

**SELMA-KINGSBURG-FOWLER
COUNTY SANITATION DISTRICT**

MINUTES OF THE BOARD MEETING

May 8, 2008

The Special Board Meeting of the Selma-Kingsburg-Fowler County Sanitation District was called to order at 12:32 p.m. by the Chairwoman, Judith G. Case.

DIRECTORS' ROLL CALL

Leland Bergstrom, Vice-Chairman (present)
David Cárdenas (present)
Dennis Lujan (present for Don Tow)
Bob Waterston (present)
Judith Case, Chairwoman (present)

STAFF AND CONSULTANTS PRESENT

David Michel, General Manager/ Board Secretary
Ben Muñoz, Jr., Assistant General Manager
Hilda Cantú Montoy, General Counsel
Veronica Cazares, Supervising Engineer
David Bacon, Information Systems Analyst
Robert Whitley, Consultant District Engineer

OTHERS PRESENT

Ed Blanton, Kingsburg Resident
Norman Krebbs, Kingsburg Resident
Michael Gaston, City of Selma

CONSIDERATION OF MINUTES

There being no comments from the public, a motion to approve the minutes of the Board Meeting of April 10, 2008, was made by Director Waterston, seconded by Director Lujan, and approved by the following vote:

AYE:	Directors Waterston, Lujan, Bergstrom, Cárdenas and Case
NO:	None
ABSENT:	None
ABSTAIN:	None

CONSENT CALENDAR

General Manager Michel commented that Ordinance No. 116, which is being introduced as part of the consent calendar, has been revised on the recommendation of General Counsel Montoy and has been distributed in the Board room. There being no comments from the public, a motion to approve the five consent calendar items and the staff recommendations as described below, was made by Director Waterston, seconded by Director Lujan, and approved by the following vote:

AYE: Directors Waterston, Lujan, Bergstrom, Cárdenas and Case
NO: None
ABSENT: None
ABSTAIN: None

Consultant District Engineer Activity Report

Consultant District Engineer Whitley provided a letter stating that the following presents a summary of the activities that he has been engaged with on behalf of the District.

6.3 Improvement Project

Bottleneck No. 1-Secondary Clarifier Capacity- Presented the final report and recommendations to the Board of Directors on April 10, 2008.

Bottleneck No. 2A-Pond No. 6- Construction of Pond No. 6 remains as the critical path action item. The Fresno County amended Conditional Use Permit for Pond No. 6 & No. 7 and CEQA Initial Study are in public review.

Bottleneck No. 3-Solids Thickening (DAFT)-Prepared and submitted an operational stress test work plan.

Bottleneck No. 4-Hydraulic Modifications-Continuing to prepare engineering drawings for a new effluent pump station and the renovated effluent pipeline that will provide for conveyance to all of the percolation ponds.

Bottleneck No. 5-Influent Pipeline Repair-Provided technical consulting advice to District staff regarding design considerations.

10 year Capital Improvement Plan (CIP)-Refurbishment and Replacement

Continued to review a 10-year CIP with the District's Technical Advisory Committee (DTAC).

Ordinance No. 115 Electing to Collect Fiscal Year 2008-09 Service Charges on the Fresno County Tax Roll

General Manager Michel reported that this is the annual authorization to collect the sewer service charges on the Fresno County Tax Roll for virtually all residential and most commercial users. It does not set the rate, it establishes the method of collection. The rate will be considered at the June 12, 2008 Board Meeting. Staff recommended that the Board adopt Ordinance No. 115 Electing to Collect Service Charges on the Tax Roll.

Setting of Budget-Related Public Hearings

Staff recommended that the Board set June 12, 2008 at 4:00 pm in the Board Room of the District Administration building, 11301 East Conejo Avenue, Kingsburg, California, as the date, time and place for public hearings for the following:

- A) Resolution No. 2008-03 Approving the FY 2008-09 Budget
- B) Ordinance No. 116 Establishing the Service Charge Rates
- C) Resolution No. 2008-04 Confirming Ordinance No. 115 Electing to Collect Service Charges on the Tax Roll

District Technical Advisory Committee (DTAC) Report

The Board received the minutes of the DTAC meeting of April 10, 2008.

Expenditure Report for Whitley Burchett & Associates Engineering Services

The Board received a summary of the last 34 months' expenditures to Whitley Burchett & Associates from July 1, 2005 through April 23, 2008 from MAS 200 Accounts Payable Report (cash basis). The informational report showed expenditures of \$631,525 for general engineering services plus 14 projects.

PUBLIC COMMENTS (first call)

None.

UNFINISHED BUSINESS

Former Scarry House Demolition/Removal – Bid Results

General Manager Michel reported that staff solicited proposals from licensed contractors to move or demolish the former Scarry house. If the house was to be moved, some remaining miscellaneous demolition would still need to be done (basement, small shed, septic tank etc.). The moving must take place within 60 days of the Notice to Proceed and the demolition would take place within 60 days after the house is moved. The bids were as follows:

Move House

Dinuba House Movers, Inc. (Dinuba)	Pay District \$1.00 (license is current and active)
Norman Krebbs	Pay District \$1.11 (reject as non-responsive – does not

have the required license)

Miscellaneous Demolition Only

Statewide Excavation, Inc. (Fresno)	Charge District \$3,600 (license is current and active)
Lee Crippen Demolition (Fresno)	Charge District \$4,500
ALW Enterprises (Fresno)	Charge District \$6,150
Selsor Construction (Fresno)	Charge District \$7,250

House Demolition Plus Miscellaneous Demolition

Lee Crippen Demolition (Fresno)	Charge District \$7,300
ALW Enterprises (Fresno)	Charge District \$7,895
Statewide Excavation, Inc.(Fresno)	Charge District \$10,800
Selsor Construction (Fresno)	Charge District \$14,750

Staff recommended that the Board reject the proposal from Norman Krebbs as non-responsive, award the moving contract to Dinuba House Movers, Inc. of Dinuba for a payment to the District of one dollar, award the miscellaneous demolition contract to Statewide Excavation, Inc of Fresno in the amount of \$3,600, authorize staff to sign all necessary documents, adjust the fiscal year 2007-08 budget item 7860-101-00 (Professional Services – Other) by increasing it \$4,874 budget for work completed in removing lead and asbestos and adjust the appropriate fiscal year budget item 7860-101-00 (Professional Services – Other) by increasing it \$3,600 for miscellaneous demolition of Scarry property.

Chairwoman Case inquired as to whether it would be legal to enter into an agreement with Mr. Krebbs to have him hire a licensed contractor to move the house. General Counsel Montoy said it would be legal. Mr. Krebbs commented to the effect that after he checked into it, he found that he was able to make the proposal and carry it out.

There being no further comments from the public, a motion to reject the proposals for House Demolition Plus Miscellaneous Demolition and to approve an agreement with Norman Krebbs to move the house, containing all the requirements to which a contractor would have been bound, drafted by General Counsel Montoy, for a payment to the District of one dollar and eleven cents, to award the miscellaneous demolition contract to Statewide Excavation, Inc of Fresno in the amount of \$3,600, to authorize staff to sign all necessary documents, to adjust the fiscal year 2007-08 budget item 7860-101-00 (Professional Services – Other) by increasing it \$4,874 budget for work completed in removing lead and asbestos and to adjust the appropriate fiscal year budget item 7860-101-00 (Professional Services – Other) by increasing it \$3,600 for miscellaneous demolition of Scarry property, was made by Director Waterston, seconded by Director Cárdenas, and approved by the following vote:

AYE:	Directors Waterston, Cárdenas, Bergstrom, Lujan and Case
NO:	None
ABSENT:	None
ABSTAIN:	None

Former Scarry House Demolition of Wells – Bid Results

General Manager Michel reported that staff solicited quotes for demolishing and abandoning two wells on the former Scarry property. There were no bids. Some prospective bidders said they were too busy right now. Staff will wait until the contractors are less busy and will bring this back to the Board with the inclusion of demolishing two additional wells on the former Juarez property.

The consensus of the Board was that staff should research the regulations and perform the demolition and abandonment with District forces.

Stormwater Inflow Reduction Plan of Action

General Manager Michel reported that there is significant inflow of stormwater into the sanitary sewer system, mostly in west Selma. Staff has identified many sources in west Selma and has informed the City. Among the next steps are to meet with the City to determine priorities and a schedule for correction. Supervising Engineer Cazares reported the following in a written memo.

In May 2006, the State Water Resources Control Board passed Order No. 2006-0003 Statewide General Waste Discharge Requirements for Sanitary Sewer Systems (GWDR). The GWDR is a program developed to provide a consistent approach to reduce SSO's. The District is required to prepare a Sewer System Management Plan (SSMP) to address each of the elements as contained in the GWDR.

The goal of the SSMP is to provide a plan and schedule to properly manage, operate, and maintain all parts of the sanitary sewer system. This will help reduce and prevent SSO's as well as mitigate any SSO's that do occur.

In September 2006, the Sewer System Master Plan was completed. A temporary flow monitoring program was performed to collect data for the model. The west side of the City of Selma sewer system displayed the highest level of surcharge and potential for SSO's; indicating storm water connections. The Engineering Department began a field investigation in the fall of 2007. A memorandum was prepared and presented at the December Board meeting. Subsequently, letters have been sent to the City of Selma identifying the locations of storm water cross connections into the sanitary sewer system and a letter to all the District's member agencies explaining the prohibition of the discharge of storm water into the sanitary sewer system.

Ongoing District activities include continuation of identifying storm water cross connections to the sanitary sewer system, procurement of lockable manhole covers and continue reviewing existing CCTV inspection videos for possible storm water connections. She recommended the following:

Schedule a meeting with the City of Selma to discuss known locations of storm water connections.

Schedule a meeting with Caltrans to discuss possible storm water connections.

Prioritize storm water cross connection locations.

Determine a plan of action for the systematic reduction or elimination of the storm water connections prior to the next rain season.

Follow-up with a letter outlining the action items from the meeting with the City of Selma.

Director Lujan stated that the City of Selma does not open sanitary sewer manholes to relieve stormwater flooding.

Kingsburg resident Ed Blanton commented to the effect that all stormwater should be removed from the sanitary sewers and that staff should use locking manhole covers only in the event of vandalism because they serve as relief for surcharged sanitary sewers.

There being no further comments from the public, a motion to direct staff to meet with the City of Selma to determine a plan of action for the systematic reduction or elimination of stormwater connections prior to the next rainy season, to meet with Caltrans to discuss possible stormwater connections and to bring back to the Board any specific plans to install locking manhole covers, was made by Director Bergstrom, seconded by Director Waterston, and approved by the following vote:

AYE:	Directors Bergstrom, Waterston, Cárdenas, Lujan and Case
NO:	None
ABSENT:	None
ABSTAIN:	None

42" Influent Pipe Rehabilitation Project - Authorization to Solicit Bids

This item of New Business was taken next on the agenda by consensus of the Board. General Manager Michel reported that the 6.3 MGD Improvement Plan calls for the correction of Bottleneck No. 5 by refurbishing the 42" influent pipe inside the treatment plant. The needed refurbishment consists of a cured-in-place type lining of the pipe from the headworks to Aeration Basin No. 3 and other associated pipes. The purpose is to provide a crucial auxiliary artery plus additional influent capacity when used with parallel influent line. Supervising Engineer Cazares has completed the design documents and her cost estimate is \$675,000. General Counsel Montoy has updated the standard contract documents. Staff recommended that the Board direct staff to solicit bids for the 42" Influent Pipe Rehabilitation Project.

Kingsburg resident Ed Blanton commented to the effect that a slurry method may be more advisable. Supervising Engineer Cazares described the congested location of the project, thereby warranting a cured-in-place type of design. Consultant District Engineer Whitley confirmed that this item was on

the DTAC capital improvement list and that the refurbishment method is applicable in this situation. Director Waterston said that he was familiar with the method, which uses hot water to form fit a resin-fiberglass pipe inside a deteriorated existing pipe. Director Cárdenas inquired as to how much diameter would be lost, to which Consultant District Engineer Whitley answered approximately two inches.

There being no further comments from the public, a motion to direct staff to solicit bids for the 42” Influent Pipe Rehabilitation Project, was made by Director Waterston, seconded by Director Cárdenas, and approved by the following vote:

AYE: Directors Waterston, Cárdenas, Bergstrom, Lujan and Case
 NO: None
 ABSENT: None
 ABSTAIN: None

Fiscal Year 2008-09 Draft Budget Second Presentation (Version 3-31-08)

In a written memo, General Manager Michel reported that budget indicates an overall 11.8% rate increase due to increased costs for the following: refurbishment & replacement (R&R) of 33 year-old facilities & equipment; services & supplies; sludge removal; labor costs; and worker benefits. The District Technical Advisory Committee (DTAC) has reviewed the budget once.

A budget message and a memo to the Board were presented at the April 10, 2008 Meeting. Notices have been mailed to property owners and to industrial dischargers.

The budget indicates a rate increase from \$21.82 to \$24.39 per month for each equivalent single family residence (ESFR). This is an increase of \$2.57 per month per household. On an annual basis, this is an increase from \$261.82 per year to \$292.59 per year, which is an annual increase of \$30.77.

General Manager Michel distributed two handouts showing sewer rates for the Central San Joaquin Valley and showing the breakdown of the proposed 11.8% rate increase. The Central Valley sewer rate survey showed that , at \$21.82 per month, the SKF service charge is less than the Central Valley average of \$23.44 per month. In the Central Valley, there are 19 agencies higher than SKF and there are 14 agencies lower than SKF.

The breakdown of the proposed rate increase was as follows:

	Approximate Annual \$ Per ESFR	Approximate Monthly \$ Per ESFR	Approximate Cumulative % Increase	Approximate Categorical % Increase
FY 2007-08 (Current Fiscal Year)	261.82	21.82	0.0%	0.0%
FY 2008-09 changes in services & supplies, franchise fees and ESFR's	271.25	22.60	3.6%	3.6%

CONTRACTUAL OBLIGATIONS for salaries & benefits compared to final approved FY 2007-08 budget	282.44	23.54	7.9%	4.3%
DTAC RECOMMENDED District R&R Increase from \$600,000 to \$800,000	288.59	24.05	10.2%	2.3%
DTAC RECOMMENDED Cities R&R Increase from \$18/ESFR to \$22/ESFR	292.59	24.38	11.8%	<u>1.6%</u>
			TOTAL	11.8%

Kingsburg resident Norman Krebbs distributed copies of three handouts regarding historical rate increases with profits and losses, historical Equivalent Single Family Residence numbers, and O&M fund information from annual budgets and audit reports. He commented to the effect that he objects to revenue exceeding expenditures and gouging homeowners. General Manager Michel reported that, with regard to expenditures being less than revenues, DTAC Chairman Alan Weaver had said that it means staff has done a good job keeping down expenditures.

NEW BUSINESS

The only item of new business was addressed earlier in the agenda.

COMMUNICATIONS

General Manager Michel reported that a deteriorated diesel tank had been stolen from the former Scarry property.

ALLOWANCE OF CLAIMS

There being no comments from the public, a motion to accept the warrant list report showing checks issued in the amount of \$548,538.64, was made by Director Lujan, seconded by Director Cárdenas, and approved by the following vote:

AYE:	Directors Lujan, Cárdenas, Bergstrom and Case
NO:	None
ABSENT:	Director Waterston
ABSTAIN:	None

PUBLIC COMMENTS (second call)

None.

CLOSED SESSION

Chairwoman Case called for a Closed Session at 1:32 p.m. to discuss Public Employment Appointment, Government Code Section 54957(b), Interim General Manager. The Board reconvened to Open Session at 1:35 p.m. Chairwoman Case reported that the Board had appointed Ben Muñoz as Interim General Manager and Interim Board Secretary for the period June 30 to November 3, 2008.

ADJOURNMENT

There being no further business to come before the Board, Chairwoman Case declared the meeting adjourned to June 12, 2008 at 4:00 p.m., on a motion duly made, seconded and approved by unanimous voice vote at 1:36 p.m.

Respectfully submitted,

Approved,

David Michel, General Manager/
Secretary of the Board

Judith G. Case
Chairwoman of the Board