



**Notice of Regular Meeting**  
**Oceano Community Services District - Board of Directors Agenda**  
**WEDNESDAY, JULY 27, 2022 – 6:00 P.M.**  
**Oceano Community Services District Board Room**  
**1655 Front Street Oceano, CA**

All items on the agenda including information items, may be deliberated. Any member of the public with an interest in one of these items should review the background material and request information on the possible action that could be taken.

All persons desiring to speak during any Public Comment period are asked to fill out a "Board Appearance Form" to submit to the Board Secretary prior to the start of the meeting. Each individual speaker is limited to a presentation time of THREE (3) minutes per item. Persons wishing to speak on more than one item shall limit their remarks to a total of SIX (6) minutes. This time may be allowed between items in one-minute increments up to three minutes. Time limits may not be yielded to or shared with other speakers.

1. CALL TO ORDER
2. ROLL CALL
3. FLAG SALUTE
4. AGENDA REVIEW
5. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

*This public comment period provides an opportunity for members of the public to address the Board on matters of interest within the jurisdiction of the District that are not listed on the agenda. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.*

6. SPECIAL PRESENTATIONS & REPORTS:

A. STAFF REPORTS:

- i. Sheriff's South Station - Commander Keith Scott
- ii. FCFA Operations - Chief Steve Lieberman
- iii. Operations – Utility System Manager Tony Marraccino
- iv. OCSD General Manager – Will Clemens

B. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:

- i. President White
- ii. Vice President Villa
- iii. Director Gibson
- iv. Director Austin
- v. Director Montes

C. PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:

*This public comment period provides an opportunity for members of the public to address the Board on matters discussed during Special Presentations and Reports. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.*

7. CONSENT AGENDA ITEMS:

**Public comment** Members of the public wishing to speak on consent agenda items may do so when recognized by the Presiding Officer. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.

- A. Review and Approval of Minutes for the Regular Meeting of July 13, 2022
- B. Review of Cash Disbursements
- C. Consideration of Approving the Environmental Consultant for the USDA Financing of the Water System Improvement Projects

**8. BUSINESS ITEMS:**

**Public comment** *Members of the public wishing to speak on business items may do so when recognized by the Presiding Officer. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.*

- A. Presentation by the Victory Garden Program regarding upcoming workshops
- B. Results of Measure A-22 regarding a special tax for emergency medical and fire protection services
- C. Review of Fiscal Year 2021-22 Budget Status as of June 30, 2022, and consideration of a recommendation to approve year-end encumbrances

**9. HEARING ITEMS:**

**Public comment** *Members of the public wishing to speak on hearing items may do so when recognized by the Presiding Officer. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.*

- A. Hearing to consider protests to a proposed increase in Solid Waste Rates and, if no majority protest exists, recommendations to approve a resolution adopting solid waste rates effective on August 1, 2022, January 1, 2023, and January 1, 2024 and waiving Franchise Section 8.3 rights to terminate the franchise

**10. RECEIVED WRITTEN COMMUNICATIONS:**

**11. LATE RECEIVED WRITTEN COMMUNICATIONS:**

**12. FUTURE AGENDA ITEMS:**

**13. FUTURE HEARING ITEMS:** Final FY 2022-23 Budget Hearing – August 24, 2022

**14. CLOSED SESSION:**

**15. ADJOURNMENT:**

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This agenda was prepared and posted pursuant to Government Code Section 54954.2. Agenda is posted at the Oceano Community Services District, 1655 Front Street, Oceano, CA. Agenda and reports can be accessed and downloaded from the Oceano Community Services District website at [www.oceanocsd.org](http://www.oceanocsd.org)

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**ASSISTANCE FOR THE DISABLED** If you are disabled in any way and need accommodation to participate in the Board meeting, please call the Clerk of the Board at (805) 481-6730 for assistance at least three (3) working days prior to the meeting so necessary arrangements can be made.



# Oceano Community Services District

## Summary Minutes

Regular Meeting Wednesday, July 13, 2022 – 6:00 P.M.

Location: OCSD BOARD ROOM

1. **CALL TO ORDER:** at approximately 6:00 p.m. by President White
2. **ROLL CALL:** Board members present: President White, Vice President Villa, Director Gibson, Director Austin and Director Montes.  
Staff present: General Manager Will Clemens, Business and Accounting Manager Carey Casciola, and Celia Ruiz, Account Administrator III  
Absent: Jeff Minnery, Legal Counsel
3. **FLAG SALUTE:** led by Vice President White
4. **AGENDA REVIEW:** Agenda accepted as presented.
5. **PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA:** None
6. **SPECIAL PRESENTATIONS & REPORTS:**

### A. STAFF REPORTS:

- i. **Sheriff's South Station** – Commander Keith Scott - Absent
- ii. **FCFA** - Chief Steve Lieberman  
July 4<sup>th</sup> – 0 Calls for Service related to fire services (medical calls are not tracked).  
Measure A-22 – election results were certified as of 7/7/2022 and the measure failed to meet the 2/3rds requirement as per the 3<sup>rd</sup> JPA amendment. The wind down period begins and the FCFA board will be briefed on next steps at the 7/15/2022 meeting. Meeting with City and District managers on Friday as well.
- iii. **Operations** - Utility Systems Manager - Tony Marraccino  
Lopez is at 26.2% full which is 12,935 AF / State Water 41 AF YTD total is 212 AF  
Pumped 19.9 AF YTD total is 107 AF  
8 Work orders / 7 USAs / 8 Customer Service Calls / 0 After Hours Call Outs / 0 SSO's  
Preventative maintenance done on the backhoe  
Explored a water main for the HWY 1 fire hydrant relocation project  
Completed lock offs (April past due accounts)  
Assisted with a tie-in to our water main – SSLOCSD now has additional fire protection  
End of the fiscal year yard and truck inventory completed  
1 Ready311 Ticket for June  
Removed July 4<sup>th</sup> signs and inspected booths.  
Well #8 motor broke down and a secondary motor was installed. Current motor will be sent out to be rebuilt.  
Start of the month equipment checks  
Hot taps for projects on Wilmar and Vista – owner installed individual meters for residents  
Hot tap on Juanita to upgrade a service  
Sewer camera 2430 Wilmar – 14 units going in  
Service line break at 2340 Beach – due to old plastic piping installed during construction  
Continuing with daily, weekly, and monthly samples & rounds  
Introduced the new Utility Systems Operator, Andres Mendoza Mendez
- iv. **OCSD General Manager – Will Clemens**  
Cal Rural Water Association is holding a 2-day water treatment class in our Board Chamber today and tomorrow.  
Hwy 1 water line replacement Bids opened. The low bid was \$182,654 over the estimate and \$274,500 grant allotment. Staff searched for other funding and have a good lead on a small community drought assistance grant through DWR (same granting agency). It will depend on how quickly the state can approve it. If we are unsuccessful at obtaining additional funding, we will need to complete the Hwy 1 water line and eliminate the alleyway portion.

**B. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:**

- i. **Vice President Villa** – None
- ii. **Director Austin** – Reported on the Zone 1/1A.
- iii. **President White** – Reported on the 6/17/2022 and 6/30/2022 Five Cities Fire Authority meetings.
- iv. **Director Gibson** – Reported on the 7/8/2022 State Water Subcontractors meeting.
- v. **Director Montes** – None

**C. PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:** None

<b>7. CONSENT AGENDA:</b>	<b>ACTION:</b>
a. Review and Approval of Minutes for the Special Meeting of June 22, 2022	After an opportunity for public comment, Board and staff discussion, Director Gibson made a motion to approve consent agenda items as presented with a second from Vice President Villa and a 5-0 roll call vote.  Public Comment: None
b. Review of Cash Disbursements	
c. Authorize the General Manager to apply for the California Department of Water Resources Small Community Drought Relief Program for the District's Water Resources Reliability Plan Projects #1-1 & #1-9	

<b>8A. BUSINESS ITEMS:</b>	<b>ACTION:</b>
Approval of Second Amended and Restated Joint Powers Agreement for the San Luis Obispo County Integrated Waste Management Authority	After an opportunity for public comment, Board and staff discussion, Director Austin made a motion to approve agenda item 8A with a second from President White and a 5-0 roll call vote. Director Montes requested the record to reflect that he has reservations about this item.  Public Comment: None

<b>8B. BUSINESS ITEMS:</b>	<b>ACTION:</b>
Consideration of Options Related to Hydrant Flushing for the Water System	After an opportunity for public comment, Board and staff discussion, informal direction was given to inform customers through the website and social media of hydrant flushing.  Public Comment: None

<b>9. HEARING ITEMS:</b>	<b>ACTION:</b>
Consideration of a recommendation to approve a resolution to collect delinquent customer accounts on the 2022-23 property tax bills	After an opportunity for public comment, Board and staff discussion, Director Gibson made a motion to approve staff recommendations with a second from Director Austin and a 5-0 roll call vote.  Public Comment: None

- 10. **RECEIVED WRITTEN COMMUNICATIONS:** None
- 11. **LATE RECEIVED WRITTEN COMMUNICATIONS:** None
- 12. **FUTURE AGENDA ITEMS:** None
- 13. **FUTURE HEARING ITEMS:** Solid Waste and Recycling Rate Increase Protest Hearing – July 27, 2022
- 14. **CLOSED SESSION:** None
- 15. **ADJOURNMENT:** Approximately 7:00 p.m.



# Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

PHONE(805) 481-6730 FAX (805) 481-6836

**Date:** July 27, 2022

**To:** Board of Directors

**From:** Carey Casciola, Business and Accounting Manager

**Subject:** **Agenda Item #7(B): Recommendation to Review Cash Disbursements**

**Recommendation**

It is recommended that your board review the attached cash disbursements:

**Discussion**

The following is a summary of the attached cash disbursements:

Description	Check Sequence	Amounts
	59636 - 59682	
<b>Disbursements:</b>		
Regular Payable Register - paid 07/13/2022	59636 - 59670	\$ 732,989.20
Subtotal:		\$ 732,989.20
<b>Reoccurring Payments for Board Review (authorized by Resolution 2020-06):</b>		
Payroll Disbursements - PPE 07/02/2022	N/A	\$ 29,150.22
Payroll Disbursements - PPE 07/16/2022	N/A	\$ 30,750.58
Board Member Stipends - June 2022	N/A	\$ 430.60
Mechanics Bank Visa Card Online Payment - paid 7/13/2022	N/A	\$ 1,421.90
Reoccurring Utility Disbursements - paid 07/14/2022	59671 - 59678	\$ 2,244.18
Reoccurring Health Disbursements - paid 07/14/2022	59679	\$ 56.21
Reoccurring Health Disbursements - paid 07/18/2022	59680*	\$ 8,866.36
Reoccurring Health Disbursements - paid 07/20/2022	59681 - 59682	\$ 10,171.52
Subtotal:		\$ 83,091.57
Grand Total:		\$ 816,080.77

\*Note: Voided check #59610, never cleared--reference replacement check #59680.

**Other Agency Involvement**

N/A

**Other Financial Considerations**

Amounts are within the authorized Fund level budgets.

**Results**

The Board's review of cash disbursements is an integral component of the District's system of internal controls and promotes a well governed community.

COMPANY: 99 - POOLED CASH FUND  
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING  
 TYPE: All  
 STATUS: All  
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999  
 CLEAR DATE: 0/00/0000 THRU 99/99/9999  
 STATEMENT: 0/00/0000 THRU 99/99/9999  
 VOIDED DATE: 0/00/0000 THRU 99/99/9999  
 AMOUNT: 0.00 THRU 999,999,999.99  
 CHECK NUMBER: 059636 THRU 059670

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE	
CHECK:									
1-1001-000	7/13/2022	CHECK	059636	AQUA-METRIC	456.31CR	OUTSTND	A	0/00/0000	METERS
1-1001-000	7/13/2022	CHECK	059637	ARAMARK	362.76CR	OUTSTND	A	0/00/0000	UNIFORMS
1-1001-000	7/13/2022	CHECK	059638	BRENNTAG PACIFIC, INC.	1,230.29CR	OUTSTND	A	0/00/0000	CHEMICALS
1-1001-000	7/13/2022	CHECK	059639	BRENT SARKISON DBA CALTEC COMP	30.00CR	OUTSTND	A	0/00/0000	MONTHLY STD BKUP
1-1001-000	7/13/2022	CHECK	059640	CANNON	669.00CR	OUTSTND	A	0/00/0000	CIP-HWY1/ALLEYWAY TO 19TH
1-1001-000	7/13/2022	CHECK	059641	CARLILE, JASON	250.00CR	OUTSTND	A	0/00/0000	BOOT ALLOWANCE
1-1001-000	7/13/2022	CHECK	059642	CARQUEST AUTO PARTS	107.48CR	OUTSTND	A	0/00/0000	TOOLS
1-1001-000	7/13/2022	CHECK	059643	CLEMENS, WILL	1,470.50CR	OUTSTND	A	0/00/0000	REIM TRAVEL EXPENSE
1-1001-000	7/13/2022	CHECK	059644	FAMCON PIPE & SUPPLY, INC.	509.44CR	OUTSTND	A	0/00/0000	SYSTEM PARTS
1-1001-000	7/13/2022	CHECK	059645	SLO CO FARM SUPPLY CO INC, DBA	87.26CR	OUTSTND	A	0/00/0000	SUPPLIES
1-1001-000	7/13/2022	CHECK	059646	FIRST FOUNDATION BANK	67,022.64CR	OUTSTND	A	0/00/0000	CALPERS UAL AGREEMENT
1-1001-000	7/13/2022	CHECK	059647	GSI WATER SOLUTIONS, INC.	290.85CR	OUTSTND	A	0/00/0000	NCMA 2021 ANNUAL REPORT
1-1001-000	7/13/2022	CHECK	059648	ICONIX WATERWORKS (US) INC.	2,333.72CR	OUTSTND	A	0/00/0000	INVENTORY
1-1001-000	7/13/2022	CHECK	059649	J.B. DEWAR, INC.	497.08CR	OUTSTND	A	0/00/0000	FUEL
1-1001-000	7/13/2022	CHECK	059650	JUSTIFACTS CREDENTIAL VERIFICA	61.25CR	OUTSTND	A	0/00/0000	JOB ADVERTISING EXPENSE
1-1001-000	7/13/2022	CHECK	059651	MARRACCINO, ANTHONY	250.00CR	OUTSTND	A	0/00/0000	BOOT ALLOWANCE
1-1001-000	7/13/2022	CHECK	059652	MCCLATCHY COMPANY LLC	59.64CR	OUTSTND	A	0/00/0000	PUBLIC HEARING NOTICE
1-1001-000	7/13/2022	CHECK	059653	MENDEZ, ANDRES MENDOZA	250.00CR	OUTSTND	A	0/00/0000	BOOT ALLOWANCE
1-1001-000	7/13/2022	CHECK	059654	MINER'S ACE HARDWARE, INC.	97.84CR	OUTSTND	A	0/00/0000	SMALL TOOLS
1-1001-000	7/13/2022	CHECK	059655	PETTY CASH	7.38CR	OUTSTND	A	0/00/0000	BACKFLOW RETN RCPT/CERT MAIL
1-1001-000	7/13/2022	CHECK	059656	PRO-TECH LANDSCAPE MANAGEMENT,	410.00CR	OUTSTND	A	0/00/0000	LANDSCAPE
1-1001-000	7/13/2022	CHECK	059657	QUILL CORPORATION	412.89CR	OUTSTND	A	0/00/0000	OFFICE SUPPLIES

COMPANY: 99 - POOLED CASH FUND  
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING  
 TYPE: All  
 STATUS: All  
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999  
 CLEAR DATE: 0/00/0000 THRU 99/99/9999  
 STATEMENT: 0/00/0000 THRU 99/99/9999  
 VOIDED DATE: 0/00/0000 THRU 99/99/9999  
 AMOUNT: 0.00 THRU 999,999,999.99  
 CHECK NUMBER: 059636 THRU 059670

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT----	STATUS	FOLIO	CLEAR DATE	
<b>CHECK:</b>									
1-1001-000	7/13/2022	CHECK	059658	R&R ROLL-OFF LLC	1,372.62CR	OUTSTND	A	0/00/0000	<b>BULK GARBAGE</b>
1-1001-000	7/13/2022	CHECK	059659	SLO CO AUDITOR-CONTROLLER	12,079.21CR	OUTSTND	A	0/00/0000	<b>LAFCO</b>
1-1001-000	7/13/2022	CHECK	059660	SLO CO DEPT OF PUBLIC WORKS	362,749.20CR	OUTSTND	A	0/00/0000	<b>STATE WATER</b>
1-1001-000	7/13/2022	CHECK	059661	SLO CO DEPT OF PUBLIC WORKS	265,560.03CR	OUTSTND	A	0/00/0000	<b>LOPEZ</b>
1-1001-000	7/13/2022	CHECK	059662	SLO CO DEPT OF PUBLIC WORKS	2,525.00CR	OUTSTND	A	0/00/0000	<b>ANNUAL ENCROACHMENT PERMIT</b>
1-1001-000	7/13/2022	CHECK	059663	SLO CO PUBLIC HEALTH DEPT.	594.90CR	OUTSTND	A	0/00/0000	<b>BACKFLOW SERVICES</b>
1-1001-000	7/13/2022	CHECK	059664	SOUTH COUNTY SANITARY SERV	917.48CR	OUTSTND	A	0/00/0000	<b>GARBAGE TAX LIEN</b>
1-1001-000	7/13/2022	CHECK	059665	SPARLING, DOUG	250.00CR	OUTSTND	A	0/00/0000	<b>BOOT ALLOWANCE</b>
1-1001-000	7/13/2022	CHECK	059666	SWRCB/ DRINKING WATER OP CERT	60.00CR	OUTSTND	A	0/00/0000	<b>CERTIFICATION FEE</b>
1-1001-000	7/13/2022	CHECK	059667	SWRCB/ DRINKING WATER OP CERT	60.00CR	OUTSTND	A	0/00/0000	<b>CERTIFICATION FEE</b>
1-1001-000	7/13/2022	CHECK	059668	WONDERFUL THINGS, INC, DBA THE	123.12CR	OUTSTND	A	0/00/0000	<b>FLAGS</b>
1-1001-000	7/13/2022	CHECK	059669	TYLER TECHNOLOGIES	7,833.31CR	OUTSTND	A	0/00/0000	<b>SOFTWARE MAINT, PROFESSIONAL SVCS</b>
1-1001-000	7/13/2022	CHECK	059670	ZENITH INSURANCE COMPANY	1,998.00CR	OUTSTND	A	0/00/0000	<b>WORKERS COMP INSURANCE</b>
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	732,989.20CR			
				DEPOSIT	TOTAL:	0.00			
				INTEREST	TOTAL:	0.00			
				MISCELLANEOUS	TOTAL:	0.00			
				SERVICE CHARGE	TOTAL:	0.00			
				EFT	TOTAL:	0.00			
				BANK-DRAFT	TOTAL:	0.00			
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	732,989.20CR			
				DEPOSIT	TOTAL:	0.00			
				INTEREST	TOTAL:	0.00			
				MISCELLANEOUS	TOTAL:	0.00			
				SERVICE CHARGE	TOTAL:	0.00			
				EFT	TOTAL:	0.00			
				BANK-DRAFT	TOTAL:	0.00			

**Payroll Summary Report**  
**Board of Directors - Agenda Date July 27, 2022**

	(*)		
Gross Wages	6/18/2022	7/2/2022	7/16/2022
Regular	\$25,211.75	\$25,431.76	\$26,538.98
Overtime Wages	\$234.76	\$181.53	\$371.42
Stand By	\$450.00	\$350.00	\$600.00
	<u>\$25,896.51</u>	<u>\$25,963.29</u>	<u>\$27,510.40</u>
Cell Phone Allowance	\$0.00	\$75.00	\$0.00
Total Wages	<u>\$25,896.51</u>	<u>\$26,038.29</u>	<u>\$27,510.40</u>
Disbursements			
Net Wages	\$19,305.57	\$19,461.16	\$21,322.80
State and Federal Agencies	\$4,474.25	\$4,461.41	\$5,041.80
CalPERS - Normal	\$5,079.57	\$5,102.61	\$4,260.94
SEIU - Union Fees	\$125.04	\$125.04	\$125.04
Total Disbursements processed with Payroll	<u>\$28,984.43</u>	<u>\$29,150.22</u>	<u>\$30,750.58</u>
Health (Disbursed with reoccurring bills)	\$5,877.28	\$5,877.28	\$5,877.28
Total District Payroll Related Costs	<u>\$34,861.71</u>	<u>\$35,027.50</u>	<u>\$36,627.86</u>

(\*) Previously reported in prior Board Meeting packet - provided for comparison.



**Board Member Stipend Summary Report Board of  
Directors - Agenda Date July 27, 2022**

	(*)	
<b>Gross Stipends</b>	5/31/2022	6/30/2022
Board Member Stipends	<u>\$1,450.00</u>	<u>\$400.00</u>
Gross Stipends	<u><u>\$1,450.00</u></u>	<u><u>\$400.00</u></u>
<b>Disbursements</b>		
Net Stipends	\$1,339.07	\$369.40
State and Federal Agencies	\$221.86	\$61.20
Total Disbursements processed with Stipends	<u><u>\$1,560.93</u></u>	<u><u>\$430.60</u></u>

(\*) Previously reported in prior Board Meeting packet - provided for comparison.



# Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

## DIRECTOR'S MONTHLY REQUEST FOR COMPENSATION FOR MEETING ATTENDANCE

NAME: Steve Montes

DATE: 6/27/22

FOR THE MONTH OF: June

8.1 Each Director is authorized to receive one hundred dollars (\$100.00) as compensation for each regular or special meeting of the Board and fifty dollars (\$50.00) for each committee meeting attended by him or her.

8.2 In no event shall Director compensation exceed one hundred dollars (\$100.00) per day.

8.3 Director compensation shall not exceed six hundred (\$600.00) in any one (1) calendar month.

MEETING DATES: June 8 and June 22

No. of Meetings 2 x \$100.00 = \$ 200

### COMMITTEE MEETING(S) OR OTHER REIMBURSEMENT(S)

DATE: \_\_\_\_\_ MEETING: \_\_\_\_\_ AMOUNT: \$ \_\_\_\_\_

DATE: \_\_\_\_\_ MEETING: \_\_\_\_\_ AMOUNT: \$ \_\_\_\_\_

DATE: \_\_\_\_\_ MEETING: \_\_\_\_\_ AMOUNT: \$ \_\_\_\_\_

DATE: \_\_\_\_\_ MEETING: \_\_\_\_\_ AMOUNT: \$ \_\_\_\_\_

TOTAL COMPENSATION: \$ 200.00

SIGNATURE: 



# Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

RECEIVED

JUL 06 2022

## DIRECTOR'S MONTHLY REQUEST FOR COMPENSATION FOR MEETING ATTENDANCE

NAME: KAREN M. WHITE

DATE: 7/5/2022

FOR THE MONTH OF: June 2022

8.1 Each Director is authorized to receive one hundred dollars (\$100.00) as compensation for each regular or special meeting of the Board and fifty dollars (\$50.00) for each committee meeting attended by him or her.

8.2 In no event shall Director compensation exceed one hundred dollars (\$100.00) per day.

8.3 Director compensation shall not exceed six hundred (\$600.00) in any one (1) calendar month.

MEETING DATES: 6/8/2022 and \_\_\_\_\_

No. of Meetings 1 x \$100.00 = \$ 100<sup>00</sup>/<sub>100</sub>

### COMMITTEE MEETING(S) OR OTHER REIMBURSEMENT(S)

DATE: 6/17/2022 MEETING: Five Cities Fire AMOUNT: \$ 50<sup>00</sup>/<sub>100</sub>

DATE: 6/30/2022 MEETING: Five Cities Fire AMOUNT: \$ 50<sup>00</sup>/<sub>100</sub>

DATE: \_\_\_\_\_ MEETING: \_\_\_\_\_ AMOUNT: \$ \_\_\_\_\_

DATE: \_\_\_\_\_ MEETING: \_\_\_\_\_ AMOUNT: \$ \_\_\_\_\_

TOTAL COMPENSATION: \$ 200<sup>00</sup>/<sub>100</sub>

SIGNATURE:



# Oceano Community Services District

1655 Front Street | P.O. Box 599 | Oceano, CA 93475  
PHONE: (805) 481-6730 | FAX: (805) 481-6836

RECEIVED

JUL 06 2022

Meeting Date: 6/17/2022

Director Name: KAREN M. WHITE

Public Meeting/ Hearing: FIVE Cities Fire Authority

Notes: Protest Hearing held - with one member of the public protesting - AND his protest resolved on 2022 Wed Abatement orders - weed abatement orders issued for 15 properties in Arroyo Grande, 12 in Grover Beach & 28 in Oceano.

Attached: Agenda / Other Documents  Yes  No

[Redacted Signature]

Signature



# Oceano Community Services District

1655 Front Street | P.O. Box 599 | Oceano, CA 93475  
PHONE: (805) 481-6730 | FAX: (805) 481-6836

RECEIVED

JUL 06 2022

Meeting Date: 6/30/2022

Director Name: KAREN M. WHITE

Public Meeting/Hearing: FIVE CITIES FIRE AUTHORITY

Notes: The Five Cities Fire Authority met at 9 AM in closed session for a conference with labor negotiators for International Assn. of Fire Fighters Local 4403 - offer tendered - no action taken - meet again July 15, 2022

Attached: Agenda / Other Documents [ ] Yes [X] No

[Redacted Signature]

Signature

**Oceano Community Services District**  
Mechanics Bank Visa Card

**A/P Visa Card Disbursement**

Date	Transaction Name	Amount	Description	GL Account #
07/01/2022	DEBIT SP CHECKDEPOT HTTPSCHECK	(\$139.01)	OFFICE EXPENSE	01-5-4100-200
06/21/2022	DEBIT INTUIT *QuickBooks Onl CL.INTUIT	(\$50.00)	PERMITS, FEES LICENSES	01-5-4100-248
06/15/2022	DEBIT SLO CLERK RECORDER 805-78150	(\$50.00)	CIP-WRRP	02-5-4400-444
06/09/2022	DEBIT ASSESSOR SLO CNTY 805-781-5	(\$225.65)	PROP 218 LIST	06-5-4900-210
06/08/2022	DEBIT CALPERS CVENT 916-795-3	(\$449.00)	CLASSES/SEMINARS/TRAINING FEE	01-5-4100-285
06/08/2022	DEBIT CALPERS CVENT 916-795-3	(\$449.00)	CLASSES/SEMINARS/TRAINING FEE	01-5-4100-285
06/06/2022	DEBIT MSFT * E0400IV2U2 msbill.in	(\$12.50)	PERMITS, FEES LICENSES	01-5-4100-248
06/03/2022	DEBIT ZOOM.US 888-799-9666 WWW.ZOOM.	(\$46.74)	OFFICE EXPENSE	01-5-4100-200

Total ACH - 7/13/2022 (\$1,421.90)

07/27/2022 Board Meeting - Mechanics Visa Card Online Payment - paid 07/13/2022

**\$1,421.90**

COMPANY: 99 - POOLED CASH FUND  
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING  
 TYPE: All  
 STATUS: All  
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999  
 CLEAR DATE: 0/00/0000 THRU 99/99/9999  
 STATEMENT: 0/00/0000 THRU 99/99/9999  
 VOIDED DATE: 0/00/0000 THRU 99/99/9999  
 AMOUNT: 0.00 THRU 999,999,999.99  
 CHECK NUMBER: 059671 THRU 059678

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
<b>CHECK:</b>								
1-1001-000	7/14/2022	CHECK	059671	MAP COMMUNICATIONS, INC. DBA A	264.91CR	OUTSTND	A	0/00/0000 ANSWERING SVC
1-1001-000	7/14/2022	CHECK	059672	CHARTER COMMUNICATIONS	150.00CR	OUTSTND	A	0/00/0000 INTERNET - COMMUNICATIONS
1-1001-000	7/14/2022	CHECK	059673	DE LAGE LANDEN FINANCIAL SERVI	150.15CR	OUTSTND	A	0/00/0000 COPIER LEASE
1-1001-000	7/14/2022	CHECK	059674	DIGITAL WEST NETWORKS, INC.	403.41CR	OUTSTND	A	0/00/0000 PHONES
1-1001-000	7/14/2022	CHECK	059675	HIRIARTE'S INDOOR CLEANING SER	825.00CR	OUTSTND	A	0/00/0000 CLEANING SERVICE
1-1001-000	7/14/2022	CHECK	059676	SO CAL GAS	107.35CR	OUTSTND	A	0/00/0000 UTILITY
1-1001-000	7/14/2022	CHECK	059677	STANLEY CONVERGENT SECURITY SO	110.71CR	OUTSTND	A	0/00/0000 WELLS AND FIRE MONITOR
1-1001-000	7/14/2022	CHECK	059678	VERIZON WIRELESS	232.65CR	OUTSTND	A	0/00/0000 FIELD CELL SVC
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	2,244.18CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	2,244.18CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		

COMPANY: 99 - POOLED CASH FUND  
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING  
 TYPE: All  
 STATUS: All  
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999  
 CLEAR DATE: 0/00/0000 THRU 99/99/9999  
 STATEMENT: 0/00/0000 THRU 99/99/9999  
 VOIDED DATE: 0/00/0000 THRU 99/99/9999  
 AMOUNT: 0.00 THRU 999,999,999.99  
 CHECK NUMBER: 059679 THRU 059679

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK: -----								
1-1001-000	7/14/2022	CHECK	059679	TASC -CLIENT INVOICES	56.21CR	OUTSTND	A	0/00/0000 FSA ADM FEE
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	56.21CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	56.21CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		



COMPANY: 99 - POOLED CASH FUND  
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING  
 TYPE: All  
 STATUS: All  
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999  
 CLEAR DATE: 0/00/0000 THRU 99/99/9999  
 STATEMENT: 0/00/0000 THRU 99/99/9999  
 VOIDED DATE: 0/00/0000 THRU 99/99/9999  
 AMOUNT: 0.00 THRU 999,999,999.99  
 CHECK NUMBER: 059680 THRU 059680

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
<b>CHECK:</b>								
1-1001-000	7/18/2022	CHECK	059680	ANTHEM BLUE CROSS	8,866.36CR	OUTSTND	A	0/00/0000 <b>EMPLOYEE INSURANCE</b>
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	8,866.36CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	8,866.36CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		

COMPANY: 99 - POOLED CASH FUND  
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING  
 TYPE: All  
 STATUS: All  
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999  
 CLEAR DATE: 0/00/0000 THRU 99/99/9999  
 STATEMENT: 0/00/0000 THRU 99/99/9999  
 VOIDED DATE: 0/00/0000 THRU 99/99/9999  
 AMOUNT: 0.00 THRU 999,999,999.99  
 CHECK NUMBER: 059681 THRU 059682

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE	
<b>CHECK:</b>									
1-1001-000	7/20/2022	CHECK	059681	ANTHEM BLUE CROSS	8,866.36CR	OUTSTND	A	0/00/0000	<b>EMPLOYEE INSURANCE</b>
1-1001-000	7/20/2022	CHECK	059682	PRINCIPAL LIFE INSURANCE COMPA	1,305.16CR	OUTSTND	A	0/00/0000	<b>EMPLOYEE INSURANCE</b>
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	10,171.52CR			
				DEPOSIT	TOTAL:	0.00			
				INTEREST	TOTAL:	0.00			
				MISCELLANEOUS	TOTAL:	0.00			
				SERVICE CHARGE	TOTAL:	0.00			
				EFT	TOTAL:	0.00			
				BANK-DRAFT	TOTAL:	0.00			
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	10,171.52CR			
				DEPOSIT	TOTAL:	0.00			
				INTEREST	TOTAL:	0.00			
				MISCELLANEOUS	TOTAL:	0.00			
				SERVICE CHARGE	TOTAL:	0.00			
				EFT	TOTAL:	0.00			
				BANK-DRAFT	TOTAL:	0.00			

COMPANY: 99 - POOLED CASH FUND  
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING  
 TYPE: All  
 STATUS: All  
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999  
 CLEAR DATE: 0/00/0000 THRU 99/99/9999  
 STATEMENT: 0/00/0000 THRU 99/99/9999  
 VOIDED DATE: 0/00/0000 THRU 99/99/9999  
 AMOUNT: 0.00 THRU 999,999,999.99  
 CHECK NUMBER: 059610 THRU 059610

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----	AMOUNT----	STATUS	FOLIO	CLEAR DATE
CHECK:									
1-1001-000	6/28/2022	CHECK	059610	ANTHEM BLUE CROSS	VOIDED	8,866.36CR	VOIDED	A	6/28/2022
MISCELLANEOUS:									
1-1001-000	6/28/2022	MISC.	059610	ANTHEM BLUE CROSS	VOIDED	8,866.36	VOIDED	A	6/28/2022
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	8,866.36CR			
				DEPOSIT	TOTAL:	0.00			
				INTEREST	TOTAL:	0.00			
				MISCELLANEOUS	TOTAL:	8,866.36			
				SERVICE CHARGE	TOTAL:	0.00			
				EFT	TOTAL:	0.00			
				BANK-DRAFT	TOTAL:	0.00			
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	8,866.36CR			
				DEPOSIT	TOTAL:	0.00			
				INTEREST	TOTAL:	0.00			
				MISCELLANEOUS	TOTAL:	8,866.36			
				SERVICE CHARGE	TOTAL:	0.00			
				EFT	TOTAL:	0.00			
				BANK-DRAFT	TOTAL:	0.00			



## Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

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**Date:** July 27, 2022

**To:** Board of Directors

**From:** Will Clemens, General Manager

**Subject: Agenda Item #7(C): Consideration of Approving the Environmental Consultant for the USDA Financing of the Water System Improvement Projects**

### **Recommendation**

It is recommended that your Board approve the attached contract with Rincon Consultants, Inc., in the amount of \$99,933 for the USDA Financing of the Water System Improvement Projects and authorize the President to execute.

### **Discussion**

The District has previously retained Cannon Engineering (Cannon) to update the current water master plan for the District, and to develop a list of proposed projects (the "Projects") in order of priority to be implemented over a ten year timeframe. Some projects have been completed and others are currently in progress, funded through various grants obtained and water rates. Staff continues to pursue various grant opportunities such as Federal CDBG and Community Project Funds, State Prop 1 funds, etc. However, because interest rates are at historic lows, it makes financial sense to complete the balance of projects that do not receive grant funding by issuing debt.

The debt program with the lowest annual cost to ratepayers is funded by the United States Department of Agriculture (USDA). Cannon has also been retained to prepare a "Preliminary Engineers Report" or "PER." The PER is a required part of the application process needed to receive USDA funding for the Projects.

The USDA guidelines require the analysis and discovery of implications for project related factors that include, but are not limited to, environmental impact(s), project sustainability, technical feasibility, water and energy efficiency, economic feasibility, life-cycle analysis, and the awareness and support of the public. These factors, implications, and costs are discussed in the PER.



## Oceano Community Services District

Board of Directors Meeting

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Cannon has drafted the PER setting forth all the elements required by USDA, establishing the need to upgrade the water system to District standards and to improve overall reliability. The District is now in a position to finalize the USDA application process and focus on the financing aspects of the USDA process.

The next step in the USDA financing process is to complete the National Environmental Protection Act (NEPA) and California Environmental Quality Act (CEQA) process. The District prepared an RFP for these services and received two proposals from local firms. Two other local firms indicated they would not be proposing due to staff availability. Staff is recommending award of the contract to Rincon Consultants, Inc. based on their work on similar projects with USDA and their work in Oceano with the South San Luis Obispo Sanitation District on its Redundancy Project.

### **Other Agency Involvement**

The USDA would provide the financing to complete the Projects.

### **Other Financial Considerations**

The proposal will complete both the NEPA and CEQA processes for a not to exceed amount of \$99,993 which was the lower of the two proposals received.

### **Results**

Financing the improvements through USDA will take advantage of historically low interest rates and create more budget predictability and provide lower monthly costs to ratepayers which contributes to a safe, healthy, prosperous, and well-governed community.

### **Attachment:**

Contract with Rincon Consultants, Inc.

**AGREEMENT FOR ENVIRONMENTAL CONSULTANT SERVICES,  
USDA WATERLINE IMPROVEMENT PROJECT**

---

**THIS AGREEMENT** made and entered into on July 27, 2022, by and between the Oceano Community Services District, a special district, collectively hereinafter referred to as DISTRICT and Rincon Consultants, Inc., hereinafter referred to as CONSULTANT.

**RECITALS**

The DISTRICT desires to retain said services of the CONSULTANT on an independent Contractor basis for NEPA and CEQA environmental services, more specifically identified in the Proposal, Scope of Work and Fee Schedule, jointly attached as Exhibit B to this Agreement, herein referred to as the PROJECT, subject to the terms and conditions as hereinafter set forth.

Therefore, in consideration of the mutual agreements contained herein, the DISTRICT and the CONSULTANT agree as follows:

**ARTICLE I. SCOPE OF SERVICES**

The CONSULTANT shall complete said PROJECT as specified in Exhibit B, and in accordance with local, State and Federal laws.

**ARTICLE II. AUTHORIZATION AND COMMENCEMENT OF PERFORMANCE**

The services of the CONSULTANT are authorized by the DISTRICT.

**ARTICLE III. COMPENSATION AND PAYMENT**

The compensation for the services rendered by the CONSULTANT under this Agreement shall be as provided in Exhibit B. Work shall be performed on a base contract, not to exceed basis of **\$99,933** in accordance with Exhibit B.

The CONSULTANT shall invoice the DISTRICT for the District's share on a monthly basis, and the DISTRICT will pay the CONSULTANT on a monthly basis per billings from the CONSULTANT unless otherwise identified in this agreement. The CONSULTANT will submit invoices monthly or upon completion of a specified scope of service in accordance with the CONSULTANT's standard invoicing practices.

Payment is due upon receipt of the invoice. Payments will be made by either check or electronic transfer to the address specified by the CONSULTANT, and will reference the CONSULTANT's invoice number.

Interest will accrue at the rate of 1% per month of the invoiced amount in excess of 30 days past due.

In the event of a disputed or contested invoice, only that portion so contested will be withheld from payment, and the undisputed amounts will be paid.

#### **ARTICLE IV. TERM OF AGREEMENT**

The term of the agreement shall commence upon execution by both parties for an initial term of one year and is subject to extension if circumstances necessitate it and Parties agree to it in writing. This Agreement may be terminated by either the DISTRICT or the CONSULTANT with or without any reason, upon giving thirty (30) days written notice to other party. In the event of termination, CONSULTANT shall be paid for work performed to the termination date.

Upon termination, CONSULTANT immediately shall turn over to the District any and all copies of videotapes, studies, sketches, drawings, computations, and other data, whether or not completed, prepared by CONSULTANT, and for which CONSULTANT has received reasonable compensation, or given to CONSULTANT in connection with this Agreement. Such materials shall become the DISTRICT's permanent property, provided, however, CONSULTANT shall not be liable for the DISTRICT's use of incomplete materials or for the DISTRICT's use of complete documents if used for other than the project or scope of services contemplated by this Agreement.

Both parties agree to submit any claims, disputes or controversies arising out of or in relation to the interpretation, application, or enforcement of this Agreement to non-binding mediation pursuant to the Rules for Commercial Mediation of the American Arbitration Association, as a condition precedent to litigation or any other form of dispute resolution.

The prevailing party in any action between the parties to this Agreement brought to enforce the terms of this Agreement or arising out of this Agreement shall recover from the other party its reasonable costs and attorney's fees expended in connection with such an action.

#### **ARTICLE V. INSURANCE**

A. The CONSULTANT shall obtain and maintain during the performance of any services under this Agreement the following insurance coverage, issued by a company satisfactory to the DISTRICT.

- 1) Commercial general liability insurance including a contractual liability endorsement in an amount not less than \$1,000,000 combined single limit for bodily injury and property damage for each claimant for general liability, including a non-owned automobile endorsement;
- 2) Errors and omissions insurance to a minimum coverage of \$500,000, with neither the CONSULTANT nor listed sub-consultants having less than \$500,000 individually;
- 3) Workers' compensation insurance in compliance with the laws of the State of California.

B. Certificates of insurance evidencing the coverages required by the clauses set forth above shall be filed with the DISTRICT prior to the effective date of this Agreement. This is a

condition precedent to the formation of any obligation by the DISTRICT to compensate CONSULTANT under this Agreement.

- C. All insurance policies required by this section shall not be canceled, limited or non-renewed without first giving 30 days written notice to the DISTRICT.
- D. The CONSULTANT agrees that the commercial general liability insurance policy shall be endorsed to name the DISTRICT, its Board of Directors, officers and employees as additional insured and to provide that the coverages provided to the DISTRICT shall be primary and not contributing to or in excess of any existing the DISTRICT's insurance coverages.
- E. All insurance standards applicable to the CONSULTANT shall also be applicable to the CONSULTANT'S subconsultants. The CONSULTANT agrees to maintain appropriate agreements with subconsultants and to provide proper evidence of coverage upon receipt of a written request from the DISTRICT.

#### **ARTICLE VI. INDEPENDENT CONTRACTOR/PERSONAL SERVICE**

The CONSULTANT shall perform the services hereunder as an independent contractor and shall not be considered an employee of the DISTRICT for any purposes. The CONSULTANT is not entitled to any District benefits, including PERS, unemployment compensation, health insurance, or any other benefit. Only personnel listed in Exhibit B shall perform services called for under this Agreement and shall not employ or otherwise incur an obligation to pay persons, specialists, experts, or subconsultants for services in connection with the services to be performed under this Agreement without prior written approval of the DISTRICT.

#### **ARTICLE VII. ASSISTANCE BY DISTRICT**

Subject to other provisions of this Agreement, the DISTRICT shall provide the CONSULTANT with copies of any specifications, maps, drawings, records, or other documentation, which are required by the CONSULTANT in order to perform the services specified herein. The DISTRICT shall provide all further reasonably necessary information to the CONSULTANT upon the CONSULTANT's request.

#### **ARTICLE VIII. INDEMNIFICATION**

CONSULTANT agrees to indemnify and save harmless the DISTRICT and its Board members, officers, employees and agents from:

**Third Party Claims.** Any and all claims and demands made against the DISTRICT or its Board members, officers, employees or agents by reason of any injury to or death of or damage to any person or entity, of any nature whatsoever, arising out of CONSULTANT's performance of services under this Agreement however caused, excepting, however, any such claims and demands which are the result of the sole negligence or willful misconduct of the DISTRICT or its Board members, officers, employees or agents;

**DISTRICT Property Damage Claims.** Any and all damage to or destruction of the property of the DISTRICT, its Board members, offices, employees or agents or used by or in the CONSULTANT's care, custody, or control, arising out of CONSULTANT's performance of



services under this Agreement however caused, excepting, however, any such claims and demands which are the result of the sole negligence or willful misconduct of the DISTRICT or its Board members, officers, employees or agents;

**CONSULTANT Employee, Subconsultant and Agent Claims.** Any and all claims and demands which may be made against the DISTRICT or its Board members, officers, employees or agents by reason of any injury to or death of or damage suffered or sustained by any CONSULTANT employee, subcontractor or agent under this Agreement, arising out of CONSULTANT's performance under this Agreement however caused, excepting, however, any such claims and demands which are the result of the sole negligence or willful misconduct of the DISTRICT or its Board members, officers, employees or agents.

#### **ARTICLE IX. ASSIGNMENT**

This Agreement shall not be assigned by either party without the prior written approval of the other.

#### **ARTICLE X. NON-DISCRIMINATION**

CONSULTANT agrees that it will abide by all applicable federal, state, and local laws, rules and regulations concerning nondiscrimination and equal opportunity in contracting. Such laws include, but are not limited to, the following: Title VII of the Civil Rights Act of 1964 as amended; the Americans with Disabilities Act of 1990; the Rehabilitation Act of 1973; California Fair Employment and Housing Act; and California Labor Code sections 1101 and 1102. CONSULTANT shall not discriminate against any employee, subcontractor, or applicant for employment because of race, age, color, ancestry, religion, sex/gender, sexual orientation, mental disability, physical disability, national origin, political beliefs, organizational affiliations, or marital status in the recruitment, selection for training, hiring, employment, utilization, promotion, playoff, rates of pay or other forms of compensation. CONSULTANT shall not discriminate in providing the goods or services under this Agreement because of age, race, color, national origin, ancestry, religion, sex/gender, sexual orientation, mental disability, physical disability, medical condition, political beliefs, organizational affiliations, marital status, or other category protected under the law. If DISTRICT finds that any of these provisions have been violated, such violation shall constitute a material breach of Agreement upon which DISTRICT may determine to cancel, terminate, or suspend this Agreement. In addition to an independent finding by DISTRICT of such violation, a finding by the State of California or by the United States of a violation shall constitute a finding by DISTRICT of such violation.

#### **ARTICLE XI. ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement between the parties hereto relating to the subject matter hereof and supersedes any previous agreements or understandings.

**AGREEMENT FOR ENVIRONMENTAL CONSULTANT SERVICES,  
USDA WATERLINE IMPROVEMENT PROJECT**

---

**SIGNATURE PAGE**

**IN WITNESS WHEREOF**, the parties hereto have entered into this Agreement effective as of the day and year first written above.

**OCEANO COMMUNITY SERVICES DISTRICT**

\_\_\_\_\_  
Board of Directors President

\_\_\_\_\_  
Date

Attest:

\_\_\_\_\_  
General Manager

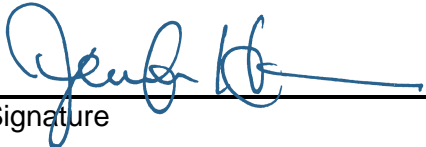
\_\_\_\_\_  
Date

Approved as to Form:

\_\_\_\_\_  
DISTRICT's Legal Counsel

\_\_\_\_\_  
Date

**CONSULTANT**

  
\_\_\_\_\_  
Signature

07/15/22  
\_\_\_\_\_  
Date

Jennifer Haddow, PhD  
\_\_\_\_\_  
Name

Vice President  
\_\_\_\_\_  
Title

**Exhibit A**  
**Federal Requirements**

1. **Mandatory Disclosures.** CONSULTANT must disclose, in a timely manner, in writing to the DISTRICT all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially effecting the Federal award described in 2 C.F.R. § 200.113. Failure to make required disclosures can result in any of the remedies described in 2 C.F.R. § 200.338 Remedies for noncompliance, including suspension or debarment.
  
2. **Equal Employment Opportunity.** During the performance of this Contract, the CONSULTANT agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, and hereby promises to comply with the provision on proposer agreements contained in Presidential Executive Order Number 11246 as amended by Executive Order (1) 75 and as approved by Department of Labor Relations (41 CFR Part 61).
  
3. **Debarment and Suspension.**
  - (1) This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the CONSULTANT is required to verify that none of the CONSULTANT, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
  - (2) The CONSULTANT must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
  - (3) This certification is a material representation of fact relied upon by DISTRICT. If it is later determined that the proposer did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the DISTRICT and State, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.
  - (4) The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

**4. Procurement of Recovered Materials.**

During the performance of this contract, CONSULTANT and/or SUBCONSULTANT agrees to comply with all of the standards, orders, and requirements issued under Section 4502 of the Solid Waste Disposal Act, Pub. L. No. 89-272 (1965) (codified as amended by the Resource Conservation and Recovery Act at 42 U.S.C. § 6962). See 2 C.F.R. Part 200, Appendix II, ¶ J; 2 C.F.R. § 200.322; PDAT Supplement, Chapter V, ¶ 7. The requirements of Section 6002 include procuring only items designated in guidelines of the EPA at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

The following provides the clause that a state agency or agency of a political subdivision of a state and its proposers can include in contracts meeting the above contract thresholds:

- (1) In the performance of this contract, the CONSULTANT shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired—
  - (i) Competitively within a timeframe providing for compliance with the contract performance schedule.
  - (ii) Meeting contract performance requirements; or
  - (iii) At a reasonable price.
- (2) Information about this requirement, along with the list of EPA-designate items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

**5. Access to Records. The following access to records requirements applies to this Agreement:**

- 1) The CONSULTANT agrees to provide the DISTRICT, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the CONSULTANT which are directly pertinent to this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions.

- 2) The CONSULTANT agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
- 3) The CONSULTANT agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.
- 4) In compliance with the Disaster Recovery Act of 2018, the DISTRICT and the CONSULTANT acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.



Oceano Community Services District

# Proposal to Provide Environmental Consulting Services for Waterline Improvement Project

Revised June 28, 2022



**Submitted to:**

**Oceano Community Services District**  
Attn: Will Clemens, General Manager  
via email: [will@oceanosd.org](mailto:will@oceanosd.org)

**Submitted by:**

**Rincon Consultants, Inc.**  
1530 Monterey Street, Suite D  
San Luis Obispo, California 93401  
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Revised June 28, 2022

Rincon Project No. 22-13146

Will Clemens, General Manager  
Oceano Community Services District  
1655 Front Street, PO Box 599  
Oceano, California 93475  
Via email: [will@oceanocsd.org](mailto:will@oceanocsd.org)

**Subject: Revised Proposal to Provide Environmental Consulting Services for the Oceano Community Services District Waterline Improvement Project, Oceano, California**

Dear Mr. Clemens:

Rincon Consultants, Inc. (Rincon) is pleased to submit this proposal to provide environmental consulting services for the proposed Oceano Community Services District (OCS D) Waterline Improvement Project (herein referred to as the “proposed project” or “proposed action”). The OCS D water system is comprised of approximately 22.5 miles of pipelines varying in age from recently installed to almost 70 years old. Several water mains are reaching the end of their useful life expectancy and are at risk of breakage and leakage. Approximately 20,000 feet of pipeline needs to be replaced with larger pipes to provide adequate fire flow and service pressure. In addition, an existing 0.3-million gallon (MG) steel water tank is in need of repair.

The OCS D Capital Improvement Plan (CIP) identifies pipeline projects and storage tank projects needed to upgrade and repair the system, and ranks them as Priority 1, 2, and 3. The proposed project consists of the following Priority 1, 2, and 3 repairs and upgrades to the OCS D water system, as selected from the CIP and shown in the project location map attached to this proposal as Attachment 1.

- Pipeline work
  - Installation of new eight-inch diameter pipeline main sections
  - Replacement of existing main pipeline sections with upsized eight-inch diameter pipes
  - Extension of dead-end pipeline to form pipeline loops
  - Replacement and installation of control valves in the pipeline system
- Storage tank work:
  - Repair, relining, and recoating of the existing 0.3 MG steel water tank

It is our understanding OCS D is seeking federal funding from United States Department of Agriculture (USDA) Rural Development for the project. USDA Rural Development is required to assess and consider the impacts of proposed federal actions, such as the provision of financial assistance, to the human environment in accordance with the National Environmental Policy Act (NEPA), Section 106 of the National Historic Preservation Act (NHPA), Section 7 of the Endangered Species Act (ESA), and other applicable federal, state, and local environmental laws. OCS D is seeking an environmental consultant to prepare (1) a NEPA Environmental Report for Categorical Exclusion for the proposed action, consistent with the instructions identified in USDA Rural Development Instruction 1970-B, and (2) an Initial Study – Mitigated Negative Declaration (IS-MND) to satisfy the California Environmental Quality Act (CEQA).



## Relevant Project Experience

Rincon has successfully prepared hundreds of CEQA and NEPA documents for agencies throughout California. We have also authored hundreds of technical support documents, including cultural resources and biological resources reports. Our team is specifically familiar with environmental documentation requirements for projects seeking federal funding sources, including USDA Rural Development.

### South San Luis Obispo County Sanitation District Wastewater Treatment Redundancy Project

Rincon recently prepared similar NEPA environmental documentation for the South San Luis Obispo County Sanitation District (SSLOCS D) Wastewater Treatment Redundancy Project, which involves the construction and operation of backup infrastructure at SSLOCS D's wastewater treatment facility in Oceano. The project is intended to provide redundancy to allow major process units to be removed from service for maintenance without risking violation of effluent permit limits. In support of the USDA Rural Development funding pursuit, Rincon prepared a Cultural Resources Assessment, a Biological Evaluation, and a NEPA Environmental Report for Categorical Exclusion consistent with USDA guidance and instruction documents. Throughout the process, Rincon coordinated directly with Al Correale and Michael Colbert at USDA to support and streamline the environmental review process. Rincon also facilitated a Section 7 consultation process between USDA and United States Fish and Wildlife Service (USFWS), which resulted in a Biological Opinion from USFWS for impacts to the California red-legged frog. USDA accepted and concurred with the Environmental Report for Categorical Exclusion in June 2020.

Rincon is currently conducting biological monitoring and coastal hazards monitoring and reporting for the construction and installation of the new redundancy infrastructure and other improvements to SSLOCS D's Wastewater Treatment Plant.

**Relevant Personnel:** Amanda Antonelli (Project Manager), Jennifer Haddow (Principal-in-Charge), Colby Boggs (Principal/Senior Ecologist), Michael Tom (Senior Biologist)

### Montecito Water District Alder Creek Flume Repair Project

The Thomas Fire and subsequent debris flows (January 9, 2018) destroyed a portion of the Alder Creek Flume, an open-channel flume located in the Los Padres National Forest. Rincon is preparing regulatory permit application packages, as well as a Biological Assessment/Biological Evaluation, Cultural Resources Technical Report, CEQA Categorical Exemption, NEPA Categorical Exclusion, and other various technical documents and permit application packages. Rincon is also supporting Montecito Water District in coordination with the United States Forest Service, the lead NEPA agency.

**Relevant Personnel:** Amanda Antonelli (Project Manager), Jennifer Haddow (Principal-in-Charge), Colby Boggs (Principal/Senior Ecologist), Steven Treffers (Senior Architectural Historian)

### East Valley Water District Plant 134 GAC Improvements Project

Rincon prepared CEQA-Plus Categorical Exemption documentation for the proposed Plant 134 Granulated Activated Carbon (GAC) Improvements Project, located in unincorporated San Bernardino County near Highland Avenue and State Route 330. The project involves construction and operation of GAC equipment at the Plant 134 Water Filtration Facility to reduce disinfection byproduct precursors in





the form of total organic carbon from the treated water post-member treatment and prior to disinfection. Work on this project included a Biological Resources Assessment, Cultural Resources Technical Report, Paleontological Resources Assessment, Federal Clean Air Act Conformity Analysis, CEQA Categorical Exemption documentation, and the environmental package for the Clean Water State Revolving Fund application. Key issues included the potential presence of coastal California gnatcatcher in the project site vicinity and potential water quality impacts during construction activities. Rincon has continued to provide as-needed support during the Clean Water State Revolving Fund application process to facilitate consultation between the State Water Resources Control Board, the USFWS, and State Historic Preservation Office.

**Relevant Personnel:** Amanda Antonelli (Project Manager), Jennifer Haddow (Principal-in-Charge), Breana Campbell-King (Archaeologist)

## Scope of Work

The tasks below outline Rincon’s approach to completing the required environmental documentation to inform and support USDA Rural Development’s environmental determination for the proposed action. The following tasks include environmental technical studies and a NEPA Environmental Report for Categorical Exclusion.

### Task 1 Technical Studies

The following technical studies will culminate in stand-alone reports which will be appended to and summarized in the NEPA Environmental Report for Categorical Exclusion (prepared under Task 2) and the CEQA IS-MND.

#### Task 1.1 Cultural Resources Assessment

The following scope of work is presented to support the proposed action’s compliance with Section 106 of the NHPA and with CEQA (Public Resources Code [PRC] Section 21000 et seq.) and the CEQA Guidelines (California Code of Regulations [CCR] Section 15000 et seq.), as amended to date, as well as California Public Resource Code (PRC) Sections 5097 and 5024.5.

##### *Subtask 1.1.1 Area of Potential Effects*

As defined by 36 CFR Section 800.16 (d), an “area of potential effects (APE)” is the geographic area or areas within which a federal action (or “undertaking”) may directly or indirectly cause alterations in the character or use of historic properties, if any such properties exist. The APE is influenced by the scale and nature of an undertaking and may vary depending on the kinds of effects potentially caused by the undertaking. In coordination with USDA, Rincon will delineate an APE with consideration to the potential direct and indirect effects of the undertaking. For the purposes of this scope and cost estimate, Rincon assumes the APE will be comprised of multiple discontinuous sites. Rincon additionally assumes most work will occur within existing rights-of-way and the APE will therefore be limited to the area of direct impact. Rincon assumes sufficient information on which to base the APE delineation will be provided upon notice to proceed and a maximum of one round of comments on the APE delineation will be necessary.



### *Subtask 1.1.2 Background Research*

Rincon will request searches of the California Historical Resources Information System (CHRIS) at the Central Coast Information Center (CCIC) and the Native American Heritage Commission (NAHC) Sacred Lands File. The CHRIS search will include the APE and a 0.5-mile radius buffer. The primary purpose of the CHRIS search is to identify previously recorded cultural resources known to exist within or near the APE and to identify cultural resources studies previously conducted around the APE to assess cultural sensitivity. Additionally, the SLF search will indicate the presence of cultural resources important to Native Americans in the vicinity of the APE and provide a contact list of Native Americans culturally affiliated with the APE's vicinity. In addition to the CHRIS and SLF searches, an examination will be made of historical maps and inventories of known cultural resources in an effort to identify properties that may qualify as historic properties or historic resources. In preparation for the field survey described below Rincon will research the properties in the APE to determine the age of existing built features and their developmental history. Rincon assumes the CCIC will conduct this records search within a maximum direct expense and associated fees of \$1,500.

### *Subtask 1.1.3 Section 106 Outreach*

Section 106 of the NHPA requires lead agencies to seek information, as appropriate, from consulting parties, and other individuals and organizations likely to have knowledge of, or concerns with, historic properties in the area of a project. To support USDA, Rincon will prepare letters to be sent by USDA to Native American contacts and other local interested parties. Letters will provide a description and map of the proposed action and request Native American contacts and other local interested parties contact USDA if they are aware of cultural resources or other historic properties that have the potential to be affected by the undertaking. Outreach will include inquiries to applicable local governments and local historic interest groups regarding their knowledge of historic period cultural resources in the immediate vicinity of the APE. As many as two telephone calls will be made to each of the groups to document "good-faith" efforts to follow-up. A table documenting these efforts will be created and attached to the report in an appendix alongside an example letter and all replies. Rincon will also prepare a draft cover letter for USDA to use to open consultation with the State Historic Preservation Officer seeking concurrence on the findings of the cultural resources investigation. Rincon will submit digital copies of the letters for review by OCS and USDA. Once approved, letters should be placed on USDA letterhead and signed by an agency official. Rincon assumes one round of minor comments from USDA for review and approval of the outreach letters will be required. Once reviewed, a digital copy of the final letter will be prepared and submitted to USDA within five working days of receipt of comments. Should USDA require additional Section 106 consultation assistance, a scope and budget augmentation will be requested.

### *Subtask 1.1.4 Cultural Resources Field Survey*

Upon completion of the CHRIS search, Rincon will conduct a cultural resources survey of the project APE. Rincon understands much of the APE is developed with little exposed surfaces where archaeological resources may be located. Therefore, the archaeological investigation portion of the field survey will be limited to areas of exposed surfaces, while highly developed areas will be subjected to windshield survey. Where pedestrian survey is feasible, a Rincon cultural resources specialist will conduct the archaeological survey using transects spaced at maximum intervals of 10 to 15 meters with transect accuracy maintained through use of a hand-held global positioning system (GPS) unit. For the purposes of this proposal and cost estimate, Rincon assumes the survey will not identify any archaeological resources that require recordation or updating. Should any archaeological resources be identified during the survey, Rincon will request a budget and scope augmentation to complete the necessary tasks



associated with a resource recording. No subsurface testing will be conducted, nor will any artifacts, samples, or specimens be collected during the survey.

Rincon's cultural resources specialist will examine buildings and/or structures in the APE for potential historical significance. As previously noted, research will be conducted to confirm the age and developmental history of the built featured in the APE. Those found to be over 45 years of age and not previously evaluated within the past five years will be recorded or updated on Department of Parks and Recreation (DPR) 523 Series Forms and evaluated for listing in the National Register of Historic Places. This scope and cost include the recordation and evaluation of a maximum of two properties on DPR forms.

#### *Subtask 1.1.5 Cultural Resources Technical Report*

Rincon will prepare a technical report documenting the results of the cultural resources assessment of the APE. The report will be prepared following the California Office of Historic Preservation's Archaeological Resource Management Reports: Recommended Contents and Format, and will include a historic context, methods and impacts considerations. The report will provide an evaluation of the significance of identified resources, whether the resource(s) qualifies as a historical resource under CEQA and as a historic property under Section 106 of the NHPA, and an assessment of the archaeological sensitivity of the project site and the potential to encounter subsurface prehistoric or historic-period archaeological resources during construction. The report will include figures depicting the area surveyed and studied for cultural resources, and up to two sets of DPR forms will be included as an appendix.

Rincon will respond to one round of comments from OCSD and one round of comments from USDA on the Cultural Resources Technical Report.

### **Task 1.2 Biological Resources Assessment/Biological Evaluation**

Rincon will prepare a Biological Resources Assessment/Biological Evaluation (BRA/BE). The BRA/BE will assess impacts to biological resources from Appendix G of CEQA (BRA portion) as well as potential adverse effects to federally protected biological resources, including species listed or candidates for listing under the federal ESA, waters of the U.S., or other resources protected under federal laws and regulations (BE portion).

This task includes three components: (1) background literature/database review for sensitive biological resources that could occur in the region of the project site, and desktop mapping of vegetation communities, habitats and jurisdictional waters; (2) field reconnaissance survey of the project sites to document existing conditions and field-verify desktop mapping; and (3) preparation of the BRA/BE Report to present the biological resources existing and with potential to occur on the site and to determine any potential impacts/effects.

#### *Subtask 1.2.1 Literature Review*

Rincon will review publicly available documents, databases, and websites including but not limited to:

- California Department of Fish and Wildlife California Natural Diversity Database (9-quadrangle search)
- California Native Plant Society Online Inventory of Rare and Endangered Plants of California (9-quadrangle search)
- USFWS and the National Marine Fisheries Service designated Critical Habitat data



- USFWS Information for Planning and Consultation System list of federally listed species with potential to occur within the project site and vicinity
- United States Geological Service topographic maps, hydrography data, and current aerial imagery
- Biological reports previously prepared for the project
- Existing project plans

#### *Subtask 1.2.2 Field Reconnaissance Survey*

Rincon will conduct a reconnaissance-level field assessment of the project areas, collectively referred to hereinafter as the “biological study area,” to characterize and map the vegetation communities and land-cover types present, collect data needed to determine the potential for the biological study area (or portions thereof) to support special status species, and determine the presence/absence of other state and federally protected biological resources (e.g., riparian vegetation, streams, wetlands).

The vegetation communities and land cover types will be mapped to illustrate these features relative to the project footprint. The characterization of vegetation communities would also detail habitat suitability for those special status species with potential to occur in the vicinity, as guided by the literature review.

#### *Subtask 1.2.3 Biological Resources Assessment/Biological Evaluation Report*

Rincon will summarize the findings of the reconnaissance survey and literature review in a BRA/BE report. The following information will be included:

- Project/construction footprint description
- Survey area description and survey methodology
- Biological inventory
- Physical site characteristics (topography, soil, drainages, geology)
- Habitat classifications and mapping
- Plant and wildlife species observed on-site
- Identification and analysis of special status species, vegetation communities and other sensitive biological resources that may be affected by the proposed project/action
- Locations of any potential waters or wetlands
- Photographs of the site conditions
- Maps of site location and biological resources in the biological study area
- Analysis of the potential to occur for special status species based on habitat types and conditions thereof as observed during the field reconnaissance-level field survey
- Analysis of impacts/effects to special status species, vegetation communities and other sensitive biological resources, including birds protected under the Migratory Bird Treaty Act
- Recommended protective measures to avoid and/or minimize effects

The primary purpose of the BRA/BE is to support the preparation of a CEQA IS-MND and a NEPA Environmental Report for Categorical Exclusion. Based on our understanding of the proposed project as maintenance and upgrade work located within a predominantly urban setting and in areas of previous disturbance and existing development, we anticipate biological issues are minimal, and a streamlined approach to CEQA and NEPA compliance is appropriate. This scope of work assumes no listed species are present in the biological study area which would be affected by the project.



## Task 2 NEPA Environmental Report for Categorical Exclusion

Rincon will prepare a NEPA Environmental Report for Categorical Exclusion using USDA Rural Development guidelines (RD Instruction 1970-B). The following information will be included in the report:

- Project Description and Location
- Land Ownership and Land Use
- Environmental Justice
- Historic Preservation
- Threatened and Endangered Species/Biological Resources
- Wetlands
- Floodplains
- Coastal Areas
- Important Farmland
- Environmental Risk Management
- Other Resources (e.g., Water Resources, Air Quality)

Rincon will incorporate information from relevant technical studies, online databases, and other available documents to assist in addressing the resource areas identified above. Technical studies prepared under Task 1 of this scope of work will be used to inform the Environmental Report and will be attached therein. Map figures will be prepared and attached to the Environmental Report as needed.

Based on our experience with USDA Rural Development, Rincon will also prepare a Mitigation Measures Summary and Implementation Schedule, which will list in tabular format the mitigation measures and corresponding monitoring requirements, entities responsible for monitoring and completing the mitigation, and schedule for mitigation implementation.

Rincon will submit an electronic version of the Environmental Report to OCSD and USDA for review. We assume we will respond to one round of comments from OCSD and one round of comments from USDA.

## Task 3 USDA Coordination

Based on past experience with USDA Rural Development, Rincon can help streamline the environmental process by maintaining an open line of communication with USDA staff. To support USDA Rural Development's environmental review process, Rincon will engage USDA Rural Development staff through telephone calls and emails to confirm methodology, acquire needed USDA materials and records of decision, and communicate about USDA reviews of deliverables.

The cost estimate includes up to 20 hours of Rincon staff time for this task.

## Task 4 CEQA Initial Study – Mitigated Negative Declaration

### Task 4.1 Administrative Draft IS-MND

Rincon will prepare an Administrative Draft IS-MND for the proposed project. The CEQA analysis will discuss existing conditions, thresholds of significance, methodology for impact assessments, project-specific impacts and mitigation measures, cumulative impacts, and residual impacts for the proposed project. The focus of the analysis will be to avoid or minimize potential impacts and to propose appropriate mitigation where potential impacts may occur. Information will be gathered from various



online databases and other documents on file with OCSD and other agencies. The results of the Cultural Resources Assessment prepared under Task 1.1 and Biological Resources Assessment/Biological Evaluation prepared under Task 1.2 will be incorporated into the IS-MND.

The impact analyses in the Administrative Draft IS-MND will be quantitative where practicable, such as in the case of air quality, greenhouse gas emissions, and noise. For the remainder of the issue areas, the analyses will be qualitative. The Administrative Draft IS-MND will be submitted in electronic format for OCSD review.

#### **Task 4.2 Public Review Draft IS-MND**

Rincon will respond to comments from OCSD on the Administrative Draft IS-MND and incorporate revisions as needed. This scope of work assumes we will respond to one round of comments on the Administrative Draft IS-MND and comments from OCSD will be provided as a consolidated set of comments in editable electronic format (i.e., as tracked changes in Word).

For the purposes of CEQA compliance, Rincon will prepare and submit a Notice of Intent (NOI) to Adopt the MND to the San Luis Obispo County Clerk and the State Clearinghouse. We assume OCSD will be responsible for paying applicable filing fees. Rincon will provide an electronic version (PDF) of the IS-MND for posting on OCSD's website. We assume OCSD will coordinate publication of the NOI in a newspaper of general circulation. Rincon will email the NOI to up to 20 responsible and trustee agencies and other interested parties via email. Any additional noticing for the Public Review Draft IS-MND will be completed by OCSD; however, Rincon can assist at OCSD's request for an additional fee.

#### **Task 4.3 Responses to Comments and Final IS-MND**

During the public review period following publication of the Draft IS-MND, public and agency comments will be collected on the Draft IS-MND, and Rincon will update the document to address these comments and incorporate revisions into the Final IS-MND, as necessary. Although CEQA does not technically require written responses to comments on Negative Declarations and MNDs, we recommend preparing written responses to show comments have been considered, as required by CEQA. This scope of work assumes up to three comment letters containing comments on the content of the CEQA document will be received. We have assumed these can be responded to in a maximum of eight professional staff hours. The actual level of effort required to respond will depend on the length, detail, and sophistication of the comments, in addition to the number of letters received. We reserve the right to reevaluate the effort level and request a scope amendment upon close of the public comment period.

Subsequent to collection of all comments on the Draft IS-MND, Rincon will prepare and submit the draft responses to comments in electronic format for review by OCSD, including any added or substantially revised sections of the Draft IS-MND that may be necessary. Upon receipt of OCSD comments on the draft responses, Rincon will prepare the final responses for incorporation into the Final IS-MND, as needed.

The Final IS-MND will include a mitigation monitoring and reporting program (MMRP) in accordance with OCSD's requirements. The MMRP will be provided in an easily digestible format. Essentially, this plan will take the form of a detailed table, which will compile all of the mitigation measures, as well as information necessary to monitor compliance with each measure. Rincon will provide an electronic version (PDF) of the Final IS-MND.

Rincon will complete a Notice of Determination (NOD) form for filing with the County Clerk's office upon certification of the document and project approval. Rincon will file the NOD with the County Clerk and



the State Clearinghouse. We assume OCSD will be responsible for paying applicable filing fees, including the CDFW CEQA filing fee.

#### **Optional Task 4.4 Assembly Bill 52 Consultation Assistance**

Under AB 52 (California Government Code Section 21080.3.1 (a)), OCSD, as the CEQA lead agency, is required to begin consultation with California Native American Tribes traditionally and culturally affiliated with the project site prior to the release of a negative declaration, mitigated negative declaration, or environmental impact report. Rincon will assist OCSD with consultation under AB 52 by providing OCSD with letter templates, checklists, and detailed instructions to ensure meaningful consultation with interested Native American groups can be completed in accordance with AB 52. Rincon will use the NAHC contact list acquired under Task 1.1 to inform the AB 52 mailing list. After receipt of letters, Native American Tribes have 30 days to reply to a request for consultation under AB 52. This task does not include meetings, outreach, consultation, or Rincon mailing letters to Tribal governments. We assume OCSD will officially contact all applicable Tribes using the materials prepared by Rincon.

#### **Task 5 Project Management**

Project management tasks include in-house management of Rincon staff during the course of this scope of work, responding to telephone calls and emails regarding the project, monitoring the project budget and schedule, and other similar tasks.

### **Assumptions**

- Per USDA Rural Development, a Categorical Exclusion with Environmental Report is the appropriate NEPA pathway. We assume USDA Rural Development will not determine there are extraordinary circumstances precluding the action from being categorically excluded.
- OCSD will provide GIS files of the work areas, including construction staging and laydown yards.
- No changes to the Project Description, including location of work areas and description of construction methods, will occur after it is provided to Rincon.
- We assume most construction work would occur within the previously disturbed rights-of-way.
- We assume USDA Rural Development will provide the following:
  - Formally Classified Lands Map
  - Environmental Justice and Civil Rights Impact Analysis Certification
  - USDA Record of Decision for NHPA Section 106 Review
  - USDA Record of Decision for Endangered Species Act
- No access issues will be encountered during the site visits.
- Rincon is not responsible for delays due to weather, site conditions (e.g., prohibited access, flooding, fire, safety) or other conditions out of Rincon's control.
- The APE will be comprised of multiple discontinuous sites and will be limited to the area of direct impact.
- Project work will occur primarily within existing ROW.
- Sufficient information on which to base the APE delineation will be provided upon notice to proceed.
- CCIC will conduct this records search within a maximum direct expense of \$1,500.



- Note that CHRIS and SLF turnaround times have been impacted by the COVID-19 pandemic. Current turnaround times are approximately eight weeks. Any potential scheduling issues will be conveyed to OCSD as soon as possible to mitigate delays.
- This scope and cost include the recordation and evaluation of a maximum of two properties on DPR forms.
- All evaluations of historic properties will be negative and a finding of effect will not be required.
- OCSD, as the lead CEQA agency, will officially contact all applicable Tribes for consultation under AB 52.
- No federally threatened or endangered species, federally designated critical habitat for federally listed species, or other sensitive biological resources will be identified in the areas to be affected by the project.
- This scope of work does not include protocol-level or focused surveys for federally listed species.
- Because the project area within San Luis Obispo County is designated attainment/unclassified for all federal air quality criteria pollutant emission standards, it is assumed the proposed action is not subject to a State Implementation Plan conformity determination to assess the action's consistency with the federal Clean Air Act (FCAA) General Conformity Rule. In our experience, USDA Rural Development will not require air quality modeling in this scenario. If required by USDA Rural Development, Rincon can provide a separate scope and cost to prepare a FCAA conformity analysis.
- The transportation analysis for the IS-MND will utilize construction traffic estimates provided by OCSD along with standard construction traffic control measures. Additional traffic modeling will not be conducted as part of this scope of work.
- OCSD will be responsible for paying all filing fees.
- Rincon's attendance at public meetings or hearings can be added to this scope on a time and materials basis.
- All deliverables will be provided in electronic format (e.g., Word or PDF). No hard copies will be provided.
- Rincon will respond to one round of comments from OCSD and one round of comments from USDA on each deliverable. Comments will be provided in editable electronic format (i.e., as tracked changes in Word).
- This scope of work and cost estimate do not include providing technical reports that are accessible pursuant to the Americans with Disabilities Act (ADA) or printed copies. However, accessible documents and/or printed copies can be provided for an additional fee.

## Cost

Rincon will prepare the above deliverables in accordance with the scope of services outlined herein for a cost not-to-exceed **\$98,667**, or \$99,933 with Optional Task 4.4 AB 52 Consultation Assistance. The table at the end of this proposal provides a breakdown of costs by task. Costs have been allocated to tasks based upon Rincon's proposed approach. Rincon has the discretion to re-allocate costs among tasks and/or direct costs as circumstances warrant so long as the adjustments maintain the total price within its authorized amount.

The proposed scope of services and associated costs are fully negotiable to meet the needs of OCSD. Additional work not included within our proposed work program will be completed upon written





authorization in accordance with our Standard Fee Schedule for Professional Services (attached) or an otherwise mutually acceptable contract agreement.

All the terms of this proposal are fully negotiable to meet the needs of OCSD. This proposal is valid for a period of 30 days during which time all questions may be directed to Amanda Antonelli, Project Manager, at [aantonelli@rinconconsultants.com](mailto:aantonelli@rinconconsultants.com) or (805) 947-4864. Thank you for your consideration of Rincon Consultants for this project!

Sincerely,  
**Rincon Consultants, Inc.**

Amanda Antonelli, MESM  
Senior Environmental Planner/Project Manager

Jennifer Haddow, PhD  
Principal Environmental Scientist

**Table 1 Cost Summary**

Task	Estimated Cost
<b>Task 1 Technical Studies</b>	
Task 1.1 Cultural Resources Assessment	\$20,524
Task 1.2 Biological Resources Assessment/Biological Evaluation	\$28,951
<b>Task 2 NEPA Environmental Report for Categorical Exclusion</b>	\$10,128
<b>Task 3 USDA Coordination</b>	\$4,686
<b>Task 4 CEQA Initial Study – Mitigated Negative Declaration</b>	
Task 4.1 Admin Draft IS-MND	\$16,628
Task 4.2 Public Review Draft IS-MND	\$4,898
Task 4.3 Responses to Comments and Final IS-MND	\$6,262
<b>Task 5 Project Management</b>	\$6,590
<b>Total without Optional Tasks</b>	<b>\$98,667</b>
<i>Optional Task 4.4 AB 52 Consultation Assistance</i>	<i>\$1,266</i>
<b>Total with Optional Tasks</b>	<b>\$99,933</b>

### Attachments

- Attachment 1 Project Location Map
- Attachment 2 Resumes of Primary Staff Assigned to Project
- Attachment 3 Rincon Consultants Standard Fee Schedule

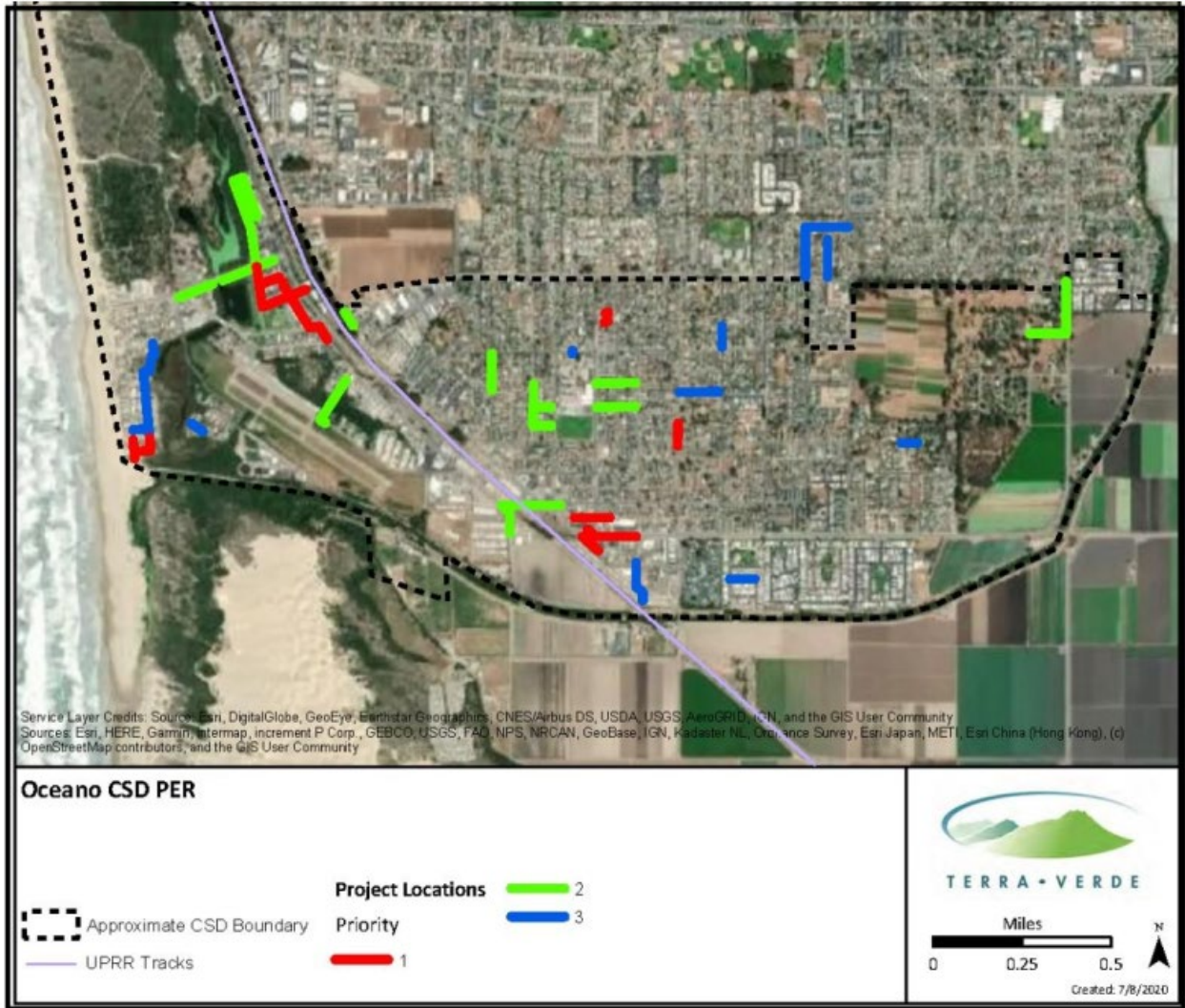


# Attachment 1

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Project Location Map

Figure 1 Project Location Map





# Attachment 2

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Resumes of Primary Staff Assigned to Project



## Jennifer Haddow, PhD, MSc, AIEMA

Principal Environmental Scientist/Principal-in-Charge

Dr. Haddow has over 20 years of professional experience in the field of environmental science and assessment and has prepared and coordinated all levels of environmental documentation for large- and small-scale infrastructure projects, with an emphasis on water supply, treatment, conveyance and quality projects, as well as renewable energy infrastructure and linear infrastructure projects. She has managed or served as the Principal-in-Charge for the environmental documentation/compliance processes for many of Rincon Consultants' water-agency clients, including San Luis Obispo County Sanitation District, Metropolitan Water District of Southern California, Water Replenishment District of Southern California, United Water Conservation District, and Las Virgenes Municipal Water District.

Dr. Haddow's philosophy is to provide excellent, "no-surprises" consultancy advice and expertise to her clients. This includes advising on both environmental and stakeholder issues which may arise during the documentation process but also the implications of decisions made as part of the CEQA or NEPA processes which could impact schedules and costs as a project progresses through design and construction.

### EDUCATION

PhD, Biogeochemistry,  
University of Aberdeen, UK  
MS, Environmental Science,  
University of Aberdeen, UK  
BS, Environmental Policy  
Analysis and Planning,  
University of California, Davis  
Associate, Institute of  
Environmental Management  
and Assessment

### SELECT PROJECT EXPERIENCE

#### **Principal-in-Charge, City of San Luis Obispo – Water Resource Recovery Facility Environmental Documentation and Permitting, San Luis Obispo**

Rincon recently completed an EIR in support of the City of San Luis Obispo Water Resource Recovery Facility (WRRF) project. The WRRF treats municipal wastewater collected from the City, California Polytechnic State University, and the San Luis Obispo County Airport. The City is proposing a number of improvements/upgrades to the existing 55-acre facility including new equipment installation, demolition of several components, roadway improvements, and new building construction. Dr. Haddow served as the Project Manager for the EIR and the permitting effort for the upgrades and is currently overseeing the environmental compliance monitoring during construction of the project. The EIR satisfies both the requirements of CEQA as well as CEQA Plus.

#### **Principal-in-Charge, City of Pismo Beach – Central Coast Blue CEQA Documentation and Regulatory Permitting, Pismo Beach**

Rincon Consultants is preparing an Environmental Impact Report and assisting with permit acquisition for the Central Coast Blue Project. The project will enhance the treatment of wastewater to a tertiary level prior to injecting the treated water into local groundwater basins for beneficial reuse or as a seawater intrusion barrier. The Environmental Impact Report will analyze two treatment site alternatives, including the South San Luis Obispo County Sanitation District's wastewater treatment plant and a second off-site location. While the City is developing the first phase of the project, the District and other participating stakeholders will contribute to funding and development of subsequent phases of the project. The project will include injection wells, monitoring wells, potable water production wells, and recycled water pipelines. The Environmental Impact Report will include a detailed, project-level analysis of several components of the project for which design details are currently available. Where project-level details are not yet known, a programmatic approach is being used to assess the impacts. Preparation of a hybrid Program/Project-level CEQA document will provide flexibility for the initial phases of the project to move forward

while details for future phases of the project are determined. Dr. Haddow is the contract manager for this work effort and is responsible for overall quality control/quality assurances for all deliverables.

**Principal-in-Charge, Metropolitan Water District of Southern California – On-Call Environmental Services, Various Counties, California**

Dr. Haddow has managed Rincon Consultant’s on-call contract to provide consultancy support to Metropolitan’s Environmental Planning Team since 2011. Key projects Dr. Haddow has managed under this contract are listed below.

▪ **Dennis Underwood Conservation Area Project**

Dr. Haddow acted as the Principal-in-Charge for the preparation of technical studies including cultural resources, air quality and greenhouse gasses and Land Evaluation and Site Assessment in support of a 635-acre preserve along the Colorado River to protect threatened and endangered species that once thrived in the river’s floodplain. Through management of Rincon’s cross-service line expertise, Rincon was able to provide Metropolitan and the United States Bureau of Reclamation with the needed documentation to move forward with dedication of the conservation area.

**Colorado River Aqueduct Master Reclamation Plan for San Bernardino and Riverside Counties**

Dr. Haddow oversaw preparation of a hybrid program/project IS-MND and associated technical studies (Biological Resources Assessment and Cultural Resources Assessment) for the Colorado River Aqueduct Master Reclamation Plan for San Bernardino and Riverside Counties that will cover reclamation of 20 of Metropolitan’s borrow sites along the Colorado River Aqueduct under the Surface Mining and Reclamation Act. Expertise in jurisdictional water features, cultural resources, air quality have been provided in support of this project. Approximately five of the borrow sites will be reclaimed in the next five years, and approximately 15 of the borrow sites are planned to be reclaimed in 100 years. Therefore, the IS-MND evaluates the five near-term sites as a project-level and the 15 future-term borrow sites at a programmatic level in order to streamline future environmental review of reclamation activities at the future-term borrow sites at the time at which they occur, thereby facilitating project implementation.

**Principal-in-Charge, Montecito Water District – Smart Meter Facilities Project, Santa Barbara County**

The project involves permitting support services for the installation of 22 radio collector units across Montecito Water District’s service area. Dr. Haddow is overseeing the project as Principal-in-Charge and is responsible for ensuring that staff resources are available as needed to meet the project deadlines. Sensitive issues associated with this project include aesthetics impacts in residential neighborhoods, radiofrequency concerns, and land use limitations.

**Principal-in-Charge, Casitas Municipal Water District – On-Call Environmental Services Contract, Ventura County**

Dr. Haddow has overseen Rincon’s On-Call Environmental Consulting Services Agreement with Casitas Municipal Water District since 2018. As Principal-in-Charge for this contract she is responsible for overall quality control/quality assurances for all deliverables, compliance with all contract terms, and ensuring sufficient resources are available to meet project deadlines. Key projects Dr. Haddow has overseen under this contract are listed below.

Ojai Water System Upgrades Project Initial Study-Mitigated Negative Declaration. Rincon prepared an IS-MND to assess proposed pipeline replacements and well, storage tank, and booster pump upgrades throughout the Casitas Municipal Water District’s Ojai Water System. The Ojai Water System Improvements project involved replacing or rehabilitating aging and/or undersized potable water infrastructure located in multiple jurisdictions to restore system capacity and meet fire flow requirements.

Ventura-Santa Barbara Counties Intertie Project Initial Study-Mitigated Negative Declaration. Rincon is preparing an IS-MND for a water pipeline and two booster pump stations that would connect the Casitas Municipal Water District pipeline network with the Carpinteria Valley Water District infrastructure to improve water supply resiliency in the project area. The project documentation is being prepared to meet both the requirements of CEQA but also federal documentation requirements to meet the requirements of the FEMA/CalOES grant application for project funding.



## Amanda Antonelli, MESM

Senior Environmental Planner/Project Manager

Ms. Antonelli is an experienced environmental analyst and project manager with a specialization in water infrastructure projects and hydrology. Ms. Antonelli is experienced in preparing CEQA and NEPA documents such as Initial Study-Mitigated Negative Declarations, Environmental Impact Reports, and Environmental Reports. She has specific expertise in preparing environmental documentation to support state and federal funding pursuits. Ms. Antonelli has managed and developed technical analyses for projects for water agencies across California, including the San Luis Obispo County Sanitation District, Montecito Water District, Castroville Community Services District, and others. Ms. Antonelli currently serves as Project Manager for CEQA, NEPA, and CEQA-Plus documentation for a number of water infrastructure projects.

### EDUCATION

MESM, Water Resources Management, Bren School of Environmental Science & Management, University of California, Santa Barbara  
BA, Geography/Environmental Studies, University of California, Los Angeles

### AFFILIATIONS

Association of Environmental Professionals, Member  
Association of Women in Water, Energy, and Environment, Member

### SELECT PROJECT EXPERIENCE

#### **Project Manager, South San Luis Obispo County Sanitation District – Wastewater Treatment Redundancy Project, Oceano, California**

Ms. Antonelli served as Project Manager and lead NEPA analyst for this project, which involves the construction and operation of backup infrastructure at the District's wastewater treatment facility in Oceano. In support of federal funding pursuits, Rincon prepared technical studies compliant with CEQA-Plus and NEPA requirements, including an Environmental Report for Categorical Exclusion, a Cultural Resources Assessment, and a Biological Evaluation. Ms. Antonelli also led the team in coordinating with federal agencies to receive a Biological Opinion for impacts to the California red-legged frog.

#### **Project Manager, Montecito Water District – Alder Creek Flume Repair Project CEQA/NEPA Documentation and Regulatory Permitting, Santa Barbara County**

The Thomas Fire and subsequent debris flows (January 9, 2018) destroyed a portion of the Alder Creek Flume, an open-channel flume located in the Los Padres National Forest. Rincon is preparing environmental review documents and providing regulatory permitting support for the proposed repair project. Rincon is preparing regulatory permit application packages as well as a Biological Assessment/Biological Evaluation, Cultural Resources Technical Report, CEQA Categorical Exemption, NEPA Categorical Exclusion, and other various technical documents. As Project Manager, Ms. Antonelli is leading the team of environmental experts and coordinating with the District and United States Forest Service (the lead NEPA agency).

#### **Project Manager, Castroville Community Services District (subcontract to Prime contractor) – Emergency Deep Aquifer Supply and Storage Tank Project CEQA-Plus, Monterey County**

The Emergency Deep Aquifer Supply and Storage Tank Project involves the construction of a deep groundwater well and water storage facilities, and is intended to improve water supply reliability in the Castroville community. To support the District's funding pursuit through the State Water Resources Control Board State Revolving Fund, Rincon is preparing environmental documentation to meet CEQA-Plus standards, including an evaluation of "federal cross-cutters." As Project Manager, Ms. Antonelli is managing Rincon's team of environmental experts in

preparing environmental technical studies including a Biological Resources Assessment, Historic Property Identification Report, Paleontological Resources Assessment, Federal Clean Air Act Conformity Analysis, and CEQA Categorical Exemption documentation.

**Project Manager, Montecito Water District – Reservoir Retrofit and Replacement Project, Santa Barbara County**

The Reservoir Retrofits project involves seismic retrofits, repairs, and replacements at eight of the District’s existing water storage reservoirs. Working with an evolving project description and several AB 52 tribal consultation requests, Rincon (with Ms. Antonelli as Project Manager) still successfully completed the Initial Study-Mitigated Negative Declaration in less than four months, delivering the final document several weeks before the deadline. The District is seeking project funding from the Additional Supplemental Appropriation for Disaster Relief Act program, in which funds are granted by the United States Environmental Protection Agency and administered by the State Water Resources Control Board State Revolving Fund. Ms. Antonelli is currently overseeing and drafting “federal cross-cutter” environmental documentation to support the funding pursuit.

**Project Manager, United Water Conservation District – Iron and Manganese Treatment Project, Ventura County**

As Project Manager and lead CEQA-Plus analyst for the Iron and Manganese Treatment Project, Ms. Antonelli managed the team to prepare CEQA-Plus compliant environmental documentation for United, including biological, cultural, paleontological, and air quality technical studies, as well as a CEQA Categorical Exemption document. These studies were successfully used to support funding pursuits and streamline federal environmental review.

**Project Manager, Santa Clarita Valley Water Agency – Phase 2B Recycled Water Tank Project Supplemental Initial Study-Mitigated Negative Declaration, Los Angeles County**

Ms. Antonelli served as Project Manager for the Phase 2B Recycled Water Tank Project Supplemental Initial Study-Mitigated Negative Declaration. Working with an expedited timeframe due to a grant funding deadline, Ms. Antonelli led the CEQA team to prepare a defensible Supplemental Initial Study-Mitigated Negative Declaration and complete coastal California gnatcatcher protocol surveys, all ahead of schedule and under the authorized budget for the project.

**Project Manager, Carpinteria Valley Water District (subcontract to Prime contractor) – Indirect Potable Reuse Project CEQA-Plus Environmental Impact Report, Santa Barbara County**

Ms. Antonelli served as Project Manager for Rincon’s portion of the Carpinteria Valley Water District’s Indirect Potable Reuse Project. Ms. Antonelli guided the preparation of biological and cultural technical studies to support the project’s CEQA and NEPA compliance. The project consisted of a new Advanced Water Purification Facility Plant at the Carpinteria Sanitary District wastewater treatment facility, a pump station, monitoring and injection wells, a pipeline, and modification to the existing Carpinteria Sanitary District ocean outfall. Amongst the project’s most critical issues were potential impacts to the marine ecosystem.

**Project Manager, San Lorenzo Valley Water District – Redwood Park Tank Project Initial Study-Mitigated Negative Declaration, Santa Cruz County**

Ms. Antonelli served as Project Manager and lead CEQA analyst for an Initial Study-Mitigated Negative Declaration for the Redwood Park Tank Project, which involves the construction of a steel water storage tank, pump station, and conveyance pipeline. The project site is located in a rural residential community in Ben Lomond. Key issues include pump station noise, construction traffic, and biological issues related to redwood grove habitat.

**Lead Hydrology and Water Quality Analyst, City of Pismo Beach – Central Coast Blue Project, San Luis Obispo County**

Rincon prepared an Environmental Impact Report for the Central Coast Blue Project, a regional advanced purified water project intended to enhance supply reliability by reducing the groundwater basin’s vulnerability to drought and seawater intrusion. As lead analyst for the Hydrology and Water Quality analysis, Ms. Antonelli was responsible for evaluating the proposed project’s potential impacts on surface water quality, marine water quality, groundwater quality, and regional hydrology. Ms. Antonelli was also responsible for addressing the project’s compliance with construction and operational water quality standards.







## Colby J. Boggs

Principal/Senior Ecologist

Mr. Boggs is a Principal and Senior Ecologist with Rincon Consultants. He has professional experience as a botanist, ecologist, wetlands specialist, and biological sciences educator and researcher. His duties at Rincon include biological field surveys for special status species, habitat and plant community mapping, wetlands assessments, biological resources analyses, construction and mitigation monitoring, conservation planning, regulatory compliance, and the preparation of biological reports, environmental documents and permit applications in support of CEQA, NEPA, Porter-Cologne Water Quality Control Act, Fish and Game Code 1600 et seq., Clean Water Act, and state and federal Endangered Species Acts.

### EDUCATION

MS, Botany, California State University, Chico

BS, Ecology and Evolution, University of California, Santa Barbara

### CERTIFICATIONS/ REGISTRATIONS

Certified Ecologist – Ecological Society of America, 2017

California Rapid Assessment Method – CRAM.org, no exp. date

Wetland Delineation Training – Richard Chinn Env., no exp. date

### PERMITS

Rare, Threatened, and Endangered Plant Voucher Collecting Permit No. 2081(a)-16-022-V – CDFW, 2018

### SELECT PROJECT EXPERIENCE

#### **Biological Resources Technical Advisor/Principal, South San Luis Obispo County Sanitation District – Wastewater Treatment Plan Redundancy Project CEQA Technical Studies, Oceano**

Mr. Boggs served as Biological Resources Technical Advisor/Principal for this project. The South San Luis Obispo County Sanitation District Redundancy Project involves the construction and operation of backup infrastructure at the District's wastewater treatment facility in Oceano. In support of federal funding pursuits, Rincon prepared technical studies compliant with CEQA-Plus and NEPA requirements, including an Environmental Report for Categorical Exclusion, a Cultural Resources Assessment, and a Biological Evaluation. Rincon also coordinated with USDA staff to facilitate the environmental review process and receive a Biological Opinion from United States Fish and Wildlife Service for impacts to California red-legged frog. Mr. Boggs is currently overseeing biological monitoring for the construction of the project.

#### **Principal-in-Charge, California Department of Transportation (Subconsultant to ICF International) – Pismo Creek Scour Repair Project Environmental Compliance Support Services, San Luis Obispo County**

Mr. Boggs served as Principal-in-Charge for this project. Rincon is currently teaming with ICF International to provide the California Department of Transportation with environmental compliance support services. The project involves the rehabilitation of the southbound State Route 101 on-ramp bridge (Bridge No. 49-0015K) from Price Street spanning Pismo Creek at post mile 16.4 in San Luis Obispo County, California. Rincon was tasked with completing all the pre-construction surveys and reporting, installation of block nets to capture and relocate special-status species, completion of Worker Environmental Awareness Program trainings, and on-going compliance site checks and reporting. The scope of work was based on the biological mitigation measures described in the various permits and approvals, including the U.S. Army Corps of Engineers Nationwide Permit 13 and 14 (SPL-2017-00739-TS), Regional Water Quality Control Board Water Quality Certification (34017WQ40), and California Department of Fish and Wildlife Streambed Alteration Agreement (1600-2017-0271-R4), as well as Biological Opinions from the National Marine Fisheries Service Biological Opinion (WCR-2016-4475) and the U.S. Fish and Wildlife Service Biological Opinion (08EVEN00-2016-F-0209) and Programmatic Biological Opinion (PBO), 8-8-10-F-58).

**Principal-in-Charge, Pacifica Land Trust/Fall Creek Engineering – Pedro Point Headlands Restoration Project, San Mateo County**

Mr. Boggs served as Principal-in-Charge for this project and provided biological studies and regulatory permitting for this project. Rincon Consultants assisted Fall Creek Engineering and Pacifica Land Trust, as well as landowners and stakeholders that include the City of Pacifica, Coastal Conservancy, and San Mateo County, with the biological, archaeological, CEQA, and regulatory permitting components of the Pedro Point Headlands Restoration and Trail Improvement Project. This project involves the restoration of highly eroded trails at Pedro Point Headlands, a scenic and natural treasure of the San Mateo County coastline and California coastline in general. Rincon prepared baseline biological and archaeological studies to inform the project design, and also prepared an Initial Study – Mitigated Negative Declaration for CEQA and two Coastal Development Permit applications – one for the County of San Mateo and one for the City of Pacifica.

**Lead Biologist/Technical QA/QC, TY Lin – Cabrillo Blvd Rail Bridge Replacement Project, City of Santa Barbara**

The Cabrillo Rail Bridge Project involves pedestrian and bicycle Improvements on Cabrillo Boulevard, between US-101 and the intersection of Cabrillo Boulevard and Los Patos Way. The project will include the replacement of the UP Railroad Overhead bridge over Cabrillo Boulevard and retirement of the existing UP Overhead Bridge along with construction of a round-a-bout at Cabrillo Boulevard and Los Patos Way. Rincon is providing environmental (CEQA/NEPA) and Caltrans coordination assistance on this project, including Section 106 compliance.

**Principal-in-Charge, Fall Creek Engineering – Memorial Park Water Treatment Plant Upgrades Project San Mateo County**

Mr. Boggs prepared the Biological Constraints Analysis and CE for the project in San Mateo County. The project includes conducting infrastructure maintenance and upgrades to provide improved domestic water treatment capacity and decrease maintenance at Memorial Park. As part of the constraints analysis, Mr. Boggs conducted a preliminary jurisdictional delineation of waters of the U.S. and state of California, including wetlands, at the site using the most current guidance provided by the regulatory/resource agencies. Special emphasis was placed on jurisdictional features subject to U.S. Army Corps of Engineers (USACE), Regional Water Quality Control Board (RWQCB), and California Department of Fish and Wildlife (CDFW) jurisdictions. Rincon also analyzed the potential for federally and state listed and other special status species to occur on or in the vicinity of the project site and assisted the design team to develop a project that would avoid impacts to such species and their habitat.

**Principal-in-Charge, Moffat & Nichol Engineers – Romeo Pier Biological Resources Assessment, Princeton-by-the Sea, San Mateo County**

Colby Boggs served as Principal-in-Charge for this project. He also provided biological studies, regulatory permitting, and project oversight. Rincon conducted a biological resource survey and impact analysis assessing the potential effects of the project on special-status species and coastal resources, including ESHAs, green sturgeon, Chinook salmon, steelhead trout, Coho salmon, snowy plover, and least tern. Rincon conducted a site reconnaissance survey to document plants, animals, habitats, ESHAs, nesting birds, and any other biological resources observed onsite and in the vicinity of the site. The biological resource report included a map of special status species, habitats, ESHAs, and nesting birds that are observed in the vicinity of Romeo Pier, site access, or any equipment or material staging areas. Rincon conducted a bio-acoustic study to determine the potential noise impacts to special status fish caused by the vibratory hammer that will be used to remove piles. The biological resources assessment report included an impact analysis and addressed all special status species and coastal resources in the vicinity of the project.

**Principal-in-Charge, San Luis Obispo County –Principal Environmental Specialist, Bridges Maintenance Project, San Luis Obispo County**

Mr. Boggs managed environmental consulting services in support of five bridges proposed for re-painting and funded through the Federal Highway Administration Bridge Maintenance Program. Services have included preparation of natural environment studies, biological assessments, an initial study-mitigated negative declaration, categorical exclusions, and processing a stream bed alteration agreement with the California Department of Fish and Wildlife. Technical studies have included a jurisdictional delineation of waters of the U.S. and State of California and initial site assessment for hazardous materials.





## Michael W. Tom, MS

Senior Biologist

Michael Tom works as a Senior Biologist with Rincon's biological resources group. He has experience conducting general and focused surveys for a variety of plant and animal species. Mr. Tom has working knowledge and training with the fauna and flora of the central coast, San Joaquin Valley, and desert regions of California. He has also received specific training in survey protocols, habitat requirements and natural histories of the California red-legged frog and desert tortoise. Mr. Tom has also prepared and managed the preparation of documents to support compliance with NEPA, including the preparation of Biological Evaluations.

### EDUCATION

MS, Biological Sciences,  
California Polytechnic State  
University, San Luis Obispo

BS, Ecology and Systematic  
Biology, Concentration in  
Wildlife Biology; California  
Polytechnic State University,  
San Luis Obispo

### SELECT PROJECT EXPERIENCE

#### **Biologist, South San Luis Obispo County Sanitation District – Wastewater Treatment Plan Redundancy Project, Oceano, California**

Mr. Tom served as Biologist for the project, which involves the construction and operation of backup infrastructure at the District's wastewater treatment facility in Oceano. In support of federal funding pursuits, Rincon prepared technical studies compliant with CEQA-Plus and NEPA requirements, including a Biological Evaluation. Mr. Tom contributed to the Biological Evaluation and supported the Section 7 consultation process between United States Department of Agricultural (lead NEPA agency) and the United States Fish and Wildlife Service (USFWS). The consultation resulted in a Biological Opinion issued by the USFWS for impacts to the California red-legged frog. Mr. Tom is also currently managing the biological monitoring efforts for the construction phase, which include California red-legged frog measures required under the Biological Opinion.

#### **Biologist, Natural Gas Utility— L8109 Pipeline Exposure Los Padres National Forest, San Luis Obispo County**

Mr. Tom served as the Project Manager and Lead Biologist for the project, which involved preparation of a Biological Evaluation/Biological Assessment to Facilitate Section 7 consultation between the U.S. Forest Service and the USFWS as well as evaluate the project's impact on biological resources sufficient for the U.S. Forest Service to complete their NEPA requirements.

#### **Biologist, Fall Creek Engineering Inc./California State Parks, Marsh Creek Restoration Project, Contra Costa County**

Mr. Tom served as a biologist for this project and assisted Fall Creek Engineering and California State Parks with the biological, CEQA, and regulatory permitting components of this project, which involves removal of a portion of a dam and riparian and stream restoration within the Marsh Creek State Historic Park. Mr. Tom prepared the biological resources section of the CEQA environmental review. He also prepared a Biological Assessment to facilitate formal Section 7 consultation with the USFWS for the California red-legged frog, California tiger salamander, and San Joaquin kit fox pursuant to the federal Endangered Species Act. Mr. Tom also prepared an application for Section 2081 Incidental Take Permit from the California Department of Fish and Wildlife for California tiger salamander, as well as applications for permits from the U.S. Army Corps of Engineers, Regional Water Quality Control Board, and California Department of Fish and Wildlife for stream impacts.

**Biologist, Green Valley Road at Newell Creek Bridge Replacement, Santa Cruz County, California**

Mr. Tom served as biologist for this project. Rincon assisted the County of Santa Cruz Department of Public Works with environmental consulting services for this bridge replacement project. Mr. Tom conducted a bio-acoustic evaluation to determine potential impacts of pile driving activities on steelhead trout. Because the project was funded by the Federal Highway Administration, Mr. Tom also prepared a Natural Environment Study and biological assessment with impact analysis. Along with other studies and surveys conducted for the project, these technical investigations assisted the County in meeting NEPA requirements and facilitated Section 7 of the Endangered Species Act with the National Marine Fisheries Service and USFWS.

**Biological Monitor, Caltrans (subconsultant to DeSilva Gates Construction) – Salinas Road Interchange Project, Monterey County, California**

Mr. Tom served as a biological monitor for the project and was authorized under the USFWS Biological Opinion for the project to capture and relocate California red-legged frog from work areas under supervision. Mr. Tom conducted biological monitoring during work occurring within California red-legged frog habitat.

**Biologist, Papich Construction Company – Highway 46 Widening Project, Whitley Phase I, San Luis Obispo County, California (12/2012 to 11/2014)**

Mr. Tom served as a Designated Biologist for the project and implemented tasks including pre-construction surveys, biological monitoring during project construction, reporting, project management, and regulatory agency consultation pursuant to the USFWS Biological Opinion, 2081 Incidental Take Permit, Lake and Streambed Alteration Agreement, as well as 404 permits and 401 certifications.

**Biologist, On-Call Environmental Document and Documentation Services (Contract 06A2498) Caltrans District 5 – Central California State Route 46 Corridor Improvements Project, San Luis Obispo County, California (07/2020 to 10/2020)**

Mr. Tom served as a Designated Biologist for the project and implemented tasks including pre-construction surveys, biological monitoring during geotechnical investigations pursuant to the USFWS Biological Opinion and 2081 Incidental Take Permit.

**Biologist, City of San Luis Obispo (subconsultant to MNS Engineers) – Los Osos Valley Road Interchange Improvement Project Biological Monitoring Services, San Luis Obispo, California**

Mr. Tom conducted California red-legged frog and monitoring as a U.S. Fish and Wildlife Service authorized biologist.

**Biologist, Pacific Gas and Electric Company – Willow Creek Watercourse Crossing Improvement Project, San Luis Obispo County, California**

Mr. Tom conducted California red-legged frog and western pond turtle surveys and monitoring.

**Biologist, City of Arroyo Grande – Annual Flood Control Vegetation Management, San Luis Obispo County, California**

Mr. Tom conducted California red-legged frog, western pond turtle and nesting bird pre-construction surveys.

**Biologist, City of Santa Barbara – Quinientos Street Bridge Replacement Project, Santa Barbara County, California**

Mr. Tom performed California red-legged frog monitoring and pre-construction surveys.

**Biologist, County of San Luis Obispo – Santa Rosa Creek Road 7.0 Emergency Culvert Repair Project Monitoring, San Luis Obispo County, California**

Mr. Tom conducted pre-construction surveys and monitoring for the California red-legged frog.

**Biologist, Patriot Resources – Vallecitos Oil Field and Gas Wells, Four Focused Project Locations, San Benito County, California**

Mr. Tom conducted California tiger salamander and California red legged frog habitat assessments.

**Biological Monitor, Santa Cruz County – State Route 1 Soquel to Morrissey Auxiliary Lanes Project, Santa Cruz County, California (02/2012 to 01/2014)**

Mr. Tom served as a biological monitor for the project and conducted weekly site visits to document compliance with the USFWS Biological Opinion, Lake and Streambed Alteration Agreement, CEQA and NEPA documentation, as well as 404 permit and 401 certification for the project.





## Steven Treffers, MHP

### Senior Architectural Historian

Mr. Treffers is a senior architectural historian with Rincon's Cultural Resources Group with nearly 13 years of experience. He received his Bachelor of Arts in History at the University of California, Santa Cruz prior to pursuing a Master's in historic preservation from the University of Southern California, School of Architecture. He meets and exceeds the Secretary of the Interior's Professional Qualification Standards for History and Architectural History (36 CFR Part 61) and has a wide range of experience with projects requiring historic resources compliance with Section 106 of the National Historic Preservation Act, including the preparation of cultural resources technical report, consultation with Native American groups and local government, and coordination with the State Historic Preservation Officers. He has worked on behalf of both project applicants and local agencies and understands the important role thorough and independent determinations play in the decision-making process. Mr. Treffers also worked extensively on projects involving water-related properties and others located in San Luis Obispo County. As such he understands the unique characteristics which apply to both these resource types and the larger historical context which guide evaluations in this region.

### EDUCATION

MHP, Historic Preservation,  
University of Southern  
California, Los Angeles  
  
Graduate Certificate Program,  
Architecture & Urbanism,  
University of Southern  
California, Los Angeles  
  
BA, European History,  
University of California, Santa  
Cruz

### CERTIFICATIONS/ REGISTRATIONS

Meets and exceeds  
requirements in the Secretary  
of the Interior's Professional  
Qualification Standards in  
Architectural History and  
History

### SELECT PROJECT EXPERIENCE

#### **Senior Architectural Historian, County of San Luis Obispo – River Grove Bridge Rehabilitation Project, Whitley Gardens**

Cultural resources services were provided in support of a local assistance project that involved the rehabilitation of an early 20<sup>th</sup> century bridge in the community of Whitley Gardens in unincorporated San Luis Obispo County. For this effort, Mr. Treffers completed archival research, outreach with local historic groups and governments, and an intensive-level field survey. In addition to a Historical Resources Evaluation Report and Historic Property Survey Report, Mr. Treffers also prepared a Finding of No Adverse of Effect with Standard Conditions to demonstrate how the project was compliant with Secretary of Interior Standards.

#### **Senior Architectural Historian, San Lorenzo Valley Water District – Five Water Pipelines and Swim Tank Projects, Santa Cruz County**

Mr. Treffers acted as the Senior Architectural Historian for two projects for the San Lorenzo Valley Water District. Both were subject to Section 106 of the National Historic Preservation Act and CEQA, and included records searches, Native American and local interested parties consultation, intensive-level field surveys, and preparation of technical studies. After an historic property was identified within one of the project sites, Mr. Treffers worked with the federal lead agency to draft a letter to the State Historic Preservation Officer documenting a finding of no adverse effect. The project received State Historic Preservation Officer concurrence and met its expedited schedule as a result.

#### **Senior Architectural Historian, Montecito Water District – Alder Creek Flume Repair Project, Santa Barbara County**

Mr. Treffers is currently assisting the Montecito Water District on the Alder Creek Flume Repair Project, located in unincorporated Santa Barbara County. The project will replace a section of Alder Flume, which was extensively damaged following the Thomas Fire in 2017. The project requires a permit from the U.S. Forest Service and is

receiving funding from FEMA, and is therefore considered a federal undertaking subject to Section 106 of the NHPA. Mr. Treffers has overseen the cultural resources technical study with efforts including coordination with the U.S. Forest Service, field survey, and preparation of a technical report.

**Senior Architectural Historian, Montecito Water District – Reservoir Retrofits Project, Santa Barbara County**

Mr. Treffers is currently assisting the Montecito Water District on the Reservoir Retrofits Project, located in Santa Barbara County. The project will complete repairs to eight reservoirs located across Montecito Water District's service area. Mr. Treffers led preparation of the cultural resources study, which included a cultural resources records search, field survey, and preparation of a technical report. The District is seeking project funding from the Additional Supplemental Appropriation for Disaster Relief Act program, in which funds are granted by the United States Environmental Protection Agency and administered by the State Water Resources Control Board State Revolving Fund. Mr. Treffers is currently overseeing Section 106 consultation and preparation of a Supplemental Cultural Resources Memorandum to address the project's compliance with Section 106 of the NHPA.

**Senior Architectural Historian, City of Pismo Beach – Shell Beach Road Streetscape Project, Pismo Beach**

The local assistance project involved cultural resources services in support of general streetscape improvements along a linear corridor in Pismo Beach, California. To assess the project's potential to affect historical resources, Mr. Treffers conducted archival research and an intensive-level field survey, which resulted in the recordation and evaluation of nearly 30 properties for historical significance. The findings of these efforts were summarized in an HRER and HPSR and ultimately received concurrence from SHPO.

**Senior Architectural Historian, County of San Luis Obispo – River Grove Bridge Rehabilitation Project, San Luis Obispo County**

Cultural resources services were provided in support of a local assistance project that involved the rehabilitation of an early twentieth-century bridge in the community of Whitley Gardens in unincorporated San Luis Obispo County. For this effort, Mr. Treffers completed archival research, outreach with local historic groups and governments, and an intensive-level field survey. In addition to an HRER and HPSR, Mr. Treffers also prepared a Finding of No Adverse of Effect with Standard Conditions – SOIS to demonstrate how the project was compliant with SOI Standards. The project ultimately received concurrence from SHPO.

**Senior Architectural Historian, United Water Conservation District – Water and Energy Reliability Project, Ventura County**

Mr. Treffers acted as the Senior Architectural Historian for the United Water Conservation District Water and Energy Reliability Project. The proposed project was subject to CEQA and included solar and battery storage facility construction at four groundwater recharge basin facilities near the Oxnard. For this effort, Mr. Treffers oversaw the recordation and evaluation of two groundwater recharge basin facilities to determine if they qualified as historical resources under CEQA. Both were recorded on California DPR 523 series forms and evaluated for historical significance. The findings were ultimately incorporated into a cultural resources technical report.

**Senior Architectural Historian, Metropolitan Water District of Southern California – Climate Action Plan EIR, Various Counties, California**

Mr. Treffers is currently supporting for the preparation of the EIR for the Climate Action Plan (CAP) being completed by Metropolitan Water District of Southern California. The CAP covers Metropolitan's service area and includes activities to help Metropolitan meet its targets and reduce greenhouse gas emissions. Due to the extensive geographic area this analysis included, Rincon took a programmatic approach, which included data review of existing documentation and the development of project-specific mitigation measures. This document will ensure Metropolitan meets its goals while complying with the requirements of CEQA.

**Architectural Historian, Metropolitan Water District of Southern California – Historic Building Documentation Packages, Southern California**

Mr. Treffers has prepared multiple historic building documentation packages for MWD. These documents were completed as part of the cultural resources mitigation adopted for various site and facilities improvements projects and presented the as-built and existing conditions of the properties, narrative statements of significance, and compiled historical documentation.



## Breana Campbell-King, RPA

Archaeologist/Program Manager/Tribal Liaison Representative

Ms. Campbell-King has more than ten years of academic and professional experience in archaeological fieldwork, research, consultation, and publications in California archaeology. She has worked extensively in California conducting Phase I cultural resources assessments and Phase II testing programs and supervising archaeological monitoring for various reclaimed, recycled, and new water infrastructure projects in compliance with Section 106 of the National Historic Preservation Act, NEPA, and CEQA as they pertain to cultural resources. Ms. Campbell-King worked with several Native American groups throughout the state of California conducting outreach and consultation for a wide variety of projects including coordinating with stakeholders and lead agencies for the repatriation and reburial of items of cultural patrimony. Ms. Campbell-King has also received environmental conflict resolution training specifically related to Tribal resources and concerns.

### EDUCATION

MA, Anthropology, San Diego State University

BA, Anthropology, San Diego State University

BA, History, San Diego State University

### CERTIFICATIONS/ REGISTRATIONS

Registered Professional  
Archaeologist (ID# 43670278)

### PERMITS

Field Director, California  
Bureau of Land Management  
statewide FLPMA permit  
(CA- 18-18) (2011-2024)

### SELECT PROJECT EXPERIENCE

#### **Archaeologist, Metropolitan Water District of Southern California, On-Call Environmental Services, Various Counties, California**

An overview of active and recent projects associated with this on-call contract is provided below.

Palos Verdes Reservoir Relining Project. Rincon was responsible for obtaining a cultural resources and paleontological resources monitor to oversee the relining work within the Palos Verdes Reservoir. Ms. Campbell-King provided oversight of cultural resources monitoring and assisted with the preparation of documentation for the project. To maintain consistency and as a cost-saving measure, Ms. Campbell-King utilized a cross-trained monitor qualified to monitor for both paleontological and archaeological resources. Cultural resource CA-LAN-281 is located partially within the project site and monitoring was conducted to assist with avoidance of impacts to the resource. As part of the project documentation, a monitoring memorandum and Department of Parks and Recreation Series 523 form were prepared.

Dennis Underwood Conservation Area Project. Rincon was retained to complete technical studies for a 635-acre preserve along the Colorado River. Ms. Campbell-King managed the cultural resources survey efforts and co-authored the cultural resources technical study prepared for the project in compliance with Section 106 of the National Historic Preservation Act. The survey identified one historic-age resource pertaining to the agricultural history of the site; Ms. Campbell-King prepared a Department of Parks and Recreation Series 523 form and evaluated the resource providing a recommendation of ineligible. The recommendations provided by Rincon were accepted by the Bureau of Reclamation.

Perris Valley Pipeline Project. Rincon was retained to provide supplemental technical studies for modifications to the previously approved Perris Valley Pipeline Project located in the State of California Department of Transportation Interstate 215 right-of-way in Riverside County. Ms. Campbell-King managed the cultural resources technical analysis for the project including preparation of a Cultural Resources Assessment in support of a CEQA addendum to the project's Environmental Impact Report. The project required coordination with staff at the March Field Air Museum for access to the survey areas.



**Archaeologist, Las Virgenes Municipal Water District (subconsultant to Prime contractor) – Woodland Hills Water Recycling Project Cultural Resources Study, Los Angeles County, California**

Ms. Campbell-King served as the lead archaeologist for the project and was responsible for all Native American consultation and the intensive pedestrian survey, and for the completion of the cultural resources assessment. This project was completed in compliance with CEQA and CEQA-Plus and reviewed and accepted by the State Water Resources Control Board.

**Project Manager, Western Riverside County Regional Wastewater Authority – Reclaimed Water Distribution System Project Cultural Resources Study, Riverside County, California**

Ms. Campbell-King served as the project manager and was responsible for the intensive pedestrian survey and the completion of the cultural resources assessment for this project. This project was completed in compliance with CEQA and CEQA-Plus. This project also required a Section 404 permit from the United States Army Corps of Engineers, Ms. Campbell-King provided a technical memorandum in compliance with Section 106 for the project to assist with the acquisition of the Section 404 permit.

**Cultural Resources Task Lead, Metropolitan Water District of Southern California (subconsultant to Prime contractor) – Prestressed Concrete Cylinder Pipe Rehabilitation Program, Los Angeles, Orange, and San Bernardino Counties, California**

Rincon's responsibilities include coordination and development of environmental documentation (e.g., technical studies, CEQA analyses, and permitting applications) for biological, cultural, and paleontological resources, as well as overseeing general construction monitoring for rehabilitation projects along more than 100 miles of five prestressed concrete cylinder pipelines extending through over 30 jurisdictions in Los Angeles, Orange, and San Bernardino counties in both dense urban and remote rural regions.

Ms. Campbell-King is currently overseeing the preparation of technical documents as they pertain to cultural resources in support of CEQA and providing oversight for cultural resources monitoring for the project. Ms. Campbell-King has worked to expedite the preparation of the technical documents prepared for this project to meet project deadlines by maintaining regular appointments at the California Historical Resources Inventory System offices to avoid unnecessary delays related to the acquisition of record search results. Ms. Campbell-King created a technical memorandum template to increase efficiency and maintain consistency when preparing documents for this program.

**Rincon Project Manager, Eastern Municipal Water District (subconsultant to K.S. Dunbar and Associates, Inc.), On-Call Environmental Services, Riverside County**

Ms. Campbell-King served as Rincon's project manager for task orders issued to Rincon by K.S. Dunbar and Associates, Inc. on behalf of the Eastern Municipal Water District. An overview of recent projects associated with this On-Call is provided below.

Temecula Valley Recycled Water Pipeline Project. Ms. Campbell-King provided project management for the cultural resources assessment and extended phase I testing and co-authored the cultural resources assessment for the project. In the course of providing cultural resources services Rincon identified a prehistoric resource within the limits of the project and assisted Eastern Municipal Water District with Native American consultation and the testing program completed to determine the subsurface limits of the site. Rincon worked with local tribal groups and Eastern Municipal Water District to limit cultural resources monitoring to areas of known sensitivity and provided a Workers Environmental Awareness Program for the project which was completed in 2019.

San Jacinto Valley Water Banking Project. Ms. Campbell-King managed the cultural resources monitoring effort for the project including preparation of a Workers Environmental Awareness Program and Cultural Resources Monitoring and Treatment Plan and provided oversight of monitoring efforts. Ms. Campbell-King prepared and submitted a Negative Findings Monitoring Report for the project completed in 2019.

Pala Force Main Project. Ms. Campbell-King conducted a Phase I pedestrian survey, performed the cultural resources records search, and prepared the technical report for this project. This project was completed in compliance with CEQA and CEQA-Plus.







# Attachment 3

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Rincon Consultants Standard Fee Schedule



### Standard Fee Schedule for Environmental Sciences and Planning Services

Professional, Technical and Support Personnel*	Hourly Rate
Principal II	295
Director II	295
Principal I	285
Director I	285
Senior Supervisor II	258
Supervisor I	240
Senior Professional II	224
Senior Professional I	208
Professional IV	184
Professional III	170
Professional II	153
Professional I	136
Associate III	117
Associate II	102
Associate I	95
Field Technician	82
Data Solutions Architect	175
Senior GIS Specialist	164
GIS/CADD Specialist II	146
GIS/CADD Specialist I	131
Technical Editor	130
Project Accountant	110
Billing Specialist	95
Production Specialist	105
Clerical	95

\*Professional classifications include environmental scientists, urban planners, biologists, geologists, marine scientists, GHG verifiers, sustainability experts, cultural resources experts, and other professionals. Expert witness services consisting of depositions or in-court testimony are charged at the hourly rate of \$375.

### Reimbursable Expenses

Direct Cost	Rates
Photocopies – Black and White	\$0.20 (single-sided) & \$0.40 (double-sided)
Photocopies – Color	\$1.50 (single-sided) & \$3.00 (double-sided)
Photocopies – 11 x 17	\$0.50 (B&W) & \$3.30 (color)
Oversized Maps	\$8.00/square foot
Digital Production	\$15/disc and \$20/flash drive
Light-Duty and Passenger Vehicles*	\$88/day
4WD and Off-Road Vehicles*	\$140/day

\* \$0.65/mile for mileage over 50 and for all miles incurred in employee-owned vehicles.

**Other direct costs** associated with the execution of a project, that are not included in the hourly rates above, are billed at cost plus 15%. These may include, but are not limited to, laboratory and drilling services, subcontractor services, authorized travel expenses, permit charges and filing fees, mailings and postage, performance bonds, sample handling and shipment, rental equipment, and vehicles other than covered by the above charges.

**Annual Escalation.** Standard rates subject to 3.5% annual escalation. **Payment Terms.** All fees will be billed to Client monthly and shall be due and payable upon receipt or as indicated in the contract provisions for the assignment. Invoices are delinquent if not paid within ten (10) days from receipt or per the contractually required payment terms.



**Rincon Consultants, Inc.**

<b>Equipment</b>	<b>Day Rate</b>
<b>Environmental Site Assessment</b>	
Soil Vapor Extraction Monitoring Equipment	\$155
Four Gas Monitor	\$133
Flame Ionization Detector	\$107
Photo Ionization Detector	\$80
Hand Auger Sampler	\$60
Water Level Indicator, DC Purge Pump	\$45
<b>Natural Resources Field Equipment</b>	
UAS Drone	\$268
Spotting or Fiberoptic Scope	\$165
Pettersson Bat Ultrasound Detector/Recording Equipment	\$165
Sound Level Metering Field Package (Anemometer, Tripod and Digital Camera)	\$110
GPS (Sub-meter Accuracy)	\$65
Infrared Sensor Digital Camera or Computer Field Equipment	\$55
Scent Station	\$22
Laser Rangefinder/Altitude	\$11
Pit-fall Traps, Spotlights, Anemometer, GPS Units, Sterilized Sample Jar	\$9
Mammal Trap, Large/Small	\$1.50/\$0.50
<b>Water and Marine Resources Equipment</b>	
Boat (26 ft. Radon or Similar)	\$600
Boat (20 ft. Boston Whaler or Similar)	\$335
Multi Parameter Sonde (Temp, Cond, Turbidity, DO, pH) with GPS	\$165
Water Quality Equipment (DO, pH, Turbidity, Refractometer, Temperature)	\$60
Refractometer (Salinity) or Turbidity Meter	\$37
Large Block Nets	\$110
Minnow Trap	\$95
Net, Hand/Large Seine	\$55
<b>Field Equipment Packages</b>	
Standard Field Package (Digital Camera, GPS, Thermometer, Binoculars, Tablet, Safety Equipment, and Botanic Collecting Equipment)	\$110
Remote Field Package (Digital Camera, GPS, Thermometer, Binoculars, Tablet and Mifi, Delorme Satellite Beacon, 24-Hour Safety Phone)	\$140
Amphibian/Vernal Pool Field Package (Digital Camera, GPS, Thermometer, Decon Chlorine, Waders, Float Tube, Hand Net, Field Microscope)	\$165
Fisheries Equipment Package (Waders, Wetsuits, Dip Nets, Seine Nets, Bubblers, Buckets)	\$55
Underwater and Marine Sampling Gear (U/W Photo/Video Camera, Scuba Equipment (Tanks, BCD, Regulators, Wetsuits, etc.))	\$55/diver
Marine Field Package (PFDs - Personal Flotation Devices, 100-foot Reel Tapes with Stainless Carabiners, Pelican Floats, Underwater Slates, Thermometer, Refractometer, Anemometer, Various Field Guides)	\$55
<b>Insurance, Hazard and Fees</b>	
Historic Research Fees	\$50
L&H Dive Insurance	\$55/diver
Level C Health and Safety	\$65 person



## Office Locations



### **Carlsbad**

2215 Faraday Avenue,  
Suite A  
Carlsbad, California 92008  
760-918-9444



### **Oakland**

449 15<sup>th</sup> Street,  
Suite 303  
Oakland, California 94612  
510-834-4455



### **San Jose**

99 South Almaden Boulevard  
San José, California 95113  
408-577-3008



### **Fresno**

7080 N. Whitney Avenue,  
Suite 101  
Fresno, California 93720  
559-228-9925



### **Redlands**

1980 Orange Tree Lane,  
Suite 105  
Redlands, California 92374  
909-253-0705



### **San Luis Obispo**

1530 Monterey Street,  
Suite D  
San Luis Obispo, California 93401  
805-547-0900



### **Los Angeles**

250 East 1<sup>st</sup> Street,  
Suite 1400  
Los Angeles, California 90012  
213-788-4842



### **Sacramento**

4825 J Street,  
Suite 200  
Sacramento, California 95819  
916-706-1374



### **Santa Barbara**

209 East Victoria Street  
Santa Barbara, California 93101  
805-319-4092



### **Monterey**

2511 Garden Road,  
Suite C-250  
Monterey, California 93940  
831-333-0310



### **San Diego**

8825 Aero Drive,  
Suite 120  
San Diego, California 92123  
760-918-9444



### **Ventura (headquarters)**

180 N Ashwood Avenue  
Ventura, California 93003  
805-644-4455

[rinconconsultants.com](http://rinconconsultants.com)



# Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

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**Date:** July 27, 2022

**To:** Board of Directors

**From:** Will Clemens, General Manager

**Subject:** **Agenda Item #8(A):** Presentation by the Victory Garden Program regarding upcoming workshops

## Recommendation

It is recommended that your Board review and consider a presentation by the Victory Garden Program regarding upcoming workshops.

## Discussion

In May 2021 your Board approved for the Victory Garden Program the use a portion of the Old Firehouse outdoor area. The University of California Cooperative Extension [Master Gardener Program](#) is an educational volunteer program. Its purpose is to teach the community about home horticulture and to share research-based information produced by the University researchers and academics. The Master Gardener role is primarily that of an educator. The Certified Master Gardeners completed a comprehensive home horticulture training program at the Old Firehouse outdoor area under the supervision of the Cooperative Extension horticulture advisor. Rebecca Bednar, of the Victory Garden Program, will provide a presentation regarding their upcoming workshops in August.

## Other Agency Involvement

The San Luis Obispo County UC Cooperative Extension Department.

## Financial Considerations

NA

## Results

Coordinating with The Master Gardeners promotes a healthy and well governed community.

Attachment:

Victory Garden Program Flyer



# Summer 2022 VICTORY GARDEN WORKSHOPS Ocean Train Depot and Victory Garden (across the street)

**Sundays 1:00 - 4:00 p.m.  
August 7, 14, 21 and 28**

Come learn the basics of how to grow your own food with UC Master Gardeners. Find out how to start your garden quickly and easily in a container, in the backyard or at a community garden.  
**Contact [anrmgslo@ucanr.edu](mailto:anrmgslo@ucanr.edu) for more information.**

**Location:** Ocean Train Depot  
1650 Front Street, Oceano, CA 93445

**Registration:** \$55 for the series, \$80 for couples, \$15/class (Discount for OCSD residents, \$40/series, \$75/couples, \$10/class. **Class size is limited. REGISTER EARLY!**

## **Week 1 (August 7) GETTING STARTED / HOW PLANTS GROW**

Soil and Nutrients, Fertilizers, Composting  
Site Selection, Plant Selection, Choosing Seasonal Crops  
Keeping Your Garden Safe

## **Week 2 (August 14) CALIFORNIA FRIENDLY GARDENING**

Water Wise Gardening/Irrigation  
Raised Beds  
California Natives and Oak Trees  
Pollinator Gardens

## **Week 3 (August 21) PREPARING THE PLOT**

Pest Management  
Fruit Tree Selection and Care  
Growing Tomatoes  
Seed Starting and Transplanting

## **Week 4 (August 28) CONTAINER GARDENING**

Container Gardening/Vegetable Gardening in Small Spaces  
Tool Care/Garden Safety  
Harvesting and Seed Saving  
Graduation - Series attendees will receive a UC Certified Victory Garden certificate.



\*Topics are subject to change depending on weather, instructors' needs, or other unforeseeable circumstances.  
Classes are supported by University of California Cooperative Extension of San Luis Obispo County and the Oceano Community Services District (OCSD). Registration fees over costs go to the OCSD Victory Garden.

It is the policy of the University of California (UC) and the UC Division of Agriculture & Natural Resources not to engage in discrimination against or harassment of any person in any of its programs or activities (Complete ANR's nondiscrimination policy statement can be found at <http://ucanr.edu/sites/anrstaff/files/215244.pdf>). Inquiries regarding nondiscrimination policies may be directed to John I. Simms, Affirmative Action Compliance Officer/Title IX Officer, University of California, Agriculture and Natural Resources, 2801 Second Street, Davis, CA 95618, (530) 750-1397.



# Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

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**Date:** July 27, 2022

**To:** Board of Directors

**From:** Will Clemens, General Manager

**Subject:** **Agenda Item 8(B):** Results of Measure A-22 regarding a special tax for emergency medical and fire protection services.

## Recommendation

It is recommended that your Board receive an update related to Measure A-22 on the June 7, 2022, ballot and provide direction to staff as needed.

## Discussion

Measure A-22 on the June 7, 2022, ballot gave Oceano voters the choice once again to approve a special tax to increase funding for emergency medical and fire protection services. The results of the election show that the 2/3 requirement to pass came up short of passage, but still had majority support from voters. The Oceano Community Services District's (OCSD) current services are provided by the Five Cities Fire Authority (FCFA) under the terms of a joint powers of authority agreement (JPA) with the cities of Arroyo Grande and Grover Beach originally adopted in 2010 and recently amended on June 24, 2020 (attached). Oceano will continue to receive services through FCFA with the Oceano station open one shift per week and service provided from the closest available apparatus at other times.

With the failure of Measure A-22, the "Wind Down Period" has begun in which OCSD will cease to be a member of the FCFA on June 30, 2023. Key work efforts that have begun including:

- A determination as to the distribution of equipment and physical assets – due by October 1, 2022
- An estimate as to the distribution of debt, employment liability, pension/PERS and other post-employment obligations – due by February 1, 2023
- An estimate as to the distribution of all other assets – due by March 1, 2023
- Final reconciliation of assets and liabilities along with necessary payments – due by October 1, 2023

Simultaneously, work efforts have begun to research options for providing fire and emergency medical services in Oceano that could include the following:

- Application to the Local Agency Formation Commission (LAFCO) to divest of fire and emergency medical service. This requires the County to develop a plan for service in Oceano and will involve negotiations with the County regarding what revenue streams and assets they will transfer from OCSD to fund the plan for service.



## Oceano Community Services District

Board of Directors Meeting

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- Re-establishing a stand-alone fire department. In 2005, the “Fire Department Consolidation Feasibility Study” which led to the formation of the FCFA concluded that stand-alone fire departments are “not cost effective” in the five cities area. It is highly unlikely that this option would be feasible for the OCSD as the volunteer/reserve firefighter model of the past is becoming unsustainable and available funding is inadequate. At best, a stand-alone station would only operate part time.
- Contracting for services with the FCFA.
- Contracting for services with CalFire.

Staff is looking to your Board for direction on prioritizing the alternatives to pursue. Once those alternatives have been thoroughly vetted, staff will return to your Board when further decisions need to be made.

### **Other Agency Involvement**

The District is engaged with several agencies regarding the future of emergency medical and fire services for the community including LAFCO, the County of San Luis Obispo, the Five Cities Fire Authority, the Cities of Arroyo Grande and Grover Beach.

### **Financial Considerations**

The cost of any liabilities that OCSD would owe to the FCFA is unknown at this time but could be significant. The cost of applying to LAFCO for divesting of these services is \$3,000. The cost of studying the feasibility of a stand-alone fire department would require a consultant and a preliminary estimate would be in the \$5,000-\$10,000 range.

### **Results**

Consideration of alternatives to providing emergency fire and medical services promotes a safe, healthy, and well governed community.

Attachment:

- A. Third Amendment to the FCFA JPA



**THIRD AMENDMENT TO FIVE CITIES FIRE AUTHORITY  
JOINT EXERCISE OF POWERS AGREEMENT**

This Third Amendment to the Five Cities Fire Authority (“FCFA”) Joint Exercise of Powers Agreement, dated June 7, 2010 (“JPA”) (“Third Amendment”), is made and entered into as of July 1, 2020, by and between the cities of Arroyo Grande and Grover Beach, and the Oceano Community Services District (“Oceano”), which are hereinafter referred to as “Party” and “Parties.”

**WHEREAS**, on June 7, 2010, the Parties entered into a JPA pursuant to Section 6500 et seq. of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, for the purpose of allowing the Parties to share a combined fire department in order to provide efficient and economical fire protection services; and

**WHEREAS**, in or about May of 2018, the Parties executed a Memorandum of Agreement Amending the FCFA JPA (“First Amendment”) in order to provide an opportunity for the Parties to meet and confer for the purpose of considering amendments to the JPA including, but not limited to, modifications to the funding formula contained in Exhibit B of the JPA (“Funding Formula”), the provisions regarding member withdrawal, and future staffing levels beyond Fiscal Year 2018/19; and

**WHEREAS**, the First Amendment required the Parties to agree upon amendments to the JPA by April 1, 2019 or the JPA would terminate as of December 31, 2019; and

**WHEREAS**, in March of 2019, the Parties executed an extension of the First Amendment, which extended the time for the Parties to mutually agree upon JPA Amendments to October 1, 2019; and

**WHEREAS**, the Parties executed the Second Amendment to the JPA as of July 1, 2019 which required Oceano to undertake the legally required procedures to place a special tax on the March 2020 ballot in accordance with Government Code Section 61121; and

**WHEREAS**, Oceano did undertake the legally required procedures to place a special tax on the March 2020 ballot which resulted in ballot Measure A-20 falling short of passage by 10 votes (66.1% compared to the required 66.67%); and

**WHEREAS**, the possibility of a citizen’s initiative to place a special tax measure on the November 2020 ballot was prevented by the COVID-19 pandemic and related statewide shelter at home order; and

**WHEREAS**, the economic situation of all Parties has drastically changed due to the COVID-19 pandemic and related statewide shelter at home order; and

**WHEREAS**, the Parties recognize it is in the economic best interests of all Parties to allow additional time for the community of Oceano to place another special tax measure on the ballot; and

**WHEREAS**, the parties have met in good faith and now desire to amend the JPA.

**NOW THEREFORE**, in consideration of the mutual covenants and conditions set forth herein, the Parties agree as follows:

1. **Recitals**. The above recitals are true and correct and incorporated herein.
2. **Fiscal Year 2020/21 and 2021/22**. Each Parties' contributions for funding the Fiscal Year 2020/21 and 2021/22 FCFA Budget shall be:

A. City of Arroyo Grande	\$2,580,955
45.01% _____	
B. City of Grover Beach	\$2,015,115
35.14% _____	
C. Oceano Community Services District	\$1,138,148
19.85% _____	

- D. The Fire Chief will make every effort to maintain a flat budget through the fiscal years that the funding contributions set forth in this Section 2 apply. The Parties acknowledge that use of Fund Balance may be necessary to offset unanticipated or increased costs. In the event of significant emergency costs or purchases necessary during the fiscal years during which this Section 2 applies, the Parties will consider contributing additional funding, subject to FCFA Board budgetary approval. It is acknowledged that any such additional contributions may require the approval of the governing body of one or more Party.

3. **Funding Formula**.

- A. The Funding Formula contained in Attachment 1 to the Second Amendment to the JPA is hereby amended and replaced in its entirety as set forth in Attachment 1 to this Amendment. All references in the JPA to Attachment 1 shall refer to Attachment 1 of the Third Amendment.
- B. The funding contributions specified in Section 2 were determined using a transitional formula that modified component 3 of the Funding Formula related to fire stations to reflect current staffing levels. The funding contributions specified in Section 2 will be used for Fiscal Years 2020/21 and 2021/22 and possibly Fiscal Year 2022/23 as provided in Section 4B.
- C. The Funding Formula will be reviewed by the Jurisdiction every three years in the month of January, commencing 2024.

4. **Ballot Measure**.

- A. Oceano agrees to undertake the legally required procedures to place a special tax on the 2022 primary ballot in accordance with Government Code Section 61121 or Elections Code 9300-9323. Oceano will seek a special tax amount sufficient to enable Oceano to be able to fund its share of the Funding Formula taking into account the priorities of the Strategic Plan as determined by the Five Cities Fire Authority Board of Directors.
  
- B. If the Oceano ballot measure does not pass and Oceano is unable to fund its share of the Funding Formula, by operation of this Third Amendment and subject to the Wind Down Period (identified below), Oceano will automatically and without further action cease to be a member of the JPA on June 30, 2023. The time between when the County Clerk Recorder concludes that the Oceano ballot measure has failed and June 30, 2023 will be known as the “Wind Down Period.” Oceano agrees that should it no longer be a member agency of the FCFA, the cities of Arroyo Grande and Grover Beach may continue to operate under the trademark name of Five Cities Fire Authority with no further rights of Oceano to that name. Should the ballot measure fail, the funding obligations set forth in Section 2 above for the Fiscal Year 2021/2022 FCFA Budget, shall be the same in Fiscal Year 2022/2023.
  
- C. If the Oceano ballot measure passes, the Funding Formula set forth in Attachment 1 of the Third Amendment shall apply beginning in Fiscal Year 2022/23.

5. **Wind Down Period.**

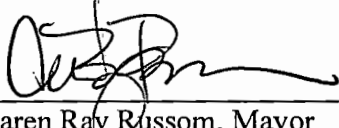
- A. During the Wind Down Period, the Parties shall establish the distribution of assets currently owned and/or in the possession of the JPA, including but not limited to major pieces of apparatus and capital equipment.
- B. During the Wind Down Period, the Parties will establish the obligations of the Parties to pay future obligations that were incurred by the FCFA prior to June 30, 2022, including, but not limited to the following:
  - a. Lease payments on Engine 2 and 3; however, the Parties mutually agree and understand that as a result of the dissociation and/or withdrawal of Oceano or any other Party, no Party will be obligated for future payment lease obligations for any Engine that does not remain in the custody, control, and possession of that Jurisdiction.
  - b. Withdrawal and/or dissociation of Oceano or any other Party shall not absolve such Party of liabilities arising out of the participation in the JPA incurred in the ordinary course of business. The Parties mutually agree and understand that as a result of the dissociation and/or withdrawal of Oceano or any other Party, all Parties will remain obligated to pay future FCFA employment related obligations incurred prior to June 30, 2023, including but not limited to pension/PERS, accrued fringe benefits etc.
  - c. During the Wind Down period, the FCFA will perform an unfunded actuarial accrued liability analysis to calculate Oceano or any other dissociating and/or withdrawing Parties' share of unfunded PERS liability, which will be due to the remaining JPA Parties or the City of Arroyo Grande should the JPA be dissolved.
  - d. During the Wind Down Period, the Parties will meet and confer in good faith in regard to the distribution of assets and liabilities as follows:
    - a. A determination as to the distribution of equipment and physical assets by October 1, 2022 (effective June 30, 2023).
    - b. An estimate as to the distribution of debt, employment liability, pension/PERS and other post-employment obligations by February 1, 2023 (effective June 30, 2023).
    - c. An estimate as to the distribution of all other assets by March 1, 2023 (effective June 30, 2023).
  - e. The parties mutually agree and understand that any liability related to unresolved claims or litigation existing prior to June 30, 2023 will remain the obligation of all Parties whether remaining members of the FCFA or not.
  - f. Prior to October 1, 2023, the Parties shall complete a post-dissociation reconciliation of all assets and liabilities incurred prior to June 30, 2023. Any party owing funds shall pay such funds to the other immediately upon determination. The parties agree to cooperate in completing this post closing reconciliation.

6. **Effect of Amendment.** All other provisions of the JPA shall remain unchanged and in full force and affect. To the extent there is inconsistency between this Amendment and the JPA, the terms of this Amendment shall control, including but not limited to JPA Sections 6.B, 8.B(3), and 17.
7. **Counterparts.** This Amendment may be executed in any number of counterparts and by the Parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.
8. **Severability.** If any part of this Amendment is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of the Amendment will remain in full force and effect.

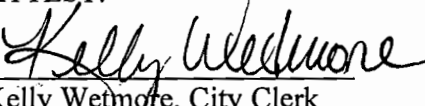
IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their proper officers hereunto duly authorized.

CITY OF ARROYO GRANDE

CITY OF GROVER BEACH

  
Caren Ray Russom, Mayor

\_\_\_\_\_  
Jeff Lee, Mayor

ATTEST:  
  
Kelly Wetmore, City Clerk

ATTEST:  
\_\_\_\_\_  
Wendi Sims, City Clerk

APPROVED AS TO FORM:  
  
Tim Carmel, City Attorney

APPROVED AS TO FORM:  
\_\_\_\_\_  
David Hale, City Attorney

OCEANO COMMUNITY SERVICES DISTRICT

\_\_\_\_\_  
Linda Austin, President

ATTEST:

\_\_\_\_\_  
By:

APPROVED AS TO FORM:

\_\_\_\_\_  
Jeff Minnery, District Counsel

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their proper officers hereunto duly authorized.

CITY OF ARROYO GRANDE

\_\_\_\_\_  
Caren Ray Russom, Mayor

ATTEST:

\_\_\_\_\_  
Kelly Wetmore, City Clerk

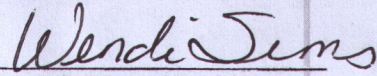
APPROVED AS TO FORM:

\_\_\_\_\_  
Tim Carmel, City Attorney

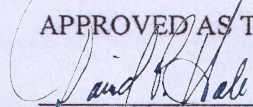
CITY OF GROVER BEACH

  
\_\_\_\_\_  
Jeff Lee, Mayor

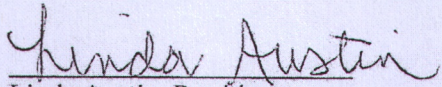
ATTEST:

  
\_\_\_\_\_  
Wendi Sims, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
David Hale, City Attorney

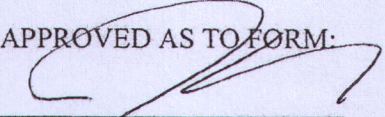
OCEANO COMMUNITY SERVICES DISTRICT

  
\_\_\_\_\_  
Linda Austin, President

ATTEST:

  
\_\_\_\_\_  
By:

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Jeff Minnery, District Counsel

## **ATTACHMENT 1**

### **FUNDING FORMULA**

Should the ballot measure pass, effective July 1, 2022, the Parties shall bear the costs of the Five Cities Fire Authority according to the following formula, to be calculated every three years when the budget is prepared. If the ballot measure fails, the funding will be in accordance with Section 4.B of this Third Amendment.

1. 33.33% of costs shall be assessed among the Parties in proportion to the population of each Jurisdiction as most recently determined by the U.S. Census and any intervening estimates prepared by the California Department of Finance when the Fire Chief prepares each annual budget.
2. 33.33% of costs shall be assessed among the Parties in proportion to the number of annual service calls, calculated on a three-year rolling average in each Jurisdiction as most recently determined when the Fire Chief prepares each annual budget.
3. 33.33% of costs shall be assessed among the Parties in proportion to the number of fire stations and personnel located in each Jurisdiction.





# Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

**Date:** July 27, 2022

**To:** Board of Directors

**From:** Carey Casciola, Accounting and Business Manager

**Subject:** **Agenda Item #8(C): Review of Fiscal Year 2021-22 Budget Status as of June 30, 2022, and consideration of a recommendation to approve year-end encumbrances**

## Recommendation

It is recommended that your Board:

- A. Review the Fiscal Year 2021-22 Budget Status as of June 30, 2022
- B. Approve establishing encumbrances for previously approved contracts as illustrated in Exhibit "A"

## Discussion

On August 26, 2021, your Board approved the District's budget for fiscal year 2021-22. Exhibit "B" provides a chronology of 2021-22 budget adjustments.

The 4<sup>th</sup> quarter report includes:

- ✓ Fiscal Year 2021-22 Adopted Budget
- ✓ Approved Budget Adjustments
- ✓ Current Fiscal Year 2021-22 Budget
- ✓ Estimated June 30, 2022
- ✓ Estimated 2021-22 Budget Variance

The following table summarizes the variances for the Governmental Fund Revenues and Expenditures:

GENERAL FUND	Final 2021-22 Budget	Estimated June 30, 2022	Variance Favorable / (Unfavorable)
General Revenues – Property Taxes	\$ 1,141,349	\$ 1,194,038	\$ 52,689
General Revenues – Other Sources of Funds (Admin Allocation/ Grant Reimbursement)	1,099,875	972,229	(127,646)



# Oceano Community Services District

Board of Directors Meeting

GENERAL FUND CONTINUED	Final 2021-22 Budget	Estimated June 30, 2022	Variance Favorable / (Unfavorable)
Facilities Revenues	157,140	145,402	(11,738)
<b>Total General Revenues</b>	<b>\$ 2,398,364</b>	<b>\$ 2,311,669</b>	<b>\$ (86,695)</b>
Administrative Expenditures	\$ 1,099,875	\$ 972,229	\$ 127,646
Fire Expenditures	1,182,272	1,174,061	8,211
Lighting Expenditures	43,025	39,427	3,598
Facilities Expenditures	37,404	33,144	4,260
<b>Total General Expenditures</b>	<b>\$ 2,362,576</b>	<b>\$ 2,218,860</b>	<b>\$ 143,716</b>
<b>Operating Surplus/ (Deficit)</b>	<b>\$ 35,788</b>	<b>\$ 92,809</b>	<b>\$ 57,021</b>

Variance Explanations:

- Property taxes came in approximately \$50,000 higher than expected for the fiscal year.
- The shortfall of \$127,646 in the General Fund under “other sources” is from the reimbursement for the administrative and operating crew overhead allocations. The expenditures in the Administrative budget came in under budget by \$127,646 resulting in the reimbursement from the other funds to be under by the same amount.
- The Facilities Fund saw a decrease of \$12,000 in the Public Facilities Fees collected by the County from new development.
- The Lighting Fund continues to save in street lighting from the LED lights that have been replaced by the Energy Watch team with the County.

The following table summarizes the variances for the Water Fund Revenue and Expenditures:

WATER FUND	Final 2021-22 Budget	Estimated June 30, 2022	Variance
Water Revenue	\$ 5,767,639	\$ 5,709,675	\$ (57,963)
Water Expenditures	5,873,963	5,244,627	629,336
<b>Operating Surplus/ (Deficit)</b>	<b>\$ (106,325)</b>	<b>\$ 465,048</b>	<b>\$ 571,372</b>

Variance Estimates:

- Overall revenues from water sales are under budget by (\$159,392) and revenues from connection fees are over budget by \$95,000.



# Oceano Community Services District

Board of Directors Meeting

- The expenditures in the Water Fund show a large savings. This is mostly from savings in State Water

The following table summarizes the variances for the Wastewater Fund Revenue and Expenditures:

<b>WASTEWATER FUND</b>	<b>Final 2021-22 Budget</b>	<b>Estimated June 30, 2022</b>	<b>Variance</b>
<b>Wastewater Revenue</b>	\$ 406,200	\$ 404,381	\$ (1,819)
<b>Wastewater Expenditures</b>	498,447	404,404	94,043
<b>Operating Surplus/ (Deficit)</b>	\$ (92,274)	\$ (22)	\$ 92,225

Variance Estimates:

- The \$1,819 estimated revenue shortfall is like last year and the savings in expenditures offset this shortfall.
- The expenditures in the Wastewater Fund saw a savings of \$94,043 which was related to personnel costs, supplies and the administrative allocation. It is important to note that the variances above only reflect the revenues and expenditures. The transfer from the Facilities Fund to the Wastewater Fund of \$113,940 for the repayment of the Sheriffs building continues until fiscal year 2022-23.

The following table summarizes the variances for the Garbage Fund Revenue and Expenditures:

<b>GARBAGE FUND</b>	<b>Final 2021-22 Budget</b>	<b>Estimated June 30, 2022</b>	<b>Variance</b>
<b>Garbage Revenue</b>	\$ 68,675	\$ 55,565	\$ (13,110)
<b>Garbage Expenditures</b>	168,430	138,456	29,974
<b>Operating Surplus/ (Deficit)</b>	\$ (99,755)	\$ (82,891)	\$ 16,864

Variance Estimates:

- Garbage franchise revenues from SCS Inc. came in lower than anticipated for the fiscal year.
- The positive estimated variance in expenditures will cover the reduction in franchisee fees for FY 2021-22.



# Oceano Community Services District

Board of Directors Meeting

The following table summarizes the variances for the Equipment Fund Revenue and Expenditures:

<b>EQUIPMENT FUND</b>	<b>Final 2021-22 Budget</b>	<b>Estimated June 30, 2022</b>	<b>Variance</b>
<b>Equipment Revenue</b>	\$ 35,025	\$ 18,285	\$ (16,740)
<b>Equipment Expenditures</b>	31,000	14,260	16,740
<b>Operating Surplus/ (Deficit)</b>	\$ 4,025	\$ 4,025	\$ 0

Variance Estimates:

- Equipment Fund expenditures are paid by water, sewer and garbage and savings reduced charges to those funds. As a result, minor savings to the operating funds should exist in addition to the budget variances described above.

## Other Agency Involvement

Numerous other agencies are involved in the development of the District's budget including the Five Cities Fire Authority and the County of San Luis Obispo.

## Other Financial Considerations

The purpose of establishing encumbrances is to recognize that contracts and purchase orders have been approved but costs have not been fully incurred. Encumbering the unexpended balances creates a restriction so that the unexpended funds are not spent in the subsequent year for other purposes.

## Results

Establishing good budget monetary procedures will help ensure that the District's costs are managed in a financially prudent manner and helps to promote a prosperous and well governed community.

Attachments:

- Exhibit A – 2021-22 Encumbrances
- Exhibit B – Fiscal Year 2021-22 Budget Adjustments
- Budget Worksheets
- Revenue Data as 6/30/2022



## Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

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### EXHIBIT "A" – List of Encumbrances

- The Preliminary Engineering Report, being prepared by Cannon that is required to obtain low interest loans from the United States Department of Agriculture for funding the capital improvement projects included in the WRRP, has a remaining balance of \$1,890 that will roll over to FY 2022-23.
- A professional services agreement with GSI Water Solutions Inc. was issued to prepare the 2021 Annual Report for the Northern Cities Management Area in the amount of \$38,547 with a contingency of \$3,276 for a total contract amount of \$41,823. The remaining amount outstanding on this contract is \$13,894 and will roll forward to FY 2022-23.
- During FY 2021-22 Water Systems Consulting, Inc was hired to provide a staff extension services for the Northern Cities Management Area Technical Group and to assist with the updating of the 2002 Management Agreement. The remaining outstanding balance for this is \$5,932 and will roll forward to FY 2022-23.
- During FY 2021-22 the District issued Swan Analytical Instruments a purchase order for a chorine analyzer for Well #8 and the remaining balance of \$5,200 will roll forward to FY 2022-23.
- During FY 2021-22 the Districted replaced the handhelds for reading meters and the remaining cost of \$5,795 will roll forward to 2022-23.
- The Proposition 1 grant revenues for the Stormwater Capture and Groundwater Recharge Project of \$2,580,090 were budgeted with a contract with Cannon for consultant services in the amount of \$607,300 in FY 2021-22. The remaining balance of \$2,461,830 will roll forward to FY 2022-23.
- The Proposition 1 grant revenues for the Water Resource Reliability Program Project #1-1 and #1-9 of \$300,000 were budgeted with a contract with Cannon for consultant services in the amount of \$84,903 in FY 2021-22. The remaining balance of \$294,778 will roll forward to FY 2022-23.
- At the June 8, 2022, meeting a budget adjustment was approved to reduce Garbage Fund reserves by \$55,000 to pay South County Sanitary Services for solid waste retroactive charges for the period of May 2022– July 2022. The remaining balance of \$18,332 related to the month of July 2022 will roll forward to FY 2022-23.


Oceano Community Services District  
 Chronology of Budget Actions  
 Fiscal Years 2021-22

Date	Action
<b>FISCAL YEAR 2021-22 BUDGET ADJUSTMENTS</b>	
June 23, 2021	Approved the Preliminary Budget for Fiscal Year 2021-22
August 25, 2021	Approved the Final Budget for Fiscal Year 2021-22
November 10, 2021	Approved a Budget Adjustment for \$7,500 from General Fund reserves for the costs for NBS District Consulting Group providing parcel tax modeling services.
December 8, 2021	Approved a Budget Adjustment for \$129,357 in the Water Fund and \$2,450,733 from Prop 1 grant revenues for the Stormwater Capture and Groundwater Recharge Project.
February 9, 2022	Approved a Budget Adjustment for \$25,500 from the Water Fund and 274,500 from Prop 1 Grants for the WRRP's Project #1-1 & #1-9 (HWY One/ Alleyway to 19 <sup>th</sup> St)
June 8, 2022	Approved a Budget Adjustment from Garbage Fund reserves for \$55,000 for SCSS's solid waste retroactive charges.



# GENERAL FUND



 <b>OCEANO COMMUNITY SERVICES DISTRICT GENERAL FUND - QUARTER 4 REVIEW SUMMARY</b>								
ACCOUNT NO.	GENERAL FUND (GF)	FINAL BUDGET FY 2021/22	2021/22 APPROVED ADJUSTMENTS	2021/2022 APPROVED BUDGET	ACTUAL AT 6/30/2022	ESTIMATED ACTUAL	2020/21 EST. BUDGET VARIANCE	
<b>SOURCES OF FUNDS</b>								
	Fire	\$0	\$0	\$0	\$0	0%	\$0	
	Lighting	\$0	\$0	\$0	\$0	0%	\$0	
	Facilities	\$157,140	\$0	\$157,140	\$145,402	93%	(\$11,738)	
	Admin	\$2,241,224	\$0	\$2,241,224	\$2,166,267	97%	(\$74,957)	
	<b>Total Sources of Funds</b>	<b>\$2,398,364</b>	<b>\$0</b>	<b>\$2,398,364</b>	<b>\$2,311,669</b>	<b>100%</b>	<b>(\$86,695)</b>	
<b>USES OF FUNDS</b>								
	Fire	\$1,174,772	\$7,500	\$1,182,272	\$1,174,061	99%	\$8,211	
	Lighting	\$43,025	\$0	\$43,025	\$39,427	92%	\$3,598	
	Facilities	\$37,404	\$0	\$37,404	\$33,144	89%	\$4,260	
	Admin	\$1,099,875	\$0	\$1,099,875	\$972,229	88%	\$127,646	
	<b>Total Expenditures</b>	<b>\$2,355,076</b>	<b>\$7,500</b>	<b>\$2,362,576</b>	<b>\$2,218,860</b>	<b>94%</b>	<b>\$143,716</b>	
<b>OPERATING SURPLUS/(DEFICIT)</b>								
	Fire	(\$1,174,772)	(\$7,500)	(\$1,182,272)	(\$1,174,061)		\$8,211	
	Lighting	(\$43,025)	\$0	(\$43,025)	(\$39,427)		\$3,598	
	Facilities	\$119,736	\$0	\$119,736	\$112,258		(\$7,478)	
	Admin	\$1,141,349	\$0	\$1,141,349	\$1,194,038		\$52,689	
	<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>\$43,288</b>	<b>(\$7,500)</b>	<b>\$35,788</b>	<b>\$92,809</b>		<b>\$57,021</b>	
<b>TRANSFERS &amp; ENCUMBRANCES</b>								
	Transfers In - From Water Fund	31,500		31,500	0		0	
	(Transfers Out) - To Water and Wastewater	(126,172)		(126,172)	0		0	
	Encumbrances - Sources of Funding	0		0	0		0	
	Encumbrances - (Designated Funds) - NDC & Tyler Incode	(24,621)		(24,621)	(16,409)		(8,213)	
	<b>NET TRANSFERS &amp; ENCUMBRANCES</b>	<b>(\$119,293)</b>	<b>\$0</b>	<b>(\$119,293)</b>	<b>(\$16,409)</b>		<b>(\$8,213)</b>	





# ADMINISTRATIVE BUDGET





**OCEANO COMMUNITY SERVICES DISTRICT  
FUND LEVEL ANALYSIS - QUARTER 4 REVIEW  
ADMINISTRATIVE DEPARTMENT - GENERAL FUND - 01**

ACCOUNT NO.	GENERAL FUND (GF) ADMINISTRATIVE DEPARTMENT - 01	FINAL BUDGET FY 2021/22	ACTUAL AT 6/30/2022	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE
<b>SOURCES OF FUNDS</b>					
	Revenues	\$1,141,349	\$1,194,038 105%	\$1,194,038	\$52,689
	Other Sources of Funds	\$1,099,875	\$972,229 88%	\$972,229	(\$127,646)
	<b>Total Sources of Funds</b>	<b>\$2,241,224</b>	<b>\$2,166,267 97%</b>	<b>\$2,166,267</b>	<b>(\$74,957)</b>
<b>USES OF FUNDS</b>					
	Salaries & Wages	\$440,000	\$424,960 97%	\$424,960	\$15,041
	Benefits	\$146,370	\$149,605 102%	\$149,605	(\$3,235)
	Personnel Services	\$586,370	\$574,564 98%	\$574,564	\$11,806
	Services & Supplies	\$297,605	\$210,741 71%	\$210,741	\$86,864
	Operating Crew Benefits Allocation	\$215,900	\$186,924 87%	\$186,924	\$28,976
	Administrative Cost	\$0	\$0 0%	\$0	\$0
	<b>Total Expenditures</b>	<b>\$1,099,875</b>	<b>\$972,229 88%</b>	<b>\$972,229</b>	<b>\$127,646</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>\$1,141,349</b>	<b>\$1,194,038</b>	<b>\$1,194,038</b>	<b>\$52,689</b>
<b>TRANSFERS &amp; ENCUMBRANCES</b>					
	Transfers In - From Facilities Fund	21,068	0	28,590	(7,522)
	(Transfers Out) - Fire & Lighting	(1,228,800)	(1,213,488)	(1,224,492)	(4,308)
	Encumbrances - Sources of Funding	0	0	0	0
	Encumbrances - (Designated Funds) - NDC & Tyler Incode	(24,621)	(16,409)	(16,409)	(8,213)
	<b>NET TRANSFERS &amp; ENCUMBRANCES</b>	<b>(\$1,232,353)</b>	<b>(\$1,229,897)</b>	<b>(\$1,212,311)</b>	<b>(\$20,043)</b>



**OCEANO COMMUNITY SERVICES DISTRICT  
FUND LEVEL ANALYSIS - QUARTER 4 REVIEW  
ADMINISTRATIVE DEPARTMENT - GENERAL FUND - 01**

ACCOUNT NO.	GENERAL FUND (GF) ADMINISTRATIVE DEPARTMENT - 01	FINAL BUDGET FY 2021/22	ACTUAL AT 6/30/2022	100%	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE
<b>SOURCES OF FUNDS</b>						
<b>REVENUES</b>						
01-4-3100-000	Property Taxes: Current Year - Secured	1,101,742	1,126,276	102%	1,126,276	24,534
01-4-3101-000	Property Taxes: Current Year - Unsecured	37,695	37,339	99%	37,339	(356)
01-4-3102-000	Property Taxes: Prior Year - Secured	0	0		0	0
01-4-3103-000	Property Taxes: Prior Year - Unsecured	0	695		695	695
	Unitary Tax	10,575	23,092	218%	23,092	12,517
01-4-3105-000	Penalties & Interest	0	9,827		9,827	9,827
01-4-3106-000	Delinq Garbage Charges	0	917		917	917
01-4-3120-000	Homeowners' Prop Tax Relief	6,134	6,210	101%	6,210	76
01-4-3213-100	Will Serve Letter Fee	0	690		690	690
01-4-3230-100/195	Misc Income	0	3,641		3,641	3,641
01-4-3230-600	Misc Income		214		214	214
01-4-3238-200	Firework Permit	1,648	1,236	75%	1,236	(412)
01-4-3250-100	Reimbursement for Engineering Services		1,385		1,385	1,385
01-4-3557-000	CO Charge: SB 2557	(16,445)	(17,486)	106%	(17,486)	(1,041)
	<b>Total Revenues</b>	<b>\$1,141,349</b>	<b>\$1,194,038</b>	<b>105%</b>	<b>\$1,194,038</b>	<b>\$52,689</b>
<b>OTHER SOURCES OF FUNDS</b>						
	Allocated Administrative Overhead	883,975	785,305	89%	785,305	(98,670)
	Allocated Operating Crew Overhead	215,900	186,924	87%	186,924	(28,976)
	<b>Total Other Sources of Funds</b>	<b>\$1,099,875</b>	<b>\$972,229</b>	<b>88%</b>	<b>\$972,229</b>	<b>(\$127,646)</b>
	<b>Total Sources of Funds</b>	<b>\$2,241,224</b>	<b>\$2,166,267</b>	<b>97%</b>	<b>\$2,166,267</b>	<b>(\$74,957)</b>
<b>USES OF FUNDS</b>						
<b>SALARIES &amp; WAGES</b>						
01-5-4100-010	Salary & Wages	431,000	424,735	99%	424,735	6,265
01-5-4100-020	Overtime	9,000	225	2%	225	8,775
	<b>Total Salaries &amp; Wages</b>	<b>\$440,000</b>	<b>\$424,960</b>	<b>97%</b>	<b>\$424,960</b>	<b>\$15,041</b>
<b>BENEFITS</b>						
01-5-4100-061	PERS Contribution	54,000	56,152	104%	56,152	(2,152)
01-5-4100-062	PERS UAL Payment	5,600	5,575	100%	5,575	25
01-5-4100-070	SUI	2,170	2,250	104%	2,250	(80)
01-5-4100-071	Medicare	6,400	6,942	108%	6,942	(542)
01-5-4100-072	FICA	1,800	2,252	125%	2,252	(452)
01-5-4100-075	Compensation Insurance	4,700	4,611	98%	4,611	89
01-5-4100-090	Insurance	70,800	70,922	100%	70,922	(122)
01-5-4100-097	Cell Phone Allowance	900	900	100%	900	0
	<b>Total Benefits</b>	<b>\$146,370</b>	<b>\$149,605</b>	<b>102%</b>	<b>\$149,605</b>	<b>(\$3,235)</b>
	<b>Total Personnel Services</b>	<b>\$586,370</b>	<b>\$574,564</b>	<b>98%</b>	<b>\$574,564</b>	<b>\$11,806</b>



**OCEANO COMMUNITY SERVICES DISTRICT  
FUND LEVEL ANALYSIS - QUARTER 4 REVIEW  
ADMINISTRATIVE DEPARTMENT - GENERAL FUND - 01**

ACCOUNT NO.	GENERAL FUND (GF) ADMINISTRATIVE DEPARTMENT - 01	FINAL BUDGET FY 2021/22	ACTUAL AT 6/30/2022		ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE
				100%		
<b>SERVICES &amp; SUPPLIES</b>						
01-5-4100-110	Communications	10,800	10,125	94%	10,125	675
01-5-4100-150	Insurance	29,600	30,561	103%	30,561	(961)
01-5-4100-170	Maintenance: Equipment	3,810	415	11%	415	3,395
01-5-4100-173	Maint: Structures/ Improvements	10,815	5,760	53%	5,760	5,055
01-5-4100-180	Memberships	8,000	8,115	101%	8,115	(115)
01-5-4100-193	Bank Fees	4,790	4,455	93%	4,455	335
01-5-4100-200	Office Expense	7,175	6,898	96%	6,898	277
01-5-4100-210	Postage	2,575	1,095	43%	1,095	1,480
01-5-4100-218	Audit	20,570	20,570	100%	20,570	0
01-5-4100-220	Professional Services	34,000	16,183	48%	16,183	17,817
01-5-4100-221	Information Technology	8,000	2,333	29%	2,333	5,668
01-5-4100-223	Legal Services	92,000	40,658	44%	40,658	51,342
01-5-4100-225	Board Stipends	12,000	9,050	75%	9,050	2,950
01-5-4100-226	Annual Software Maintenance	18,500	18,903	102%	18,903	(403)
01-5-4100-230	Required Legal Notice	450	1,072	238%	1,072	(622)
01-5-4100-235	Books/ Journals/ Subscriptions/ Software	1,590	351	22%	351	1,239
01-5-4100-247	LAFCO Annual Charge	12,200	11,120	91%	11,120	1,080
01-5-4100-248	Permits, Fees, Licenses	1,065	4,710	442%	4,710	(3,645)
01-5-4100-280	Private Vehicle/ Milage Expense	530	0	0%	0	530
01-5-4100-283	Job Advertising Expense	0	2,383		2,383	(2,383)
01-5-4100-285	Classes/ Seminars/ Training Fee	6,010	4,774	79%	4,774	1,236
01-5-4100-286	Board Member Travel	2,125	0	0%	0	2,125
01-5-4100-290	Utilities	11,000	8,990	82%	8,990	2,010
01-5-4100-297	Pass-thur: Delinquent Garbage/ Tax Roll	0	2,220		2,220	(2,220)
<b>Total Services &amp; Supplies</b>		<b>\$297,605</b>	<b>\$210,741</b>	<b>71%</b>	<b>\$210,741</b>	<b>\$86,864</b>
<b>Operating Crew Benefits &amp; Direct Labor Cost Allocations</b>						
01-5-4100-600	Leave time	53,000	50,482	95%	50,482	2,518
	Salaries & Wages (Admin)	6,100	4,325	71%	4,325	1,775
01-5-4100-601	PERS Contribution	41,000	36,386	89%	36,386	4,614
01-5-4100-602	Medicare	5,200	3,676	71%	3,676	1,524
	P/R Fed & State Taxes	4,500	4,553	101%	4,553	(53)
	SUI	1,750	1,756	100%	1,756	(6)
01-5-4100-603	Insurance	83,400	66,102	79%	66,102	17,298
01-5-4100-080	Boot Allowance	1,250	1,000	80%	1,000	250
01-5-4100-100	Clothing	6,000	5,043	84%	5,043	957
04-5-4100-604	Standby	13,700	13,600	99%	13,600	100
<b>Total Operating Crew Benefits</b>		<b>\$215,900</b>	<b>\$186,924</b>	<b>87%</b>	<b>\$186,924</b>	<b>\$28,976</b>
<b>Total Expenditures</b>		<b>\$1,099,875</b>	<b>\$972,229</b>	<b>88%</b>	<b>\$972,229</b>	<b>\$127,646</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>\$1,141,349</b>	<b>\$1,194,038</b>		<b>\$1,194,038</b>	<b>\$52,689</b>
<b>TRANSFERS &amp; ENCUMBRANCES</b>						
	Transfers In - Facilities Fund	21,068	0		28,590	(7,522)
	(Transfers Out) - Fire and Lighting	(1,228,800)	(1,213,488)		(1,224,492)	(4,308)
	Encumbrances - Sources of Funding	0	0		0	0
	Encumbrances - (Designated Funds) - NDC & Tyler Incode	(24,621)	(16,409)		(16,409)	(8,213)
<b>NET TRANSFERS &amp; ENCUMBRANCES</b>		<b>(\$1,232,353)</b>	<b>(\$1,229,897)</b>		<b>(\$1,212,311)</b>	<b>(\$20,043)</b>



# FIRE BUDGET





OCEANO COMMUNITY SERVICES DISTRICT  
 FUND LEVEL ANALYSIS - QUARTER 4 REVIEW  
 FIRE DEPARTMENT - GENERAL FUND - 01

ACCOUNT NO.	GENERAL FUND (GF) FIRE DEPARTMENT - 01	FINAL BUDGET FY 2021/22	2021/22 APPROVED ADJUSTMENTS	2021/22 APPROVED BUDGET	ACTUAL AT 6/30/2022	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE	
<b>SOURCES OF FUNDS</b>								
	Revenues	\$0	\$0	\$0	0%	\$0	\$0	
	Other Sources of Funds	\$0	\$0	\$0	0%	\$0	\$0	
	<b>Total Sources of Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>	<b>\$0</b>	<b>\$0</b>	
<b>USES OF FUNDS</b>								
	Salaries & Wages	\$1,510	\$0	\$1,510	\$181	12%	\$181	\$1,329
	Benefits	\$1,080	\$0	\$1,080	\$935	87%	\$935	\$145
	Personnel Services	\$2,590	\$0	\$2,590	\$1,116	43%	\$1,116	\$1,474
	Services & Supplies	\$1,145,663	\$7,500	\$1,153,163	\$1,149,386	100%	\$1,149,386	\$3,777
	Capital Overlay	\$0	\$0	\$0	\$0		\$0	\$0
	Administrative Cost Allocation	\$26,519	\$0	\$26,519	\$23,559	89%	\$23,559	\$2,960
	<b>Total Expenditures</b>	<b>\$1,174,772</b>	<b>\$7,500</b>	<b>\$1,182,272</b>	<b>\$1,174,061</b>	<b>99%</b>	<b>\$1,174,061</b>	<b>\$8,211</b>
	<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(\$1,174,772)</b>	<b>(\$7,500)</b>	<b>(\$1,182,272)</b>	<b>(\$1,174,061)</b>		<b>(\$1,174,061)</b>	<b>\$8,211</b>



**OCEANO COMMUNITY SERVICES DISTRICT  
FUND LEVEL ANALYSIS - QUARTER 4 REVIEW  
FIRE DEPARTMENT - GENERAL FUND - 01**

ACCOUNT NO.	GENERAL FUND (GF) FIRE DEPARTMENT - 01	FINAL BUDGET FY 2021/22	2021/22 APPROVED ADJUSTMENTS	2021/22 APPROVED BUDGET	ACTUAL AT 6/30/2022	100%	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE
<b>SOURCES OF FUNDS</b>								
<b>REVENUES</b>								
		0		0				0
	<b>Total Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>
<b>OTHER SOURCES OF FUNDS</b>								
		0		0	0		0	0
	<b>Total Other Sources of Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>
	<b>Total Sources of Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>
<b>USES OF FUNDS</b>								
<b>SALARIES &amp; WAGES</b>								
01-5-4200-010	Salary & Wages	1,510		1,510	181	12%	181	1,329
	<b>Total Salaries &amp; Wages</b>	<b>\$1,510</b>	<b>\$0</b>	<b>\$1,510</b>	<b>\$181</b>	<b>12%</b>	<b>\$181</b>	<b>\$1,329</b>
<b>BENEFITS</b>								
	Operating Crew Benefits Allocation	1,080		1,080	935	87%	935	145
	<b>Total Benefits</b>	<b>\$1,080</b>	<b>\$0</b>	<b>\$1,080</b>	<b>\$935</b>	<b>87%</b>	<b>\$935</b>	<b>\$145</b>
	<b>Total Personnel Services</b>	<b>\$2,590</b>	<b>\$0</b>	<b>\$2,590</b>	<b>\$1,116</b>	<b>43%</b>	<b>\$1,116</b>	<b>\$1,474</b>
<b>SERVICES &amp; SUPPLIES</b>								
01-5-4200-077	JPA - Quarterly Payments	1,138,148		1,138,148	1,138,148	100%	1,138,148	0
01-5-4200-110	Communication	0		0	884		884	(884)
	Community Outreach	2,000		2,000	0		0	2,000
01-5-4200-220	11/10/2021 - Budget Adjustment - NBS - Professional Services	0	7,500	7,500	7,500	100%	7,500	0
01-5-4200-290	Utilities	5,000		5,000	2,264	45%	2,264	2,736
01-5-4200-291	Sandbags	515		515	590	115%	590	(75)
	<b>Total Services &amp; Supplies</b>	<b>\$1,145,663</b>	<b>\$7,500</b>	<b>\$1,153,163</b>	<b>\$1,149,386</b>	<b>100%</b>	<b>\$1,149,386</b>	<b>\$3,777</b>
<b>CAPITAL OVERLAY</b>								
		0		0				
	<b>Total Capital Overlay</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>
<b>ADMINISTRATIVE COST ALLOCATION</b>								
01-5-4200-376	Allocated Overhead - Admin	26,519		26,519	23,559	89%	23,559	2,960
	<b>Total Administrative Cost Allocation</b>	<b>\$26,519</b>	<b>\$0</b>	<b>\$26,519</b>	<b>\$23,559</b>	<b>89%</b>	<b>\$23,559</b>	<b>\$2,960</b>
	<b>Total Expenditures</b>	<b>\$1,174,772</b>	<b>\$7,500</b>	<b>\$1,182,272</b>	<b>\$1,174,061</b>	<b>99%</b>	<b>\$1,174,061</b>	<b>\$8,211</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>(\$1,174,772)</b>	<b>(\$7,500)</b>	<b>(\$1,182,272)</b>	<b>(\$1,174,061)</b>		<b>(\$1,174,061)</b>	<b>\$8,211</b>
<b>TRANSFERS &amp; ENCUMBRANCES</b>								
	Transfers In - Property Taxes & Fac Fund	1,185,162		1,185,162	1,174,061		1,184,451	(711)
	(Transfers Out) - Water & Wastewater	(10,390)		(10,390)	0		(10,390)	0
	Encumbrances - Sources of Funding	0		0	0		0	0
	Encumbrances - (Designated Funds)	0		0	0		0	0
	<b>NET TRANSFERS &amp; ENCUMBRANCES</b>	<b>\$1,174,772</b>	<b>\$0</b>	<b>\$1,174,772</b>	<b>\$1,174,061</b>		<b>\$1,174,061</b>	<b>(\$711)</b>



# LIGHTING BUDGET







OCEANO COMMUNITY SERVICES DISTRICT  
 FUND LEVEL ANALYSIS - QUARTER 4 BUDGET REVIEW  
 LIGHTING - GENERAL FUND - 01

ACCOUNT NO.	GENERAL FUND (GF) LIGHTING - 01	FINAL BUDGET FY 2021/22	ACTUAL AT 6/30/2022	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE
<b>SOURCES OF FUNDS</b>					
	Revenues	\$0	\$0	0%	\$0
	Other Sources of Funds	\$0	\$0	0%	\$0
	<b>Total Sources of Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>	<b>\$0</b>
<b>USES OF FUNDS</b>					
	Salaries & Wages	\$1,510	\$55	4%	\$1,455
	Benefits	\$1,080	\$935	87%	\$145
	Personnel Services	\$2,590	\$989	38%	\$1,601
	Services & Supplies	\$31,595	\$30,584	97%	\$1,011
	Capital Outlay	\$0	\$0	0%	\$0
	Administrative Cost	\$8,840	\$7,853	89%	\$987
	<b>Total Expenditures</b>	<b>\$43,025</b>	<b>\$39,427</b>	<b>92%</b>	<b>\$3,598</b>
	<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(\$43,025)</b>	<b>(\$39,427)</b>		<b>\$3,598</b>



OCEANO COMMUNITY SERVICES DISTRICT  
 FUND LEVEL ANALYSIS - QUARTER 4 BUDGET REVIEW  
 LIGHTING - GENERAL FUND - FUND 01

ACCOUNT NO.	GENERAL FUND (GF) LIGHTING - 01	FINAL BUDGET FY 2021/22	ACTUAL AT 6/30/2022	100%	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE
<b>SOURCES OF FUNDS</b>						
<b>REVENUES</b>						
		0				
	<b>Total Revenues</b>	\$0	\$0		\$0	\$0
<b>OTHER SOURCES OF FUNDS</b>						
					0	
	<b>Total Other Sources of Funds</b>	\$0	\$0		\$0	\$0
	<b>Total Sources of Funds</b>	\$0	\$0		\$0	\$0
<b>USES OF FUNDS</b>						
<b>SALARIES &amp; WAGES</b>						
01-5-4195-010	Salaries & Wages	1,510	55	4%	55	1,455
	<b>Total Salaries &amp; Wages</b>	\$1,510	\$55	4%	\$55	\$1,455
<b>BENEFITS</b>						
	Operating Crew Benefits Allocation	1,080	935	87%	935	145
	<b>Total Benefits</b>	\$1,080	\$935	87%	\$935	\$145
	<b>Total Personnel Services</b>	\$2,590	\$989	38%	\$989	\$1,601
<b>SERVICES &amp; SUPPLIES</b>						
01-5-4195-175	Operating Supplies	1,595	334	21%	334	1,261
01-5-4195-295	Street Lighting	30,000	30,250	101%	30,250	(250)
	<b>Total Services &amp; Supplies</b>	\$31,595	\$30,584	97%	\$30,584	\$1,011
<b>CAPITAL OUTLAY</b>						
		0	0		0	
	<b>Total Capital Outlay</b>	\$0	\$0	0%	\$0	\$0
<b>ADMINISTRATIVE COST ALLOCATION</b>						
01-5-4195-376	Administrative Cost Allocation	8,840	7,853	89%	7,853	987
	<b>Total Administrative Cost Allocation</b>	\$8,840	\$7,853	89%	\$7,853	\$987
	<b>Total Expenditures</b>	\$43,025	\$39,427	92%	\$39,427	\$3,598
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>(\$43,025)</b>	<b>(\$39,427)</b>		<b>(\$39,427)</b>	<b>\$3,598</b>
<b>TRANSFERS &amp; ENCUMBRANCES</b>						
	Transfers In - Property Taxes	43,638	39,427		40,041	(3,597)
	(Transfers Out) - Water & Wastewater	(614)	0		(614)	0
	Encumbrances - Sources of Funding	0	0		0	0
	Encumbrances - (Designated)	0	0		0	0
	<b>NET TRANSFERS &amp; ENCUMBRANCES</b>	<b>\$43,024</b>	<b>\$39,427</b>		<b>\$39,427</b>	<b>(\$3,597)</b>



# FACILITIES FUND





**OCEANO COMMUNITY SERVICES DISTRICT  
FUND LEVEL ANALYSIS - QUARTER 4 BUDGET REVIEW  
FACILITIES - FUND 10**

ACCOUNT NO.	GENERAL FUND (GF) FACILITIES - 10	FINAL BUDGET FY 2020/2021	ACTUAL AT 6/30/2022	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE	
<b>SOURCES OF FUNDS</b>						
	Revenues	\$157,140	\$145,402	93%	\$145,402	(\$11,738)
	Other Sources of Funds	\$0	\$0	0%	\$0	\$0
	<b>Total Sources of Funds</b>	<b>\$157,140</b>	<b>\$145,402</b>	<b>93%</b>	<b>\$145,402</b>	<b>(\$11,738)</b>
<b>USES OF FUNDS</b>						
	Salaries & Wages	\$3,020	\$1,806	60%	\$1,806	\$1,214
	Benefits	\$2,159	\$1,869	87%	\$1,869	\$290
	Personnel Services	\$5,179	\$3,676	71%	\$3,676	\$1,503
	Services & Supplies	\$14,545	\$13,762	95%	\$13,762	\$783
	Capital Outlay	\$0	\$0	0%	\$0	\$0
	Administrative Cost	\$17,680	\$15,706	89%	\$15,706	\$1,974
	<b>Total Expenditures</b>	<b>\$37,404</b>	<b>\$33,144</b>	<b>89%</b>	<b>\$33,144</b>	<b>\$4,260</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>\$119,736</b>	<b>\$112,258</b>		<b>\$112,258</b>	<b>(\$7,478)</b>
<b>TRANSFERS &amp; ENCUMBRANCES</b>						
	Transfers In - From General Fund	31,500	0	31,500	0	
	(Transfers Out) - To General, Water & Wastewater	(136,237)	0	(140,843)	(4,606)	
	Encumbrances - Sources of Funding	0	0	0	0	
	Encumbrances - (Designated Funds)	0	0	0	0	
<b>NET TRANSFERS &amp; ENCUMBRANCES</b>		<b>(\$104,737)</b>	<b>\$0</b>	<b>(\$109,343)</b>	<b>(\$4,606)</b>	



**OCEANO COMMUNITY SERVICES DISTRICT  
FUND LEVEL ANALYSIS - QUARTER 4 BUDGET REVIEW  
FACILITIES - FUND 10**

ACCOUNT NO.	GENERAL FUND (GF) FACILITIES - 10	FINAL BUDGET FY 2021/22	ACTUAL AT 6/30/2022 100%	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE	
<b>SOURCES OF FUNDS</b>						
<b>REVENUES</b>						
10-4-3257-000	Utility Reimbursement	1,200	1,546	129%	1,546	346
10-4-3258-000	Old Fire Station Rent	12,000	12,000	0%	12,000	0
10-4-3259-000	Fire Rent	15,000	15,000	100%	15,000	0
10-4-3260-000	Lease - Sheriff Facility	113,940	113,940	100%	113,940	0
	Public Facilities Fees	15,000	2,916	19%	2,916	(12,084)
<b>Total Revenues</b>		<b>\$157,140</b>	<b>\$145,402</b>	<b>93%</b>	<b>\$145,402</b>	<b>(\$11,738)</b>
<b>OTHER SOURCES OF FUNDS</b>						
<b>Total Other Sources of Funds</b>		<b>\$0</b>	<b>\$0</b>	<b>0%</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Sources of Funds</b>		<b>\$157,140</b>	<b>\$145,402</b>	<b>93%</b>	<b>\$145,402</b>	<b>(\$11,738)</b>
<b>USES OF FUNDS</b>						
<b>SALARIES &amp; WAGES</b>						
10-5-4300-010	Salary & Wages	3,020	1,806	60%	1,806	1,214
<b>Total Salaries &amp; Wages</b>		<b>\$3,020</b>	<b>\$1,806</b>	<b>60%</b>	<b>\$1,806</b>	<b>\$1,214</b>
<b>BENEFITS</b>						
	Operating Crew Overhead	2,159	1,869	87%	1,869	290
<b>Total Benefits</b>		<b>\$2,159</b>	<b>\$1,869</b>	<b>87%</b>	<b>\$1,869</b>	<b>\$290</b>
<b>Total Personnel Services</b>		<b>\$5,179</b>	<b>\$3,676</b>	<b>71%</b>	<b>\$3,676</b>	<b>\$1,503</b>
<b>SERVICES &amp; SUPPLIES</b>						
10-5-4300-110	Communication	0	26		26	(26)
10-5-4300-163	Maint: Structure/ Improvements	10,000	10,498	105%	10,498	(498)
10-5-4300-173	So: Maint. Structures/ Improvements	3,000	3,239	108%	3,239	(239)
10-5-4300-220	Professional Services	1,545		0%	0	1,545
<b>Total Services &amp; Supplies</b>		<b>\$14,545</b>	<b>\$13,762</b>	<b>95%</b>	<b>\$13,762</b>	<b>\$783</b>
<b>CAPITAL OUTLAY</b>						
<b>Total Capital Outlay</b>		<b>\$0</b>	<b>\$0</b>	<b>0%</b>	<b>\$0</b>	<b>\$0</b>
<b>ADMINISTRATIVE COST ALLOCATION</b>						
10-5-4300-376	Admin Allocation	17,680	15,706	89%	15,706	1,974
<b>Total Administrative Cost Allocation</b>		<b>\$17,680</b>	<b>\$15,706</b>	<b>89%</b>	<b>\$15,706</b>	<b>\$1,974</b>
<b>Total Expenditures</b>		<b>\$37,404</b>	<b>\$33,144</b>	<b>89%</b>	<b>\$33,144</b>	<b>\$4,260</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>\$119,736</b>	<b>\$112,258</b>		<b>\$112,258</b>	<b>(\$7,478)</b>
<b>TRANSFERS &amp; ENCUMBRANCES</b>						
	Transfers In - From Water Fund	31,500	0		31,500	0
	(Transfers Out) - To General, Water & Wastewater	(136,237)	0		(140,843)	(4,606)
	Encumbrances - Sources of Funding	0	0		0	0
	Encumbrances - (Designated Funds)	0	0		0	0
<b>NET TRANSFERS &amp; ENCUMBRANCES</b>		<b>(\$104,737)</b>	<b>\$0</b>		<b>(\$109,343)</b>	<b>(\$4,606)</b>



OCEANO COMMUNITY SERVICES DISTRICT  
 FUND LEVEL ANALYSIS - QUARTER 4 BUDGET REVIEW  
 ENTERPRISE FUNDS

ACCOUNT NO.	ENTERPRISE FUNDS	FINAL BUDGET FY 2021/22	2021/22 APPROVED ADJUSTMENTS	2021/22 CURRENT BUDGET	ACTUAL AT 6/30/2022	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE	
<b>SOURCES OF FUNDS</b>								
	Water	\$3,042,406	\$2,725,233	\$5,767,639	\$3,107,924	54%	\$5,709,675	(\$57,963)
	Wastewater	\$406,200	\$0	\$406,200	\$404,381	100%	\$404,381	(\$1,819)
	Garbage	\$68,675	\$0	\$68,675	\$55,565	81%	\$55,565	(\$13,110)
	Equipment	\$35,025	\$0	\$35,025	\$18,285	52%	\$18,285	(\$16,740)
	<b>Total Sources of Funds</b>	<b>\$3,552,306</b>	<b>\$2,725,233</b>	<b>\$6,277,539</b>	<b>\$3,586,155</b>	<b>57%</b>	<b>\$6,187,906</b>	<b>(\$89,632)</b>
<b>USES OF FUNDS</b>								
	Water	\$2,993,873	\$2,880,090	\$5,873,963	\$2,488,019	42%	\$5,244,627	\$629,336
	Wastewater	\$498,447	\$0	\$498,447	\$404,404	81%	\$404,404	\$94,043
	Garbage	\$113,430	\$55,000	\$168,430	\$120,306	71%	\$120,306	\$48,124
	Equipment	\$31,000	\$0	\$31,000	\$14,260	46%	\$14,260	\$16,740
	<b>Total Expenditures</b>	<b>\$3,636,750</b>	<b>\$2,935,090</b>	<b>\$6,571,840</b>	<b>\$3,026,989</b>	<b>46%</b>	<b>\$5,783,597</b>	<b>\$788,243</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>								
	Water	\$48,532	(\$154,857)	(\$106,325)	\$619,905		\$465,048	\$571,372
	Wastewater	(\$92,247)	\$0	(\$92,247)	(\$22)		(\$22)	\$92,225
	Garbage	(\$44,755)	(\$55,000)	(\$99,755)	(\$64,742)		(\$64,742)	\$35,013
	Equipment	\$4,025	\$0	\$4,025	\$4,025		\$4,025	\$0
	<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(\$84,444)</b>	<b>(\$209,857)</b>	<b>(\$294,301)</b>	<b>\$559,166</b>		<b>\$404,309</b>	<b>\$698,610</b>
<b>TRANSFERS &amp; ENCUMBRANCES</b>								
	Transfers In	136,128	0	136,128	0		136,128	0
	(Transfers Out)	(76,483)	0	(76,483)	(20,743)		(59,743)	9,520
	Encumbrances - Sources of Funding - WRRP & IWMA Grant	18,873	0	18,873	10,000		10,000	(8,873)
	Encumbrances - (Designated Funds) - WRRP, Cannon - USDA, GSI - NCMA, WSC - NCMA, IWMA Grant	(80,911)	0	(80,911)	(31,781)		(31,781)	49,129
	<b>NET TRANSFERS &amp; ENCUMBRANCES</b>	<b>(\$2,393)</b>	<b>\$0</b>	<b>(\$2,393)</b>	<b>(\$42,524)</b>		<b>\$54,604</b>	<b>\$49,776</b>



# WATER FUND





**OCEANO COMMUNITY SERVICES DISTRICT  
FUND LEVEL ANALYSIS - QUARTER 4 BUDGET REVIEW  
WATER FUND - 02**

ACCOUNT NO.	WATER FUND WATER DEPARTMENT - 02	FINAL BUDGET FY 2021/22	2021/22 APPROVED ADJUSTMENTS	2021/22 CURRENT BUDGET	ACTUAL AT 6/30/2022	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE	
<b>SOURCES OF FUNDS</b>								
	Revenues	\$3,042,406	\$0	\$3,042,406	\$2,984,442	98%	\$2,984,442	(\$57,963)
	Other Sources of Funds	\$0	\$2,725,233	\$2,725,233	\$123,482	5%	\$2,725,233	\$0
	<b>Total Sources of Funds</b>	<b>\$3,042,406</b>	<b>\$2,725,233</b>	<b>\$5,767,639</b>	<b>\$3,107,924</b>	<b>54%</b>	<b>\$5,709,675</b>	<b>(\$57,963)</b>
<b>USES OF FUNDS</b>								
	Salaries & Wages	\$226,000	\$0	\$226,000	\$150,396	67%	\$150,396	\$75,604
	Benefits	\$144,076	\$0	\$144,076	\$125,419	87%	\$125,419	\$18,657
	Personnel Services	\$370,076	\$0	\$370,076	\$275,815	75%	\$275,815	\$94,261
	Services & Supplies	\$1,971,756	\$0	\$1,971,756	\$1,571,488	80%	\$1,571,488	\$400,268
	Capital Outlay	\$75,000	\$2,880,090	\$2,955,090	\$123,482	4%	\$2,880,090	\$75,000
	Debt Service	\$46,656	\$0	\$46,656	\$46,051	99%	\$46,051	\$605
	Administrative Cost	\$530,385	\$0	\$530,385	\$471,183	89%	\$471,183	\$59,202
	<b>Total Expenditures</b>	<b>\$2,993,873</b>	<b>\$2,880,090</b>	<b>\$5,873,963</b>	<b>\$2,488,019</b>	<b>42%</b>	<b>\$5,244,627</b>	<b>\$629,336</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>\$48,532</b>	<b>(\$154,857)</b>	<b>(\$106,325)</b>	<b>\$619,905</b>		<b>\$465,048</b>	<b>\$571,372</b>
<b>TRANSFERS &amp; ENCUMBRANCES</b>								
	Transfers In - From General Fund & Garbage	9,792	0	9,792	0		9,792	0
	(Transfers Out) - To General, Garbage, Equipment	(58,920)	0	(58,920)	(10,400)		(49,400)	9,520
	Encumbrances - Sources of Funding - WRRP	8,873	0	8,873	0		0	(8,873)
	Encumbrances - (Designated Funds) - WRRP, Cannon - USDA, GSI - NCMA, WSC - NCMA	(62,511)	0	(62,511)	(13,382)		(13,382)	49,129
	<b>NET TRANSFERS &amp; ENCUMBRANCES</b>	<b>(\$102,766)</b>	<b>\$0</b>	<b>(\$102,766)</b>	<b>(\$23,782)</b>		<b>(\$52,990)</b>	<b>\$49,776</b>





**OCEANO COMMUNITY SERVICES DISTRICT  
FUND LEVEL ANALYSIS - QUARTER 4 BUDGET REVIEW  
WATER FUND - 02**

ACCOUNT NO.	WATER FUND WATER DEPARTMENT - 02	FINAL BUDGET FY 2021/22	2021/22 APPROVED ADJUSTMENTS	2021/22 CURRENT BUDGET	ACTUAL AT 6/30/2022	100%	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE
<b>SOURCES OF FUNDS</b>								
<b>REVENUES</b>								
02-4-3200-000	Water Sales	2,915,599		2,915,599	2,756,207	95%	2,756,207	(159,392)
02-4-3206-000	Front Footage Fees	16,320		16,320	34,384	211%	34,384	18,064
02-4-3207-000	Sales: U/B Courtesy Notice	4,500		4,500	3,817	85%	3,817	(683)
02-4-3208-000	Delinquent U/B Acct Fees	27,000		27,000	28,352	105%	28,352	1,352
02-4-3209-000	Capacity Charges	26,697		26,697	82,265	308%	82,265	55,569
02-4-3210-00	Meter Fees	5,400		5,400	17,550	325%	17,550	12,150
02-4-3211-000	Lopez Connection Fees	4,000		4,000	14,000	350%	14,000	10,000
02-4-3212-000	New Account Setup Fee	3,240		3,240	4,980	154%	4,980	1,740
02-4-3217-297	Wheeling/Fire Protection	25,000		25,000	21,520	86%	21,520	(3,480)
02-4-3230-000	Sales: Miscellaneous	0		0	301		301	301
02-4-3260-350	Reimbursement - New Development	11,150		11,150	8,025	72%	8,025	(3,125)
02-4-3255-000	Inspection Fees	200		200	400	200%	400	200
02-4-3900-000	Other Income	0		0	919		919	919
02-4-3224-000	Backflow Fees	3,300		3,300	1,880	57%	1,880	(1,420)
02-4-3905-000	Claims & Settlements	0		0	9,843		9,843	9,843
<b>Total Revenues</b>		<b>\$3,042,406</b>	<b>\$0</b>	<b>\$3,042,406</b>	<b>\$2,984,442</b>	<b>98%</b>	<b>\$2,984,442</b>	<b>(\$57,963)</b>
<b>OTHER SOURCES OF FUNDS</b>								
	12/8/2021 Budget Adjustment - CIP - Prop 1: Stormwater Recapture	0	2,450,733	2,450,733	118,260	5%	2,450,733	0
	2/9/2022 Budget Adjustment - CIP - Prop 1: WRRP #1-1 & #1-9	0	274,500	274,500	5,222	2%	274,500	0
<b>Total Other Sources of Funds</b>		<b>\$0</b>	<b>\$2,725,233</b>	<b>\$2,725,233</b>	<b>\$123,482</b>	<b>5%</b>	<b>\$2,725,233</b>	<b>\$0</b>
<b>Total Sources of Funds</b>		<b>\$3,042,406</b>	<b>\$2,725,233</b>	<b>\$5,767,639</b>	<b>\$3,107,924</b>	<b>54%</b>	<b>\$5,709,675</b>	<b>(\$57,963)</b>
<b>USES OF FUNDS</b>								
<b>SALARIES &amp; WAGES</b>								
02-5-4400-010	Salaries and Wages	197,000		197,000	143,351	73%	143,351	53,649
02-5-4400-020	Overtime	29,000		29,000	7,045	24%	7,045	21,955
<b>Total Salaries &amp; Wages</b>		<b>\$226,000</b>	<b>\$0</b>	<b>\$226,000</b>	<b>\$150,396</b>	<b>67%</b>	<b>\$150,396</b>	<b>\$75,604</b>
<b>BENEFITS</b>								
02-5-4400-075	Workers Compensation Insurance	5,900		5,900	5,788	98%	5,788	112
	Operating Crew Benefits Allocation	138,176		138,176	119,631	87%	119,631	18,545
<b>Total Benefits</b>		<b>\$144,076</b>	<b>\$0</b>	<b>\$144,076</b>	<b>\$125,419</b>	<b>87%</b>	<b>\$125,419</b>	<b>\$18,657</b>
<b>Total Personnel Services</b>		<b>\$370,076</b>	<b>\$0</b>	<b>\$370,076</b>	<b>\$275,815</b>	<b>75%</b>	<b>\$275,815</b>	<b>\$94,261</b>



**OCEANO COMMUNITY SERVICES DISTRICT  
FUND LEVEL ANALYSIS - QUARTER 4 BUDGET REVIEW  
WATER FUND - 02**

ACCOUNT NO.	WATER FUND WATER DEPARTMENT - 02	FINAL BUDGET FY 2021/22	2021/22 APPROVED ADJUSTMENTS	2021/22 CURRENT BUDGET	ACTUAL AT 6/30/2022	100%	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE
<b>SERVICES &amp; SUPPLIES</b>								
02-5-4400-110	Communications	3,500		3,500	2,862	82%	2,862	638
02-5-4400-163	Maint: Structures/ Improvments	8,900		8,900	1,420	16%	1,420	7,480
02-5-4400-164	Paving	3,000		3,000	1,175	39%	1,175	1,825
02-5-4400-170	Maintenance - Equipment	3,000		3,000	2,962	99%	2,962	38
02-5-4400-173	Maint: Shared Structures/ Improvements	10,815		10,815	2,616	24%	2,616	8,199
02-5-4400-175	System Parts/ Operating Supplies	17,510		17,510	9,960	57%	9,960	7,550
02-5-4400-176	Water Meters	23,000		23,000	22,981	100%	22,981	19
02-5-4400-177	Safety Expense	570		570	11	2%	11	559
02-5-4400-178	Chemicals	3,800		3,800	3,600	95%	3,600	200
02-5-4400-180	Memberships	3,500		3,500	2,370	68%	2,370	1,130
02-5-4400-200	Office Expense	620		620	397	64%	397	223
02-5-4400-205	Outside UB Mail Service	10,000		10,000	8,286	83%	8,286	1,714
02-5-4400-220	Professional Services	42,745		42,745	13,029	30%	13,029	29,716
02-5-4400-221	Information Technology	575		575	0	0%	0	575
02-5-4400-222	Contracted Engineering	5,665		5,665	2,093	37%	2,093	3,573
02-5-4400-226	Engineering & Other Reimbursements	10,815		10,815	11,621	107%	11,621	(806)
02-5-4400-230	Legal Notices	1,200		1,200	58	5%	58	1,142
02-5-4400-231	Bad Debt Expense	545		545	0	0%	0	545
02-5-4400-241	Rents/ Leases - Equipment	2,115		2,115	0	0%	0	2,115
02-5-4400-248	Permits, Fees, Licenses	6,500		6,500	10,212	157%	10,212	(3,712)
02-5-4400-250	Small Tools and Instruments	2,575		2,575	76	3%	76	2,499
02-5-4400-285	Classes/ Seminars	2,900		2,900	3,553	123%	3,553	(653)
02-5-4400-261	Water Supply - Lopez	507,141		507,141	521,318	103%	521,318	(14,177)
02-5-4400-262	Water Supply - State Water	1,151,000		1,151,000	818,271	71%	818,271	332,729
02-5-4400-290	Utilities	20,000		20,000	38,148	191%	38,148	(18,148)
02-5-4400-297	Pass-Thru: Crest/Christie/AG	26,265		26,265	21,520	82%	21,520	4,745
02-5-4400-320	Fixed Assets - Equipment	0		0	23,789		23,789	(23,789)
02-5-4400-362	Litigation: SMGB	50,000		50,000	0	0%	0	50,000
02-5-4400-380	NCMA Tec	46,000		46,000	39,867	87%	39,867	6,133
02-5-4400-499	Claim & Settlements	7,500		7,500	9,297	124%	9,297	(1,797)
<b>Total Services &amp; Supplies</b>		<b>\$1,971,756</b>	<b>\$0</b>	<b>\$1,971,756</b>	<b>\$1,571,488</b>	<b>80%</b>	<b>\$1,571,488</b>	<b>\$400,268</b>
<b>CAPITAL OUTLAY</b>								
	CIP Projects FY 21-22	75,000		75,000	0	0%	0	75,000
02-5-4400-361	12/8/2021 Budget Adjustment - CIP - Prop 1: Stormwater Recapture	0	2,580,090	2,580,090	118,260	5%	2,580,090	0
	2/9/2022 Budget Adjustment - CIP - Prop 1: WRRP #1-1 & #1-9	0	300,000	300,000	5,222	2%	300,000	0
<b>Total Capital Outlay</b>		<b>\$75,000</b>	<b>\$2,880,090</b>	<b>\$2,955,090</b>	<b>\$123,482</b>	<b>4%</b>	<b>\$2,880,090</b>	<b>\$75,000</b>
<b>DEBT SERVICE</b>								
02-5-4400-310	CaIPERs UAL Funding	46,656		46,656	46,051	99%	46,051	605
<b>Total Debt Service</b>		<b>\$46,656</b>	<b>\$0</b>	<b>\$46,656</b>	<b>\$46,051</b>	<b>99%</b>	<b>\$46,051</b>	<b>\$605</b>
<b>ADMINISTRATIVE COST ALLOCATION</b>								
02-5-4400-376	Administrative Cost Allocation	530,385		530,385	471,183	89%	471,183	59,202
<b>Total Administrative Cost Allocation</b>		<b>\$530,385</b>	<b>\$0</b>	<b>\$530,385</b>	<b>\$471,183</b>	<b>89%</b>	<b>\$471,183</b>	<b>\$59,202</b>
<b>Total Expenditures</b>		<b>\$2,993,873</b>	<b>\$2,880,090</b>	<b>\$5,873,963</b>	<b>\$2,488,019</b>	<b>42%</b>	<b>\$5,244,627</b>	<b>\$629,336</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>\$48,532</b>	<b>(\$154,857)</b>	<b>(\$106,325)</b>	<b>\$619,905</b>		<b>\$465,048</b>	<b>\$571,372</b>
<b>TRANSFERS &amp; ENCUMBRANCES</b>								
	Transfers In- From General & Garbage	9,792		9,792	0		9,792	0
	(Transfers Out) - To General, Garbage, Equipment	(58,920)		(58,920)	(10,400)		(49,400)	9,520
	Encumbrances - Sources of Funding - WRRP	8,873		8,873	0		0	(8,873)
	Encumbrances - (Designated Funds) - WRRP, Cannon - USDA, GSI - NCMA, WSC - NCMA	(62,511)		(62,511)	(13,382)		(13,382)	49,129
<b>NET TRANSFERS &amp; ENCUMBRANCES</b>		<b>(\$102,766)</b>	<b>\$0</b>	<b>(\$102,766)</b>	<b>(\$23,782)</b>		<b>(\$52,990)</b>	<b>\$49,776</b>



# Waste water FUND





OCEANO COMMUNITY SERVICES DISTRICT  
 FUND LEVEL ANALYSIS - QUARTER 4 BUDGET REVIEW  
 WASTEWATER DEPARTMENT - FUND - 03

ACCOUNT NO.	WASTEWATER FUND WASTEWATER DEPARTMENT - 03	FINAL BUDGET FY 2021/22	ACTUAL AT 6/30/2022	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE	
<b>SOURCES OF FUNDS</b>						
	Revenues	\$406,200	\$404,381	100%	\$404,381	(\$1,819)
	Other Sources of Funds	\$0	\$0	0%	\$0	\$0
	<b>Total Sources of Funds</b>	<b>\$406,200</b>	<b>\$404,381</b>	<b>100%</b>	<b>\$404,381</b>	<b>(\$1,819)</b>
<b>USES OF FUNDS</b>						
	Salaries & Wages	\$87,700	\$72,053	82%	\$72,053	\$15,647
	Benefits	\$55,016	\$48,001	87%	\$48,001	\$7,015
	Personnel Services	\$142,716	\$120,054	84%	\$120,054	\$22,662
	Services & Supplies	\$67,210	\$25,736	38%	\$25,736	\$41,474
	Capital Outlay	\$0	\$0	0%	\$0	\$0
	Debt Service	\$23,328	\$23,022	99%	\$23,022	\$306
	Administrative Cost	\$265,193	\$235,592	89%	\$235,592	\$29,601
	<b>Total Expenditures</b>	<b>\$498,447</b>	<b>\$404,404</b>	<b>81%</b>	<b>\$404,404</b>	<b>\$94,043</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>(\$92,247)</b>	<b>(\$22)</b>		<b>(\$22)</b>	<b>\$92,225</b>
<b>TRANSFERS &amp; ENCUMBRANCES</b>						
	Transfers In - From General Fund	118,836	0		118,836	0
	(Transfers Out) - To Equipment Fund	(13,900)	(7,255)		(7,255)	6,645
	Encumbrances - Sources of Funding	0	0		0	0
	Encumbrances - (Designated Funds)	0	0		0	0
	<b>NET TRANSFERS &amp; ENCUMBRANCES</b>	<b>\$104,936</b>	<b>(\$7,255)</b>		<b>\$111,581</b>	<b>\$6,645</b>



**OCEANO COMMUNITY SERVICES DISTRICT  
FUND LEVEL ANALYSIS - QUARTER 4 BUDGET REVIEW  
WASTEWATER DEPARTMENT - FUND 03**

ACCOUNT NO.	WASTEWATER FUND WASTEWATER DEPARTMENT - 03	FINAL BUDGET FY 2021/22	ACTUAL AT 6/30/2022	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE	
<b>SOURCES OF FUNDS</b>						
<b>REVENUES</b>						
03-4-3210-000	Sales - Sewer	400,000	391,520	98%	391,520	(8,480)
03-4-3211-000	Sewer Connections	2,000	6,225	311%	6,225	4,225
03-4-3230-000	Sales: Miscellaneous		624		624	624
03-4-3255-000	Inspection Fees	100	375	375%	375	275
03-4-3256-000	FOG Program	4,100	5,517	135%	5,517	1,417
03-4-3900-000	Other Income	0	120		120	120
<b>Total Revenues</b>		<b>\$406,200</b>	<b>\$404,381</b>	<b>100%</b>	<b>\$404,381</b>	<b>(\$1,819)</b>
<b>OTHER SOURCES OF FUNDS</b>						
<b>Total Other Sources of Funds</b>		<b>\$0</b>	<b>\$0</b>	<b>0%</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Sources of Funds</b>		<b>\$406,200</b>	<b>\$404,381</b>	<b>100%</b>	<b>\$404,381</b>	<b>(\$1,819)</b>
<b>USES OF FUNDS</b>						
<b>SALARIES &amp; WAGES</b>						
03-5-4500-010	Salaries and Wages	75,500	69,673	92%	69,673	5,827
03-5-4500-020	Overtime	12,200	2,380	20%	2,380	9,820
<b>Total Salaries &amp; Wages</b>		<b>\$87,700</b>	<b>\$72,053</b>	<b>82%</b>	<b>\$72,053</b>	<b>\$15,647</b>
<b>BENEFITS</b>						
03-5-4500-075	Workers Compensation Insurance	3,200	3,139	98%	3,139	61
	Operating Crew Benefits Allocation	51,816	44,862	87%	44,862	6,954
<b>Total Benefits</b>		<b>\$55,016</b>	<b>\$48,001</b>	<b>87%</b>	<b>\$48,001</b>	<b>\$7,015</b>
<b>Total Personnel Services</b>		<b>\$142,716</b>	<b>\$120,054</b>	<b>84%</b>	<b>\$120,054</b>	<b>\$22,662</b>



**OCEANO COMMUNITY SERVICES DISTRICT  
FUND LEVEL ANALYSIS - QUARTER 4 BUDGET REVIEW  
WASTEWATER DEPARTMENT - FUND 03**

ACCOUNT NO.	WASTEWATER FUND WASTEWATER DEPARTMENT - 03	FINAL BUDGET FY 2021/22	ACTUAL AT 6/30/2022	100%	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE
<b>SERVICES &amp; SUPPLIES</b>						
03-5-4500-110	Communication	515	333	65%	333	182
03-5-4500-163	Maint: Sewer Structures/ Improvements	10,000	1,971	20%	1,971	8,029
03-5-4500-170	Maintenance: Equipment	3,300	1,479	45%	1,479	1,821
03-5-4500-171	Maintenance: Vehicles	3,500	2,048	59%	2,048	1,452
03-5-4500-172	Gas and Oil	3,500	0	0%	0	3,500
03-5-4500-173	Maint: Structures/ Improvements	5,135	921	18%	921	4,214
03-5-4500-175	System Parts/ Operating Supplies	8,240	3,282	40%	3,282	4,958
03-5-4500-177	Safety Expense	2,850	793	28%	793	2,057
03-5-4500-180	Memberships	1,000	733	73%	733	267
03-5-4500-200	Office Expense	515	132	26%	132	383
03-5-4500-205	Outside UB Mailing Expense	9,000	6,302	70%	6,302	2,698
03-5-4500-220	Professional Services	2,575	0	0%	0	2,575
03-5-4500-222	Contracted Engineering	2,835	0	0%	0	2,835
03-5-4500-241	Rents & Leases/ Equipment	2,575	0	0%	0	2,575
03-5-4500-248	Regulatory Permits & Fees	4,020	4,179	104%	4,179	(159)
03-5-4500-285	Classes/ Seminars/ Training Fees	2,800	2,524	90%	2,524	276
03-5-4500-290	Utilities	2,600	1,040	40%	1,040	1,560
03-5-4500-390	Bad Debt Expense	350	0	0%	0	350
03-5-4500-499	Claims & Settlements	1,900	0	0%	0	1,900
<b>Total Services &amp; Supplies</b>		<b>\$67,210</b>	<b>\$25,736</b>	<b>38%</b>	<b>\$25,736</b>	<b>\$41,474</b>
<b>CAPITAL OUTLAY</b>						
<b>Total Capital Outlay</b>		<b>\$0</b>	<b>\$0</b>	<b>0%</b>	<b>\$0</b>	<b>\$0</b>
<b>DEBT SERVICE</b>						
03-5-4500-310	CalPERS UAL Funding	23,328	23,022	99%	23,022	306
<b>Total Debt Service</b>		<b>\$23,328</b>	<b>\$23,022</b>	<b>99%</b>	<b>\$23,022</b>	<b>\$306</b>
<b>ADMINISTRATIVE COST ALLOCATION</b>						
	Administrative Cost Allocation	265,193	235,592	89%	235,592	29,601
<b>Total Administrative Cost Allocation</b>		<b>\$265,193</b>	<b>\$235,592</b>	<b>89%</b>	<b>\$235,592</b>	<b>\$29,601</b>
<b>Total Expenditures</b>		<b>\$498,447</b>	<b>\$404,404</b>	<b>81%</b>	<b>\$404,404</b>	<b>\$94,043</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>(\$92,247)</b>	<b>(\$22)</b>		<b>(\$22)</b>	<b>\$92,225</b>
<b>TRANSFERS &amp; ENCUMBRANCES</b>						
	Transfers In - From General Fund & Garbage	118,836	0		118,836	0
	(Transfers Out) - Equipment Fund	(13,900)	(7,255)		(7,255)	6,645
	Encumbrances - Sources of Funding	0	0		0	0
	Encumbrances - (Designated Funds)	0	0		0	0
<b>NET TRANSFERS &amp; ENCUMBRANCES</b>		<b>\$104,936</b>	<b>(\$7,255)</b>		<b>\$111,581</b>	<b>\$6,645</b>



# GARBAGE FUND





OCEANO COMMUNITY SERVICES DISTRICT  
 FUND LEVEL ANALYSIS - QUARTER 4 BUDGET REVIEW  
 GARBAGE FUND - 06

ACCOUNT NO.	GARBAGE FUND GARBAGE DEPARTMENT - 06	FINAL BUDGET FY 2021/22	2021/22 APPROVED ADJUSTMENTS	2021/22 CURRENT BUDGET	ACTUAL AT 6/30/2022	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE
<b>SOURCES OF FUNDS</b>							
	Revenues	\$68,675	\$0	\$68,675	\$55,565	81%	(\$13,110)
	Other Sources of Funds	\$0	\$0	\$0	\$0	0%	\$0
	<b>Total Sources of Funds</b>	<b>\$68,675</b>	<b>\$0</b>	<b>\$68,675</b>	<b>\$55,565</b>	<b>81%</b>	<b>(\$13,110)</b>
<b>USES OF FUNDS</b>							
	Salaries & Wages	\$31,000	\$0	\$31,000	\$16,973	55%	\$14,027
	Benefits	\$22,440	\$0	\$22,440	\$19,526	87%	\$2,914
	Personnel Services	\$53,440	\$0	\$53,440	\$36,499	68%	\$16,941
	Services & Supplies	\$24,631	\$55,000	\$79,631	\$52,395	66%	\$27,236
	Capital Outlay	\$0	\$0	\$0	\$0	0%	\$0
	Administrative Cost	\$35,359	\$0	\$35,359	\$31,412	89%	\$3,947
	<b>Total Expenditures</b>	<b>\$113,430</b>	<b>\$55,000</b>	<b>\$168,430</b>	<b>\$120,306</b>	<b>71%</b>	<b>\$48,124</b>
	<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(\$44,755)</b>	<b>(\$55,000)</b>	<b>(\$99,755)</b>	<b>(\$64,742)</b>		<b>\$35,013</b>
<b>TRANSFERS &amp; ENCUMBRANCES</b>							
	Transfers In - From Water Fund	7,500	0	7,500	0		0
	(Transfers Out) - Water, Wastewater, Equipment Fund	(3,663)	0	(3,663)	(3,088)		575
	Encumbrances - Sources of Funding - IWMA Grant	10,000	0	10,000	10,000		0
	Encumbrances - (Designated Funds) - IWMA Grant	(18,400)	0	(18,400)	(18,399)		1
	<b>NET TRANSFERS &amp; ENCUMBRANCES</b>	<b>(\$4,563)</b>	<b>\$0</b>	<b>(\$4,563)</b>	<b>(\$11,487)</b>		<b>\$576</b>





OCEANO COMMUNITY SERVICES DISTRICT  
 FUND LEVEL ANALYSIS - QUARTER 4 BUDGET REVIEW  
 GARBAGE FUND - 06

ACCOUNT NO.	GARBAGE FUND GARBAGE DEPARTMENT - 06	FINAL BUDGET FY 2021/22	2021/22 APPROVED ADJUSTMENTS	2021/22 CURRENT BUDGET	ACTUAL AT 6/30/2022 100%	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE
<b>SOURCES OF FUNDS</b>							
<b>REVENUES</b>							
06-4-3230-000	Garbage: Misc Income	0		0	360	360	360
06-4-3501-000	Franchise Fees	60,000		60,000	46,760	46,760	(13,240)
06-4-3501-741	Landfill Savings Payment	8,675		8,675	8,445	8,445	(230)
<b>Total Revenues</b>		<b>\$68,675</b>	<b>\$0</b>	<b>\$68,675</b>	<b>\$55,565</b>	<b>\$55,565</b>	<b>(\$13,110)</b>
<b>OTHER SOURCES OF FUNDS</b>							
<b>Total Other Sources of Funds</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Sources of Funds</b>		<b>\$68,675</b>	<b>\$0</b>	<b>\$68,675</b>	<b>\$55,565</b>	<b>\$55,565</b>	<b>(\$13,110)</b>
<b>USES OF FUNDS</b>							
<b>SALARIES &amp; WAGES</b>							
06-5-4900-010	Salaries & Wages	31,000		31,000	16,973	16,973	14,027
<b>Total Salaries &amp; Wages</b>		<b>\$31,000</b>	<b>\$0</b>	<b>\$31,000</b>	<b>\$16,973</b>	<b>\$16,973</b>	<b>\$14,027</b>
<b>BENEFITS</b>							
06-5-4900-075	Compensation Insurance	850		850	834	834	16
	Operating Crew Benefits Allocation	21,590		21,590	18,692	18,692	2,898
<b>Total Benefits</b>		<b>\$22,440</b>	<b>\$0</b>	<b>\$22,440</b>	<b>\$19,526</b>	<b>\$19,526</b>	<b>\$2,914</b>
<b>Total Personnel Services</b>		<b>\$53,440</b>	<b>\$0</b>	<b>\$53,440</b>	<b>\$36,499</b>	<b>\$36,499</b>	<b>\$16,941</b>



**OCEANO COMMUNITY SERVICES DISTRICT  
FUND LEVEL ANALYSIS - QUARTER 4 BUDGET REVIEW  
GARBAGE FUND - 06**

ACCOUNT NO.	GARBAGE FUND GARBAGE DEPARTMENT - 06	FINAL BUDGET FY 2021/22	2021/22 APPROVED ADJUSTMENTS	2021/22 CURRENT BUDGET	ACTUAL AT 6/30/2022 100%	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE
<b>SERVICES &amp; SUPPLIES</b>							
06-5-4900-110	Communication	930		930	604 65%	604	326
06-5-4900-171	Maintenance - Vehicles	530		530	0 0%	0	530
06-5-4900-173	Maint - Shared Structures/ Improvements	490		490	105 21%	105	385
06-5-4900-175	Operating Supplies	1,600		1,600	0 0%	0	1,600
06-5-4900-200	Office Expense	1,065		1,065	0 0%	0	1,065
06-5-4900-210	Postage	530		530	179 34%	179	351
	5/8/2022 Budget Adjustment - SCSS's Solid Waste Retroactive Charge	0	55,000	55,000	36,288 66%	36,288	18,712
06-5-4900-220	Professional Services	8,940		8,940	5,239 59%	5,239	3,701
06-5-4900-290	Utilities	546		546	0 0%	0	546
06-5-4900-291	School Outreach Programs	10,000		10,000	9,980 100%	9,980	20
<b>Total Services &amp; Supplies</b>		<b>\$24,631</b>	<b>\$55,000</b>	<b>\$79,631</b>	<b>\$52,395 66%</b>	<b>\$52,395</b>	<b>\$27,236</b>
<b>CAPITAL OUTLAY</b>							
<b>Total Capital Outlay</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0 0%</b>	<b>\$0</b>	<b>\$0</b>
<b>ADMINISTRATIVE COST ALLOCATION</b>							
	Administrative Cost Allocation	35,359		35,359	31,412 89%	31,412	3,947
<b>Total Administrative Cost Allocation</b>		<b>\$35,359</b>	<b>\$0</b>	<b>\$35,359</b>	<b>\$31,412 89%</b>	<b>\$31,412</b>	<b>\$3,947</b>
<b>Total Expenditures</b>		<b>\$113,430</b>	<b>\$55,000</b>	<b>\$168,430</b>	<b>\$120,306 71%</b>	<b>\$120,306</b>	<b>\$48,124</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>(\$44,755)</b>	<b>(\$55,000)</b>	<b>(\$99,755)</b>	<b>(\$64,742)</b>	<b>(\$64,742)</b>	<b>\$35,013</b>
<b>TRANSFERS &amp; ENCUMBRANCES</b>							
	Transfers In - From Water Fund	7,500		7,500	0	7,500	0
	(Transfers Out) - Water, Wastewater, Equipment Fund	(3,663)		(3,663)	(3,088)	(3,088)	575
	Encumbrances - Sources of Funding - IWMA Grant	10,000		10,000	10,000	10,000	0
	Encumbrances - (Designated Funds) - IWMA Grant	(18,400)		(18,400)	(18,399)	(18,399)	1
<b>NET TRANSFERS &amp; ENCUMBRANCES</b>		<b>(\$4,563)</b>	<b>\$0</b>	<b>(\$4,563)</b>	<b>(\$11,487)</b>	<b>(\$3,987)</b>	<b>\$576</b>



# EQUIPMENT FUND





**OCEANO COMMUNITY SERVICES DISTRICT  
FUND LEVEL ANALYSIS - QUARTER 4 BUDGET REVIEW  
EQUIPMENT FUND - 12**

ACCOUNT NO.	EQUIPMENT FUND - 12	FINAL BUDGET FY 2021/22	ACTUAL AT 6/30/2022		ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE
<b>SOURCES OF FUNDS</b>						
	Revenues	\$35,025	\$18,285	52%	\$18,285	(\$16,740)
	Other Sources of Funds	\$0	\$0	0%	\$0	\$0
	<b>Total Sources of Funds</b>	<b>\$35,025</b>	<b>\$18,285</b>	<b>52%</b>	<b>\$18,285</b>	<b>(\$16,740)</b>
<b>USES OF FUNDS</b>						
	Salaries & Wages	\$0	\$0	0%	\$0	\$0
	Benefits	\$0	\$0	0%	\$0	\$0
	Personnel Services	\$0	\$0	0%	\$0	\$0
	Services & Supplies	\$16,000	\$14,260	89%	\$14,260	\$1,740
	Capital Outlay	\$0	\$0	0%	\$0	\$0
	Debt Service	\$15,000	\$0	0%	\$0	\$15,000
	<b>Total Expenditures</b>	<b>\$31,000</b>	<b>\$14,260</b>	<b>46%</b>	<b>\$14,260</b>	<b>\$16,740</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>\$4,025</b>	<b>\$4,025</b>		<b>\$4,025</b>	<b>\$0</b>
<b>TRANSFERS &amp; ENCUMBRANCES</b>						
	Transfers In	0	0		0	0
	(Transfers Out)	0	0		0	0
	Encumbrances - Sources of Funding	0	0		0	0
	Encumbrances - (Designated Funds)	0	0		0	0
<b>NET TRANSFERS &amp; ENCUMBRANCES</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>



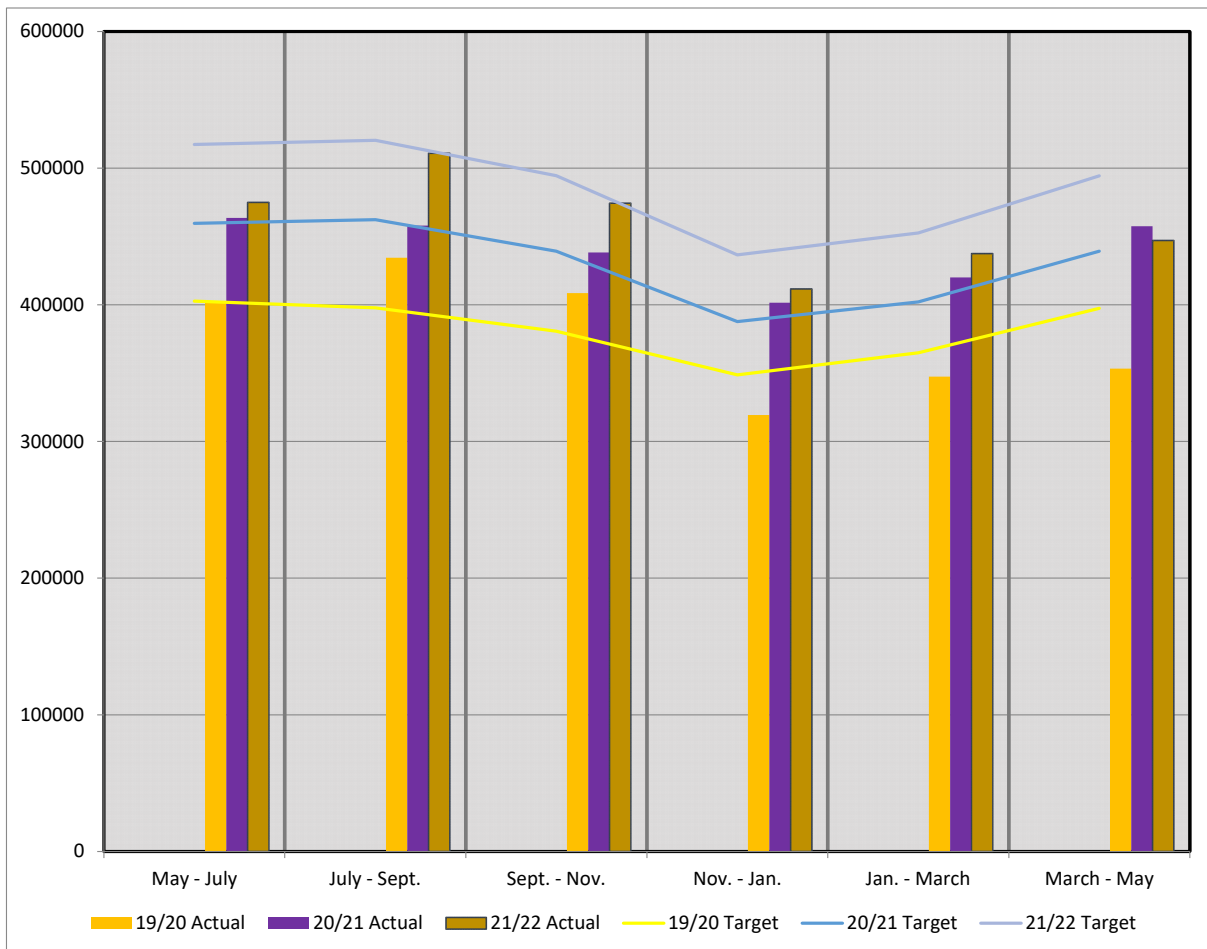
**OCEANO COMMUNITY SERVICES DISTRICT  
FUND LEVEL ANALYSIS - QUARTER 4 BUDGET REVIEW  
EQUIPMENT FUND - 12**

ACCOUNT NO.	EQUIPMENT FUND - 12	FINAL BUDGET FY 2021/22	ACTUAL AT 6/30/2022	100%	ESTIMATED ACTUAL	2021/22 EST. BUDGET VARIANCE
<b>SOURCES OF FUNDS</b>						
<b>REVENUES</b>						
12-4-3800-001	Lease Revenue from Water	19,920	10,400	52%	10,400	(9,520)
12-4-3800-002	Lease Revenue from Sewer	13,900	7,255	52%	7,255	(6,645)
12-4-3800-005	Lease Revenue from Garbage	1,205	630	52%	630	(575)
<b>Total Revenues</b>		<b>\$35,025</b>	<b>\$18,285</b>	<b>52%</b>	<b>\$18,285</b>	<b>(\$16,740)</b>
<b>OTHER SOURCES OF FUNDS</b>						
<b>Total Other Sources of Funds</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>
<b>Total Sources of Funds</b>		<b>\$35,025</b>	<b>\$18,285</b>	<b>52%</b>	<b>\$18,285</b>	<b>(\$16,740)</b>
<b>USES OF FUNDS</b>						
<b>SALARIES &amp; WAGES</b>						
		0	0		0	0
<b>Total Salaries &amp; Wages</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>
<b>BENEFITS</b>						
		0	0		0	0
<b>Total Benefits</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>
<b>Total Personnel Services</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>
<b>SERVICES &amp; SUPPLIES</b>						
12-5-4350-171	Maintenance - Vehicles	6,500	6,674	103%	6,674	(174)
12-5-4350-172	Fuel	9,500	7,586	80%	7,586	1,914
<b>Total Services &amp; Supplies</b>		<b>\$16,000</b>	<b>\$14,260</b>	<b>89%</b>	<b>\$14,260</b>	<b>\$1,740</b>
<b>CAPITAL OUTLAY</b>						
12-5-4350-320	Fixed Assets	0				
<b>Total Capital Outlay</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>
<b>DEBT SERVICE</b>						
12-5-4350-320	Equipment Lease	15,000	0	0%	0	15,000
<b>Total Debt Service</b>		<b>\$15,000</b>	<b>\$0</b>	<b>0%</b>	<b>\$0</b>	<b>\$15,000</b>
<b>Total Expenditures</b>		<b>\$31,000</b>	<b>\$14,260</b>	<b>46%</b>	<b>\$14,260</b>	<b>\$16,740</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>\$4,025</b>	<b>\$4,025</b>		<b>\$4,025</b>	<b>\$0</b>
<b>TRANSFERS &amp; ENCUMBRANCES</b>						
Transfers In		0	0		0	0
(Transfers Out)		0	0		0	0
Encumbrances - Sources of Funding		0	0		0	0
Encumbrances - (Designated Funds)		0	0		0	0
<b>NET TRANSFERS &amp; ENCUMBRANCES</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>

**Oceano Community Services District**  
**Water Revenue Comparisons - Target to Actual**  
**Billing Periods Ending in:**  
**Fiscal Years 2019/20, 2020/21, 2021/22**

	<u>19/20 Target</u>	<u>19/20 Actual</u>	<u>20/21 Target</u>	<u>20/21 Actual</u>	<u>21/22 Target</u>	<u>21/22 Actual</u>
May - July	\$ 402,665	\$ 402,499	\$ 459,524	\$ 463,594	\$ 517,301	\$ 474,941
July - Sept.	\$ 397,740	\$ 434,372	\$ 462,282	\$ 457,925	\$ 520,405	\$ 510,911
Sept. - Nov.	\$ 380,687	\$ 408,556	\$ 439,225	\$ 438,290	\$ 494,449	\$ 474,288
Nov. - Jan.	\$ 348,741	\$ 319,387	\$ 387,755	\$ 401,511	\$ 436,508	\$ 411,596
Jan. - March	\$ 364,822	\$ 347,461	\$ 402,013	\$ 420,025	\$ 452,559	\$ 437,466
March - May	\$ 397,345	\$ 353,371	\$ 439,161	\$ 457,470	\$ 494,378	\$ 447,006
Totals	<u>\$ 2,292,000</u>	<u>\$ 2,265,646</u>	<u>\$ 2,589,960</u>	<u>\$ 2,638,815</u>	<u>\$ 2,915,599</u>	<u>\$ 2,756,207</u>
(Shortfall)/Overfall		<u>\$ (26,354)</u>		<u>\$ 48,855</u>		<u>\$ (159,392)</u>

**\$ (136,891)**





# Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

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**Date:** July 27, 2022

**To:** Board of Directors

**From:** Carey Casciola, Business and Accounting Manager

**Subject:** **Agenda Item # 9A:** Hearing to consider protests to a proposed increase in Solid Waste Rates and, if no majority protest exists, recommendations to approve a resolution adopting solid waste rates effective on August 1, 2022, January 1, 2023, and January 1, 2024 and waiving Franchise Section 8.3 rights to terminate the franchise

## Recommendation

It is recommended that your Board:

1. Receive the proposed rate increase with presentation from South County Sanitary's Jeff Clarin
2. Open Public Hearing
3. Take Public Testimony
4. Close Public Hearing
5. Discussion
6. Adopt the attached resolution adopting integrated solid waste rates effective of August 1, 2022, January 1, 2023, and January 1, 2024, and waiving Franchise Section 8.3 rights to terminate the franchise.

## Discussion

South County Sanitary Service Inc. (SCSS) provides Solid Waste, Recycling and Green Waste collection services for the community of Oceano pursuant to a franchise agreement dated July 14, 2010, and the Second amendment adopted at the June 8, 2022, board meeting (Attached as an addendum to the agenda). Article 8 of the franchise agreement provides for an annual rate review, and that any proposed rate increases are reviewed "in accordance with the procedures described in the 'City of San Luis Obispo Rate Setting Process and Methodology Manual for Integrated Solid Waste Management Rates' dated June 1994."

On June 8, 2022, your Board introduced a proposal by SCSS to increase solid waste and recycling rates, also known as integrated solid waste rates, by 21.03%. Your Board also provided for notices to be mailed by SCSS and set a public hearing for July 27, 2022, pursuant to Article XIID of the California Constitution. A copy of the notice included on the agenda of June 8<sup>th</sup> is provided as Attachment "B." There are 2,514 parcels which are subject to the ordinance. Therefore, 1,258 valid protests are required for a majority protest to exist.



## Oceano Community Services District

Board of Directors Meeting

The rate increase of 21.03%, which is illustrated in the following table, is 2.32% less than the original 23.35% increase proposed in October.

Single Family Residential Rates (Monthly)			
Container Size (Gallons)	32	64	96
Current Rate	\$14.98	\$21.56	\$42.19
Requested Rate	\$18.13	\$26.09	\$51.06
<b>Increase</b>	<b>\$3.15</b>	<b>\$4.53</b>	<b>\$8.87</b>

The following is a summary of the primary components of the requested increase, which are explained in greater detail in the attached report by William C. Statler.

- 8.05% increase for depreciation.
- 7.71% increase for investments in food and green waste recycling.
- 2.41% increase for insurance.
- 1.06% increase for gas and oil.

Franchise Agreement, Article 8.3

Article 8.3 of the franchise agreement provides that the OCSD has the right to terminate the franchise agreement.

If, at any time during the term of this Agreement, Contractor requests and is granted a rate increase by District that, when the new rate is compared to the rate at the Effective Date, exceeds the cumulative cost of living increase from the Effective Date, District shall have the option of terminating this Agreement. The cumulative cost of living increase from the Effective Date shall be calculated in accordance with the "City of San Luis Obispo Rate Setting Process and Methodology Manual for Integrated Solid Waste Management Rates" dated June 1994. Such option shall be available for a period of nine (9) months following the granting of the rate increase.

The attached resolution waives the right. With the international impacts on recycled products and other costs, the attached resolution includes the finding that the rates are reasonable. Waiver of Article 8.3 in the attached resolution does not, however, waive the right for future rate increases that may be proposed by SCSS.

### Other Agency Involvement

The District's legal counsel has reviewed and approved the attached resolution as to legal form and effect.





## **Other Agency Involvement**

Neighboring cities that also have franchise agreements with SCSS have conducted similar reviews and held public hearings in accordance with Proposition 218.

## **Other Financial Considerations**

The District receives franchise fee and other income of approximately \$50,000 per year from SCSS, which funds programs associated with illegal dumping and community clean-up efforts.

## **Results**

Conducting the public hearing is consistent with the franchise agreement with SCSS, Proposition 218, promotes transparency in rate setting efforts, and helps to promote a safe, healthy, and well governed community.

### Attachments:

- Resolution with rate attachment
- Public Notice
- Solid Waste Rate Review prepared by William Statler

### Addendum:

- Franchise Agreement and the Second Amendment to the Franchise Agreement

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
OCEANO COMMUNITY SERVICES DISTRICT ADOPTING INTEGRATED SOLID  
WASTE RATES FOR AUGUST 1, 2022, JANUARY 1, 2023 AND JANUARY 1, 2024

WHEREAS, South County Sanitary Service has submitted a rate increase application in accordance with the District's franchise agreements for solid waste, recycling, green waste and organic waste services; and

WHEREAS, this application has been comprehensively reviewed in accordance with the District's rate-setting policies.

WHEREAS, notices of the proposed rate increase were sent to property owners and tenants in accordance with the requirements of Proposition 218 and a public hearing was held on July 27, 2022 to consider protests against the proposed rate increase; and

WHEREAS, it was determined at the conclusion of the public hearing that a majority protest to the proposed rate increase does not exist.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Oceano Community Services District as follows:

1. The solid waste rates set forth in Exhibit A shall become effective on August 1, 2022.
2. Solid waste rates shall increase as follows on January 1, 2023, and January 1, 2024:
  - a. Increase, if any, in the Consumer Price Index (CPI) for Bureau of Labor Statistics' Consumer Price Index for Urban Consumers based on the All U.S. City Average, Bureau of Labor Statistics for the month of June 2022 for January 1, 2023 and June 2023 for January 1, 2024.
3. That the Board of Directors finds that the rate increase is reasonable, and the District will not pursue the termination option set forth in Section 8.3 of the District's franchise agreement with South County Sanitary Service.

Upon motion of \_\_\_\_\_, seconded by \_\_\_\_\_,  
and on the following roll call vote:

AYES:

NOES:

ABSENT:

the foregoing resolution was adopted this 27<sup>th</sup> day of July 2022.

\_\_\_\_\_  
Chair, Board of Directors

ATTEST:

\_\_\_\_\_  
Board Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
District Counsel

**SOUTH COUNTY SANITARY SERVICE**  
**EFFECTIVE AUGUST 1, 2022**  
**OCEANO CSD**

<b>Service Description</b>	<b>Pickups Per Week</b>	<b>Current Monthly Rate Effective 1/1/2021</b>	<b>Proposed Rate Adjustment</b>	<b>Proposed Monthly Rate Effective 8/1/2022</b>
<b>RESIDENTIAL:</b>				
32 Gallon Waste Wheeler	1	\$14.98	\$3.15	\$18.13
64 Gallon Waste Wheeler	1	\$21.56	\$4.53	\$26.09
96 Gallon Waste Wheeler	1	\$42.19	\$8.87	\$51.06
TWO-64 Gallon Waste Wheelers	1	\$49.80	\$10.47	\$60.27
ONE 64 & ONE 96 Gallon	1	\$64.81	\$13.63	\$78.43
TWO-96 Gallon Waste Wheelers	1	\$79.81	\$16.78	\$96.59
Residential customers must use the waste wheelers provided by the garbage company. This solid service fee for residential trash collections (container with black or gray lid) includes once a week pick-up of one greenwaste/organics container (green lid), and one recycling container (blue lid).				
<b>APARTMENTS, TRIPLEX, DUPLEX</b>				
Rates are the same as commercial rates (below).				
<b>COMMERCIAL DUMPSTERS - ALL AREAS:</b>				
1 yd dumpster	1	\$73.31	\$15.42	\$88.73
1 yd dumpster	2	\$105.45	\$22.18	\$127.63
1 yd dumpster	3	\$139.33	\$29.30	\$168.63
1 yd dumpster	4	\$171.50	\$36.07	\$207.57
1 yd dumpster	5	\$207.22	\$43.58	\$250.80
1 yd dumpster	6	\$241.17	\$50.72	\$291.89
1 yd dumpster	7	\$321.54	\$67.62	\$389.16
1.5 yd dumpster	1	\$87.53	\$18.41	\$105.94
1.5 yd dumpster	2	\$133.91	\$28.16	\$162.07
1.5 yd dumpster	3	\$180.45	\$37.95	\$218.40
1.5 yd dumpster	4	\$251.86	\$52.97	\$304.83
1.5 yd dumpster	5	\$307.22	\$64.61	\$371.83
1.5 yd dumpster	6	\$366.19	\$77.01	\$443.20
1.5 yd dumpster	7	\$484.17	\$101.82	\$585.99
2 yd dumpster	1	\$94.66	\$19.91	\$114.57
2 yd dumpster	2	\$155.36	\$32.67	\$188.03
2 yd dumpster	3	\$221.42	\$46.56	\$267.98
2 yd dumpster	4	\$323.34	\$68.00	\$391.34
2 yd dumpster	5	\$396.62	\$83.41	\$480.03

Service Description	Pickups Per Week	Current Monthly Rate Effective 1/1/2021	Proposed Rate Adjustment	Proposed Monthly Rate Effective 8/1/2022
2 yd dumpster	6	\$473.37	\$99.55	\$572.92
2 yd dumpster	7	\$648.40	\$136.36	\$784.76
3 yd dumpster	1	\$114.24	\$24.02	\$138.26
3 yd dumpster	2	\$210.73	\$44.32	\$255.05
3 yd dumpster	3	\$294.71	\$61.98	\$356.69
3 yd dumpster	4	\$525.08	\$110.42	\$635.50
3 yd dumpster	5	\$623.39	\$131.10	\$754.49
3 yd dumpster	6	\$728.76	\$153.26	\$882.02
3 yd dumpster	7	\$1,003.81	\$211.10	\$1,214.91
4 yd dumpster	1	\$162.54	\$34.18	\$196.72
4 yd dumpster	2	\$244.78	\$51.48	\$296.26
4 yd dumpster	3	\$351.89	\$74.00	\$425.89
4 yd dumpster	4	\$552.00	\$116.09	\$668.09
4 yd dumpster	5	\$684.10	\$143.87	\$827.97
4 yd dumpster	6	\$777.05	\$163.41	\$940.46
4 yd dumpster	7	\$1,207.45	\$253.93	\$1,461.38
6 yd dumpster	1	\$243.82	\$51.28	\$295.10
6 yd dumpster	2	\$367.18	\$77.22	\$444.40
6 yd dumpster	3	\$527.81	\$111.00	\$638.81
6 yd dumpster	4	\$828.01	\$174.13	\$1,002.14
6 yd dumpster	5	\$1,026.15	\$215.80	\$1,241.95
6 yd dumpster	6	\$1,165.59	\$245.12	\$1,410.71
6 yd dumpster	7	\$1,811.18	\$380.89	\$2,192.07

The rates shown above include the monthly container rental fee and a semi-annual dumpster cleaning.

**COMMERCIAL GARBAGE CANS - ALL AREAS:**

1 Can *	1	\$21.13	\$4.44	\$25.57
1 Can *	2	\$37.26	\$7.84	\$45.10
2 Cans *	1	\$35.34	\$7.43	\$42.77
2 Cans *	2	\$54.42	\$11.44	\$65.86
3 Cans *	1	\$42.54	\$8.95	\$51.49
3 Cans *	2	\$66.66	\$14.02	\$80.68
3 Cans *	3	\$88.15	\$18.54	\$106.69
3 Cans *	4	\$111.62	\$23.47	\$135.09
3 Cans *	5	\$135.03	\$28.40	\$163.43
4 Cans *	1	\$51.85	\$10.90	\$62.75

\* Maximum volume and weight per garbage can : 33 gallons / 80 pounds

Service Description	Pickups Per Week	Current Monthly Rate Effective 1/1/2021	Proposed Rate Adjustment	Proposed Monthly Rate Effective 8/1/2022
<b>COMMERCIAL - OTHER CHARGES:</b>				
Rates for all commercial customers include recycling or greenwaste/organics pickup once per week, included with the garbage service rate. Customers can choose from a 64 or 96 gallon blue commingled recycle waste wheeler or a 32 or 64 gallon organics waste wheeler included with the garbage service rate (96 gallon waste wheelers can only be used with green waste due to weight). If you need a bin for recycling there is a charge (see below). <b>If you need more frequent recycling, including organics/greenwaste service, it can be provided at a 50% discount from the garbage service rates for the specified level of service required.</b>				
<b>MISCELLANEOUS CHARGES - ALL CUSTOMERS:</b>				
Overstacked Garbage & extra bags Minimum/unit	each	\$5.24	\$1.10	\$6.34
Overstacked Green waste & extra bags Minimum/unit	each	\$2.63	\$0.55	\$3.18
Overstacked Recycle & extra bags Minimum/unit	each	\$2.63	\$0.55	\$3.18
In yard service (per can or commodity) IN ADDITION TO STANDARD GARBAGE RATES	per month	\$13.07	\$2.75	\$15.82
Extended Vacation Service	per month	\$12.19	\$2.56	\$14.75
Vacant Rate	per month	\$12.19	\$2.56	\$14.75
Waste wheeler cleaning	each time	\$19.50	\$4.10	\$23.60
Trip charge	each time	\$13.07	\$2.75	\$15.82
Non-payment downsize service	each time	\$31.42	\$6.61	\$38.03
Non-payment redeliver waste wheeler	each time	\$31.42	\$6.61	\$38.03
<b>MISCELLANEOUS CHARGES - ALL CUSTOMERS (Con't):</b>				
Non-payment reconnect service	each time	\$31.42	\$6.61	\$38.03
Small item pickup (TV, toilet)	each	\$30.66	\$6.45	\$37.11
Appliance pickup-residential	each	\$43.23	\$9.09	\$52.32
Larger than residential appliance	by quote only			
Garbage extras on your scheduled pickup day	per yard	\$11.03	\$2.32	\$13.35
Garbage extras -NOT ON YOUR SCHEDULED PICKUP DAY	per yard	\$30.44	\$6.40	\$36.84
Commercial Waste Wheeler rent	per month	\$4.05	\$0.85	\$4.90
Re-deliver bin on stopped acct	each time	\$37.47	\$7.88	\$45.35
Compactor	per ton	\$16.68	\$3.51	\$20.19
Sunday Service (in additional to garbage service level)	per month	\$65.42	\$13.76	\$79.18
Recycle bin rental	per month	\$7.28	\$1.53	\$8.81
Stand by time	per hour	\$62.97	\$13.24	\$76.21
Extra bin cleaning	Each time	\$58.46	\$12.29	\$70.75
Damage/Destruction of bins or waste wheelers		replacement/repair at market price		
Lock Charge	per month	\$7.28	\$1.53	\$8.81

Clean Up Voucher	per item	\$10.71	\$2.25	\$12.96
Service Description	Pickups Per Week	Current Monthly Rate Effective 1/1/2021	Proposed Rate Adjustment	Proposed Monthly Rate Effective 8/1/2022
Extra 32, 64, 96 Gal Waste Wheeler - Recycle	per month	\$1.47	\$0.31	\$1.78
Extra 32, or 96 Gal Waste Wheeler - Green Waste	per month	\$3.63	\$0.76	\$4.39
<b>Short Term Dumpsters:</b>				
Delivery & Pickup-Bin		\$37.47	\$7.88	\$45.35
Delivery & Pickup-Waste Wheeler		\$31.42	\$6.61	\$38.03
Rental	Per Day	\$4.05	\$0.85	\$4.90
Empties	Per Yard	\$30.44	\$6.40	\$36.84
<b>Mattress:</b>				
Twin	Each	\$17.02	\$3.58	\$20.60
Double	Each	\$17.02	\$3.58	\$20.60
Queen	Each	\$17.02	\$3.58	\$20.60
King	Each	\$17.02	\$3.58	\$20.60
<b>ADDITIONAL INFORMATION ALL CUSTOMERS:</b>				
<ol style="list-style-type: none"> <li>Customers requesting Temporary Bins or Roll-off Box Service can call the office for current rates</li> <li>Polystyrene (Styrofoam, Plastic #6) is not collected for recycling and should be thrown away as trash. Please bag Styrofoam packing peanuts before placing in trash container.</li> <li>It is encouraged to bag your trash in the garbage container but do not bag your recyclables or green waste in their respective containers and keep it loose.</li> <li>Recycling, Greenwaste/Organic and Garbage containers should be spaced 3 feet apart away from any obstacles (i.e. mailboxes, cars, etc) before 6:00am on collection service day.</li> <li>The fee schedule above only includes the Garbage Company rates and does not include IWMA fees, which are separately noted on the billings.</li> <li>Cleaning fees will be billed on a time and materials basis</li> <li>Late Fees are imposed for residential customers over 30 days delinquent. The fee is 1.5% per month of the outstanding charge, with a minimum fee of \$5.00. No prior notice is required, as this late fee policy is stated at the bottom of every bill.</li> <li>Customers can be responsible for contamination fees</li> </ol>				
<b>Any additional recycling services are charged at 50% of the garbage rate.</b>				

## **Notice of Public Hearing Regarding Proposed Solid Waste Rate Increase**

### **Property Owners and Tenants - Customers:**

This notice is intended to inform you that the Oceano Community Services District (the "OCSD") will hold a public hearing regarding rate increases (the "Proposed Rate Increase") proposed by South County Sanitary Service (the "Garbage Company") for properties and customers receiving solid waste, recycling, and green waste services within the OCSD. The Proposed Rate Increase will be considered by the OCSD at the date, time, and location specified below. Consistent with the requirements of Proposition 218, this notice also provides you with the following information:

- The Date, Time, and Place of the Public Hearing;
- The Reason for the Proposed Rate Increase; and
- The Basis for the Proposed Rate Increase; and
- The Majority Protest Procedures.

#### **NOTICE OF PUBLIC HEARING**

**The Public Hearing for the Proposed Rate Increase within the OCSD limits will be held on:**

**Date:** July 27, 2022 **Time:** 6:00 pm

**Place:** Oceano Community Service District Board Room located at 1655 Front St Oceano, CA

**At the Public Hearing, the Oceano CSD Board will consider all public comment in support of and in opposition to the Proposed Rate Increase and whether or not a Majority Protest exists pursuant to the California Constitution (as described below). If approved, the Proposed Rate Increase would become effective on August 1, 2022.**

### **Reason for the Proposed Rate Increase**

The Proposed Rate Increase is 21.03 percent for solid waste, recycling, and green waste/organics collection services. The increase is necessary for the Garbage Company to continue to provide safe, environmentally sound, and reliable solid waste, recycling, green waste/organics collection, transportation and disposal/processing services to the citizens of the OCSD. Several factors contributed to this rate increase including, but not limited to: increased costs associated with the purchase and operation of collection vehicles, fuel costs, labor costs, and increased costs associated with the organics digester facility.

The organics digester facility is required by California Senate Bill 1383 (SB 1383), and previously approved California Assembly Bill 1826 (AB 1826). SB 1383 is a recent state law passed with the goal of reducing methane. Methane is a potent greenhouse gas, with more than 80 times the warming power of carbon dioxide, and is a major component of decomposing organic waste. In response to the harmful effects of methane gas, Cal Recycle (a branch of the California Environmental Protection Agency) adopted regulations implementing SB 1383 in the fall of 2020. Key components of SB 1383 include implementing organic waste collection programs (including food waste), monitoring organics carts for contamination, and reporting data. AB 1826 requires local jurisdictions to develop a program to divert organic waste from landfills to an authorized composting facility like an anaerobic digester.



## **Basis of the Proposed Rate Increase**

The Proposed Rate Increase of 21.03 percent is based on the following cost increases incurred by the Garbage Company:

1. 5.88 percent of the Proposed Rate Increase is for capital investment costs of new collection vehicles, replacement containers and additional containers to meet the demands of SB 1383 compliance.
2. 6.20 percent of the Proposed Rate Increase is for increased capital equipment investments and escalating operating expenses related to the Anaerobic Digester.
3. 5.63 percent of the Proposed Rate Increase is for market wage adjustments to attract and retain safe, quality employees.
4. 1.88 percent of the Proposed Rate Increase is for increases the commingle processing fee
5. 1.44 percent of the Proposed Rate Increase is for increases in other operational expenses

In addition, commencing on January 1, 2023 and January 1, 2024, rates shall be increased based on the following:

1. Increases, if any, in the Consumer Price Index (CPI) for Bureau of Labor Statistics' Consumer Price Index for Urban Consumers based on the All U.S. City Average, Bureau of Labor Statistics for the month of June 2022 for January 1, 2023 and June 2023 for January 1, 2024.

At the March 9, 2022 San Luis Obispo County Integrated Waste Management Authority (IWMA) Board Meeting, a 5.4% solid waste management fee was adopted to account for operational and capital cost increases due largely to the implementation of SB 1383. The adopted fee will be effective on July 1, 2022. OCSD has authorized the Garbage Company to bill this fee on-behalf of the IWMA beginning August 1, 2022.

The IWMA is a Joint Powers Authority formed to plan and implement regional solid waste and hazardous waste programs mandated by State law. The Joint Powers Agreement between the OCSD and the IWMA can be made available by the OCSD upon request or on the IWMA website at [www.iwma.com](http://www.iwma.com).

A copy of the 2022 Base Year Rate Adjustment Application, which provides additional information on the proposed rate increases, is available at the OCSD office located at Oceano CSD Boardroom located at 1655 Front St Oceano, CA.

## **How Do I Protest the Proposed Rate Increase?**

Pursuant to Section 6 of Article XIII D of the California Constitution, the following persons may submit a written protest against the Proposed Rate Increase to the Secretary to the Board before the close of the Public Hearing referenced above.

- An owner(s) of property (parcel(s)) receiving solid waste, recycling, and green waste services within the District limits. If the person(s) signing the protest, as an owner, is not shown on the last equalized assessment roll as the owner of the parcel(s) then the protest must contain or be accompanied by written evidence that such person signing the protest is the owner of the parcel(s) receiving services;
- or
- A tenant(s) whose name appears on the Garbage Company's records as the customer of record for the corresponding parcel receiving solid waste, recycling, and green waste services within the OCSD limits (tenant-customer).

A valid written protest must contain a statement that you protest the Proposed Rate Increase, the address or Assessor's Parcel Number (APN) of the parcel or parcels which receive solid waste, recycling, and green waste services, and a signature by either the owner or the tenant-customer of the parcel or parcels. One written protest per parcel shall be counted in calculating a majority protest to the Proposed Rate Increase subject to the requirements of Section 6 of Article XIII D of the California Constitution. Written protests will not be accepted by e-mail or by facsimile. Verbal protests will not be counted in determining the existence of a majority protest. To be counted, a protest must be received in writing by the Secretary to the Board before the close of the Public Hearing referenced above.

Written protests regarding the solid waste rate increase may be mailed to:

**Oceano Community Service District  
Attn: Secretary to the Board  
PO Box 599  
Oceano, CA 93475**

If valid written protests are presented by a majority of owners and/or tenants-customers of parcels receiving solid waste, recycling, and green waste services within the OCSD limits, then OCSD will not adjust/increase the rates for the services.

**SOUTH COUNTY SANITARY SERVICE**  
**EFFECTIVE AUGUST 1, 2022**  
**OCEANO CSD**

Service Description	Pickups Per Week	Current Monthly Rate Effective 1/1/2021	Proposed Rate Adjustment	Proposed Monthly Rate Effective 8/1/2022
<b>RESIDENTIAL:</b>				
32 Gallon Waste Wheeler	1	\$14.98	\$3.15	\$18.13
64 Gallon Waste Wheeler	1	\$21.56	\$4.53	\$26.09
96 Gallon Waste Wheeler	1	\$42.19	\$8.87	\$51.06
TWO-64 Gallon Waste Wheelers	1	\$49.80	\$10.47	\$60.27
ONE 64 & ONE 96 Gallon	1	\$64.81	\$13.63	\$78.43
TWO-96 Gallon Waste Wheelers	1	\$79.81	\$16.78	\$96.59
Residential customers must use the waste wheelers provided by the garbage company. This solid service fee for residential trash collections (container with black or gray lid) includes once a week pick-up of one greenwaste/organics container (green lid), and one recycling container (blue lid).				
<b>APARTMENTS, TRIPLEX, DUPLEX</b>				
Rates are the same as commercial rates (below).				
<b>COMMERCIAL DUMPSTERS - ALL AREAS:</b>				
1 yd dumpster	1	\$73.31	\$15.42	\$88.73
1 yd dumpster	2	\$105.45	\$22.18	\$127.63
1 yd dumpster	3	\$139.33	\$29.30	\$168.63
1 yd dumpster	4	\$171.50	\$36.07	\$207.57
1 yd dumpster	5	\$207.22	\$43.58	\$250.80
1 yd dumpster	6	\$241.17	\$50.72	\$291.89
1 yd dumpster	7	\$321.54	\$67.62	\$389.16
1.5 yd dumpster	1	\$87.53	\$18.41	\$105.94
1.5 yd dumpster	2	\$133.91	\$28.16	\$162.07
1.5 yd dumpster	3	\$180.45	\$37.95	\$218.40
1.5 yd dumpster	4	\$251.86	\$52.97	\$304.83
1.5 yd dumpster	5	\$307.22	\$64.61	\$371.83
1.5 yd dumpster	6	\$366.19	\$77.01	\$443.20
1.5 yd dumpster	7	\$484.17	\$101.82	\$585.99
2 yd dumpster	1	\$94.66	\$19.91	\$114.57
2 yd dumpster	2	\$155.36	\$32.67	\$188.03
2 yd dumpster	3	\$221.42	\$46.56	\$267.98
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2 yd dumpster	5	\$396.62	\$83.41	\$480.03

Service Description	Pickups Per Week	Current Monthly Rate Effective 1/1/2021	Proposed Rate Adjustment	Proposed Monthly Rate Effective 8/1/2022
2 yd dumpster	6	\$473.37	\$99.55	\$572.92
2 yd dumpster	7	\$648.40	\$136.36	\$784.76
3 yd dumpster	1	\$114.24	\$24.02	\$138.26
3 yd dumpster	2	\$210.73	\$44.32	\$255.05
3 yd dumpster	3	\$294.71	\$61.98	\$356.69
3 yd dumpster	4	\$525.08	\$110.42	\$635.50
3 yd dumpster	5	\$623.39	\$131.10	\$754.49
3 yd dumpster	6	\$728.76	\$153.26	\$882.02
3 yd dumpster	7	\$1,003.81	\$211.10	\$1,214.91
4 yd dumpster	1	\$162.54	\$34.18	\$196.72
4 yd dumpster	2	\$244.78	\$51.48	\$296.26
4 yd dumpster	3	\$351.89	\$74.00	\$425.89
4 yd dumpster	4	\$552.00	\$116.09	\$668.09
4 yd dumpster	5	\$684.10	\$143.87	\$827.97
4 yd dumpster	6	\$777.05	\$163.41	\$940.46
4 yd dumpster	7	\$1,207.45	\$253.93	\$1,461.38
6 yd dumpster	1	\$243.82	\$51.28	\$295.10
6 yd dumpster	2	\$367.18	\$77.22	\$444.40
6 yd dumpster	3	\$527.81	\$111.00	\$638.81
6 yd dumpster	4	\$828.01	\$174.13	\$1,002.14
6 yd dumpster	5	\$1,026.15	\$215.80	\$1,241.95
6 yd dumpster	6	\$1,165.59	\$245.12	\$1,410.71
6 yd dumpster	7	\$1,811.18	\$380.89	\$2,192.07

The rates shown above include the monthly container rental fee and a semi-annual dumpster cleaning.

**COMMERCIAL GARBAGE CANS - ALL AREAS:**

1 Can *	1	\$21.13	\$4.44	\$25.57
1 Can *	2	\$37.26	\$7.84	\$45.10
2 Cans *	1	\$35.34	\$7.43	\$42.77
2 Cans *	2	\$54.42	\$11.44	\$65.86
3 Cans *	1	\$42.54	\$8.95	\$51.49
3 Cans *	2	\$66.66	\$14.02	\$80.68
3 Cans *	3	\$88.15	\$18.54	\$106.69
3 Cans *	4	\$111.62	\$23.47	\$135.09
3 Cans *	5	\$135.03	\$28.40	\$163.43
4 Cans *	1	\$51.85	\$10.90	\$62.75

\* Maximum volume and weight per garbage can : 33 gallons / 80 pounds

Service Description	Pickups Per Week	Current Monthly Rate Effective 1/1/2021	Proposed Rate Adjustment	Proposed Monthly Rate Effective 8/1/2022
<b>COMMERCIAL - OTHER CHARGES:</b>				
Rates for all commercial customers include recycling or greenwaste/organics pickup once per week, included with the garbage service rate. Customers can choose from a 64 or 96 gallon blue commingled recycle waste wheeler or a 32 or 64 gallon organics waste wheeler included with the garbage service rate (96 gallon waste wheelers can only be used with green waste due to weight). If you need a bin for recycling there is a charge (see below). <b>If you need more frequent recycling, including organics/greenwaste service, it can be provided at a 50% discount from the garbage service rates for the specified level of service required.</b>				
<b>MISCELLANEOUS CHARGES - ALL CUSTOMERS:</b>				
Overstacked Garbage & extra bags Minimum/unit	each	\$5.24	\$1.10	\$6.34
Overstacked Green waste & extra bags Minimum/unit	each	\$2.63	\$0.55	\$3.18
Overstacked Recycle & extra bags Minimum/unit	each	\$2.63	\$0.55	\$3.18
In yard service (per can or commodity) IN ADDITION TO STANDARD GARBAGE RATES	per month	\$13.07	\$2.75	\$15.82
Extended Vacation Service	per month	\$12.19	\$2.56	\$14.75
Vacant Rate	per month	\$12.19	\$2.56	\$14.75
Waste wheeler cleaning	each time	\$19.50	\$4.10	\$23.60
Trip charge	each time	\$13.07	\$2.75	\$15.82
Non-payment downsize service	each time	\$31.42	\$6.61	\$38.03
Non-payment redeliver waste wheeler	each time	\$31.42	\$6.61	\$38.03
<b>MISCELLANEOUS CHARGES - ALL CUSTOMERS (Con't):</b>				
Non-payment reconnect service	each time	\$31.42	\$6.61	\$38.03
Small item pickup (TV, toilet)	each	\$30.66	\$6.45	\$37.11
Appliance pickup-residential	each	\$43.23	\$9.09	\$52.32
Larger than residential appliance	by quote only			
Garbage extras on your scheduled pickup day	per yard	\$11.03	\$2.32	\$13.35
Garbage extras -NOT ON YOUR SCHEDULED PICKUP DAY	per yard	\$30.44	\$6.40	\$36.84
Commercial Waste Wheeler rent	per month	\$4.05	\$0.85	\$4.90
Re-deliver bin on stopped acct	each time	\$37.47	\$7.88	\$45.35
Compactor	per ton	\$16.68	\$3.51	\$20.19
Sunday Service (in additional to garbage service level)	per month	\$65.42	\$13.76	\$79.18
Recycle bin rental	per month	\$7.28	\$1.53	\$8.81
Stand by time	per hour	\$62.97	\$13.24	\$76.21
Extra bin cleaning	Each time	\$58.46	\$12.29	\$70.75
Damage/Destruction of bins or waste wheelers		replacement/repair at market price		
Lock Charge	per month	\$7.28	\$1.53	\$8.81

Clean Up Voucher	per item	\$10.71	\$2.25	\$12.96
Service Description	Pickups Per Week	Current Monthly Rate Effective 1/1/2021	Proposed Rate Adjustment	Proposed Monthly Rate Effective 8/1/2022
Extra 32, 64, 96 Gal Waste Wheeler - Recycle	per month	\$1.47	\$0.31	\$1.78
Extra 32, or 96 Gal Waste Wheeler - Green Waste	per month	\$3.63	\$0.76	\$4.39
<b>Short Term Dumpsters:</b>				
Delivery & Pickup-Bin		\$37.47	\$7.88	\$45.35
Delivery & Pickup-Waste Wheeler		\$31.42	\$6.61	\$38.03
Rental	Per Day	\$4.05	\$0.85	\$4.90
Empties	Per Yard	\$30.44	\$6.40	\$36.84
<b>Mattress:</b>				
Twin	Each	\$17.02	\$3.58	\$20.60
Double	Each	\$17.02	\$3.58	\$20.60
Queen	Each	\$17.02	\$3.58	\$20.60
King	Each	\$17.02	\$3.58	\$20.60
<b>ADDITIONAL INFORMATION ALL CUSTOMERS:</b>				
<ol style="list-style-type: none"> <li>Customers requesting Temporary Bins or Roll-off Box Service can call the office for current rates</li> <li>Polystyrene (Styrofoam, Plastic #6) is not collected for recycling and should be thrown away as trash. Please bag Styrofoam packing peanuts before placing in trash container.</li> <li>It is encouraged to bag your trash in the garbage container but do not bag your recyclables or green waste in their respective containers and keep it loose.</li> <li>Recycling, Greenwaste/Organic and Garbage containers should be spaced 3 feet apart away from any obstacles (i.e. mailboxes, cars, etc) before 6:00am on collection service day.</li> <li>The fee schedule above only includes the Garbage Company rates and does not include IWMA fees, which are separately noted on the billings.</li> <li>Cleaning fees will be billed on a time and materials basis</li> <li>Late Fees are imposed for residential customers over 30 days delinquent. The fee is 1.5% per month of the outstanding charge, with a minimum fee of \$5.00. No prior notice is required, as this late fee policy is stated at the bottom of every bill.</li> <li>Customers can be responsible for contamination fees</li> </ol>				
<b>Any additional recycling services are charged at 50% of the garbage rate.</b>				

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*South County Sanitary Service*  
**SOLID WASTE RATE REVIEW**

*For the Communities of*

Arroyo Grande  
Grover Beach  
Oceano  
Pismo Beach

March 2022



**William C. Statler**

Fiscal Policy ■ Financial Planning ■ Analysis ■ Training ■ Organizational Review

South County Sanitary Service  
**Solid Waste Rate Review**  
 March 2022

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**APPENDIX**

- A. Base Year Rate Request Application from South County Sanitary Service
- B. HZI Greenwaste Digester Cost Analysis



## William C. Statler

Fiscal Policy ■ Financial Planning ■ Analysis ■ Training ■ Organizational Review

### South County Sanitary Service **SOLID WASTE RATE REVIEW** *For the Communities of Arroyo Grande, Grover Beach, Oceano and Pismo Beach*

#### REPORT PURPOSE

On October 20, 2021, South County Sanitary Service (SCSS) submitted a *Base Year* rate increase application to be effective January 1, 2022 to the Cities of Arroyo Grande, Grover Beach and Pismo Beach and the Oceano Community Services District (CSD). However, due to complexity, concerns with pending rate increases by the Integrated Waste Management Authority (IWMA) and significant subsequent reviews and information exchanges, a revised application was submitted on February 18, 2022.

The final application is the focus of this report in reviewing the SCSS rate increase request in accordance with adopted Franchise Agreement provisions regarding rate increase applications and to make rate recommendations to these four agencies as appropriate.

#### SUMMARY OF FINDINGS AND RECOMMENDATIONS

In its final application, SCSS is requesting a rate increase of 22.19% in the cities of Cities of Arroyo Grande, Grover Beach and Pismo Beach; and 21.03% for the Oceano CSD (the difference is due to a 5% franchise fee rate in the Oceano CSD versus 10% in the other agencies). This compares with an initial rate request of 24.65% for three agencies (and 23.35% in the Oceano CSD). As discussed in greater detail below, all of the concerns that surfaced in the iterations and further analysis that followed in addressing issues with proposed costs for 2022 have been resolved.

There are two key differences between the initial and revised application:

#### Joint Agency Review

SCSS provides similar services to each of these agencies under formally approved franchise agreements that regulate rates and establish procedures for considering rate increases.

Because the financial information for SCSS is closely related for these four agencies, this report jointly reviews rate requests and provides recommendations for each of them.

## Solid Waste Rate Review

- Greenwaste processing costs have been reclassified as “pass-through” costs: while costs may be recovered, no profit is allowed on them.
- IWMA fees have been excluded from the fee analysis. These are approved by a separate agency and will be charged separately on customer bills.

Key cost drivers in this review include the following, which account for almost 90% of the cost increases since 2020 (last audited financial statements):

2022 Cost Increase from 2020			
	Amount	% of Total	Rate Impact*
Depreciation	998,708	36%	8.05%
Greenwaste	956,783	35%	7.71%
Insurance	298,612	11%	2.41%
Gas and Oil	131,422	5%	1.06%
Total Key Drivers	2,385,525	87%	19.23%
Other Costs	367,275	13%	2.96%
Total	\$2,752,800	100%	22.19%

### Findings

- **Complete Application.** With its revised application, SCSS has fully provided the supporting documentation required for rate requests under the Franchise Agreements in Arroyo Grande, Oceano, Pismo Beach and Grover Beach. The revised application (Appendix A) has been correctly prepared.
- **High Level of Service at a Reasonable Cost.** SCSS provides a broad level of high-quality services to these four agencies—including garbage, recycling and green waste collection and disposal as well as hauler-provided “waste wheeler” containers for all three services—at very competitive rates compared with many other communities. In fact, even with the recommended rate increase, rates in these four agencies will be among the lowest of those surveyed. In short, South County communities have the best of both worlds: high quality services at a low cost (compared with other communities).
- **“Trigger Option.”** As discussed in greater detail below, the rate increase exceeds the cost of living threshold that “triggers” the option of terminating the Franchise Agreements within nine months after rate approval.
- **Need for Updated Rate-Setting Methodology.** The rate-setting process is based on the City of San Luis Obispo’s *Rate Setting Process and Methodology Manual for Integrated Solid Waste Management Rates* (Rate Manual) adopted in 1994. In short, with very minor modifications, this approach has been in place for almost 30 years. Because of several complex issues that surfaced in the 2019 rate review that had not been encountered in the past in using this rate-setting methodology (most notably corporate overhead, greenwaste and materials recovery facility (MRF) costs as well as rate structure concerns), I recommended updating the Rate Manual before the next *Base Year* review. This has not occurred, and accordingly, this review is based on the current methodology.

However, the need for an update is even greater now: along with the 2019 concerns, new issues have surfaced in this review. As discussed in greater detail below, these include depreciation amortization period, interim rate reviews, cost allocation methodologies, accounting for disposal costs, timeframe for submitting and reviewing applications and trigger option.

- **Delayed Rate Implementation.** In the past, there has been no consideration of delayed rate implementation. However, the Rate Manual does provide for this if there is a delay of more than 120 days after application if it is “no fault of the franchise hauler.” Given the initial October 20, 2021 submittal date, this would indicate rate approval by March 1. However, there are three factors that mitigate this 120-day period:
  1. When the 120-day period was set, the understanding at the time was that Proposition 218 45-day notice and protest requirements did not apply to approval of private company solid waste rates. However, since then many agencies have determined that these provisions are applicable to approval of rates by companies like SCSS. This alone conceptually adds 45 days to the review process.
  2. Review was delayed pending consideration of rate increases by the IWMA and their possible impact on SCSS rates. These new rates were not adopted by the IWMA until March 9, 2022. Moreover, it was subsequently determined that since these rates are set by the IWMA – and not the franchising agencies – that they did not affect agency rate-setting. (As noted above, this resulted in a revised application from SCSS on February 18, 2022).
  3. While SCSS has been very responsive in following-up on requests for supporting data, the scope and complexity of the 2022 application has been significantly greater, and subsequently taken longer, than envisioned in the Rate Manual.

**About Proposition 218 Notices**

Not all agencies prepare and issue “Proposition 218” notices for private sector solid waste rate increases. However, for those that do, the notice sets the maximum amount that rates can be increased at the public hearing: rates can be approved at lesser amounts without re-noticing. However, agencies cannot adopt higher rates – even if they only apply to a few customers – without another 45-day re-noticing. As such, it is recommended that the notices reflect the rates requested by SCSS.

In accounting for these factors, I recommend that delayed rate implementation apply for any rates with a May 1, 2022 effective date. In short, while these delays were “no fault” of SCSS, they were not the fault of the agencies, either. That said, SCSS believes the delayed rate implementation start period should be March 1, 2022.

Where delayed rate implementation is applicable, the following temporary rate increases would be required depending on whether the delayed rate implementation start period is March 1 or May 1. (Note: The added rate increase goes up for each month of delay to be recovered while the amortization period is shortened.) Under either start date, rates would be reset in January 2023 to the “core rate” for the Interim Year adjustment.

***Temporary Delayed Implementation Rate Increase\****

Effective Date	Start Period			
	Oceano CSD		Other Agencies	
	March 1	May 1	March 1	May 1
May 1	5.26%	0.00%	5.55%	0.00%
June 1	9.01%	2.63%	9.51%	3.17%
July 1	14.02%	7.01%	14.80%	7.40%
August 1	21.03%	12.62%	22.19%	13.32%
September 1	31.55%	21.03%	33.29%	22.19%

\* Ends December 31, 2022

It should be noted that while the report recommends a May 1 start date for delayed rate implementation, a reasonable case could be made for an even later start date (such as June 1 or July 1) based on the mitigation factors discussed above.

Lastly, several of these review timeframe factors are not unique to the 2022 review. Accordingly, the application submittal and review schedule should be considered in the Rate Manual update.

**Rate Recommendations**

It is recommended that cities of Arroyo Grande, Grover Beach and Pismo Beach adopt rate increases of 22.19%; and 21.03% in the Oceano CSD.

As discussed below, this rate increase significantly exceeds the cost of living threshold that triggers the option of terminating the Franchise Agreements within nine months after rate approval. However, it is important to note that this “trigger” calculation does not limit the allowable rate increase that SCSS may request (or limit the amount that agencies may approve) under the methodology set forth in the Franchise Agreements.

***Cost of Living “Trigger” Option.*** Along with establishing the rate review methodology, Section 8.3 of the Franchise Agreements provides that if the rate increase request compared with the rate in effect at the date of the agreement exceeds the cumulative cost of living increase from that same date, each agency has the *option* of terminating the agreement at any time within nine months following approval of the requested rate increase (assuming it was submitted in accordance with the rate-setting methodology).

This provision was subsequently amended in 2016 allowing for an added increase based on landfill rate increases (“weighted” for their proportion of total costs). It is important to note that other than a waiver for greenwaste cost increases in 2011, no other adjustments (including other pass-through costs) are allowed under the Franchise Agreements. As detailed later in this report, the calculated threshold limit is significantly less than the proposed rate increase.

**Rate Summary for Single Family Residential Customers**

Table 1 summarizes the proposed monthly rates for single family residential (SFR) customers. As reflected in this summary, given the significant cost drivers facing SCSS, the increases will be modest under the proposed rate increase. For example, for collection of a 32-gallon garbage container (the most common SFR service level) as well as separate waste wheelers for recycling and green waste, the proposed monthly rate will increase by about \$3.80 on average for the four agencies.

**BACKGROUND**

On October 20, 2021, SCSS submitted a *Base Year* rate increase to be effective January 1, 2022. As noted above, due to several complex issues, a revised application was submitted on February 18, 2022. This application was prepared in accordance with the rate review process and methodology formally set forth in its Franchise Agreements with Arroyo Grande, Grover Beach, Oceano and Pismo Beach.

In establishing a rate-setting process and methodology, each of these Franchise Agreements specifically reference the City of San Luis Obispo’s *Rate Setting Process and Methodology Manual for Integrated Solid Waste Management Rates*. This comprehensive approach to rate reviews was adopted by San Luis Obispo in 1994 and establishes detailed procedures for requesting rate increases and the required supporting documentation to do so. It also sets cost accounting standards and allowable operating profit ratios.

As noted above, the financial information for Arroyo Grande, Grover Beach, Oceano and Pismo Beach is closely related. For this reason, these four agencies jointly contracted with William C. Statler (who has extensive experience in evaluating rate requests in accordance with the adopted methodology) on October 6, 2022 to evaluate SCSS’s rate increase application.

This is the seventh *Base Year* analysis performed under this rate-setting methodology. The first was prepared in September 2001; second in August 2004; the third in August 2007; the fourth in December 2012; September 2015; and the last one in April 2019. As discussed below, several *Interim Year* rate reviews have prepared since then.

**Table 1. Single Family Residential Rates**

	Container Size (Gallons)		
	32	64	96
<b>Current</b>			
Arroyo Grande	\$19.46	\$25.29	\$31.13
Grover Beach	17.65	23.85	30.03
Oceano	14.98	21.56	42.19
Pismo Beach	17.31	34.63	51.94
<b>Proposed</b>			
Arroyo Grande	23.78	30.90	38.04
Grover Beach	21.57	29.14	36.69
Oceano	18.13	26.09	51.06
Pismo Beach	21.15	42.32	63.47
<b>Increase: Proposed Rates</b>			
Arroyo Grande	4.32	5.61	6.91
Grover Beach	3.92	5.29	6.66
Oceano	3.15	4.53	8.87
Pismo Beach	3.84	7.69	11.53

**Franchise Agreement Summary**

Historically, each agency has had its own approach to determining service levels and adopted differing Franchise Agreements accordingly. While these became similar beginning in 1999, in 2008 the Cities of Arroyo Grande, Grover Beach and Pismo Beach adopted renewed franchise agreements, followed by the Oceano Community Service District in Summer 2010, which are the same in all key provisions:

*Table 2. Franchise Agreement Effective Dates*

Agency	Agreement	Amendments
Arroyo Grande	June 10, 2008	March 22, 2016 July 26, 2016
Grover Beach	July 7, 2008	June 20, 2016
Oceano	July 14, 2010	July 29, 2016
Pismo Beach	June 3, 2008	August 3, 2016

- Each agency contracts with SCSS for garbage, green/food waste and recycling; and SCSS provides the container (waste wheelers) for each service.
- As noted above, each agency has adopted the same rate-setting methodology, including the *option* of terminating the agreement within nine months following approval of the requested rate increase if it exceeds the cost of living threshold.
- Arroyo Grande, Grover Beach and Pismo Beach have adopted franchise fees of 10%; the Oceano CSD reduced its rate to 5% in February 2020.

Each of these agreements were similarly amended in 2016 to:

- Extend the term of the agreement for 20 years in recognizing the amortization of extensive investments in food and green waste processing.
- Revise the cost of living threshold “trigger” to include prorated landfill cost increases.

**RATE REVIEW WORKSCOPE**

This report addresses four basic questions:

- Should SCSS be granted a rate increase? And if so, how much?
- How much does it cost to provide required service levels?
- Are these costs reasonable?
- And if so, what is a reasonable level of return on these costs?

The following documents were closely reviewed in answering these questions:

- Franchise Agreements and any Amendments for each agency
- Independently audited financial statements for SCSS for 2019 and 2020.
- City of San Luis Obispo’s *Rate Setting Process and Methodology Manual for Integrated Solid Waste Management Rates (Rate Manual)*
- SCSS rate increase application and supporting documentation
- Follow-up interviews, correspondence and briefings with agency and SCSS staff
- Rate surveys of Central Coast communities

**REVENUE AND RATE SETTING OBJECTIVES**

In considering SCSS’s rate increase request, it is important to note the revenue and rate setting objectives for solid waste services as set forth in the Franchise Agreements via the Rate Manual.

**Revenues.** These should be set at levels that:

- Are fair to customers and the hauler.
- Are justifiable and supportable.
- Ensure revenue adequacy.
- Provide for ongoing review and rate stability.
- Are clear and straightforward for the agency and hauler to administer.

**Rate Structure.** Almost any rate structure can meet the revenue principles outlined above and generate the same amount of total revenue. Moreover, almost all rate structures will result in similar costs for the *average* customer: what different rate structures tell us is how costs will be distributed among *non-average* customers. The following summarizes adopted *rate structure* principles for solid waste services:

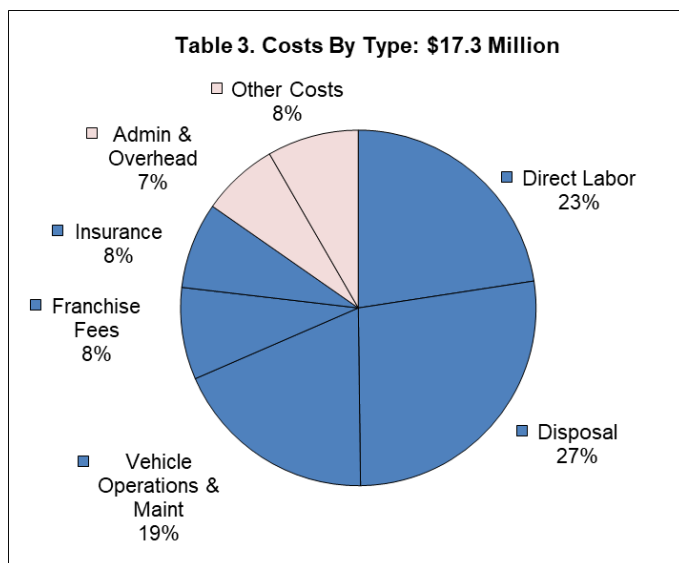
- Promote source reduction, maximum diversion and recycling.
- Provide equity and fairness within classes of customers (similar customers should be treated similarly).
- Be environmentally sound.
- Be easy for customers to understand.

**FINANCIAL OVERVIEW**

While detailed financial and service information is provided in the SCSS rate request application (Appendix A), the following summarizes costs, revenues and account information based its proposal for 2022 for all areas serviced by SCSS.

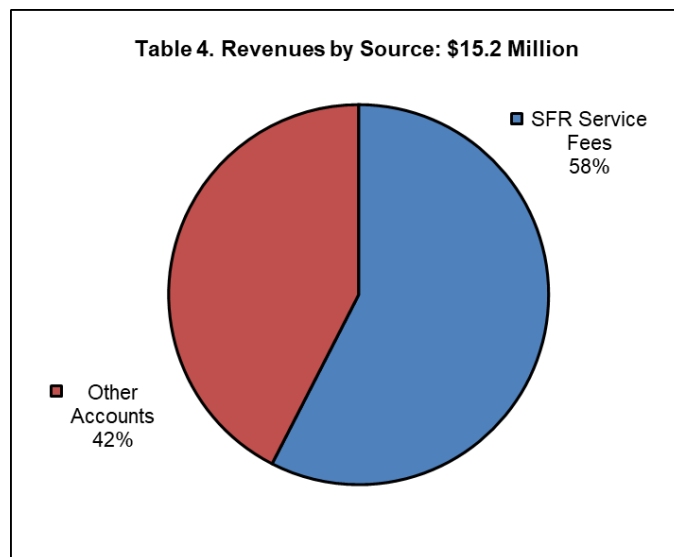
**Costs by Type.** Total proposed costs for 2022 (after deducting for non-allowable and limited costs as discussed later in this report) are 17.3 million. As reflected in Table 3, five cost areas accounted for 85% of total costs:

- Direct labor for collection: 23%
- Disposal: landfill, recycling and greenwaste: 27%
- Vehicle operations and maintenance (including depreciation): 19%
- Franchise fees: 8%
- Insurance: 8%



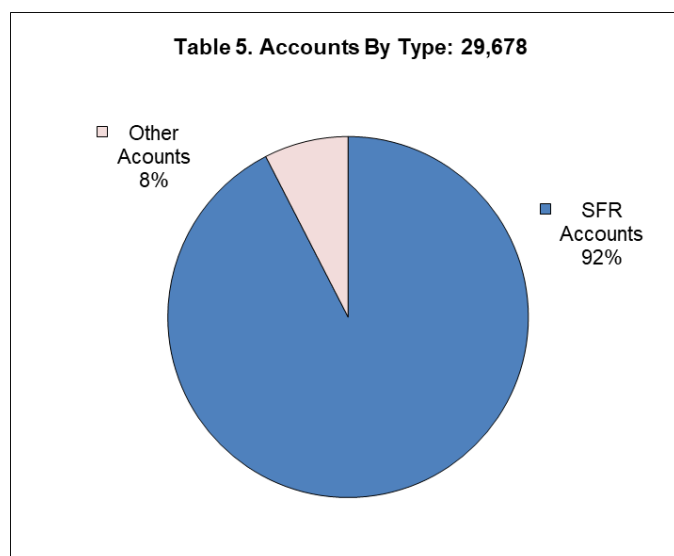
**Revenues by Source.** Total revenues (without proposed rate increases) are \$15.2 million. As reflected in Table 4, 58% of SCSS’s revenues come from single-family residential (SFR) accounts. Services to multi-family residential and non-residential customers account for 42% of their revenues, with less than 1% from other revenues.

This significant gap between revenues and expenses (plus allowable profit) drives the proposed rate increase.



**Service Accounts by Type.** While single-family residences account for 58% of revenues, they represent 92% of total accounts (Table 5).

This reflects the fact that per account, multi-family and non-residential customers generate more solid waste than single-family residential customers (and thus more revenue per account).



**RATE-SETTING PROCESS**

Under the Rate Manual, the rate-setting process follows a three-year cycle:

- **Base Year.** The first year of the cycle—the *Base Year*—requires a comprehensive, detailed analysis of revenues, expenses and operating data. This information is evaluated in the context of agreed upon factors in the franchise agreements in determining fair and reasonable rates. As noted above, the last *Base Year* analysis for SCSS under this approach was prepared in April 2019.
- **Two Interim Years.** In both the second and third years, SCSS is eligible for *Interim Year* rate adjustments that address three key change factors: changes in the consumer price index (CPI-U) for “controllable” operating costs; changes in “pass-through costs” (primarily landfill tipping fees, which SCSS does not control: they are set by the County Board of Supervisors); and an adjustment to cover increased franchise fees.

The first two adjustment factors are “weighted” by the proportionate share that these costs



## Solid Waste Rate Review

represent of total costs (excluding franchise fees). For example, in the current *Base Year* analysis for recommended 2019 rates, controllable costs account for about 75% of total costs, with landfill disposal costs accounting for about 25%.

The rate review for the two *Interim Years* requires less information and preparation time than the *Base Year* review, while still providing fair and reasonable rate adjustments.

### Rate Increase History

The following summarizes the SCSS rate review history beginning with 2005 (last eighteen years) based on the year of the application (which is typically the implementation year).

### Proposed Interim Year Rates

Consistent with past practice, SCSS has proposed an interim year approach that is slightly different from the Rate Manual methodology. In the interest of a more straightforward, streamlined process, SCSS proposes simply adjusting rates by changes in the CPI-U in 2023 and 2024. As noted in the past, the concept is consistent with the Rate Manual approach, but is simpler and allows for multi-year rate setting. Accordingly, it is recommended that four agencies continue using this approach.

Given the that interim review methodology set forth in the Rate Manual has not been used for several years, this is another area the update should consider.

**Table 6. SFR Rate History: 2005 to 2022 (Last 18 Years)**

Year	Review Type	Arroyo Grande	Grover Beach	Oceano	Pismo Beach (1)
2005	Base Year	5.60%	5.60%	5.60%	5.30%
2006	Interim Year	3.09%	3.09%	3.09%	2.95%
2007	Interim Year	3.76%	3.76%	3.76%	3.60%
2008	Base Year	3.00%	3.00%	3.00%	2.90%
2009	Interim Year	0.00%	0.00%	0.00%	0.00%
2010	Interim Year (2)	0.00%	0.00%	0.00%	0.00%
2011	Interim Year	0.00%	0.00%	0.00%	0.00%
2012	Interim Year (2)	5.15%	5.15%	5.15%	5.15%
2013	Base Year	3.20%	3.20%	3.20%	3.20%
2014	Interim Year	2.05%	2.05%	2.05%	2.05%
2015	Interim Year	0.00%	0.00%	0.00%	0.00%
2016	Base Year	3.25%	3.25%	3.25%	3.25%
2017	Interim Year	1.10%	1.10%	1.10%	1.10%
2018	Interim Year	1.60%	1.60%	1.60%	1.60%
2019	Base Year	10.06%	10.06%	10.06%	10.06%
2020	Interim Year	1.70%	1.70%	1.70%	1.70%
2020	Franchise Fee Rdctn (3)			-5.00%	
2021	Interim Year	0.70%	0.70%	0.70%	0.70%
2022	Base Year (4)	22.19%	22.19%	21.03%	22.19%

1. From 2004 to 2011, the franchise fee rate in Pismo Beach was 6% compared with 10% in the other three agencies, and as such, its rate increase was slightly less. In July 2011, Pismo Beach adopted a

*10% franchise fee, bringing it in alignment with the other three agencies (as well as most other agencies in San Luis Obispo County). In implementing the 10% rate in 2011, Pismo Beach adopted an added 3.9% increase beyond the interim year rate increase of 5.15% requested by SCSS.*

- 2. SCSS did not request a rate increase in 2010 (which would have been the “normal” cycle to do so), and accordingly, did not submit a Base Year rate application. However, SCSS did submit a rate request in 2011 using an Interim Year methodology. The reasonableness of using the resulting “hybrid” approach was discussed in detail in the 2011 Interim Year report, which concluded that this approach was reasonable given the circumstances.*
- 3. In February 2020, the Oceano CSD reduced its franchise fee from 10% to 5%, reducing rates by 5%.*
- 4. Proposed rate increase.*
- 5. As noted above, this chart reflects SFR rate increases. SCSS began charging for commercial recycle containers. These rates were set at 50% of the garbage rates at that time.*

Assuming the proposed rate increases are approved, this will result in an average annual rate increase of 3.6% over the last eighteen years. While there have been notable peaks in 2019 and 2022, largely due to regulatory and external market changes for recyclables, this reflects a high level of rate stability and price containment for SCSS customers.

## **RATE SETTING METHODOLOGY**

### **Are the Costs Reasonable?**

The first step in the rate review process is to determine if costs are reasonable. There are three analytical techniques that can be used in assessing this:

- Detailed review of costs and service responsibilities over time.
- Evaluation of external cost factors, such as general increases in the cost of living (as measured by the consumer price index).
- Comparisons of rates with other communities.

Each of these was considered in preparing this report, summarized as follows.

### ***Detailed Cost Review***

In its rate application (Appendix A), SCSS provides detailed financial data for five years:

- Audited results for the two prior years (2019 and 2020).
- Estimated results for 2021.
- Projected costs for the Base Year (2022).
- Estimated costs for the following year (2023).

## Solid Waste Rate Review

Additionally, for virtually all line items, SCSS provided supplemental detail upon request to support cost increases from 2020 to 2022.

Table 7 below provides actual costs for 2020 (most recent audit results) compared with requested and recommended cost projections for 2022. While there are significant cost increases in several categories, they are reasonable given the cost drivers facing SCSS.

**The Short Story.** The key drivers behind the proposed rate increases for 2022 can be summarized by four cost factors over the past two years:

- Truck depreciation.
- Food and green waste recycling.
- Insurance
- Gas and oil

All other cost increases including labor, ongoing maintenance, disposal costs at the landfill and MRF, account for less than 3% of the rate increase.

**Table 7. Detail Cost Review: 2020 Compared with 2022**

	2020 Actual	2022 Proposed	
		Amount	Change
Direct Labor	3,614,140	3,922,681	308,541
Administrative Costs			
Corporate Overhead	356,299	378,184	21,885
Office Salaries	768,706	835,736	67,030
Other Expenses			
Depreciation	535,997	1,534,705	998,708
Gas and Oil	821,425	952,847	131,422
Insurance			
Medical	674,318	779,174	104,856
General Liability	388,530	582,286	193,756
Office Expense	229,923	268,409	38,486
Operating Supplies	83,727	77,820	(5,907)
Outside Services	270,687	211,251	(59,436)
Permits	67,486	97,290	29,804
Tires	127,834	151,673	23,839
Truck Repairs	642,080	606,106	(35,974)
Other Costs	323,681	353,209	29,528
Total Allowable Costs	8,904,833	10,751,371	1,846,538
Pass-Through Costs			
Disposal Costs			
Landfill	1,701,768	1,805,407	103,639
MRF	1,223,081	1,143,280	(79,801)
Greenwaste	824,872	1,781,655	956,783
Franchise Fees	1,629,121	1,454,123	(174,998)
Facility Rent, Related Party	170,111	181,814	11,703
Interest, Related Party	133,282	213,214	79,932
Transportation, Related Party	34,271	43,275	9,004
Total Pass-Through Costs	5,716,506	6,622,768	906,262
<b>Total Costs</b>	<b>\$14,621,339</b>	<b>\$17,374,139</b>	<b>\$2,752,800</b>

These costs are organized by costs where SCSS is allowed a profit (“Allowable”) and those where it can recover the cost but not earn a profit on them (“Pass-Through”).

The following describes the basis for each for the significant changes.

***Allowable Costs***

- **Direct Labor.** This reflects a two-year increase of 8.5%, or about 4.2% per year. Given the tight labor market and current increases in CPI, this increase for retention and attraction is reasonable.
- **Office Salaries.** This also reflect annual increases of about 4% per year. Again, given the tight labor market and current increases in CPI, this increase for retention and attraction is reasonable.
- **Depreciation.** The 2019 *Base Year* report noted that as fully depreciated trucks were replaced, significant continuing higher depreciation costs were expected in the future due to two factors: annual depreciation costs on fully depreciated trucks would go from zero to about \$60,000 each; and the cost basis for new trucks would be significantly higher than in the past. Given replacements during 2021 and those proposed in 2022, the increased cost is reasonable. Combined with a possible change in amortization schedule as noted in the sidebar, planned replacements should result in stabilized costs in the future.
- **Gas and Oil.** These costs are projected to increase by about 7.5% annually. Given the volatility (both up and down) of diesel and CNG costs (especially recent cost spikes), this is a reasonable assumption for 2022 costs.
- **Insurance: Health Care and Liability.** These costs are projected to increase significantly by about 12.5% annually (7.5% for health care and 22.5% for liability insurance). Given increases in health care costs and current liability insurance market, these are reasonable assumptions for 2022 costs.
- **All Other Allowable Costs.** While there are ups and downs in the other individual line items, in total these reflect modest annual increases of about 2%.

<b>Truck Amortization</b>
The Rate Manual calls for depreciating trucks over seven years. While this made sense in 1994, manufacturing improvements since then have resulted in longer lives, with ten years becoming the industry standard. As noted above, this change should be considered as part of the Rate Manual update.

***Pass-Through Costs***

- **Disposal Costs: Landfill.** No rate increases are reflected in the rate application (\$41.00 per ton). The modest two-year increase reflects increased tonnage.

- **Disposal Costs: Recycling (Related Party).** This cost category reflects a decrease in the tonnage rate from \$96.00 to \$84.59.
- **Disposal Costs: Greenwaste.** After depreciation, this is the largest cost increase from 2020. These costs are incurred under an on-site agreement with HZI and reflect costs to build (via depreciation), operate and maintain the anaerobic digestion plant. The purpose of this plant is to process local food and greenwaste in meeting California regulation SB 1383. Key drivers include higher costs than initially projected for construction; ongoing operations and maintenance due to feedstock challenges; and local outbound material. The following further describes these challenges; and a cost summary is provided in Appendix B.

**Construction and startup** The construction of the anaerobic digester plant in San Luis Obispo was one of the first high solids digesters in the United States and the 99<sup>th</sup> overall renewable gas anaerobic plant built globally by HZI. The construction of the anaerobic digester in California posed unique challenges but was constructed safely and without any environmental incidents. Given the “first-of-the-kind” nature of the project in California, the actual cost to construct the anaerobic digestion plant exceeded the original budget originally set in 2014. The cost increases were mainly driven by labor availability, prevailing wage, civil and underground cost increases, and equipment and material escalations.

**Operation and maintenance.** The anaerobic digestion plant exceeds 95% availability (uptime) to process waste while producing renewable green electricity. To ensure the plant is reliably available to process local community waste, the operations and maintenance cost of the anaerobic digestion exceeds the original annual budget due to several factors:

1. The quantity of entrained inorganic material (such as sand and metal) entrained in the waste increases the wear and tear on the mechanical components of the plant, which inherently increases the number of staff required to operate and maintain the facility.
2. The lower than anticipated quantity of food was also increases the wear and tear on the equipment, which has mainly been driven need to continue to educate the community on organics recycling and the impacts of COVID on commercial businesses (most notably restaurants).
3. Plant labor costs have increased due to the requirements of processing the waste, maintaining the equipment, competitive labor market and inflationary costs in San Luis Obispo County and more broadly in California. Plant administrative costs such as insurance, legal and taxes continue to increase greater than was historically budgeted.

<b>Local Benefits</b>
<p>It should be noted that that while costs have increased, HZI and SCSS believe there are substantial local benefits to the greenwaste operation, including:</p> <ul style="list-style-type: none"><li>• Powering over 600 homes with 6.2 million kWh per year of renewable electricity.</li><li>• Diverting 72 million pounds of organics from landfills per year</li><li>• Reducing greenhouse gas emissions by 5,300 metric tons per year.</li></ul>

In summary, key operation and maintenance cost increases reflect continual sand removal; increased equipment replacement and maintenance; increased labor hours and rates; and management of backend compost.

**Depreciation.** Plant depreciation expenses reflect the higher construction costs discussed above in addressing waste profile challenges such as sand and low food waste content.

**Lower Natural Gas Production (Revenue).** Due to the amount of inorganic material (like sand) and the lower than anticipated food waste content, the overall natural gas production is lower than planned. This directly limits the amount of overall natural gas production potential of the digester and ultimately electricity sales.

In the past, greenwaste contract costs have been considered “allowable” costs. However, as disposal costs, they are more like landfill and recycling costs, which are treated as “pass-through” costs that can be recovered but profit is not allowed on them. Accordingly, this is considered a pass-through cost in this rate review. However, this another area that should be reviewed as part of the rate manual update.

- **Franchise Fees.** This reflects the removal of IWMA fees from the cost base.
- **Interest (Related Party).** Interest is an allowable cost under the Rate Manual. In this case, interest costs are assessed internally by Waste Connections based on a methodology that takes into account its corporate costs of borrowing and financed assets. Accordingly, this is treated as a “pass-through” cost. SCSS’s auditors have previously provided a written opinion on the reasonableness of the cost methodology; and I have reviewed the calculations underlying the projected costs in accordance with this methodology. Given the increase in financed assets as reflected in depreciation costs, I believe the projected interest costs for 2022 are reasonable.

### *Trends in External Cost Drivers*

The most common external “benchmark” for evaluating cost trends is the consumer price index. Over the past two calendar years (2020 and 2021), the U.S. CPI-U increased by 8.5% (about 4.2% annually). Excluding the cost drivers discussed above, all other costs over the past two years increased by 4.1% (about 2% annually).

### *Rates in Comparable Communities*

Lastly, reasonableness of rates (and underlying costs) can also be evaluated by comparing rates with comparable communities. However, survey results between “comparable” communities need to be carefully weighed because every community is different.

Nonetheless, surveys are useful assessment tools—but they are not perfect and they should not drive rate increases. Typical reasons why solid waste rates may be different include:

- Franchise fees and AB 939 fee surcharges
- Landfill costs (tipping fees)

## Solid Waste Rate Review

- Service levels (frequency, quality)
- Labor market
- Operator efficiency and effectiveness
- Voluntary versus mandatory service
- Direct services provided to the franchising agency at no cost, such as free trash container pick-up at city facilities, on streets and in parks
- Percentage of non-residential customers, and how costs and rates are allocated between customer types
- Revenue collection procedures: Does the hauler or the franchising agency bill for service? And what are the procedures for collecting delinquent accounts?
- Services included in the base fee (recycling, green waste, containers, pick-up away from curb)
- Different rates structures
- Land use and density (lower densities will typically result in higher service costs)
- Mix of residential and non-residential accounts

With these caveats, the following summarizes single family residential rates for other cities in the Central Coast area compared with the proposed rates for SCSS. As reflected below, even with the recommended or proposed rate increases, Arroyo Grande, Grover Beach, Oceano and Pismo Beach will have among the lowest rates of the agencies surveyed.

**Table 8. Single Family Residential Rate Survey**

<b>Single Family Residential Monthly Trash Rates</b>			
	Container Size (Gallons)		
	30-40	60-70	90-101
Atascadero	\$28.55	\$44.50	\$55.77
Morro Bay	22.88	45.76	68.64
Paso Robles	30.90	51.12	57.25
San Luis Obispo*	22.51	45.03	67.56
Santa Maria	na	30.69	34.81
San Miguel	28.23	44.48	61.06
Templeton	31.40	45.01	44.48
<b>Proposed: South County Sanitation Service Area</b>			
Arroyo Grande	23.78	30.90	38.04
Grover Beach	21.57	29.14	36.69
Oceano CSD	18.13	26.09	51.06
Pismo Beach	21.15	42.32	63.47

\* Proposed 2022 rates scheduled for review in April 2022

*Summary: Are the costs reasonable?* Based on the results of the three separate cost-review techniques—trend review, external factor analysis and rate comparisons—the proposed cost assumptions for 2022 are reasonable.

**What Is a Reasonable Return on these Costs?**

After assessing if costs are reasonable, the next step is to determine a reasonable rate of return on these costs. The rate-setting method formally adopted by Arroyo Grande, Grover Beach, Oceano and Pismo Beach in their Franchise Agreements with SCSS includes clear criteria for making this assessment. It begins by organizing costs into three main categories, which will be treated differently in determining a reasonable “operating profit ratio:”

***Allowable Costs (Operations and Maintenance): Reasonable Operating Profit Allowed***

- Direct collection labor
- Vehicle maintenance and repairs
- Insurance
- Fuel
- Depreciation
- Billing and collection

***Pass-Through Costs: Can be Recovered but No Profit Allowed***

- Disposal costs (landfill, recycling, greenwaste)
- Franchise fees
- Payments to affiliated companies (such as facility rent, interest and trucking charges)

***Excluded and Limited Costs: No Revenues Allowed***

- Charitable and political contributions
- Entertainment
- Income taxes
- Non-IRS approved profit-sharing plans
- Fines and penalties
- Limits on corporate overhead

After organizing costs into these three categories, determining “operating profit ratios” and overall revenue requirements is straightforward:

- The target is an 8% operating profit ratio on “allowable costs.”
- Pass-through costs may be fully recovered through rates but no profit is allowed on these costs.
- No revenues are allowed for any excluded or limited costs.

In the case of SCSS, about 60% of their costs are subject to the 8% operating profit ratio; and 40% are pass-through costs that may be fully recovered from rates but no profit is allowed. No recovery is allowed for excluded costs. The overall operating profit ratio after allowable and pass-through costs is 5%.



**Preparing the Rate Request Application**

Detailed “spreadsheet” templates for preparing the rate request application—including assembling the required information and making the needed calculations—are provided in the Rate Manual. SCSS has prepared their rate increase application in accordance with these requirements (Appendix A); and the financial information provided in the application for 2019 and 2020 ties to its audited financial statements.

**Proposed Rate Summary**

The following summarizes the calculations that support the requested and recommended rate increases:

**Table 9. Proposed Rate Increase Summary**

	Oceano	Others
Allowable Costs	10,751,371	10,751,371
Allowable Profit (8% Operating Ratio)	934,901	934,901
Pass-Through Costs		
Disposal		
Landfill	1,805,407	1,805,407
MRF (Recycling)	1,143,280	1,143,280
Greenwaste	1,781,655	1,781,655
Franchise Fees	1,454,123	1,454,123
Related Party Costs	438,303	438,303
Total Pass-Through Costs	6,622,768	6,622,768
Allowed Revenue Requirements	18,309,041	18,309,041
Revenue without Rate Increase	15,260,678	15,260,678
Revenue Requirement: Shortfall (Surplus)	3,048,363	3,048,363
Rate Base Revenue	18,309,041	18,309,041
Percent Change in Revenue Requirement	19.98%	19.98%
Allowed Revenue Increase *	21.03%	22.19%

\* Adjusted for 5% franchise fee in Oceano and 10% in others

As reflected in this summary, all the rate-setting factors are the same for all four agencies are the same except for the franchise fee adjustment (which reflects that higher franchise fees will be required with the rate increase): 5% for the Oceano CSD and 10% for the other three agencies.

**Implementation**

The following summarizes key implementation concepts in the adopted rate-setting model:

- The “8%” operating profit ratio is a target; in the interest of rate stability, adjustments are only made if the calculated operating profit ratio falls outside of 10% to 6%.
- On the other hand, if past ratios have been stronger than this target, then the revenue base is re-set in the *Base Year* review.

- Special rate increases for extraordinary circumstances *may* be considered.

The result of this process is a proposed rate increase of 22.19% (21.03% in the Oceano CSD).

## **RATE DIFFERENCES BETWEEN COMMUNITIES**

*If costs for Arroyo Grande, Grover Beach, Oceano and Pismo Beach are so similar, why are the residential rates so different?*

The short answer: history and different approaches to rate structure philosophies.

### **History**

Until 1999, service levels under the Franchise Agreements with SCSS between these four agencies were significantly different. The rates in place at that time became the basis for subsequent rate reviews.

### **Rate Structure Principles**

Most significantly, each agency has adopted different rate structure principles to recover similar costs. For example, Pismo Beach has adopted a rate structure for its residential customers that more closely reflects a “pay-as-you-throw” philosophy under which the “per gallon” costs for 32, 64 and 96 gallon containers are the same (for example, a 64-gallon container costs twice as much as a 32-gallon one.) This results in lower monthly costs for 32-gallon customers and relatively higher rates for 64 and 96-gallon customers.

On the other hand, Arroyo Grande has adopted rates that do not have as much difference between container sizes (but still offer an incentive for smaller containers over larger ones), recognizing collection economies of scale for larger versus smaller containers. In this case, 32-gallon containers in Arroyo Grande are more expensive than in Pismo Beach, but 64-gallon containers are less.

Both rate structures have their strong points: in the case of Pismo Beach, rates are more reflective of disposal costs, whereas in Arroyo Grande they are more reflective of collection costs. But the important point is that the revenue generating capability is the same even though the rates are different.

### **Multi-Family and Non-Residential Rates**

Lastly, multi-family and non-residential rates (which account for about 40% of SCSS revenues) are similar in all four agencies: it is only in *single family residential* rates that there are significant differences between communities.

## **COST ACCOUNTING ISSUES**

As noted above, SCSS’s financial operations for Arroyo Grande, Grover Beach, Oceano and Pismo Beach are closely related. Keeping costs and revenues segregated is further complicated

## Solid Waste Rate Review

by the fact that SCSS is a subsidiary of Waste Connections US (which acquired the parent company in April 2002), which shares ownership with the following local companies:

- San Luis Garbage Company
- Mission Country Disposal
- Morro Bay Garbage Service
- Coastal Roll-Off Service
- Cold Canyon Land Fill
- Cold Canyon Processing Facility

Additionally, within the South County, SCSS's service area includes:

- City of Arroyo Grande
- City of Grover Beach
- City of Pismo Beach
- Oceano Community Services District
- Nipomo Community Services District
- Avila Beach Community Services District
- Other unincorporated areas in the South County such as rural Arroyo Grande

### Cost Accounting System

Audited financial statements are prepared for each company within Waste Connections' central coast operations by an independent certified public accountant; and SCSS's auditors have consistently issued "clean opinions" on its financial operations. However, only direct labor hours for collection (and related compensation), liability insurance, franchise fees and revenues are directly accounted for each company (like SCSS); and then within each agency serviced by it. As summarized below for major cost categories, all other costs are allocated between companies based on apportionments using generally accepted accounting principles:

**Table 10. Cost Allocation Bases**

Allocation Basis	Major Cost Categories
Customer counts	<ul style="list-style-type: none"> <li>• Region and division overhead</li> <li>• Office salaries</li> <li>• Office expense</li> <li>• Legal and accounting</li> </ul>
Direct labor hours	<ul style="list-style-type: none"> <li>• Truck depreciation</li> <li>• Truck repairs and tires</li> <li>• Mechanic labor</li> <li>• Gas and oil</li> </ul>
Tonnage	Disposal costs <ul style="list-style-type: none"> <li>• Landfill</li> <li>• MRF/recycling</li> <li>• Greenwaste</li> </ul>

## Solid Waste Rate Review

Revenue	<ul style="list-style-type: none"> <li>• Corporate overhead (adjusted for Rate Manual limitations)</li> <li>• Bad debt expense</li> <li>• Other taxes</li> </ul>
Containers	<ul style="list-style-type: none"> <li>• Container depreciation</li> <li>• Container labor</li> <li>• Container repairs</li> </ul>
Gallons	<ul style="list-style-type: none"> <li>• Diesel fuel</li> </ul>

These allocation bases seem reasonable. However, they are subject to periodic change as determined by Waste Connections. Since these apportionments are a key basis for rate setting, the bases of allocation for each cost category (including allocations of regional and district overhead and accounting for direct costs) should be established in an updated Rate Manual.

### **COST OF LIVING “TRIGGER OPTION”**

As noted above, Section 8.3 of the Franchise Agreements provides that if the rate increase request compared with the rate in effect at the date of the agreement exceeds the cumulative cost of living increase from that same date, each agency has the *option* of terminating the agreement at any time within nine months following approval of the requested rate increase. While this provision does not directly limit rate increase requests by SCSS to an amount that may be less than that allowed under the rate-setting methodology, subjecting the Franchise Agreement to *possible* termination if the rate request is greater than the cost of living threshold provides a strong incentive for SCSS to do so, if possible.

### **Calculation of the Cost of Living Threshold**

As recommended in the 2013 *Interim Year* rate review for consistency and clarity, the CPI-U rate increases used in calculating *Interim Year* increases and the “trigger” threshold are based on changes from June to June (given application submittal targets, this was the most recent date that would consistently be available).

Along with the adjustment for the “weighted” greenwaste rate increase in 2012 of 1.7% previously approved, the 2016 Franchise Agreement amendments provided for adjustments to the threshold “trigger” of landfill rate increases, weighted by the ratio of landfill costs to total costs (assumed at 25% based on recent trends).

- Table 11(a) provides the threshold calculation compared with actual rate increases and those recommended for 2022.
- Table 11(b) provides landfill rates since 2008.

As reflected in Table 11(a), the cumulative changes in the cost of living (with adjustments for greenwaste and landfill cost increases) is 34.87%. This compares with cumulative rate increases, including those recommended of 22.19% for 2022 (21.03% for Oceano CSD) of 61.76%. This would result in exceeding the “trigger” by 26.89%.

**Solid Waste Rate Review**

**Table 11(a). Trigger Threshold Calculation**

US CPI-U Increase				Allowed Adjustments		Threshold	Rate Year	Rate Increase (2)
June	Index	Amount	Percent	Greenwaste	Landfill (1)			
2009	215.693							
2010	217.965	2.272	1.05%		4.27%	5.33%	2011	0.00%
2011	225.722	7.757	3.56%	1.70%	0.00%	5.26%	2012	5.15%
2012	229.478	3.756	1.66%		0.00%	1.66%	2013	3.20%
2013	233.504	4.026	1.75%		1.64%	3.40%	2014	2.05%
2014	238.343	4.839	2.07%		1.54%	3.61%	2015	0.00%
2015	238.638	0.295	0.12%		1.45%	1.58%	2016	3.25%
2016	241.018	2.380	1.00%		0.00%	1.00%	2017	1.10%
2017	244.955	3.937	1.61%		0.00%	1.61%	2018	1.61%
2018	251.989	7.034	2.79%		0.00%	2.79%	2019	10.06%
2019	256.143	4.154	1.62%		0.00%	1.62%	2020	1.70%
2020	257.797	1.654	0.64%		0.00%	0.64%	2021	0.70%
2021	271.696	13.899	5.12%		0.00%	5.12%	2022	22.19%
Cumulative Total		56.003	25.96%	1.70%	8.91%	34.87%		61.76%

Requested Rate Increase Above Trigger Threshold

26.89%

1. Landfill rate increases prorated at 25% of total costs
2. Recommended rate for 2022, except for Oceano (21.03%)

**Table 11(b). Landfill Rates Per Ton**

Year	Actual	Increase		Prorated @ 25%
		Amount	Percent	
2008	29.25	-	0.00%	0.00%
2009	29.25	-	0.00%	0.00%
2010	29.25	-	0.00%	0.00%
2011	34.25	5.00	17.09%	4.27%
2012	34.25	-	0.00%	0.00%
2013	34.25	-	0.00%	0.00%
2014	36.50	2.25	6.57%	1.64%
2015	38.75	2.25	6.16%	1.54%
2016	41.00	2.25	5.81%	1.45%
2017	41.00	-	0.00%	0.00%
2018	41.00	-	0.00%	0.00%
2019	41.00	-	0.00%	0.00%
2020	41.00	-	0.00%	0.00%
2021	41.00	-	0.00%	0.00%
2022	41.00	-	0.00%	0.00%

Note: Under long-term rate increases approved by the County, Cold Canyon Landfill was eligible for annual rate increases of \$2.25 per ton from 2017 to 2022, with a resulting rate of \$54.50 by 2022, However, it chose not to do so.

However, it is important to note that this “trigger” calculation does not limit the allowable rate increase that may be requested under the methodology set forth in the Franchise Agreements or approved by the agencies.

Accordingly, if the proposed rate increases are approved, I recommend that the agencies consider (as they did in as part of the 2019 *Base Year* review) adopting findings that they will not pursue the “trigger” option.

**Rate Manual Update.** The merit of continuing with the “trigger option” is another area that should be considered with the Rate Manual update.

### COORDINATION WITH OTHER AGENCIES

SCSS has submitted similar rate requests to the three other agencies that regulate rates and services in the other South County areas that it serves: County of San Luis Obispo, Avila Beach Community Services District and the Nipomo Community Services District. These agencies are likely to act on the requested rate increases within the same time frame as the four agencies covered in this report.

Waste Connections (as San Luis Garbage Company) has also submitted a rate increase application to the City of San Luis Obispo of 17.75%, which is scheduled for Council review on April 19, 2022. As Mission County Disposal, it has also submitted initial rate applications for Los Osos and the north coastal areas of about 40%.

### SUMMARY

Based on the rate-setting policies and procedures formally adopted by Arroyo Grande, Grover Beach, Oceano and Pismo Beach in their Franchise Agreements, this report concludes that:

- SCSS has submitted the required documentation required under its Franchise Agreements with the four agencies.
- This results in a recommended rate increase of 22.19% in the cities of Arroyo Grande, Grover Beach and Pismo Beach; and 21.03% in the Oceano CSD.

### ATTACHMENTS

Appendix A: Base Year Rate Request Application from South County Sanitary Service  
Appendix B: HZI Greenwaste Digester Cost Analysis

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# Appendix A

## BASE YEAR RATE REQUEST APPLICATION

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### 1. Base Year Application Summary

- City of Pismo Beach
- City of Arroyo Grande
- City of Grover Beach
- Oceano Community Services District

### 2. Supporting Schedules

- Financial Information: Cost and Revenue Requirements Summary
- Revenue Offset Summary
- Cost Summary for Base Year
- Base Year Revenue Offset Summary
- Operating Information
- Rate Survey

# South County Sanitary Service

## 2022 Base Year Rate Adjustment Application

### Summary

### CITY OF PISMO BEACH

Requested Increase				
Digester Expense	6.2%			
Capital Purchases	5.9%	Market Rate Wage Adjustment		5.6%
Commingle Processing Fee	1.9%		Other	2.6%
1. Rate Increase Requested				<b>22.19%</b>

Rate Schedule				
Rate Schedule	Current Rate	Increased Rate	Adjustment (a)	New Rate
<b>Single Family Residential</b>				
2. Economy Service (1 - can curb)	\$17.31	\$3.84		\$21.15
4. Standard Service (2- can curb)	\$34.63	\$7.69		\$42.32
5. Premium Service (3 - can curb)	\$51.94	\$11.53		\$63.47

(a) Calculated rates are rounded up to the nearest \$0.01.

6. <b>Multiunit Residential and Non-residential</b>	Rate increases of	<b>22.19%</b>
	will be applied to all rates in each structure	
	with each rate rounded to the nearest \$0.01	

### Certification

To the best of my knowledge, the data and information in this application is complete, accurate, and consistent with the instructions provided by the Rate Setting Manual.

Name: Jeff Clarin Title: District Manager

Signature: Date: 10/20/21  
Revised 2/18/22



# South County Sanitary Service

## 2022 Base Year Rate Adjustment Application

### Summary

### CITY OF ARROYO GRANDE

#### Requested Increase

Digester Expense	6.2%	Market Rate Wage Adjustment	5.6%
Capital Purchases	5.9%	Other	2.6%
Commingle Processing Fee	1.9%		

1. Rate Increase Requested **22.19%**

#### Rate Schedule

Rate Schedule	Current Rate	Increased Rate	Adjustment (a)	New Rate
---------------	--------------	----------------	----------------	----------

#### **Single Family Residential**

2. Economy Service (1 - can curb)	\$ 19.46	\$4.32		\$23.78
4. Standard Service (2- can curb)	\$ 25.29	\$5.61		\$30.90
5. Premium Service (3 - can curb)	\$ 31.13	\$6.91		\$38.04

(a) Calculated rates are rounded up to the nearest \$0.01.

6. **Multiunit Residential and Non-residential** **22.19%**  
 Rate increases of \_\_\_\_\_  
 will be applied to all rates in each structure  
 with each rate rounded to the nearest \$0.01

#### Certification

To the best of my knowledge, the data and information in this application is complete, accurate, and consistent with the instructions provided by the Rate Setting Manual.

Name: **Jeff Clarin** Title: **District Manager**

Signature: \_\_\_\_\_ Date: **10/20/21**  
**Revised 2/18/22**

# South County Sanitary Service

## 2022 Base Year Rate Adjustment Application

### Summary

### CITY OF GROVER BEACH

#### Requested Increase

Digester Expense	6.2%	Market Rate Wage Adjustment	5.6%
Capital Purchases	5.9%	Other	2.6%
Commingle Processing Fee	1.9%		

1. Rate Increase Requested **22.19%**

#### Rate Schedule

Rate Schedule	Current Rate	Increased Rate	Adjustment (a)	New Rate
---------------	-----------------	-------------------	-------------------	-------------

#### Single Family Residential

2. Economy Service (1 - can curb)	\$ 17.65	\$3.92		\$21.57
4. Standard Service (2- can curb)	\$ 23.85	\$5.29		\$29.14
5. Premium Service (3 - can curb)	\$ 30.03	\$6.66		\$36.69

(a) Calculated rates are rounded up to the nearest \$0.01.

6. **Multiunit Residential and Non-residential** **22.19%**  
 Rate increases of \_\_\_\_\_  
 will be applied to all rates in each structure  
 with each rate rounded to the nearest \$0.01

#### Certification

To the best of my knowledge, the data and information in this application is complete, accurate, and consistent with the instructions provided by the Rate Setting Manual.

Name: **Jeff Clarin** Title: **District Manager**

Signature: \_\_\_\_\_ Date: **10/20/21**  
**Revised 2/18/22**

# South County Sanitary Service

## 2022 Base Year Rate Adjustment Application

**Summary**

**OCEANO COMMUNITY SERVICE DISTRICT**

**Requested Increase**

Digester Expense	6.2%	Market Rate Wage Adjustment	5.6%
Capital Purchases	5.9%	Other	1.4%
Commingle Processing Fee	1.9%		

1. Rate Increase Requested **21.03%**

**Rate Schedule**

Rate Schedule	Current Rate	Increased Rate	Adjustment (a)	New Rate
---------------	-----------------	-------------------	-------------------	-------------

**Single Family Residential**

2. Economy Service (1 - can curb)	\$ 14.98	\$3.15		\$18.13
4. Standard Service (2- can curb)	\$ 21.56	\$4.53		\$26.09
5. Premium Service (3 - can curb)	\$ 42.19	\$8.87		\$51.06

(a) Calculated rates are rounded up to the nearest \$0.01.

6. **Multiunit Residential and Non-residential** **21.03%**  
 Rate increases of \_\_\_\_\_  
 will be applied to all rates in each structure  
 with each rate rounded to the nearest \$0.01

**Certification**

To the best of my knowledge, the data and information in this application is complete, accurate, and consistent with the instructions provided by the Rate Setting Manual.

Name: **Jeff Clarin** Title: **District Manager**

Signature: \_\_\_\_\_ Date: **10/20/21**  
**Revised 2/18/22**

South County Sanitary Service

2022 Base Year Rate Adjustment Application

Financial Information

Historical		Current	Projected	
2019	2020	2021	Base Year 2022	2023

(from Pg. 4)

Section I-Allowable Costs

6. Direct Labor	\$3,258,214	\$3,614,140	\$3,638,218	\$3,922,681	\$4,040,361
7. Corporate Overhead	\$350,343	\$356,299	\$359,149	\$378,184	\$389,529
8. Office Salaries	\$688,788	\$768,706	\$758,312	\$835,736	\$859,332
9. Other General and Admin Costs	\$4,482,056	\$4,990,560	\$5,899,433	\$5,614,771	\$7,809,122
10. <b>Total Allowable Costs</b>	<b>\$8,779,401</b>	<b>\$9,729,705</b>	<b>\$10,655,112</b>	<b>\$10,751,372</b>	<b>\$13,098,345</b>

Section II-Allowable Operating Profit

11. Operating Ratio	97.3%	98.2%	103.6%	92.0%	92.0%
12. <b>Allowable Operating Profit</b>	\$245,196	\$179,075	(\$366,502)	\$934,902	\$1,138,986

Section III-Pass Through Costs

13. Tipping Fees	\$2,754,458	\$2,924,849	\$3,012,594	\$4,730,341	\$2,978,173
14. Franchise Fees	\$1,482,198	\$1,629,121	\$1,652,070	\$1,454,123	\$1,497,747
15. AB939 Fees	\$0	\$0	\$0	\$0	\$0
16. Payments to Affiliated Companies*	\$281,020	\$337,664	\$377,981	\$438,302	\$477,779
17. <b>Total Pass Through Costs</b>	<b>\$4,517,676</b>	<b>\$4,891,634</b>	<b>\$5,042,645</b>	<b>\$6,622,767</b>	<b>\$4,953,699</b>

\* Affiliate Payments include interest, lease payments, and transportation

Section III-Pass Through Costs

18. Revenue Requirement	\$13,542,273	\$14,800,414	\$15,331,255	\$18,309,041	\$19,191,030
19. <b>Total Revenue Offsets</b> (from Page 3)	<b>\$13,542,273</b>	<b>\$14,800,414</b>	<b>\$15,331,255</b>	<b>\$15,260,678</b>	<b>\$15,413,625</b>

Section III-Pass Through Costs

20. Net Shortfall (Surplus)	\$3,048,363
-----------------------------	-------------

	Oceano	Nipomo
21. Total Residential and Non-residential Revenue without increase in Base Year (pg.5, line 76)	\$15,260,678	\$15,260,678
22. Percent Change in Residential and Non-residential Revenue Requirement	19.98%	19.14%
23. Franchise Fee Adjustment Factor (1 - 6 percent)	90.000%	90.000%
	<b>22.19%</b>	<b>21.27%</b>
Limitation due to cumulative increases		
24. Percent Change in Existing Rates	<b>22.19%</b>	<b>21.27%</b>

# 2022 Base Year Rate Adjustment Application

## Revenue Offset Summary

	Section VII - Revenue Offsets				
	Historical		Current	Projected	
	2019	2020	2021	Base Year 2022	2023
<i>Residential Revenue (without increase in Base Yr.)</i>					
28. Single Family Residential	\$7,924,043	\$8,627,550	\$8,780,617	\$8,769,933	\$8,857,632
Multiunit Residential Dumpster					
29. Number of Accounts					
30. Revenues					
31. Less Allowance for Uncollectible Resi Accounts	\$0	\$0	\$0	\$0	\$0
<b>32. Total Residential Revenue</b>	<b>\$7,924,043</b>	<b>\$8,627,550</b>	<b>\$8,780,617</b>	<b>\$8,769,933</b>	<b>\$8,857,632</b>
<i>Non-residential Revenue (without increase in Base Yr.)</i>					
Account Type					
Non-residential Can					
33. Number of Accounts			11	11	12
34. Revenues			\$5,513	\$5,568	\$5,624
Non-residential Wastewheeler					
35. Number of Accounts			503	508	513
36. Revenues			\$544,220	\$549,662	\$555,159
Non-residential Dumpster					
37. Number of Accounts			1,576	1,592	1,608
38. Revenues	\$5,613,237	\$6,171,381	\$5,983,795	\$5,917,531	\$5,976,706
39. Less: Allowance for Uncollectible Non-resid	\$0	\$0	\$0	\$0	\$0
<b>40. Total Non-residential Revenue</b>	<b>\$5,613,237</b>	<b>\$6,171,381</b>	<b>\$6,533,528</b>	<b>\$6,472,761</b>	<b>\$6,537,488</b>
45. Interest on Investments	\$0	\$0	\$0	\$0	\$0
46. Other Income	\$4,993	\$1,483	\$17,111	\$17,984	\$18,505
<b>47. Total Revenue Offsets</b>	<b>\$13,542,273</b>	<b>\$14,800,414</b>	<b>\$15,331,255</b>	<b>\$15,260,678</b>	<b>\$15,413,625</b>

South County Sanitary Service

2022 Base Year Rate Adjustment Application

Cost Summary for Base Year

Description of Cost	BASE YEAR				
	2019	2020	2021	2022	2023
Labor	\$3,020,612	\$3,353,557	\$3,377,752	\$3,642,382	\$3,751,654
Payroll Taxes	\$237,602	\$260,583	\$260,466	\$280,299	\$288,708
<b>48. Total Direct Labor</b>	<b>\$3,258,214</b>	<b>\$3,614,140</b>	<b>\$3,638,218</b>	<b>\$3,922,681</b>	<b>\$4,040,361</b>
49. Corporate Overhead	\$370,263	\$387,844	\$460,472	\$484,877	\$499,423
Less limitation (enter as negative)	(\$19,920)	(\$31,545)	(\$101,323)	(\$106,693)	(\$109,894)
<b>Total Corporate Overhead</b>	<b>\$350,343</b>	<b>\$356,299</b>	<b>\$359,149</b>	<b>\$378,184</b>	<b>\$389,529</b>
Office Salaries	\$642,368	\$722,755	\$701,402	\$773,471	\$795,199
Payroll Taxes - Office	\$46,420	\$45,951	\$56,910	\$62,265	\$64,133
<b>50. Total Office Salaries</b>	<b>\$688,788</b>	<b>\$768,706</b>	<b>\$758,312</b>	<b>\$835,736</b>	<b>\$859,332</b>
Bad Debt	\$12,541	\$12,182	\$15,064	\$15,064	\$15,064
Allocated expenses	\$0	\$0	\$0	\$0	\$0
Bonds expense	\$6,877	\$5,221	\$5,153	\$5,426	\$5,589
Depreciation	\$406,756	\$535,997	\$1,129,264	\$1,534,705	\$1,827,206
Drive Cam fees	\$21,242	\$19,353	\$20,599	\$21,690	\$22,341
Dues and Subscriptions	\$20,483	\$5,793	\$19,974	\$21,033	\$21,664
Facilities	\$59,584	\$43,035	\$29,218	\$30,766	\$31,689
Gas and oil	\$914,400	\$821,425	\$947,541	\$952,847	\$980,712
Insurance	\$860,855	\$1,062,848	\$1,225,897	\$1,361,460	\$1,402,304
Laundry (Uniforms)	\$33,527	\$29,461	\$29,837	\$31,418	\$32,361
Legal and Accounting	\$43,392	\$46,291	\$51,310	\$53,890	\$55,428
Miscellaneous and Other	\$7,943	\$5,614	\$5,144	\$5,416	\$5,579
Office Expense	\$211,414	\$229,923	\$254,048	\$268,409	\$276,461
Operating Supplies	\$59,319	\$83,727	\$73,903	\$77,820	\$80,155
Other Taxes	\$37,649	\$40,287	\$39,285	\$41,236	\$42,399
Outside Services	\$1,128,991	\$1,244,791	\$1,231,253	\$328,750	\$2,120,266
Public Relations and Promotion	\$5,119	\$8,013	\$7,639	\$7,654	\$7,663
Postage	\$21,635	\$8,711	\$12,894	\$13,578	\$13,985
Permits	\$60,344	\$67,486	\$92,393	\$97,290	\$100,208
Relocation	\$18,530	\$30,701	\$22,040	\$22,040	\$22,040
Rent	\$3,000	\$2,250	\$11,023	\$12,497	\$12,872
Telephone	\$13,294	\$36,444	\$36,121	\$38,035	\$39,176
Tires	\$100,399	\$127,834	\$144,039	\$151,673	\$156,223
Travel	\$27,991	\$8,712	\$12,431	\$13,091	\$13,483
Truck Repairs	\$389,414	\$492,848	\$464,015	\$488,608	\$503,266
Utilities	\$17,357	\$21,613	\$19,349	\$20,375	\$20,986
<b>51. Total Other Gen/Admin Costs</b>	<b>\$4,482,056</b>	<b>\$4,990,560</b>	<b>\$5,899,433</b>	<b>\$5,614,771</b>	<b>\$7,809,122</b>
52. Total Tipping Fees	\$2,754,458	\$2,924,849	\$3,012,594	\$4,730,341	\$2,978,173
53. Total Franchise Fee	1,482,198.00	\$1,629,121	\$1,652,070	\$1,454,123	1,497,747.16
54. Total AB 939/Regulatory Fees	\$0	\$0	\$0	\$0	\$0
55. Total Lease Pmt to Affil Co.'s	\$142,332	\$170,111	\$172,663	\$181,814	\$187,268
55a. Interest Expense (to affiliate)	\$87,922	\$133,282	\$162,043	\$213,214	\$247,236
55b. Total Transportation to Affil Co.'s	\$50,766	\$34,271	\$43,275	\$43,275	\$43,275
<b>56. Total Cost</b>	<b>\$13,297,077</b>	<b>\$14,621,339</b>	<b>\$15,697,757</b>	<b>\$17,374,139</b>	<b>\$18,052,043</b>

# 2022 Base Year Rate Adjustment Application

**Base Year Revenue Offset Summary**

**For Information Purposes Only**

<b>Description of Revenue</b>	Section VII-Revenue Offsets						
	Overall	Franchise	Refuse Collection				Non-franchise
	Total	Total	Arroyo	Pismo	Grover	Unincorporated	Total
<i>Residential Revenue (without increase in Base Year)</i>							
57. Single Family Residential	\$8,769,933	\$8,769,933	\$1,826,861	\$1,185,972	\$1,173,008	\$4,584,092	
<i>Multiunit Residential Dumpster</i>							
58. Number of Accounts	0	0					
59. Revenues	\$0	\$0					
60. Less Allowance for Uncollectable	\$0	\$0					
<b>61. Total Residential Revenue</b>	<b>\$8,769,933</b>	<b>\$8,769,933</b>	<b>\$1,826,861</b>	<b>\$1,185,972</b>	<b>\$1,173,008</b>	<b>\$4,584,092</b>	<b>\$0</b>
<i>Non-residential Revenue (without increase in Base Year)</i>							
<i>Account Type</i>							
<i>Non-residential Can</i>							
62. Number of Accounts	11	11	5	1	4	2	
63. Revenues	\$5,568	\$5,568	\$1,416	\$280	\$1,033	\$2,840	
<i>Non-residential Wastewheeler</i>							
64. Number of Accounts	503	503	139	136	98	131	
65. Revenues	\$549,662	\$549,662	149,429	195,948	84,569	119,716	
<i>Non-residential Dumpster</i>							
66. Number of Accounts	1,576	1576	402	229	321	625	0
67. Revenues	\$5,917,531	\$5,917,531	\$1,577,642	\$1,333,364	\$828,238	\$2,178,286	
68. Less: Allowance for Uncollectable Non-residential Accounts	\$0	\$0					
<b>69. Total Non-residential Revenue</b>	<b>\$6,472,761</b>	<b>\$6,472,761</b>	<b>\$1,728,486</b>	<b>\$1,529,592</b>	<b>\$913,840</b>	<b>\$2,300,842</b>	<b>\$0</b>
<b>74. Interest on Investments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>75. Other Income</b>	<b>\$17,984</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,984</b>
<b>76. Total Revenue Offsets</b>	<b>\$15,260,678</b>	<b>\$15,242,694</b>	<b>\$3,555,347</b>	<b>\$2,715,564</b>	<b>\$2,086,848</b>	<b>\$6,884,935</b>	<b>\$17,984</b>

**Fiscal Year: 1-1-2022 to 12-31-2022**

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**South County Sanitary Service**

**2022 Base Year Rate Adjustment Application**

**Operating Information**

Historical				Current		Projected		
	Percent		Percent		Percent	Base Year	Percent	
2019	Change	2020	Change	2021	Change	2022	Change	2023

**Section IX-Operating Data**

**Residential**

**Accounts**

77.	Arroyo Grande	5,827	1.1%	5,890	0.6%	5,924	1.0%	5,983	1.0%	6,043
	Grover Beach	4,216	0.4%	4,233	0.4%	4,249	1.0%	4,291	1.0%	4,334
	Pismo Beach	3,816	0.1%	3,819	0.2%	3,828	1.0%	3,866	1.0%	3,905
	Oceano CSD	1,863	0.4%	1,870	1.6%	1,899	1.0%	1,918	1.0%	1,937
	Nipomo CSD	4,066	0.8%	4,097	0.9%	4,135	1.0%	4,176	1.0%	4,218
	County	6,881	2.2%	7,034	1.4%	7,130	1.0%	7,201	1.0%	7,273
		26,669	1.0%	26,943	0.8%	27,165	1.0%	27,437	1.0%	27,711
78.	Routes-Garbage	7	26.5%	9	-13.9%	8	0.0%	8	0.0%	8
79.	Routes-Recycling	6	26.5%	8	-13.9%	7	0.0%	7	0.0%	7
80.	Direct Labor Hours	28,522	26.5%	36,082	-13.9%	31,059	0.0%	31,059	0.0%	31,059

**Non-residential Garbage**

**Accounts**

80.	Arroyo Grande	490	0.2%	491	0.6%	494	1.0%	499	1.0%	504
	Grover Beach	438	0.7%	441	0.5%	443	1.0%	447	1.0%	452
	Pismo Beach	386	1.8%	393	-0.5%	391	1.0%	395	1.0%	399
	Oceano CSD	190	0.5%	191	0.5%	192	1.0%	194	1.0%	196
	Nipomo CSD	214	-2.3%	209	0.0%	209	1.0%	211	1.0%	213
	County	508	-5.9%	478	2.5%	490	1.0%	495	1.0%	500
		2,226	-1.0%	2,203	0.7%	2,219	1.0%	2,241	1.0%	2,264
81.	Routes-garbage	8	26.5%	10	-13.9%	8	0.0%	8	0.0%	8
	Routes-recycling	3	26.5%	4	-13.9%	4	0.0%	4	0.0%	4
82.	Direct Labor Hours	22,871	26.5%	28,933	-13.9%	24,905	0.0%	24,905	0.0%	24,905

**Recyclable Materials - All areas-Commingled Recycling (in tons)**

**Accounts**

83.	Tons Collected	13,275	-4.0%	12,740	3.0%	13,123	3.0%	13,516	1.0%	13,651
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**Recyclable Materials - All areas-Greenwaste Recycling**

	Routes	5	26.5%	7	-13.9%	6	0.0%	6	0.0%	6
	Tons Collected	13,631	-0.9%	13,511	3.0%	13,916	3.0%	14,334	1.0%	14,477
	Direct Labor Hours	10,934	26.5%	13,833	-13.9%	11,907	0.0%	11,907	0.0%	11,907

	Garbage Tons Collected	43,020	-3.5%	41,507	3.0%	42,752	3.0%	44,034	1.0%	44,475
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**Rate Comparisons for Garbage Service**

Service Size	Pismo Beach <sup>1</sup>	South County Urban <sup>1</sup>	Arroyo Grande <sup>1</sup>	Atascadero	Templeton	San Miguel	Paso Robles <sup>2</sup>	City of Santa Maria <sup>3,4</sup>	Santa Barbara County (Northern) <sup>4</sup>	City of Santa Barbara
20 Gallon										
35 Gallon	\$ 17.31	\$ 25.60	\$ 19.46	\$ 28.55	\$ 31.40	\$ 28.33	\$ 30.90		\$ 25.84	\$ 45.30
65 Gallon	\$ 34.63	\$ 34.04	\$ 25.29	\$ 44.50	\$ 45.01	\$ 44.48	\$ 51.12	30.69	\$ 27.89	\$ 56.15
95 Gallon	\$ 51.94	\$ 47.46	\$ 31.13	\$ 55.77	\$ 45.95	\$ 61.06	\$ 57.25	34.81	\$ 29.86	\$ 67.00
2 yard (1X WK)	\$ 120.91	\$ 129.25	\$ 122.10	\$ 146.79	\$ 129.54	\$ 103.98	\$ 168.68	166.72	\$ 167.72	\$ 248.79

**Notes:**

<sup>1</sup> Scheduled increases in 1/1/2022

<sup>2</sup> Paso Robles does 40 gallon cart pricing

<sup>3</sup> 65 gallon Scheduled to increase to \$32.70 in 1/1/22 and \$34.71 in 7/1/22, and 95 gallon Scheduled to increase to \$38.07 in 1/1/22 and \$41.34 in 7/1/22

<sup>4</sup> Weekly Trash pick-up but every other week recycling and green waste pick-up.

**HZI Cost Increase Summary**

**Appendix B**

Cost Category	Original Plan	2021	2022	Variance		Comment
				Amount	%	
Staffing and Administrative Cost	\$ 1,090	\$ 1,592	\$ 1,706	\$ 616	57%	Staff operation requirements increased from 3 to 6 team members due to feedstock profile, increased maintenance, equipment change out and operational demands. Additionally salary increases have been necessary to meet CA labor market demands. Administratively pollution insurance was added and audit and legal fees were increased to meet reporting requirements.
O&M Expense	\$ 495	\$ 1,747	\$ 1,439	\$ 944	191%	Increased cost due to CHP maintenance increases related to gas cycling, dosing feeder erosion, screw feeder premature erosion, shredder blade erosion and damage due to contamination, digestate pump rebuild frequency due to sand, premature wear and replacement of the decanter, and continued vacuum truck clean out of the sand build-up. Added +250K/year for management of backend products and front end peak loading;
Capital Expense	\$ 1,487	\$ 1,945	\$ 1,946	\$ 459	31%	Added Capital cost includes Feed Bunker Wall extension, Speed Screen, Fat, Oils, and Grease system, and redundant pumps related to decreased food waste and sand issues in the CA environment
Total Cost	\$ 3,072	\$ 5,284	\$ 5,091	\$ 2,019		-
Total Service Fee	\$ 1,749	\$ 1,779	\$ 3,861	\$ 2,082	119%	Increase requested equates closely to cost increase seen since original plan of monthly service fees
Change	\$ (1,323)	\$ (3,505)	\$ (1,230)	\$ 63		