

Laguna County Sanitation District

Irrigation Operations

Irrigation Disposal

- LCSD disposes of treated effluent by irrigation
- Water is distributed to off-site users as well as on-site (district owned pasture)
- Irrigated pasture on 263 acres



Pasture Operations

- Effluent originally used by sugar beet farmers
- LCSD acquired pasture in 1988 when Holly Sugar Factory closed
- Effluent redirected to pasture
- Operation involves labor to rotate irrigation piping, repairs, maintenance, etc.
- Pasture leased to cattle rancher (revenue = \$63,120/year based on \$20/acre)

Labor Contract

- Due to expense, these services have been hired out to labor contractors
- Labor force moves pipe daily (except Sunday) to the next row to be irrigated
- LCSD owns pipe, contractor provides labor, vehicle, and safety equipment
- Cost prohibitive to solid set (permanent) irrigation pipe (\$800,000) and still requires 1.5 FTE labor

Current Practice

- Current operation irrigates 3 fields.
Reduced from 6 fields when supply to SM Airport in September 2005
- Generally have 1 worker per field
- Labor force consists of 1 lead worker and additional field workers as needed
- Existing 6 year contract expires December 31, 2007



Current Irrigation Pastures

Existing Contract

Current vendor is Fluid Resource Management (San Luis Obispo)

Year	Annual Cost	Lead Worker Hourly Rate Company	Employee	Field Worker Hourly Rate Company	Employee
2002	\$234,152.94	\$13.41	\$9.25	\$11.96	\$8.25
2003	\$202,917.70	\$17.43	Unknown	\$15.55	Unknown
2004	\$203,563.12	\$18.04	Unknown	\$16.10	Unknown
2005	\$202,014.85	\$18.67	Unknown	\$16.67	Unknown
2006	\$214,203.24	\$19.43	Unknown	\$17.35	Unknown
2007	\$203,334.12	\$20.03	\$10.25	\$17.88	\$9.33

2007 is estimated through year end.

This contract had an escalation factor based on the CPI due to the length of the term.

Proposed Contract

- Let for 2 years. Long term may not be necessary if new users connect or alternative disposal becomes available
- Based on 1 lead worker and 2 field workers at 6, 10 hours days per week
- Bid by the County Purchasing Division
- Also proposal mailed to 9 local labor contractors (8 in Santa Maria, 1 in Arroyo Grande)

Local Labor Contractors Solicited

- Ruffoni Farming and Management (Arroyo Grande)
- Rancho Harvest (past vendor) – (Santa Maria)
- Eagle Resource (Santa Maria)
- Hacienda Harvesting (Santa Maria)
- Sharer Ag Services (Santa Maria)
- West Coast Harvesting (Santa Maria)
- Mission Labor (Santa Maria)
- First Harvest (Santa Maria)
- Ram Ag Harvesting (Santa Maria)

Bid Information

- No requirement to bid these services since not a “district project”
- For pricing purposes, services are bid per Purchasing Division practices
- Proposals mailed to local vendors September 12
- Advertised on internet
- Three responsive bids submitted
- Bids opened October 4
- Contract review by County Counsel, Auditor/Controller, and Risk Management

Bid Results

Bidder	Annual Cost	Lead Worker Hourly Rate		Field Worker Hourly Rate	
		Company	Employee	Company	Employee
Sran Ag	\$199,960.80	\$22.39	\$11.50	\$20.85	\$10.25
Fluid Resource Management (Bid)	\$273,280.80	\$31.45	\$11.25	\$28.07	\$10.33
Fluid Resource Management (Current)	\$203,334.12	\$20.03	\$10.25	\$17.88	\$9.33
Primetech	\$514,800.12	\$55.00	\$25.00	\$55.00	\$25.00

Award requested for \$225,000 for contingency.

Bid based on 1 lead worker and 2 field workers, 6 – 10 hour days per week.

Company rate reflects overhead rate for health, liability, auto and worker's compensation insurance, bonding, uniforms, pick up, fuel, federal and state taxes, cell phones, safety equipment, radio, licensing, payroll, and administrative costs.

For comparison, 3 County Maintenance Worker I positions at step A would cost \$235,749 per year

Recommendations and Impacts

- Authorize Chair to execute labor contract to low bidder, Sran Ag, for 2008 and 2009 in the amount of \$225,000 per year