



# FAIRFIELD-SUISUN SEWER DISTRICT

1010 CHADBOURNE ROAD • FAIRFIELD, CALIFORNIA 94534 • (707) 429-8930 • WWW.FSSD.COM  
GREGORY G. BAATRUP, GENERAL MANAGER

April 21, 2015

AD-100.130.10/1316

## MEMORANDUM

TO: Board of Directors

FROM: Greg Baatrup *vjl FOR GREG BAATRUP*

SUBJECT: Quarterly GM Report

The following is a highlight of the more significant happenings during the first quarter of 2015.

### Operations

All treatment facilities continue to perform as expected. During the first quarter of 2015, District facilities conveyed and treated 1.16 billion gallons of sewage. The plant was 100% compliant with discharge regulations prescribed by the National Pollution Elimination System (NPDES) Permit and no Sanitary Sewer Overflows.

### Biosolids Management

Three major efforts for the development of the Organic Materials Recovery Center (Lystek project) were underway in the first quarter; 1) preparation and circulated of an Initial Study/Negative Declaration as required under the California Environmental Quality Act, 2) continued work on the development of a Lease Agreement between the District and Lystek, and 3) continued work to identify and contract with 3<sup>rd</sup> parties to process materials at the site, including an Memorandum of Understanding with the San Francisco Public Utilities Commission. All three items are being considered by the Board of Directors at their April 27, 2015 meeting.

### Community Outreach

The following table presents the activities in the first quarter of 2015:

Activity	Attendees
Cleanup of Lower Union Ave. Creek	District staff and volunteers removed 200 pounds of trash from Lower Union Ave Creek
Solano College Chemistry Class Lab tour	Lab and plant, and administered some tests in the laboratory.
Sam Yeto Class Tour	36 students plus teachers toured ops area, lab and plant. Lots of questions and high degree of engagement from students.
Suisun City code enforcement training	Engagement and full understanding by Suisun City Code Enforcement Officers on identifying and managing illegal discharges.
Solano County Master Gardener Training	35 Master Gardeners were in attendance, the audience was highly engaged, final understanding of the direct connection between streets and creeks was 100%

## **Personnel**

### *Awards*

The California Water Environment Association (a not-for-profit public benefit association of 9,300-plus water quality professionals in the State of California who work for public agencies and collection systems, engineering firms, and equipment and service suppliers) recognized the following District employees with awards at the annual convention in San Diego:

- Meg Herston, Environmental Compliance Engineer – 2014 Pretreatment, Pollution Prevention and Storm Water Person of the Year
- Dave Harrold, O&M Technician – 2014 Operator of the Year
- Tom Harshell, O&M Technician – 2014 Mechanical Technician of the Year

### *District Staff Changes*

In the first quarter, Glenn Brown, O&M Technician, retired. He was assigned to the Pump Station/Collection System department. In the near-term his work was reassigned while the department managers assess whether to fill the position from within or through an external recruitment. Anticipating four retirements (three in Operations) in 2015, the District has been developing replacements for the near-term retirements. A recruitment is planned for the summer to refill the positions for those who are expected to retire at the end of 2015. In April 2015, Mr. Sang Park who was working as an Operations Intern/Operator-in-Training was hired into the Operations as an O&M Technician.

In March 2015, Mr. Jordan Damerel who previously worked for a Bay Area engineering firm was hired in the Engineering department as an Environmental Engineer.

The District currently has 59 employees.

### *Election*

Greg Baatrup, General Manager, was elected by the California Sanitation Risk Management Authority members to serve as the Vice President of the Authority.

## **Safety**

The following are highlights of the Safety Program during the quarter

- In January 2015 attained 11 years without a lost-time accident
- Increased emphasis on ‘near-miss’ reporting to increase safety awareness and reduce safety risks
- The following items were covered in Safety Tailgate Trainings:
  - Eye Injuries and Prevention
  - Lock Out/Tag Out (LOTO) – The importance of, and statistics for the U.S. injuries and fatalities
  - Ebola Virus education and Personal Protective Equipment used for protection
  - Safe Lifting
- Held Safety Committee Meetings with review and recommendations for the 16 reports received
- Conducted Arc Flash and Protection Training for key personnel
- Conducted Ergonomics Training for Operations and Maintenance sponsored by CSRMA

## **Administration and Finance**

Revenue and Expenses are tracking according with the Budget and Long-term Financial Plan. Table 1 presents expenses and Table 2 presents the revenue through March 2015. Expenses in the Major

Maintenance category are running higher than the prorated budget as the expenses for the Suisun Pump Station Electrical Upgrade were realized in the first half of the fiscal year. Expenses in the Regulatory category are also running higher than the prorated budget as the expenses NPDES permit renewal were realized in the first half of the fiscal year.

Connection Fee revenue is used to offset expenses in the Capital Fund. Connection Fee revenue is shown in Figures 1 through 3. Revenue has been significantly lower over the past few years due to the economic downturn but appears to be to be improving. As shown in Table 2 the actual revenue received and booked through March 31, 2015. This revenue was tracking with budget projections. However, in March, the City of Fairfield collected \$1.05 million in Sewer District Connection Fees for a large apartment building on Business Center Drive in Fairfield. These funds are not yet received nor booked into the accounting system that was used to generate Table 2. The amount was used to present the chart shown in Figure 2. With fourth quarter revenue, it is expected the annual connection fee revenue will be 135% of budget.

During the budget discussions, the Board suggested establishing a Reserve Policy for District reserves. Staff is gathering background data with the intention of including reserve in the Sewer Service Rate Study that will be undertaken in FY 2015/16.

Table 1

Fairfield-Suisun Sewer District  
Expense Report Summary - **Budget Format (75% of Budget Year)**  
YTD March 31, 2015

		Budget	YTD Actual	% Used
Fund 1 - Operations				
0110	Treatment Plant O&M (1)	6,219,300	4,625,952	74.38%
0110	Electricity and Chemicals	1,775,000	897,452	50.56%
0115	Laboratory	701,000	515,256	73.50%
0130	City Sewer Line Maintenance	2,301,000	1,622,565	70.52%
0140	Major Maintenance	4,517,000	4,430,937	98.09%
0170	Admin, Legal, Board, OPEB	1,729,000	1,078,347	62.37%
0160	Utility Billing - Fairfield	387,000	302,731	78.23%
0160	Utility Billing - Suisun	116,000	88,882	76.62%
0160	Financial & Personnel Services	854,000	500,822	58.64%
0150	Regulatory Programs (2)	787,000	669,197	85.03%
Total Expenses		19,386,300	14,732,141	75.99%
Fund 2 - Construction				
0210	Project Planning (3)	62,800	70,882	112.87%
0220	New Development Review/Inspect	38,000	30,617	80.57%
0230	Sewer System Capacity Analyses	6,000	4,634	77.23%
	Debt Service	2,431,000	0	0.00%
Total Expenses		2,537,800	106,133	4.18%
Fund 4 - Drainage Maintenance				
0410	Drainage Maint Admin	26,000	8,569	32.96%
0420	Local Facility Maintenance	959,000	479,500	50.00%
0430	Regional Facility Maintenance	26,000	24,807	95.41%
0440	URMP	422,900	277,146	65.53%
	Desilting	31,000	0	
Total Expenses		1,464,900	790,022	53.93%
Total - All Funds		23,389,000	15,628,296	66.82%

Table 2

**Fairfield-Suisun Sewer District**  
 Revenue Report Summary (75% of Budget Year)  
 YTD March, 2015

		Budget	YTD Actual	% Used
Fund 1 - Operations				
<b>Sewer Service Charges</b>		<b>23,163,000</b>	<b>16,894,046</b>	<b>73%</b>
5010	Sewer Service Charges - FF	16,162,000	11,966,159	74%
5012	Sewer Service Charges - AB	1,327,000	780,384	59%
5013	Sewer Service Charges - District-billed	931,000	605,370	65%
5015	Sewer Service Charges - SS	3,792,000	2,818,978	74%
5020	Sewer Service Charges - TAFB	951,000	689,217	72%
5025	Sewer Service Charges - Other	-	33,938	
<b>Interest Income</b>		<b>11,000</b>	<b>23,303</b>	<b>212%</b>
5405	Interest Earnings	11,000	23,303	212%
<b>Other Income</b>		<b>77,000</b>	<b>141,164</b>	<b>183%</b>
5305	Lease Income	-	98,853	
5450	Unrealized Gain/Loss	-	4,390	
5505	Miscellaneous/Late Pymt Charges	77,000	37,921	49%
Total		23,251,000	17,058,513	73%
Fund 2 - Construction				
<b>Capacity Fees</b>		<b>2,212,000</b>	<b>1,653,131</b>	<b>75%</b>
5105	Capacity Fees - FF	2,212,000	1,645,867	74%
5110	Capacity Fees - SS	-	7,264	
5405	Interest Earnings	1,000	3,142	314%
5407	Interest - Debt Service Reserve	6,000	7,496	
5410	Interest - Connection Fees	-	1,487	
Total		2,219,000	1,665,256	75%
Fund 4 - Drainage Maintenance				
5205	Drainage Maintenance	1,491,000	785,975	53%
5405	Interest Earnings	2,000	2,602	130%
Total		1,493,000	788,577	53%
Total - All Funds		26,963,000	19,512,346	72%

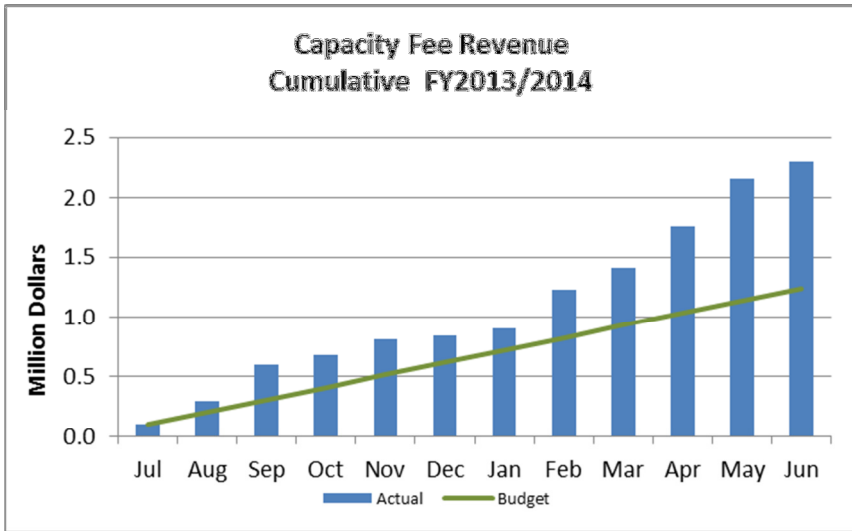


Figure 1

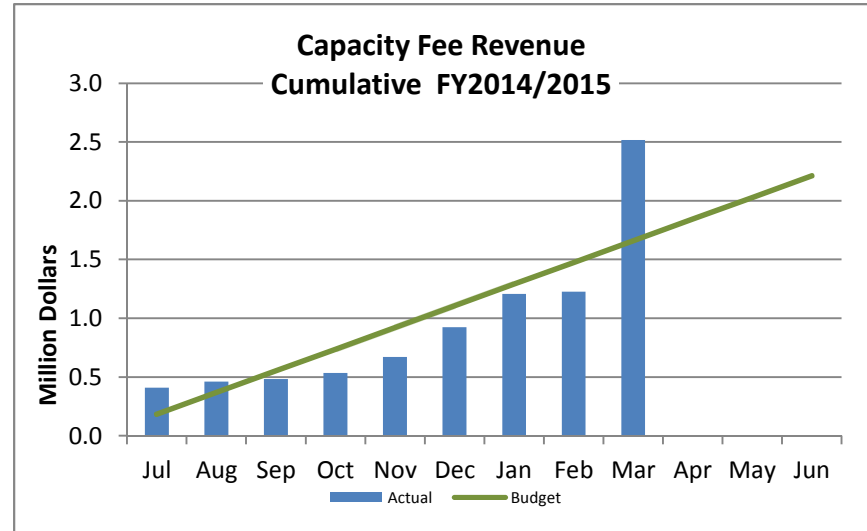


Figure 2

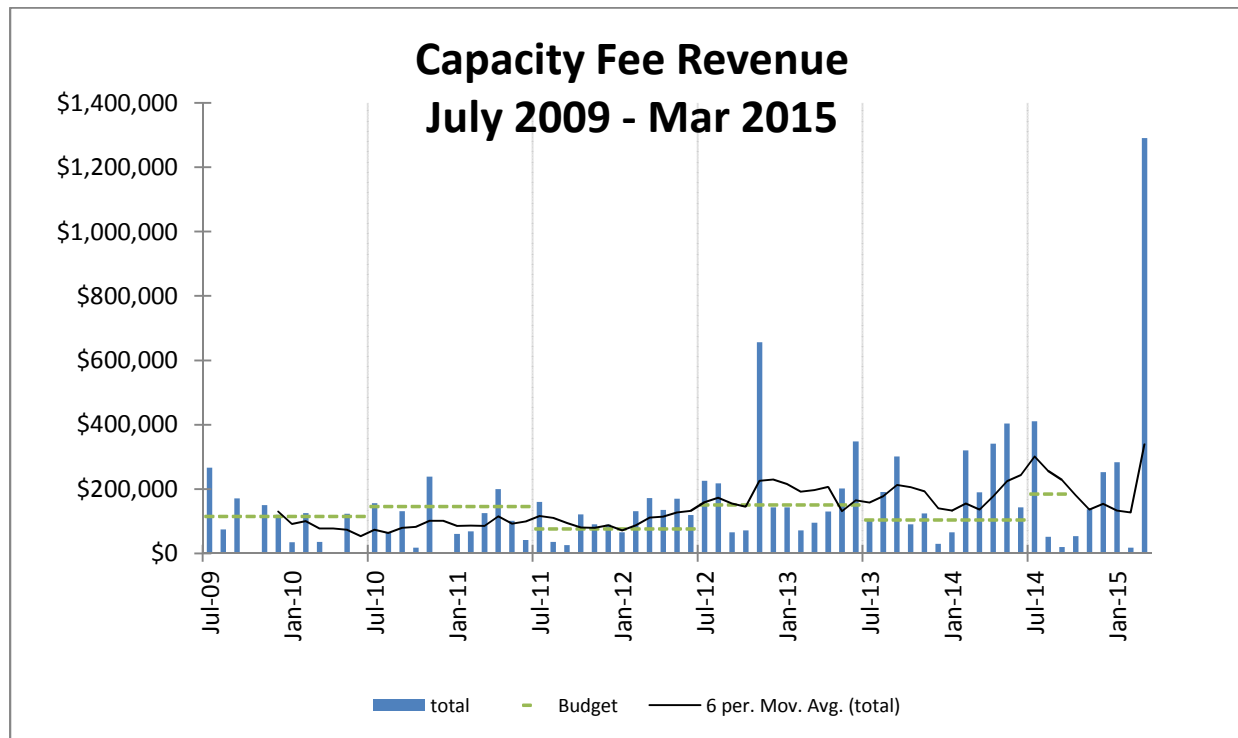


Figure 3