

TUOLUMNE CITY SANITARY DISTRICT

TCSD
18050 BOX FACTORY ROAD
TUOLUMNE, CA 95379

SPECIAL MEETING STAFF REPORT AUGUST 10, 2022

PHONE: 209.928.3517
FAX: 209.928.4550
EMAIL: brendatsd@frontier.com

To: Board of Directors
From: Dave Andres, General Manager
Subject: Management Report
Date: July 31, 2022

Agenda Item: VII(b)

I am currently working with staff on a number of activities. These activities include the following:

- **Status of Community Services District (CSD) Application**

After the Local Agency Formation Commission (LAFCo) held its meeting on May 9, 2022 and the District received a request from the LAFCo Executive Officer on May 17th, 2022 for additional information, the CSD Ad Hoc Committee consisting of board representatives of TCSD, and TP&R met on May 25, 2022. The purpose of the meeting was to review the letter from Quincy Yaley from LAFCo regarding the need for additional information. This additional information was provided to LAFCo on July 14, 2022. After two emails from district staff the LAFCo Executive Officer finally confirmed on July 28, 2022 that she received the information. In her response she states in her email that: *"Until a tax revenue agreement is processed, LAFCO can't move forward."* I have responded by requested that the Executive Officer provide the District with their legal opinion that requires a "Property Tax Agreement" when there is no change in property taxes between the district and the county. It appears that LAFCo is doing its best to further delay this application that was originally submitted in September, 2020.

- **Sludge Removal Request for Proposal (RFP)**

The District issued a Request for Proposal (RFP) on May 18, 2022 for *Sludge Dewatering, Hauling and Disposal*. As our current treatment plant does not have dewatering facilities the District stores it sludge in one of the concrete-lined ponds at the plant. The District then contracts for the sludge or biosolids to be dried and trucked off to a land application facility every two to three years. The successful bidder, Synagro, was awarded the contract at your July 6th, 2022 meeting. Due to equipment scheduling / repair issues Synagro cannot start the work as previously scheduled for August 1, 2022. An extension has been worked out that will have the project begin on August 22, 2022 with completion scheduled for September 2, 2022. See the revised schedule below.

Revised Schedule

Issuance of RFP	Proposals Due	Bid Awarded	Performance Bond, Payment Bond and Certificates of Insurance Due	Project Start	Project Completion
May 18, 2022	June 22, 2022	July 6, 2022	July 29, 2022	August 18, 2022	September 2, 2022

- **State Revolving Fund Program Update**

The District has been advised by State Revolving Fund (SRF) staff at the Department of Water Resources (DWR) that we may be eligible for additional state grant funding. DWR staff has requested that we submit a request for additional funding for those activities that are “construction ready” and have completed environmental review. If approved this will allow us to complete the two additive projects we could not fund at the Wastewater Treatment Plant (WWTP) and the two additive projects we could not fund in the Wastewater Collection System (WWCS). This includes Alternative Additive Items B-1 Aeration Basin Paving and D-1 Effluent Line Repair under the WWTP Construction project and Alternative Additive Items B. North Cedar Sewer Pipeline and D. South Cedar Sewer Pipeline under the WWCS project. These construction activities combined with the control and computer system upgrades and other pending projects could result in the District receiving up to an additional \$2 million in grant funds. In addition, we also requested funding for the completion of the Carter Basin wastewater collection system project (Phases 1 & 2). This would provide up to \$10 million in additional funding to complete this work. We have not received the go ahead on any of the additional funding, but have been advised that we passed the technical review process. Our request has been sent to management where it may take an additional two to three months to process. DWR executive management will make a final decision on whether all, some, or none of the projects we submitted receive funding approval.