

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

MINUTES OF THE BOARD MEETING

December 13, 2007

The regular Board Meeting of the Selma-Kingsburg-Fowler County Sanitation District was called to order at 4:03 p.m. by the Chairwoman, Judith Case.

DIRECTORS' ROLL CALL

Leland Bergstrom, Vice-Chairman (present)
David Cárdenas (present)
Don Tow (present)
Bob Waterston (arrived 4:10 p.m.)
Judith Case, Chairwoman (present)

STAFF AND CONSULTANTS PRESENT

David Michel, General Manager/ Board Secretary
Ben Muñoz, Jr., Assistant General Manager
Dennis A. Marshall, Acting District Counsel
Robert Whitley, Consultant District Engineer
Veronica Cazares, Supervising Engineer
Walt Schmidt, Plant Operations Supervisor
David Bacon, Information Systems Analyst

OTHERS PRESENT

Fred Swanson, Director Kearney Research Center
Ed Blanton, Kingsburg Resident
Norman Krebbs, Kingsburg Resident

CONSIDERATION OF MINUTES

There being no comments from the public, a motion to approve the minutes of the Board Meeting of November 8, 2007, was made by Director Cárdenas, seconded by Director Bergstrom, and approved by the following vote:

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

CONSENT CALENDAR

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 Bergstrom, seconded by Director Tow, and approved by the following vote:

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

Resolution No. 2007-06, a Resolution Designating Veronica Cazares as Deputy District Engineer

The Board adopted this Resolution by which District Supervising Engineer Cazares replaced Teresa Herrera as Deputy District Engineer.

Consultant District Engineer Whitley Activity Report

Consultant District Engineer Whitley submitted the following written report.

6.3 Improvement Project

Secondary Clarifier Capacity (Bottleneck No. 1)- District operations personnel completed the operational stress test in September. The operational data has been evaluated and findings and conclusions have been developed. Began preparation of the written report.

Pond No. 6 (Bottleneck No. 2)-Reviewed the application for submittal to Fresno for an amended Conditional Use Permit for Pond No. 6 & No. 7. Application has been submitted and work has begun on the CEQA Initial Study.

Construction of Pond No. 6 remains as the critical path action item.

Hydraulic Modifications (Bottleneck No. 4)-Received staff comments on the 50% and have modified the design accordingly. 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.

Centrifuge No. 2 Installation

Continued to provide advice on new centrifuge performance and manufacturer's assistance.

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

Continued to review a preliminary 10 year CIP for submission to the District's Technical Advisory Committee (DTAC). Emphasis on the treatment facility improvements for modifications to Aeration Basin No. 2 and repair of Aeration Basin No. 3. Also proposed including renovation of all four secondary clarifiers to provide long-term structural and mechanical reliability is in the CIP.

District Technical Advisory Committee (DTAC) Report

The Board received the minutes of the DTAC meeting of November 30, 2007.

Report of Contingency Expenditure – Centrifuge No. 2

General Manager Michel reported that, in November, 2005, the Board approved a total design budget for Centrifuge No. 2 of \$159, 500 which included \$14,500 for contingency.

The design costs are still within the approved budget, although \$10,000 of the contingency needed to be authorized by the General Manager for extra work during engineering design.

The reasons for the authorization include the following: extra time during equipment procurement negotiating better prices for equipment and parts; extra time during procurement process because manufacturers changed some equipment design during the process; SKF requested a local design electrical engineer for greater accessibility and less travel, but who had a higher hourly rate; and extra time was needed in communication between District staff, manufacturers and contractor.

No action was needed.

Property Report – Unauthorized Aluminum Removal and Gunfire

General Manager Michel reported that, at about 10:30 a.m. an employee was working at the sludge drying beds near the 15532 South Del Rey Avenue property when he heard gun fire and possible automatic rifle fire in the area. He was assigned to a different work location. At 2:30 p.m. the supervisor heard more gunfire and a ricochet and reported it to the Sheriff, who investigated at about 4:40 p.m.

At about 2:30 p.m., an employee received a report from a potential demolition bidder that part of the aluminum roof on a storage shed at the 15532 South Del Rey Avenue property had been removed. The metal had salvage value. Staff confirmed the report and called the Sheriff, who investigated at about 4:40 p.m. The tenant, who has lived there for 50 years, said that her son-in-law had removed the aluminum sheets without her knowledge. General Manager Michel consulted with Chairwoman Case.

On Monday, December 3, 2007 the tenant requested that the family make restitution instead of the District pressing charges. Staff checked the salvage value of the material and the tenant made full

restitution in the amount of \$120. Therefore, in exchange for restitution, General Manager Michel did not press charges.

PUBLIC COMMENTS (first call)

Kingsburg resident Ed Blanton said that the old Whitley Burchett sewer master plan should be followed and not the newer Carollo plan because the old plan was more realistic.

Kingsburg resident Norman Krebbs asked about the presentation of the audit and the six-month budget vs. actual report. Chairwoman Case said that the audit is expected to be presented in January and the six-month report in February.

UNFINISHED BUSINESS

Agricultural Specialist Report

At the request of the Board, Fred Swanson, Director of Kearney Research Center, gave a report and answered questions regarding the three 20-acre parcels the District owns west of the plant (former Helm property south of Conejo, former Juarez property and former Helm property north of Conejo). He said that he toured the property with staff. All properties are farmable in the broad sense of the term. The soil is the same as immediately adjacent to each property where crops are being grown successfully. That is not to say that the properties are farmable economically. Various components of farmability include the type of crop, the condition of the parcel, how level it is, its location and size, and the terms of a lease, including rent and length of the lease.

Chairwoman Case said that she would hesitate to allow any permanent crop because of possible abandonment and because staff's expertise is not in farm management.

Mr. Swanson said that the absolute first priority is to clear the land. If the property was a commercial enterprise, the ag commissioner would have given an order to have the dead trees and vines cleaned out. He said that, just as a good neighbor, the basic number one thing to do is that the District must clear it out and haul it off or chip it. After that, work it up by disking it 2-3 times per year. Check with neighbors as to when is a good time to disc, to be a good neighbor. Control the squirrels and any nuisance weeds. The District should not try to decide what type of crop might be worthwhile, just clear the land and entertain any proposals that may come in. The Board thanked Mr. Swanson for his advice.

NEW BUSINESS

Authorization to Hire Bartle Wells for a Refurbishment & Replacement (R&R) Financial Review

General Manager Michel reported that for six months, DTAC, staff and Consultant District Engineer have been preparing a Capital Improvement Plan (CIP) to refurbish & replace (R&R) District facilities and to partially R&R City collection systems. District facilities are the treatment plant, interceptor sewers and interceptor pump stations. City facilities are the sewer lines and pump stations that serve them within a City's boundaries.

The draft CIP identifies projects, cost estimates and a 10-year potential schedule for implementation. Bartle Wells & Associates of Berkeley can perform a memo review of the four R&R CIP's (District and three Cities) and advise on various scenarios for setting rates and/or financing through borrowing. Additionally, Bartle Wells will be expected to provide a non-proprietary Xcel spreadsheet for District R&R, District Expansion and Cities' R&R that can be updated annually by staff. It is expected that the cost will not exceed \$12,000.

DTAC and staff recommended that the Board authorize staff to hire Bartle Wells & Associates to prepare financing scenarios and rate recommendations for District R&R and Cities' R&R, after receiving comments for Cities' R&R, and to provide a non-proprietary Xcel spreadsheet for District R&R, District Expansion and Cities' R&R that can be updated annually by staff, for an amount not to exceed \$12,000 and to amend the budget to provide the \$12,000 from O&M reserve.

Kingsburg resident Norman Krebbs said that DTAC should look at reality and not wishful thinking when preparing the CIP. He said that the District should just get a software program and let staff prepare the update.

Director Tow expressed concern that the financing update would be based on unrealistic scheduling for major improvements to Selma's sewer collection system. Director Waterston said that this is why the Board formed DTAC and the Board should follow DTAC's recommendation. Chairwoman Case requested that staff report back to the Board after City input on R&R sewer projects has been received.

There being no further comments from the public, a motion to authorize staff to hire Bartle Wells & Associates to prepare financing scenarios and rate recommendations for District R&R and Cities' R&R, after receiving comments for Cities' R&R, and to provide a non-proprietary Xcel spreadsheet for District R&R, District Expansion and Cities' R&R that can be updated annually by staff, for an amount not to exceed \$12,000 and to amend the budget to provide the \$12,000 from O&M reserve, was made by Director Cardenas, seconded by Director Waterston, and approved by the following vote:

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

City of Selma Stormwater

General Manager Michel reported that, at the request of Chairwoman Case, staff prepared this report on Selma stormwater as it relates to the District. There are three important items: stormwater effect on sewers and overflows; stormwater effect on treatment plant; and stormwater discharged onto District property (Kamm Avenue Ponds).

Stormwater Effect on Sewers – Some west Selma stormwater flows into and severely surcharges the City’s sanitary sewers during rain events and produces a high potential for sanitary sewer overflows (SSO’s). The recently-issued State permit for sewer systems is meant to reduce and prevent SSO’s, and there are penalties to the District for not complying. The inflow of stormwater into sanitary sewers during rain events results in engineering determinations that call for expensive increases in the size of affected sewers. Removing such inflow could reduce Capital Improvement Plan costs or provide sewer line capacity for additional growth. Staff has identified some points of inflow and will identify others to provide the information to the City of Selma for their action. See attached Supv Engr memo.

Stormwater Effect on Treatment Plant – The inflow of stormwater into sanitary sewers during rain events takes up capacity in the treatment facilities and disposal ponds. This can result in plant discharge standard violations (with penalties) and in engineering determinations that contribute to expansions in treatment and disposal facilities. Removing such inflow could reduce Capital Improvement Plan costs or provide some treatment and disposal capacity for additional growth.

Kamm Avenue Stormwater Ponds – The District and City of Selma have an agreement dated January 9, 1975 (see attached agreement). The agreement allows the City of Selma to use approximately 32 acres of shallow ponds on Kamm Avenue for storm water drainage. District staff has never seen or been able to locate the Exhibit “A” referred to in the agreement. However, a drawing identified as part of the 1971 Regional Sewage Report prepared by Braun, Pasillas and Wagner shows the ponds as being the approximately 32 acres between the Ward Canal and Kamm Avenue (attached). Staff knows of one recent issue regarding the agreement. About eight years ago, discharge of excessive irrigation water which the City apparently allowed to enter into the stormwater pipe, caused a wash out of the embankments. CID quickly repaired the levees and there have been no problems since then.

At the request of Director Tow, Supervising Engineer Cazares will send a letter to the City of Selma stating the exact locations of the storm water connections to the sanitary sewers which have been identified so far.

Kingsburg resident Ed Blanton gave some history of the Kamm Avenue ponds as being former City of Selma property that was transferred to the District as part of the equalization in the formation of the District. He said that in 1978 the District cut the pipe at the Ward Drain and placed concrete in structures to prevent stormwater from going into the Kamm Avenue Ponds because the ponds were being used as sludge drying beds. The usage was discontinued because the beds were too sandy and too large. The stormwater went into the Ward Drain.

Chairwoman Case pointed out in the second to the last paragraph of the Storm Water Drainage Agreement dated January 9, 1975, that the District could terminate the agreement with one year written

notice. She suggested that maybe the District should consider transferring the land back to the City of Selma because the District has been spending money on the property such as fencing it.

Resolution No. 2007-07, Honoring Gary Helm Upon His Retirement

This resolution thanks and honors Gary Helm upon his retirement after 33 years as the District's Maintenance Supervisor.

There being no comments from the public, a motion to adopt Resolution No. 2007-07, Honoring Gary Helm Upon His Retirement, was made by Director Cardenas, seconded by Director Bergstrom, and approved by the following vote:

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

COMMUNICATIONS

General Manager Michel invited Board members to the retirement luncheon for Maintenance Supervisor Gary Helm to be held at the Operations & Maintenance Building on Friday, December 28, 2007 at 11:30 a.m.

The Consultant District Engineer's technology presentation was tabled until next meeting.

The consensus of the Board was that a possible Special Joint Board-DTAC meeting is not needed. The meeting was to hear a presentation of treatment technology from ECO TECH USA. DTAC is in the process of considering a Strategic Plan that includes a review of various treatment technologies rather than just one.

ALLOWANCE OF CLAIMS

Chairwoman Case asked for a future informational report on the monthly PG&E costs over at least 12 months. There being no comments from the public, a motion to accept the warrant list report showing checks issued in the amount of \$417,122.45, was made by Director Waterston, seconded by Director Cárdenas, and approved by the following vote:

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

PUBLIC COMMENTS (second call)

None.

CLOSED SESSION

Labor Relations

There being no objection, Chairwoman Case took the labor relations agenda item in open session.

General Manager Michel reported that the union voted to approve a three-year contract as proposed by the District. The changes in the Memorandum of Understanding (MOU) are as follows:

1. Bereavement Leave – Add spouse’s grandparents and domestic partners of the same sex who are registered with the State of California.
2. Dental Insurance – Increase the cap from \$2,000 per year to \$2,500 per year.
3. Term - Three year contract.
4. Wages – across-the-board wage increases of 4.0% -3.0% - 3.5% (retroactive to July 1, 2007)
5. Certification Compensation – 0.5% added to certification compensation (from 2.5% per qualifying certification to 3.0%) per qualifying certification effective in year two.
6. Article XII Health & Welfare – Language changes as proposed by District on June 25, 2007, with matrix showing dependent coverage eligibility by years of hire (no increase in benefits or cost to the District).

Staff recommended that the Board approve the three-year union contract with the changes as described, authorize the same salary increases and benefits to non-represented employees and authorize a budget amendment from reserves to provide necessary funding in the amount of \$113,000.

Chairwoman Case said that the District has an excellent staff and they do a very good job. She said that for future negotiations, the Board may wish to consider whether retroactive pay raises should be offered because they may contribute to unnecessarily drawing out negotiations.

There being no comments from the public, a motion to approve the three-year union contract with the changes as described, authorize the same salary increases and benefits to non-represented employees and authorize a budget amendment from reserves to provide necessary funding in the amount of \$113,000, was made by Director Waterston, seconded by Director Cárdenas, and approved by the following vote:

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

Potential Litigation and Public Employment of General Counsel

Chairwoman Case called for a closed session at 5:46 p.m. to discuss potential litigation regarding a tenant at 14720 South Del Rey Avenue, potential litigation regarding Selma Tract 5296 and its developer Larry Raven, and to discuss the public employment of General Counsel pursuant to section 54957 of the California Government Code. The Board reconvened to open session at 6:11 p.m. Chairwoman Case stated that there was nothing to report in open session.

ADJOURNMENT

There being no further business to come before the Board, Chairwoman Case declared the meeting adjourned on a motion duly made, seconded and approved by unanimous voice vote at 6:12 p.m.

Respectfully submitted,

Approved,

David Michel, General Manager/
Secretary of the Board

Judith G. Case
Chairwoman of the Board