



FAIRFIELD-SUISUN SEWER DISTRICT

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GREGORY G. BAATRUP, GENERAL MANAGER

January 21, 2015

AD-100.130.10/1316

MEMORANDUM

TO: Board of Directors
FROM: Greg Baatrup
SUBJECT: Quarterly GM Report

The following is a highlight of the more significant happenings during the fourth quarter of 2014.

Operations

All treatment facilities continue to perform as expected. During the fourth quarter of 2014, District facilities conveyed and treated 1.30 billion gallons of sewage. The plant was 100% compliant with discharge regulations prescribed by the National Pollution Elimination System (NPDES) Permit.

During 2014, the District conveyed and treated 4.80 billion gallons of sewage with no sanitary sewer overflows and no permit violations. The total volume treated is 5 percent more than 2013.

On December 11, as part of the mid-December storms, the District measured more than 3 inches of rain which significantly increased flow to the plant. Peak wet weather flows reached 52 million gallons per day as compared to the average dry weather flow of 13 mgd. To reduce the impact of the high influent flow on the plant, 10.3 million gallons of the influent was temporarily stored in the on-site equalization lagoons. After storm flow subsided the equalized flow was returned to the plant for full treatment. The equalization lagoons, that can hold up to 111 million gallons, were constructed to mitigate the impacts of peak wet weather events.

Biosolids Management

Lystek continued to work with staff and gathered data on biosolids operations and facility layout. This data will be used for the preparation of a Predesign report that could lead to the final design and construction of a Biosolids processing facility. The Predesign will also provide details for preparing the appropriate environmental document as required under the California Environmental Quality Act. Lystek pursued other biosolids producers to secure a waste stream for their project.

Regulatory Compliance

On December 18, the Regional Water Quality Control Board (RWQCB) staff conducted a Compliance Evaluation Inspection of the District operations to assess the District compliance with regulatory requirements. In their inspection, they reviewed compliance logs, operations logbooks, lab records and reports, compliance test equipment and calibration reports, and they toured the facilities to confirm the plant operations appear to comply with permit regulations.

The RWQCB staff prepared a formal report, and in the transmittal they state “We identified no issues requiring follow-up action at this time”. District staff take great pride in operating and maintaining the facilities and records to show compliance. Staff is quite pleased with the Compliance Evaluation Inspection Report from the RWQCB.

Community Outreach

Staff provided plant tours to various Solano College groups, including environmental science and wastewater vocational students. District staff also provided annual commercial/industrial inspector training to Solano County Environmental Health Inspectors. This year's training emphasized the reduction of trash in local waterways as well as grease control in City and District Sewers.

The District continues to create “Hometown Green” radio announcements on KUIC. The latest spot, read on-air by District staff, describes New Year’s resolutions that can help the environment. Resolutions include picking up pet waste to keep pollutants out of waterways, properly disposing of oil & grease, and using your car less.

Personnel

There were three retirements at the end of calendar year 2014, two in the Engineering department and one in the Administration department. A recruitment was completed and Lisa Montanez started the first of January in the Administration department.

Safety

The District closed out 2014 with no lost-time accidents. As of January 9, 2015 the District completed 11 years with no lost time accidents.

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 September 2014. 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 of 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. FY 2013/14 connection fee revenue projections were estimated from data provided by the city planning departments at \$2,219,000. Connection fees as of December 31, 2014 total \$1,036,578 with interest revenue the total is \$1,050,466 which is 47% of projected revenue. Figure 3 shows monthly connection fee revenue for the past 4 years.

Table 1

Fairfield-Suisun Sewer District
Expense Report Summary - **Budget Format (50% of Budget Year)**
YTD December 31, 2014

		Budget	YTD Actual	% Used
Fund 1 - Operations				
0110	Treatment Plant O&M (1)	6,219,300	2,972,539	47.80%
0110	Electricity and Chemicals	1,775,000	648,294	36.52%
0115	Laboratory	701,000	331,801	47.33%
0130	City Sewer Line Maintenance	2,301,000	1,072,250	46.60%
0140	Major Maintenance	4,517,000	3,528,397	78.11%
0170	Admin, Legal, Board, OPEB	1,729,000	577,851	33.42%
0160	Utility Billing - Fairfield	387,000	200,578	51.83%
0160	Utility Billing - Suisun	116,000	59,524	51.31%
0160	Financial & Personnel Services	854,000	324,988	38.05%
0150	Regulatory Programs	787,000	535,097	67.99%
Total Expenses		19,386,300	10,251,318	52.88%
Fund 2 - Construction				
0210	Project Planning (3)	62,800	54,657	87.03%
0220	New Development Review/Inspect	38,000	18,082	47.58%
0230	Sewer System Capacity Analyses	6,000	1,506	25.10%
	Debt Service	2,431,000	0	0.00%
Total Expenses		2,537,800	74,245	2.93%
Fund 4 - Drainage Maintenance				
0410	Drainage Maint Admin	26,000	7,712	29.66%
0420	Local Facility Maintenance	959,000	479,500	50.00%
0430	Regional Facility Maintenance	26,000	16,398	63.07%
0440	URMP (4)	422,900	200,708	47.46%
	Desilting	31,000	0	
Total Expenses		1,464,900	704,318	48.08%
Total - All Funds		23,389,000	11,029,881	47.16%

Table 2

Fairfield-Suisun Sewer District
 Revenue Report Summary (50% of Budget Year)
 YTD December 31, 2014

		Budget	YTD Actual	% Used
Fund 1 - Operations				
5010	Sewer Service Charges - FF	16,162,000	7,988,735	49%
5012	Sewer Service Charges - AB	1,327,000	528,434	40%
5013	Sewer Service Charges - District-billed	931,000	412,889	44%
5015	Sewer Service Charges - SS	3,792,000	1,829,842	48%
5020	Sewer Service Charges - TAFB	951,000	412,135	43%
5025	Sewer Service Charges - Other	-	24,103	
5305	Lease Income	-	85,050	
5405	Interest Earnings	11,000	14,842	135%
5450	Unrealized Gain/Loss	-	4,390	
5505	Miscellaneous/Late Pymt Charges	77,000	20,451	27%
Total		23,251,000	11,320,871	49%
Fund 2 - Construction				
5105	Capacity Fees - FF	2,212,000	1,036,578	47%
5110	Capacity Fees - SS	-	7,264	
5405	Interest Earnings	1,000	1,847	185%
5407	Interest - Debt Service Reserve	6,000	3,748	62%
5410	Interest - Connection Fees	-	1,029	
Total		2,219,000	1,050,466	47%
Fund 4 - Drainage Maintenance				
5205	Drainage Maintenance	1,491,000	786,564	53%
5405	Interest Earnings	2,000	1,723	86%
Total		1,493,000	788,287	53%
Total - All Funds		26,963,000	13,159,624	49%

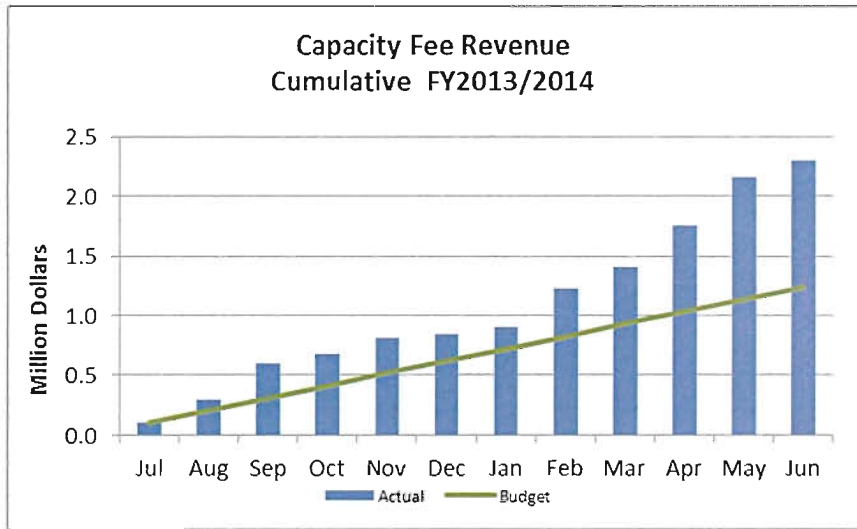


Figure 1

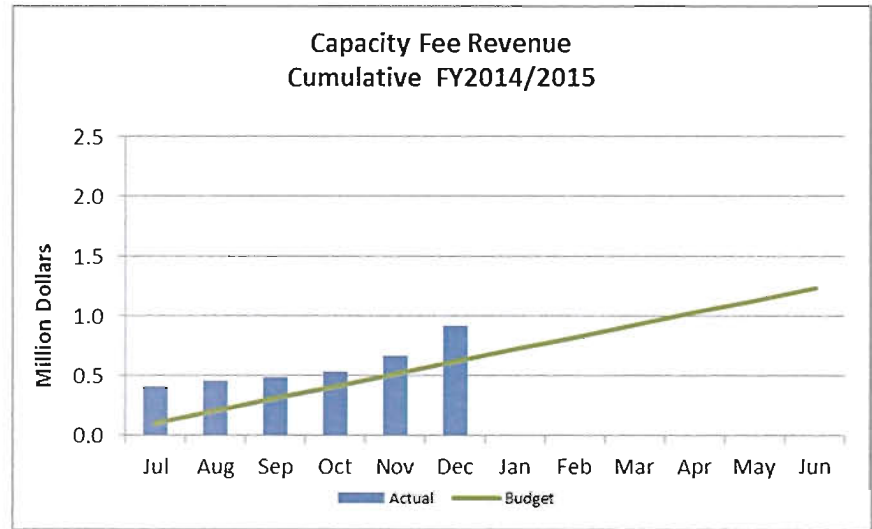


Figure 2

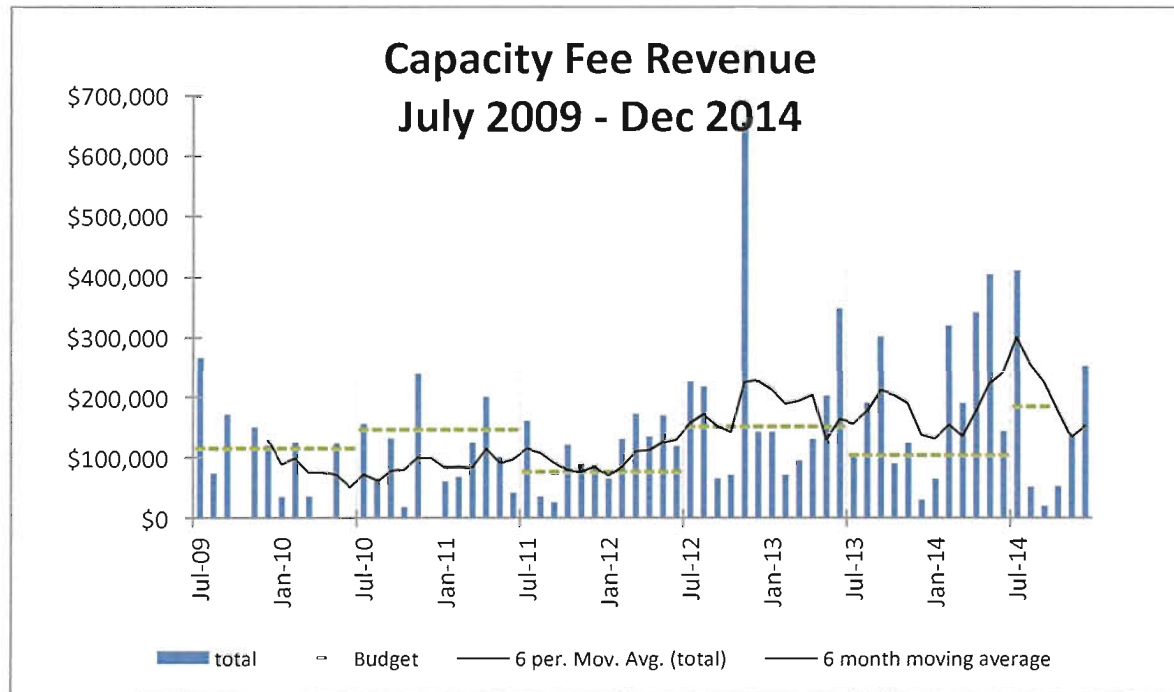


Figure 3