. STAND-BY DUTY

The Authority may assign regular employees to stand-by duty. Employees assigned to stand-by duty shall be available for service at all times. Standby duties require an employee to report to the appropriate District location within 60 minutes of receiving a service call or alarm. The 60-minute response time will begin at the time that the employee departs ~~his/her~~their residence, or the site from which the employee was located when ~~s/het~~they received the call or alarm, and ends when ~~s/het~~they arrives at the appropriate District location. Failure to respond to a call while on standby may be grounds for disciplinary action.

The Authority shall make reasonable efforts to notify employees that they are to be assigned to standby duty at least two weeks in advance. Such assignments are to be on a rotational basis for one week periods.

Employees assigned to work standby duty shall receive ~~\$3.503.25~~ per hour on standby duty. If an employee responds to a call or alarm and the employee is able to resolve the issue without actually driving to the appropriate work site, the employee shall be paid at one and one-half times ~~his/her~~their base wage for actual time worked in 15-minute increments. If the employee is required to return to his/her work place, the time worked to initially resolve the issue shall be included in ~~2~~three-hour minimum call-back pay.

If an employee who is assigned standby duty is able to find a substitute from the lists of those willing to work extra standby, the employee assigned may be relieved of ~~his/her~~their standby duty assignment.

Both the employee assigned standby duty and the substitute must together notify the supervisor, in writing, of the substitution and obtain approval. Notification must be not less than one week and no more than four weeks prior to the substitution.

2. Vertical Over Certification Pay

For the purpose of this MOU, vertical over certification is defined as a certificate that is required by an employee's job classification but at a grade higher than what is required.

Upon demonstrating to the Authority that an employee has obtained a higher grade of certification than that required by his/her/their classification, the employee shall receive, as of the first pay period following when the employee provides documentation of the higher certification, an on-going incentive of 2.5% of the employee's base hourly pay rate for each grade higher than is required. For example:

Joe Smith is a Wastewater Operator III, which requires a Grade 3 certification. Joe achieves a Grade 5 certification. His base pay rate is \$46.10. He is entitled to an incentive pay of 5% of his base hourly pay rate, which would be \$2.35 per hour.

Jane Thomas is a Maintenance Technician I, which does not require a Class "B" driver's license. She holds a Class "B" license. Her base hourly pay rate is \$29.63. She is entitled to an incentive pay of 2.5% of her base hourly pay rate, which would be \$0.74 per hour.

3. Lateral Over Certification Pay

For the purpose of this MOU, lateral over certification is defined as a certificate that is relevant to the wastewater industry but is not required by an employee's job classification.

Upon demonstrating to the Authority that an employee has obtained a certification in a skill that is not required by his/her/their classification, the employee shall receive, as of the first pay period following when the employee provides documentation of the lateral certification, a one-time incentive of \$250. Only one incentive per each skill set shall be granted. Additional certifications in the same skill set shall not qualify for another incentive. For example:

Joe Smith is a Wastewater Operator III, which requires a Grade 3 Wastewater Operator certification. Joe achieves a Grade 1 Maintenance Technician certification. He is entitled to a one-time incentive of \$250. If, in the future, he achieves a Grade 2 Maintenance Technician certification, he is not entitled to an additional incentive.

Jane Thomas is a Maintenance Technician I, which requires a Maintenance Technician certification. Jane achieves a Grade 1 Collection System Maintenance certification. She is entitled to a one-time incentive of \$250. If, in the future, she achieves a Grade 1 Environmental Compliance Inspector certification, she is entitled to another \$250 incentive.

These incentives may not be compounded, except as described above.

G. OVERTIME MEAL ALLOWANCE

The Authority agrees to either pay for, or to reimburse the cost of providing a hot meal for any employee who works four or more consecutive hours of overtime after completing a regular eight-hour shift, exclusive of certified Wastewater Operator's twelve (12) hour shift.

H. PAY PERIODS

The Authority will provide for pay periods every two weeks.

I. DEFERRED COMPENSATION PROGRAM

The Authority will maintain a deferred compensation program for employees. Contribution amounts and administrative costs will be provided by the employees.

J. PERFORMANCE EVALUATIONS AND MERIT INCREASES

The basic goal of the performance evaluation process is to help each employee perform his/her/their job duties more effectively to the mutual benefit of the individual and the Authority. Objectives of this evaluation process include but are not limited to:

- Provide a means of evaluating each employee's performance in the specific context of his/her/their job.
- Determine individual needs for improvement and development.
- Secure continuing communication of individual development.
- Provide a basis for giving recognition of exemplary service.

Employees shall not be permitted to grieve performance evaluations. Employees shall have the right to respond either orally or in writing to the evaluation and the supervisor shall meet with the employee to discuss the evaluation.

A performance evaluation shall be completed for each employee by his/her/their supervisor at regular intervals during the Probationary Period, upon completion of the Probationary Period, at the employee's anniversary date of hire or promotion to a new position, and annually thereafter. The performance evaluation is due even if no merit increase is provided either (1) due to an overall performance rated as "Needs Improvement" or (2) as a result of an employee being at the top of his/her/their wage range.

Each employee appointed to a regular position in a classification within the bargaining unit shall be in a probationary status for the first six months. Contingent upon receiving an overall "Satisfactory" performance evaluation and attaining regular status, an employee shall receive a merit step increase. After attaining regular status in the classification, and on the annual anniversary date of hire or promotion to a new position thereafter, an employee who receives an overall "Satisfactory" performance evaluation shall receive a merit step increase until the employee achieves the top step of the then current wage range.

Advancement within the established wage range will be granted by the General Manager, based upon performance reviews conducted by the employee's supervisor. If a merit increase is approved, the effective date shall be the first day of the first full pay

period following the end of the period being evaluated. If the end of the period being evaluated is the first day of a pay period, the merit increase shall be effective that day.

Each employee shall have a performance review no less than every 12 months. No merit increase will be granted until a performance evaluation is completed by the employee's immediate supervisor and approved by the General Manager. No merit increase shall be granted unless the employee attains an overall "Satisfactory" performance evaluation rating. If there is a delay in the completion of the performance evaluation, the effective date of the merit increase shall be retroactively applied to the first day of the pay period following the end of the period being evaluated.

K. LONGEVITY INCENTIVE PAY

~~Employees who complete 20 years of service with the Authority shall receive a lump sum payment equivalent to 1% of his/her base annual wage as Longevity Incentive Pay. This incentive shall be payable the first day of the pay period following the anniversary date of hire where the employee reaches 20 years of services with the Authority and for each subsequent anniversary date. This incentive pay shall not be cumulative. The Authority shall make longevity incentive payments as follows:~~

- ~~• Employees with at least 10 years, but less than 15 years, of full-time Authority service shall receive an annual payment of \$1,000 in the pay period following their anniversary date.~~
- ~~• Employees with at least 15 years, but less than 20 years, of full-time Authority service shall receive an annual payment of \$1,500 in the pay period following their anniversary date.~~
- ~~• Employees with at least 20 years of full-time Authority service shall receive an annual payment of \$2,500 in the pay period following their anniversary date.~~

Subject to [the California Public Employees Retirement System \("CalPERS"\) CalPERS regulations](#), this incentive pay shall be reported as pensionable compensation. ~~This incentive pay shall not be cumulative.~~

L. BILINGUAL PAY

[The General Manager may determine that there is a need for interpreting or translating a language used by a significant portion population of the Authority's service area. Effective July 1, 2019, members of the bargaining unit who have the ability to speak and understand a second language, as determined by a standard academic test of proficiency, shall receive a lump-sum of \\$1,000 in the pay period following their anniversary date. Subject to CalPERS regulations, this incentive pay shall be reported as pensionable compensation.](#)

ARTICLE VII ~~REIREMENT~~ RETIREMENT BENEFITS

The Authority contracts with the California Public Employees Retirement System ("CalPERS") to provide retirement benefits for employees.

A. RETIREMENT BENEFIT FORMULAS

Authority employees are covered by either the CalPERS 2% @ 55 (Classic) or the 2% @ 62 (PEPRA) benefit formula, depending on eligibility.

B. PLAN PARTICIPATION

Participation in the retirement plan shall be consistent with the requirements of the California Public Employees' Pension Reform Act of 2013 ("PEPRA"). To the extent PEPRA conflicts with any provision of this MOU, PEPRA will govern. Retirement benefits are calculated based on the employee's formula eligibility as described below:

1. "New Members" - For purposes of this section "New Member" is defined by PEPRA to be any of the following:
 - a) An individual who becomes a member of any public retirement system for the first time on or after January 1, 2013, and who was not a member of any other public retirement system prior to that date.
 - b) An individual who becomes a member of a public retirement system for the first time on or after January 1, 2013, and who was a member of another public retirement system prior to that date, but who was not subject to reciprocity with the previous system.
 - c) An individual who was an active member in a retirement system and who, after a break in service of more than six months, returned to active membership in that system with a new employer. For purposes of this subdivision, a change in employment between state entities or from one school employer to another shall not be considered as service with a new employer.

Employees who are "New Members", as defined above, are covered by the 2% @ 62 (PEPRA) benefit formula.

2. "Classic Members" - For purposes of this section "Classic Member" is defined as a member who does not meet the definition of a "New Member" as defined by PEPRA. Employees who are "Classic Members", as defined above, are covered by the 2% @ 55 (Classic) benefit formula.

C. PERS-ELIGIBLE COMPENSATION

Only wages and special compensation allowed by CalPERS will be reported to CalPERS for the purposes of calculating pensionable compensation.

D. PERS EMPLOYEE CONTRIBUTION

The PERS employee contribution rate is seven percent (7%) for Classic members.

Effective July 1, 2016 for each employee identified as a Classic member of CalPERS and covered by first tier (2% @ 55) benefits, the Authority shall pay the Employer Paid Member Contributions (EPMC) of 2.0% of base pay and report this as "Special Compensation". Each employee shall pay the remaining 5.0 % of the employee's PERS contribution.

Effective July 1, 2017, for each employee identified as Classic members of CalPERS and covered by first tier (2% @ 55) benefits, the Authority shall pay the Employer Paid Member Contributions (EPMC) of 1.0% of base pay and report this as "Special Compensation". Each employee shall pay the remaining 6.0 % of the employee's PERS contribution.

Effective July 1, 2018, for each employee identified as Classic members of CalPERS and covered by first tier (2% @ 55) benefits, ~~the Authority shall cease paying the Employer Paid Member Contributions (EPMC).~~ Each employee shall pay 7.0% of ~~his/her/their~~ reportable pay each pay period to CalPERS as the employee's CalPERS contribution.

Each employee identified as a new member of CalPERS and covered by second tier (2% @62) benefits shall contribute 50% of the Total Normal Cost, as determined by CalPERS, or the amount as similarly situated employees, as determined by CalPERS, whichever is greater, of ~~his/her/their~~ reportable pay each pay period to CalPERS as the employee's CalPERS contribution.

E. CalPERS EMPLOYEE PAID EMPLOYER CONTRIBUTION

Effective July 1, 2016 employees eligible for Classic benefits will cease to contribute the percentage of the Employer's CalPERS contribution rate that exceeds 14.424%.

ARTICLE VIII EXPENSES AND MATERIALS

A. MILEAGE

It is the policy of the Authority to discourage use of personal vehicles for Authority related business. However, when necessary, ~~Bargaining bargaining Unit-unit~~ employees shall be entitled to reimbursement for each mile traveled on Authority business in a private vehicle at the rate currently provided by the Internal Revenue Service.

B. LODGING

Bargaining ~~Unit-unit~~ employees shall be entitled to reimbursement for the actual cost of lodging when away from the Authority overnight on official Authority business. Receipts will be required for payment of claim.

C. MEALS

Bargaining ~~Unit-unit~~ employees shall be entitled to reimbursement for necessary meal expenses incurred while on official Authority business.

In addition to meal expenses, tips not to exceed 15% of the cost of meals will be reimbursed. Receipts will be required for payment of claim.

D. UNIFORMS AND BOOT ALLOWANCE

The Authority shall furnish and maintain uniforms and/or clothing required by the Authority to be worn or used by ~~Bargaining bargaining Unit-unit~~ employees. This includes a boot allowance of \$265220 per calendar year. The Authority will provide jackets to employees in appropriate positions.

E. TOOLS

The Authority agrees to provide all tools, equipment and supplies reasonably necessary to bargaining unit employees for the performance of employment duties.

F. PERSONAL PROPERTY REIMBURSEMENT

The Authority shall provide reimbursement to employees for the cost of repairing or replacing the property or prostheses of an employee lost or damaged while in the course and scope of employment, without fault of the employee.

Notwithstanding the above, the repair or replacement of an employee's personal watch shall be limited to \$50.00 per incident, only suitable water proof/shock proof watches will be covered.

G. REIMBURSEMENT FOR USE OF TECHNOLOGY

If an employee is required by his or her their supervisor to use his or her their personal cell phone, tablet, laptop or other technology in the course of Authority business, the Authority will provide a stipend of seventy-five dollars (\$75) per month.

ARTICLE IX HEALTH AND WELFARE

A. HEALTH INSURANCE

For the term of this MOU, the Authority shall provide health insurance to all employees.

B. CURRENT EMPLOYEES

Effective July 1, ~~2019~~2016, the Authority will contribute up to \$1,955 each month for medical ~~dental and vision~~ coverage. This shall be known as the employer's monthly contribution. This contribution shall be terminated effective December 31, 2019.

Effective January 1, 2020, the Authority will contribute up to an amount equal to the minimum employer contribution required under Public Employees Medical Health Care Act (PEMHCA) each month toward the cost of medical insurance premiums. This shall be known as the employer's monthly contribution.

For the term of this MOU, the Authority agrees to maintain a Cafeteria Plan ("Plan") pursuant to Section 125 of the Internal Revenue Code, for the purpose of providing ~~empolye~~employees with a flexible spending account to access various health and welfare benefits. Benefits through the Plan include medical insurance and prescription plan premiums. The Authority agrees to provide a Plan allowance to each eligible employee up to a maximum of \$1,819 per month for regular, full-time employees.

For the term of this MOU, commencing January 1 of each year, the maximum Plan allowance will be adjusted to reflect the percentage rate of change in the medical care component of the CPI-U, as determined by CalPERS, rounded to the nearest whole dollar.

Any and all additional sums over and above the amounts stated above that are required to purchases the employee selected medical and prescription plan premiums shall be paid by the employee through payroll deduction.

If the actual cost of an employee's selected coverage for medical, dental and vision is less than the employer's contribution each month, the Authority shall contribute the difference into an IRS Section 125 plan or a **Health Reimbursement Arrangement** (HRA) plan. Each employee must designate during open enrollment which option they are choosing for the following calendar year. The designation may not be changed until the following year's open enrollment. This contribution shall terminate effective December 31, 2019.

~~If the actual cost of an employee's selected coverage for medical, dental and vision is more than the employer's contribution each month, the amount that exceeds the employer's contribution each month will be deducted from the employee's paycheck in equal installments each pay period.~~

C. RETIREES-ANNUITANTS

~~Effective July 1, 2019. a~~An employee in the bargaining unit who ~~was hired by the Authority on or before January 1, 2013 and who~~ retires within 120 days of ~~his or her~~their separation from the Authority and commences drawing retirement from CalPERS in accordance with all the qualifications set forth in Public Employment Retirement Law ("PERL") shall receive an amount equal to the minimum employer contribution required under the Public Employees Medical Health Care Act (PEMHCA) \$115.00 per month as ~~the Authority's contribution~~ into an HRA account in compliance with IRS requirements. This contribution shall cease upon the death of the retiree.

~~An employee in the bargaining unit who) was hired on or after January 1, 2013 shall receive from the Authority a contribution of one point five percent (1.5%) of the employee's base wages into a Medical After Retirement Account (MARA) while employed. The Authority will provide no other contribution toward retiree health care premiums for these employees. The employee receiving a contribution to a MARA is ineligible to receive the Authority's contribution of \$115.00 as listed above.~~

D. VISION PLAN

The Authority shall continue to make an optical and eyeglass plan available to all eligible employees and their dependents at no cost to the employee.

E. LIFE INSURANCE

Employees receive a ~~\$75,000~~20,000 term life insurance policy with an accidental death and dismemberment (double indemnity) feature.

F. DENTAL PLAN

The Authority shall continue to make a dental plan available to all eligible employees and their dependents at no cost to the employee.

G. HEALTH AND WELFARE RESERVE

~~As of June 30, 2016, the Authority shall cease to contribute funds to the Health and Welfare Reserve (the Reserve). The Authority shall distribute the balance of the Reserve in the following manner. The Authority shall divide the balance of the Reserve fund equally by the number of bargaining members employed by the Authority as of June 30, 2016. Each employee receiving a share of the Reserve shall elect to have the Authority pay his/her share as a one time cash payment, a contribution into a Section~~

~~125 (FSA) plan or an HRA plan, or any combination of these three options. Only those Bargaining Unit members who were employed by SAM on June 30, 2016, shall be entitled to a share of the Reserve distribution.~~

G. HCONTINUATION OF BENEFITS

In the event of accident, illness, or layoff of any employee with 90 days or more of employment, the Employer will continue the monthly payments for the employee and his dependents for a period not to exceed three months.

ARTICLE X HOLIDAYS

Regular full-time employees shall be entitled to take all authorized holidays at full pay, not to exceed eight hours for any one day, provided they are in a pay status on both their regularly scheduled workdays immediately preceding and following the holiday. Certified Wastewater Operators working the 10-hour, four-day schedule will receive eight hours of straight-time pay for each holiday and will be given the option for the remaining two hours to utilize vacation or compensatory time or to work the two hours in the same pay period that the holiday falls.

The holidays for the Authority are:

New Year's Day (January 1)
Martin Luther King Day (3rd Monday in January)
Presidents' Day (3rd Monday in February)
César Chávez Day (March 31)
Memorial Day (Last Monday in May)
Independence Day (July 4)
Labor Day (1st Monday in September)
Indigenous **People's** Day (2nd Monday in October)
Veterans' Day (November 11)
Thanksgiving Day (4th Thursday in November)
Day After Thanksgiving
Christmas Eve
Christmas Day
New Year's Eve (December 31)

When a holiday falls on a Saturday or Sunday, the Friday preceding the Saturday holiday or the Monday following the Sunday holiday shall be deemed to be a holiday in lieu of the day observed.

An employee whose regularly scheduled days off fall on any Authority observed holiday shall be scheduled by the Authority to receive an alternate eight-hour day off with pay or receive eight hours of pay at their straight-time rate of pay in lieu of equivalent time off.

Employees employed in **functionsdepartments** requiring seven day a week coverage may not always receive the normally observed holiday date as their holiday day off. In this event an alternate eight-hour day off with pay will be scheduled as close to the normally observed holiday date as possible. Scheduling will, to the extent possible, take

into account the **employee's** preference. If alternate scheduling is not possible, then the employee will receive eight hours of pay at their straight-time rate of pay in lieu of equivalent time off. Note, if the date worked is the normally observed holiday date, compensation will be at time and one half.

If an employee works on a designated Authority holiday, as listed above, ~~he or she~~ they will be compensated at the rate of time and one half their normal hourly rate. Note, if an employee also receives an alternate holiday day off, the benefit received by that employee will be the additional half time pay received for the observed holiday day worked.

ARTICLE XI VACATION

A. ACCRUAL

All full time bargaining Unit employees are entitled to paid vacation time off which shall accrue at the following rate:

Annual Accrual	Pay Period Accrual	Years of Actual Service
12 days	3.69 hours	0 through 5 years
15 days	4.62 hours	6 through 10 years
18 days	5.54 hours	11 through 15 years
21 days	6.46 hours	16+ through 20- years
<u>23 days</u>	<u>7.08 hours</u>	<u>21+ years</u>

Each employee shall accrue vacation at the above rate. Vacation Leave accrual shall be posted to an employee's account for each pay period in which the employee was in a paid status for at least 41 hours in the applicable pay period. The amount accrued shall be equal to the employee's annual accrual hours divided by 26 and rounded to the nearest 0.01 hours. In the event an employee's accrual rate changes during a pay period, the Vacation Leave credited during that period shall be at the lower rate.

B. ACCUMULATION

Employees may accumulate up to, but not more than 400 hours (the cap). Vacation Leave shall not be accrued beyond the cap.

It is the employee's responsibility to schedule vacation to avoid exceeding the cap. The Authority will make reasonable efforts to accommodate vacation time requests. If, due to operational necessity, the supervisor denies an employee's request for Vacation Leave, the Authority shall provide the employee with an alternate date.

C. SCHEDULING

Vacation time off may only be taken with the approval of employee immediate supervisor.

D. PAYOFF

No employee shall be allowed to use Vacation Leave during the first six months of employment. If, after six months of continuous service an employee is terminated or

resigns, ~~s/hethey~~ shall be paid for accrued unused Vacation Leave at the employee's base wage rate.

ARTICLE XII LEAVES

A. SICK LEAVE

Sick leave is intended to be used only when actually required to recover from illness or injury, or as time off for medical and dental appointments to the extent that such appointments cannot be scheduled outside the workday.

1. Accrual

Each regular bargaining unit employee will accrue 3.70 hours of Sick Leave per pay period, provided that the employee was in a paid status for at least 60 hours in the applicable pay period, effective the first day of employment with the Authority. Each employee hired by the Authority on or before 12/31/1999, may accrue Sick Leave up to a maximum cumulative total of 2,000 hours (the cap). Each employee hired by the Authority on or after 1/1/2000 may accrue Sick Leave up to a maximum cumulative total of 1,000 hours (the cap). If an employee reaches the cap in ~~his/her~~ Sick Leave balance, ~~s/hethey~~ shall cease to accrue Sick Leave until ~~his/her~~ Sick Leave balance is below the cap. The Authority shall keep a cumulative record of Sick Leave for each employee. Sick leave accrual shall begin on the employee's first day of employment.

Employees do not receive compensation for any unused, accrued Sick Leave and the time of separation of employment. However, if an employee is re-hired with the Authority within 365 days of the previous separation of employment, the Authority will reinstate up to 48 hours of unused Sick Leave that the employee previously had accrued.

~~2.~~

3.2. Use

An employee may begin using ~~his/her~~ accrued paid Sick Leave after completion of 30 days of employment. An employee may use the accrued Sick Leave for one of the following reasons.

- For their own health care needs or for those of the employee's family members (see list below).
- For the employee's own diagnosis, care, or treatment of an existing health condition or preventative care.
- For the diagnosis, care, or treatment of an existing health condition or preventative care for an employee's family member, including:
 - *Child (including a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis)*
 - *Spouse or Registered Domestic Partner*
 - *Parent (including biological, adoptive, or foster parent, stepparent, or legal*

guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child)

- *Grandparent*
- *Grandchild*
- *Sibling*

- To obtain any relief or services related to being a victim of domestic violence, sexual assault, or stalking including the following with appropriate certification of the need for such services:
 - *A temporary restraining order or restraining order.*
 - *Other injunctive relief to help ensure the health, safety or welfare of themselves or their children.*
 - *To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking.*
 - *To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking.*
 - *To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking.*
 - *To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.*

Sick leave is not for "personal" absences. Employees may request accrued Vacation Leave to cover other "personal" absences not covered by Sick Leave.

If an employee is absent longer than three days due to illness, a medical certification of [his/her/their](#) fitness to return to work that is satisfactory to the Authority may be required. The Authority may deny the use of Sick Leave pay if it is determined that Sick Leave has been misused.

An employee shall provide reasonable advance notification to [his/her/their](#) supervisor of the need to use Sick Leave if the need for Sick Leave use is foreseeable (e.g., doctor's appointment scheduled in advance). If the need for Sick Leave use is unforeseeable, the employee shall provide notice to [his/her/their](#) supervisor of the need for the leave as soon as is practicable. Failure to do so without good reason shall result in that day of absence being treated as a leave of absence without pay.

An employee who uses Sick Leave must do so with a minimum increment of one hour of sick leave. Sick Leave will not be considered hours worked for purposes of overtime calculation.

In the event that an employee or a member of the employee's immediate family recovers from any such sickness after being granted Sick Leave, and during the regularly scheduled hours of work, then such employee shall notify the

appropriate immediate supervisor and be available to return to duty.

Sick Leave will not be granted to any employee absent from duty as a result of any sickness, injury or disability purposely self-inflicted or caused by willful misconduct. Sick Leave will not be granted to any employee to extend the employee's vacation unless the employee suffered and illness or injury while on vacation. A ~~doctor's~~ licensed medical practitioner's note may be required to support the request.

Supervisors shall have the discretion to place employees on Sick Leave when, in the judgment of the supervisor, the presence of the employee at work would endanger the health and welfare of other employees or where the illness or injury of the employee interferes with the performance of the employee's duties.

4.3. Kin Care

Employees may use up to one-half of their annual Sick Leave accrual (6 days or 48 hours) to attend to a child, parent, spouse, registered domestic partner, or registered domestic partner's child who is ill. Leave for this purpose may not be taken until it has actually accrued.

For purposes of kin care sick leave use, the following definitions apply:

- A "child" is defined as a biological, foster, or adopted child; stepchild; or a legal ward. A "child" also may be someone for whom you have accepted the duties and responsibilities of raising, even if theyhe or she is are not your legal child.
- A "parent" is your biological, foster, or adoptive parent; stepparent; or legal guardian.
- A "spouse" is your legal spouse according to the laws of California, which do not recognize "common law" spouses (a union that has not been certified by a civil or religious ceremony). All conditions and restrictions placed on an employee's use of sick leave apply also to sick leave used for care of a child, parent, or spouse.
- A "domestic partner" is another adult with whom you have chosen to share your life in an intimate and committed relationship of mutual caring, and with whom you have filed a Declaration of Domestic Partnership with the Secretary of State.
- A "domestic partner's child" is the biological, foster or adopted child, stepchild, or legal ward of your domestic partner. A "domestic partner's child" also may be someone for whom your domestic partner has accepted the duties and responsibilities of raising, even if theyhe or she is are not your domestic partner's legal child.

B. ~~INDUSTRIAL ACCIDENTWORKERS' COMPENSATION~~ LEAVE

An employee who has suffered an illness or injury arising out of and in the course of his/hertheir employment with the Authority, as defined by the Workers' Compensation laws of the State of California, and is receiving temporary disability payments shall be entitled to industrial accident leave while so disabled without loss of compensation for a period not to exceed 75 calendar days at a maximum payment of the employee's pre-disability pay. Thereafter, the employee will continue to receive only the temporary disability payments provided under State Law and the Authority will cease to pay the

difference. The employee may use [his/her/their](#) Sick Leave, Vacation Leave, CTO or other accrued leave to make up the difference.

When an employee has exhausted all temporary disability indemnity benefits, [he/she/they](#) may use accrued Sick Leave, accrued Vacation Leave and accrued ~~Compensatory Time Off (CTO)~~ to cover the extended absence. Once [his/her/their](#) accrued leave balances have been exhausted, the employee may request an unpaid leave of absence. Such request must be in writing and must include a [licensed medical practitioner's](#) ~~doctor's~~ estimated date of return to full duty.

An employee who is authorized by [his/her/their](#) supervisor to transport an injured employee to a medical facility shall suffer no loss of compensation for the time spent. Authorization shall not be unreasonably denied to an employee who transports an injured employee requiring immediate emergency care when supervision is not present at the site of injury or is unreachable by telephone or radio, provided the transporting employee calls [his/her/their](#) supervisor immediately upon arrival at the emergency medical facility.

If the treating physician advises the injured employee to go home or the employee is admitted and remains in a hospital or clinic for treatment, the employee shall be paid for [his/her/their](#) full shift.

C. BEREAVEMENT LEAVE

The maximum period of Bereavement Leave with pay granted to any employee for each death in [his/her/their](#) family shall be three working days. Bereavement leave with pay granted to an employee for all deaths in [his/her/their](#) immediate family shall not exceed five (5) working days during any twelve (12) month period except by special action of the Board of Directors for good cause shown, except that an additional day will be granted in each case where the death takes place outside of the State of California. For the purpose of this Section, "immediate family" is defined as spouse or domestic partner, children and children of domestic partner, parents, siblings, grandparents, mother-in-law and father-in-law, step parents, step children, and step siblings.

D. TEMPORARY DISABILITY LEAVE

Any regular employee who, as a result of a medical disability, becomes unable to perform the duties of ~~his or her/their~~ position, and any employee who becomes disabled on account of pregnancy, is eligible for a medical leave of absence. The Authority will comply with all applicable requirements under the Family Medical Leave Act, the California Family Rights Act, the American with Disabilities Act, the California Healthy Workplaces, Healthy Families Act of 2014, California Labor Code section 233 (Kin Care Leave), and any other applicable laws.

E. JURY DUTY LEAVE

A regular employee summoned for attendance to any court for jury duty or called as a witness or defendant in any matter arising out of or in the course of [his/her/their](#) employment with the Authority shall be deemed to be on duty and is entitled to full pay and shall return to the Authority all jury duty pay, excluding payment for mileage, parking, meals, and other out-of-pocket expenses. Employees are required to submit

written documentation issued by the court as proof of jury duty or court service in order to receive payment for Jury Duty Leave.

F. MILITARY LEAVE

Military and Maritime Leave shall be governed by the provisions of the Federal Uniformed Services Employment and Reemployment Rights Act (USERRA) and any regulations published to implement the Act, and the California Military and Veteran's Code.

G. VOTING TIME OFF

If an employee does not have sufficient time to vote outside of [his/her/their](#) working hours, [s/he/they](#) may take time off to vote at the beginning or the end of [his/her/their](#) shift, whichever provides sufficient time to vote. The Authority shall pay the employee for the time taken to vote, up to 2 hours. The employee must provide the Authority with at least 2 working days' notice that [s/he/they](#) will be taking time off to vote.

H. CHILD RELATED ACTIVITIES LEAVE

In compliance with California Labor Code, Section 230.8, any employee who is a parent of one or more children of the age to attend kindergarten or grades 1 to 12, inclusive, or a licensed child care provider, shall be allowed to take time for the purpose of attending child related activities, as defined in the Labor Code. The employee may use Vacation Leave, **Compensatory Time Off**, or time off without pay for the purpose of attending these activities. Whenever practical, the employee shall request time off in advance of the time needed to attend these activities and provide documentation from the school or licensed child care provider as proof of participation in these activities.

I. ADMINISTRATIVE LEAVE

Employees exempt under the Fair Labor Standards Act (FLSA) must use accrued paid leave to account for hours not worked if such hours are for requested time off in increments of two or more hours. Use of Administrative Leave must be approved in advance by the employee's supervisor.

Employees in classifications that are FLSA Exempt shall accrue 40 hours of Administrative Leave each calendar year. This leave is granted to employees whose job responsibilities require them to work numerous hours in excess of the normal work week. This leave shall accrue at the rate of 1.54 hours each pay period up to a maximum of 60 hours (the cap). If the employee reaches the cap, [s/he/they](#) shall cease to accrue Administrative Leave until [s/he-isthey are](#) below the cap. In the event an employee resigns or is terminated, the employee shall be entitled to compensation for [his/her/their](#) accumulated Administrative Leave.

ARTICLE XIII GRIEVANCE PROCEDURE

A. PURPOSE

It shall be the purpose of this procedure to resolve employee grievances in a fair and equitable manner within a reasonable period of time at the lowest level of administrative review possible.

B. DEFINITION

Grievance shall mean any dispute which may arise concerning the interpretation, application or violation of the express terms of this Memorandum of Understanding, and written rules, regulations and/or policies, Board of Directors resolutions and/or ordinances now in effect or as may from time to time be adopted which effects the wages, hours or other conditions of employment of bargaining unit employees.

C. STANDING

Any ~~Bargaining~~ bargaining Unit-unit member or the Union itself shall have standing to initiate grievances under this procedure.

D. TIME LIMITS

The time limits specified herein shall be strictly observed and may be waived only by mutual agreement of the parties.

E. PROCEDURE

Employee must first informally discuss the grievance, within five working days of the aggrieved incident, with his/her/their immediate supervisor who shall respond to the employee's concern(s) within five (5) working days of such discussion.

1. STEP I

If the grievance is not resolved by the immediate supervisor, the aggrieved employee may within five working days of the immediate supervisor's response submit the grievance in writing to either the immediate supervisor, or if applicable, the immediate supervisor's supervisor (such person being other than the Manager). The written grievance shall contain a clear statement of the grievance and the remedy requested. That supervisor, receiving the written grievance, shall respond in writing within five working days of receipt of the grievance.

2. STEP II

If the grievance remains unresolved the aggrieved employee may, within five working days of receipt of the response as provided in Step I submit the grievance to the Authority General Manager for review and decision.

3. STEP III

Grievances concerning the interpretation, application or violation of this Memorandum of Understanding, which remain unresolved by the Authority General Manager's decision, may be submitted, within 30 working days, by Union to arbitration for a decision which shall be binding on the parties. The arbitrator's decision on non-Memorandum of Understanding grievances shall be an advisory recommendation to the Board of Directors for final determination.

The arbitration proceeding shall be conducted in accordance with the voluntary rules of the American Arbitration Association and the cost of arbitration shall be shared equally by the employee and employer.

Notwithstanding the above, the cost of witnesses, court reporters, and/or transcripts shall be the sole responsibilities of the party requesting same.

ARTICLE XIV DISCIPLINARY ACTIONS

A. DEFINITION

For the purpose of this Section, disciplinary action is deemed to be discharge, demotion or suspension.

B. DISCIPLINARY PROCEDURE

1. Discipline shall be imposed on employees of the ~~Bargaining~~bargaining Unit-unit only for just cause.
2. An employee whose work or conduct is of such character as to incur Discipline shall first be specifically warned in writing by ~~his/her~~their supervisor. Such warning shall state the reasons underlying any intention the supervisor may have of recommending any disciplinary action. The supervisor shall give a reasonable period of advance warning specifics to permit the employee to correct the deficiency without incurring disciplinary action.
3. When the Authority seeks the imposition of any disciplinary punishment, notice of such action shall be made in writing and served in person or by Registered Mail upon the employee, with a copy to the Union. The notice shall include:
 - a. The specific charge(s) against the employee, which shall include times, dates, and location of chargeable actions or omissions;
 - b. The penalty proposed;
 - c. A statement of the employee's right to respond, either orally or in writing, and the date of the response meeting, which shall be at least 10 days from notice;
 - d. Notice that if the employee does not submit a written request within five days, ~~he/she~~they shall have waived the right to appeal the action.
4. The notice referred to in Section B. 3. above shall be accompanied by copies of all materials upon which charges are based.
5. If employee fails to request the opportunity to respond, the Authority may proceed to order the action.
6. If employee requests the opportunity to respond, the response meeting shall be held as specified in the notice unless changed by mutual agreement in writing.
7. The response meeting shall not constitute a formal hearing, and there shall be no right to call witnesses.
8. An employee may be represented by a representative of ~~his~~their choice.
9. Appointing authority shall issue an order taking or determining not to take action at the conclusion of the meeting. The decision shall be put in writing and served upon the employee and the Union within five days following the meeting.

10. An employee may file an appeal from the appointing authority's action within 10 days of receipt of said decision.
11. An appeal, if filed, shall be to the advisory arbitration step of the grievance procedure.

ARTICLE XV HEALTH AND SAFETY COMMITTEE

The Authority will endeavor throughout the term of this Memorandum of Understanding to provide and maintain a safe and healthful place of employment for all Bargaining bargaining Unit-unit members.

The Authority agrees to endeavor to provide clean and sanitary lunch and rest room facilities for Bargaining-bargaining Unit-unit employees.

The Authority agrees to appoint a Safety Committee composed of one representative of the Authority Management, who shall be chairman, and two representatives designated by the Union.

1. The committee shall investigate and make recommendations for correcting unsafe conditions and/or employment practices, to the General Manager.
2. Within a reasonable amount of time following receipt of Committee recommendations, the General Manager shall implement same or shall provide the Committee with a written response as to his reasons therefore.
3. Committee members shall suffer no loss of pay or benefits for reasonable time spent on Committee functions.

ARTICLE XVI LAYOFFS

Whenever in the judgment of the Authority one or more positions are to be eliminated for reasons of lack of work, lack of funds, reorganization, or other reasons of economy, efficiency, or lack of need, an employee filling such a position may be laid off or demoted. Employees will be notified in advance of an impending layoff. The Authority and the Union will fulfill their obligations to discuss the layoff as required by law.

A. Notification

Employees shall be notified, in writing, including reasons therefore, at least 45 days prior to the effective date of layoff. The notice shall be sent by certified or registered mail, return receipt requested, or shall be personally served. The employee's representative shall receive concurrent notice.

B. Order of Layoff

The order of layoff shall be by inverse seniority within the below indicated groupings. Seniority is defined as total length of service in a classification. Layoffs shall be by group in the following order:

Group 1: Temporary and part-time employees

Group 2: Probationary employees in regular full-time positions

Group 3: Regular full-time employees who received an overall unsatisfactory ratings on their last performance evaluation

Group 4: Other regular full-time employees.

If there are two or more employees to be laid off who have identical seniority in a group, the order of layoff shall be by total length of continuous Authority service. If such length of service is also identical, layoff shall be by random selection made by the General Manager.

C. Exceptions to Layoff Seniority

Whenever the General Manager believes that the best interest of the Authority requires the retention of employees with special qualifications and/or skills, the General Manager may grant an exception to the order of layoff.

1. Demotions

Upon request of the employee, and with the approval of the General Manager, an employee who has not held status in a lower classification may be allowed to demote to a vacant authorized position if **theyhe/she** meets all the requirements of the lower position as determined by the General Manager.

Upon request of the employee, an employee who has previously held permanent status in a lower classification shall be have the opportunity to demote to such classification. A regular employee that is displaced because of such demotion shall have the same opportunity.

All employees who are demoted will be paid at the same rate of pay as prior to demotion, if, and only if, the rate of pay is within the range of the lower position. If this is not the case, the rate of pay shall be within the salary range of the lower position which is closest to the rate of pay prior to demotion.

2. Transfers

The General Manager may transfer an employee to a vacant authorized position if the employee is qualified and technically capable of performing the duties.

Employees who are transferred will be paid at a rate of pay equal to the rate of pay prior to transfer. Any employee who does not accept a transfer within five (5) working days after a Notice of Transfer is given will have automatically forfeited his or her ability to transfer.

D. Benefits and Assistance

The Authority shall allow the employee to cash out up to 240 hours of the employee's Sick Leave balance, or the maximum amount the employee has accrued, whichever is less, on the employee's final paycheck. The Authority shall continue its regular

contribution for Health and Welfare benefits per Article VIII, Section G, Continuation of Benefits.

E. Reemployment of Demoted Employees in Lieu Layoff

Employees who are demoted as a result of a layoff shall have their names placed on a classification reemployment list, in the order of their classification seniority. Vacant positions within a classification series shall be first offered to employees on this list.

F. Re-employment of Employees Laid Off

Employees who are laid off and who held regular status at the time of layoff shall have their names placed on a Reemployment List for classifications in which they previously held status and for classifications at the same or lower salary range for which they qualify in the order of their classification seniority by groups as specified above. Vacant positions in such classifications will be offered to eligible individuals on the Reemployment List who qualify for such vacancies.

The eligibility of the individual on the Reemployment List shall extend for a period of two years from the date of demotion or layoff. Eligible individuals not responding to written notification of an opening within 10 working days after receipt of said notice shall have their names removed from the Reemployment List.

G. Notice of Recall

Notice of recall from layoff shall be by Certified Mail and shall specify the date for reporting to work, which shall not be more than 21 working days from the date the notice is received. Notice shall be deemed to have been received when sent to the last known address on file with the Authority.

H. Restoration of Benefits Upon Reemployment Following a Layoff or Demotion in Lieu Layoff

Upon reemployment, an individual will have the following benefits restored:

- a. Prior uncompensated sick leave accruals
- b. Seniority at time of layoff for purposes of determining merit increases, vacation accruals, longevity incentive pay, and future layoffs.

ARTICLE XVII IMPLEMENTATION

A. IMPLEMENTATION FULL FORCE AND EFFECT

The Board of Directors shall amend its written policies and take such other action(s) as may be necessary in order to give full force and effect to the provisions of this MOU.

C.B. PREVAILING RIGHTS

It is agreed that all rights, privileges, and working conditions presently enjoyed by Bargaining bargaining Unit unit employees which are not included in this (MOU) shall remain in full force and effect, unchanged, throughout the term of this MOU unless changed by mutual consent of the parties hereto.

D.C. ~~B~~SEPARABILITY

Should any provision of this MOU be declared illegal by any court of competent jurisdiction, such invalidation shall not invalidate the remaining portions thereof, which shall remain in full force and effect.

In the event of such invalidation the parties agree to meet within 30 days to negotiate a mutually acceptable replacement provision.

~~C. IMPLEMENTATION~~

~~The Board of Directors shall amend its written policies and take such other action(s) as may be necessary in order to give full force and effect to the provisions of this MOU.~~

E.D. TERM

This MOU shall become effective on July 1, ~~2019~~2016 and shall remain in effect to and including June 30, ~~2023~~2019.

SIGNATURE PAGE

SEWER AUTHORITY MID-COASTSIDE

**INTERNATIONAL UNION OF
OPERATING ENGINEERS,
STATIONARY LOCAL NO. 39**

BY: _____
Beverli A. Marshall, General Manager

BY: _____
~~Jerry Kalmar~~ Bart Florence,
Business Manager -Secretary

BY: _____
Stahly Robert Aldrich, President

BY: _____
Steve Crouch, Director of Public
Employees

BY: _____
~~Richard J. Putz~~ Stan Eichenberger,
Business Representative

BY: _____
George Long, Shop Steward/
Bargaining Team Member

APPROVED BY THE AUTHORITY
BOARD OF DIRECTORS ON THE ____ DAY OF _____, ~~2016~~ 2019.

Appendix A

~~7/1/16 to 6/30/17 Showing Restructured Classifications~~

Classification	Step-1	Step-2	Step-3	Step-4	Step-5	Step-6	Step-7
Collection Maintenance Worker I	—2,251	—2,319	—2,388	—2,460	—2,534	—2,610	—2,688
Collection Maintenance Worker II	—2,476	—2,550	—2,627	—2,706	—2,787	—2,870	—2,957
Collection Maintenance Worker III	—2,724	—2,805	—2,890	—2,976	—3,066	—3,158	—3,252
Lab & Source Control Program Coord	—3,146	—3,240	—3,338	—3,438	—3,541	—3,647	—3,756
Lead Collection Maintenance Worker	—2,996	—3,086	—3,179	—3,274	—3,372	—3,473	—3,577
Maintenance Mechanic I	—2,380	—2,451	—2,525	—2,601	—2,679	—2,759	—2,842
Maintenance Mechanic II	—2,618	—2,697	—2,777	—2,861	—2,947	—3,035	—3,126
Maintenance Mechanic III	—2,880	—2,966	—3,055	—3,147	—3,241	—3,338	—3,439
Operator I	—2,590	—2,668	—2,748	—2,830	—2,915	—3,003	—3,093
Operator II	—2,849	—2,934	—3,023	—3,113	—3,207	—3,303	—3,402
Operator III	—3,134	—3,228	—3,325	—3,424	—3,527	—3,633	—3,742
Operator in Training	—2,026	—2,087	—2,149	—2,214	—2,280	—2,349	—2,419
Administrative Assistant	—1,875	—1,931	—1,989	—2,049	—2,110	—2,174	—2,239
Supervisor Treatment/Field Ops	—3,861	—3,977	—4,096	—4,219	—4,346	—4,476	—4,610
Lead Operator	—3,447	—3,551	—3,657	—3,767	—3,880	—3,996	—4,116
Administrative Assistant (Incumbent)							—2,610
Accounting Technician	—2,225	—2,292	—2,361	—2,431	—2,504	—2,579	—2,657

~~7/1/16 to 6/30/17 with COLA~~

Classification	Step-1	Step-2	Step-3	Step-4	Step-5	Step-6	Step-7
Collection Maintenance Worker I	—2,307	—2,376	—2,448	—2,524	—2,597	—2,675	—2,755
Collection Maintenance Worker II	—2,538	—2,614	—2,693	—2,773	—2,857	—2,942	—3,031
Collection Maintenance Worker III	—2,792	—2,876	—2,962	—3,051	—3,142	—3,236	—3,334
Lab & Source Control Program Coord	—3,225	—3,321	—3,421	—3,524	—3,629	—3,738	—3,850
Lead Collection Maintenance Worker	—3,071	—3,163	—3,258	—3,356	—3,456	—3,560	—3,667
Maintenance Mechanic I	—2,440	—2,513	—2,588	—2,666	—2,746	—2,828	—2,913
Maintenance Mechanic II	—2,683	—2,764	—2,847	—2,932	—3,020	—3,111	—3,204
Maintenance Mechanic III	—2,952	—3,040	—3,132	—3,226	—3,322	—3,422	—3,525
Operator I	—2,655	—2,734	—2,816	—2,901	—2,988	—3,078	—3,170
Operator II	—2,920	—3,008	—3,098	—3,191	—3,287	—3,385	—3,487
Operator III	—3,212	—3,309	—3,408	—3,510	—3,615	—3,724	—3,836
Operator in Training	—2,077	—2,139	—2,203	—2,269	—2,337	—2,407	—2,480
Administrative Assistant	—1,922	—1,980	—2,039	—2,100	—2,163	—2,228	—2,295
Supervisor Treatment/Field Ops	—3,957	—4,076	—4,198	—4,324	—4,454	—4,588	—4,725
Lead Operator	—3,533	—3,639	—3,749	—3,861	—3,977	—4,096	—4,219
Administrative Assistant (Incumbent)							—2,610

Accounting Technician —2,281 —2,349 —2,420 —2,492 —2,567 —2,644 —2,723

7/1/17 to 6/30/18 with COLA

Classification	Step-1	Step-2	Step-3	Step-4	Step-5	Step-6	Step-7
Collection Maintenance Worker I	—2,376	—2,448	—2,521	—2,597	—2,675	—2,755	—2,838
Collection Maintenance Worker II	—2,614	—2,693	—2,773	—2,857	—2,942	—3,031	—3,121
Collection Maintenance Worker III	—2,876	—2,962	—3,051	—3,142	—3,236	—3,334	—3,434
Lab & Source Control Program Coord	—3,321	—3,421	—3,524	—3,629	—3,738	—3,850	—3,966
Lead Collection Maintenance Worker	—3,163	—3,258	—3,356	—3,456	—3,560	—3,667	—3,777
Maintenance Mechanic I	—2,513	—2,588	—2,666	—2,746	—2,828	—2,913	—3,000
Maintenance Mechanic II	—2,764	—2,847	—2,932	—3,020	—3,111	—3,204	—3,300
Maintenance Mechanic III	—3,040	—3,132	—3,226	—3,322	—3,422	—3,525	—3,630
Operator I	—2,734	—2,816	—2,901	—2,988	—3,078	—3,170	—3,265
Operator II	—3,008	—3,098	—3,191	—3,287	—3,385	—3,487	—3,592
Operator III	—3,309	—3,408	—3,510	—3,615	—3,724	—3,836	—3,951
Operator in Training	—2,139	—2,203	—2,269	—2,337	—2,407	—2,480	—2,554
Administrative Assistant	—1,980	—2,039	—2,100	—2,163	—2,228	—2,295	—2,364
Supervisor Treatment/Field Ops	—4,076	—4,198	—4,324	—4,454	—4,588	—4,725	—4,867
Lead Operator	—3,639	—3,749	—3,861	—3,977	—4,096	—4,219	—4,346
Administrative Assistant (Incumbent)							—2,610
Accounting Technician	—2,349	—2,420	—2,492	—2,567	—2,644	—2,723	—2,805

7/1/18 to 6/30/19 with COLA

Classification	Step-1	Step-2	Step-3	Step-4	Step-5	Step-6	Step-7
Collection Maintenance Worker I	—2,448	—2,521	—2,597	—2,675	—2,755	—2,838	—2,923
Collection Maintenance Worker II	—2,693	—2,773	—2,857	—2,942	—3,031	—3,121	—3,215
Collection Maintenance Worker III	—2,962	—3,051	—3,142	—3,236	—3,334	—3,434	—3,537
Lab & Source Control Program Coord	—3,421	—3,524	—3,629	—3,738	—3,850	—3,966	—4,085
Lead Collection Maintenance Worker	—3,258	—3,356	—3,456	—3,560	—3,667	—3,777	—3,890
Maintenance Mechanic I	—2,588	—2,666	—2,746	—2,828	—2,913	—3,000	—3,090
Maintenance Mechanic II	—2,847	—2,932	—3,020	—3,111	—3,204	—3,300	—3,399
Maintenance Mechanic III	—3,132	—3,226	—3,322	—3,422	—3,525	—3,630	—3,739
Operator I	—2,816	—2,901	—2,988	—3,078	—3,170	—3,265	—3,363
Operator II	—3,098	—3,191	—3,287	—3,385	—3,487	—3,592	—3,699
Operator III	—3,408	—3,510	—3,615	—3,724	—3,836	—3,951	—4,069
Operator in Training	—2,203	—2,269	—2,337	—2,407	—2,480	—2,554	—2,631
Administrative Assistant	—2,039	—2,100	—2,163	—2,228	—2,295	—2,364	—2,435
Supervisor Treatment/Field Ops	—4,198	—4,324	—4,454	—4,588	—4,725	—4,867	—5,013
Lead Operator	—3,749	—3,861	—3,977	—4,096	—4,219	—4,346	—4,476
Administrative Assistant (Incumbent)							—2,610

Accounting Technician

—2,420 —2,492 —2,567 —2,644 —2,723 —2,805 —2,889

7/1/18 to 6/30/19

Classification	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Collection Maint Worker I	2,448	2,521	2,597	2,675	2,755	2,838	2,923
Collection Maint Worker II	2,693	2,773	2,857	2,942	3,031	3,121	3,215
Collection Maint Worker III	2,962	3,051	3,142	3,236	3,334	3,434	3,537
Lab & Source Control Program Coord	3,421	3,524	3,629	3,738	3,850	3,966	4,085
Lead Collection Maint Worker	3,258	3,356	3,456	3,560	3,667	3,777	3,890
Maintenance Mechanic I	2,588	2,666	2,746	2,828	2,913	3,000	3,090
Maintenance Mechanic II	2,847	2,932	3,020	3,111	3,204	3,300	3,399
Maintenance Mechanic III	3,132	3,226	3,322	3,422	3,525	3,630	3,739
Operator I	2,816	2,901	2,988	3,078	3,170	3,265	3,363
Operator II	3,098	3,191	3,287	3,385	3,487	3,592	3,699
Operator III	3,407	3,510	3,615	3,724	3,836	3,951	4,069
Operator in Training	2,203	2,269	2,337	2,407	2,480	2,554	2,631
Administrative Assistant	2,039	2,100	2,163	2,228	2,295	2,364	2,435
Supervisor Treatment/Field Ops	4,198	4,324	4,454	4,588	4,725	4,867	5,013
Lead Operator	3,748	3,861	3,977	4,096	4,219	4,346	4,476
Administrative Assistant (Incumbent)							2,610
Accounting Technician	2,420	2,492	2,567	2,644	2,723	2,805	2,889
Utility Worker	2,203	2,269	2,337	2,407	2,479	2,554	2,630

7/1/19 to 6/30/20

Classification	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Collection Maint Worker I	2,558	2,635	2,714	2,795	2,879	2,966	3,055
Collection Maint Worker II	2,814	2,899	2,986	3,075	3,167	3,262	3,360
Collection Maint Worker III	3,095	3,188	3,284	3,382	3,484	3,588	3,696
Lab & Source Control Program Coord	3,575	3,682	3,793	3,906	4,024	4,144	4,269
Lead Collection Maint Worker	3,405	3,507	3,612	3,720	3,832	3,947	4,065
Maintenance Mechanic I	2,704	2,786	2,869	2,955	3,044	3,135	3,229
Maintenance Mechanic II	2,975	3,064	3,156	3,251	3,349	3,449	3,552
Maintenance Mechanic III	3,273	3,371	3,472	3,576	3,684	3,794	3,908
Operator I	2,943	3,031	3,122	3,216	3,312	3,411	3,514
Operator II	3,237	3,335	3,435	3,538	3,644	3,753	3,866
Operator III	3,560	3,667	3,777	3,890	4,007	4,127	4,251
Operator in Training	2,302	2,371	2,442	2,516	2,591	2,669	2,749
Administrative Assistant	2,131	2,195	2,261	2,328	2,398	2,470	2,544
Supervisor Treatment/Field Ops	4,387	4,519	4,654	4,794	4,938	5,086	5,238
Lead Operator	3,917	4,034	4,155	4,280	4,408	4,540	4,677
Administrative Assistant (Incumbent)							2,610
Accounting Technician	2,529	2,605	2,683	2,763	2,846	2,932	3,020
Utility Worker	2,302	2,371	2,442	2,516	2,591	2,669	2,749

7/1/20 to 6/30/21

Classification	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Collection Maint Worker I	2,660	2,740	2,823	2,907	2,994	3,084	3,177
Collection Maint Worker II	2,927	3,015	3,105	3,198	3,294	3,393	3,495
Collection Maint Worker III	3,219	3,316	3,415	3,518	3,623	3,732	3,844
Lab & Source Control Program Coord	3,718	3,829	3,944	4,063	4,185	4,310	4,439
Lead Collection Maint Worker	3,541	3,647	3,756	3,869	3,985	4,105	4,228
Maintenance Mechanic I	2,813	2,897	2,984	3,073	3,166	3,261	3,358
Maintenance Mechanic II	3,094	3,187	3,283	3,381	3,482	3,587	3,695

Maintenance Mechanic III	3,404	3,506	3,611	3,719	3,831	3,946	4,064
Operator I	3,060	3,152	3,247	3,344	3,445	3,548	3,654
Operator II	3,367	3,468	3,572	3,679	3,789	3,903	4,020
Operator III	3,703	3,814	3,928	4,046	4,167	4,292	4,421
Operator in Training	2,394	2,466	2,540	2,616	2,695	2,776	2,859
Administrative Assistant	2,216	2,282	2,351	2,421	2,494	2,569	2,646
Supervisor Treatment/Field Ops	4,562	4,699	4,840	4,985	5,135	5,289	5,448
Lead Operator	4,073	4,196	4,321	4,451	4,585	4,722	4,864
Accounting Technician	2,630	2,709	2,790	2,874	2,960	3,049	3,140
Utility Worker	2,394	2,466	2,540	2,616	2,695	2,776	2,859

7/1/21 to 6/30/22

Classification	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Collection Maint Worker I	2,740	2,823	2,907	2,994	3,084	3,177	3,272
Collection Maint Worker II	3,015	3,105	3,198	3,294	3,393	3,495	3,600
Collection Maint Worker III	3,316	3,415	3,518	3,623	3,732	3,844	3,959
Lab & Source Control Program Coord	3,829	3,944	4,063	4,185	4,310	4,439	4,573
Lead Collection Maint Worker	3,647	3,756	3,869	3,985	4,105	4,228	4,355
Maintenance Mechanic I	2,897	2,984	3,073	3,166	3,261	3,358	3,459
Maintenance Mechanic II	3,187	3,283	3,381	3,482	3,587	3,695	3,805
Maintenance Mechanic III	3,506	3,611	3,719	3,831	3,946	4,064	4,186
Operator I	3,152	3,247	3,344	3,445	3,548	3,654	3,764
Operator II	3,468	3,572	3,679	3,789	3,903	4,020	4,141
Operator III	3,814	3,928	4,046	4,167	4,292	4,421	4,554
Operator in Training	2,466	2,540	2,616	2,695	2,776	2,859	2,945
Administrative Assistant	2,282	2,351	2,421	2,494	2,569	2,646	2,725
Supervisor Treatment/Field Ops	4,699	4,840	4,985	5,135	5,289	5,448	5,611
Lead Operator	4,196	4,321	4,451	4,585	4,722	4,864	5,010
Accounting Technician	2,709	2,790	2,874	2,960	3,049	3,140	3,235
Utility Worker	2,466	2,540	2,616	2,695	2,776	2,859	2,945

7/1/22 to 12/31/22

Classification	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Collection Maint Worker I	2,823	2,907	2,994	3,084	3,177	3,272	3,370
Collection Maint Worker II	3,105	3,198	3,294	3,393	3,495	3,600	3,708
Collection Maint Worker III	3,415	3,518	3,623	3,732	3,844	3,959	4,078
Lab & Source Control Program Coord	3,944	4,063	4,185	4,310	4,439	4,573	4,710
Lead Collection Maint Worker	3,756	3,869	3,985	4,105	4,228	4,355	4,485
Maintenance Mechanic I	2,984	3,073	3,166	3,261	3,358	3,459	3,563
Maintenance Mechanic II	3,283	3,381	3,482	3,587	3,695	3,805	3,920
Maintenance Mechanic III	3,611	3,719	3,831	3,946	4,064	4,186	4,312
Operator I	3,247	3,344	3,445	3,548	3,654	3,764	3,877
Operator II	3,572	3,679	3,789	3,903	4,020	4,141	4,265
Operator III	3,928	4,046	4,167	4,292	4,421	4,554	4,691
Operator in Training	2,540	2,616	2,695	2,776	2,859	2,945	3,033
Administrative Assistant	2,351	2,421	2,494	2,569	2,646	2,725	2,807
Supervisor Treatment/Field Ops	4,840	4,985	5,135	5,289	5,448	5,611	5,779
Lead Operator	4,321	4,451	4,585	4,722	4,864	5,010	5,160
Accounting Technician	2,790	2,874	2,960	3,049	3,140	3,235	3,332
Utility Worker	2,540	2,616	2,695	2,776	2,859	2,945	3,033

**Sewer Authority Mid-Coastside
and
IUOE, Local 39 AFL-CIO**

RE: Supervisor of Treatment/Field Operations – Job Description
Sewer Authority Mid-Coastside
and
IUOE, Local 39 AFL-CIO

SIDE LETTER AGREEMENT

RE: Supervisor of Treatment/Field Operations – Job Description

During negotiations for a successor Memorandum of Understanding (MOU), the parties discussed the current Supervisor of Treatment/Field Operations position. The parties agreed to changes in those job duties for the purpose of improving operational efficiency and enhancing service. The changes will be implemented effective following Union ratification and Board approval of the Memorandum of Understanding and after the new management position is filled.

This Side Letter confirms the understanding of the parties regarding the Authority revising the job description for the Supervisor of Treatment / Field Operations:

- The position will remain responsible for supervising the operation and maintenance of the wastewater treatment plant;
 - The job duties will no longer require the position to serve as the registered *Legally Responsible Official*;
 - The duties will no longer require the position to serve as the *Registered Laboratory Director*;
 - The Authority will maintain the FLSA exempt benefits for the incumbent in the current MOU until the position reflecting the changed duties is filled; and
 - The incumbent in the current position will continue to receive the following benefits until the management position is filled.
- ✓ 50 hours of Administrative Leave annually in lieu of overtime pay
 - ✓ \$1,500 match annually into deferred compensation account

When the management position is filled, this Side Letter shall expire.

Bart Florence, Business Manager
IUOE, Stationary Local No. 39

Beverli A. Marshall, General Manager
Sewer Authority Mid-Coastside

Dated:

Dated:

Steve Crouch, Director of Public Employees

Dated:

Stan Eichenberger, Business Representative

ITEM #6

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**SEWER AUTHORITY MID-COASTSIDE 10-YEAR BUDGET HISTORY
OPERATIONS & MAINTENANCE
Excluding Capital Improvement (Infrastructure) Projects**

	10/11	% Incr	11/12	% Incr	12/13	% Incr	13/14	% Incr	14/15	% Incr	15/16	% Incr	16/17	% Incr	17/18	% Incr	18/19	% Incr	19/20	
Approved																				
BUDGET:	\$ 2,869,101	8.1%	\$ 3,103,044	2.6%	\$ 3,183,704	0.4%	\$ 3,185,017	1.9%	\$ 3,246,916	2.8%	\$ 3,340,766	3.5%	\$ 3,458,104	12.7%	\$ 3,897,045	18.4%	\$ 4,614,284	21.3%	\$ 5,599,233	

ACTUAL:	\$ 2,799,284		\$ 2,931,233		\$ 3,301,103		\$ 3,140,035		\$ 3,088,577		\$ 3,347,598		\$ 4,305,574		\$ 5,346,805		unknown		
Adj for fine:													\$ 4,005,574						
Difference:	69,817.00		171,811.00		(117,399.00)		44,982.00		158,339.00		(6,832.00)		(847,470.00)		(1,449,760.00)				
(Amt. <u>under</u> budget is a positive #)													300,000				300,000		
(Amt. <u>spent over</u> budget is a negative #)													(547,470.00)						

credit for RWQCB fine

11/12:	8.1%	17/18:	12.7%
12/13:	2.6%	18/19:	18.4%
13/14:	0.4%	19/20:	21.3%
14/15:	1.9%		52.4%
15/16:	2.8%		
16/17:	3.5%		

17.5% Average budget increase from FY 16/17 to 19/20

19.3% Total
3.2% Average budget increase from FY 10/11 to 16/17



SEWER AUTHORITY MID-COASTSIDE

Staff Report

TO: Honorable Board of Directors

FROM: Beverli A. Marshall, General Manager

SUBJECT: **Discuss Proposed General Budget for Fiscal Year 2019/20 and Authorize the General Manager to Submit it to the Member Agencies for Approval**

Executive Summary

The purpose of this report is to allow the Board to discuss the proposed General Budget for Fiscal Year 2019/20.

Fiscal Impact

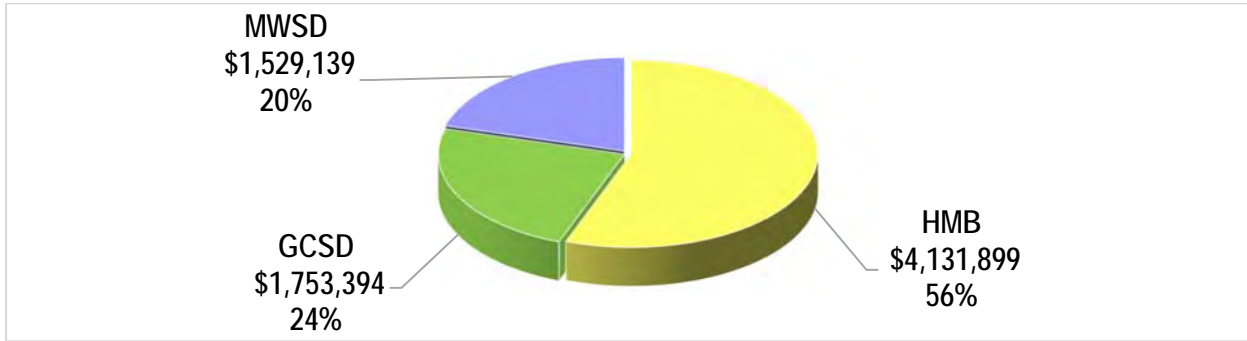
The operation and maintenance expenditure budget for Fiscal Year 2019/20 is \$7.64 million. This is an *overall increase* of \$1.69 million from the FY 2018/19 adopted budget, which is primarily due to increasing infrastructure spending and increasing staff to meet workload needs, including succession planning. The impact to the member agency assessments is:

Assessments for Each Member Agency

	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	\$	%
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Proposed</u>	<u>Change</u>	<u>Change</u>
Half Moon Bay	\$2,103,982	\$3,461,445	\$3,366,042	\$4,131,899	\$ 765,857	23%
GCSD	\$1,164,955	\$1,527,134	\$1,445,332	\$1,753,394	\$ 308,062	21%
MWSD	<u>\$ 848,240</u>	<u>\$1,324,462</u>	<u>\$1,252,372</u>	<u>\$1,529,139</u>	<u>\$ 276,767</u>	<u>22%</u>
Total	\$4,117,177	\$6,313,041	\$6,063,747	\$7,414,433	\$1,350,686	22%

BOARD MEMBERS: J. Blanchard B. Dye R. Lohman
 D. Penrose D. Ruddock K. Slater-Carter

ALTERNATE MEMBERS: S. Boyd M. Clark A. Eisen
 J. Harvey H. Rarback



Strategic Plan Compliance

The recommendations in the proposed budget comply with SAM Strategic Plan Goal 3: *“Consider long-term costs and ensure that finances are stable and understandable by the board, member agencies, and the public.”*

Background and Discussion/Report

The General Budget includes all operation and maintenance (O&M) costs for SAM and are allocated to four divisions (Administrative Services, Treatment, Environmental Compliance, and Infrastructure). The proposed budget includes obligations for wages and benefits defined in employment and bargaining contracts, increases in retirement contributions, and other non-discretionary expenses.

Not all factors were known at the time that this budget was prepared. Therefore, staff made the following assumptions in determining changes from the FY 2018/19 adopted budget.

- Projects identified in the 5-Year Infrastructure Plan will be funded.
- Adding one position to the 14 positions included in the adopted FY 2018/19 budget. All applicable merit step increases will be earned per the MOU with Local No. 39.
- All budgeted positions will be filled if vacant. There are currently no vacant positions in the JPA functions.
- All services, supplies, and utilities will be increased by a 4% CPI.

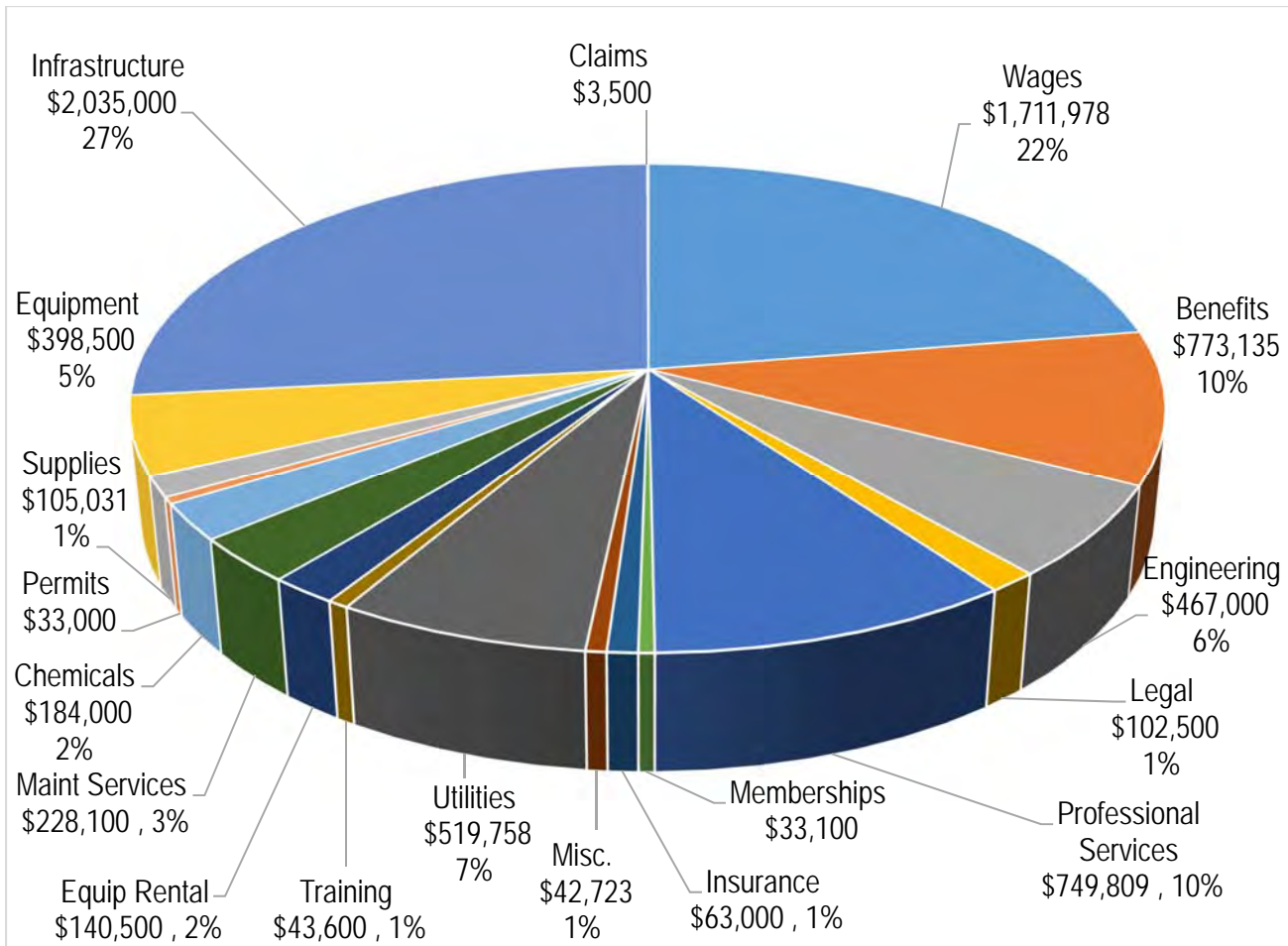
Budget Overview

The proposed Budget, including the proposed infrastructure projects, has been discussed by the member agency managers. The presentation today is for discussion and to finalize the proposed budget.

BOARD MEMBERS:	J. Blanchard	B. Dye	R. Lohman
	D. Penrose	D. Ruddock	K. Slater-Carter
ALTERNATE MEMBERS:	S. Boyd	M. Clark	A. Eisen
	J. Harvey	H. Rarback	

Of the total General Budget, \$2.49 million (32%) is for wages and benefits. The cost of infrastructure improvements is \$2.04 million (27%). Professional services (10%) and Engineering services (6%) account for a significant percentage of the budget due to SAM's dependency on contractors and consultants for technical and specialized services. Utilities and equipment purchases are significant portions (7% and 5%) of the budget as well.

All other expenses (liability insurance, professional memberships, uniform services, conferences, training, permits, licenses, etc.) make up approximately 13% of the total budget.



The most significant changes in the Administrative Services division budget are increasing the legal services (\$46,000) to respond to the recent litigation and professional services (\$60,000) to outsource key accounting functions.

The most significant changes in the Treatment division budget are increasing staff by an additional Maintenance Technician (\$112,181), cost of living adjustment (COLA) and

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other wage and benefit increases (\$164,424), increases in services and supplies based on a 4% COLA (\$152,617), and additional maintenance services for small projects (\$95,600).

Professional services is the largest portion of the Environmental Compliance division because SAM is dependent upon outsourced laboratory services. Staff anticipates that the new TNI standards for laboratories will result in a significant increase in the fees charged by the outside laboratories. In addition to the outsourced lab costs, the division budget includes the annual cost of the First Flush program.

The Infrastructure division increased from \$1.72 million in Fiscal Year 2018/19 to \$2.49 million (45%) in FY 2019/20 to address critical projects identified in the 5-Year Capital Improvement Plan.

Changes in Expenses

The significant overall changes in the expense categories are as follows. The numbers are correlated to the line items on the budget spreadsheets.

1. Wages: increased \$204,680 to include one additional position (Maintenance Technician), negotiated COLA, and application of step increases, where appropriate.
2. Premium Pay: increased \$15,590 for negotiated changes in standby pay, certification pay, and overtime pay.
3. Health Benefits: increased \$44,515 for the additional position and negotiated COLA on health premiums.
4. Retirement Contributions: increased \$38,657 due to changes in the CalPERS contribution rates for classic members and the additional position.
5. Retirement Medical: increased \$4,855 for contributions as negotiated in the successor MOU and the Unrepresented Employees Manual.
6. Misc. Benefits: increased \$9,631 for benefits as negotiated in the successor MOU and the Unrepresented Employees Manual.
7. Personnel Subtotal: total increase in personnel costs is \$317,929 (15%).
8. Legal Services: increased \$46,000 based on anticipated expenses for FY 2019/20 (does not include any expenses related to the HMB lawsuit).

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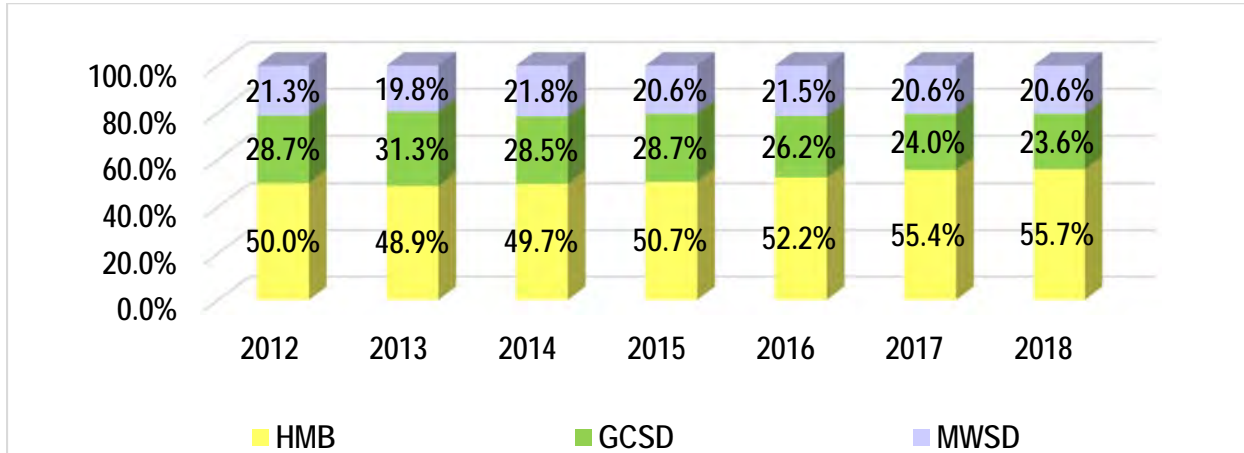
9. Engineering Services: increased \$365,000 for design and project management services for projects identified in the 5-Year CIP.
10. Professional Services: *decreased \$52,191* to reflect one-time expenses in FY 2018/19.
11. Professional Memberships: *decreased \$2,000* based on anticipated reductions.
12. Insurance Premiums: increased \$12,000 to reflect anticipated increases in property, liability, pollution, and professional liability premiums.
13. Misc. Expenses: *decreased \$36,917* to reflect one-time expenses in FY 2018/19.
14. Utilities: increased \$15,028 for electricity, gas, and water based on anticipated rate increases.
15. Travel & Training: increased \$1,150 based on anticipated training needs of staff and participation in industry conferences for management team.
16. Equipment Rental: increased \$80,500 to reflect anticipated expenses related to infrastructure projects.
17. Building & Maintenance Services: increased \$69,100 for contractors to perform necessary maintenance tasks at the treatment plant and pump stations.
18. Chemicals: increased \$50,000 based on anticipated increases in the Bay Area Chemical Consortium rates for FY 2019/20.
19. Permits & Licenses: no anticipated changes in permit fees.
20. Supplies: increased \$53,351 to reflect anticipated rate increases and needs.
21. Equipment: increased \$67,500 to reflect vehicle replacement and small project needs.
22. Infrastructure: increased \$702,500 to address the projects identified in the 5-Year CIP.
23. Claims/Penalties: decreased to reflect anticipated claims for FY 2019/20.
24. Non-Personnel Subtotal: total increase in non-personnel costs is \$1,369,520 (36%).

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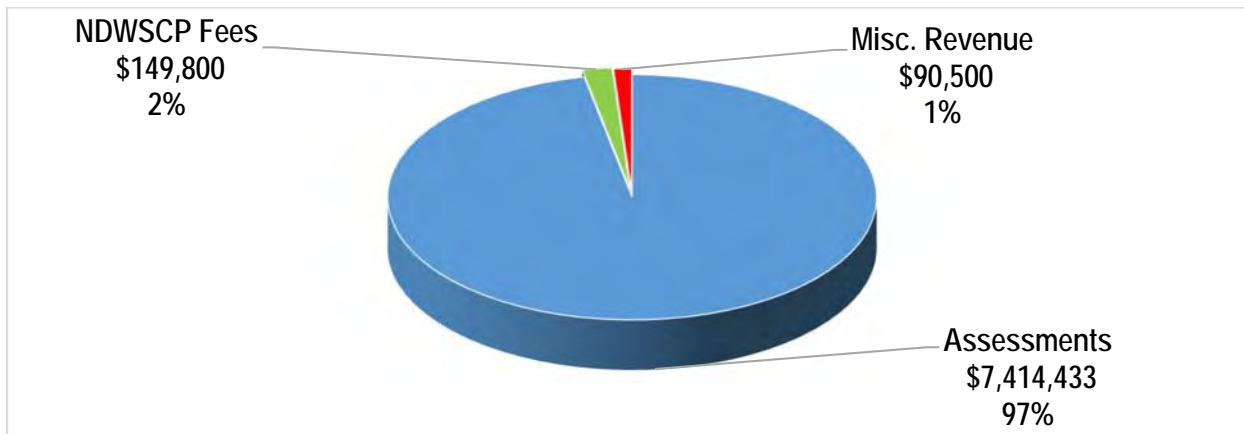
Changes in Revenue

Of the total O & M revenue, the majority (97%) is from assessments paid by the JPA member agencies. The allocation between the agencies is based on the flow from the preceding calendar year. The flow allocations fluctuate from year to year.

Historical Flow Allocations



The remaining revenue comes from the Non-Domestic Waste Source Control Program fees (2%), and miscellaneous revenue (1%).



Challenges

SAM's Reserve Policy requires a balance of two months of operating reserve (\$1.27 million) and \$1.25 million in emergency repair reserve for a total reserve of \$2.43 million. As of January 31, 2019, SAM had \$1.28 million invested with LAIF, which is the total of the Emergency Repair Reserve. The Money Market account at Tri-Counties Bank has \$500,000, which is dedicated to the Operating Reserve. To be compliant with the reserve policy, \$750,000 is needed to meet the reserve minimum in addition to the assessments needed to pay for FY 2019/20 expenses. Staff did not incorporate any

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additional funding in the proposed budget to address this issue due to the significant increase from the infrastructure projects.

Unanticipated cost increases and emergency maintenance projects continue to be an issue due to the lack of reserves and access to rate stabilization funds. Staff shifts projects and costs to accommodate these unplanned expenses and reduce the need for mid-year budget increases. Unfortunately, not all projects or maintenance costs can be adjusted to meet these unanticipated costs.

CalPERS continues to increase contribution rates, which will be a significant cost until the workforce transitions and the majority of classic employees retire.

Staff Recommendation

Staff recommends that the Board of Directors discuss the proposed budget and authorize the General Manager to submit it to the member agencies for approval.

Supporting Documents

Attachment A: Proposed General Budget for FY 2019/20

BOARD MEMBERS:	J. Blanchard	B. Dye	R. Lohman
	D. Penrose	D. Ruddock	K. Slater-Carter
ALTERNATE MEMBERS:	S. Boyd	M. Clark	A. Eisen
	J. Harvey	H. Rarback	



General Budget
Fiscal Year 2019/20

EXECUTIVE SUMMARY

The Joint Exercise of Powers Agreement (Agreement) that created SAM and governs its day-to-day operations specifies that “The total expenses of operation and maintenance shall be shared in a manner based on flows into the single consolidated treatment plant.” The General Budget is divided into Administrative Services, Treatment, Environmental Compliance, and Infrastructure.

The budget includes obligations for wages and benefits defined in employment and bargaining contracts, increases in retirement contributions, and other non-discretionary expenses.

JPA Income & Expenses

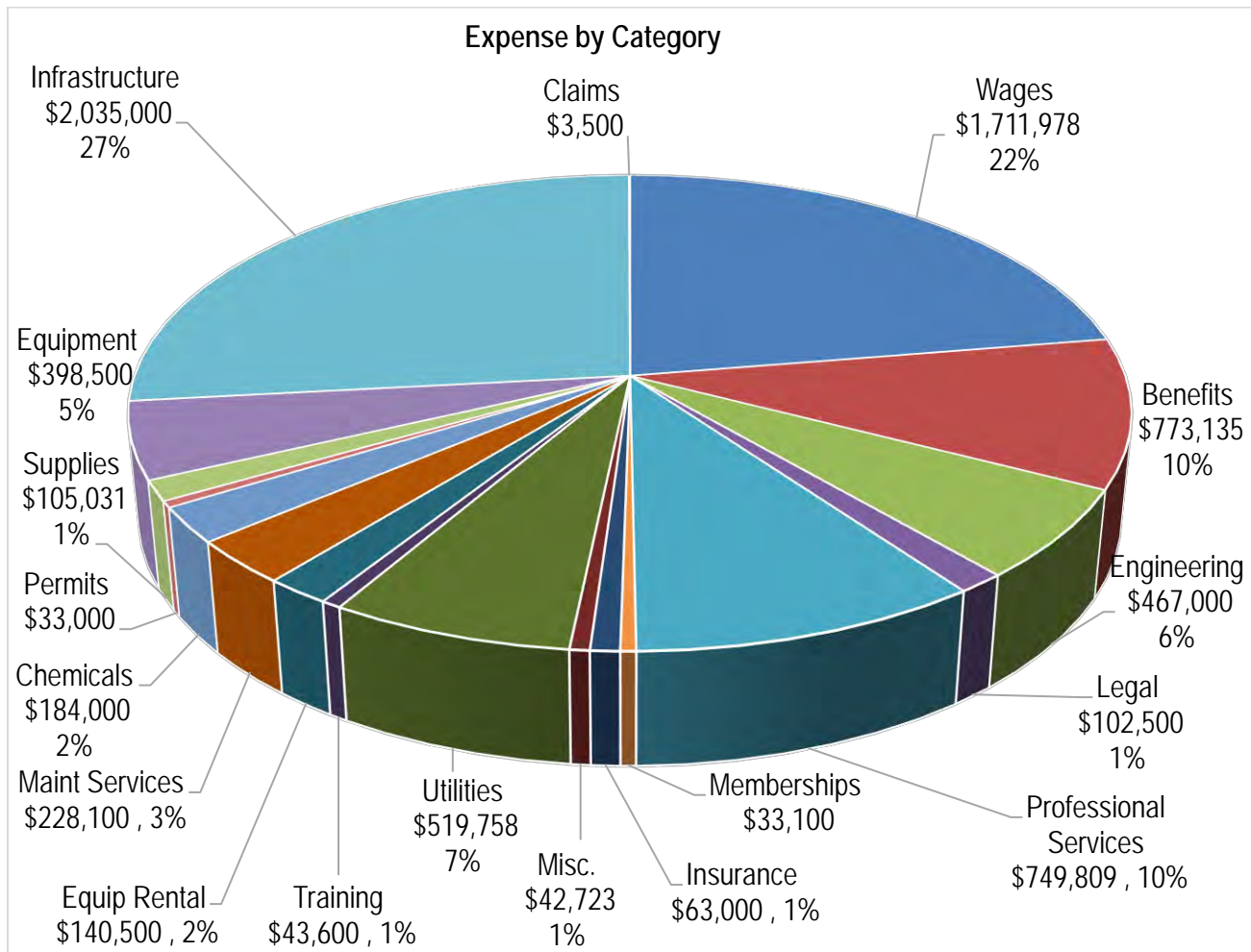
Operating Income		
Assessments - City of Half Moon Bay	4,131,899	
Assessments - Granada Community Services District	1,753,394	
Assessments - Montara Water & Sanitary District	1,529,139	
NDWSCP Fees	149,800	
Miscellaneous Revenue	70,500	
Total Operating Income		\$ 7,634,733
Operating Expenses		
Wages	1,711,978	
Benefits	773,135	
Legal Services	102,500	
Engineering Services	467,000	
Professional & Technical Services	749,809	
Professional Memberships	33,100	
Insurance Premiums	63,000	
Miscellaneous Expenses	42,723	
Utilities	519,758	
Travel & Training	43,600	
Equipment Rental/Lease	140,500	
Building & Maintenance Services	228,100	
Chemicals	184,000	
Permits & Licenses	33,000	
Supplies	105,031	
Equipment	398,500	
Infrastructure Projects	2,035,000	
Claims & Penalties	3,500	
Total Operating Expenses		\$ 7,634,233
Net Operating Income		\$ 500
Non-Operating Income		
Interest Income	20,000	
Total Non-Operating Income		\$ 20,000
Contribution to Reserve Funds		\$ 20,500

GENERAL BUDGET FISCAL YEAR 2019/20

The overall increase from the adopted budget for Fiscal Year 2018/19 to the proposed budget for Fiscal Year 2019/20 is \$1.69 million (28%). This is primarily due to increased staffing to meet service level needs, infrastructure spending, and wage and benefit adjustments.

Of the total General Budget, \$2.49 million (32%) is for wages and benefits. The cost of infrastructure improvements is \$2.04 million (27%). Professional services (10%) and Engineering services (6%) account for a significant percentage of the budget due to SAM's dependency on contractors and consultants for technical and specialized services. Utilities and equipment purchases are significant portions (7% and 5%) of the budget as well.

All other expenses (liability insurance, professional memberships, uniform services, conferences, training, permits, licenses, etc.) make up approximately 13% of the total budget.



Division Budgets by Fiscal Year

	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	\$	%
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Proposed</u>	<u>Change</u>	<u>Change</u>
Administration	\$1,299,471	\$1,155,846	\$1,134,659	\$1,249,451	\$ 114,792	10%
Treatment	\$2,550,331	\$2,944,735	\$2,944,958	\$3,678,880	\$ 733,922	25%
Environmental	\$ 155,551	\$ 151,643	\$ 149,667	\$ 220,902	\$ 71,235	48%
Infrastructure	<u>\$ 348,721</u>	<u>\$3,047,274</u>	<u>\$1,717,500</u>	<u>\$2,485,000</u>	<u>\$ 767,500</u>	<u>45%</u>
Total	\$4,354,074	\$7,299,498	\$5,946,784	\$7,634,233	\$1,687,449	28%

The Administrative Services division increased \$114,792 (10%). The significant impacts are from COLA and benefit changes per the Local 39 MOU and increases in legal services.

The Treatment division increased \$733,922 (25%), which is mostly due to the additional Maintenance Technician position, COLA and benefit changes per the Local 39 MOU, and increased preventive maintenance at the plant.

The Environmental Compliance division budget increased \$71,235 (48%) primarily based on anticipated increases in outsourced laboratory service fees due to the implementation of new TNI standards. In FY 2017/18, SAM paid for two years of the First Flush program with the San Mateo County RCD. There were no costs budgeted in FY 2018/19 for this program, but there will be in FY 2019/20.

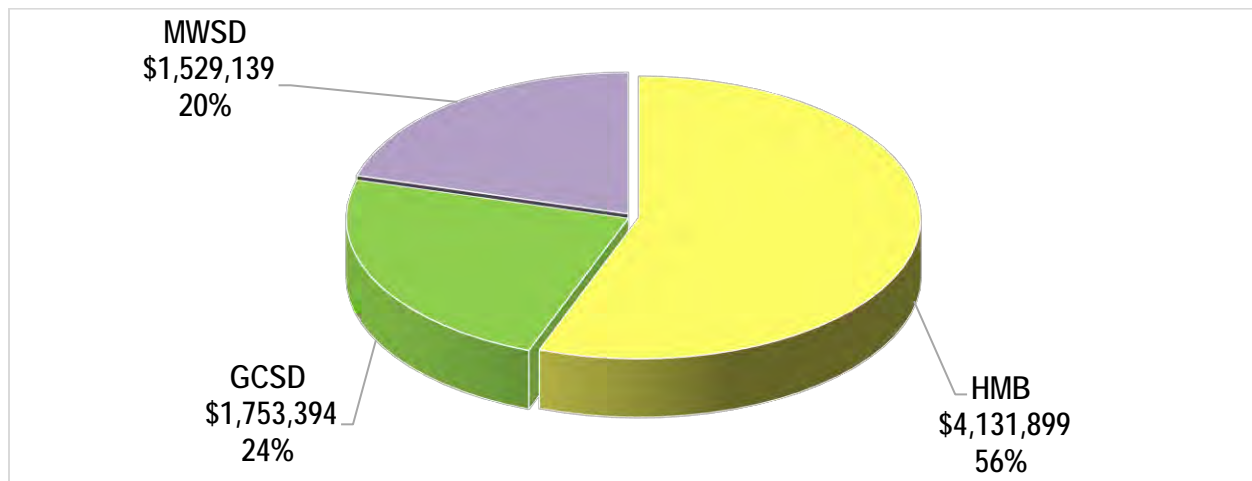
The Infrastructure division increased \$767,500 to address the projects in the 5-Year Capital Improvement Plan, including assessment of the Princeton segment of the Intertie Pipeline System (IPS) and design of the replacement for the Montara to Portola segment of the IPS.

Of the total revenue, the majority (97%) is from assessments paid by the JPA member agencies. The increase of \$1.35 million is to begin design and replacement of the remaining segments of the IPS, starting with the segments from the Montara Pump Station down to the Portola Pump Station. The assessments to the member agencies are (rounded to nearest \$):

Total Assessments for Each Member Agency

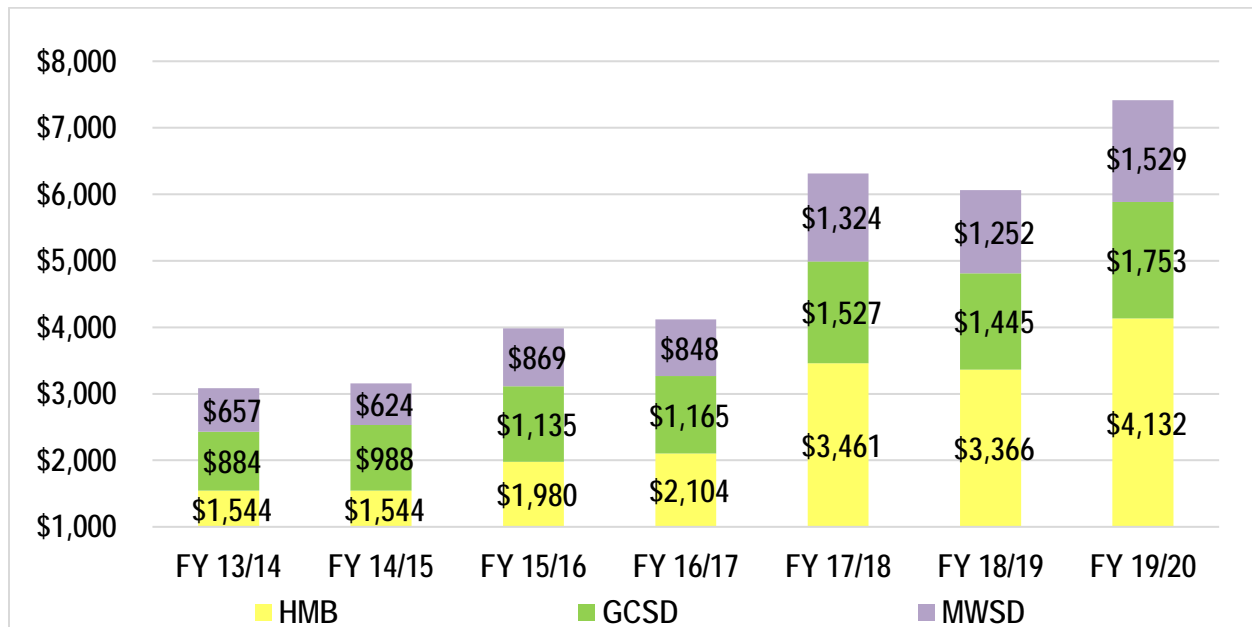
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	\$	%
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Proposed</u>	<u>Change</u>	<u>Change</u>
Half Moon Bay	\$2,103,982	\$3,461,445	\$3,366,042	\$4,131,899	\$ 765,857	23%
GCSD	\$1,164,955	\$1,527,134	\$1,445,332	\$1,753,394	\$ 308,062	21%
MWSD	<u>\$ 848,240</u>	<u>\$1,324,462</u>	<u>\$1,252,372</u>	<u>\$1,529,139</u>	<u>\$ 276,767</u>	<u>22%</u>
Total	\$4,117,177	\$6,313,041	\$6,063,746	\$7,414,433	\$1,350,686	22%

GENERAL BUDGET FISCAL YEAR 2019/20



The member agency assessments are allocated based on flow percentages from the previous calendar year. This allocation varies each year.

Assessments by Agency (in 1,000's)



Staffing at SAM was kept low for many years to reduce the impact on member agency assessments. Recognizing that a significant number of employees have reached or exceeded the CalPERS plan retirement age (55), staffing has been increased as part of succession planning. In addition, the high cost of living makes it difficult for SAM to recruit and retain staff that can meet the requirement to be on standby and respond within 60 minutes. The following table reflects the staffing for SAM functions over the past six years.

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
JPA	8.85	8.85	8.525	10.75	11.00	13.00	14.00

OPERATION & MAINTENANCE TOTAL

(Includes: Administrative Services, Treatment, Environmental Compliance, and Infrastructure)

	FY 2016/17 ACTUAL	FY 2017/18 ACTUAL	FY 2018/19 ADOPTED	FY 2018/19 ESTIMATE	FY 2019/20 PROPOSED	CHANGE FROM FY 2018/19 ORIGINAL
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EXPENDITURES

Personnel

1	Wages	1,138,705	1,225,723	1,421,598	1,351,358	1,626,278	204,680	14%
2	Premium Pay	79,043	73,243	70,110	59,348	85,700	15,590	22%
3	Health Benefits	231,008	255,994	299,467	284,802	343,982	44,515	15%
4	Retirement Cont.	164,725	145,698	258,001	268,208	296,658	38,657	15%
5	Retirement Medical	16,598	22,331	30,773	30,490	35,628	4,855	16%
6	Misc. Benefits	56,719	58,682	87,235	71,355	96,866	9,631	11%
7	Subtotal	1,686,798	1,781,671	2,167,184	2,065,562	2,485,113	317,929	15%

Non-Personnel

8	Legal Services	52,254	98,537	56,500	200,407	102,500	46,000	81%
9	Engineering Services	244,106	292,396	102,000	172,794	467,000	365,000	358%
10	Professional Services	717,325	680,764	802,000	1,037,756	749,809	(52,191)	-7%
11	Prof. Memberships	37,697	38,670	35,100	31,374	33,100	(2,000)	-6%
12	Insurance Premiums	26,251	205,646	51,000	63,071	63,000	12,000	24%
13	Misc. Expenses	107,160	44,656	79,640	37,102	42,723	(36,917)	-46%
14	Utilities	537,117	425,533	504,730	515,299	519,758	15,028	3%
15	Travel & Training	13,217	16,054	42,450	33,689	43,600	1,150	3%
16	Equipment Rental	77,655	169,149	60,000	85,464	140,500	80,500	134%
17	Bldg & Maint Services	155,141	281,465	159,000	239,775	228,100	69,100	43%
18	Chemicals	132,592	131,994	134,000	179,932	184,000	50,000	37%
19	Permits & Licenses	30,923	51,194	33,000	29,643	33,000	-	0%
20	Supplies	68,974	61,412	51,680	95,195	105,031	53,351	103%
21	Equipment	118,034	1,067,664	331,000	505,063	398,500	67,500	20%
22	Infrastructure Projects	48,500	1,952,693	1,332,500	1,192,500	2,035,000	702,500	53%
23	Claims/Penalties	300,330	-	5,000	3,256	3,500	(1,500)	-30%
24	Subtotal	2,667,276	5,517,827	3,779,600	4,422,318	5,149,120	1,369,520	36%
25	TOTAL	4,354,074	7,299,498	5,946,784	6,487,880	7,634,233	1,687,449	28%

Key Changes

Additional Maintenance position effective 7/1/19 for succession purposes	\$ 112,181
COLA 5% effective 7/1/19 and applicable step increases	\$ 152,269
PERS unfunded liability increase effective 7/1/19	\$ 35,559
Increase contributions to medical, dental, vision premiums	\$ 17,920
Additional legal costs for on-going litigation	\$ 46,000
Increase supplies and services 4% for CPI	\$ 171,020
Engineering costs for CIP projects	\$ 450,000
CIP projects as described in 5-Year Plan (less engineering costs)	\$ 702,500
	\$ 1,687,449

OPERATION & MAINTENANCE TOTAL

(Includes: Administrative Services, Treatment, Environmental Compliance, and Infrastructure)

	FY 2016/17 ACTUAL	FY 2017/18 ACTUAL	FY 2018/19 ADOPTED	FY 2018/19 ESTIMATE	FY 2019/20 PROPOSED	CHANGE FROM FY 2018/19 ORIGINAL
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REVENUE

By Type:

26 JPA Assessments	4,117,177	6,313,041	6,063,747	6,391,746	7,414,433	1,350,686	22%
27 Contract Services	-	-	-	-	-	-	0%
28 NDWSCP Fees	86,642	109,238	126,525	149,347	149,800	23,275	18%
29 Misc. Fees	-	-	-	-	-	-	0%
30 Interest Earnings	8,950	20,184	6,500	19,680	20,000	13,500	208%
31 Misc. Revenue	34,375	66,827	500	140,516	70,500	70,000	14000%
32 To/(From) Reserves	-	-	-	-	-	-	0%
33	4,247,144	6,509,290	6,197,272	6,701,289	7,654,733	1,457,461	24%

By Agency:

34 Half Moon Bay	2,103,982	3,461,445	3,366,042	3,547,754	4,131,899	765,857	23%
35 Granada CSD	1,164,955	1,527,134	1,445,332	1,524,052	1,753,394	308,062	21%
36 Montara WSD	848,240	1,324,462	1,252,372	1,319,940	1,529,139	276,767	22%
37	4,117,177	6,313,041	6,063,747	6,391,746	7,414,433	1,350,686	22%

Key Changes

Assessments reflect increased funding for infrastructure projects, maintenance, staff	1,350,686
Increased leachate deliveries per contract	23,275
Increase in interest earnings	13,500
Overhead revenue from Contract Services	70,000
Set aside funds for IPS projects	-
	1,457,461

Authorized Positions:

<i>Operating Fund FTE</i>	10.75	11.00	13.00	13.00	14.00	1.00	8%
<i>Other Funds FTE</i>	-	-	-	-	-	-	-
	10.75	11.00	13.00	13.00	14.00	1.00	8%

OPERATION & MAINTENANCE



PROGRAM DESCRIPTION

This section of the budget provides the service descriptions and performance metrics for the different Operation & Maintenance (O & M) functions by division. O & M (Administrative Services, Treatment, Environmental Compliance, and Infrastructure) staffing remained static until 2016/17. In FY 2016/17, the cost for staff that supervise and provide support for the contract collection services was reallocated to keep the JPA staff independent of the contract staff. This was to clearly identify which staff might be affected if the contract services were terminated. The following staffing summary reflects the historical cost allocation of staff in O & M.

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
JPA	8.85	8.85	8.85	8.525	10.75	10.50	13.00	14.00

The Joint Exercise of Powers Agreement (JEPA) stipulates that the total expenses of operation and maintenance of all of the components of the Present Project (intertie pipeline and attendant pump facilities, ocean outfall, treatment plant) shall be shared in a manner based on flows.

Operation & Maintenance Flow Calculations

	HMB	GCSD	MWSD	
FY 2019/20	55.7%	23.6%	20.6%	(Based on Calendar Year 2018)
FY 2018/19	<u>55.4%</u>	<u>24.0%</u>	<u>20.6%</u>	(Based on Calendar Year 2017)
Variance	0.3%	-0.4%	0.0%	

FINANCIAL DETAILS

The following is a list of budget categories, what is included in each category, and the changes between the FY 2018/19 and 2019/20 budgets.

GENERAL BUDGET FISCAL YEAR 2019/20

<u>Budget Line #</u>	<u>FY 2018/19</u>	<u>FY 2019/20</u>
1. Wages Increased for COLA adjustments and step increases per MOU and Unrepresented Employee Manual. Includes the addition of one Maintenance Technician.	\$1,421,597	\$1,626,278
2. Premium Pay Overtime paid for staff to perform tasks outside of normal work times.	\$70,110	\$85,700
3. Health Benefits The cost of medical, dental, and vision benefits provided to employees based on the MOU and Unrepresented Employees Manual. Includes the addition of one Maintenance Technician.	\$299,467	\$343,982
4. Retirement Contributions SAM pays the employer contribution to CalPERS for retirement benefits in compliance with PEPRA.	\$258,026	\$296,658
5. Retirement Medical Includes contributions to a Health Retirement Account for future retirees as well as current retiree medical premiums.	\$30,773	\$35,628
6. Misc. Benefits Includes Medicare, long-term and short-term disability, workers compensation, and matching funds to a 457 plan. Includes the addition of one Maintenance Technician.	\$87,235	\$96,866
7. Personnel Subtotal Subtotal of all wage and benefit costs.	\$2,167,234	\$2,485,113
8. Legal Services Increased based on anticipated number of meetings and special projects. Does not include funds for defense of SAM in the lawsuit by HMB.	\$46,500	\$56,500
9. Engineering Services Increased to provide technical design and project management related to infrastructure projects.	\$102,000	\$467,000

GENERAL BUDGET FISCAL YEAR 2019/20

<u>Budget Line #</u>	<u>FY 2018/19</u>	<u>FY 2019/20</u>
10. Professional Services Includes ongoing services that are specialized and need to be performed by consultants rather than staff.	\$802,000	\$749,809
11. Professional Membership Includes memberships in professional organizations for SAM and employees that keeps them current in industry practices and improves how SAM serves the community.	\$35,100	\$33,100
12. Insurance Premiums Property, liability, and pollution premiums based on utilization rates.	\$51,000	\$63,000
13. Misc. Expenses Includes incidental expenses (uniforms laundry services, radio and alarm systems, offsite storage, postage, claims, copier, phone system support, property taxes, etc.) not reflected in other categories.	\$79,640	\$42,723
14. Utilities Electricity, water, telephone, solid waste, etc. Increased to reflect anticipated rate changes.	\$504,730	\$519,758
15. Travel & Training Training and travel related costs for attendance at industry conferences and seminars, and other related events to allow staff to keep current on technical skills and industry best practices.	\$42,450	\$43,600
16. Equipment Rental/Lease Short-term rental or lease of equipment (generators, storage tanks, etc.).	\$60,000	\$140,500
17. Building & Maintenance Services Includes janitorial, landscaping, and other regular building maintenance services.	\$159,000	\$228,100
18. Chemicals Includes chemicals used in the treatment of wastewater to meet regulatory standards.	\$134,000	\$184,000

GENERAL BUDGET FISCAL YEAR 2019/20

<u>Budget Line #</u>	<u>FY 2018/19</u>	<u>FY 2019/20</u>
19. Permits & Licenses Annual costs for permits with local, regional and state agencies. Increase reflects anticipated changes in fees.	\$33,000	\$33,000
20. Supplies Office, computer, breakroom, and safety supplies.	\$51,680	\$105,031
21. Equipment Purchase Purchase of equipment for repair and rehabilitation of SAM facilities not included in infrastructure projects.	\$331,000	\$398,500
22. Infrastructure Projects Contract construction costs are included in this category. Includes costs associated with projects that exceed \$50,000 each.	\$1,332,500	\$2,035,000
23. Claims/Penalties Decreased to reflect claim experience.	\$5,000	\$3,500
24. Non-Personnel Subtotal Subtotal of all costs not associated with wages and benefits.	\$3,779,600	\$5,149,120
25. Total Total of all costs (sum of Personnel and Non-Personnel subtotals).	\$5,947,273	\$7,634,233

ADMINISTRATIVE SERVICES

By Category

	FY 2016/17 ACTUAL	FY 2017/18 ACTUAL	FY 2018/19 ADOPTED	FY 2018/19 ACTUAL	FY 2019/20 PROPOSED	CHANGE FROM FY 2018/19 ORIGINAL
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EXPENDITURES

Personnel

1	Wages	459,592	481,408	506,020	395,594	522,759	16,739	3%
2	Premium Pay	-	1,896	200	9,888	7,600	7,400	3700%
3	Health Benefits	68,829	87,037	93,840	72,485	98,532	4,692	5%
4	Retirement Cont.	44,599	62,917	106,996	98,266	112,318	5,322	5%
5	Retirement Medical	13,441	13,184	17,040	15,661	19,172	2,132	13%
6	Misc. Benefits	21,295	18,812	22,364	19,295	25,207	2,843	13%
7	Subtotal	607,756	665,254	746,460	611,189	785,588	39,128	5%

Non-Personnel

8	Legal Services	52,254	93,089	56,500	195,207	102,500	46,000	81%
9	Engineering Services	7,244	-	2,000	-	2,000	-	0%
10	Professional Services	177,172	94,563	108,950	305,371	165,631	56,681	52%
11	Prof. Memberships	26,512	27,586	25,000	25,000	25,000	-	0%
12	Insurance Premiums	26,251	205,646	51,000	63,071	63,000	12,000	24%
13	Misc. Expenses	25,407	13,034	27,840	14,870	16,751	(11,089)	-40%
14	Utilities	26,043	19,382	20,180	27,466	25,200	5,020	25%
15	Travel & Training	9,081	7,444	16,500	16,689	17,500	1,000	6%
16	Equipment Rental	9,638	13,567	10,000	10,089	10,500	500	5%
17	Bldg & Maint Services	15,517	11,511	37,000	22,871	10,500	(26,500)	-72%
18	Chemicals	-	-	-	-	-	-	0%
19	Permits & Licenses	-	-	-	-	-	-	0%
20	Supplies	10,468	4,770	8,229	6,069	9,280	1,051	13%
21	Equipment	5,798	-	20,000	27,808	12,500	(7,500)	-38%
22	Infrastructure Projects	-	-	-	-	-	-	0%
23	Claims/Penalties	300,330	-	5,000	3,256	3,500	(1,500)	-30%
24	Subtotal	691,715	490,592	388,199	717,768	463,863	75,664	19%

25	TOTAL	1,299,471	1,155,846	1,134,659	1,328,957	1,249,451	114,792	10%
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Key Changes

COLA 5% effective 7/1/19 and applicable step increases	16,739
Increase contributions to medical, dental, vision premiums and misc. benefits	14,935
PERS unfunded liability increase effective 7/1/19	5,322
Additional legal costs for on-going litigation	46,000
Increase professional services for outside accounting services	56,681
Increase utilities, supplies, misc. expenses by 4% CPI	21,703
Eliminate one-time expenses in FY 2018/19	(46,589)
Total	114,792

ADMINISTRATIVE SERVICES

By Category

	FY 2016/17 ACTUAL	FY 2017/18 ACTUAL	FY 2018/19 ADOPTED	FY 2018/19 ACTUAL	FY 2019/20 PROPOSED	CHANGE FROM FY 2018/19 ORIGINAL
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REVENUE

By Type:

26 JPA Assessments	991,864	816,375	1,128,147	1,388,147	1,249,451	121,304	11%
27 Contract Services	-	-	-	-	-	-	0%
28 NDWSCP Fees	-	-	-	-	-	-	0%
29 Misc. Fees	-	-	-	-	-	-	0%
30 Interest Earnings	8,950	20,184	6,500	19,680	20,000	13,500	208%
31 Misc. Revenue	34,375	66,827	500	500	500	-	0%
32 (From) Reserves	-	-	-	-	-	-	0%
33	1,035,189	903,386	1,135,147	1,408,327	1,269,951	134,804	12%

By Agency:

34 Half Moon Bay	502,565	538,137	624,994	769,034	696,291	71,297	11%
35 Granada CSD	284,951	55,561	270,755	333,155	295,475	24,720	9%
36 Montara WSD	204,348	222,677	232,398	285,958	257,684	25,286	11%
37	991,864	816,375	1,128,147	1,388,147	1,249,451	121,304	11%

Key Changes

Assessments reflect increased funding for wages, benefits, and legal services	\$ 121,304
Increase in interest earnings	\$ 13,500
	134,804

Authorized Positions:

<i>Operating Fund FTE</i>	3.50	4.00	4.00	4.00	4.00	-	0%
<i>Other Funds FTE</i>	-	-	-	-	-	-	0%
	3.50	4.00	4.00	4.00	4.00	-	0%

ADMINISTRATIVE SERVICES DIVISION



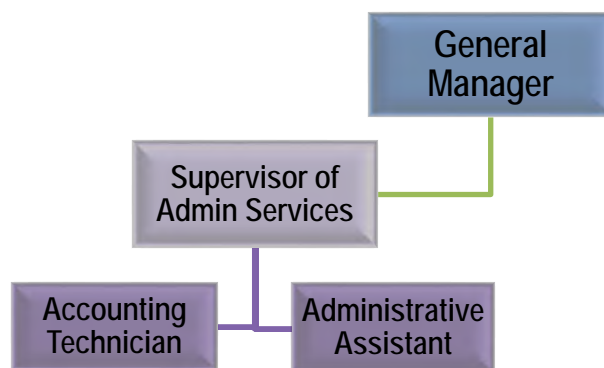
PROGRAM DESCRIPTION

The Administrative Services division provides administrative and financial support to the Board of Directors, the General Manager and all SAM divisions. Its function includes: overall planning and coordination of SAM activities, including finance, human resources, and risk management; management of SAM's information systems and web site; and Board services. There is little public contact by office staff. Contact with member agency staff and vendors is often coordinated via Administrative Services and information management is a significant role.

This division is responsible for all payroll related items including wage and benefits administration, CalPERS reporting, recruitment, employee relations, training, as well as administration of the District's self-insurance and loss prevention programs.

The financial staff in Administrative Services is responsible for maintaining detailed financial records; accounts payable processing; issuing, tracking and collection of accounts receivables; payroll processing; employee benefits accounting; fixed asset management; financial planning; budget development; debt administration; centralized procurement; coordination of the District's audits.

Administrative Services operations are managed by the Supervisor Administrative Services. The following organizational chart reflects the reporting structure for this division.



The following staffing summary reflects the historical cost allocation for this division.

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
JPA	4.00	4.00	3.93	3.98	4.00	3.50	4.00	4.00

FINANCIAL DETAILS

The following is a list of key budget categories, what is included in each category, and the changes between the FY 2017/18 and 2018/19 budgets.

Budget Line #		FY 2018/19	FY 2019/20
1.	Wages Increased for COLA adjustments and step increases per MOU and Unrepresented Employees Manual. Includes wages for staff allocated to this division and the fees paid to SAM Directors for days of service.	\$506,020	\$522,759
2.	Premium Pay Overtime paid for staff to perform tasks outside of normal work times.	\$200	\$7,600
3.	Health Benefits Increased to reflect the cost of medical, dental, and vision benefits provided to employees based on the MOU and Unrepresented Employees Manual.	\$93,840	\$98,532
4.	Retirement Contributions SAM pays the employer contribution to CalPERS for retirement benefits in compliance with PEPRA.	\$106,996	\$112,318

GENERAL BUDGET FISCAL YEAR 2019/20

<u>Budget Line #</u>	<u>FY 2018/19</u>	<u>FY 2019/20</u>
5. Retirement Medical Includes contributions to a Health Retirement Account for future retirees as well as current retiree medical premiums.	\$17,040	\$19,172
6. Misc. Benefits Includes Medicare, long-term and short-term disability, workers compensation, and matching funds to a 457 plan.	\$22,364	\$25,207
7. Personnel Subtotal Subtotal of all costs associated with SAM staff wages and benefits	\$746,460	\$785,588
8. Legal Services Increased based on anticipated number of meetings and special projects. Does not include funds for defense of SAM in the lawsuit by HMB.	\$56,500	\$102,500
9. Engineering Services Increased to provide general support unrelated to infrastructure or maintenance projects.	\$2,000	\$2,000
10. Professional Services Includes ongoing services that are specialized and need to be performed by consultants rather than staff. Assumes a 4% CPI increase to these services.	\$108,950	\$165,631
11. Professional Membership Includes memberships in professional organizations for SAM and employees that keeps them current in industry practices and improves how SAM serves the community.	\$25,000	\$25,000
12. Insurance Premiums Property, liability, and pollution premiums based on utilization rates.	\$51,000	\$63,000
13. Misc. Expenses Incidental expenses (offsite storage, postage, claims, phone system, etc.) not reflected in other categories.	\$27,840	16,751

GENERAL BUDGET FISCAL YEAR 2019/20

<u>Budget Line #</u>	<u>FY 2018/19</u>	<u>FY 2019/20</u>
14. Utilities Electricity, water, telephone, internet connections, etc. based on FY 2017/18 projections and anticipated rate changes.	\$20,180	\$25,200
15. Travel & Training Training and travel related costs for attendance at industry conferences and seminars, and other related events to allow staff to keep current on technical skills and industry best practices.	\$16,500	\$17,500
16. Equipment Rental Short-term rental of equipment for less than a fiscal year and annual cost of multi-year leased equipment (copier, phones, etc.).	\$10,000	\$10,500
17. Building & Maintenance Services Includes janitorial, landscaping, and other regular building maintenance services.	\$37,000	\$10,500
18. Chemicals There are no chemical costs charged to Administrative Services.	\$0	\$0
19. Permits & Licenses There are no permit and license costs charged to Administrative Services.	\$0	\$0
20. Supplies Office, computer, breakroom, and general supplies.	\$8,229	\$9,280
21. Equipment Purchase of replacement computers, small office and ergonomic equipment.	\$20,000	\$12,500
22. Infrastructure Projects Contract construction costs for projects that exceed \$50,000 each.	\$0	\$0
23. Claims/Penalties Decreased to reflect claim experience.	\$5,000	\$3,500

GENERAL BUDGET FISCAL YEAR 2019/20

Budget Line #	FY 2017/18	FY 2018/19
24. Non-Personnel Subtotal Subtotal of all costs not associated with wages and benefits.	\$388,688	\$463,863
25. Total Total of all costs for Administrative Services (sum of Personnel and Non-Personnel subtotals).	\$1,134,659	\$1,249,451

The significant changes in the Administrative Services division from the Adopted Budget for FY 2018/19 included in the FY 2019/20 budget are as follows.

1. Increased the retirement contributions budget to CalPERS for classic employees based on projected rate changes and blended with PEPRA rates.
2. Increased legal services to account for litigation and special projects.

GOALS

- Provide effective and efficient administrative support to the Board and other divisions.
- Maintain responsive and efficient customer service.
- Ensure that SAM is protected against loss through risk and claim management.
- Manage information systems, web site, and social media pages.
- Review administrative, financial, and personnel policies each year for compliance and relevance.

ACHIEVEMENTS

- Submitted the Annual Financial and Salary & Compensation reports to the State Controller's Office by the deadline.
- Implemented objectives identified in the SAM Strategic Plan.
- Reviewed and updated administrative, financial, and personnel policies.
- Presented budget to Board and member agencies by deadlines.

PROGRAM OBJECTIVES

- Manage the processing and review of SAM contracts.
- Maintain records of benefits, including employee leave balances, retirement contributions, and employer-provided insurance policies.
- Recruit and retain highly qualified candidates for vacant positions.
- Maintain up-to-date personnel files.
- Provide on-going clarifications of definitions and conditions of employment.

GENERAL BUDGET FISCAL YEAR 2019/20

- Evaluate personnel policies and procedures and make appropriate revisions.
- Process employee payroll per employee contracts. Process accounts payable on a weekly basis. Issue, track and collect accounts receivable.
- Maintain accounting files on Capital Improvement projects and Fixed Assets.
- Provide monthly budget reports each month.
- Conform with GAAP (Generally Accepted Accounting Principles).
- Manage and prioritize division activities on an ongoing basis.
- Work with other divisions to implement procedures that result in cost savings, increased efficiencies, and improved customer service.
- Provide general administrative support to all divisions for centralized services.
- Efficiently and effectively manage information technology and systems, including the SAM website and social media sites.

PERFORMANCE MEASURES

- Submit the Annual Financial and Salary & Compensation reports to the State Controller's Office by the deadline.
- Implement objectives identified in the SAM Strategic Plan.
- Review and update, as necessary, administrative, financial, and personnel policies.
- Complete annual audit and present it to the Board no later than December 31.
- Present budget to Board and member agencies in a timely manner.

TREATMENT
By Category

	FY 2016/17 ACTUAL	FY 2017/18 ACTUAL	FY 2018/19 ADOPTED	FY 2018/19 ACTUAL	FY 2019/20 PROPOSED	CHANGE FROM FY 2018/19 ORIGINAL	
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EXPENDITURES

Personnel

1	Wages	608,420	711,375	878,692	924,075	1,063,771	185,079	21%
2	Premium Pay	77,787	70,432	69,095	49,169	77,500	8,405	12%
3	Health Benefits	152,910	163,163	199,410	206,989	240,000	40,590	20%
4	Retirement Cont.	109,564	78,267	142,110	161,988	175,000	32,890	23%
5	Retirement Medical	2,914	8,645	13,180	14,367	15,957	2,777	21%
6	Misc. Benefits	32,627	38,234	62,571	50,513	69,435	6,864	11%
7	Subtotal	984,222	1,070,116	1,365,058	1,407,101	1,641,663	276,605	20%

Non-Personnel

8	Legal Services	-	-	-	-	-	-	0%
9	Engineering Services	42,223	129,141	15,000	86,597	15,000	-	0%
10	Professional Services	483,086	446,662	432,500	471,511	466,600	34,100	8%
11	Prof. Memberships	11,185	11,084	10,000	6,374	8,000	(2,000)	-20%
12	Insurance Premiums	-	-	-	-	-	-	0%
13	Misc. Expenses	33,532	18,860	41,200	15,260	18,367	(22,833)	-55%
14	Utilities	511,074	406,151	484,500	487,832	494,500	10,000	2%
15	Travel & Training	4,111	8,385	22,500	16,500	22,500	-	0%
16	Equipment Rental	68,017	155,582	50,000	75,375	130,000	80,000	160%
17	Bldg & Maint Services	139,624	269,954	122,000	216,903	217,600	95,600	78%
18	Chemicals	124,950	129,656	130,000	171,074	175,000	45,000	0%
19	Permits & Licenses	30,923	51,194	33,000	25,377	33,000	-	0%
20	Supplies	52,638	47,677	31,200	68,741	73,650	42,450	136%
21	Equipment	64,746	200,273	208,000	179,711	383,000	175,000	84%
22	Infrastructure Projects	-	-	-	-	-	-	0%
23	Claims/Penalties	-	-	-	-	-	-	0%
24	Subtotal	1,566,109	1,874,619	1,579,900	1,821,255	2,037,217	457,317	29%
25	TOTAL	2,550,331	2,944,735	2,944,958	3,228,356	3,678,880	733,922	25%

Key Changes

Additional Maintenance Technician	\$ 112,181
COLA, applicable step increases, CalPERS rate changes	\$ 164,424
Engineering: technical support for small repair projects	\$ -
Professional Services: preventive maintenance	\$ 34,100
Building maintenance services for small (<\$50k) projects	\$ 95,600
Replace equipment and vehicles that are beyond useful life	\$ 175,000
Increase services, supplies, chemicals, etc. by 4% CPI	\$ 152,617
Total	\$ 733,922

TREATMENT
By Category

FY 2016/17 ACTUAL	FY 2017/18 ACTUAL	FY 2018/19 ADOPTED	FY 2018/19 ACTUAL	FY 2019/20 PROPOSED	CHANGE FROM FY 2018/19 ORIGINAL
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REVENUE

By Type:

26 JPA Assessments	2,209,193	2,562,043	2,821,458	2,821,458	3,461,880	640,422	23%
27 Contract Services	-	-	-	-	-	-	0%
28 NDWSCP Fees	86,643	91,535	123,500	146,775	147,000	23,500	19%
29 Misc. Fees	-	-	-	-	-	-	0%
30 Interest Earnings	-	-	-	-	-	-	0%
31 Misc. Revenue	-	-	-	140,016	70,000	70,000	0%
32 (From) Reserves	-	-	-	-	-	-	0%
33	2,295,836	2,653,578	2,944,958	3,108,249	3,678,880	733,922	25%

By Agency:

34 Half Moon Bay	1,138,924	1,364,809	1,566,767	1,566,767	1,929,229	362,462	23%
35 Granada CSD	645,762	671,255	671,582	671,582	818,679	147,097	22%
36 Montara WSD	424,507	525,979	583,109	583,109	713,972	130,863	22%
37	2,209,193	2,562,043	2,821,458	2,821,458	3,461,880	640,422	23%

Key Changes

Assessments reflect increased funding for wages, benefits, and small repair projects	640,422
Increased leachate deliveries per contract	23,500
Overhead revenue from Contract Services	70,000
	733,922

Authorized Positions:

<i>Operating Fund FTE</i>	6.25	6.50	8.75	8.75	9.75	1.00	11%
<i>Other Funds FTE</i>	-	-	-	-	-	-	0%
	6.25	6.50	8.75	8.75	9.75	1.00	11%

TREATMENT DIVISION

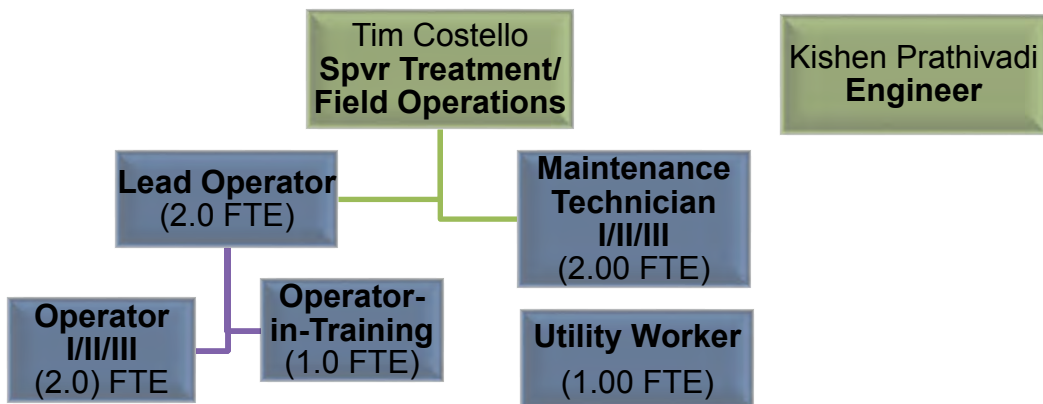


PROGRAM DESCRIPTION

The Treatment division is responsible for the safe, economical, and environmentally acceptable treatment and reclamation of all sanitary wastewater flows from the City of Half Moon Bay, Granada Community Services District, and the Montara Water & Sanitary District. The division is responsible for the reliability and integrity of systems and equipment at the Plant and the operation and maintenance of three SAM pump stations and the transmission pipeline. Staff performs predictive and preventive maintenance programs, corrective and rehabilitative maintenance, and in-house equipment and process improvements.

Over recent years we have lost some of the key personal and with that institutional knowledge and ability. While staff is trying to keep up with the current needs of an aging system we have had to bring in people that specialize in certain pieces of equipment as necessary. We are also finding that a growing portion of our equipment no longer has parts available on the primary market which can be problematic at best.

Division services are supervised by the Supervisor of Treatment/Field Operations. The following organizational chart reflects the reporting structure of the division.



GENERAL BUDGET FISCAL YEAR 2019/20

The following staffing summary reflects the historical cost allocation for the division.

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
JPA	4.60	4.60	4.70	4.275	5.95	6.25	8.75	9.75

FINANCIAL HIGHLIGHTS

The following is a list of key budget categories, what is included in each category, and the changes between the FY 2018/19 and 2019/20 budgets.

Budget Line #	FY 2018/19	FY 2019/20
1. Wages Increased for COLA adjustments and merit step increases, where applicable, per MOU; addition of a new Maintenance Technician.	\$878,692	\$1,063,771
2. Premium Pay Overtime paid for staff to perform tasks outside of normal work times as well as standby pay.	\$69,095	\$77,500
3. Health Benefits Increased to reflect new position. The cost of medical, dental, and vision benefits provided to employees based on the MOU or Unrepresented Employees Manual.	\$199,410	\$240,000
4. Retirement Contributions Increased to reflect new position. SAM pays the employer contribution to CalPERS for retirement benefits in compliance with PEPRA.	\$142,110	\$175,000
5. Retirement Medical Increased to reflect new position.	\$13,180	\$15,957
6. Misc. Benefits Increased to reflect new position. Includes Medicare, long-term and short-term disability, and workers compensation.	\$62,571	\$69,435
7. Personnel Subtotal Subtotal of all costs associated with wages and benefits.	\$1,365,058	\$1,641,663
8. Legal Services There are no legal services budgeted to Treatment.	\$0	\$0

GENERAL BUDGET FISCAL YEAR 2019/20

<u>Budget Line #</u>	<u>FY 2018/19</u>	<u>FY 2019/20</u>
9. Engineering Services Specialized services related to small (<\$50,000) projects.	\$15,000	\$15,000
10. Professional Services Services that are specialized and need to be performed by contractors rather than staff (GIS software hosting, electrical maintenance, safety training, permit compliance assistance, SSMP audit and updates, outfall inspection, inspections, SCADA support, etc.).	\$432,500	\$466,600
11. Professional Membership Memberships in professional organizations for SAM and employees that keeps them current in industry practices and improves how SAM serves the community.	\$10,000	\$8,000
12. Insurance Premiums There are no insurance premiums charged to Treatment.	\$0	\$0
13. Misc. Expenses Includes incidental expenses (uniform services, radio and alarm systems, etc.) not captured in other categories. Significant decrease due to new uniform services contract.	\$41,200	\$18,367
14. Utilities Electricity, water, telephone, solid waste, etc. Increased to reflect anticipated rate changes.	\$484,500	\$494,500
15. Travel & Training Training and travel related costs for attendance at industry conferences and seminars, and other related events to allow staff to keep current on technical skills and industry best practices and safety training.	\$22,500	\$22,500
16. Equipment Rental/Lease Short-term rental or lease of equipment (generators, storage tanks, etc.).	\$50,000	\$130,000

GENERAL BUDGET FISCAL YEAR 2019/20

<u>Budget Line #</u>	<u>FY 2018/19</u>	<u>FY 2019/20</u>
17. Building & Maintenance Services Preventive maintenance and emergency repairs on structures and stationary equipment that do not extend the life expectancy of the asset. Includes small (<\$50,000) repair projects.	\$122,000	\$217,600
18. Chemicals Includes chemicals (sodium hypochlorite, polymer, ferric chloride) used in the treatment of wastewater to meet regulatory standards.	\$130,000	\$175,000
19. Permits & Licenses Annual costs for permits with local, regional and state agencies.	\$33,000	\$33,000
20. Supplies Office, computer, safety, and general supplies.	\$31,200	\$73,650
21. Equipment Purchase of equipment for repair and rehabilitation of SAM facilities not captured in infrastructure projects.	\$208,000	\$383,000
22. Infrastructure There are no project costs budgeted to Treatment. These costs are generally reflected in the Infrastructure division and exceed \$50,000 per project.	\$0	\$0
23. Claims/Penalties There are no claims/penalties budgeted to Treatment.	\$0	\$0
24. Non-Personnel Subtotal Subtotal of all costs not associated with wages and benefits.	\$1,579,900	\$2,037,217
25. Total Total of all costs for Treatment (sum of Personnel and Non-Personnel subtotals).	\$2,944,958	\$3,678,880

The significant changes in the Treatment division from FY 2018/19 included in the FY 2019/20 budget are:

GENERAL BUDGET FISCAL YEAR 2019/20

1. Add one new Maintenance Technician to address workload and standby needs as well as succession planning.
2. Increased the retirement contributions budget to CalPERS for classic employees based on projected rate changes and blended with PEPRA rates.
3. Small (<\$50k) repair/replace projects at plant and pump stations.
4. Increased funds for preventive maintenance on electrical, pumps, and other key equipment.

GOALS

- Operate the wastewater system for current and future customers with safe, efficient, and cost-effective treatment services.
- Achieve 100% compliance with all NPDES limits for conventional pollutants.
- Maintain appropriate capacities and effective operations and assure no spills or overflows at SAM facilities.
- Maintain SAM facilities at a level that assures uninterrupted quality service and no process interruptions due to equipment failures.
- Promote the development and education of staff to assure the ongoing ability to operate, maintain, troubleshoot and repair all systems and equipment.
- Maintain equipment and facilities to improve reliability and reduce operating and maintenance costs.

HIGHLIGHTS

- Performed process related laboratory analysis for the Environmental Compliance division on weekends.
- Conducted all required annual safety training programs.
- Administered the Trucked Waste Acceptance Program.
- Worked to optimize processes to improve reliability.
- Developed and implemented standard operating procedures (SOPs) for operations and maintenance functions.
- Purchased and implemented new computer maintenance management system to replace outdated system.

PROGRAM OBJECTIVES

- Perform required preventive and predictive maintenance to eliminate spills, overflows, bypasses, or discharge permit violations, and to minimize the possibility of equipment breakdowns
- Promote comprehensive training of division personnel.

GENERAL BUDGET FISCAL YEAR 2019/20

- Continue to promote and provide a safe and healthy environment for all staff, contractors, and community.
- Develop and implement maintenance plan for routine maintenance on all equipment.

PERFORMANCE MEASURES

- Meet all effluent quality targets described in the NPDES permit.
- Perform all routine maintenance tasks in a timely manner.

ENVIRONMENTAL COMPLIANCE

By Category

	FY 2016/17 ACTUAL	FY 2017/18 ACTUAL	FY 2018/19 ADOPTED	FY 2018/19 ACTUAL	FY 2019/20 PROPOSED	CHANGE FROM FY 2018/19 ORIGINAL
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EXPENDITURES

Personnel

1	Wages	55,899	32,940	36,886	31,689	39,748	2,862	8%
2	Premium Pay	1,256	915	815	291	600	(215)	-26%
3	Health Benefits	7,281	5,794	6,217	5,328	5,450	(767)	-12%
4	Retirement Cont.	9,812	4,514	8,895	7,954	9,340	445	5%
5	Retirement Medical	227	502	553	461	500	(53)	-10%
6	Misc. Benefits	2,434	1,636	2,300	1,548	2,223	(76)	-3%
7	Subtotal	76,909	46,301	55,666	47,271	57,861	2,195	4%

Non-Personnel

8	Legal Services	-	-	-	-	-	-	0%
9	Engineering Services	-	-	-	-	-	-	0%
10	Professional Services	57,067	79,753	60,550	60,874	117,578	57,028	94%
11	Prof. Memberships	-	-	100	-	100	-	0%
12	Insurance Premiums	-	-	-	-	-	-	0%
13	Misc. Expenses	550	12,474	10,600	6,972	7,605	(2,995)	-28%
14	Utilities	-	-	50	0	57	7	15%
15	Travel & Training	25	225	3,450	500	3,600	150	4%
16	Equipment Rental	-	-	-	-	-	-	0%
17	Bldg & Maint Services	-	-	-	-	-	-	0%
18	Chemicals	7,642	2,338	4,000	8,858	9,000	5,000	125%
19	Permits & Licenses	-	-	-	-	-	-	0%
20	Supplies	5,868	8,965	12,251	20,384	22,101	9,850	80%
21	Equipment	7,490	1,587	3,000	-	3,000	-	0%
22	Infrastructure Projects	-	-	-	-	-	-	0%
23	Claims/Penalties	-	-	-	-	-	-	0%
24	Subtotal	78,642	105,342	94,001	97,588	163,041	69,040	73%
25	TOTAL	155,551	151,643	149,667	144,859	220,902	71,235	48%

Key Changes

COLA, applicable step increases, CalPERS rate changes	\$ 2,195
4% CPI increase for utilities, services, and supplies	\$ 12,040
Professional Services: First Flush Annual Program and Outreach support	\$ 45,000
Pilarcitos Creek Meter Support	\$ 12,000
Total	\$ 71,235

ENVIRONMENTAL COMPLIANCE

By Category

FY 2016/17 ACTUAL	FY 2017/18 ACTUAL	FY 2018/19 ADOPTED	FY 2018/19 ACTUAL	FY 2019/20 PROPOSED	CHANGE FROM FY 2018/19 ORIGINAL
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REVENUE

By Type:

26 JPA Assessments	170,045	162,064	146,642	146,641	218,102	71,460	49%
27 Contract Services	-	-	-	-	-	-	0%
28 NDWSCP Fees	(1)	17,703	3,025	2,572	2,800	(225)	-7%
29 Misc. Fees	-	-	-	-	-	-	0%
30 Interest Earnings	-	-	-	-	-	-	0%
31 Misc. Revenue	-	-	-	-	-	-	0%
32 (From) Reserves	-	-	-	-	-	-	0%
33	170,044	179,767	149,667	149,213	220,902	71,235	48%

By Agency:

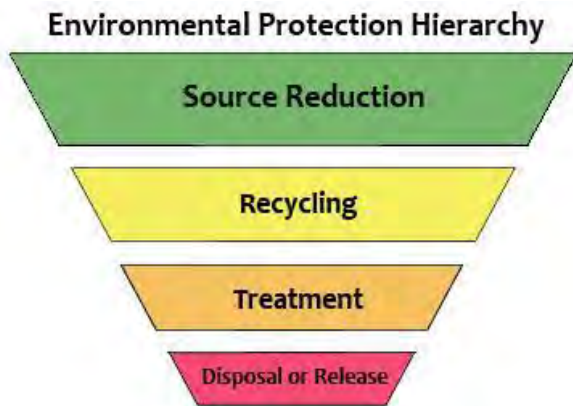
34 Half Moon Bay	66,605	84,597	81,720	81,720	121,544	39,823	49%
35 Granada CSD	37,765	42,461	34,678	34,678	51,578	16,899	49%
36 Montara WSD	65,675	35,006	30,243	30,243	44,981	14,738	49%
37	170,045	162,064	146,642	146,641	218,102	142,696	97%

Key Changes

Authorized Positions:

<i>Operating Fund FTE</i>	0.50	0.25	0.25	0.25	0.25	-	0%
<i>Other Funds FTE</i>	-	-	-	-	-	-	0%
	0.50	0.25	0.25	0.25	0.25	-	0%

ENVIRONMENTAL COMPLIANCE DIVISION



PROGRAM DESCRIPTION

The Environmental Compliance division provides services and oversight in four areas: National Pollutant Discharge Elimination System (NPDES) permit compliance, Laboratory Operations, Non-Domestic Waste Source Control (NDWSCP) Program, and Pollution Prevention (P2) Program. NPDES permit compliance involves maintaining compliance with permit parameters, implementing investigations and additional sampling programs to address specific pollutants, developing action plans to reduce these pollutants and reporting levels of progress to the Regional Board. The in-house laboratory conducts analyses of various plant samples for process control, some NPDES permit parameters, and special projects as needed. We do contract with outside lab analysis for NPDES requirements that our in-house lab is not certified to do to be in compliance with ELPA, (Environmental Lab Accreditation Program).

The NDWSC Program includes evaluating facilities and dischargers within SAM’s service area that could adversely affect the SAM collection system and/or treatment plant, evaluating discharge permit applications and issuing permits, performing inspections, sampling and monitoring and conducting enforcement when needed. The P2 Program focuses on educating commercial businesses and residents on pollutants that are harmful to the collection system, treatment plant and the environment, including fats, oils, and grease (F.O.G.), and how to reduce or eliminate them. Public information, plant tours, and participation in outreach activities are significant elements.

Division functions are supervised by the Operations Superintendent. The following organizational chart reflects the reporting structure of the division.



GENERAL BUDGET FISCAL YEAR 2019/20

The following staffing summary reflects the historical cost allocation for the division.

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
JPA	0.25	0.25	0.225	0.275	0.50	0.25	0.25	0.25

FINANCIAL HIGHLIGHTS

The following is a list of key budget categories, what is included in each category, and the changes between the FY 2017/18 and 2018/19 budgets.

Budget Line #		FY2018/19	FY 2019/20
1.	Wages Increased for COLA adjustments.	\$36,886	\$39,748
2.	Premium Pay Special compensation for certification above that required by the position.	\$815	\$600
3.	Health Benefits The cost of medical, dental, and vision benefits provided to employees based on the MOU or Unrepresented Employees Manual.	\$6,217	\$5,450
4.	Retirement Contributions SAM pays the employer contribution but no portion of the employee contribution to CalPERS for retirement benefits. SAM is in compliance with PEPRA.	\$8,895	\$9,340
5.	Retirement Medical Increased to reflect contributions in compliance with GASB.	\$553	\$500
6.	Misc. Benefits Includes Medicare, long-term and short-term disability, workers compensation.	\$2,300	\$2,223
7.	Personnel Sub-total Subtotal of all wage and benefit costs.	\$55,666	\$57,861
8.	Legal Services There are no legal services budgeted to EC.	\$0	\$0
9.	Engineering Services There are no engineering costs budgeted to EC.	\$0	\$0

GENERAL BUDGET FISCAL YEAR 2019/20

<u>Budget Line #</u>	<u>FY2018/19</u>	<u>FY 2019/20</u>
10. Professional Services Services that are specialized and must be performed by outside laboratories and consultants (SVCW, laboratories, SMCRCD, event registration, etc.). Change reflects anticipated fee increases based on new TNI standards.	\$60,550	\$117,578
11. Professional Membership The cost of maintaining membership in CWEA.	\$100	\$100
12. Insurance Premiums There are no insurance premiums budgeted to EC.	\$0	\$0
13. Misc. Expenses Includes incidental expenses (outreach materials, postage, etc.) not reflected in other categories.	\$10,600	\$7,605
14. Utilities There are no utility costs budgeted to EC.	\$0	\$0
15. Travel & Training Training and travel related costs for attendance at industry conferences, seminars, and other related events to keep current on technical skills and industry practices and required safety training.	\$3,450	\$3,600
16. Equipment Rental/Lease Short-term rental or lease of equipment (generators, storage tanks, etc.) for less than a fiscal year.	\$0	\$0
17. Building & Maintenance Services There are no building maintenance services budgeted to EC.	\$0	\$0
18. Chemicals Includes chemicals used in the laboratory.	\$4,000	\$9,000
19. Permits & Licenses There are no permits or licenses budgeted to EC.	\$0	\$0

GENERAL BUDGET FISCAL YEAR 2019/20

Budget Line #	FY2018/19	FY 2019/20
20. Supplies Lab and general supplies including materials for biology student field trips to the plant.	\$12,251	\$22,101
21. Equipment Purchase of equipment and tools for the laboratory to replace noncompliant or inoperable equipment.	\$3,000	\$3,000
22. Infrastructure Projects There are no project costs budgeted to EC.	\$0	\$0
23. Claims/Penalties There are no claims or penalties budgeted to EC.	\$0	\$0
24. Non-Personnel Subtotal Subtotal of all costs not associated with wages and benefits.	\$94,001	\$163,041
25. Total Total of all costs for EC (sum of Personnel and Non-Personnel subtotals).	\$149,667	\$220,902

The significant changes in the Environmental Compliance division from the Adopted Budget for FY 2018/19 included in the FY 2019/20 budget are:

1. Increased retirement contributions to CalPERS for classic employees based on projected rate changes.
2. Increased professional services to reflect costs associated with pollution prevention and outreach requirements in new NPDES permit and TNI standards.

GOALS

- Achieve and maintain 100 % compliance with the District's NPDES permit requirements, including the NDWSC and Pollution Prevention (P2) programs.
- Promote and maintain a positive, safe and productive work environment while cultivating a sense of environmental stewardship.
- Promote and maintain representative sampling, perform exceptional analyses and accurately report data collected to evaluate industrial and commercial discharges, the operational status of the treatment plant and the quality of the bio-solids generated.

- Effectively regulate dischargers of industrial, commercial and other types of wastewater to protect the sanitary sewer system, the treatment plant, staff, the public and the environment.
- Effectively implement the Pollution Prevention (P2) Program and provide public outreach to reduce and or prevent the discharge of pollutants to the collection system, treatment plant and the environment; this includes implementing tools to measure the progress of these efforts.
- Effectively build and maintain partnerships with other agencies that have similar requirements and goals (Green Business Program, Household Hazardous Waste/Pharmaceutical Collection, Bay Area Pollution Prevention Group, etc.)
- Maintain Environmental Laboratory Accreditation Program (ELAP) certification for conventional pollutants and coliform bacteria.

ACHIEVEMENTS

- Identified deficiencies in the necessary ELAP certification requirements and implemented necessary changes.
- Performed the annual NDWSC program inspections and sampling at commercial facilities and inspections at food service establishments (FSEs) and dentists in the SAM's service area.
- Conducted classroom tours of the treatment plant for over 280 students.

PROGRAM OBJECTIVES

- Perform all required sampling, inspections, studies and outreach to comply with the District's NPDES permit, NDWSCP and Pollution Prevention programs, F.O.G. program, and process control.
- Maintain compliance with all programs and requirements listed above.
- Maintain ELAP certification for laboratory functions.
- Continue to educate and increase the level of awareness on pollution prevention and water quality issues with the goals of changing behavior and decreasing the volume of pollutants entering the treatment plant and the bay.
- Participate in public outreach activities such as the Half Moon Bay Art & Pumpkin Festival and Pacific Coast Dream Machines.
- Distributed informational materials, brochures, and notices regarding proper discharge of wastes to residents, commercial businesses, and public events.
- Coordinate Plant Tour program for Half Moon Bay High School biology students.

PERFORMANCE MEASURES

- Complete 100% NDWSCP inspections as required by SAM permits.

GENERAL BUDGET FISCAL YEAR 2019/20

- Meet and maintain ELAP compliance requirements.
- Complete all of the necessary annual continued learning units to maintain required Environmental Compliance Inspector and Laboratory Analyst certifications from the California Water Environment Association.

INFRASTRUCTURE

By Category

	FY 2016/17 ACTUAL	FY 2017/18 ACTUAL	FY 2018/19 ADOPTED	FY 2018/19 ACTUAL	FY 2019/20 PROPOSED	CHANGE FROM FY 2018/19 ORIGINAL
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EXPENDITURES

Personnel

1	Wages	14,794	-	-	-	-	0%
2	Premium Pay	-	-	-	-	-	0%
3	Health Benefits	1,988	-	-	-	-	0%
4	Retirement Cont.	750	-	-	-	-	0%
5	Retirement Medical	16	-	-	-	-	0%
6	Misc. Benefits	363	-	-	-	-	0%
7	Subtotal	17,911	-	-	-	-	0%

Non-Personnel

8	Legal Services	-	5,448	-	5,200	-	0%
9	Engineering Services	194,639	163,255	85,000	86,197	450,000	429%
10	Professional Services	-	59,786	200,000	200,000	(200,000)	-100%
11	Prof. Memberships	-	-	-	-	-	0%
12	Insurance Premiums	-	-	-	-	-	0%
13	Misc. Expenses	47,671	288	-	-	-	0%
14	Utilities	-	-	-	-	-	0%
15	Travel & Training	-	-	-	-	-	0%
16	Equipment Rental	-	-	-	-	-	0%
17	Bldg & Maint Services	-	-	-	-	-	0%
18	Chemicals	-	-	-	-	-	0%
19	Permits & Licenses	-	-	-	4,266	-	0%
20	Supplies	-	-	-	-	-	0%
21	Equipment	40,000	865,804	100,000	297,544	(100,000)	-100%
22	Infrastructure Projects	48,500	1,952,693	1,332,500	1,192,500	2,035,000	53%
23	Claims/Penalties	-	-	-	-	-	0%
24	Subtotal	330,810	3,047,274	1,717,500	1,785,707	2,485,000	45%
25	TOTAL	348,721	3,047,274	1,717,500	1,785,707	2,485,000	45%

Key Changes

Assess and plan for replacement of remaining IPS sections

\$ 767,500

INFRASTRUCTURE

By Category

	FY 2016/17 ACTUAL	FY 2017/18 ACTUAL	FY 2018/19 ADOPTED	FY 2018/19 ACTUAL	FY 2019/20 PROPOSED	CHANGE FROM FY 2018/19 ORIGINAL
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REVENUE

By Type:

26 JPA Assessments	746,075	2,772,559	1,967,500	2,035,500	2,485,000	517,500	26%
27 Contract Services	-	-	-	-	-	-	0%
28 NDWSCP Fees	-	-	-	-	-	-	0%
29 Misc. Fees	-	-	-	-	-	-	0%
30 Interest Earnings	-	-	-	-	-	-	0%
31 Misc. Revenue	-	-	-	-	-	-	0%
32 To/(From) Reserves	-	-	-	-	-	-	0%
33	746,075	2,772,559	1,967,500	2,035,500	2,485,000	517,500	26%

By Agency:

34 Half Moon Bay	395,888	1,473,902	1,092,561	1,130,233	1,384,836	292,275	0%
35 Granada CSD	196,477	757,857	468,317	484,637	587,663	119,346	0%
36 Montara WSD	153,710	540,800	406,622	420,630	512,502	105,880	0%
37	746,075	2,772,559	1,967,500	2,035,500	2,485,000	517,500	26%

Key Changes

Assessments allocated based on CY 2018 flow calculation

Authorized Positions:

<i>Operating Fund FTE</i>	0.50	0.25	-	-	-	-	0%
<i>Other Funds FTE</i>	-	-	-	-	-	-	0%
	0.50	0.25	-	-	-	-	0%

INFRASTRUCTURE DIVISION



PROGRAM DESCRIPTION

The Infrastructure Division is responsible for the management and technical support necessary to develop and manage an infrastructure program and provide project management and construction inspection services of SAM facilities.

Division services are managed by the Engineer; however, none of the related personnel costs are allocated to this division. The following staffing summary reflects the historical cost allocation to this division.

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
JPA	0.00	0.00	0.00	0.00	0.80	0.50	0.0	0.0

FINANCIAL HIGHLIGHTS

The following is a list of key budget categories, what is included in each category, and the changes between the FY 2018/19 and 2019/20 budgets.

Budget Line #	FY2018/19	FY 2019/20
1. Wages All personnel costs have been reallocated to Treatment.	\$0	\$0
2. Premium Pay All personnel costs have been reallocated to Treatment.	\$0	\$0
3. Health Benefits All personnel costs have been reallocated to Treatment.	\$0	\$0
4. Retirement Contributions All personnel costs have been reallocated to Treatment.	\$0	\$0

GENERAL BUDGET FISCAL YEAR 2019/20

<u>Budget Line #</u>	<u>FY2018/19</u>	<u>FY 2019/20</u>
5. Retirement Medical All personnel costs have been reallocated to Treatment.	\$0	\$0
6. Misc. Benefits All personnel costs have been reallocated to Treatment.	\$0	\$0
7. Personnel Subtotal Subtotal of all wage and benefit costs.	\$0	\$0
8. Legal Services Costs associated with general contract review reallocated to Administration.	\$0	\$0
9. Engineering Services Engineering services requiring specialized certification or skills will be performed by consulting engineers.	\$85,000	\$450,000
10. Professional Services Specialized services that cannot be provided by staff.	\$200,000	\$0
11. Professional Memberships There are no professional memberships budgeted to Infrastructure.	\$0	\$0
12. Insurance Premiums There are no insurance premiums budgeted to Infrastructure.	\$0	\$0
13. Misc. Expenses There are no utilities budgeted to Infrastructure.	\$0	\$0
14. Utilities There are no utilities budgeted to Infrastructure.	\$0	\$0
15. Travel & Training There are no costs budgeted to Infrastructure.	\$0	\$0
16. Equipment Rental Short-term rental or lease of equipment (generators, storage tanks, etc.).	\$0	\$0

GENERAL BUDGET FISCAL YEAR 2019/20

Budget Line #	FY2018/19	FY 2019/20
17. Building & Maintenance Services Preventive maintenance and emergency repairs on structures and stationary equipment that do not extend the life expectancy of the asset.	\$0	\$0
18. Chemicals There are no chemical costs budgeted to Infrastructure.	\$0	\$0
19. Permits & Licenses Permits related to projects.	\$0	\$0
20. Supplies There are no supply costs budgeted to Infrastructure.	\$0	\$0
21. Equipment Equipment costs associated with projects that exceed \$50,000.	\$100,000	\$
22. Infrastructure Contract construction costs are included in this category. Includes costs associated with projects that exceed \$50,000 each.	\$1,332,500	\$2,035,000
23. Claims/Penalties There are no costs budgeted to Infrastructure.	\$0	\$0
24. Non-Personnel Subtotal Subtotal of all costs not associated with wages and benefits.	\$1,717,500	\$2,485,000
25. Total Total of all costs for Treatment (sum of Personnel and Non-Personnel subtotals).	\$1,717,500	\$2,485,000

The Infrastructure division budget increased from \$1.72 million to \$2.49 million in FY 2019/20. The significant changes in the Infrastructure division are:

1. Increased to fund projects identified in the 5-Year CIP. The projects planned for this fiscal year are:
 - Intertie Pipeline System – Princeton Segment \$100,000
 - Intertie Pipeline System – Montara to Portola Segment \$1,300,000
 - Montara Pump Station – Repair Electrical Conduits \$120,000

GENERAL BUDGET FISCAL YEAR 2019/20

➤ Princeton Pump Station – Pump Station Bypass	\$100,000
➤ WWTP – Influent Pump Electrical Conduit	\$110,000
➤ WWTP – Shade Canopy for Chemical Storage & Pump	\$55,000
➤ WWTP – Anaerobic Digester Heat Exchanger & Shell	\$100,000
➤ WWTP – Install WAS Gravity Thickener & Storage	\$300,000
➤ WWTP – Replace Digester Gas Flare System	\$300,000

GOALS

- To provide engineering analysis and project development for cost effective implementation of all SAM facility infrastructure projects.
- To effectively plan and implement future rehabilitation and replacement of the facilities to maintain an efficient, reliable system and to provide timely response with plan review for new development.
- To maintain accurate reproducible records of facility improvements and records.
- To keep informed of all construction that may affect SAM facilities.

HIGHLIGHTS

- Directed design approval, implementation and construction inspection for all facility projects.
- Infrastructure Projects completed in FY 2018/19:
 - ✓ Portola Pump Station – Replace Pump #1
 - ✓ Portola Pump Station – Replace ATS
 - ✓ WWTP – Replace Chemical Pump System

PROGRAM OBJECTIVES

- Provide research, design, bidding and construction inspection services for infrastructure projects.
- Prioritize infrastructure projects to meet SAM needs, compliance with new regulatory requirements, and update 5-Year CIP.

FORCE MAIN: PRINCETON SECTION REPAIR/REPLACE

PROJECT REASONING:

The Intertie Pipeline System has demonstrated a vulnerability to breaks, resulting in regulatory violations and human health risks as well as environmental damage. This section needs to be assessed and then design and construction will be prioritized based on the outcome.



PROJECT TOTAL	EXPENSED PRIOR YEARS	ACTUAL FY 2018/19	PROPOSED FY 2019/20	PROPOSED FY 2020/21	PROPOSED FY 2021/22
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EXPENDITURES

Personnel

1	Wages	-	-	-	-	-
2	Premium Pay	-	-	-	-	-
3	Health Benefits	-	-	-	-	-
4	Retirement Cont.	-	-	-	-	-
5	Retirement Medical	-	-	-	-	-
6	Misc. Benefits	-	-	-	-	-
7	Subtotal	-	-	-	-	-

Non-Personnel

8	Legal Services	-	-	-	-	-
9	Engineering Services	350,000	-	-	100,000	250,000
10	Professional Services	-	-	-	-	-
11	Prof. Memberships	-	-	-	-	-
12	Insurance Premiums	-	-	-	-	-
13	Misc. Expenses	-	-	-	-	-
14	Utilities	-	-	-	-	-
15	Travel & Training	-	-	-	-	-
16	Equipment Rental	-	-	-	-	-
17	Bldg & Maint Services	-	-	-	-	-
18	Chemicals	-	-	-	-	-
19	Permits & Licenses	-	-	-	-	-
20	Supplies	-	-	-	-	-
21	Equipment	-	-	-	-	-
22	Infrastructure Projects	-	-	-	-	-
23	Claims/Penalties	-	-	-	-	-
24	Subtotal	350,000	-	-	100,000	250,000

25	TOTAL	350,000	-	-	100,000	250,000	-
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PROJECT DESCRIPTION:

This section of the Intertie Pipeline System has never been assessed for its condition. Once the assessment has been completed, staff will have a better idea of when this project should be completed within the 5-Year Capital Improvement Plan. Staff estimates that the design documents, drawings, specifications, and cost estimates will be completed in FY 2020/21.

FORCE MAIN: PRINCETON SECTION REPAIR/REPLACE

PROJECT TOTAL	EXPENSED PRIOR YEARS	ACTUAL FY 2018/19	PROPOSED FY 2019/20	PROPOSED FY 2020/21	PROPOSED FY 2021/22
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REVENUE

By Type:

26 JPA Assessments	350,000	-	-	100,000	250,000	-
27 Contract Services	-	-	-	-	-	-
28 NDWSCP Fees	-	-	-	-	-	-
29 Misc. Fees	-	-	-	-	-	-
30 Interest Earnings	-	-	-	-	-	-
31 Misc. Revenue	-	-	-	-	-	-
32 (From) Reserves	-	-	-	-	-	-
33	350,000	-	-	100,000	250,000	-

By Agency:

34 Half Moon Bay	195,047	-	-	55,728	139,319.47	-
35 Granada CSD	82,769	-	-	23,648	59,120.98	-
36 Montara WSD	72,183	-	-	20,624	51,559.55	-
37	350,000	-	-	100,000	250,000	-

FORCE MAIN: MONTARA TO PORTOLA SECTION REPAIR/REPLACE

PROJECT REASONING:

The Intertie Pipeline System has demonstrated a vulnerability to breaks, resulting in regulatory violations and human health risks as well as environmental damage. This section needs to be repaired to prevent sanitary sewer overflows.



PROJECT TOTAL	EXPENSED PRIOR YEARS	ACTUAL FY 2018/19	PROPOSED FY 2019/20	PROPOSED FY 2020/21	PROPOSED FY 2021/22
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EXPENDITURES

Personnel

1	Wages	-	-	-	-	-
2	Premium Pay	-	-	-	-	-
3	Health Benefits	-	-	-	-	-
4	Retirement Cont.	-	-	-	-	-
5	Retirement Medical	-	-	-	-	-
6	Misc. Benefits	-	-	-	-	-
7	Subtotal	-	-	-	-	-

Non-Personnel

8	Legal Services	-	-	-	-	-
9	Engineering Services	350,000	-	-	350,000	-
10	Professional Services	-	-	-	-	-
11	Prof. Memberships	-	-	-	-	-
12	Insurance Premiums	-	-	-	-	-
13	Misc. Expenses	-	-	-	-	-
14	Utilities	-	-	-	-	-
15	Travel & Training	-	-	-	-	-
16	Equipment Rental	-	-	-	-	-
17	Bldg & Maint Services	-	-	-	-	-
18	Chemicals	-	-	-	-	-
19	Permits & Licenses	-	-	-	-	-
20	Supplies	-	-	-	-	-
21	Equipment	-	-	-	-	-
22	Infrastructure Projects	1,625,000	-	-	950,000	675,000
23	Claims/Penalties	-	-	-	-	-
24	Subtotal	1,975,000	-	-	1,300,000	675,000
25	TOTAL	1,975,000	-	-	1,300,000	675,000

PROJECT DESCRIPTION:

This section of the Intertie Pipeline System is original and has never been assessed for its condition. It is similar in age and material to the section repaired between the Portola Pump Station and the gravity section of the IPS. The design documents, drawings, specifications, and cost estimates will be completed in FY 2019/20 and construction will begin at the end of that year and continue into FY 2020/21.

FORCE MAIN: MONTARA TO PORTOLA SECTION REPAIR/REPLACE

PROJECT TOTAL	EXPENSED PRIOR YEARS	ACTUAL FY 2018/19	PROPOSED FY 2019/20	PROPOSED FY 2020/21	PROPOSED FY 2021/22
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REVENUE

By Type:

26 JPA Assessments	1,975,000	-	-	1,300,000	675,000	-
27 Contract Services	-	-	-	-	-	-
28 NDWSCP Fees	-	-	-	-	-	-
29 Misc. Fees	-	-	-	-	-	-
30 Interest Earnings	-	-	-	-	-	-
31 Misc. Revenue	-	-	-	-	-	-
32 (From) Reserves	-	-	-	-	-	-
33	1,975,000	-	-	1,300,000	675,000	-

By Agency:

34 Half Moon Bay	1,100,624	-	-	724,461	376,162.57	-
35 Granada CSD	467,056	-	-	307,429	159,626.65	-
36 Montara WSD	407,320	-	-	268,110	139,210.78	-
37	1,975,000	-	-	1,300,000	675,000	-

MONTARA PUMP STATION: EXTERIOR ELECTRICAL CONDUITS

PROJECT REASONING:

Ranked Priority Level 1 based on a risk for loss of total radio communication and complete power outage as well as a safety risk.



PROJECT TOTAL	EXPENSED PRIOR YEARS	ACTUAL FY 2018/19	PROPOSED FY 2019/20	PROPOSED FY 2020/21	PROPOSED FY 2021/22
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EXPENDITURES

Personnel

1	Wages	-	-	-	-	-
2	Premium Pay	-	-	-	-	-
3	Health Benefits	-	-	-	-	-
4	Retirement Cont.	-	-	-	-	-
5	Retirement Medical	-	-	-	-	-
6	Misc. Benefits	-	-	-	-	-
7	Subtotal	-	-	-	-	-

Non-Personnel

8	Legal Services	-	-	-	-	-
9	Engineering Services	-	-	-	-	-
10	Professional Services	-	-	-	-	-
11	Prof. Memberships	-	-	-	-	-
12	Insurance Premiums	-	-	-	-	-
13	Misc. Expenses	-	-	-	-	-
14	Utilities	-	-	-	-	-
15	Travel & Training	-	-	-	-	-
16	Equipment Rental	-	-	-	-	-
17	Bldg & Maint Services	-	-	-	-	-
18	Chemicals	-	-	-	-	-
19	Permits & Licenses	-	-	-	-	-
20	Supplies	-	-	-	-	-
21	Equipment	-	-	-	-	-
22	Infrastructure Projects	120,000	-	-	120,000	-
23	Claims/Penalties	-	-	-	-	-
24	Subtotal	120,000	-	-	120,000	-
25	TOTAL	120,000	-	-	120,000	-

PROJECT DESCRIPTION:

The project involves replacing degraded conduits and exposed wiring and installing new stainless steel junction boxes.

MONTARA PUMP STATION: EXTERIOR ELECTRICAL CONDUITS

PROJECT TOTAL	EXPENSED PRIOR YEARS	ACTUAL FY 2018/19	PROPOSED FY 2019/20	PROPOSED FY 2020/21	PROPOSED FY 2021/22
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REVENUE

By Type:

26 JPA Assessments	120,000	-	-	120,000	-	-
27 Contract Services	-	-	-	-	-	-
28 NDWSCP Fees	-	-	-	-	-	-
29 Misc. Fees	-	-	-	-	-	-
30 Interest Earnings	-	-	-	-	-	-
31 Misc. Revenue	-	-	-	-	-	-
32 (From) Reserves	-	-	-	-	-	-
33	120,000	-	-	120,000	-	-

By Agency:

34 Half Moon Bay	66,873	-	-	66,873	-	-
35 Granada CSD	28,378	-	-	28,378	-	-
36 Montara WSD	24,749	-	-	24,749	-	-
37	120,000	-	-	120,000	-	-

PRINCETON PUMP STATION: REHABILITATE BYPASS SYSTEM

PROJECT REASONING:

Ranked Priority Level 1 based on a risk for complete power outage as well as a safety risk.



PROJECT TOTAL	EXPENSED PRIOR YEARS	ACTUAL FY 2018/19	PROPOSED FY 2019/20	PROPOSED FY 2020/21	PROPOSED FY 2021/22
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EXPENDITURES

Personnel

1	Wages	-	-	-	-	-
2	Premium Pay	-	-	-	-	-
3	Health Benefits	-	-	-	-	-
4	Retirement Cont.	-	-	-	-	-
5	Retirement Medical	-	-	-	-	-
6	Misc. Benefits	-	-	-	-	-
7	Subtotal	-	-	-	-	-

Non-Personnel

8	Legal Services	-	-	-	-	-
9	Engineering Services	-	-	-	-	-
10	Professional Services	-	-	-	-	-
11	Prof. Memberships	-	-	-	-	-
12	Insurance Premiums	-	-	-	-	-
13	Misc. Expenses	-	-	-	-	-
14	Utilities	-	-	-	-	-
15	Travel & Training	-	-	-	-	-
16	Equipment Rental	-	-	-	-	-
17	Bldg & Maint Services	-	-	-	-	-
18	Chemicals	-	-	-	-	-
19	Permits & Licenses	-	-	-	-	-
20	Supplies	-	-	-	-	-
21	Equipment	-	-	-	-	-
22	Infrastructure Projects	100,000	-	-	100,000	-
23	Claims/Penalties	-	-	-	-	-
24	Subtotal	100,000	-	-	100,000	-
25	TOTAL	100,000	-	-	100,000	-

PROJECT DESCRIPTION:

In the case of a pump station system failure, there is no method for bypassing the pumps. This functionality is critical to emergency operation and routine maintenance.

PRINCETON PUMP STATION: REHABILITATE BYPASS SYSTEM

PROJECT TOTAL	EXPENSED PRIOR YEARS	ACTUAL FY 2018/19	PROPOSED FY 2019/20	PROPOSED FY 2020/21	PROPOSED FY 2021/22
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REVENUE

By Type:

26 JPA Assessments	100,000	-	-	100,000	-	-
27 Contract Services	-	-	-	-	-	-
28 NDWSCP Fees	-	-	-	-	-	-
29 Misc. Fees	-	-	-	-	-	-
30 Interest Earnings	-	-	-	-	-	-
31 Misc. Revenue	-	-	-	-	-	-
32 (From) Reserves	-	-	-	-	-	-
33	100,000	-	-	100,000	-	-

By Agency:

34 Half Moon Bay	55,728	-	-	55,728	-	-
35 Granada CSD	23,648	-	-	23,648	-	-
36 Montara WSD	20,624	-	-	20,624	-	-
37	100,000	-	-	100,000	-	-

WWTP: INFLUENT PUMP ELECTRICAL CONDUITS

PROJECT REASONING:

Replace all damaged electrical wires and conduits leading to the influent pumps. These are exposed and are a safety hazard.



PROJECT TOTAL	EXPENSED PRIOR YEARS	ACTUAL FY 2018/19	PROPOSED FY 2019/20	PROPOSED FY 2020/21	PROPOSED FY 2021/22
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EXPENDITURES

Personnel

1 Wages	-	-	-	-	-
2 Premium Pay	-	-	-	-	-
3 Health Benefits	-	-	-	-	-
4 Retirement Cont.	-	-	-	-	-
5 Retirement Medical	-	-	-	-	-
6 Misc. Benefits	-	-	-	-	-
7 Subtotal	-	-	-	-	-

Non-Personnel

8 Legal Services	-	-	-	-	-
9 Engineering Services	-	-	-	-	-
10 Professional Services	-	-	-	-	-
11 Prof. Memberships	-	-	-	-	-
12 Insurance Premiums	-	-	-	-	-
13 Misc. Expenses	-	-	-	-	-
14 Utilities	-	-	-	-	-
15 Travel & Training	-	-	-	-	-
16 Equipment Rental	-	-	-	-	-
17 Bldg & Maint Services	-	-	-	-	-
18 Chemicals	-	-	-	-	-
19 Permits & Licenses	-	-	-	-	-
20 Supplies	-	-	-	-	-
21 Equipment	-	-	-	-	-
22 Infrastructure Projects	110,000	-	-	110,000	-
23 Claims/Penalties	-	-	-	-	-
24 Subtotal	110,000	-	-	110,000	-
25 TOTAL	110,000	-	-	110,000	-

PROJECT DESCRIPTION:

Replaces critical electrical wires and conduits to all influent pumps. These are damaged and vulnerable to further degradation. If the electrical wires should fail, there would not be a method for continuing to pump into the plant as well as a safety hazard.

WWTP: INFLUENT PUMP ELECTRICAL CONDUITS

PROJECT TOTAL	EXPENSED PRIOR YEARS	ACTUAL FY 2018/19	PROPOSED FY 2019/20	PROPOSED FY 2020/21	PROPOSED FY 2021/22
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REVENUE

By Type:

26 JPA Assessments	110,000	-	-	110,000	-	-
27 Contract Services	-	-	-	-	-	-
28 NDWSCP Fees	-	-	-	-	-	-
29 Misc. Fees	-	-	-	-	-	-
30 Interest Earnings	-	-	-	-	-	-
31 Misc. Revenue	-	-	-	-	-	-
32 (From) Reserves	-	-	-	-	-	-
33	110,000	-	-	110,000	-	-

By Agency:

34 Half Moon Bay	61,301	-	-	61,301	-	-
35 Granada CSD	26,013	-	-	26,013	-	-
36 Montara WSD	22,686	-	-	22,686	-	-
37	110,000	-	-	110,000	-	-

WWTP: CHEMICAL STORAGE SHADE CANOPY

PROJECT REASONING:

The previous chemical storage tank and pumps were exposed to the elements. This created a hostile environment for this equipment, which required replacement sooner than expected useful life.



PROJECT TOTAL	EXPENSED PRIOR YEARS	ACTUAL FY 2018/19	PROPOSED FY 2019/20	PROPOSED FY 2020/21	PROPOSED FY 2021/22
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EXPENDITURES

Personnel

1 Wages	-	-	-	-	-
2 Premium Pay	-	-	-	-	-
3 Health Benefits	-	-	-	-	-
4 Retirement Cont.	-	-	-	-	-
5 Retirement Medical	-	-	-	-	-
6 Misc. Benefits	-	-	-	-	-
7 Subtotal	-	-	-	-	-

Non-Personnel

8 Legal Services	-	-	-	-	-
9 Engineering Services	-	-	-	-	-
10 Professional Services	-	-	-	-	-
11 Prof. Memberships	-	-	-	-	-
12 Insurance Premiums	-	-	-	-	-
13 Misc. Expenses	-	-	-	-	-
14 Utilities	-	-	-	-	-
15 Travel & Training	-	-	-	-	-
16 Equipment Rental	-	-	-	-	-
17 Bldg & Maint Services	-	-	-	-	-
18 Chemicals	-	-	-	-	-
19 Permits & Licenses	-	-	-	-	-
20 Supplies	-	-	-	-	-
21 Equipment	-	-	-	-	-
22 Infrastructure Projects	55,000	-	-	55,000	-
23 Claims/Penalties	-	-	-	-	-
24 Subtotal	55,000	-	-	55,000	-
25 TOTAL	55,000	-	-	55,000	-

PROJECT DESCRIPTION:

Creates a canopy over the new equipment to extend its useful life by minimizing exposure to sun and the elements.

WWTP: CHEMICAL STORAGE SHADE CANOPY

PROJECT TOTAL	EXPENSED PRIOR YEARS	ACTUAL FY 2018/19	PROPOSED FY 2019/20	PROPOSED FY 2020/21	PROPOSED FY 2021/22
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REVENUE

By Type:

26 JPA Assessments	55,000	-	-	55,000	-	-
27 Contract Services	-	-	-	-	-	-
28 NDWSCP Fees	-	-	-	-	-	-
29 Misc. Fees	-	-	-	-	-	-
30 Interest Earnings	-	-	-	-	-	-
31 Misc. Revenue	-	-	-	-	-	-
32 (From) Reserves	-	-	-	-	-	-
33	55,000	-	-	55,000	-	-

By Agency:

34 Half Moon Bay	30,650	-	-	30,650	-	-
35 Granada CSD	13,007	-	-	13,007	-	-
36 Montara WSD	11,343	-	-	11,343	-	-
37	55,000	-	-	55,000	-	-

WWTP: ANAEROBIC DIGESTER HEAT EXCHANGER

PROJECT REASONING:

The existing equipment is past its useful life, outdated, and is a known vulnerability. The shell and tube bundle have been degraded by corrosive liquid.



PROJECT TOTAL	EXPENSED PRIOR YEARS	ACTUAL FY 2018/19	PROPOSED FY 2019/20	PROPOSED FY 2020/21	PROPOSED FY 2021/22
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EXPENDITURES

Personnel

1 Wages	-	-	-	-	-	-
2 Premium Pay	-	-	-	-	-	-
3 Health Benefits	-	-	-	-	-	-
4 Retirement Cont.	-	-	-	-	-	-
5 Retirement Medical	-	-	-	-	-	-
6 Misc. Benefits	-	-	-	-	-	-
7 Subtotal	-	-	-	-	-	-

Non-Personnel

8 Legal Services	-	-	-	-	-	-
9 Engineering Services	-	-	-	-	-	-
10 Professional Services	-	-	-	-	-	-
11 Prof. Memberships	-	-	-	-	-	-
12 Insurance Premiums	-	-	-	-	-	-
13 Misc. Expenses	-	-	-	-	-	-
14 Utilities	-	-	-	-	-	-
15 Travel & Training	-	-	-	-	-	-
16 Equipment Rental	-	-	-	-	-	-
17 Bldg & Maint Services	-	-	-	-	-	-
18 Chemicals	-	-	-	-	-	-
19 Permits & Licenses	-	-	-	-	-	-
20 Supplies	-	-	-	-	-	-
21 Equipment	-	-	-	-	-	-
22 Infrastructure Projects	100,000	-	-	100,000	-	-
23 Claims/Penalties	-	-	-	-	-	-
24 Subtotal	100,000	-	-	100,000	-	-
25 TOTAL	100,000	-	-	100,000	-	-

PROJECT DESCRIPTION:

Install a stainless steel heat exchanger and shell to replace the outdated equipment and avoid corrosion.

WWTP: ANAEROBIC DIGESTER HEAT EXCHANGER

PROJECT TOTAL	EXPENSED PRIOR YEARS	ACTUAL FY 2018/19	PROPOSED FY 2019/20	PROPOSED FY 2020/21	PROPOSED FY 2021/22
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REVENUE

By Type:

26 JPA Assessments	100,000	-	-	100,000	-	-
27 Contract Services	-	-	-	-	-	-
28 NDWSCP Fees	-	-	-	-	-	-
29 Misc. Fees	-	-	-	-	-	-
30 Interest Earnings	-	-	-	-	-	-
31 Misc. Revenue	-	-	-	-	-	-
32 (From) Reserves	-	-	-	-	-	-
33	100,000	-	-	100,000	-	-

By Agency:

34 Half Moon Bay	55,728	-	-	55,728	-	-
35 Granada CSD	23,648	-	-	23,648	-	-
36 Montara WSD	20,624	-	-	20,624	-	-
37	100,000	-	-	100,000	-	-

WWTP: WASTE ACTIVATED SLUDGE GRAVITY THICKENER

PROJECT REASONING:

Existing equipment allows for effective thickening of the sludge, thereby improving primary clarifier performance, less belt press time, and lower sludge hauling costs.



PROJECT TOTAL	EXPENSED PRIOR YEARS	ACTUAL FY 2018/19	PROPOSED FY 2019/20	PROPOSED FY 2020/21	PROPOSED FY 2021/22
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EXPENDITURES

Personnel

1	Wages	-	-	-	-	-
2	Premium Pay	-	-	-	-	-
3	Health Benefits	-	-	-	-	-
4	Retirement Cont.	-	-	-	-	-
5	Retirement Medical	-	-	-	-	-
6	Misc. Benefits	-	-	-	-	-
7	Subtotal	-	-	-	-	-

Non-Personnel

8	Legal Services	-	-	-	-	-
9	Engineering Services	-	-	-	-	-
10	Professional Services	-	-	-	-	-
11	Prof. Memberships	-	-	-	-	-
12	Insurance Premiums	-	-	-	-	-
13	Misc. Expenses	-	-	-	-	-
14	Utilities	-	-	-	-	-
15	Travel & Training	-	-	-	-	-
16	Equipment Rental	-	-	-	-	-
17	Bldg & Maint Services	-	-	-	-	-
18	Chemicals	-	-	-	-	-
19	Permits & Licenses	-	-	-	-	-
20	Supplies	-	-	-	-	-
21	Equipment	-	-	-	-	-
22	Infrastructure Projects	300,000	-	-	300,000	-
23	Claims/Penalties	-	-	-	-	-
24	Subtotal	300,000	-	-	300,000	-
25	TOTAL	300,000	-	-	300,000	-

PROJECT DESCRIPTION:

Install waste activated sludge gravity thickener to reduce sludge hauling costs, address storage shortage, and prolong the useful life of other sludge dewatering assets.

WWTP: WASTE ACTIVATED SLUDGE GRAVITY THICKENER

PROJECT TOTAL	EXPENSED PRIOR YEARS	ACTUAL FY 2018/19	PROPOSED FY 2019/20	PROPOSED FY 2020/21	PROPOSED FY 2021/22
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REVENUE

By Type:

26 JPA Assessments	300,000	-	-	300,000	-	-
27 Contract Services	-	-	-	-	-	-
28 NDWSCP Fees	-	-	-	-	-	-
29 Misc. Fees	-	-	-	-	-	-
30 Interest Earnings	-	-	-	-	-	-
31 Misc. Revenue	-	-	-	-	-	-
32 (From) Reserves	-	-	-	-	-	-
33	300,000	-	-	300,000	-	-

By Agency:

34 Half Moon Bay	167,183	-	-	167,183	-	-
35 Granada CSD	70,945	-	-	70,945	-	-
36 Montara WSD	61,871	-	-	61,871	-	-
37	300,000	-	-	300,000	-	-

WWTP: DIGESTER GAS FLARE SYSTEM REPLACEMENT

PROJECT REASONING:

Asset is past its useful life and is a known vulnerability if system failed. The proposed combined heat and power system will provide both a reduction in greenhouse gas emissions and a reduction in PG&E purchased power costs for the plant. It will also result in an improvement on existing flare system, for which parts are no longer available.



PROJECT TOTAL	EXPENSED PRIOR YEARS	ACTUAL FY 2018/19	PROPOSED FY 2019/20	PROPOSED FY 2020/21	PROPOSED FY 2021/22
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EXPENDITURES

Personnel

1 Wages	-	-	-	-	-
2 Premium Pay	-	-	-	-	-
3 Health Benefits	-	-	-	-	-
4 Retirement Cont.	-	-	-	-	-
5 Retirement Medical	-	-	-	-	-
6 Misc. Benefits	-	-	-	-	-
7 Subtotal	-	-	-	-	-

Non-Personnel

8 Legal Services	-	-	-	-	-
9 Engineering Services	-	-	-	-	-
10 Professional Services	-	-	-	-	-
11 Prof. Memberships	-	-	-	-	-
12 Insurance Premiums	-	-	-	-	-
13 Misc. Expenses	-	-	-	-	-
14 Utilities	-	-	-	-	-
15 Travel & Training	-	-	-	-	-
16 Equipment Rental	-	-	-	-	-
17 Bldg & Maint Services	-	-	-	-	-
18 Chemicals	-	-	-	-	-
19 Permits & Licenses	-	-	-	-	-
20 Supplies	-	-	-	-	-
21 Equipment	-	-	-	-	-
22 Infrastructure Projects	300,000	-	-	300,000	-
23 Claims/Penalties	-	-	-	-	-
24 Subtotal	300,000	-	-	300,000	-
25 TOTAL	300,000	-	-	300,000	-

PROJECT DESCRIPTION:

Replace digester gas flare and accessories and install combined heat and power system.

WWTP: DIGESTER GAS FLARE SYSTEM REPLACEMENT

PROJECT TOTAL	EXPENSED PRIOR YEARS	ACTUAL FY 2018/19	PROPOSED FY 2019/20	PROPOSED FY 2020/21	PROPOSED FY 2021/22
------------------	----------------------------	----------------------	------------------------	------------------------	------------------------

REVENUE

By Type:

26 JPA Assessments	300,000	-	-	300,000	-	-
27 Contract Services	-	-	-	-	-	-
28 NDWSCP Fees	-	-	-	-	-	-
29 Misc. Fees	-	-	-	-	-	-
30 Interest Earnings	-	-	-	-	-	-
31 Misc. Revenue	-	-	-	-	-	-
32 (From) Reserves	-	-	-	-	-	-
33	300,000	-	-	300,000	-	-

By Agency:

34 Half Moon Bay	167,183	-	-	167,183	-	-
35 Granada CSD	70,945	-	-	70,945	-	-
36 Montara WSD	61,871	-	-	61,871	-	-
37	300,000	-	-	300,000	-	-

ITEM #7

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SEWER AUTHORITY MID-COASTSIDE

Board of Directors Meeting Agenda

Regular Board Meeting 7:00 PM, Monday, March 25, 2019

SAM Administration Building, 1000 N. Cabrillo Highway, Half Moon Bay, CA 94019

1. CALL TO ORDER

A. Roll Call	Chair:	Dr. Deborah Penrose (HMB)
	Vice-Chair:	Kathryn Slater-Carter (MWSD)
	Secretary/Treasurer:	Barbara Dye (GCSD)
	Director:	Jim Blanchard (GCSD)
	Director:	Ric Lohman (MWSD)
	Director:	Deborah Ruddock (HMB)

2. PUBLIC COMMENT / ORAL COMMUNICATION

3. CONSENT AGENDA *(Consent items are considered routine and will be approved / adopted by a single motion and vote unless a request for removal for discussion or explanation is received from the public or Board.)*

- A. Approve Minutes of February 25 and March 11, 2019, Regular Board Meetings **(Attachment)**
- B. Approve Disbursements for March 25, 2019 **(Attachment)**
- C. Receive Revenue and Expenditure Report for the Period Ending February 28, 2019 **(Attachment)**
- D. Adopt the Mid-Year Budget Amendment for FY 2018/19 **(Attachment)**

4. REGULAR BUSINESS *(The Board will discuss, seek public input, and possibly take action on the following items.)*

- A. Approve and Authorize the General Manager to Execute the Memorandum of Understanding between SAM and IUOE, Stationary Local No. 39 **(Attachment)**
- B. Discuss Proposed Contract Collection Services Budget for FY 2019/20 and Authority General Manager to Submit it to the Participating Agencies for Approval **(Attachment)**

5. GENERAL MANAGER'S REPORT

- A. Receive General Manager's Report for February 2019 **(Attachment)**

- 6. **ATTORNEY’S REPORT**
- 7. **DIRECTORS’ REPORT**
- 8. **TOPICS FOR FUTURE BOARD CONSIDERATION (Attachment)**
- 9. **PUBLIC COMMENT / ORAL COMMUNICATION**
- 10. **CONVENE IN CLOSED SESSION** (*Items discussed in Closed Session comply with the Ralph M. Brown Act.*)
 - A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Paragraph (1) of Subdivision (d) of Section 54956.9: (Half Moon Bay v. Granada CSD, Montara WSD & Sewer Authority Mid-Coastside)
 - B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Paragraph (1) of Subdivision (d) of Section 54956.9: (Ecological Rights Foundation vs. Sewer Authority Mid-Coastside)
- 11. **CONVENE IN OPEN SESSION** (*Report Out on Closed Session Items*)
- 12. **ADJOURNMENT**
 - Upcoming Regular Board Meetings: April 8 and April 22, 2019

The meeting will end by 9:00 p.m. unless extended by Board vote.

INFORMATION FOR THE PUBLIC

This agenda contains a brief description of each item to be considered. Those wishing to address the Board on any matter not listed on the Agenda, but within the jurisdiction of the Board, may do so during the Public Comment section of the Agenda and will have a maximum of three minutes to discuss their item. The Board Chair will call forward those wishing to speak on a matter listed on the Agenda at the appropriate time.

Any writing that is a public record and relates to an agenda item for an open session of a regular meeting that is distributed to the Board less than 72 hours prior to the meeting, is available for public inspection, during normal business hours, at the Authority’s office.

Board meetings are accessible to people with disabilities. Upon request, the Authority will make this agenda available in appropriate alternative formats to persons with a disability. In compliance with the Americans with Disabilities Act, the Authority will provide special assistance for participation in this meeting. Please submit requests for a disability-related modification or an accommodation in order to participate in the public meeting at least two working days in advance of the meeting by contacting the Authority at (650) 726-0124.



SEWER AUTHORITY MID-COASTSIDE

Staff Report

TO: Honorable Board of Directors

THROUGH: Beverli A. Marshall, General Manager

FROM: Kishen Prathivadi, Engineering & Construction Contracts Manager
 Stacey Thompson, Supervisor of Administrative Services
 Tim Costello, Supervisor of Technical / Field Services

SUBJECT: Monthly Manager’s Report – February 2019

Executive Summary

The purpose of this report is to keep the Board and public informed of SAM’s day-to-day operations.

Fiscal Impact

There is no fiscal impact from this report.

Strategic Plan Compliance

The recommendation complies with the SAM Strategic Plan Goal 5.5: *“Operations and maintenance should be proactively planned, and the Board shall be kept up to date on progress on operations and maintenance issues.”*

Background and Discussion/Report

The following data is presented for the month of February 2019.

Key Indicators of Performance

Flow Report (See Attachment A)

NPDES Permit Violations:	0	Half Moon Bay	1.500	55.8%
Accidents, Injuries, etc.:	0	Granada CSD	0.529	19.7%
Reportable Spills Cat 1:	0	Montara W&SD	<u>0.661</u>	<u>24.6%</u>
Reportable Spills Cat 2:	0	Total	2.690	100%
Reportable Spills Cat 3:	0			

BOARD MEMBERS:	J. Blanchard	B. Dye	R. Lohman
	D. Penrose	D. Ruddock	K. Slater-Carter
ALTERNATE MEMBERS:	S. Boyd	M. Clark	A. Eisen
	J. Harvey	H. Rarback	

Administration

There were two Board meetings in the month of February 11, 2019 and February 25, 2019. There were no requests for public records during the month of February. There were two media articles during the month of February referencing the Sewer Authority Mid-Coastside or sewer-related issue: referencing the Sewer Authority Mid-Coastside or sewer-related issues: “*Collaboration is the Path to SAM Solution*”, February 6, 2019, Half Moon Bay Review; and “*Tear Down Consolidation Barriers*”, February 6, 2019, Half Moon Bay Review.

There were no work-related accidents, injuries, or illnesses resulting in lost time in the month of February. Staff has worked since March 10, 2011, without a lost time incident (2,912 days).

There were no employee anniversaries during the month of February.

Operations & Maintenance

Two baker tanks have been placed back at the Montara pump station, this will give us an additional 40,000 gallons of wet weather storage in addition to the walker tank. Staff will determine if there is a need for additional storage based on the coming wet weather patterns.

The following permanent installations are still in place.

Montara Pump Station – Walker Tank, which has a capacity of 434,000 gallons.

The Portola Station – Wet Weather Facility, which has a capacity of 200,000 gallons.

The Portola pump has the ability to use the Wet Weather Facility as a modified equalization basin or as wet weather flow storage as originally designed.

Operations were good overall in February, again we did get some rain it came with breaks so that was good, it would have been nice to have longer breaks but we did okay. We have been in the process of getting things ready for the rotary drum testing and we are still in the process of finishing up some of the temporary pipe work for this test run. Early on in the month R. F. MacDonald was in to replace the burner door on boiler # 2, the expansion and contraction during start up and shut down over the years caused the insulating barrier to fail and had to be repaired before further damage ensued.

SAM experienced some oddities after a brown out mid-month. This required staff to call Eaton to take a look at the switch gear. They found a burnt out relay. We had to have

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someone go to Santa Clara for a replacement, we have since gotten extras and they are onsite. Also around the same time we had issues with some wiring on Boiler #1, we are not sure if it is related as we have had intermittent trips with the digester building PLC.

The chlorination consumption went up quite a bit but it was sporadic which makes the cause difficult to narrow down. Towards the end of the month we had some higher than normal eff BOD's the monthly average was well within our permit but two consecutive samples was cause to accelerate monitoring until we had a sample below our 30 day average, which was the very next sample. We have a few power glitches but that is always expected this time of year. One of the gas blowers that had been failing periodically went ahead and failed all the way. It will be shipped out for service soon. We are hopeful it is repairable as a new one takes 10–12 weeks for delivery and costs roughly \$18,000.

During the month of February 2019, rainfall was above normal for Half Moon Bay. The 10-year average for the area is 5.2 inches of rain in February. This year 7.02 inches were recorded (US climate data HMB). Rainfall totals were as follows, 8.59 inches at the treatment plant, 7.50 inches in the GCSD service are, and 7.90 inches at the MWSD weather station. There are micro climate variations verified by the data.

Below is a chronological summary of some of the occurrences during the month of February 2019.

- 2/1/2019 - Work on the rotary drum thickener lines continued
- 2/4/2019 - Operators received a call out for IO panel in the DCB, cycled the power to reset, also worked on rotary drum piping.
- 2/5/2019 - RF Mac Donald was in to replace back door on boiler #2, replacement due to heat fatigue of the door lining. Hypo delivery for plant came in today
- 2/6/2019 - Had to call in RF MacDonald for igniter issue on boiler, not getting spark to light boiler, they were able to get it going. Work on Ferric line, debris issues probably from 20 year old tank. Majority of staff attended CPR/First Aid/AED training.
- 2/7/2019 - Work on discharge line for RDT
- 2/8/2019 - Call out, communication fail, fire alarm

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- 2/9/2019 - Power outage at the treatment facility at 18:00 due to utility power issue, on generator, begin 24 hour coverage until power can be restored.
- 2/10/2019 - Utility power restored at the treatment facility at 16:30, fire alarm tripped when power was restored, Fire department got called out, all okay- false alarm
- 2/12/2019 - More work on RDT piping
- 2/13/2019 - Fire alarm tripped, Generator trouble alarm
- 2/14/2019 - Boiler alarm latching on and off for some reason when it went into alarm, Call into to RF Mac Donald, Quarterly Oil and grease samples went out today. Eaton was in to look at switch gear, found a burnt relay could have been caused from brown out not sure, once we got the replacement installed we test ran the power switch over system, system worked as it should if it were an actual outage.
- 2/15/2019 - RF MacDonald came in to look at boiler #1 electrical issue, they found some sort of wiring short between the boiler control panel to the I/O cabinet panel. Chlorination consumption went very high today for some reason, not seen this before at least at this rate. Operator was called in for a generic alarm.
- 2/16/2019 - Hypo doing the high usage thig again, it was for a while then high again.
- 2/17/2019 - Fire alarm tripped again today, again the hypo usage was way up
- 2/18/2019 - Again with the hypo usage, we are trying to figure out a cause still
- 2/19/2019 - Power outage in the norther part of the service area today
- 2/20/2019 - Cal-con in to look at boiler wiring issues / IO panel issue
- 2/21/2019 - Work on scum pit pump, acted like it had something stuck in it, took it all apart and some of the piping to blow everything out. Fire alarm tripped again today.
- 2/22/2019 - Cal – con was in to replace some of the bad fire detector heads, the new style of head no longer mates with what we have so some additional work had to be done.

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- 2/25/2019 - Core drilling for RDT pipe work to be able to continue. Cal-con was in to address issue with bar screen level sensor controls.
- 2/26/2019 - Gas blower #1 failed to start, also had a power fail at the treatment plant. Supervisor Costello participated on a hiring panel at the Millbrae treatment facility
- 2/27/2019 - All staff participated in Harassment training and hearing protection training
- 2/28/2019 - Tiny check valve issue on bisulfite, able to repair without issue. Operator Ondish attended test prep course in Oakland.

There were eleven deliveries (approximately 6,750 gallons) of trucked waste discharged at the SAM plant for a total revenue of \$ 675.00. There were 291 leachate deliveries to the SAM IPS line in the month of February 2019, for a total leachate volume of 1,574,948 gallons.

The NPDES data report for February 2019 is attached reference (Attachment B).

Contract Collection Services

The SAM crew cleaned 30,871 feet of sewer line and responded to sixteen service calls in contract service area. Six were during regular business hours and ten were during overtime hours. Seven were in the HMB service area, one in the GCSD service area, and eight in the MWSD service area.

HMB – The service calls in the HMB service were as follows: The first was a private lateral issue (2/18), the home owner had called a plumber who said it was in the main line. The second one (2/19) was for a lateral also but there was flow going towards the storm drain, again we confirmed the main was clear. Staff did do follow up on this the following day with City approval and cleared the lateral as the property owner had not addressed the issue as of that time. The third was (2/19) at the Stone Pine area another lateral issue. Fourth (2/27) was for a smart cover alert do to rags in the line. The fifth incident (2/28) was for a Main Street business but the main was clear.

On the maintenance side of things the first was for a power failure at Bell Moon on 2/4, the next was another Bell Moon Power fail on 2/8.

GCSD – There was only one sewer-related call in the GCSD service area (2/5). It was for a backup on a service line the crew broke the plug then went back with a push camera to inspect further. There were several spots with broken

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pipe and roots. They removed the roots they could but the service line should be repaired.

There were no maintenance service calls in GCSD this month.

MWSD – There was one sewer related call in the MWSD area: On 2/2 a citizen called about water flowing out of a pipe, it turned out to be a sump pump discharge line. The main sewer line was all clear.

On the maintenance side there were eight callouts, the first two were on 2/4 both for a general station alarm at the Airport lift station. The next six were all for a pump #2 electrical issue at the Vallemar station where pump 2 fails to start but is able to be reset. This happened at various times from 2/9 – 2/13. The district is aware of issue at this station.

The latest collection system data report is provided (Attachment D) for the Board’s information. There were no Category 1, no Category 2, and no Category 3 SSOs during the month of February 2019. As a side note, I was speaking with a colleague recently who was very much impressed with our crew’s collection efforts, the chart in the report serves as an example of their continued hard work and efforts.

Staff Recommendation

Staff recommends that the Board receive the Manager’s Report for February 2019.

Supporting Documents

- Attachment A: Monthly Flow Report February 2019
- Attachment B: Monthly NPDES Report February 2019
- Attachment C: Outfall Inspection Report February 2019
- Attachment D: Collection System Data February 2019

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Attachment A

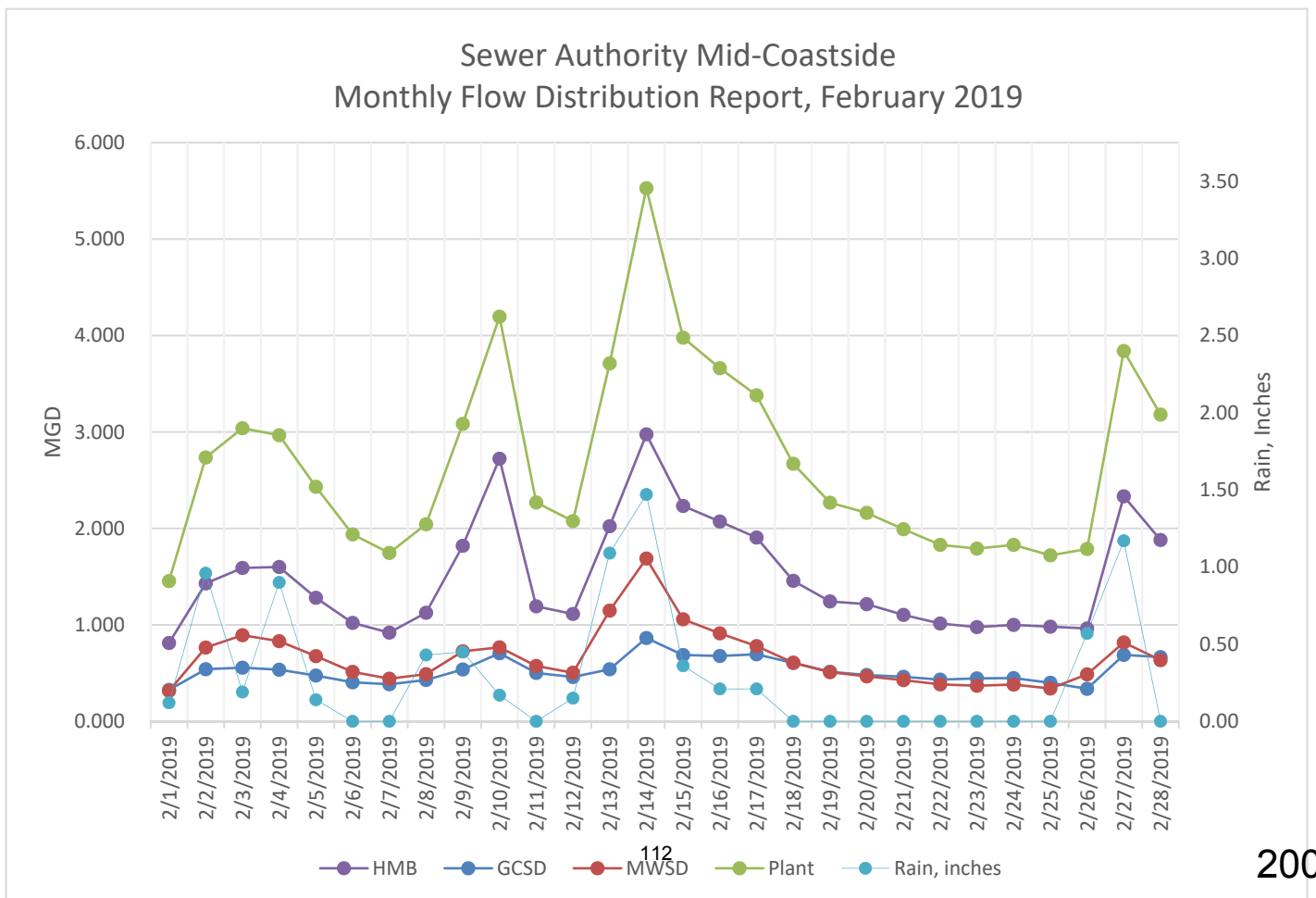
Flow Distribution Report Summary for February 2019

The daily flow report figures for the month of February 2019 have been converted to an Average

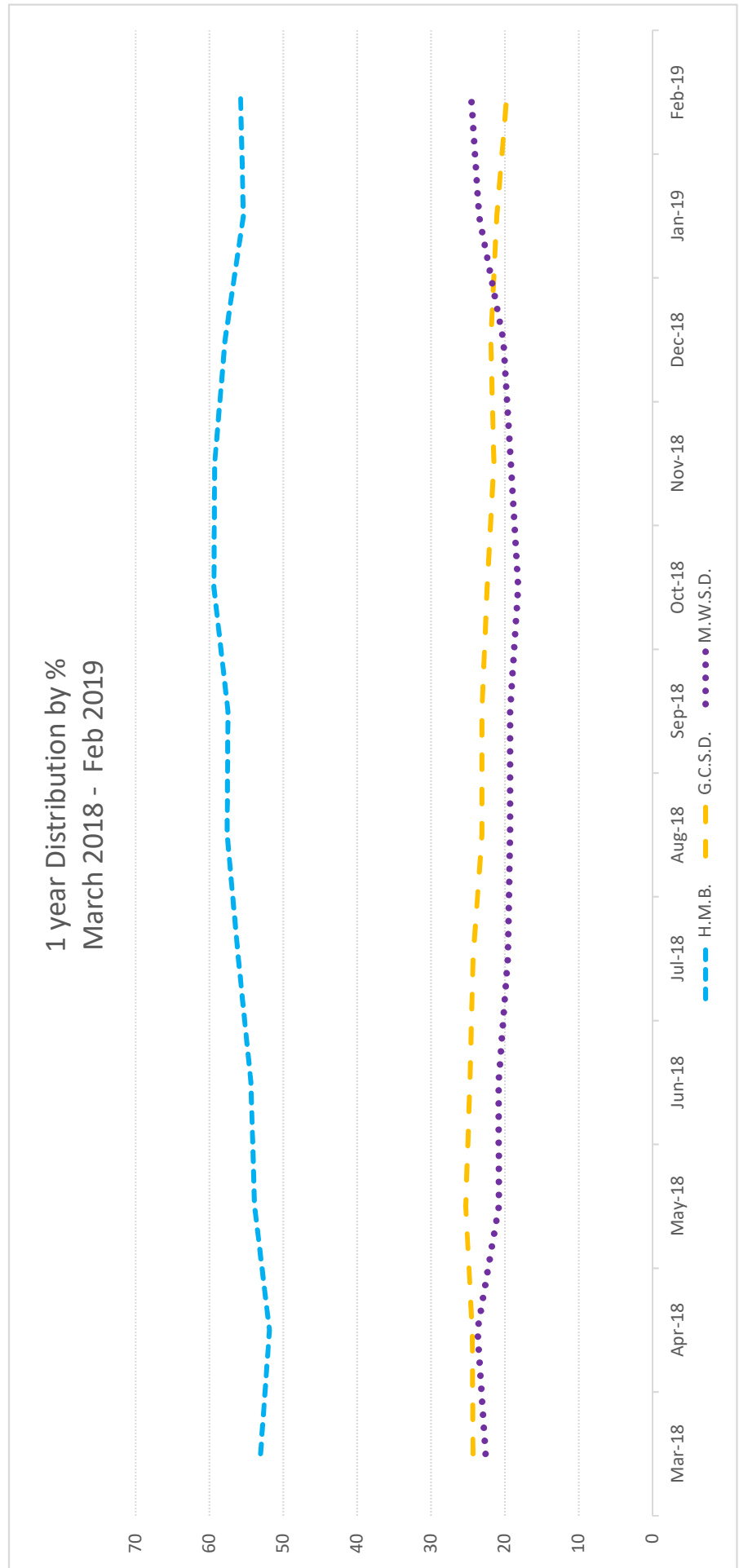
Daily Flow (ADF) for each Member Agency.
The results are attached for your review.

The summary of the ADF information is as follows:

	<u>MGD</u>	<u>%</u>
The City of Half Moon Bay	1.500	55.8%
Granada Community Services District	0.529	19.7%
Montara Water and Sanitary District	<u>0.661</u>	<u>24.6%</u>
Total	2.690	100.0%



Flow based percent distribution based for past year



Sewer Authority Mid-Coastside

Monthly Collection System Activity/SSO Distribution Report, February 2019

Attachment C

February 2019

Total	Number of S.S.O.'s			
	HMB	GCSD	MWSD	SAM
Roots	0	0	0	0
Grease	0	0	0	0
Mechanical	0	0	0	0
Wet Weather	0	0	0	0
Other	0	0	0	0
Total	0	0	0	0

12 Month Moving Total

Total	12 month rolling Number			
	HMB	GCSD	MWSD	SAM
Roots	0	0	0	0
Grease	0	0	0	0
Mechanical	0	0	0	0
Wet Weather	0	0	0	0
Other	0	0	0	0
Total	0	0	0	0

Reportable SSOs

Total	Reportable Number of S.S.O.'s			
	HMB	GCSD	MWSD	SAM
February 2019	0	0	0	0
12 Month Moving Total	0	0	0	0

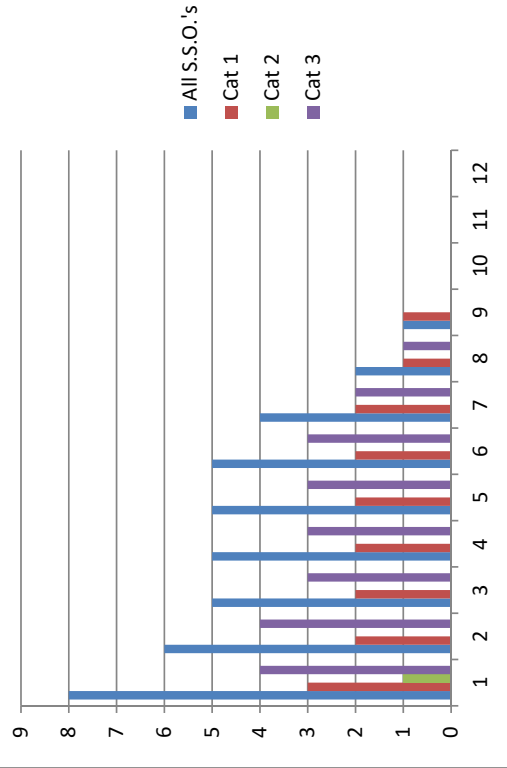
SSOs / Year / 100 Miles

Total	Number of S.S.O.'s /Year/100 Miles			
	HMB	GCSD	MWSD	SAM
February 2019	0.0	0.0	0.0	0.0
12 Month Moving Total	0.0	0.0	0.0	0.0
Category 1	0.0	0.0	0.0	0.0
Category 2	0.0	0.0	0.0	0.0
Category 3	0.0	0.0	0.0	0.0
Miles of Sewers	104.5	37.0	33.2	27.0
		35.4%	31.8%	25.8%
				7.3
				7.0%

12 Month Rolling Total Sewer Cleaning Summary

Month	HMB	GCSD	MWSD	Total Feet	Total Miles
Mar - 18	15,529	10,672	9,585	35,786	6.8
Apr - 18	13,294	11,588	11,614	36,496	6.9
May - 18	12,081	12,563	10,730	35,374	6.7
June - 18	17,720	17,272	9,086	44,078	8.3
July - 18	29,678	19,093	9,715	58,486	11.1
Aug - 18	22,610	22,232	16,155	60,997	11.6
Sep - 18	15,448	16,407	11,416	43,271	8.2
Oct - 18	21,189	10,969	14,786	46,944	8.9
Nov - 18	19,571	27,546	10,338	57,455	10.9
Dec - 18	27,756	17,357	9,422	54,535	10.3
Jan - 19	17,682	11,504	11,240	40,426	7.7
Feb - 19	10,374	9,126	11,371	30,871	5.8
Annual ft	222,932	186,329	135,458	544,719	
Annual Mi.	42.2	35.3	25.7		103.2

12 Month Moving SSO Totals Through February 2019



ITEM #8

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GRANADA COMMUNITY SERVICES DISTRICT

MINUTES BOARD OF DIRECTORS SPECIAL AND REGULAR MEETINGS

March 21, 2019

CALL SPECIAL MEETING TO ORDER AT 6:30 p.m.

ROLL CALL

President Matthew Clark, Vice President Barbara Dye, Director Jim Blanchard, Director David Seaton, and Director Eric Suchomel.

Staff: General Manager Chuck Duffy, Assistant General Manager Delia Comito (Regular Meeting only), and District Counsel Bill Parkin.

GENERAL PUBLIC PARTICIPATION

None.

ADJOURN TO CLOSED SESSION

1. Conference with Real Property Negotiator (Government Code Section 54956.8).

District's Negotiator: Chuck Duffy.

Negotiating parties: Half Moon Bay Fire Protection District and Granada Community Services District.

Property under negotiation: Vacant Land with no address located at Obispo Road and Avenue Portola, El Granada, California. (Parcel "A", APN 047-261-030)

Under negotiation: Instruction to negotiator will concern price and terms.

2. Conference with Legal Counsel – Existing Litigation (Gov. Code Section §54956.9(d)(1)).

City of Half Moon Bay v. Granada Community Services District and Montara Water and Sanitary District (RPI, Sewer Authority Mid-Coastside) - San Mateo Superior Court Case No. 17CIV03092.

RECONVENE TO OPEN SESSION

Report final Board action, if any, from Closed Session.

ADJOURN SPECIAL MEETING

CALL REGULAR MEETING TO ORDER AT 7:30 p.m.

ROLL CALL

GENERAL PUBLIC PARTICIPATION

None.

ACTION AGENDA

- 1. Consideration of Request to Refund Fees for Permit #2615, Issued to Jeffrey Matthews on 02/21/96, for APN 048- 033-110.**

This Item was tabled to the next meeting.

- 2. Consideration of Sewer Authority Mid-Coastside General Budget for Fiscal Year 2019/20.**

Mr. Duffy provided a review of the SAM budget, and stated that the O&M portion of the budget had increased by 21% over the prior year, in addition to the 12% and 18% increases over the previous years. Director Dye stated it was difficult to evaluate the true O&M numbers with infrastructure costs mixed into certain line items. Delia Comito subsequently distributed a spreadsheet she had created to illustrate how the SAM O&M budget has increased over the past ten years with capital infrastructure costs removed from the O&M budget numbers in order to focus on true operational costs. The average year-to-year increase for the past three years was calculated at 20%, a 61% increase over the past three years, versus an average 3.2% increase per year for the prior seven years.

ACTION: Director Dye moved to request that SAM provide more detailed budget line item costs from the O&M Budget, not including the Infrastructure line item. (Dye/Suchomel). Approved 5-0.

- 3. Consideration of Sewer Authority Mid-Coastside Report.**

The District SAM representatives reported on the last SAM meeting.

CONSENT AGENDA

- 4. Approve February 21, 2019 Meeting Minutes.**
- 5. Approve March 2019 Warrants.**
- 6. Approve January 2019 Financial Statements.**
- 7. Approve Assessment District Distribution #9-18/19.**
- 8. Approve Resolution Authorizing Tri-Counties Credit Card Account, and Use by the Assistant General Manager for District Expenses, with a \$5,000 limit.**
- 9. Approve Resolution Designating A Custodian of Records.**

ACTION: Director Blanchard moved to approve the Consent Agenda. (Blanchard/Dye). Approved 5-0.

COMMITTEE REPORTS

- 10. Report on seminars, conferences, or committee meetings.**
- 11. Report on Parks Advisory Committee.**

PAC Chair Nancy Marsh reported on the status of the summer recreation program, the guide, the newsletter and updates to the parks webpage. The Board thanked Ms. Marsh and PAC for all of their hard work.

INFORMATION CALENDAR

- 12. Attorney's Report** - None.
- 13. General Manager's Report** - None.
- 14. Administrative Staff Report** - Directors were reminded to go to Tri Counties Bank to sign the new signature cards.
- 15. Engineer's Report** - Mr. Duffy reported that RFP's have been sent out for the sewer main CCTV Project. He also reported that he had met with District Engineer John Rayner to finalize the 5 year CIP.
- 16. Future Agenda Items.**

ADJOURN REGULAR MEETING

The regular meeting was adjourned at 9:15 p.m.

ATTEST:

SUBMITTED BY:

Delia Comito, Board Secretary

Chuck Duffy, General Manager

Date Approved by Board: April 18, 2019

ITEM #9

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**Granada Community Services District
April 2019 Warrants**

For the April 18, 2019 Board of Director's Meeting

Date	Num	Name	Memo	Account	Amount
03/21/19	8087	Valbridge	Appraisal Deposit for APN 047-261-030	6220 · Miscellaneous	2,000.00
03/21/19	8088	Wells Fargo Credit Card	Mar 2018 Credit Card Charges	6140 · Office Supplies	61.73
03/21/19	8089	Wittwer & Parkin	Feb 2019 Svcs	6090 · Legal-Gen/IPS/Parks/Big Wave	10,413.50
03/21/19	8090	Della Olivias-Comito	Reimb. for 3/21/19 Mtg Pizza	6050 · Education & Travel Reimb	90.38
03/21/19	8091	Valbridge	2nd Installment for APN 047-261-030 Appraisal	6220 · Miscellaneous	2,000.00
03/28/19	8092	Service Press	New checks - Gen & AD	6140 · Office Supplies	401.08
04/18/19	8093	Alhambra & Sierra Springs	Mar 2019	6140 · Office Supplies	23.95
04/18/19	8094	Barbara Dye	03/21/19 GCSD & 03/25/19 SAM	6040 · Directors' Compensation	190.00
04/18/19	8095	Comcast	04/13/19-05/12/19 Svcs	6170 · Utilities	220.82
04/18/19	8109	County of San Mateo	Svcs Rendered for November General Election	6100 · Memberships	9,992.00
04/18/19	8096	David Seaton	03/21/19 GCSD	6040 · Directors' Compensation	145.00
04/18/19	8097	Dudek	02/26/19-03/29/19 Prof. Svcs	6151 · General Manager	6,215.00
04/18/19	8098	Eric Suchomel	03/21/19 GCSD	6040 · Directors' Compensation	145.00
04/18/19	8099	Express Plumbing	Medio Creek Maint & Mon-April	1617-1 · Medio Creek/Mirada Sewer	975.00
04/18/19	8100	Gaetani Real Estate	Office Lease-May 2019	6120 · Office Lease	4,450.00
04/18/19	8101	Jim Blanchard	03/21/19 GCSD & 03/25/19 SAM	6040 · Directors' Compensation	190.00
04/18/19	8102	Matthew Clark	03/21/19 GCSD	6040 · Directors' Compensation	145.00
04/18/19	8103	Office Depot	Inv dtd 3/29/19	6140 · Office Supplies	133.47
04/18/19	8104	Pacifica Community TV	04/01/19 GCSD	6180 · Video Taping	250.00
04/18/19	8105	PG&E	Pump Stn Invoice dtd 03/19/19	6170 · Utilities	479.84
04/18/19	8106	PGE	Office Inv dtd 03/26/19	6170 · Utilities	157.18
04/18/19	8107	Riordan Consulting	02/13/19 Svcs	6190 · Computers	65.00
04/18/19	8108	Rodolfo Romero	Apr 2019 Cleaning 2x	6130 · Office Maint & Repairs	140.00
04/18/19	8110	Sewer Authority Mid-Coastside	Apr 2019 Assessments, Inv dtd 04/1/19	5020 · SAM-Admin/Treat/Env/Inf/Coll	223,609.22
04/18/19	8111	US Bank Equipment Finance	03/24/19 - 04/24/19	6020 · Copier Lease	457.68
04/18/19	8112	Verizon Wireless	Mar 2019	6170 · Utilities	108.13
04/18/19	8113	White Nelson Diehl Evans	Mar 2019	6152 · Accounting	2,500.00
04/18/19	8114	Wittwer & Parkin	Mar 2019 Svcs	6090 · Legal-Gen/IPS/Parks/Big Wave	4,417.90
				TOTAL	269,976.88

ITEM #10

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Granada Community Services District
Statement of Net Position (Unaudited)

As of February 28, 2019

ASSETS

Current Assets	
1000 · Wells Fargo Checking - Gen Op	\$ 44,328
1010 · Wells Fargo Checking - Deposit	5,298
1020 · Petty Cash	490
1030 · Cash - LAIF	4,101,917
1040 · Tri Counties Bank - Gen Op	356,287
1050 · Tri Counties Bank - Deposit	489
1100 · Accounts Receivable	6,053
Total Current Assets	<u>4,514,862</u>
Fixed Assets	
1600 · Land	1,063,640
1615 · Equipment	22,153
1620 · Collections System	11,151,703
1630 · Accumulated Depreciation	<u>(6,168,876)</u>
Total Fixed Assets	<u>6,068,620</u>
Other Assets	
1700 · Advance to MWSD	1,085,094
1710 · Allowance - for Advance to MWSD	<u>(1,085,094)</u>
1720 · Advance to AD- Bond Reserve	369,890
1730 · Advance to AD- NCA Fund	470,866
1735 · Advance to AD- Assesmnt Revenue	283,542
1740 · Security Deposit Office Lease	3,000
1750 · Investment in SAM	3,767,869
1760 · Deferred Outflows of Resources	101,671
Total Other Assets	<u>4,996,838</u>
Total Assets	<u>15,580,319</u>

LIABILITIES

Current Liabilities	
2000 · Accounts Payable	21,284
2001 · Accrued Vacation	5,571
2020 · Class 3 Deposits	17,196
2100 · Payroll Liabilities	426
2225 · Recology-Del Garbage	21,735
2300 · Due to AD	-
2310 · Relief Refund Advance	350
Total Current Liabilities	<u>66,562</u>
Long Term Liabilities	
2401 · Net Pension Liability	170,410
2402 · Deferred Inflows of Resources	20,515
Total Long Term Liabilities	<u>190,925</u>
Total Liabilities	<u>257,487</u>

NET POSITION

3000 · Net Assets	5,715,863
3005 · Contributed Capital	9,595,349
Net Income	11,620
Total Net Position	<u>\$ 15,322,832</u>

No assurance is provided on these financial statements.

**Granada Community Services District
Revenue & Expenses (Unaudited)
July 1, 2018 through February 28, 2019**

	July 1, 2018 - Feb. 28, 2019	Expected To Date	Variance Favorable/ (Unfavorable)	FY 2018/2019 Budget
Revenues				
Operating Revenue				
4010 · Property Tax Allocation	\$ 129,367	\$ 133,333	\$ (3,966)	\$ 200,000
4015 · Park Tax Allocation	262,655	266,667	(4,012)	400,000
4020 · Sewer Service Charges-SMC	908,514	980,667	(72,153)	1,471,000
4021 · Sewer Svc Charges Pro-rated	2,263	-	2,263	-
4030 · AD OH Reimbursement	20,688	20,000	688	30,000
4040 · Recology Franchise Fee	21,866	21,333	533	32,000
Total Operating Revenue	<u>1,345,353</u>	<u>1,422,000</u>	<u>(76,647)</u>	<u>2,133,000</u>
Non Operating Revenue				
4120 · Interest on Reserves	43,709	30,933	12,776	46,400
4130 · Connection Fees	51,700	31,333	20,367	47,000
4150 · Repayment of Adv to AD-NCA	-	52,803	(52,803)	79,204
4155 · Repayment of Adv to AD-ARF	-	31,864	(31,864)	47,796
4160 · SAM Refund from Prior Yr	-	3,333	(3,333)	5,000
4170 · ERAF Refund	356,224	166,667	189,557	250,000
4180 · Misc Income	5,050	1,333	3,717	2,000
Total Non Operating Revenue	<u>456,683</u>	<u>318,266</u>	<u>138,417</u>	<u>477,400</u>
Total Revenues	<u>1,802,036</u>	<u>1,740,266</u>	<u>61,770</u>	<u>2,610,400</u>
Expenses				
Operations				
5010 · SAM - General	654,891	654,891	-	982,337
5020 · SAM - Collections	190,629	189,667	(962)	270,545
5050 · Mainline System Repairs	-	6,667	6,667	10,000
5060 · Lateral Repairs	31,681	13,333	(18,348)	20,000
5065 · CCTV	650	6,667	6,017	10,000
5070 · Pet Waste Station	577	667	90	1,000
5110 · RCD - Parks	11,699	3,333	(8,366)	5,000
5120 · Half Moon Bay Reimb - Parks	-	16,667	16,667	25,000
5130 · Parks & Rec Professional Services	18,723	13,333	(5,390)	20,000
Total Operations	<u>908,850</u>	<u>905,225</u>	<u>(3,625)</u>	<u>1,323,882</u>

No assurance is provided on these financial statements.

**Granada Community Services District
Revenue & Expenses (Unaudited)
July 1, 2018 through February 28, 2019**

	July 1, 2018 - Feb. 28, 2019	Expected To Date	Variance Favorable/ (Unfavorable)	FY 2018/2019 Budget
Expenses (Continued)				
Administration				
6010 · Auditing	\$ 9,187	\$ 10,000	813	\$ 15,000
6020 · Copier lease	4,127	5,000	873	7,500
6040 · Directors' Compensation	7,903	7,333	(570)	11,000
6050 · Education & Travel Reimb	2,280	1,333	(947)	2,000
6060 · Employee Compensation				
6061 · Employee Salaries	110,138	106,667	(3,471)	160,000
6062 · Medical Stipends	13,695	8,400	(5,295)	12,600
6063 · Employer Payroll Taxes	8,508	10,000	1,492	15,000
6064 · CALPERS Contribution	34,157	21,600	(12,557)	32,400
6060 · Employee Compensation - Other	918	-	(918)	-
6070 · Engineering Services	15,763	13,333	(2,430)	20,000
6080 · Insurance	1,231	6,667	5,436	10,000
6090 · Legal Services	111,690	50,000	(61,690)	75,000
6095 · Legal Services for Case Related Legal	53,495	66,667	13,172	100,000
6100 · Memberships	7,591	6,000	(1,591)	9,000
6110 · Newsletter	-	4,000	4,000	6,000
6120 · Office Lease	35,600	36,000	400	54,000
6130 · Office Maintenance & Repairs	1,235	1,667	432	2,500
6140 · Office Supplies	2,416	4,000	1,584	6,000
6150 · Professional Services	85,315	63,333	(21,982)	95,000
6160 · Publications & Notices	1,491	6,667	5,176	10,000
6170 · Utilities	7,109	6,667	(442)	10,000
6180 · Video Taping	3,000	2,333	(667)	3,500
6190 · Computers	7,804	1,333	(6,471)	2,000
6220 · Miscellaneous	8,611	4,666	(3,945)	7,000
6230 · Bank Service Charges	1,733	-	(1,733)	-
Total Administration	<u>534,997</u>	<u>443,666</u>	<u>(91,331)</u>	<u>665,500</u>
Capital Projects				
1617-1 · Medio Creek Xing Crossing	9,083	233,333	224,250	350,000
7100 · SAM - Infrastructure	314,761	314,556	(205)	471,834
7500 · Projects - Parks	22,725	66,667	43,942	100,000
Total Capital Projects	<u>346,569</u>	<u>614,556</u>	<u>267,987</u>	<u>921,834</u>
Total Expenses	<u>1,790,416</u>	<u>1,963,447</u>	<u>173,031</u>	<u>2,911,216</u>
Net Income/(Loss)	<u>\$ 11,620</u>	<u>\$ (223,181)</u>	<u>\$ 234,801</u>	<u>\$ (300,816)</u>

No assurance is provided on these financial statements.

ITEM #11

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DISTRIBUTION REQUEST NO.: #10-18/19
BOND ADMINISTRATION FUND
(Account Number: 94673305)

DISTRIBUTION TOTAL: \$3,093.50

\$6,100,000.00
GRANADA SANITARY DISTRICT
LIMITED OBLIGATION REFUNDING IMPROVEMENT BONDS 2003
Reassessment & Refunding Project

DISTRIBUTION REQUEST
For Payment of Bond Administration Costs

The undersigned Treasurer of the Granada Sanitary District (the "District") hereby requests of the Fiscal Agent for the District the payment of Bond Administration Costs for the items and in the manner and amount stated in the attached Schedule A, and in connection herewith hereby certifies that the payment requested is for the Administrative Costs, and that funds are available in the Bond Administration Fund (Account #94673305) to make such payment, and further states that all requirements for the payment of the amount to be disbursed pursuant hereto have been met.

April 18, 2019

Chuck Duffy, Finance Officer/Treasurer

SCHEDULE "A"

DISTRIBUTION REQUEST NO: #10-18/19

DATE: April 18, 2019

DISTRIBUTE FROM ACCOUNT #: 94673305

ACCOUNT NAME: Bond Administration Fund

DISTRIBUTION AMOUNT: \$ 3,093.50

PAYMENT INSTRUCTIONS: Issue checks and mail as listed below.

Payee	Mailing Address	Services Provided	Amount
Taussig & Assoc	5000 Birch St, #6000, Newport Bch, CA 92660	Admin Svcs: Feb 2019	\$ 507.50
GCSD	P.O. Box 335, El Granada, CA 94018	GCSD OH Reim: April 2019	\$ 2,586.00
TOTAL:			\$ 3,093.50

ITEM #12

AGENDA NOTICE

There are no documents for this Agenda Item.

ITEM #13

April 18, 2019

TO: GCSD Board

FROM: Nancy Marsh, Chair, Parks Advisory Committee

SUBJECT: Parks Advisory Committee Report to GCSD Board

I'm submitting this report in writing as I will be out of town for the Board meeting.

The PAC met on Tuesday, April 2. There was one public comment, expressing support for our endeavors to explore additional playgrounds and active recreation, beyond hiking and walking trails. PAC welcomed new member Richard Barker and approving February meeting minutes. Major agenda items:

Summer Recreation Programs and Spring Newsletter:

- Identified three programs, all in mid-July, that will require background checks and fingerprints. STAFF continues to work on submitting the materials to have GCSD authorized and obtain an Originating Agency Identifier to receive this information. We will accept registrations but may have to cancel these programs (two sailing and one surfing) if this process is not completed in time.
- Reminded PAC members who are liaising with providers to submit all contracts and related materials to STAFF ASAP, and ensure that providers will have extra copies of the waiver on hand on the first day of the program.
- All of the EventBrite registration URLs are updated and ready for use. STAFF must still update the payout instructions for programs that have fees.
- The April 2019 newsletter with the Guide insert is to be mailed on or about 4/12.
- Promotion plans:
 - Ad in HMB Review on 4/10 and link featured in Coastside Buzz
 - PAC members will man a table at the post office with extra Guides on 4/27, 5/16 and 6/1.
 - STAFF will post a reminder about each program 10 days and 5 days ahead of each program's start date on NextDoor and GCSD's Facebook page, and explore possibility of adding programs to the HMB Review Calendar.
 - Copies of the Guide will be posted at local businesses where possible.
- Thanks to Martie Sauter for terrific work on the newsletter and much-improved Guide, and all PAC members for organizing and coordinating program suppliers and/or directly delivering programs.
- Though PAC is very supportive of the Summer Recreation efforts, this is much more than "advisory" work to deliver on this GCSD Remit. PAC agreed the following:
 - **MOTION:** Propose to GCSD Board to contract for or hire a Summer Recreation Program and Communications Coordinator for the Summer 2020 cycle.
 - The remit for such a position would include program development; supplier recruitment, negotiation and relationship management; contracting, developing and delivering communications and promotion; managing registration and payment; and all required paperwork.

Updated Parks & Recreation page at GCSD website:

The updated Parks and Recreation web page is live as of 4/10, with updated content, more photos, more reference document links and the link to the online Summer Connection to Recreation Guide with program registration links. Thanks to Kyle Harper and Chris Auger from Dudek for great support.

Reviewed Updated PAC work plan (updated at February Board Meeting)

Action plans:

- Burnham Park – subteam of members Marsh, Tierney and Dragony to develop proposals for improved public outreach, for review at PAC’s August 6 meeting. Specific concerns to be addressed include reaching the residents who don’t typically come to public events, and gaining more detail on desired attributes for parks and desired activities for recreation. The public events have been valuable for the opportunity to have an interactive dialogue, but PAC also noted that the public meetings for Quarry Park, Burnham Park and Balboa Playground attracted between about 70 to 90 people, while the 2015 GCSB Community Survey attracted more than 600 responses. Given GCSB’s population of around 6,000 people, with about 1,000 under age 18 (estimate derived from public school data), we will propose mechanisms to reach a larger share of our constituents.
- Median Trails and Amenities plan – PAC reviewed the history of focus on the medians as public recreation space including early engagement about a possible pump track at Cabrillo Circle and a playground on Avenue Balboa. While the public has expressed interest in improving these public spaces, for a variety of reasons they present a challenge for parks development. Given the initial Gates company estimate for an overall trail and amenities plan (\$180,000), the timeline to develop such a plan (likely 1-2 years) and adjacent residents’ pushback given the County’s position on ownership of the medians, PAC agreed the following:
 - **MOTION:** PAC advises the GCSB Board to focus funding on Burnham Park and a potential Community Center, and to defer investment in a Median Trails plan at this time.
 - It was noted that these two initiatives would provide much needed venues for recreation programs, while the medians would be unlikely to serve as recreation venues.
- Work with El Granada Elementary School to improve existing active recreation facilities. It was noted that the recreation facilities are in use by EG Elementary and related programs until 7:00pm on weekdays, with strict limitations to access while children are present; the facilities are only available for public use on weekends or when school and school programs are not in session. A subteam of members Barker and Marsh will explore whether financial support from GCSB would provide material improved benefit to the community.
- Support pump track at Quarry Park – PAC will form a subteam to engage volunteers when SMC Parks has advanced their plan to the point where they are ready to discuss funding, design and construction.
 - Additional note – I crossed paths with Sam Herzberg from SMC Parks the day after the PAC meeting. He said the latest draft has been “sitting on someone’s desk” at the Parks Commission for three months and he’s not sure what is holding it up. He is now more focused on the Portola Heritage Trail development. He suggested “a letter to a supervisor” might help get the Quarry Park plan moving.

PAC’s next scheduled meeting is Tuesday, August 6 at 7:00pm.

ITEM #14

GRANADA COMMUNITY SERVICES DISTRICT

AGENDA NOTICE

There are no documents for this Agenda Item.

ITEM #15

AGENDA NOTICE

There are no documents for this Agenda Item.

ITEM #16

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GRANADA COMMUNITY SERVICES DISTRICT

Administrative Staff Report

Period: March 16, 2019 to April 12, 2019
 To: Board of Directors
 From: Delia Comito, Assistant General Manager
 Date: April 18, 2019

PUBLIC RECORDS REQUESTS – One public records request was received this period:

Request Date	Requestor	Information Requested	Information Provided	Date Provided
04/08/19	Shaquille Cruz	2017 & 18 Emp Comp Rpts	2017 Emp Comp Rpt (2018 avail 4/30/19)	04/08/19

APPLICATIONS RECEIVED – Two applications were received this period:

Rec'd	CI	Owner or Agent	APN	Address	Sq. Ft.	Zone
07/30/18	1A	Wilkinson Philip	048-093-040	495 Mirada Rd, Miramar	3,697	R-1/S-17
07/30/18	1A	Stenger Sean	047-071-270	312 Sevilla Ave, EG	5,585	R-1/S-94
08/24/18	1A	Abolmoluki B	047-275-050	1120 Columbus, EG	6,026	R-1/S-17
09/04/18	1A	Reavill John	047-055-120	438 Sevilla, EG	5,000	R-1/S-17
09/12/18	1A	Wang Junhua	047-281-160	638 Coronado, EG	6,705	R-1/S-17
09/25/18	VAR	Xue/Li/Xu	047-111-270	736 San Carlos, EG	4,800	R-1/S-17
10/16/18	VAR	Irfan & Moin	048-032-070	Cortez, Miramar	4,400	R-1/S-94
10/22/18	1A	Stebbins Bruce	047-218-010	620 Columbus, EG	5,936	R-1/S-17
11/12/18	VAR	Mithal Raj	048-031-020	Magellan, Miramar	4,400	R-1/S-94
11/19/18	MIX	O'Keefe David	047-024-080	354 Princeton Ave, Princeton	3,500	CCR
11/19/18	MIX	O'Keefe David	047-024-070	358 Princeton Ave, Princeton	3,500	CCR
12/03/18	2A	Dragony Michelle	047-034-070	123 Vassar, Princeton	2,285	W/DR
01/17/19	1A	Perez Luis	047-222-240	422 Ferdinand, EG	8,516	R-1/S-17
03/15/19	CI3	Irfan & Moin	048-032-070	Cortez, Miramar	N/A	R-1/S-94
03/25/19	1A	Stoloski Mark	048-133-050	2801 Champs Elysee,HMB	15,160	PUD

Note: Shaded areas were previously report

PERMITS ISSUED – One permit was issued this period:

Permit No.	CI	Issue Date	Owner or Agent	APN	Address	Sq. Ft.	Zone
3174	1A	07/13/18	Kybych Serhiy	048-013-600	124 Magellan Ave	Miramar 7,792	R-1/S-94
3175	3	07/31/18	Kostiuk Michael	047-144-370	620 Portola Ave	EG 7,338	R-1/S-17
3176	1A	07/31/18	Kostiuk Michael	047-144-370	620 Portola Ave	EG 7,338	R-1/S-17

PERMITS ISSUED Cont'd

Permit No.	CI	Issue Date	Owner or Agent	APN	Address		Sq. Ft.	Zone
3177	1A	07/31/18	Wilkinson Phillip	048-093-040	495 Mirada Rd	Miramar	3,697	R-1/S-17
3178	1A	08/01/18	Stenger Sean	047-071-270	312 Sevilla Ave	EG	5,585	R-1/S-17
3179	CI3	08/13/18	Chirichillo	048-121-100	260 Medio Ave	HMB	5,000	R-1/S-94
3180	1A	08/14/18	Reavill John	047-055-120	438 Sevilla Ave	EG	5,000	R-1/S-17
3181	1A	09/25/18	Wang Junhua	047-281-160	638 Coronado St	EG	6,705	R-1/S-17
3183	1A	09/27/18	Abolmoluki B	047-275-050	1120 Columbus	EG	6,026	R-1/S-17
3184	2M	10/11/18	Coastside Fire	047-261-030	555 Obispo Rd	EG	2.38 ac	EG Gate
3185	1A	10/31/18	Stebbins Bruce	047-218-010	620 Columbus St	EG	5,936	R-1/S-17
3186	MIX	11/20/18	O'Keefe David	047-024-070	358 Princeton Ave	Princeton	3,500	W/DR
3187	MIX	11/20/18	O'Keefe David	047-024-080	354 Princeton Ave	Princeton	3,500	W/DR
3188	1A	03/08/19	Carkeek Harris	047-243-010	912 Columbus	EG	6,170	R-1/S-17
3189	1A	03/26/19	Stoloski Mark	048-133-050	2801 Champs Elysee	HMB	15,160	PUD

Note: Shaded areas were previously reported.

SEWER HOOK-UPS – There was one sewer hook-up this period:

Hook-up Date	Type	Permit No.	Permit Issue Date	Owner	APN	Address
08/28/18	1A	3164	11/16/16	Michetti & Kessler	047-105-090	401 Paloma, EG
09/10/18	1A	3166	07/13/17	Lang Justin	047-105-240	755 San Carlos, EG
09/18/18	1A	3169	08/17/18	Cuvelier Jacqueline	047-175-250	265 El Granada Blvd, EG
10/10/18	1A	3168	08/14/17	Rogers Clay	047-141-240	243 Del Monte Rd, EG
03/15/19	1A	3177	07/31/18	Wilkinson Phillip	048-093-040	495 Mirada Rd, Miramar

Note: Shaded areas were previously reported.

REPAIRS – There was one repair this period:

Repair Date	Type	Problem	Location or Address	Cause	Cost
08/18/18	Clean-out	Back-up	164 Ave Balboa, EG	Roots	\$3,800
12/17/18	Lateral	Clay	730 Ave Balboa, EG	Broken pipe	\$8,250
01/31/19	Lateral (street side)	Back-up	291 Coral Reef, EG	Broken pipe	\$8,300
02/01/19	Mainline	MH OF	195 Ave. Cabrillo, EG	New MH not connected	\$1,400
03/26/19	Lateral (street side)	Back-up	321 El Granada Blvd, EG	Roots	TBD

Note: Shaded areas were previously reported

ITEM #17

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12 April 2019

Memorandum

To: Granada Community Services District
From: John H. Rayner, District Engineer
Subject: Engineer's Report for April 2019

Medio Creek Crossing at Mirada Road

The leased temporary pumping system has been operating since January 2018. The temporary system will remain in operation until a permanent solution, either a new creek crossing or a sewer to direct flows to the Naples Beach Pump Station is implemented.

Replacement of Pedestrian Bridge over Medio Creek

The County has hired an engineer to design the replacement of the existing pedestrian bridge over Medio Creek. In December it notified GCSD that it expects to begin construction of the project in late summer or early fall of this year however subsequent discussions have moved back construction for another year. The project includes demolition of the existing abandoned road bridge on which the District's 10" sewer and temporary 2" force main (FM) are attached. This will require the 2" FM to be rerouted before demolition begins.

The County's consultant has been checking to see if the new bridge could support the weight of the sewer pipeline. As a part of that project, the County may be drafting a cost sharing agreement with GCSD for reimbursement of costs associated with the permitting, designing and construction if a new GCSD sewer is to be attached to the bridge.

Naples Beach Project - Phase 2

This project will eliminate the need for a Medio Creek sewer crossing but it requires obtaining a sewer easement from State Parks. The District contracted with Valbridge Property Advisors to perform an appraisal of the easement which was forwarded to State Parks. State Parks recently requested that the District update the 2005 Preliminary Report (Title Report) prepared for the easement. North American Title Company updated the report with links to the documents requested by the State. The report was forwarded to State Parks on January 24th for its review. We are currently contracting with Sandis for a survey and legal description of the easements.

We will begin updating permits for the project as soon as State Parks confirms it will grant the easement. The project would likely be combined with other needed CIP improvements. Once this project is completed the temporary bypass pumping system will no longer be needed.

Memorandum

Granada Community Services District

12 April 2019

Page 2

Big Wave (Class 3 Permit)

We completed our review of the revised Offsite Improvement Plans. The Plans were revised in accordance with our previous comments and as described in our April 10, 2019 letter to the Board, we recommend approval of the Class 3 Mainline Extension Permit for Big Wave. The District will also need to review the design of onsite sewers, which will be designed and constructed in accordance with GCSD specifications although not dedicated to GCSD.

Updated 6-Year CIP

The first step in planning for the updated Capital Improvements Plan is to determine the condition of sewers suspected of needing repair. These sewers were identified by us in a memo last year. The sewers listed in the memo that we did not have condition information on, were recommended to be cleaned and then televised by CCTV. Earlier this month after receiving proposals from four firms, the District contracted with Presidio Systems, Inc. (PSI) for these services. The work is currently underway and is expected to be completed by the end of this month. The information from the PSI report as well as information on the condition of the collection system from prior investigations will be used to prepare an updated 6-Year CIP expected to implemented beginning next fiscal year.

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ITEM #18

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