

TO: SOLID WASTE COMMITTEE
FROM: MICHAEL S. LEBRUN *MSL*
GENERAL MANAGER
DATE: AUGUST 29, 2014

AGENDA ITEM
2
SEPTEMBER 3, 2014

DISCUSS POSSIBLE USES FOR SOLID WASTE RESERVE FUNDS

ITEM

Discuss solid waste fund expenditures [RECOMMEND CONSIDER OPTIONS AND DIRECT STAFF]

BACKGROUND

The District holds a Franchise Agreement with South County Sanitation for providing solid waste collection services within the District. The Agreement generates a fee paid to the District as a proportion of the fees collected by the Sanitation Company from customers within NCSD.

District solid waste funds collected as a result of the franchise fee are accounted for in a separate solid waste account and restricted for use on solid waste related activities that directly benefit District customers.

Current solid waste fund accounting is as follows:

Budgeted Income 2014-2015 Fiscal Year	\$143,000
Fund Balance (as of June 30, 2014)	\$404,000
Budgeted Operational Expenditures 14-15 FY	<\$50,000>
Budgeted Administrative Expenditures 14-15 FY	<\$25,000>
Fund Reserve Goal	\$115,000

Currently funded solid waste programs include the following:

	Annual Budget
Chamber/Achievement House Clean Up Grant	\$25,000
Chamber Adopt a Highway Grant	\$2,000
Olde Towne Garbage Collection	\$2,500
Creek Clean Up Support	\$500
Other Projects per Board Direction (Not currently defined)	\$20,000

The annual administrative expenditure includes a 15% Administrative charge to fund staff time related to supporting the Franchise Agreement, insurance and advertising.

Approximately half of the annual fund income is currently budgeted for expenditure. Fund income can vary year to year if/when the Board chooses to off-set solid waste rate increases requested by the service provider.

In August 2010, your Board held a special study session to consider solid waste fund expenditures. The staff report and minutes from that meeting are attached.

In October 2010, your Board approved a number of expenditures including one-time funding of waste water trash screens at both the Southland Wastewater Treatment Plant (\$414,155) and Blacklake Wastewater Treatment Plant (\$90,000). The staff report and minutes from that meeting are attached.

RECOMMENDATION

Discuss solid waste expenditure projects. Give staff direction.

ATTACHMENTS

- A. August 20, 2010 Board Study Session Agenda Item C and minutes
- B. October 20, 2010, Regular Board Meeting Agenda Item E-4 and minutes

September 3, 2014

ITEM 2

ATTACHMENT A

TO: BOARD MEMBERS
FROM: DON SPAGNOLO
GENERAL MANAGER

AGENDA ITEMS C

DATE: AUGUST 12, 2010

AUGUST 20, 2010

OPTIONS FOR USE OF ACCUMULATED SOLID-WASTE FRANCHISE FEES

ITEM

Consideration of expenditure options for use of accumulated solid-waste franchise funds [RECEIVE REPORT AND PROVIDE DIRECTION TO STAFF].

BACKGROUND

NCSD holds a franchise agreement, with South Coast Sanitation (SCC) and Integrated Waste Management Agency (IWMA), for curbside collection of NCSD customers' solid waste and recycling. Over the years, funds have accumulated in the Solid Waste Franchise Fund. The NCSD Board of Directors requested a discussion of options for expending some of the accumulated funds.

Accumulated funds are as follow:

Total Accumulated Solid Waste Funds, per Fund \$89,000 Annually (\$20,000 for Park per Year), \$701,958 Total								
Blacklake Sewer			Town Sewer			Septic		
# of Accts	% of Total	\$ Amount	# of Accts	% of Total	\$ Amount	# of Accts	% of Total	\$ Amount
560	13%	\$91,255	2,465	59%	\$414,155	1,182	28%	\$196,548

ITEM 1:

PAY FOR A CREDIT ON CUSTOMERS' SOLID-WASTE COLLECTION STATEMENTS

Contact was made with South Coast Sanitation, and the costs of this option obtained.

- Paying one month of residential customers' bills: \$75,148.33
- Paying one month of commercial customers' bills: \$26,590.40

A sticker or imprint could be placed on each statement acknowledging the source of the credit.

ITEM 2:

PAY FOR CURBSIDE COLLECTION-BIN CLEANING SERVICE FOR NCSD CUSTOMERS.

Contact was made with Cleaner Cans (CC), a local bin-cleaning service, which has a mobile truck service that cleans the bins at customers' curbsides. Cleaner Cans provided a *Proposal and Service Bid* (attached).

OPTIONS FOR EXPENDITURE OF ACCUMULATED SOLID WASTE FRANCHISE FEES
August 20, 2010 **Page 3**

An option for expending the accumulated solid-waste franchise funds is to pay the \$10 charge for the pick-up of these large items.

COST: To be determined.

ITEM 6:

EXTENDED HOUSEHOLD HAZARDOUS WASTE COLLECTION FACILITY HOURS.

The Household Hazardous Waste Collection Facility (HHWCF) is located at the Southland Wastewater Treatment Facility, and currently is open for drop-off of household hazardous waste (HHW) on Saturdays from 11:00 AM to 3:00 PM.

An option for expending the accumulated solid-waste franchise funds is to increase the hours of operation of the HHWCF.

Hourly rate for the on-site staff person is \$35/hour, with a 4-hour minimum. In addition, a change in the permit may be required if the HHWCF is open during the week.

COST: Increase the Saturday hours of operation by 2 hours (open 9:00 AM to 3:00 PM):
\$35/hour x 2 = \$70/Saturday. (\$3640/yr)

COST: Open the facility in the late-afternoon/early evening one night each week:
Hourly rate for the on-site staff person is \$35/hour, with a 4-hour minimum. In addition, a change in the permit may be required if the facility is open during the week (Cost for permit: up to \$1000).

ITEM 7:

ADDITIONAL ADVERTISING OF HOUSEHOLD HAZARDOUS WASTE COLLECTION FACILITY.

IWMF direct-mail advertising: \$0.75 each for printing, postage, mailing.
(\$3000 for NCSD customers, \$7500 for Mesa-wide mailing.)

IWMF bill inserts: Residential bills are mailed 6 times/year; commercial bills are mailed 12 times/year. For IWMF to print and insert a black-and-white flyer (if it does not increase postage) is an extra \$0.45 each. If we provide the flyer, to insert it into the bill will be

ITEM 8:

NCSD DIRECT-MAIL ADVERTISING OF SOLID-WASTE/RECYCLING EVENTS.

In the past, NCSD staff has designed, prepared for printing, printed and mailed post-cards to NCSD residential customers to stimulate interest in a solid-waste/recycling special event, such as the Spring and Fall Clean-Up days and the Christmas tree recycling service. Most recently (last Christmas), post-cards were mailed to remind customers of the free curbside Christmas tree recycling service available from South Coast Sanitation.

COST: Approximately \$0.325 ea.
Approximately \$1300 for 4000 customers x 3 event mailings = \$3900.

ITEM 9

PROVIDING RECYCLING CONTAINERS AT "MILLER PARK."

COST: Approximately \$10,000 yearly.

ITEM 10

NIPOMO CREEK CLEAN-UP DAY. "Creek Clean-Up Day" is an annual San Luis Obispo County-wide event held to both clean up accumulated debris in creeks and educate the public about the importance of keeping the creeks clean for both flooding/safety and water-quality issues. It is usually held after the South Coast Sanitation Clean-Up Days (when customers can place extra rubbish and large items curbside for pickup), and soon after the Coastal Clean Up annual event.

It is an important event, and can be a lot of fun, but there are issues involved which require a good deal of staff time, and which can cause confusion during the event itself.

In the Town section of Nipomo, homes bordering Nipomo Creek may own the land in the creek as part of their parcel. To gain access to clean Nipomo Creek proper involves considerable effort and hours to obtain waivers for volunteers to enter private property to clean the creek. If a property owner does not sign a waiver, the volunteers must be able to know where that property begins and ends along the creek, and the group of volunteers is required to exit the creek to go around the property, and then enter the creek through another waived property. Additional climbing in and out of the often overgrown creek exposes staff and volunteers to additional potential for injury.

The other issue is the contamination of the publically accessible area under the Tefft Street bridge. In the past, we have inspected the area before the event to assess for the potential to expose our volunteers to health risk, and in 2008 deemed it risky. Volunteers were not sent into the area.

Because of the large staff-hour requirements to gain the waivers, in 2007 and 2008 the event involved clean up of small sections of the creek which are open to the public and the roadways, empty lots, and other debris-collecting areas.

SLO County Environmental Services (SLOCo-ES) assists with the event, which greatly lessens the time and other resources required of NCSO and its staff.

SLOCo-ES will be holding an event for the Nipomo Creek this year on October 2, 2010.

The last year NCSO participated the event was 2008. Survey of the creek in 2009 showed minimal debris in the publically accessible portions of the creek.

COST: Approximately \$600 (based on funds spent in 2008).

ITEM 11

NIPOMO MESA CHIPPING EVENT

The Chipping Event is an annual event, usually held in the early spring, during which residents of the Nipomo Mesa may have their woody landscape prunings and small-diameter limbs chipped without charge. This is an important service to the community. Many residents have acre-plus-sized lots, and considerable debris can accumulate, creating a public-safety hazard. Because of air-quality and other concerns, burning is not currently allowed on the Mesa.

In the past, the majority of the funds were provided by grant through, San Luis Obispo County Fire-Safe Council.

OPTIONS FOR EXPENDITURE OF ACCUMULATED SOLID WASTE FRANCHISE FEES
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In 2007, NCSD contributed \$500 to the event. In 2008, NCSD was requested to assume the responsibility for the organization, registration and administration of the event, and NCSD committed to those duties of the event. The General Manager, Bruce Buel, assigned the duties to the Water Conservation Program staff. Staff organized and administered the event, creating maps and daily routes for the California Conservation Corps personnel contracted by local CalFire to do the actual chipping. In 2009, NCSD was again asked to organize and administer the program, and WCP staff again conducted the event.

Mr. Buel resigned from the NCSD in 2009. The interim General Manager decided NCSD would not administer the 2010 event, and CalFire resumed the responsibilities for conducting the event.

COST: To be determined.

ITEM 12

GRANT PROGRAM AT NIPOMO HIGH SCHOOL OR COMMUNITY CLEAN UP.

Estimated to be \$5000/year.

ITEM 13

INSTALLATION OF TRASH RACK/BAR SCREEN AT SOUTHLAND WASTEWATER TREATMENT FACILITY.

COST: \$600,320 (\$414,155 based on customer breakdown)

ITEM 14

INSTALLATION OF TRASH RACK/BAR SCREEN AT BLACKLAKE WASTEWATER TREATMENT FACILITY.

COST: \$90,000 (\$91,255 based on customer breakdown)

ITEM 15

STREET SWEEPING.

Schedule of sweeping, as per Exhibit B of contract for 2006-2009 sweeping services, are as follow:

"Weekly Sweeping (Once per week)

Tefft Street: From Nipomo Library, just east of Orchard Street, east to Thompson (2.6 Curb Miles)

Thompson Avenue: From Knotts Street, north to Mehlschau Road (3.2 Curb Miles)

Orchard Road: From Tefft Street, south to Story Street (1.8 Curb Miles)

Division Street: From Orchard Road, east to South Frontage Road (1.8 Curb Miles)

South Frontage: From Tefft Street, south to Southland Street (2.4 Curb Miles)

Monthly Sweeping (Once per Month)

Pomeroy Road: From Tefft, north west to Willow Road (5.0 Curb Miles)

Willow Road: From Pomeroy, west to via Concha Road (3.0 Curb Miles)

North Frontage: From Juniper, north to end of North Frontage (1.2 Curb Miles)

Mary Ave: From Tefft, north to Juniper (.6 Curb Miles)

Quarterly sweeping (Once Every Three Months)

All paved streets within District Boundary not listed above (103.6 Curb Miles) "

COST: Per above-quoted Exhibit B: "\$20/curb-mile actually swept"
 Per NCSD payment records: \$1832.00/month

ITEM 16

AMOUNT TO REMAIN IN SOLID WASTE FUND AS RESERVE.

ATTACHMENTS

Table 1: Solid-Waste Franchise Fund Expenditure Options.

Cleaner Cans Proposal and Service Bid.

Table 1: Solid-Waste Franchise Fund Expenditure Options

Item#	Potential Projects	Estimated Cost
1	Provide credits on customers' bills	Residential: \$75,148.33/month Commercial: \$26,590.40/month
2	Solid-waste and recycle bins cleaning service	See attached proposal.
3	Extra recycle bin(s) to customers: Indoor recycle bin w/ recycling brochure, recycling sticker, a household hazardous waste flyer and a letter from the NCSD inside each one.	\$8/bin = \$32,000 \$0.63/bin delivery = \$2500
4	Recycling outreach coordinator to work in Nipomo to help businesses and apartments implement or improve their recycling program.	Assuming up to 400 hours at \$35 per hour = \$14,000.
5	Paying for large objects at Spring/Fall Clean-up events	To be determined.
6	Extended HH waste collection facility expanded hours	Extending operation 2 hrs on Saturday (9-3): \$35/hr, \$75/day, \$3640/yr (\$35 is the hourly rate for the on-site staff person, 4-hour minimum. In addition might need to change the permit if we open during the week; cost for that is up to \$1000.
7	Additional advertising of HHW Facility	Direct mail: \$0.75 ea, \$3000 for NCSD customers, \$7500 for Mesa-wide mailing.
8	NCSD mailing, post cards: Clean-up days, Xmas tree pick-up.	Estimated to be \$1300/ mailing x 3 = \$1980/yr
9	Trash and Recycle containers at "Miller Park"	Estimated to be \$10,000/yr
10	Nipomo Creek Clean-Up Day	Estimated to be \$600/yr
11	Nipomo Mesa Chipping Event	To be determined.
12	Grant program at Nipomo High School for community clean-up	Estimated to be \$5000/yr
13	Installation of trash rack/bar screen at SWWTF.	\$600,320 (\$414,155 based on customer breakdown)
14	Installation of trash rack/bar screen at Blacklake WWTF.	\$90,000 (\$91,255 based on customer breakdown)
15	Street sweeping	Exhibit B of Contract: "\$20/curb-mile actually swept; NCSD Payment: \$1832/mo.



CLEANER CANS
Residential & Commercial Trash Can Cleaning
WWW.CLEANER.CANS.COM

618 LEWIS R.D.
SANTA MARIA, CA 93455

805-868-0899

Date of Proposal: July 29, 2010
Proposal Valid Until: August 31, 2010

Proposal and Service Bid

Cleaner Cans is a locally owned and operated small business in Santa Maria, Ca. We own and operate a mobile hopper system that cleans, disinfects and leaves your trash cans smelling fresh. Our unit is self contained; we recycle and reuse all of our water while using all biodegradable cleaning products. Our mobile unit uses roughly 1.5 gallons of water to clean the normal trash bin while capturing and recycling all used water. The normal resident would use upwards of 50+ gallons to perform the same cleaning as well as numerous hazardous detergents while all used water flows directly down the storm drain. We have performed water sampling tests for TDS (Total Dissolved Solids), TSS (Total Suspended Solids), BOD (Biochemical Oxygen Demand) and pH by EPA method 150.1 and these results have been given to our local Waste Water Treatment Facility, thus allowing Cleaner Cans the authority to dispose of waste water at a local facility in Santa Maria. Cleaner Cans firmly believes that only rain water belongs in our storm drains. Cleaner Cans was featured on our local news program (KCOY) during a feature called "DOWN to EARTH", our local newspaper (Santa Maria Times) has had different letters to the editors complimenting Cleaner Cans for doing their part in remaining clean and green. Just last week Cleaner Cans was recognized by the Santa Maria Sun Magazine as Runner up for BEST OF Santa Maria Valley First Year Business. We are fully insured and have a strong belief in customer satisfaction.

As a statement of work to NCS D (Nipomo Community Services District) Cleaner Cans will provide curbside cleaning (inside of trash bins, inside of lid and wipe down of exterior top portion removing cob webs and debris near handle and lid) of 11,325 residential trash bins (trash, recycle and green waste). Cleaner Cans will be responsible for the notification to customers of South County Sanitary in the NCS D area. Cleaner Cans will notify customers by placing an ad in the Nipomo's Adobe Press prior to startup date informing residents that NCS D has contracted with Cleaner Cans to have all collection bins cleaned curbside. Each resident will have a sticker placed on one of their bins the day before cleaning, asking that they leave all three of their bins out one extra day after collection to ensure availability. Cleaner Cans projects to work 9 hour days, 5 days a week (Tuesday-Saturday). Upon completion of scheduled routes, not to exceed 120 days from start to finish, Cleaner Cans will run a second ad in the Adobe Press alerting customers that Cleaner Cans is reaching completion and that any customer that missed service is encouraged to contact Cleaner Cans at (805)868-0899 to reschedule. Cleaner Cans will allocate an additional 10 days for rescheduling any absent collection bins.

Upon contract agreement Cleaner Cans will ask NCSD to furnish the following:

1. Most updated Routing information of all NCSD South County Sanitary customers
2. Use of Nipomo Waste Water Treatment Facility located at 509 Southland Street for dumping of all collected water.
3. Provide use of water for filling/refilling of tanks as needed.

We are pleased to quote the following work:

Payment, NCSD shall pay to Contractor as full compensation for all the work hereunder the following amount:

Price based on One Year Contract

ONE time cleaning \$79,275 (\$7.00 per can)

TWICE a year cleaning \$70,781.25 (\$6.25 per can)

Price based on Two year contract

ONE time cleaning \$67,950 (\$6.00 per can)

TWICE a year cleaning \$59,456.25 (\$5.25 per can)

Projection is based on a 14% profit margin. If we find the cost of doing business is less than projected, Cleaner Cans will issue NCSD a rebate check upon completion.

The complex geographic area and lack of sanitation and cleanliness given to trash collection bins over the years makes this first time effort very challenging. Our goal is to be able to provide service to the Community of Nipomo on a regular basis thus minimizing costs and making Nipomo a leader in going green one bin at a time.

Thank you for your consideration,

Danny & Kacie Sheridan



**Cleaner Cans
805-868-0899**

NIPOMO COMMUNITY SERVICES DISTRICT

Celebrating 45 Years of Service 1965 - 2010

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

BOARD of DIRECTORS

JAMES HARRISON, **PRESIDENT**
LARRY VIERHEILIG, **VICE PRESIDENT**
MICHAEL WINN, **DIRECTOR**
ED EBY, **DIRECTOR**
BILL NELSON, **DIRECTOR**

PRINCIPAL STAFF

DON SPAGNOLO, **GENERAL MANAGER**
LISA BOGNUDA, **ASSIST. ADMINISTRATOR**
MERRIE WALLRAVIN, **SECRETARY/CLERK**
JON SEITZ, **GENERAL COUNSEL**
PETER SEVCIK, **DISTRICT ENGINEER**

Mission Statement: The Nipomo Community Services District's mission is to provide its customers with reliable, quality, and cost-effective services now and in the future.

STUDY SESSION MINUTES

Friday, August 20, 2010
10:00 A. M.

OPEN SESSION

A. CALL TO ORDER AND FLAG SALUTE

President Harrison called the meeting to order at 10:00 a.m. and led the flag salute.

B. ROLL CALL

At Roll Call all Board members were present.

President Harrison requested Lisa Bognuda, NCS D Finance Director, to be present.

C. ADMINISTRATIVE ITEM

STUDY SESSION

Don Spagnolo, General Manager, introduced the item. The General Manager and Finance Director answered questions from the Board.

Celeste Whitlow, NCS D Water Conservationist, presented the 15 items. The Board discussed the items. The Staff answered questions from the Board. The Board took a straw vote for each item.

Dick Mobraaten, NCS D customer, asked when the public gets to comment on the 15 items.

ITEM # 1	Provide credits on customers' bills.	VOTE 4-1. No further discussion.
ITEM # 2	Solid-waste and recycling bins cleaning service.	VOTE 5-0. No further discussion.
ITEM # 3	Extra recycle bin(s) to customers: indoor recycle bin w/ recycling brochure, sticker, household hazardous waste flyer, and a letter from NCS D.	VOTE 3-2. Further discussion.
ITEM # 4	Recycling outreach coordinator to work in Nipomo to help businesses and apartments implement or improve their recycling program.	VOTE 3-2. No further discussion.
ITEM # 5	Paying for large objects at Spring/Fall Clean-up events.	VOTE 3-2. Further discussion.
ITEM # 6	Extended HH waste collection facility expanded hours.	VOTE 5-0. Further discussion.
ITEM # 7	Additional advertising of HHW facility.	VOTE 3-2. No further discussion.
ITEM # 8	NCS D mailing, post cards: Clean-up days, Xmas tree pick-up.	VOTE 4-1. Further discussion.
ITEM # 9	Trash and Recycling containers at "Miller Park".	VOTE 4-1. No further discussion.
ITEM # 10	Nipomo Creek Clean-Up Day.	VOTE 3-2. Further discussion.
ITEM # 11	Nipomo Mesa Chipping Event.	VOTE 5-0. Further discussion.
ITEM # 12	Grant program at Nipomo High School for community clean-up.	VOTE 5-0. No further discussion.
ITEM # 13	Installation of trash rack/bar screen at SWWTF.	VOTE 3-2. Further discussion.
ITEM # 14	Installation of trash rack/bar screen at Blacklake WWTF	VOTE 3-2. Further discussion.
ITEM # 15	Street sweeping.	VOTE 3-2. Further discussion.

The Board took a break from 10:55 to 11:05.

The Board further discussed the following items (see chart on page1):

Item 3 – The Board discussed the item. The item was not considered. There was no public comment.

Item 5 – The Board discussed the item.

The following members of the public spoke:

Dick Mobraaten, NCSD customer, questioned the size of a large item.

Jim Tefft, NCSD customer, stated that this would be very costly. He suggests setting a limit if this passes.

Ruth Brackett, NCSD customer, questioned why she has to pay for other people's trash to be disposed of and she stated that there should be a limit.

The Board directed Staff to investigate and determine the costs for the past 3 years, then forward the item to the Finance Committee.

Item 6 – The Board discussed the item. The Board directed Staff to do more investigation regarding the number of people using the services in a week and the volume of waste being dropped off. This item was forwarded to the Finance Committee. There was no public comment.

Item 8 – The Board discussed the item. Separate mailings will not be considered, however, bill inserts will be considered. The Board directed Staff to forward the item to the Finance Committee. There was no public comment.

Item 10 – The Board discussed the item. Mrs. Whitlow answered questions from the Board. The Board recommended sending this item to the Finance Committee. There was no public comment.

Item 11 – The Board discussed the item.

The following members of the public spoke:

Jim Tefft, NCSD customer, urged NCSD to do the administration portion only. He stated that in the past the community was confused about when and where the event would be held.

The Board directed Staff to research the number of people in the District that participate in this event and send to the Finance Committee.

Item 13 – The Board discussed the item. Mrs. Bognuda, answered questions from the Board. The Board directed Staff to send the item to the Finance Committee. There was no public comment.

Item 14 – The Board discussed the item. Mrs. Bognuda, answered questions from the Board. The Board directed Staff to send the item to the Finance Committee. There was no public comment.

Item 15 – The Board discussed the item.

The following members of the public spoke:

Dick Mobraaten, NCSD customer, stated that street sweeping is a waste of time.

Ruth Brackett, NCSD customer stated that there has been no street sweeping in her neighborhood for 5 years and that not everyone would benefit from this.

The Board directed Staff to research this item, and then send this item to the Finance Committee.

Item 16 – AMOUNT TO REMAIN IN SOLID WASTE FUND AS RESERVED

The Board discussed the item. The General Manager and Finance Director answered questions from the Board. The Board directed Staff to send item to the Finance Committee. There was no public comment.

ADJOURN

President Harrison adjourned the meeting at 12:45 p.m.

September 3, 2014

ITEM 2

ATTACHMENT B

TO: BOARD OF DIRECTORS

FROM: DON SPAGNOLO
GENERAL MANAGER



AGENDA ITEM E-4

DATE: OCTOBER 15, 2010

OCTOBER 20, 2010

CONSIDER RECOMMENDATION OF THE FINANCE COMMITTEE TO EXPEND SOLID WASTE FUNDS [APPROVE COMMITTEE RECOMMENDATION]

ITEM

Consider recommendation of the finance committee to expend solid waste funds [APPROVE COMMITTEE RECOMMENDATION]

BACKGROUND

NCSD holds a franchise agreement, with South Coast Sanitation (SCC) and Integrated Waste Management Agency (IWMA), for curbside collection of NCSD customers' solid waste and recycling. Over the years, funds have accumulated in the Solid Waste Franchise Fund. The NCSD Board of Directors requested a discussion of options for expending some of the accumulated funds.

This issue was presented and discussed at the 8/20/2010 Solid Waste Franchise Discussion Group, at which time the initial selection process began, and some options for expenditure were eliminated, and request for further information was requested for some options. Refer to the attached *Solid-Waste Franchise Fund Expenditure Options – Updated, and 2010 – 2011 Expenditures*.

In response to question from both the Board and the Committee, please find attached a *Memorandum* from District Legal Counsel regarding us of solid waste revenues.

RECOMMENDATIONS

Staff recommends that your honorable Board accept the Finance Committee's recommendation and direct Staff to implement the proposed expenditures.

ATTACHMENTS

- *Solid-Waste Franchise Fund Expenditure Options – Updated.*
- *2010 – 2011 Expenditures Table*
- *Memo, Jon Seitz, District Counsel*

Solid-Waste Franchise Fund Expenditure Options

Item#	Potential Projects	Estimated Cost	Total
1	Provide credits on customers' bills	Residential: \$75,148.33/month Commercial: \$26,590.40/month	\$0
2	Solid-waste and recycle bins cleaning service	See attached proposal.	\$0
3	Extra recycle bin(s) to customers: Indoor recycle bin w/ recycling brochure, recycling sticker, a household hazardous waste flyer and a letter from the NCSD inside each one.	\$8/bin = \$32,000 \$0.63/bin delivery = \$2500	\$0
4	Recycling outreach coordinator to work in Nipomo to help businesses and apartments implement or improve their recycling program.	Assuming up to 400 hours at \$35 per hour = \$14,000.	\$0
5	Paying for large objects at Spring/Fall Clean-up events	Pay for the collection of large objects in the Spring/Fall Clean-Up Events. There were 95 "extra charges" (large items to be picked up) in the Spring 2010 clean-up event. The total charges were \$1050, with an average charge of \$11.05 each. Per SCS, this is typical for Fall/Spring Clean-Up Events RECOMMENDED with modification of a total annual budget of \$2500, or \$1250 per each twice-yearly event.	\$2500
6	Extended HH waste collection facility expanded hours	Extending operation 2 hrs on Saturday (9-3): \$35/hr, \$75/day, \$3640/yr (\$35 is the hourly rate for the on-site staff person, 4-hour minimum. In addition might need to change the permit if we open during the week; cost for that is up to \$1000.	\$0
7	Additional advertising of HHW Facility	Direct mail: \$0.75 ea, \$3000 for NCSD customers, \$7500 for Mesa-wide mailing.	\$0
8	NCSD mailing, post cards: Clean-up days, Xmas tree pick-up.	Estimated to be \$1300/ mailing x 3 = \$1980/yr	\$0
9	Trash and Recycle containers at "Miller Park"	Estimated to be \$10,000/yr	\$0
10	Nipomo Creek Day (County-Wide)	Estimated to be \$600/yr RECOMMENDED	\$600

\$656,685

11	Nipomo Creek Clean-Up Day (NCSD separate event)		
12	Nipomo Mesa Chipping Event	2008: \$13,412* - 133,628 CuFt - 121.5 tons - 172 participants 2009: \$12,438*- 179,841 CuFt - 160 tons - 238 participants RECOMMENDED that this option be considered by the Board of Directors once the NCSD percentage of participants is known. ** Committee Recommendation: \$5000 - \$10,000/year	\$6000
13	Grant program at Nipomo High School for community clean-up	Estimated to be \$5000/yr	\$0
14	Installation of trash rack/bar screen at SWWTF.	\$600,320 (\$414,155 available based on 59% customer breakdown of WWVT customers). *** RECOMMENDED	\$414,155
15	Installation of trash rack/bar screen at Blacklake WWTF.	\$90,000 (\$91,255 available, based on percentage customer breakdown of WWVT customers) *** RECOMMENDED	\$90,000
16	Street sweeping	Exhibit B of Contract: "\$20/curb-mile actually swept;" NCSD Payment: \$1832/mo. RECOMMENDED	\$21,984
17	Reserves		\$48,000
		BALANCE AFTER RECOMMENDED EXPENDITURES	\$73,446

*Fire Safe Council (Invoiced Costs)

***Charge for disposal depends on volume.

** 2008 Chipping Event Summary							
	#Participants	% of Total Participants	Cubic Feet	Cubic Yards	Tons	% of Total Ft ³ , Yd ³ , Tons	Cost/ Participant
TOTAL	172	100%	133,628.5	4,949.2	121.5	100.0%	\$78
NCSD	64	37%	44,902.5	1,663.1	40.8	33.6%	\$70
OTHER	108	63%	86,621.0	3,208.2	78.7	64.8%	\$80
Estimate for NCSD 2009: (238 attendees) x (NCSD 37%) x (\$70 each) = \$6164							

2010 – 2011 Expenditures

Current amount in Franchise Fee Fund:

\$656,865

One-Time

Paying for pick-up of large objects \$2,500

Installation of trash rack/bar at Southland WWTF \$414,155

Total cost \$600,320

59% of sewer customers connected to Southland.

Installation of trash rack/bar at Blacklake Village WWTF \$90,000

Total Cost \$90,000

13% of sewer customers connected to Blacklake (\$91,255)

Total \$506,655

On-going (\$89,000 est. yearly)

Pay for the collection of large objects \$2,500

Nipomo Creek Clean-Up Day \$600

Nipomo Mesa Chipping Event (\$5k to \$10k) \$10,000

Resume street sweeping throughout the District \$21,984

Total \$35,216

	<i>One-Time</i>		<i>On-Going</i>			
2010-2011	656,865	-	506,655	-	35,084	= 115,126

JON S. SEITZ
MICHAEL W. SETIZ

SHIPSEY & SEITZ, INC.

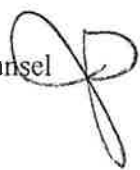
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Nipomo Community Services District

JOHN L. SEITZ
(1924-1984)

GERALD W. SHIPSEY
(RETIRED)

MEMORANDUM

To: NCSO Board of Directors
From: Jon S. Seitz, District Legal Counsel
Date: September 13, 2010
Subject: Use of Solid Waste Revenues



ISSUE

Can the District use solid waste revenues to abate solid waste discharged into the sewer collection systems?

SHORT ANSWER

The discharge of solid waste into the District's collection system is a violation of the District's Solid Waste Regulations and Sewer Regulations and constitutes a nuisance. The District Board has the discretion to use either solid waste or sewer revenues, or a combination of the same, to abate the nuisance. The District should only use solid waste revenues collected within the sewer zones (Town division/Blacklake division) in the abatement effort.

ANALYSIS

Residents and commercial business within the Town Sewer Zone and Blacklake Sewer Zone discharge "solid waste and rubbish" (within the meaning of § 7.01.010 of the District Code) into the sewer collection systems. The solid waste generally consists of rags, plastics and personal care products. The discharge of solid waste, if unabated, adversely impacts wastewater treatment processes at the District's Southland and Blacklake Wastewater Treatment Plants as described below:

- Materials such as rags and other solid waste refuse can clog pumps resulting in influent pump station malfunctions or in the worst case, overflows. All overflows must be reported to the State and Regional Water Quality Control Boards and the District can be fined for these overflows.
- In addition, rags and other solid waste refuse can also clog aerators to the point that the motor overheats and stops running resulting in lower oxygen levels

in the treatment ponds. Lower oxygen levels lead to lower treatment efficiencies and can impact the ability to meet permit discharge water quality limits. The District can be fined for exceeding the permit water quality limits.

- Materials such as plastic and other refuse from personal care products can end up in the biosolids so the biosolids need to be disposed of at a landfill instead of being beneficially reused, for example, in compost.
- All of the operational issues noted above increase the District's operating costs, maintenance costs and equipment replacement costs. Operating and maintenance costs are increased due to emergency equipment repairs, overtime response to equipment failures and landfill disposal of biosolids. Equipment replacement costs are increased due to premature failure of equipment.

Pursuant to District Code §§ 7.04.010 and 7.04.030 the owner(s)/occupant(s) of property are responsible for the safe and sanitary storage of solid waste. Solid waste is to be disposed of by separating the solid waste by garbage, recyclables and green waste and disposed of through weekly curbside collection and not by use of the District's sewer collection system. See additionally District Code §§ 4.08.130 (D) and (E) which prohibit the discharge of solid waste into the District's sewer collection system.

The adverse impacts of solid waste at the treatment plants, including the potential to trigger violations of the District's Waste Discharge Permit, constitute a public nuisance within the meaning of California Civil Code which provides:

§ 3480. Public nuisance A public nuisance is one which affects at the same time an entire community or neighborhood, or any considerable number of persons, although the extent of the annoyance or damage inflicted upon an individual may be unequal.

Further, Section 7.28.030 provides in relevant part that "violation of District solid waste regulations shall be deemed a public nuisance and may be abated as such",....

The discharge of solid waste into the District's sewer collection system constitutes a violation of Title 7 (Solid Waste Regulations) and Title 4 (Sewer Regulations). Therefore, the District has the discretion to use either sewer system revenues or solid waste revenues or a combination of the same to abate (remove, store and dispose of) the solid waste discharged into the District's sewer collection systems.

To the extent the District elects to use the solid waste revenues in the abatement, then the solid waste revenues generated within the specific sewer zones should be used in the abatement process.

END OF MEMORANDUM

Nipomo Community Services District
REGULAR MEETING
MINUTES

K. ADJOURN TO CLOSED SESSION

President Harrison adjourned to Closed Session at 12:05 p.m.

02:54:02

L. OPEN SESSION

ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION

The Board came back into Open Session at 1:08 p.m.

Jon Seitz, District Legal Counsel, announced that the Board heard an update on items one thru three listed above for closed session, but took no reportable action, however, item four listed above in closed session will resume after the regular agenda. There was no public comment.

02:55:47

E-4) CONSIDER RECOMMENDATION OF THE FINANCE COMMITTEE TO EXPEND SOLID WASTE FUNDS

Don Spagnolo, General Manager, introduced the item. Celeste Whitlow, Water Conservationist, reviewed the report as presented in the Board packet. Jon Seitz, District Legal Counsel, General Manager Spagnolo, and Mrs. Whitlow answered questions from the Board. There was no public comment.

Upon the motion of Director Winn and seconded by Director Vierheilig the Board members present voted to approve the 2010-2011 Solid-Waste Expenditures, with \$600 as a place holder for future Creek Days until that is amended and with a note to explore ways that the franchise fees could clearly benefit septic tank users.

Vote 3-1.

YES VOTES	NO VOTES	ABSENT
Directors Winn, Vierheilig, and Eby	Director Harrison	Director Nelson

04:14:27

E-5) CONSIDER FORTH QUARTER REVIEW OF STRATEGIC PLAN REVIEW

Don Spagnolo, General Manager, reviewed the report as presented in the Board packet and took suggestions from the Board. The Board thanked Mr. Spagnolo for the report and directed Staff to continue with this process and fill in the blanks. There was no public comment.

04:28:58

F. GENERAL MANAGER'S REPORT

Don Spagnolo, General Manager, reviewed the Manager's Report presented in the Board packet. Mr. Spagnolo answered questions from the Board. There was no public comment. The following Board members made the following recommendations during this item:

Director Winn

- ◊ We need to get the process going again for the County to institute an In-Lieu fee for Supplemental Water.
- ◊ The County is continuing to process a General Plan Amendment for the Jack's Helping Hands Project and we want them to succeed without scuttling County Ordinance §3090.
- ◊ Look into the water thefts at Maria Vista.

Nipomo Community Services District
REGULAR MEETING
MINUTES

- ◇ Supplemental report, on Monday, October 4, 2010, we had a 4th District Supervisor forum here at NCS D and it was very disappointing. Both candidates were weak. They didn't understand the following impacts that will affect our District:

- The Water Interline Project
- Santa Maria Ground Water Basin Litigation
- The impacts of building an Ag Cluster Subdivision on the Laetitia Property
- Seawater intrusion threatening the Basin

Director Eby

- ◇ I would like for the General Manager, District Engineer, AECOM, District Legal Counsel, to all get together and get a detailed assessment effort action plan, either using "Fast Track Scheduler" or an equivalent application that shows milestones, performing individual/organization responsibilities, event start/finish dates and illustrates the critical path. That includes the following:

- Completion of the survey
- Recommendation of the assessment
- Chances of getting a successful assessment
- When the second look will be done
- The Notice to Proceed to the County
- The assessment vote, when it will take place
- Funds to be available
- When to go out for bids
- Assignment for responsibility, so we know whose button to push to get on track

Time is of the essence, the interest rates and construction costs are going to go up.

Director Harrison

- ◇ Questioned the conclusion on the hit and run accident in District parking lot
- ◇ Would like to reiterate what Director Eby said
- ◇ We need to keep pushing hard to complete our projects
- ◇ Stay involved in the Jack Ready Park Project

04:42:37

G. COMMITTEE REPORT

September 27, 2010 Park Committee
October 4, 2010 Personnel Committee

The reports were as presented. The General Manager answered questions from the Board. There was no public comment.

04:55:00

H. DIRECTORS REQUESTS TO STAFF AND SUPPLEMENT REPORTS

The Board directed Staff to put Item four from the above closed session list on the November 10, 2010 agenda. There was no public comment.

04:55:56

ADJOURN

President Harrison adjourned the meeting at 3:10 p.m.