



FAIRFIELD-SUISUN SEWER DISTRICT

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

July 18, 2019

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 activities that occurred during the second quarter of calendar year 2019.

The District sought revisions to its Enabling Act and Assembly Bill 530 was prepared, introduced, and was processed through the State Legislature, including an amendment to make the bill an urgent item to be effective upon approval. AB 530 was unanimously approved by the Assembly Local Government Committee, Assembly, the Senate Government and Finance Committee, the Senate, and Governor. The bill was 'chaptered' on July 10, 2019.

Operations

All treatment facilities continue to perform as expected. As planned, staff modified operations by shutting off part of the plant to accommodate construction of blower project without incident.

The total wastewater processed during the quarter was 1.27 billion gallons. For the 2nd quarter, the plant was 100% compliant with discharge regulations prescribed by the National Pollution Elimination System (NPDES) Permit and there were no Sanitary Sewer Overflows.

Biosolids Management

Organic Materials Recovery Center (OMRC)

The facility has been accepting District biosolids since August 17, 2016 and has processed all District biosolids. The OMRC continues to be a success. Processing services were sold to San Francisco PUC, East Bay MUD, Central Marin Sanitation Authority, and City of Petaluma. Lystek continues to pursue new customers and has added the City of Palo Alto, City of Benicia, Vallejo Flood and Wastewater District.

In the 2nd quarter, OMRC processed 4,837 wet tons of District biosolids and 9,077 wet tons of biosolids from other agencies.

Engineering

Blower Replacement Project

In November 2017, the District Board approved a construction services contract with Overaa to replace aging aeration equipment and improve the reliability and efficiency of the system. The new blowers and standby generator were successfully put into service. The remaining work includes fine tuning the blower operation and other controls and finishing electrical work. The contract completion date is October 18, 2019 and expected to be on time and on budget.

Plant Electrical Replacement Project

Design work continues to rehabilitate or replace aging electrical components that are more than 30 years old and are becoming unreliable. The condition, age and outdated technology warranted an electrical system assessment that is underway.

Collection System Master Plan

The consultant has prepared collection system model runs to identify where the system may have limitations and therefore where system improvements are needed. Coordination meetings were held with City of Fairfield staff to review projects and areas of concern.

Other Projects and activities:

- The 2019 Sewer System Rehabilitation projects was awarded and is starting. The \$344,395 contract includes rehabilitation to District sewers at various locations in the service area.
- Stantec is preparing the design for the Digester Rehabilitation project that will replace the unreliable 30+year old mixing system and piping components for Digester No. 2. Once rehabilitation of Digester No. 2 is completed and put back to service, Digester No. 1 will be taken out of service for cleaning and inspection.
- An RFP was issued to engineering firms to conduct a Digester Feedstock and Biogas Utilization Master Plan. Proposals are due August 16, 2019.
- As a prerequisite to the NPDES permit renewal application, the Report of Waste Discharge was completed. The application is due to the Regional Water Quality Control Board in August 2019

Community Outreach

The following table presents the activities in the first quarter of 2019:

Date	Event	Participants	Description
4/4/2019	Fairfield High Career Fair	200	Provided information on the District and career opportunities in the water/wastewater industry
4/20/2019	Earth Day Creek Cleanup	93	Coordinated teams and participated in trash collection at 6 local water locations.

4/27/2019	Fairfield Earth Day	500	Provided attendees with information about water, wastewater, and environmental opportunities
4/29/2019	Solano Community College WATR 106 Instrumentation and Controls Class	18	District E/I Tech Adrian Antoo/SCC Instructor provided Plant tour to WATR 106 class
5/21/2019	Fairfield-Suisun Rotary	30	Presented virtual tour on District facilities and engaged attendees in a Q&A on water & wastewater issues.
5/29/2019	Suisun City Public Works Open House	75	Spoke with Suisun city elected officials, the public and public works crews and their families regarding power grid infrastructure project and FSSD's collection system and treatment plant
6/30/2019	Environmental Outreach to Boaters	42	Pursued boaters over 7 days, made contacts and established the importance of bilge pads and clean and green boating practices

Personnel

Administration and Finance

Budget Analysis

Table 1 Expenses -

Fund 1 - Operations

Account 0140/1601 - Major Maintenance resulted in significant variance, primarily due to timing of the Blower Project. The project started later than anticipated; however, overall project costs from start to completion in FY 2019/20 is projected to align with the total budget of \$10.6 million.

Account 0170/0175 – Administration/OPEB actual was higher than budget primarily due to higher OPEB payment for unfunded liability as a result of valuation done on the 2nd half year of the 2-year budget.

Fund 2 – Capital

Account 0220 – New Development Review/Inspection actual expense was primarily salaries and benefits. Several capital-funded projects were budgeted; however, no work was done.

Fund 4 – Drainage Maintenance

Account 0430 – Regional Facility Maintenance actual expenses include repair and replacement of lift stations

Table 2 Revenue.

Revenue, in general, aligned with the budget. Actual connection fee revenue was lower than budget mainly because actual permits issued were less than what the City of Fairfield projected. Budget for FY 19/20 & 20/21 District-billed sewer charges have been adjusted/reduced to reflect the lower actual revenues in FYs 2017/18 & 2018/19.

Table 1

Fairfield-Suisun Sewer District
 Expense Report Summary - Budget Format (Unaudited)
 Year-To-Date June 30, 2019

		Budget	YTD Actual	% Used
Fund 1 - Operations				
0110	Treatment Plant O&M (1)	8,969,550	7,251,987	80.9%
0110	Electricity and Chemicals	1,433,000	1,488,080	103.8%
0115	Laboratory	807,000	689,713	85.5%
0130	City Sewer Line Maintenance	2,545,000	2,486,039	97.7%
0140/1601	Major Maintenance	8,805,000	11,014,845	125.1%
0170	Admin, Legal, Board, OPEB	1,207,000	1,505,117	124.7%
0160	Utility Billing - Fairfield	452,000	471,553	104.3%
0160	Utility Billing - Suisun	134,000	137,493	102.6%
0160	Financial & Personnel Services	850,000	728,866	85.7%
0150	Regulatory Programs (2)	867,500	838,356	96.6%
	Total Expenses	26,070,050	26,612,049	102.1%
Fund 2 - Construction				
0210	Project Planning (3)	80,200	65,867	82.1%
0220	New Development Review/Inspect	43,000	103,492	240.7%
0000	Collection System Master Plan	0	0	0.0%
0230	Capacity Analysis	30,000	3,904	13.0%
0260	Cordelia PS	635,000	0	0.0%
0000	Peabody/Walters	400,000	0	0.0%
0270	Northeast Fairfield PS	900,000	0	0.0%
1601	Blower Project/Aeration System Rehab (25%)	813,000	2,065,664	254.1%
	Total Expenses	2,901,200	2,238,927	77.2%
Fund 4 - Drainage Maintenance				
0410	Drainage Maintenance Admin	20,000	21,639	108.2%
0420	Local Facility Maintenance	959,000	959,000	100.0%
0430	Regional Facility Maintenance	30,000	62,635	208.8%
0440	URMP (4)	371,750	387,759	104.3%
	Desilting	31,000	0	0.0%

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	Total Expenses	<u>1,411,750</u>	<u>1,431,033</u>	<u>101.4%</u>
Total - All Funds		<u>30,383,000</u>	<u>30,282,009</u>	<u>99.7%</u>

Table 2

Fairfield-Suisun Sewer District
 Revenue Report Summary (Unaudited)
 Year-To-Date June 30, 2019

		FY 2018-19		
		Budget	YTD Actual	% Used
Fund 1 - Operations				
5010	Sewer Service Charges - FF	19,410,000	19,747,489	102%
5012	Sewer Service Charges - AB	1,090,000	1,090,886	100%
5013	Sewer Service Charges - District-billed	1,222,000	740,606	61%
5015	Sewer Service Charges - SS	4,427,000	4,554,385	103%
5020	Sewer Service Charges - TAFB	976,000	1,255,786	129%
5025	Sewer Service Charges - Other	-	69,196	0%
5305	Lease Income	-	110,878	0%
5405	Interest Earnings	374,000	657,662	176%
5450	Unrealized Gain/Loss	-		
5505	Miscellaneous	128,000	76,874	60%
5510	Biosolids Facility Charge	126,000	136,793	109%
	Total	27,753,000	28,440,555	102%
Fund 2 - Construction				
5105	Capacity Fees - FF	4,195,000	2,972,353	71%
5110	Capacity Fees - SS	32,000	18,420	58%
5405	Interest Earnings	57,000	113,877	200%
5410	Interest - Connection Fees	-	9,777	0%
	Total	4,284,000	3,114,427	73%

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Fund 4 - Drainage Maintenance

5205	Drainage Maintenance	1,552,000	1,618,819	104%
5405	Interest Earnings	17,000	37,512	221%
	Total	1,569,000	1,656,331	106%
Total - All Funds		33,606,000	33,211,313	99%

Figure 1

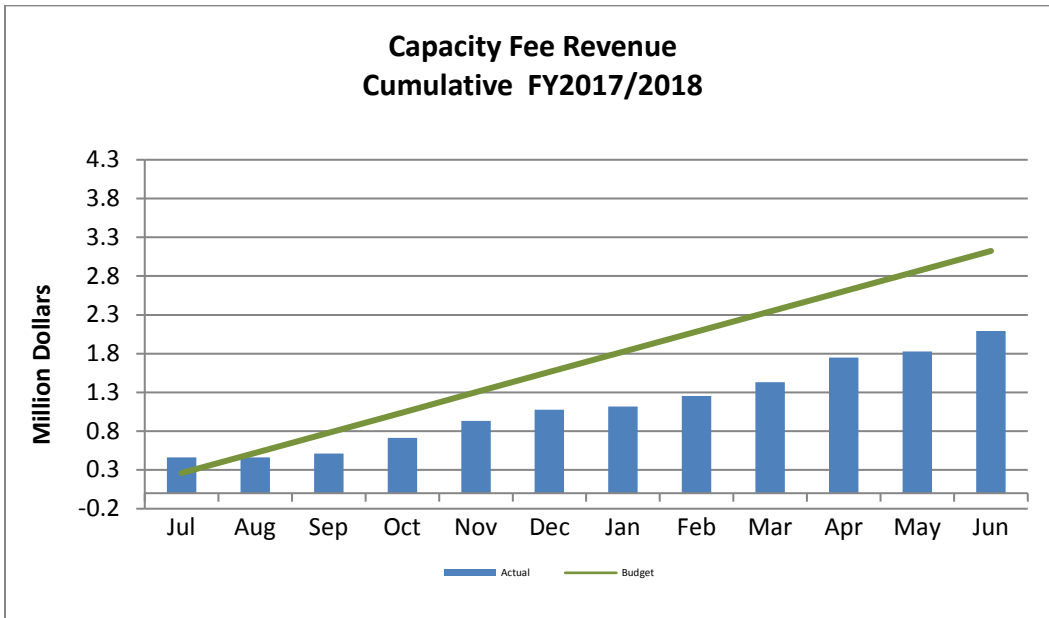


Figure 2

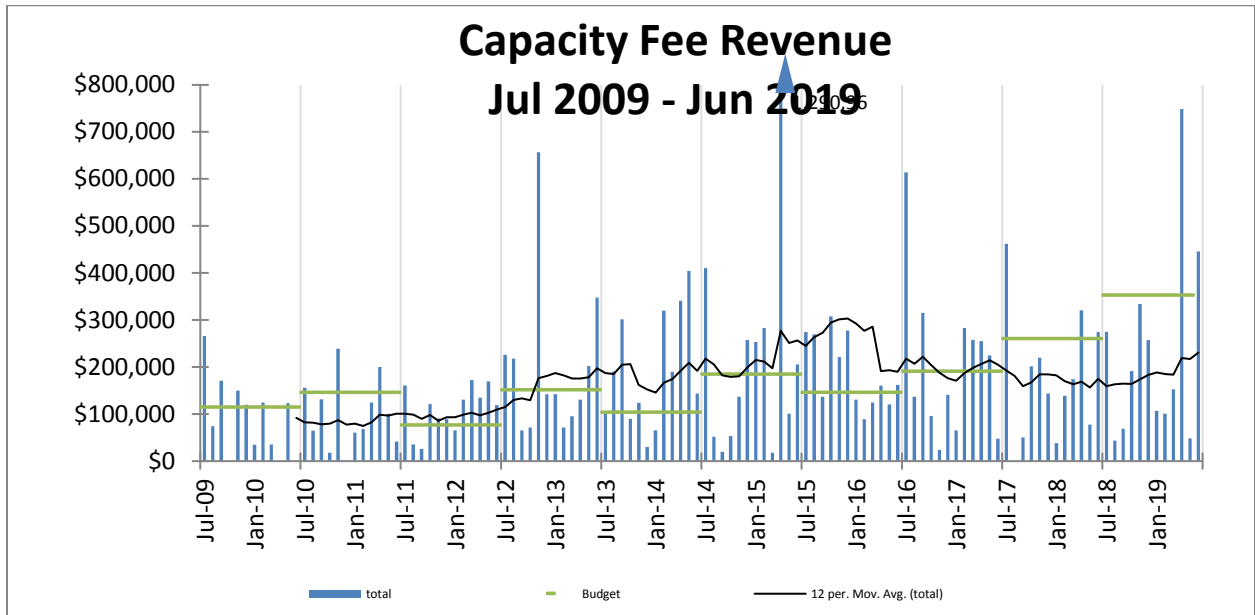
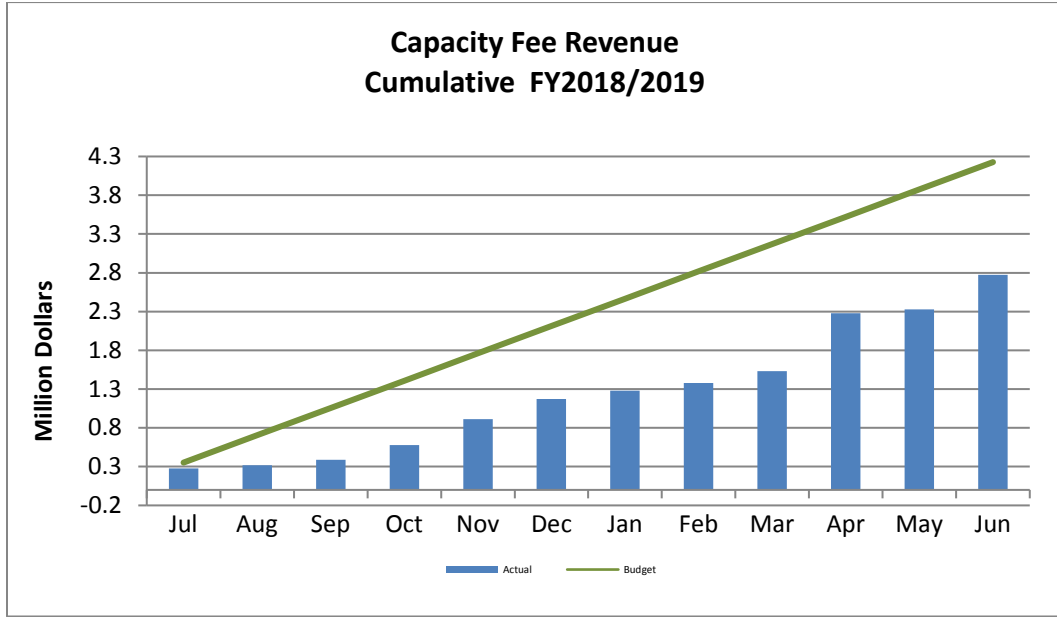


Figure 3