



**South Suburban Sanitary District**  
**2201 Laverne Avenue**  
**Klamath Falls, OR. 97603**  
**Phone 541.882.5744 Fax 541.882.5013**

**Board of Directors**  
**Position 1 - Joe Spendolini**  
**Board Chairman**  
**Position 2 - Kenneth DeCrans**  
**Position 3 - Michael Koger**

**District Manager/Secretary**  
**Brett Blofsky**

**Regular Board Meeting Minutes**  
**December 17, 2024 @ 10:00AM**  
**South Suburban Sanitary District (SSSD) Office**

**Meeting called to order at 10:00am**

Roll Call of Directors - Chairman Joe Spendolini and Director Michael Koger. Also present: Brett Blofsky (SSSD District Manager), Nicki Strain (SSSD Finance Director), Jason Morrow (SSSD Collections Supervisor), Sally Bratton (SSSD Treatment Plant Supervisor), Dan Scalas (Adkins Engineering). Jeff Wall (Slayden), Brady Fuller, Erik Brahmer and Kyle Hamilton (Jacobs Engineering) attended virtually.

Review Today's Agenda, 11/15/2024 & 11/19/2024 Meeting Minutes, & November 2024 Monthly Financials –

**Motion by Director Koger to approve the 11/15/2024 & 11/19/2024 Meeting Minutes, and the November 2024 Monthly Financials as presented. Seconded by Director DeCrans. Motion passed unanimously.**

Public Input/Comments - No one from the public is present.

**Engineer Report -**  
**Project Cost Reduction discussion - Slayden/Jacobs Engineering**

Brady clarified the information on the 30% cost estimate spreadsheets. Director Koger had a question regarding the number of MBBRs needed. There are additional items that need to be explored. Discussion followed regarding the number of screw presses needed. There are concerns about only having one screw press and what to do if it breaks down. Brady recommends discussing this at the 60% design phase.

Brett addressed the MBBR basins and the cost difference between Jacobs estimate and Slayden's estimate. He reported on the other entities he contacted and the cost estimates that were communicated to him. He asked Slayden why their estimate for the MBBR came out to \$16 million. Erik from Slayden indicated that this number came about due to the basin and the design.

Chairman Spendolini explained that no one on the SSSD Board is an engineer and we rely heavily on the engineer's expertise. We need professionals to guide us on the plans and find the least expensive options for our facility upgrade. He stated that the District switched to the MBBR due to the cost savings. We need to find additional cost savings for this project. Do we need to change our expectations regarding the class of water we will be producing? Brady explained the options that he and Slayden have looked at to address concerns regarding cost. Brett feels that we should continue on this course and also consider the minimum standard requirements in order to meet the requirements set by DEQ. Discussion followed regarding the quality of water and the cost savings associated with it. There are different components that are needed to generate different class levels of water. Brady is going to check on the equipment requirements to generate class A water. We need to explore design changes that will save money but still meet the requirements set by DEQ. The District recognized the savings that have been found thus far but we need to continue to find additional savings. It was generally agreed that the continued use of the lagoons should help with the cost savings and would be explored further.

The value engineering log spreadsheet was presented by Erik. He explained how this spreadsheet was composed and the various categories. There needs to be a formal workshop scheduled as soon as possible to discuss this log in detail.

Chairman Spendolini had a question regarding the 500-year flood plain. He wanted to know if there are cost savings between the 100 year and the 500-year flood plain design. Jacobs will have to confirm the dollar amount. If there is significant cost savings between the two, it was generally agreed that the Board would go with the 100-year flood plain plan. Brady doesn't feel that there are significant cost savings with this but may be explored later in the design process.

The proposed list of design changes was reviewed. There were items that were accepted and some that remain under review.

Brady is comfortable with the project cost estimate of \$77 million dollars with the cost reductions that have been made so far. The Board asks that Jacobs and Slayden continue working to reduce costs. Chairman Spendolini asked Brady about the email he sent to Brett with an estimate of \$67 million. Brady reported that the solids removal from the ponds is not included in this estimate. The culvert is also not included. This discussion needs to be held with Klamath County and the City of Klamath Falls.

Additional discussion followed regarding the screw presses. The City of Klamath Falls had only one installed and later asked for an additional one.

**60% Design Update** - this should be available on January 27<sup>th</sup>. We are currently on schedule which is trending under budget at this time.

**District Updates - Adkins Engineering**  
Dan gave an update on the CIPP project.

Jason gave an update on the manhole lining progress.

**Recess - 11:55am**  
**Meeting called back to order - 12:01pm**

**Department Updates - Administration –**

**Property Tax Statements –** We received and paid our property tax statements the first week of November. I noticed that we did not receive any statements for the District office and Treatment Plant parcels. I contacted the County Assessor and he stated that nothing is owed for these accounts due to compression.

**Grant Research –** We have been in contact with Joey Minear, Field Representative for Congressman Cliff Bentz regarding potential grant opportunities. He had a few suggestions that we are researching. We may need to obtain assistance with grant research and writing due to the size and scope of our project.

**Business Oregon Loan –** We requested our second draw from this loan on November 25<sup>th</sup> in the amount of \$332,285.00.

**LGIP Interest –** The LGIP accounts earned \$153,773.64 in interest during the month of November. On November 27<sup>th</sup>, \$450,000.00 was transferred from our regular checking account to the LGIP. This was possible due to the funds we received from the Klamath County Tax Collector for delinquent sewer fees. The interest rate on our LGIP accounts decreased from 5.00% to 4.85% on November 29<sup>th</sup>.

Discussion followed regarding grant writing and how to secure this. The District would prefer to pay a flat rate instead of a percentage. Dan knows of a few grants that we could apply for. We need to do a task order to get Adkins Engineering's assistance. Dan doesn't recommend the Community Development Block Grant (CDBG)

due to the income survey requirement. Portland State University (PSU) does income survey's, but they are costly. Brett and Nicki will continue to work with Dan on this. We could also pursue Title 16 dollars through the Bureau of Reclamation. There are some valid points on why the Bureau should work with us.

**Treatment** - Sally gave an update on the two new buoys. These will be installed this Spring.

The new maintenance shop is not completed and should have been done a month ago. Brett is going to contact the contractor this afternoon to get an update.

Sally stated that the lab results look good. Discussion followed regarding temperature. Sally feels that we should not need heating even due to our weather and temperatures.

**Collections** - Jason reported on the work done in the month of November. He then explained the work that has been done on the mainlines. It is labor intensive.

The City of Klamath Falls is now working on their portion of the CIPP project. The manhole rehab project took care of the roots. There is a 5-year warranty with the company that performed the manhole rehab project. This is the first time the District manholes have been rehabbed. The rehab work should last 50 years.

Pre-tving for liners in the main line will start in January. Chairman Spendolini appreciates that our employees maintain safe work zones.

Jason reported that the two new hires in Collections were both able to get their CDL's last month. Using Bob's Excavating for training saved the District money.

**District Manager** - Brett gave an update on the Hwy 39 property. Our realtor suggested that we renew our lease a year at a time. Brett has discussed this with Scott's son and that we will need to increase the price. The new lease price will be \$200 per acre. If the property had guaranteed water he would be willing to pay up to \$300 per acre. Brett suggests that we do a revised one-year lease.

**Motion by Director Koger to change the lease on the Hwy 39 property from a 5-year to a one-year lease at \$200 per acre. Seconded by Chairman Spendolini. Motion passed unanimously.**

Brett reported that the USDA will take care of the rodent and bird issues at the Treatment Plant and the District Office since we are in the flight pattern of Kingsley Field.

Director Koger's visit to the biosolids treatment facility in Albany was presented. He explained the various things he learned that can be applied to our project.

### **Items before the Board of Directors - Old & New Business**

Utility Billing late penalty discussion – Nicki discussed the need to update the late penalty fee structure. This was not updated when the District switched to monthly billing in July 2024. An amendment to Ordinance #61 will need to be adopted.

Summary of Board of County Commissioners Business Meeting on December 10th regarding Crescent Sanitary District Final Assessment - Chairman Spendolini gave an update on this. He stated that the Klamath County Board of Commissioners wish to share their gratitude to the SSSD staff.

December 20th Christmas Party/Dinner reminder – Brett reminded the Board and asked for a headcount.

Registration completed for the SDAO Annual Conference February 6th - 9th, 2025 – Hotel rooms and class schedules have been submitted. The Board as well as Brett and Nicki will be attending.

Other – no other items were discussed.

Next meeting scheduled for January 21, 2025 at 10:00am

**Meeting adjourned at 12:53pm**

ATTEST:

\_\_\_\_\_  
Brett Blofsky, Secretary

\_\_\_\_\_  
Joe Spendolini, Chairman

\_\_\_\_\_  
Date