



BOARD MEETING AGENDA
Tuesday, June 10, 2013
Regular Meeting - 7:00 P.M.

Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Richard B. Currie
*General Manager/
District Engineer*

David M. O'Hara
Attorney

1. Call to Order

2. Pledge of Allegiance

3. Roll Call

Motion

4. Minutes of the May 28, 2013 Board Meeting
Motion approving the Minutes of May 28, 2013 as submitted.

5. Written Communications

6. Oral Communications

*The public may provide oral comments at regular and special Board meetings; however, whenever possible, written statements are preferred **(to be received at the Union Sanitary District office at least one working day prior to the meeting)**. This portion of the agenda is where a member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction that is not on the agenda. If the subject relates to an agenda item, the speaker should address the Board at the time the item is considered. Oral comments are limited to three minutes per individuals, with a maximum of 30 minutes per subject. Speaker's cards will be available in the Boardroom and are to be completed prior to discussion.*

Public Hearing

7. Receiving Public Comments on Proposed Sewer Service Charge Rate Increase for 2014, 2015 and 2016.

Motion

8. Awarding the Construction Contract for the Motor Control Center Replacement Project – Phase 2 (to be reviewed by the Construction Committee).

Motion

9. Approving Revised Capital Assets Policy No. 2070 (to be reviewed by the Budget & Finance Committee).

Motion

10. Adopting Resolution No. 2708, Implementing Cost-Sharing Contributions Under PERS for Represented Employees who are Classic Members (to be reviewed by the Personnel Committee).

Motion

11. Adopting an Agreement to Implement Cost-Sharing for all Classic Miscellaneous Employees (to be reviewed by the Personnel Committee).

12. This number is unassigned.

- Motion 13. Authorizing the General Manager to Execute Task Order No. 3 with Collison Engineering for Continuation of the Hayward Marsh Ammonia Removal Pilot Study (to be reviewed by the Construction Committee).
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- Motion 14. Nomination of Special District LAFCO Representative and Designation of USD Voting Member for LAFCO Election (to be reviewed by the Legal/Community Affairs Committee).
-

INFORMATION ITEMS

15. Preliminary Operating Fund and Capacity Fund Budgets for FY14 (to be reviewed by the Budget & Finance Committee).
-
16. This number is unassigned.
-
17. Check Register.
-
18. Committee Meeting Reports (*No Board action is taken at Committee meetings*):
- Legal/Community Affairs Committee, Tuesday, June 4, 2013 at 5:00 p.m.
 - Construction Committee, Wednesday, June 5, 2013 at 4:30 p.m.
 - Personnel Committee, Friday, June 7, 2013 at 3:30 p.m.
 - Budget & Finance, Friday, June 7, 2013 at 4:30 p.m.
-
19. General Manager's Report (*information on recent issues of interest to the Board*).
-
20. Other Business:
- Comments and questions. *Directors can share information relating to District business and are welcome to request information from staff.*
 - Scheduling matters for future consideration.
-
21. Adjournment –

The Board will adjourn to a Special Meeting Workshop on June 13, 2013 at 6:30 p.m. to discuss the Public Employees' Pension Reform Act of 2013 (PEPRA), and then

The Board will adjourn to the next Regular Board Meeting on June 24, 2013 at 7:00 p.m.

The Public is welcome to provide oral comments at Regular and Special Board meetings. Whenever possible, we request that written statements be provided to the District at least one working day prior to the meeting. If the subject relates to an agenda item, the speaker should address the Board at the time the item is considered. If the subject is within the Board's jurisdiction but not on the agenda, the speaker will be heard at the time "Oral Communications" is scheduled. Oral Communications is limited to three minutes per individual, with a maximum of 30 minutes per subject. Speaker's cards are available in the Boardroom and should be completed prior to discussion of the agenda item and handed to the Clerk. The facilities at the District Offices are wheelchair accessible. Any attendee requiring other special accommodations at the meeting should contact the General Manager's office at (510) 477-7503 at least one working day ahead of the meeting.

THE PUBLIC IS WELCOME TO ATTEND.



5072 Benson Road
Union City, CA 94587
(510) 477-7500

NOTICE OF COMMITTEE MEETING

All meetings will be held in the
General Manager's Office

**BOARD MEETING
June 10, 2013**

Committee Membership:

Budget and Finance	Directors Anjali Lathi and Jennifer Toy
Construction Committee	Directors Tom Handley and Manny Fernandez
Legal/Community Affairs	Directors Anjali Lathi and Pat Kite
Legislative Committee	Directors Pat Kite and Tom Handley
Personnel Committee	Directors Jennifer Toy and Manny Fernandez
Audit Committee	Directors Jennifer Toy and Tom Handley

Legal/Community Affairs Committee, Tuesday, June 4, 2013 at 5:00 p.m.

14. Nomination of Special District LAFCO Representative and Designation of USD Voting Member for LAFCO Election
-

Construction Committee, Wednesday, June 5, 2013 at 4:30 p.m.

8. Awarding the Construction Contract for the Motor Control Center Replacement Project – Phase 2.
 13. Authorizing the General Manager to Execute Task Order No. 3 with Collison Engineering for Continuation of the Hayward Marsh Ammonia Removal Pilot Study
-

Personnel Committee, Friday, June 7, 2013 at 3:30 p.m.

10. Adopting Resolution No. 2708, Implementing Cost-Sharing Contributions Under PERS for Represented Employees who are Classic Members
 11. Adopting an Agreement to Implement Cost-Sharing for all Classic Miscellaneous Employees
-

Budget & Finance Committee, Friday, June 7, 2013 at 4:30 p.m.

9. Approving Revised Capital Assets Policy No. 2070.
 15. Preliminary Operating Fund and Capacity Fund Budgets for FY14
 01. Review Presentation for Proposition 218 Notice – Public Hearing
 02. General Manager's Expense Statement
-

**Committee meetings may include teleconference participation by one or more Directors
(Gov. Code Section 11123).**

*Committee meetings are open to the public; however, only written comments from the public will be considered.
No Board action will be taken.*

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF
UNION SANITARY DISTRICT
May 28, 2013**

1. CALL TO ORDER

President Kite called the Board to Order at 7:00 p.m.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

PRESENT: Manny Fernandez, Secretary
Tom Handley, Director
Pat Kite, President
Anjali Lathi, Vice President
Jennifer Toy, Director

ABSENT: None

STAFF: Rich Currie, General Manager/District Engineer
Judi Berzon, Human Resources Administrator (arrived 7:33 p.m.)
Richard Cortes, Manager, Business Services
Sami Ghossain, Coach, Capital Improvements Projects
Jesse Gill, Manager, Technical Support & Customer Services
Dave Livingston, Manager, Treatment & Disposal Services
Andy Morrison, Manager, Collection Services
David O'Hara, Legal Counsel
Maria Scott, Principal Financial Analyst
Robert Simonich, Manager, Fabrication, Maintenance & Construction
Donna Wies, Quality Coordinator
Tom Graves, Assistant to the General Manager/Board Secretary

CONSULTANTS: None

VISITORS: None

4. APPROVAL OF THE MINUTES OF MAY 13, 2013

Action

On a motion made by Director Lathi and seconded by Director Fernandez, the Minutes of the Board of Directors Meeting of May 13, 2013 were approved. The motion carried 4/0/1 (Director Handley abstaining).

5. WRITTEN COMMUNICATIONS

There were no official written communications.

6. ORAL COMMUNICATIONS

There were no oral communications.

7. MONTHLY OPERATIONS REPORT

a. Districtwide Balanced Scorecard Measures

Safety

Donna Wies stated that performance on all safety measures is meeting targets, with the exception of accidents with lost time. A minor accident in the third quarter resulted in an employee being away from work for two days. There was also one other OSHA reportable accident during the third quarter of FY 13, for a total of four year-to-date.

USD staff have visited West Valley Sanitation District and Monterey Regional Water Pollution Control Agency in order to learn about their safety program and identify best practices that could be implemented at USD. The Collection Services Workgroup has implemented two improvements to their safety program as a result of these visits.

Operational Excellence

The District is meeting targets for all operational excellence measures, except those related to training system development. While to date only one FY 13 training system milestone has been completed, progress is being made developing and updating training modules in the operating groups. Individual assessments are scheduled to begin soon in the Collection Service Workgroup.

Residential Sewer Service fees are currently in the 12th percentile when compared to other sewer agencies in the SF Bay Area, down from 15th percentile in previous years.

There have been five instances of “adverse impacts”; two were capacity fee appeals, and three were claims. All three claims together total less than \$2,800. Director Fernandez inquired about claims for previous years, and Donna responded that claims are always very low, averaging less than \$1,000.

Regarding Community Outreach goals, all are on target with the exception of “Sewer Science”, the week-long high school classroom program, which has not been requested by schools teaching staff this year.

a. Districtwide Balanced Scorecard Measures (continued)

Director Kite inquired about charity events mentioned on Page 6 of the report. Donna Wies mentioned some of the charities that staff contributes to in this quarterly program. The GM clarified that these are employee contributions and no District funds are used. Director Lathi also asked that Boardmembers be kept informed about upcoming events, in case they wanted to participate. Director Lathi also inquired about the Fremont 4th of July parade, and Rich Currie said he would report back.

b. Technical Support & Customer Service Process Scorecard

Jesse Gill reported that the TSCS Workgroup is composed of three teams, all having a discrete focus. He briefly described the core work of each group and reviewed some of their performance measures.

Capital Projects Team (CIP Team): Team measures are focused on internal and external customer satisfaction, management of District funds and successful quality control of capital projects.

Customer Service Team (CS Team): Team measures are focused on timely completion of plan reviews, dispatching trouble calls and collection of fees, providing quality construction inspection of new sewer facilities and providing high-quality customer service to both external and internal customers.

Environmental Compliance Team (EC Team): The EC Team's measures are related to the protection of the collection system and treatment plant workers, protection of District facilities and plant from potentially harmful discharges, compliance with Local, State, and Federal regulations and requirements, and developing constructive and professional relationships with our Industrial and Commercial customers. The team also tracks progress on our contract for the City of Fremont Clean Water Program.

Director Fernandez commented on the color photographs, saying they made the presentation more interesting.

c. General Manager's Monthly Operations & Investment Report

Rich Currie said there was one odor complaint, but it did not have to do with our system, although we did assist the customer in identifying the source; there were no accidents or injuries during the month of April; Collections has completed 11 consecutive months without a spill and has also begun working 10 hour days, as in previous years, for the duration of Daylight Savings Time; and Hours Worked per Week has gone up to 34.8, and Sick Leave Usage has gone down to 55.

Maria Scott reported on the Business Services Report. District revenues are at 93% of budget, and expenses are at 73%. USD recently received the second payment from Alameda County for Sewer Service Charges totaling over \$18.5 million. There were no questions from the Board.

8. APPROVING REVISIONS TO THE PUBLICLY AVAILABLE PAY SCHEDULE

Rich Cortes made a brief presentation about this item, noting that these changes are for the revised GM salary scale, the new Deputy GM, and the new Environmental Program Coordinator salary. In response to a question from the Budget and Finance Committee, Mr. Cortes also said that our HR reps have been advised by PERS staff that any change to the Salary Schedule will necessitate the adoption of a revised schedule by the Board.

Action On a motion made by Director Toy and seconded by Director Fernandez, the Board approved revisions to the Publicly Available Pay Schedule. The motion carried unanimously.

9. SELECTING BOARD MEMBERS TO REPRESENT THE DISTRICT ON EXTERNAL COMMITTEES, INCLUDING THE EBDA COMMISSION, CSDA AND GIS COMMITTEES, FOR FY14.

Director Lathi nominated Director Handley for EBDA, with Director Fernandez as the Alternate.

Director Handley nominated Director Kite for CSDA, with Director Fernandez as the Alternate.

Director Fernandez nominated Director Toy for the GIS Committee, with Director Lathi as the Alternate.

Action On motions and seconds as above, the Board unanimously approved the nominations.

10. **AWARDING THE CONSTRUCTION CONTRACT FOR THE CAST IRON LINING PROJECT PHASE V TO SOUTHWEST PIPELINE & TRENCHLESS CORP**

Jesse Gill presented this item to the Board. Director Kite inquired about the effectiveness of concrete versus cast iron pipe, and Director Fernandez inquired about the lifespan of cast iron lining. Mr. Gill replied that both are susceptible to corrosion, and both have to ultimately be lined to extend their useful life, but for purposes of building for earthquake safety, PVC is probably the best material. On a question from Director Fernandez on lifespan, Mr. Gill stated that the lifespan of this lining is probably 50 years.

Action

On a motion made by Director Handley and seconded by Director Fernandez, the Board Awarded the Construction Contract for the Cast Iron Lining Project Phase V to Southwest Pipeline & Trenchless Corp. The motion carried unanimously.

INFORMATION ITEMS

11. **REPORT ON THE EBDA COMMISSION MEETING OF MAY 16, 2013.**

Director Lathi presented the report.

On a question from Director Handley on ammonia and nitrate removal, Mr. Currie replied that if permit limits were lowered significantly, the District would need to build more tanks and add additional clarifiers. At one time in the late 90's, during another project, Carollo had estimated the cost at about \$64M. Sacramento Regional County Sanitation District will be spending more than \$1 billion for ammonia and nitrate removal before discharge to the Delta.

12. **CHECK REGISTER**

Director Handley inquired about an expense for WIN 911 Pro Software Package, and Mr. Simonich replied that it is the software that runs radio communications. He also inquired about an expense for "Indura Bomber Jacket", and Mr. Morrison told him it's a style of reflective safety jacket worn by Collection System workers.

Director Lathi inquired about an expense for Alpha Omega Wireless for a Line of Sight feasibility Study. Mr. Cortes replied that the expense is the next step in information gathering for a proposed microwave communications project, measuring how tall transmission towers need to be.

13. COMMITTEE MEETING REPORTS

The following committees met: Personnel, Legal/Community Affairs, Construction and Budget & Finance.

14. GENERAL MANAGER'S REPORT

Mr. Currie reported that we received the draft study on rising tides. The projection goes to a 55' rise in the 2100's, which would mean most of our facilities would be underwater. We commented on the study and the final study will arrive in a few weeks.

There was a public records request from Bay Area news Group asking for more information about retirement costs, employer/employee contributions, etc. We responded in a timely manner.

Flow was diverted to the new Boyce Road Pump Station this past weekend, and it ran all weekend with no problems.

We will undergo an annual inspection by the Bay Area Air Quality Management Board this coming Thursday.

We have had 76 applicants for the Senior/Associate Engineer position.

Following up on the Niles Pie Company issue, Mr. Gill has met with Fremont and Newark City staff to make sure permit applicants are being referred to us in a timely fashion, and especially restaurant/food service permits.

Director Kite inquired about Niles Pie Company, and Mr. Currie gave a brief overview of the permit process and how it had affected the new business. The Niles Pie Co. found out the day before they opened that they needed a permit from us. It was a difficult issue, involving Fremont and Union City City Councils, but eventually it was resolved satisfactorily. Mr. Gill will also meet with Union City soon.

15. OTHER BUSINESS

Director Toy reported on the GIS/JPA meeting held here on May 15, 2013. She said one issue the JPA is working on is switching from the current map provider to Google Maps, which will result in an approximate savings of \$30k/year. The maps would also be updated more often.

Director Handley reported on his attendance at the CASA conference. He commented on a presentation he attended on PERS retirement system changes and noted that the presenter didn't seem to understand the intent of the reforms. In response to Director Handley's question, the presenter did not know how bankruptcy/default by an agency in PERS would impact the costs to other agencies.

16. ADJOURNMENT

At 7:53 p.m., the Board adjourned to a Closed Session to discuss Contract Negotiations with SEIU Local 1021 (Calif. Govt. Code Section 54957.6).

The Board then adjourned to a Closed Session to discuss and possibly determine the selection of a Deputy General Manager (Calif. Govt. Code Section 54957(b)).

The Board then adjourned to a Special Meeting Workshop on June 6, 2013 at 6:30 p.m., and then

SUBMITTED:

ATTEST:

TOM GRAVES
SECRETARY TO THE BOARD

MANNY FERNANDEZ
SECRETARY

APPROVED:

PAT KITE
PRESIDENT

Adopted this 10th day of June, 2013.



Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Richard B. Currie
*General Manager/
District Engineer*

David M. O'Hara
Attorney

DATE: June 3, 2013

MEMO TO: Board of Directors - Union Sanitary District

FROM: Richard B. Currie, General Manager/District Engineer
Jesse Gill, TSCS Work Group Manager
Sami E. Ghossain, CIP Coach
Raymond Chau, Principal Engineer
Chris Pachmayer, Associate Engineer

SUBJECT: Agenda Item No. 8 - Meeting of June 10, 2013
AWARDING THE CONSTRUCTION CONTRACT FOR THE MOTOR CONTROL CENTER REPLACEMENT PROJECT – PHASE 2 TO D. W. NICHOLSON CORPORATION

Recommendation

Staff recommends the Board award the construction contract for the Motor Control Center Replacement Project – Phase 2 to D. W. Nicholson Corporation in the amount of \$798,684. The project has been budgeted in the Renewal and Replacement Fund.

Background

The purpose of the project is to replace four (4) Westinghouse motor control centers (MCCs) located at the Plant. Figure No. 1 shows the building locations of the four (4) MCCs. An MCC is a large metal enclosure designed to distribute 480 volt electricity via breakers to standard motor control equipment such as pump and fan motors, lighting panels, electrical sub panels, and variable frequency drives.

In June 2009, The District contracted with Beecher Engineering to complete a condition assessment of twenty-nine (29) MCCs located at the Plant. The assessment showed that the Plant has fifteen (15) Sylvania and Westinghouse MCCs that were installed during the 1978 and 1985 Plant expansion projects and needed to be replaced. Additionally, the District has had trouble finding replacement parts as these types of MCCs are no longer supported by their respective manufacturers.

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The process of replacing all fifteen (15) MCCs was to group the MCCs into separate smaller projects to spread the replacement cost over multiple fiscal years, minimize power outage disruptions to the Plant, and minimize project impacts to operations and maintenance staff. The first phase of the MCC Replacement Project replaced five (5) MCCs and was completed in early 2011. After the current four (4) MCCs are replaced as part of this project, the remaining six (6) MCCs will be replaced in combination with other capital improvements projects or one additional future MCC replacement project.

Scope of Work

The project consists of demolishing and replacing four (4) MCC's located at the Plant as follows:

- Replacement of existing MCC -13 at the East Aeration Blower Room. MCC-13 provides power and controls for most of the equipment located at Aeration Basins 1-4.
- Replacement of existing MCC-14 and MCC-27 at Sludge Pump Room No. 4. MCC-14 and MCC 27 provide power and controls for Secondary Clarifiers No. 5 and No. 6 and the RAS Pump Station.
- Replacement of existing MCC-15 at the Alvarado Influent Pumping Station. MCC-15 provides power to the ancillary equipment that runs the pump station.

Beecher Engineering completed the design in April 2013.

Bid Results

The engineer's estimate for the project is \$685,000. The project was advertised for bids on May 9, 2013. Three bids were received and opened on May 30, 2013 with the total bid amounts shown as follows:

Contractor	Total Base Bid Amount
D.W. Nicholson Corporation (DWN) Hayward, CA	\$795,684
Blocka Construction, Inc. Fremont, CA	\$822,000
Anderson Pacific Engineering Construction, Inc. Santa Clara, CA	\$938,100

The award of the Project is based on the Total Base Bid Amount submitted by the bidders. DWN's apparent low base bid is 16% higher than the engineer's estimate. One reason for the three bids coming in higher than the engineer's estimate is due to the complicated sequence of construction required to replace the four motor control centers that must remain in operation in order to provide power to the process equipment. The replacement of each motor control center was designed to be accomplished in very detailed steps so that the contractor and the plant staff carefully plan and coordinate the construction activities with the on-going needs and constraints of the plant processes.

Bid Alternate A is for providing Builder's Risk insurance coverage. Builder's risk insurance is a special type of property insurance that indemnifies against the loss of or damage to a building and equipment under construction. DWN submitted a bid amount of \$3,000 for this coverage. Staff recommends including this bid alternate in the construction contract.

A bid tabulation sheet is provided to show detailed results for the three bidders.

District staff reviewed the bid documents submitted by DWN and found them to be in order. In addition, DWN's contractor's license was found to be current and active. DWN has completed multiple capital improvement projects for the District over the past several years, most notably the Substation No. 1 Replacement Project, PLC Replacement Project, and the Secondary Clarifier Rehabilitation Project. DWN is currently constructing the Cogeneration Project. Staff has been satisfied with their work performance on the previous projects.

The contractor has 300 consecutive calendar days to complete the project from Notice to Proceed, which puts the estimated substantial completion date in March 2014. Staff will provide construction management for the project.

Staff recommends the Board award the construction contract for the Motor Control Center Replacement Project – Phase 2 to D. W. Nicholson Corporation in the amount of \$798,684.

RBC/JG/SEG/RC/CAP;mp

Attachment: Bid Tab Sheet
Figure 1
Contractor's Agreement

Bid Tabulation

Motor Control Center Replacement Project - Phase 2 (800-395)

Engineer's Estimate \$685,000

Bid Item No.	Description	D.W. Nicholson	Blocka Construction	Anderson Pacific
1	Lump sum work associated with replacing MCC-13	\$172,850	\$160,000	\$138,000
2	Lump sum work associated with replacing MCC-15	\$188,565	\$170,000	\$125,000
3	Lump sum work associated with replacing MCC-14 and MCC-27	\$424,269	\$481,000	\$665,000
4	Miscellaneous field wire verification, identification, or modification associated TB-13	\$10,000	\$10,000	\$10,000
5	Lump sum cost for providing sheeting and shoring	\$0	\$1,000	\$100
Total Base Bid Amount		\$795,684	\$822,000	\$938,100
Bid Alternate A		\$3,000	\$13,000	\$3,000

AGREEMENT FOR THE CONSTRUCTION OF
Motor Control Center Replacement Project – Phase 2

Project No. 800-395

THIS AGREEMENT, made and concluded, in duplicate, this 10^h day of June, 2013, between the UNION SANITARY DISTRICT ("District"), Union City, California, and D. W. NICHOLSON CORPORATION ("Contractor"), License No. 68847.

W I T N E S S E T H :

1. That for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the District, and under the conditions expressed in the two bonds, bearing even date with these presents, and hereunto annexed, the Contractor agrees with the District, at his/her own proper cost and expense, to do all the work and furnish all the materials necessary to construct and complete in good workmanlike and substantial manner the project entitled: **Motor Control Center Replacement Project – Phase 2, Project No. 800-395** in strict conformity with the plans and specifications prepared therefor, which said plans and specifications are hereby specially referred to and by said reference made a part hereof.

2. Now, therefore, in consideration of the mutual covenants and agreements of the parties herein contained and to be performed, the Contractor hereby agrees to complete the work in accordance with the terms and conditions stipulated in the Contract Documents for the sum of **Seven Hundred Ninety Eight Thousand Six Hundred Eighty Four Dollars (\$698,684)** computed in accordance with Contractor's accepted proposal dated May 30, 2013, which accepted proposal is incorporated herein by reference thereto as if herein fully set forth. This sum includes the following bid alternates that have been accepted by the District and are hereby incorporated in the Agreement: Bid Alternate A. Compensation shall be based upon any lump sum bid items plus the unit prices stated in the Bid Schedule times the actual quantities or units of work and materials performed or furnished. The further terms, conditions, and covenants of this Agreement are set forth in the Contract Documents, each of which is by this reference made a part hereof. Payments are to be made to the Contractor in accordance with the provisions of the Contract Documents and the Technical Specifications in legally executed and regularly issued warrants of the District, drawn on the appropriate fund or funds as required by law and order of the District thereof.

3. The District hereby promises and agrees with the said Contractor to employ, and does hereby employ, the said Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner and upon the conditions above set forth; and the said parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.

4. The Contractor and any subcontractor performing or contracting any work shall comply with all applicable provisions of the California Labor Code for all workers, laborers and mechanics of all crafts, classifications or types, including, but necessarily limited to the

Union Sanitary District

Motor Control Center Replacement Project – Phase 2

Agreement - 1

following:

(a) The Contractor shall comply with all applicable provisions of Section 1810 to 1815, inclusive, of the California Labor Code relating to working hours. The Contractor shall, as a penalty to the District, forfeit the sum of twenty-five dollars (\$25) for each worker employed in the execution of the Contract by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week, unless such worker receives compensation for all hours worked in excess of eight (8) hours at not less than 1-1/2 times the basic rate of pay.

(b) Pursuant to the provision of California Labor Code, Sections 1770 et. seq., the Contractor and any subcontractor under him shall pay not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations. Pursuant to the provisions of California Labor Code Section 1773.2, the Contractor is hereby advised that copies of the prevailing rate of per diem wages and a general prevailing rate for holidays, Saturdays and Sundays and overtime work in the locality in which the work is to be performed for each craft, classification, or type of worker required to execute the Contract, are on file in the office of the District, which copies shall be made available to any interested party on request. The Contractor shall post a copy of said prevailing rate of per diem wages at each job site.

(c) As required by Section 1773.1 of the California Labor Code, the Contractor shall pay travel and subsistence payments to each worker needed to execute the work, as such travel and subsistence payments are defined in the applicable collective bargaining agreements filed in accordance with this Section.

(d) To establish such travel and subsistence payments, the representative of any craft, classification, or type of workman needed to execute the contracts shall file with the Department of Industrial Relations fully executed copies of collective bargaining agreements for the particular craft, classification or type of work involved. Such agreements shall be filed within 10 days after their execution and thereafter shall establish such travel and subsistence payments whenever filed 30 days prior to the call for bids.

(e) The Contractor shall comply with the provisions of Section 1775 of the California Labor Code and shall, as a penalty to the District, forfeit up to fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the prevailing rate of per diem wages for each craft, classification, or type of worker needed to execute the contract. The Contractor shall pay each worker an amount equal to the difference between the prevailing wage rates and the amount paid worker for each calendar day or portion thereof for which a worker was paid less than the prevailing wage rate.

(f) As required under the provisions of Section 1776 of the California Labor Code, Contractor and each subcontractor shall keep an accurate payroll record, showing the name, address, social security number, work classification, and straight time and overtime hours worked each day and week, and the actual per diem wages

paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with the public work. Said payroll shall be certified and shall be available for inspection at all reasonable hours at the principal office of the Contractor on the following basis:

- (1) A certified copy of an employee's payroll record shall be made available for inspection or furnished to the employee or his or her authorized representative on request.
- (2) A certified copy of all payroll records enumerated in Paragraph 4(f), herein, shall be made available for inspection or furnished upon request to the District, the Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards of the Department of Industrial Relations.
- (3) A certified copy of all payroll records enumerated in Paragraph 4(f), herein, shall be made available upon request by the public for inspection or for copies thereof; provided, however, that a request by the public shall be made through the District, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement. If the requested payroll records have not been provided pursuant to subparagraph 4(e) herein, the requesting party shall, prior to being provided the records, reimburse the costs of preparation by the Contractor, subcontractors, and the entity through which the request was made. The public shall not be given access to the records at the principal offices of the Contractor.

The certified payroll records shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information as the forms provided by the division.

Each Contractor shall file a certified copy of the records, enumerated in Paragraph 4(f) with the entity that requested the records within 10 days after receipt of a written request. Any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by the District, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address, and social security number. The name and address of the Contractor awarded the contract or performing the contract shall not be marked or obliterated. The Contractor shall inform the District of the location of the records enumerated under Paragraph 4(f) including the street address, city and county, and shall, within 5 working days, provide a notice of change of location and address. The Contractor shall have 10 days in which to comply subsequent to receipt of written notice specifying in what respects the Contractor must comply with this Paragraph 4(f). In the event that the Contractor fails to comply within the 10-day period, he or she shall, as a penalty to the state or the District, forfeit \$25.00 dollars for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due. Responsibility for compliance with Paragraph

4(f) lies with the Contractor.

(g) The Contractor and any subcontractors shall, when they employ any person in any apprenticeable craft or trade, apply to the joint apprenticeship committee administering the apprenticeship standards of the craft or trade in the area of the construction site for a certificate approving the Contractor or subcontractor under the apprenticeship standards for the employment and training of apprentices in the area or industry affected; and shall comply with all other requirements of Section 1777.5 of the California Labor Code. The responsibility of compliance with California Labor Code Section 1777.5 during the performance of this contract rests with the Contractor. Pursuant to California Labor Code Section 1777.7, in the event the Contractor willfully fails to comply with the provisions of California Labor Code Section 1777.5, the Contractor shall be denied the right to bid on any public works contract for up to three (3) years from the date noncompliance is determined and be assessed civil penalties.

(h) In accordance with the provisions of Article 5, Chapter 1, Part 7, Division 2 (commencing with Section 1860), and Chapter 4, Part 1, Division 4 (commencing with Section 3700) of the California Labor Code, the Contractor is required to secure the payment of compensation to its employees and for that purpose obtain and keep in effect adequate Workers' Compensation Insurance. If the Contractor, in the sole discretion of the District satisfies the District of the responsibility and capacity under the applicable Workers' Compensation Laws, if any, to act as self-insurer, the Contractor may so act, and in such case, the insurance required by this paragraph need not be provided.

The Contractor is advised of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code and shall comply with such provisions and have Employer's Liability limits of \$1,000,000 per accident before commencing the performance of the work of this Contract.

The Notice to Proceed with the Work under this Contract will not be issued, and the Contractor shall not commence work, until the Contractor submits written evidence that it has obtained full Workers' Compensation Insurance coverage for all persons whom it employs or may employ in carrying out the work under this Contract. This insurance shall be in accordance with the requirements of the most current and applicable state Workers' Compensation Insurance Laws. In accordance with the provisions of Section 1861 of the California Labor Code, the Contractor in signing this agreement certifies to the District as true the following statement: "I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract."

A subcontractor is not allowed to commence work on the project until verification of Workers' Compensation Insurance coverage has been obtained and verified by the Contractor and submitted to the Construction Manager for the District's review and records.

(i) In accordance with the provisions of Section 1727 of the California Labor Code, the District, before making payment to the Contractor of money due under a contract for public works, shall withhold and retain therefrom all wages and penalties which have been forfeited pursuant to any stipulation in the contract, and the terms of Chapter 1, Part 7, Division 2 of the California Labor Code (commencing with Section 1720). But no sum shall be withheld, retained or forfeited, except from the final payment, without a full investigation by either the Division of Labor Standards Enforcement or by the District.

5. It is further expressly agreed by and between the parties hereto that should there be any conflict between the terms of this Agreement the instrument and the bid proposal of said Contractor, then this Agreement instrument shall control, and nothing herein contained shall be considered as an acceptance of the said terms of said proposal conflicting herewith.

6. The Contractor agrees to provide and maintain insurance coverage, and to indemnify and save harmless the parties named and in the manner set forth in Section 00800-2.0, **LIABILITY AND INSURANCE**, of the Supplementary General Conditions of the Specifications.

The duty of Contractor to indemnify and save harmless, as set forth herein, shall include a duty to defend as set forth in Section 2778 of the California Civil Code; provided, however, that nothing herein shall be construed to require Contractor to indemnify against any responsibility or liability in contravention of Section 2782 of the California Civil Code.

7. The Contractor shall diligently prosecute the work so that it shall be substantially completed within the time specified in Section 00800-1.1, **Time Allowed for Completion**.

8. Except as otherwise may be provided herein, Contractor hereby expressly guarantees for one (1) full year from the date of the substantial completion of the work under this agreement and acceptance thereof by the District, to repair or replace any part of the work performed hereunder which constitutes a defect resulting from the use of inferior or defective materials, equipment or workmanship. If, within said period, any repairs or replacements in connection with the work are, in the opinion of the District, rendered necessary as the result of the use of inferior or defective materials, equipment or workmanship, Contractor agrees, upon receipt of notice from District, and without expense to District, to promptly repair or replace such material or workmanship and/or correct any and all defects therein. If Contractor, after such notice, fails to proceed promptly to comply with the terms of this guarantee, District may perform the work necessary to effectuate such correction and recover the cost thereof from the Contractor and/or its sureties.

In special circumstances where a particular item of work or equipment is placed in continuous service before substantial completion of the Work, the correction period for that item may start to run from an earlier date. This date shall be agreed upon in writing by the Contractor and District on or before the item is placed in continuous service.

Any and all other special guarantees which may be applicable to definite parts of the work under this agreement shall be considered as an additional guarantee and shall not reduce or limit the guarantee as provided by Contractor pursuant to this paragraph during the first year

Union Sanitary District

Motor Control Center Replacement Project – Phase 2

Agreement - 5

of the life of such guarantee.

9. The Contractor shall provide, on the execution of this Agreement, a good and sufficient corporate surety bond in the penal sum of one hundred percent (100%) of amount bid, which bond shall be on the form provided by the District in Section 00610, **FORM OF PERFORMANCE BOND**, and be conditioned upon the faithful performance of all work required to be performed by the Contractor under this Agreement. Said bond shall be liable for any and all penalties and obligations which may be incurred by Contractor under this Agreement. The corporate surety bond shall be issued by a corporate surety that possesses a minimum rating from A. M. Best Company of A:VII and that is approved by the District. The corporate surety shall be authorized to conduct business in California. At its discretion, the District may request that a certified copy of the certificate of authority of the insurer issued by the Insurance Commissioner of the State of California be submitted by the surety to the District. At its discretion, the District may also require the insurer to provide copies of its most recent annual statement and quarterly statement filed with the Department of Insurance pursuant to Article 10 (commencing with Section 900) of Chapter 1 of Part 2 of Division 1 of the Insurance Code.

10. In addition to the bond required under Paragraph 9, hereof, Contractor shall furnish a good and sufficient corporate surety bond in the penal sum of one hundred percent (100%) of amount of bid, which bond shall be on the form provided by the District in Section 00620, **PAYMENT BOND**, and conform strictly with the provisions of Chapter 7, Title 15, Part 4, Division 3, of the Civil Code of the State of California, and all amendments thereto. The corporate surety bond shall be issued by a corporate surety that possesses a minimum rating from A. M. Best Company of A:VII and that is approved by the District. The corporate surety shall be authorized to conduct business in California. At its discretion, the District may request that a certified copy of the certificate of authority of the insurer issued by the Insurance Commissioner of the State of California be submitted by the surety to the District. At its discretion, the District may also require the insurer to provide copies of its most recent annual statement and quarterly statement filed with the Department of Insurance pursuant to Article 10 (commencing with Section 900) of Chapter 1 of Part 2 of Division 1 of the Insurance Code.

11. The Contractor may substitute securities for the amounts retained by the District to ensure performance of the work in accordance with the provisions of Section 22300 of the Public Contract Code.

12. The Contractor shall be provided the time period specified in Section 01340-2.0, **MATERIAL AND EQUIPMENT SUBSTITUTIONS**, for submission of data substantiating a request for a substitution of an "or equal" item.

13. As required by Section 6705 of the California Labor Code and in addition thereto, whenever work under the Contract involves the excavation of any trench or trenches five feet or more in depth, the Contractor shall submit in advance of excavations, a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches. If such plan varies from the shoring system standards established by the Construction Safety Orders of the Division of Industrial Safety in Title 8, Subchapter 4, Article 6, California Code of Regulations, the plan shall be prepared by a registered civil or structural engineer employed by the Contractor, and all costs therefore shall be included in

the price named in the Contract for completion of the work as set forth in the Contract Documents. Nothing in this Section shall be deemed to allow the use of a shoring, sloping, or other protective system less effective than that required by the Construction Safety Orders. Nothing in this Section shall be construed to impose tort liability on the District, the Design Consultant, Construction Manager or any of their agents, consultants, or employees. The District's review of the Contractor's excavation plan is only for general conformance to the California Construction Safety Orders.

Prior to commencing any excavation, the Contractor shall designate in writing to the Construction Manager the "competent person(s)" with the authority and responsibilities designated in the Construction Safety Orders.

14. In accordance with Section 7104 of the Public Contract Code, whenever any work involves digging trenches or other excavations that extend deeper than four feet below the surface, the provisions of Section 00700-7.2, **Differing Site Conditions**, shall apply.

15. In accordance with Section 7103.5 of the Public Contract Code, the Contractor and subcontractors shall conform to the following requirements. In entering into a public works contract or a subcontract to supply goods, services, or materials pursuant to a public works contract, the Contractor or subcontractor offers and agrees to assign to the District all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act [Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code], arising from purchases of goods, materials or services pursuant to this Contract or the subcontract. Such assignment shall be made and become effective at the time the District tenders final payment to the Contractor, without further acknowledgment by the parties.

16. In accordance with Section 4552 of the Government Code, the Contractor shall conform to the following requirements. In submitting a bid to the District, the Contractor offers and agrees that if the bid is accepted, it will assign to the District all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act [Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code], arising from purchase of goods, materials, or services by the Contractor for sale to the District pursuant to the bid. Such assignment shall be made and become effective at the time the District tenders final payment to the Contractor.

17. Pursuant to Public Contract Code Section 7100, the acceptance by the Contractor of an undisputed payment made under the terms of the Contract shall operate as, and shall be, a release to the District, and their duly authorized agents, from all claim of and/or liability to the Contractor arising by virtue of the contract related to those amounts. Disputed contract claims in stated amounts may be specifically excluded by the Contractor from the operation of the release.

18. In accordance with California Business and Professions Code Section 7030, the Contractor is required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within 10 years of the date of the alleged violation. Any questions concerning

the Contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

19. INDEMNIFICATION. To the fullest extent permitted by law, Contractor shall indemnify and hold harmless the District from any claims, choses in action or lawsuits, whereby any subcontractor, material or equipment supplier, laborer or any person who supplies work or materials to said work of improvement may claim damages, losses and expenses thereto arising out of or resulting from any claim for performance of work, including the legal defense of any stop notice action as well as attorney fees and costs. District may be required to engage separate legal counsel from that of the Contractor should District and Contractor be both named as defendants, cross-defendants or other parties to any such stop notice action in District's sole discretion. Contractor shall be fully liable for any judgment or damages resulting from any claim for stop notice relief or other liability regarding payment for materials, supplies, labor or equipment under this contract. In claims against any person or entity indemnified under this paragraph by an employee of Contractor, a subcontractor, anyone directly or indirectly employed by them for whose acts they may be liable, the indemnification obligation under this paragraph shall not be limited in amount or type of damages, compensation or benefits payable by or for the Contractor or a subcontractor. In all cases, indemnification shall include attorney fees and court costs.

Unless arising solely out of the active negligence, gross negligence or willful misconduct of the District or the Design Consultant, the Contractor shall indemnify, defend and hold harmless: (1) the District and its Board of Directors, officers, employees, agents and representative; (ii) the Design Consultant and its consultants for the Work and their respective agents and employees; and (iii) if one is designated by the District for the work, the Construction Manager and its agents and employees (collectively "the Indemnified Parties"). The Contractor's obligations hereunder include indemnity, defense and hold harmless of the Indemnified Parties from and against any and all damages, losses, claims, demands or liabilities whether for damages, losses or other relief, including, without limitation attorney's fees and costs which arise, in whole or in part, from the Work, the Contract Documents or the acts, omissions or other conduct of the Contractor or any subcontractor or any person or entity engaged by them for the Work. The Contractor's obligations under the foregoing include without limitation: (i) injuries to or death of persons; (ii) damage to property; or (iii) theft or loss of property; (iv) stop notice claims asserted by any person or entity in connection with the Work; and (v) other losses, liabilities, damages or costs resulting from, in whole or part, any acts, omissions or other conduct of Contractor, any of Contractor's Subcontractors, of any tier, or any other person or entity employed directly or indirectly by Contractor in connection with the Work and their respective agents, officers or employees. If any action or proceeding, whether judicial, administrative, arbitration or otherwise, shall be commenced on account of any claim, demand or liability subject to Contractor's obligations hereunder, and such action or proceeding names any of the Indemnified Parties as a party thereto, the Contractor, at its sole cost and expense, shall defend the District and the Design Consultant in such action or proceeding with counsel reasonably satisfactory to the Indemnified Parties named in such action or proceeding. In the event that there shall be any judgment, award, ruling, settlement, or other relief arising out of any such action or proceeding to which any of the Indemnified Parties are bound by, Contractor shall pay, satisfy or otherwise discharge any such judgment, award, ruling, settlement or relief. Contractor shall indemnify and hold harmless the Indemnified Parties from any and all liability or responsibility arising out of any such judgment, award, ruling, settlement or relief. The Contractor's obligations hereunder are binding upon Contractor's

Performance Bond Surety and these obligations shall survive notwithstanding Contractor's completion of the Work or the termination of the Contract.

IN WITNESS WHEREOF, the parties hereto have executed this agreement this 10th day of June, 2013.

D. W. NICHOLSON CORPORATION

By: _____
Thomas S. Reed
President
Address: 24747 Clawiter Road, Hayward, CA 94545

UNION SANITARY DISTRICT

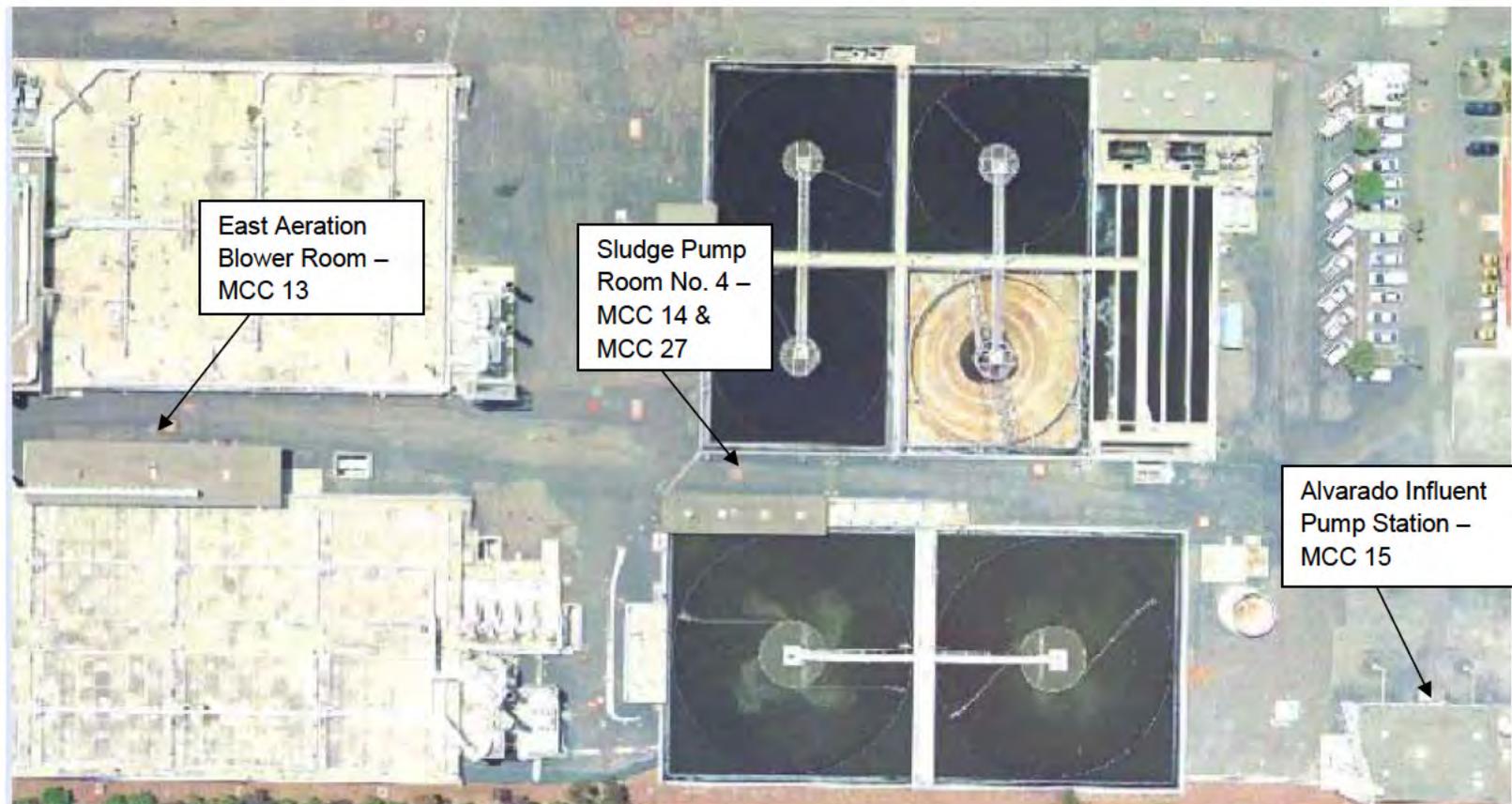
By: _____
Manny Fernandez
Board Secretary
Address: 5072 Benson Road, Union City, California 94587

ATTEST:

David M. O'Hara
Attorney for Union Sanitary District

Motor Control Center (MCC) Replacement Project – Phase 2 MCC Locations

Figure No. 1





Directors

Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers

Richard B. Currie
*General Manager/
District Engineer*

David M. O'Hara
Attorney

DATE: May 31, 2013

MEMO TO: Board of Directors – Union Sanitary District

FROM: Richard B. Currie, General Manager/District Engineer
Rich Cortes, Business Services Manager
Maria Scott, Principal Financial Analyst

SUBJECT: Agenda Item No.9 – Meeting of June 10, 2013
APPROVING REVISED CAPITAL ASSETS POLICY NO. 2070

Recommendation:

Approve Revised Capital Assets Policy No. 2070.

Background:

The Capital Assets policy was previously reviewed in March 2010. The policy contains procedures for safeguarding and proper reporting of District assets in conformance with Generally Accepted Accounting Principles (GAAP). Staff is recommending changing the capitalization threshold from \$5,000 to \$10,000. This increase will align with efforts currently underway in Facilities Maintenance to categorize assets over \$10,000 in the new Hansen software upgrade. The impact of increasing the threshold will be to remove 0.42% of the current value of the financial asset register. GFOA Best Practice established \$5,000 as the minimum capitalization threshold in 2006. Other changes include adding language regarding easements and record keeping. Attached are a ~~strikeout~~ and **red** version showing changes, and a clean copy.

Union Sanitary District
Policy and Procedure Manual

Effective Date: March 8, 2010 June 10, 2013	Capital Assets Policy	Policy Number 2070 Page 1 of 4
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Policy

It is the policy of Union Sanitary District to safeguard District assets and properly report them according to Generally Accepted Accounting Principles.

Purpose

To provide employees with the procedures for accounting for Capital Assets at the District.

Procedure

Union Sanitary District has an obligation to safeguard the District’s assets, both financial and physical. The District’s capital assets are accounted for in the Financial System.

Definitions:

<i>Capital Assets</i>	Assets which are used in operations and have initial lives extending beyond one year. Also referred to as fixed assets (pre-GASB 34). Examples include land, buildings, building improvements, machinery, vehicles, and computer networks.
<i>Capitalization</i>	Accounting and reporting of capital assets by categorizing in specific asset accounts. Capital projects are capitalized as “construction in progress” until completed.
<i>Components of Capital Assets</i>	For purposes of capitalization, the threshold will generally not be applied to part of a whole unit of capital assets. For example, a keyboard, monitor and CPU will not be evaluated individually against the threshold. The entire computer system will be treated as a single capital asset. However, the threshold will be applied to individual units, for example 10 desks purchased for \$1,000 each on one purchase order would not be capitalized, even though the total is \$10,000.
<i>Depreciation</i>	The recognition of the cost of a capital asset throughout its useful life. The method the District uses is straight-line with ½ year first year convention. Depreciation expense is recorded annually. Land is not depreciated.
<i>Disposal</i>	Includes surplus, sale, and destruction of assets. Assets may be disposed of with written notification and sign-off of Management. Reasons could include obsolescence, failure, and cost of maintenance exceeds value of asset. The District records the gain or loss on disposals.

<i>Easement</i>	A legal right given to another person or entity to use land or property that person or entity does not own, for a specific limited purpose. Mains, drains and water pipes are usually covered by an easement. Rights to access are intangible even though they may attach to other tangible assets (e.g. land). An easement may be in the form of an agreement, deed restriction or covenant.
<i>Improvements (or Betterments)</i>	Costs which provide additional value by improving the operation of, and extending the expected useful life of an asset. An improvement enhances the asset’s functionality (effectiveness or efficiency). These costs are normally treated as direct additions to the cost of the item improved, and capitalized.
<i>Infrastructure Assets</i>	Includes pipes, manholes, collection and treatment distribution systems. Most Capital Improvement Program (CIP) projects for USD fall into this category. All costs associated with the purchase or construction should be considered, including ancillary costs such as design engineering, construction management, inspection, permits, insurance, freight and transportation charges, site preparation expense, installation charges, professional fees and legal costs directly attributable to asset acquisition.
<i>Intangible Assets</i>	Assets which lack physical substance and have reasonable evidence of future benefits. Examples include right-of-way easements, other types of easements, patents, copyrights, trademarks, software. Note: Software training and maintenance should not be included in the capital cost of software. These costs should be expensed.
<i>Repairs</i>	Costs which return an asset to a useful state and <u>retain</u> value, but do not <u>extend</u> the useful life of the asset. These costs are not capitalized.
<i>Retirement</i>	Assets permanently removed from service.
<i>Tagging</i>	A mechanism to verify adequate control of capital assets and provide an accurate account of an agency’s capital expenses, and to support inventory control.
<i>Threshold</i>	Generally, if an asset has a cost greater than or equal to \$ 10,000 5,000 , and has a useful life of more than one year, then the asset should be capitalized and coded to the 1590 8980 account.
<i>Useful Life</i>	The District has determined the following ranges of useful lives: Sewage Collection Facilities: 50-115 years Sewage Treatment Structures: 10-50 years Administrative Facilities: 10-35 years General Equipment: 3-35 years

Procedures:**Purchasing Process**

When purchasing a new asset, the requested asset should have already been included in the current year's budget. The construction and acquisition of capital assets and infrastructure assets are approved by the Board through the annual budget process. Please see District policy #2755 Purchasing Policy.

Training

The cost of training employees to utilize a newly acquired capital asset should not be capitalized since, according to Generally Accepted Accounting Principles (GAAP), costs of capital assets should include charges necessary to place the asset into its intended location and condition for use. Training affects neither the *location* of a capital asset, nor its condition; therefore, it does not meet the criteria for capitalization. Stated differently, the operative issue for capitalization is whether the *asset* is ready to use, not whether *the government* is ready to use it.

Valuation

Capital assets should be reported at historical cost. In the absence of historical cost information, the asset's *estimated* historical cost may be used. Once calculated, the amount will need to be reduced by the appropriate amount of accumulated depreciation.

Easements

Easement rights are perpetual, and therefore infinite in nature. They are recorded at the County by legal counsel. Beginning in FY'12 easements were also recorded in the financial asset register.

Record Keeping

An asset system will be maintained to identify all District capital assets, including, at a minimum: Asset number, description, acquisition cost, acquisition date, useful life, classification code, and serial number, where applicable.

Control of non-capital, but valuable items, (e.g. Laptops, tools, equipment) occurs at the workgroup or team level.

~~Some departments, such as IT, may keep track of assets under their purview separately, in addition to Accounting's records.~~

Safeguarding Assets

The District has a fiduciary responsibility to establish systems and procedures to protect its capital assets from loss or theft.

Inventory of Capital Assets

The District will perform a physical inventory of movable capital assets at least every 5 years . In general, inventory control is applied only to movable capital assets, and not to land, buildings, or other immovable capital assets, although these may be included as well. Some assets are tagged in order to facilitate inventory tracking and control.

Disposal Process

Retiring/disposing of assets – submit information such as project closing forms to Accounting, which will remove the asset from the capital asset database.

Surplus Property – It is the policy of the District to dispose of surplus property and equipment in a manner clearly most advantageous to the public. Please see District policy #2075, Surplus Property Disposal Policy.

Business Services Responsibility

Business Services is responsible for ensuring that capital asset information is maintained in accordance with Generally Accepted Accounting Principles.

Work Group/Team Responsibility

Work Groups are responsible for maintaining control systems and ensuring that Work Group assets are adequately controlled.

This revision supersedes the versions listed below, which are no longer effective.

Title	Policy #	Effective Date
Capital Assets Policy	2070	January 8, 2007
Capital Assets Policy	2070	March 8, 2010

Approved by: Board of Directors
 Author/owner: Business Services Manager
 Reviewers: Executive Team
 Notify Person: Business Services Manager
 Revision frequency: Every 3 years
 Next Review: ~~3/8/2013~~ June 10, 2016

Union Sanitary District
Policy and Procedure Manual

Effective Date: June 10, 2013	Capital Assets Policy	Policy Number 2070 Page 1 of 4
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<i>Capitalization</i>	Accounting and reporting of capital assets by categorizing in specific asset accounts. Capital projects are capitalized as “construction in progress” until completed.
<i>Components of Capital Assets</i>	For purposes of capitalization, the threshold will generally not be applied to part of a whole unit of capital assets. For example, a keyboard, monitor and CPU will not be evaluated individually against the threshold. The entire computer system will be treated as a single capital asset. However, the threshold will be applied to individual units, for example 10 desks purchased for \$1,000 each on one purchase order would not be capitalized, even though the total is \$10,000.
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<i>Retirement</i>	Assets permanently removed from service.
<i>Tagging</i>	A mechanism to verify adequate control of capital assets and provide an accurate account of an agency's capital expenses, and to support inventory control.
<i>Threshold</i>	Generally, if an asset has a cost greater than or equal to \$10,000, and has a useful life of more than one year, then the asset should be capitalized and coded to the 8980 account.
<i>Useful Life</i>	The District has determined the following ranges of useful lives: Sewage Collection Facilities: 50-115 years Sewage Treatment Structures: 10-50 years Administrative Facilities: 10-35 years General Equipment: 3-35 years

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Disposal Process

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Surplus Property – It is the policy of the District to dispose of surplus property and equipment in a manner clearly most advantageous to the public. Please see District policy #2075, Surplus Property Disposal Policy.

Business Services Responsibility

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Work Groups are responsible for maintaining control systems and ensuring that Work Group assets are adequately controlled.

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Capital Assets Policy	2070	March 8, 2010

Approved by: Board of Directors
 Author/owner: Business Services Manager
 Reviewers: Executive Team
 Notify Person: Business Services Manager
 Revision frequency: Every 3 years
 Next Review: June 10, 2016



Directors

Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers Richard

Currie *General
Manager/District
Engineer*

David M. O'Hara
Attorney

DATE: June 3, 2013

MEMO TO: Board of Directors - Union Sanitary District

FROM: Richard B. Currie, General Manager/District Engineer
Judi Berzon, Human Resources Administrator

SUBJECT: Agenda Item No. 10 - Meeting of June 10, 2013
**ADOPTING RESOLUTION No. 2708, PROVIDING FOR
EMPLOYEE COST-SHARING CONTRIBUTIONS TO PERS**

Recommendation

That the Board of Directors approve this Resolution.

Background

This Resolution is required to implement cost sharing for represented (classified) "Classic Members" equal to 1.5% of their PERSable compensation and will be effective June 6, 2013. The 1.5% contribution will pay part of the District's employer contribution to PERS. In addition, represented Classic Members will continue to pay 2% of their compensation to PERS as member contributions. The District will maintain the 6% contribution to PERS, the employer-paid member contribution (EPMC), for represented Classic Members.

RESOLUTION NO. 2708

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE UNION SANITARY DISTRICT
PROVIDING FOR
EMPLOYEE COST-SHARING CONTRIBUTIONS TO PERS**

WHEREAS, the Union Sanitary District (the "District") provides retirement benefits to eligible employees under the California Public Employees' Retirement System ("PERS");

WHEREAS, benefits under PERS are funded by "member contributions" and "employer contributions," at rates determined by PERS in accordance with the laws governing PERS and with the agreement governing the District's participation in PERS;

WHEREAS, under the laws governing PERS, every District employee covered by PERS is classified as either a New Member within the meaning of Section 7522.04(f) of the California Government Code, or not a New Member (using PERS's terminology, any PERS-covered District employee who is not a New Member is a Classic Member);

WHEREAS, the member-contribution rate for each represented employee of the District who is a Classic Member is 8% of the employee's PERSable compensation;

WHEREAS, of the 8% member contribution, the District currently pays 6% as an employer-paid member contribution (EPMC) to PERS in accordance with Section 20691 of the California Government Code, and reports the full monetary value of the 6% EPMC as additional compensation in accordance with Section 20636(c)(4) of the California Government Code;

WHEREAS, the remaining 2% member contribution is deducted from the employee's District compensation and contributed to PERS;

WHEREAS, the District is permitted under Section 20516 of the California Government Code to implement cost-sharing contributions, under which an employee's District compensation is deducted in order to pay part of the District's employer contribution to PERS; and

WHEREAS, the District wishes to implement a 1.5% cost-sharing contribution for each represented employee who is Classic Member, without affecting any other changes to the District's existing structure for contributions to PERS.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE UNION SANITARY DISTRICT DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. Effective June 6, 2013, each represented employee of the District who is a Classic Member will pay a cost-sharing contribution equal to 1.5% of the employee's PERSable compensation.

SECTION 2. The 1.5% amount will be deducted from the employee's District compensation in order to fund the District's employer contributions under PERS.

SECTION 3. Nothing in this Resolution affects the District's existing structure for member contributions and EPMCs. Accordingly, each employee will continue to contribute 2% of his or her District compensation to PERS as a member contribution; and, the District will continue to pay the remaining 6% of the member contribution as an EPMC and report this amount as PERSable compensation.

On motion duly made and seconded, this resolution was adopted by the following vote on June 10, 2013:

AYES: Fernandez, Handley, Kite, Lathi, Toy

NOES: ----

ABSENT: ----

L. PATRICIA KITE
President, Board of Directors
Union Sanitary District

Attest:

MANNY FERNANDEZ
Secretary, Board of
Directors Union
Sanitary District



Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Richard Currie
*General Manager/
District Engineer*

David M. O'Hara
Attorney

DATE: June 6, 2013

MEMO TO: Board of Directors - Union Sanitary District

FROM: Richard B. Currie, General Manager/District Engineer
Judi Berzon, Human Resources Administrator

SUBJECT: Agenda Item No. 11 - Meeting of June 10, 2013
**APPROVAL OF AGREEMENT FOR COST-SHARING
FOR CLASSIC MISCELLANEOUS EMPLOYEES**

Recommendation

Approve the agreement between the District and SEIU Local 1021 to implement cost-sharing for all classic miscellaneous employees.

Background

This agreement is required by CalPERS to initiate a cost-sharing amendment to our PERS contract. This amendment is necessary so that employees' contributions to offset the employer's PERS contribution can be properly reported and "credited" to the employees in the event they withdraw their money from CalPERS and do not retire from the District.

Agreement for Employee Cost-sharing for Classic Miscellaneous Employees

All Classic Miscellaneous Members have agreed to cost sharing for the percentage of an additional 1.5% above the normal member contribution rate.

For Management

Title

Date

For SEIU Local 1021

Title

Date

For the Board of Directors

President

Title

Date



Directors
Manny Fernandez

Pat Kite

Anjali Lathi

Jennifer Toy

Tom Handley

Officers
Richard B. Currie
General Manager
District Engineer

David M. O'Hara
Attorney

DATE: June 3, 2013

MEMO TO: Board of Directors - Union Sanitary District

FROM: Richard B. Currie, General Manager/District Engineer
David Livingston, Manager Treatment and Disposal Services
Tim Grillo, R&S Team Coach

SUBJECT: Agenda Item 13 - Meeting of June 10, 2013
**AUTHORIZING THE GENERAL MANAGER TO EXECUTE TASK
ORDER NO. 3 WITH COLLISON ENGINEERING FOR CONTINUATION
OF THE HAYWARD MARSH AMMONIA REMOVAL PILOT STUDY**

Recommendation

Authorize the General Manager to execute Task Order No. 3 with Collison Engineering in the amount of \$42,080 for the continuation of the Hayward Marsh Ammonia Removal Pilot Study. Funds for this project have been budgeted in the FY 14 Non-ECB budget.

Background

Union Sanitary District has provided between 3 and 5 MGD of treated final effluent to the Hayward Shoreline Marsh (Marsh) since 1988. Since 1988 the Regional Water Quality Control Board has been concerned about ammonia toxicity within the Marsh and has required the District to conduct a number of studies and projects over the years to determine alternatives for mitigating the impact. The current National Pollutant Discharge Elimination System permit for the Marsh includes final effluent limitations for total ammonia nitrogen for the first time. Our current monthly average ammonia nitrogen limit is 34 mg/L, and the maximum daily limit is 120 mg/L. Scientific investigation is currently ongoing to evaluate the water quality impact of nutrients to the San Pablo and San Francisco Bays. The findings from these investigations will likely result in the establishment of more stringent water quality objectives and regulation of ammonia discharge to San Francisco Bay.

In 2012, Staff became aware of a relatively new ammonia removal technology utilizing the anammox bacteria. Unlike most technologies, this process can remove ammonia with little energy input. Collison Engineering (Consultant) has adapted the anammox ammonia removal process to a system that is compatible for use in a wetland environment. It is called the zeolite-anammox process. In May 2012 the District began the Hayward Marsh Ammonium Removal Pilot Study Project (Project) to determine whether the zeolite-anammox process was feasible to remove or substantially reduce the ammonia loading to the Hayward Marsh. In June of 2012, the Consultant constructed a pilot scale testing facility inside a tractor trailer stationed at the Hayward Marsh and has since successfully demonstrated the removal of most of the ammonia and nitrate from a small portion of the Hayward Marsh influent. While preliminary results are encouraging, the pilot plant has not reached steady state operation due in part to the extremely slow growth rate of the anammox bacteria. Additional study time is needed to determine the steady state process parameters to allow for the evaluation and selection of the best alternative for the conceptual design.

Task Order No. 3

Task Order No. 3 provides for up to an additional six month of pilot plant operation, maintenance, and monitoring to allow the process to reach steady state. The Consultant will develop experiments to determine process parameters based on the normal daily flow pattern to the Hayward Mash and evaluate the process vulnerability to upset during a pilot plant shutdown. The Project includes the evaluation of the four alternate configurations, or process variations, to allow selection of the best conceptual full scale design alternative. The total cost of Task Order No. 3 shall not exceed \$42,080, which includes \$4,702 of optional services. The Consultant shall not proceed with the optional services without written authorization from the District. Funding for Task Order No. 3 is included in the FY14 Non-ECB budget.

Project Cost Summary

The General Manager executed an agreement for professional services and Task Order No.1 in the amount of \$22,800 with Collison Engineering on May 9 2012. Task Order No.1 was issued to provide for the purchase of materials to expedite the construction of the pilot plant. The Board authorized the General Manager to execute Task Order no. 2 on May 14, 2012 in the amount of \$70,111 for the pilot plant construction, operation maintenance and monitoring for a period of up to 12-months. Task Order No.2 also provided for the decommissioning of the plant and for producing a draft and final study report. The total cost for the Project including Task Order No.1, Task Order No.2, and Task Order No.3 is \$135,991.

Agenda Item
Page 3

Recommendation

Staff is convinced of Collison Engineering's ability to successfully perform the scope of work based upon the Consultant's expertise and progress on the existing Hayward Marsh Ammonia Removal Pilot Study.

Staff recommends that the Board authorize the General Manager to execute Task Order No. 3 with Collison Engineering in the amount of \$42,080 for the Hayward Marsh Ammonia Removal Pilot Study.

RBC/DL/TG

Attachments: Task Order No. 3
Task Order No. 3; Exhibit A

TASK ORDER NO. 3
UNION SANITARY DISTRICT
AND
COLLISON ENGINEERING
HAYWARD MARSH AMMONIA REMOVAL PILOT STUDY

DATED

June 10, 2013

PURPOSE

The Union Sanitary District (District) intends to extend the feasibility testing of the Hayward Marsh Ammonia Removal Pilot Plant (Plant) to determine the feasibility of the zeolite-anammox process for removing or substantially reducing the ammonium loading to the Hayward Marsh. The Plant has demonstrated successful results to date. However, the pilot plant has not reached a steady operational state due to the slow growth rate of the anammox bacteria. Task Order No.3 provides for six additional months of operation, maintenance, monitoring and data analysis to determine the capacity of the four process alternatives once the biological culture has matured and reached a steady-state. The steady-state process parameters will be used for the evaluation and selection of the best alternative for full scale conceptual design. The full scale treatment alternatives that will be presented in the final report provided for under task order No.2.

PROJECT COORDINATION

All matters related to this project will be coordinated through the District's Project Manager, Tim Grillo.

SCOPE OF SERVICES

The task numbers in this Scope of Services are associated with the cost data presented in Exhibit A.

Task 1 – Site Visits; Operation and Maintenance

The consultant shall provide on-site inspection of the Pilot Plant to monitor and document the results of the study. The Consultant shall:

- Operate the pilot plant for an additional six (6) months. Make process adjustments modifications and minor repairs as necessary during site visits.

- Evaluate operational and laboratory data. Devise additional monitoring or analyses necessary to accurately document the system performance.
- Collect samples from the pilot plant and deliver the samples to the District's laboratory for analysis.
- Attend meetings and give presentations as directed by the District.
- Provide ongoing coordination, project management, and billing
- Develop experiments to determine process parameters based on the normal daily flow pattern at the Hayward Marsh.
- Evaluate the process vulnerability to upset during a pilot plant shutdown.

Task 2 – Install metering pumps

- Size, purchase and install up to 3 metering pumps and timers to allow for the accurate evaluation of process parameters and modeling of the Hayward Marsh daily flow pattern.
- Move the pumps as needed for the final analysis of each process alternative.

Task 3 – Optional Items

- This item provides for an additional 6 site visits should the need arise during the course of the project to conduct additional monitoring, maintenance or attend meetings as directed by the District.

Deliverables

- Provide periodic billing and project summary information
- Provide Periodic status reports to the District.

Assumptions

- The District will provide laboratory services, sample containers, and results to the Consultant.
- Task Order 3 shall extend the Project duration up to 6 months.
- Daily monitoring will be conducted at least 5-days per calendar week by the District or the East Bay Regional Park District Staff on Behalf of the District.
- Consultant will have access to the Hayward Marsh as needed.
- Professional liability will not be required by the District for this phase of the Project.
- Metering pumps and timers become the property of the District upon conclusion of the study
- This task order provides for the cost of additional monitoring conducted prior to June 2013.

PAYMENT TO THE CONSULTANT

Compensation shall be based on a Time and materials cost basis. Labor costs shall be billed at a flat rate of \$100/hr. Payment to the engineer shall be as called for in Article 2 of the agreement.

The estimated labor hours and materials costs for this Task Order are presented in Exhibit A. The total of Task Order No. 3 shall not exceed \$42,080, which includes \$4,702 of optional services. The Consultant shall not proceed with the optional services without written authorization from the District.

The following table summarizes the previously-executed and proposed task orders and amendments under the Agreement:

Task Order / Amendment	Not to Exceed Amount	Board Authorization Required? (Yes/No)	District Staff Approval
Task Order No. 1 – Pilot Plant Construction Materials	\$22,800	No	Richard Currie
Task Order No. 2 – Ammonia Removal Pilot Study	\$71,111	Yes	Richard Currie
Task Order No. 3 – Continuation of the Ammonia Removal Pilot Study.	\$42,080	Yes	Richard Currie
Total	\$135,991		

TIME OF COMPLETION

All work defined in this Task Order No. 3 will be completed within one hundred and eighty calendar (195) days. A revised summary of the anticipated schedule of work is shown below:

Project Milestone	Completion Date
Field Work Completed	December 1, 2013
Draft Report	January 2, 2014
Final Report	January 31, 2014

KEY PERSONNEL

Engineering personnel assigned to this Task Order are as follows:

Robert Collison

Key personnel shall not be changed without written authorization from the DISTRICT.

IN WITNESS WHEREOF, the parties hereto have made and executed this Task Order as of June __, 2013.

DISTRICT

CONSULTANT

Union Sanitary District

Collison Engineering

By: _____

~~By:~~ _____

Richard B. Currie

~~_____~~

Robert Collison

General Manager/District Engineer

~~_____~~

Principal

Date: _____

~~Date:~~ _____

EXHIBIT A

HAYWARD MARSH AMMONIA REMOVAL PILOT STUDY

Task Order No. 3 COST ESTIMATE

<u>TASKS</u>	<u>HOURS</u>	<u>MATERIALS / SERVICES</u>	<u>LABOR</u>	<u>MILEAGE</u>	<u>TOTAL</u>
	*		(\$100/hr)	*	
<u>HAYWARD MARSH PILOT PROJECT</u>	hrs	\$	\$	\$	\$
<u>TASK 1: SITE VISITS; OPERATION & MAINTENANCE.</u>					
1.1 Additional monitoring prior to June 2013 (5 x7 hrs)	35		\$ 4,588	\$ 418	\$ 5,006
1.2 Monitoring; Maintenance; Coordination (24 x 7 hrs)	168		\$ 16,800	\$ 2,006	\$ 18,806
1.3 Sampling delivery (10 X 1 hr)	10		\$ 1,000	\$ 66	\$ 1,066
1.4 Ongoing Evaluation of Interim Results (10 x 4)	40		\$ 4,000		\$ 4,000
1.5 Project Management (6 x 4)	24		\$ 2,400		\$ 2,400
Task 1 subtotal					\$ 31,278
<u>TASK 2: PURCHASE & INSTALL CHEMICAL METERING P</u>	6	\$ 5,500	\$ 600		\$ 6,100
Task 2 subtotal					\$ 6,100
<u>FIRM CEILING OF BASIC SERVICES</u>					\$ 37,378
<u>TASK 3: OPTIONAL ITEMS</u>					
3. Additional operation, maintenance, monitoring and meetings (6 visits)	42		\$ 4,200	\$ 502	\$ 4,702
Task 3 Subtotal		\$ -	\$ 4,200	\$ 502	\$ 4,702
<u>FIRM CEILING WITH OPTIONAL SERVICES</u>					\$ 42,080

1) Hours are for Rob Collison @ \$100/hr.

2) Mileage is 152 miles/ round trip @ \$0.55/mile.

**Directors**

Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers

Richard Currie
*General Manager/District
Engineer*

David M. O'Hara
Attorney

DATE: June 3, 2013

MEMO TO: Board of Directors - Union Sanitary District

FROM: Richard B. Currie, General Manager/District Engineer

SUBJECT: Agenda Item No. 14 - Meeting of June 10, 2013

**NOMINATION OF SPECIAL DISTRICT LAFCO
REPRESENTATIVE AND DESIGNATION OF USD VOTING
MEMBER FOR LAFCO ELECTION.**

Recommendation

Determine if Union Sanitary District wishes to nominate a candidate for election to the Alternate Special District's seat on the Alameda County LAFCO.

Designate a member of the Board to cast the ballot on behalf of the District at the Wednesday, July 10, 2013 meeting at Washington Hospital.

Background

Alameda County Special Districts Association (ASDA) holds 3 seats on the Alameda County Local Agency Formation Commission (LAFCO). One seat is for Enterprise Special Districts, one is for Non-Enterprise Special Districts, and the third is for an Alternate (which may be enterprise or non-enterprise).

The four-year term of the current Alternate Special District representative has expired. Louis Andrade from Hayward Area Recreation and Park District is the current representative and plans to seek re-election. USD is an Independent Special District and is therefore eligible to participate by nominating a candidate and voting in the election. Each independent Special District is entitled to nominate one board member from its own Board, or from another Board that is a member of ASDA. If the Board chooses to nominate a candidate, a Board Resolution must be adopted, and will be included at the June 24, 2013 Board Meeting.

In addition, if USD chooses to participate in the election, only the presiding officer or their designee may cast a ballot at the July 10 meeting. Since the USD Board President for FY14 will not be the USD ACSPA representative, the Board will need to officially designate its representative for voting.



Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Richard B. Currie
*General Manager/
District Engineer*

David M. O'Hara
Attorney

DATE: May 14, 2013

MEMO TO: Board of Directors - Union Sanitary District

FROM: Richard B. Currie, General Manager/District Engineer
Rich Cortes, Business Services Manager
Maria Scott, Principal Financial Analyst

SUBJECT: Agenda Item No. 15 - Meeting of June 10, 2013
Information Item: **Preliminary Operating Fund and Capacity Fund Budgets for Fiscal Year 2014**

Recommendation

Review Preliminary Operating Fund and Capacity Fund Budgets for FY 2014 and direct staff to present the final version at the June 24, 2013 Board meeting, including the setting of the annual Sewer Service Charges and Capacity Fees for FY 2014.

Background

Attached for your review are the Preliminary Operating and Capacity Fund budgets for FY 2014. These budgets reflect the Board's input and information presented at the Budget workshop on April 15th. The budget reflects increasing the existing Sewer Service Charge for all customer categories by 5.7%. This would increase the Single Family Dwelling unit to \$337.76 and the Multi Family Dwelling rate to \$298.25. Commercial and Industrial unit rates would increase 5.7% as well. The budget also reflects increasing the Capacity fees 10.0% to \$5,329.20 per equivalent dwelling unit and increasing commercial and industrial unit rates 10.0% as well. The Net Operating Budget (ECB) will be increased by 5.85% under this budget.

This document for FY14 reflects two changes since the April 15th Board workshop:

- 1) ECB (T&D) – Chemical costs - \$144,000 reduction.
- 2) ECB (TSCS) – Construction Inspector position – recruitment has begun.

Attached are schedules supporting the budget including brief comments.

Attachments

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Directors
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Anjali Lathi
Jennifer Toy

Officers
Richard B. Currie
*General Manager/
District Engineer*

David M. O'Hara
Attorney

Date: June 3, 2013
To: USD Board of Directors
From: Richard Currie
General Manager
Subject: Fiscal Year 2014 Budget

Union Sanitary District staff is pleased to present to the Board of Directors, the annual budget for Fiscal Year 2014, covering the period from July 1, 2013 to June 30, 2014. The budget continues to focus on operation and maintenance of our infrastructure assets, capital project construction, planning, and effective use of technology. We are also pleased to have a multi-year contract now in place with our classified employees.

Outstanding Performance and Cost Effective Service for Our Customers

USD continues to provide a high level of service to our customers at a very reasonable cost. Our operations have resulted in very limited negative impacts. Through May of the current fiscal year, USD has operated for 12 consecutive months without a sanitary sewer overflow of any kind. In addition, our treatment plant has had no discharge violations, and has received the National Association of Clean Water Agency's Gold Award for performance excellence. Our average response time to customer call outs is 28 minutes, and we have had no critical asset failures impacting the public. Our quality performance is also reflected in awards we have received for our procurement program and financial reporting.

Even with all of the effort it takes to be an award winning public agency, USD has maintained our rates well below the target level of the lower 33rd percentile. Our current Sewer Service Charge rate is \$319 per year for a single family residence. On a monthly basis, at just under \$27, we are by far the least expensive household utility.

Financial State of the District

While the District continues to be impacted by the downturn in the State and local economies, our financial condition is stable and healthy. Our revenues remain negatively impacted by the loss of large industries such as NUMMI, Solyndra, Borden Chemical and SF Newspaper group. However, projected revenues still reflect an overall positive growth and allow for a continuing annual contribution to the District's capital improvement program.

An important part of being financially sound is maintaining our infrastructure in excellent condition. Our strong planning and asset management efforts ensure that we have a good understanding of the condition of our assets and schedule projects in a timely manner to evaluate, and if necessary rehabilitate or replace aging infrastructure. Our Capital Improvement Program includes \$190 million in projects over the next 10 years to ensure continued reliable operation of our pipelines, pump stations and treatment facilities. In addition, USD is implementing a major upgrade to our Computerized Maintenance Management System to facilitate asset condition tracking and preventative and predictive maintenance.

Revenues

We are beginning to see signs of recovery in the local economy, with continued residential development and growth in business, including occupancy of previously vacant commercial buildings. We have begun to see an increase in building permit applications and new development construction. "Midtown" Fremont and Warm Springs are two areas where significant growth is projected. With a high percent of our revenue based on residential customers, USD's income remains relatively stable despite periodic fluctuations in the business sector.

Expenditures

Operating expenditures for this fiscal year are projected to be approximately 98% of the operating budget, the shortfall due to short term vacancies. CIP expenditures are tracking closely with the budget approved by the Board and are projected at 94% of budget at year end.

The coming year will feature projected increases in the operating budget and CIP expenditures. Operating expenditures are anticipated to increase, primarily from the addition of staff positions and increases in power costs, and employee salary and benefit cost increases. After no changes in the number of USD employees since 2000, management has recommended adding 6 positions over the next year to bolster our maintenance staff, enhance planning and asset management efforts, and providing inspection of increased development and CIP construction. Some of these positions will generate additional revenue and cost savings. In addition, this year will feature many one-time costs associated with succession planning, including hiring of a Deputy General Manager and some overlap with retiring staff for the purpose of knowledge transfer.

The Capital Improvement Program will be increasing from last year. In the 10 year plan, new projects have been added for wet weather flow management, seismic upgrades, and replacement of our maintenance building, one of our oldest and most outdated District facilities. The R&R funds will see significant expenditures. The vehicle fund will include purchases of over \$900,000 for the scheduled replacement of existing sewer cleaning and construction equipment. The Information System R&R will be continuing to fund new projects from the IT Master Plan, including a major upgrade to the Computerized Maintenance Management System, a capital project management system, and new microwave communication equipment to enhance data transmission from remote facilities.

Capital Program and Project Financing

Capital project spending will continue to focus on the Wastewater Treatment Plant. As many of our buildings and treatment processes approach 35 years of operation, we will be replacing and upgrading to ensure long term, efficient operation of the plant. FY13 saw the completion of the \$8 million primary clarifier improvements project, the upgrade of electrical equipment, replacement of sludge thickening equipment and demolition of the old INKA treatment system. The new Boyce Road Pump Station is now operational and final completion is expected in early FY14. New projects for FY14 include the \$12 million Cogeneration project, the Headworks improvements project, replacement or rehabilitation of aging or corroded sewer lines and construction of a new crossing under I680.

USD continues to take advantage of the availability of low interest loans through the State and Federally funded State Revolving Fund (SRF) program. Recent projects such as the Primary Clarifier rehabilitation project, the Boyce Road Pump Station and the Electrical Substation Upgrade have been funded using these loans at interest rates between 2.5% and 2.75%. USD currently has an application for the Thickener Control Building Improvements project for a \$13.4 million loan. We will be making the final payment for the Treatment Plant Upgrade project, paying off the 20 year, \$30 million loan this coming fiscal year.

Challenges for FY14

While challenges of the economy and government scrutiny will linger in FY14, the most significant issues facing the District in the coming fiscal year will likely be succession planning, workload management and wet weather flow management. Key staff will be retiring, or transitioning to retirement during this fiscal year. Transferring critical knowledge, providing appropriate training, and maintaining our focus on the Mission of the District will be key elements in a smooth transition. Workload management will bring many challenges associated with implementing an ambitious Capital Improvement Program and transitioning to a new Computerized Maintenance Management Program while also transitioning new staff. Wet weather flow issues will be centered on Hayward Marsh and identifying options and developing contingency plans for handling future peak flows.

Balanced Budget, Reserves and Rates

USD has been operating with a balanced budget and anticipates continuing to do so in the near future. In some years, USD takes money from reserves for capital projects, and in some years funds are added to our reserves. For FY 14 we anticipate taking close to \$8 million from reserves to supplement our capital projects. Our reserves continue to be stable, although as our operating budget increases, more of our reserves are dedicated to ensuring operating cash flow for the 8 month period in which we receive very limited SSC revenues. Our projected fund balances indicate renewal and replacement fund reserves will remain positive with the implementation of the proposed rate increases for FY14 and beyond.

Conclusion

USD continues to perform as one of the most outstanding wastewater agencies in the State of California. Our high level of service and reasonable rates reflect a highly efficient and customer oriented staff that has created a positive culture and earned USD an excellent reputation in our industry. Our employees are the hallmark of our organization and are responsible for our success in being a highly responsive, non-bureaucratic public agency that can boast award winning service, well maintained infrastructure and a safe and productive work environment.

SUMMARY & COMMENTS FISCAL YEAR 2014 BUDGET

This summary and comments section addresses the proposed budget and rates for Fiscal Year 2014, which includes the period from July 1, 2013 through June 30, 2014.

10-YEAR FINANCIAL PLAN

Rates: Increase the existing Sewer Service Charge for Single Family Dwelling (SFD) to \$337.76 and \$298.25 for Multi-family Dwelling (MFD). Sewer Service Charge ordinance rates will increase by 5.7% in 2014. A Proposition 218 notice to reflect an increase for FY14-FY16 of 5.7% each year was mailed to property owners in April 2013. Increases are projected for the following several years, but will be reviewed and analyzed annually.

PERS retirement investment losses from 2008-2009 have adversely impacted employer rates. Rates are expected to increase dramatically in the next five years, due to assumption changes and prior year losses.

Capacity fees are projected to increase by 10% to \$5,329.20 in FY 2014 and reviewed annually. A comprehensive capacity fee study was completed in FY 2010 and the results have been incorporated into the FY 2014 budget.

Financing: The District will fund capital projects by a combination of pay-as-you-go and debt financing. The District is currently applying for a State Revolving Fund (SRF) loan for the Thickener Control Building Improvement project.

SEWER SERVICE FUND REVENUES FY 2014 Revenues & Proceeds: \$46,661,353

Revenue and Transfers:

- The principal revenue for the Operating Fund is from the annual sewer service charges of \$44.9 million in FY 2014.
- Interest and other income (\$1.3 million) includes \$219,000 in interest, \$765,000 in ECB revenue from the City of Fremont Urban Runoff program, East Bay Dischargers Authority (EBDA) revenue, inspection/plan check fees, and \$289,500 miscellaneous income including \$76,000 from Livermore Amador Valley Water Management Agency (LAVWMA), \$180,000 from PG&E in carport and Irvington solar panel rebates (until 2017), and \$33,500 from the sale of surplus equipment.
- The District is anticipating total receipts of \$500,000 in SRF loan proceeds for the Primary Clarifier and Boyce Lift Station projects for the sewer service charge fund in FY 2014.

SEWER SERVICE FUND EXPENSE FY 2014 Expense: \$52,071,042

Each component of the Sewer Service Fund expense is described below:

- Expenditure Control Budget (ECB): FY 2014 Expense: \$32,049,429

The Expenditure Control Budget (ECB), or Operating Fund, contains expenditures required for the day-to-day operation of the District, including maintenance, regulatory activities, engineering, and administration. The net ECB will increase 5.85% in FY 2014, a

combination of: 1) Salary and benefits increase of \$1,418,893, due to the addition of new positions and salary and benefit cost increases. 2) Other O&M Cost increases of \$595,000 including EBDA increased O&M costs, PG&E, maintenance and insurance costs. Non-payroll costs increased by 5.1%.

- Non-ECB FY 2014 Expense: \$759,500

This fund includes non-routine expenses such as one-time studies, hiring of consultants, and new programs where the long-term financial impact, if any, is not known. Major FY 2014 expenses by categories include: Administrative and Regulatory \$89,500, Hayward Marsh Projects, \$100,000; Studies and other projects include Lateral Pilot Program, \$110,000; Seismic Evaluation Study, \$100,000; ACWD-USD Water Recycling and Conservation Program, \$70,000, and Sewer Service Charge rate study, \$100,000.

- Retiree Medical Benefits FY 2014 Expense: \$462,852

The District began to transfer Retiree Assets to the CalPERS trust (CERBT) in FY 2009. For FY 2014, the annual required contribution (ARC) based on the 7/1/11 actuarial study will be \$462,852. A new actuarial valuation is required in FY14.

- Renewal & Replacement - Vehicle and Equipment FY 2014 Expense: \$1,089,734

Vehicles and equipment that are scheduled to be replaced due to age or obsolescence are purchased through this fund. The provision is based on a 10-year replacement schedule and expense projection. Major expenses include one combination unit planned but not purchased in FY13, \$453,734; two construction trucks, \$340,000; and one dump truck, \$145,000. The provision is \$561,800 for FY 2014.

- Renewal & Replacement - Information System FY 2014 Expense: \$1,101,990

This fund replaces major information systems hardware and software. The provision is \$800,000 for FY 2014. Major projects include the new Computerized Maintenance Management System (CMMS), continued from FY13, \$375,790; Capital Project Management System, \$150,000; Microwave Communications, \$137,000; SCADA Master Plan, \$87,500. IT/PBX and Security Replacements, \$176,300, as identified in the latest IT Master Plan.

- Renewal & Replacement – Plant & Pump Station FY 2014 Expense: \$250,000

This fund is for the purchase of Plant equipment that is scheduled to be replaced due to age or obsolescence, as well as unplanned replacement costs. The provision for FY 2014 is \$113,217 and expenses include Overhaul of four Hydrastol pumps, \$120,000; Overhaul of two Gravity Belt Thickeners, \$100,000.

- Emergency Fund FY 2014 Expense: \$0

The District established the Emergency Fund in FY 2008. The purpose of this fund is to help mitigate the financial impact of an emergency or catastrophic event. The provision for FY 2014 will be \$750,000.

- Structural Renewal and Replacement FY 2014 Expense: \$16,245,000

The proposed Capital Improvement Program projects of \$12,285,000 for FY 2014 are included in this fund. In addition, the fund will pay SRF loan payments of \$1,959,000 for the Plant Upgrade project (final payment), \$681,000 for the Irvington Equalization Storage Facility project, \$108,000 for the Willow/Central Ave. project, \$343,000 for Newark Pump Station, \$140,000 for the Lower Hetch Hetchy project, \$127,000 for the Cedar Blvd project, \$157,000 for the Substation 1 project in FY 2014, and \$444,000 for the Primary Clarifier project. The provision will be \$11,141,000. A detailed CIP schedule is included with this document.

- Pretreatment Fund FY 2014 Expense: \$7,000

Expenses are for supplies, equipment and training that support the Pretreatment Program and Ordinance No. 36. There is no sewer service charge provision for this fund.

- Miscellaneous Expense FY 2014 Expense: \$106,000

The District pays Alameda County an annual fee for administration and sewer service charge collection through the tax rolls, based on the number of parcels.

Note that for those R&R Funds, where budgeted expenses exceed provisions, fund reserves will be used to cover the difference.

SEWER SERVICE FUND RESERVES

- Approximately \$5.4M are projected to be transferred from reserves for funding of the FY '14 Operating Fund, Renewal and Replacement funds, Capital Improvement Program, and related debt servicing.

CAPACITY FUND FY 2014 Revenues & Proceeds: \$2,902,000

- Revenues for FY 2014 include capacity fees of \$2,300,000, and interest income of \$102,000. The Capacity fund will be financed by a Capacity Fee of \$5,329.20 per equivalent dwelling unit, a 10.0% increase from 2013.
- The Capacity fund is scheduled to receive SRF loan proceeds for the Boyce Road and Primary Clarifier projects in the amount of \$500,000.

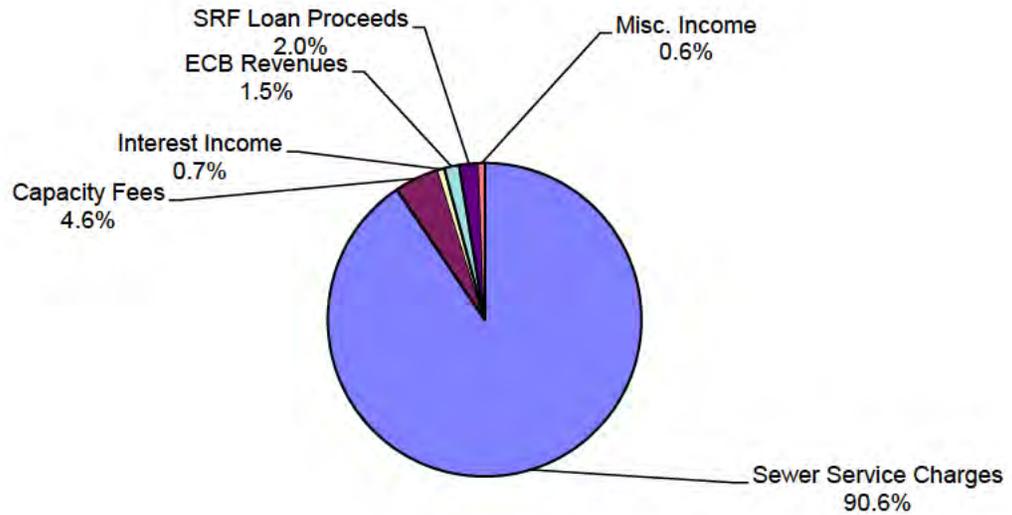
CAPACITY FUND FY 2014 Expense: \$5,938,000

- The expenditures for FY 2014 include \$5,220,000 for the Capacity-related portion of the Capital Improvement Program.
- The Capacity fund will pay debt servicing of \$227,000 for the Capacity portion of the Irvington Equalization Storage Facilities project SRF loan and \$343,000 for the Capacity portion of the Newark Pump Station SRF loan, and \$148,000 for Primary Clarifier, for a total of \$718,000.

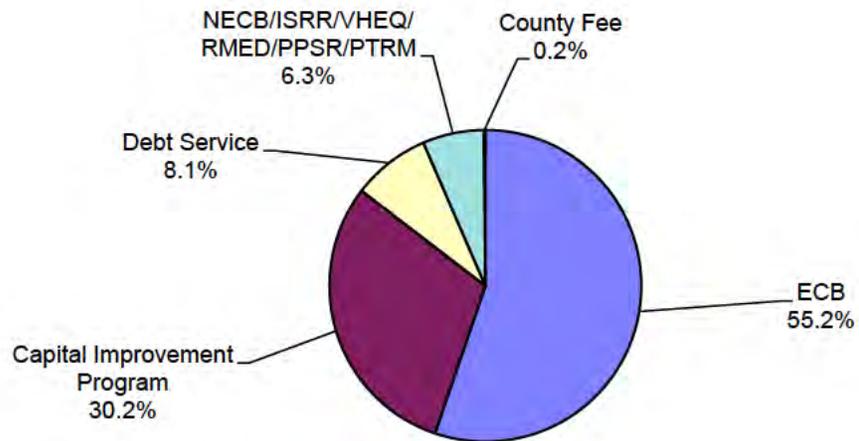
CAPACITY FUND RESERVES

- Approximately \$3,036,000 will be used from Capacity Fund reserves in FY 2014.

**FY '14 Total Revenues & Proceeds
\$49,563,353**



**FY '14 Total Expenditures
\$58,009,042**



**Amount from Reserves
(\$8,447,689)**

NET EXPENDITURE CONTROL BUDGET			
Work Group	FY '13 Budget	FY '13 Projected	FY '14 Proposed
District Board	\$187,300	\$165,700	\$190,063
General Manager/Administration	904,500	850,000	1,182,404
Business Services	4,306,237	4,251,181	4,502,397
Collection Services	5,281,029	5,175,000	5,537,319
Technical Support & Customer Service	4,520,136	4,390,000	4,711,536
Treatment & Disposal Services	9,169,644	9,076,144	9,694,875
Fabrication, Maintenance & Construction	5,185,800	5,029,626	5,465,835
Total ECB	\$29,554,646	\$28,937,651	\$31,284,429
Percent of FY '13 Budget		97.9%	

Percent change from FY '13 Budget

5.85%

NON-ECB EXPENDITURES FY '13 - FY '14

	<u>DESCRIPTION</u>	BUDGET FY '13	PROJECTION FY '13	ESTIMATED CARRYOVER	PROPOSED BUDGET FY '14
	Administrative & Regulatory				
	GIS JPA	12,000	6,500	5,500	24,500
	New Public Outreach Programs	0	0	0	20,000
	Public Information Program (USD Newsletter)	78,600	78,600	0	45,000
	<i>Sub-Total Admin & Regulatory</i>	<i>90,600</i>	<i>85,100</i>	<i>5,500</i>	<i>89,500</i>
	Studies & Other				
	ACWD-USD Water Recycling and Conservation Program	70,000	70,000	0	70,000
	Alvarado Sub-Surface Investigation (was Plant Groundwater Wel	10,000	3,576	6,424	10,000
	Asset Inventory Valuation	0	3,552	0	0
	Biosolids Dewatering Evaluation	40,000	40,000	0	0
	CCTV cameras for Covered Storage Area	0	950	0	0
	Effluent Flow Management Study	0	0	0	50,000
	Electrical LOTO SOP Development	30,000	30,000	0	0
	Evaluation of CS Preventive Maintenance Program	0	0	0	50,000
	FOG - Residential Public Outreach	25,000	37,500	0	0
	Fremont Mid-Town Capacity Assessment	0	0	0	20,000
	Fuel Management System Upgrade	0	0	0	40,000
	Handheld Radio Upgrade	89,000	91,063	0	0
	Hazardous Materials Program Audit	60,000	60,000	0	50,000
	HVAC Software and Hardware Upgrade	30,000	29,950	50	0
	Intelligent Manhole Covers	0	0	0	20,000
	Irvington Basin Master Plan Update	0	0	0	50,000
	Lateral Pilot Program - Condition Assessment	110,000	0	110,000	0
	Local Limits and Wastewater Treatability (Ammonia)	100,000	106,000	0	10,000
	Newark Basin Sewer Master Plan Update	0	16,000	0	0
	Plant Effluent Storage Study	100,000	110,000	0	0
	Sea Level Rise Study	35,000	35,000	0	0
	Seismic Evaluation	0	0	0	100,000
	Sewer Service Charge Cost of Service Study	0	0	0	100,000
	<i>Sub-Total Studies & Other</i>	<i>699,000</i>	<i>633,591</i>	<i>116,474</i>	<i>570,000</i>
	Hayward Marsh				
	Ammonia Removal Study	50,000	71,000	0	50,000
	Management Plan	40,000	29,000	11,000	0
	NPDES Permit Annual Fee	2,000	1,943	57	2,000
	Permit Amendment to Delay Mixing Study	30,000	5,300	24,700	30,000
	Regional Monitoring Plan (RMP) Annual Fee	16,000	16,163		18,000
	<i>Sub-Total Hayward Marsh</i>	<i>138,000</i>	<i>123,406</i>	<i>35,757</i>	<i>100,000</i>
	Total Non-ECB	927,600	842,097	157,731	759,500

Fiscal Years Ending June 30,	Estimated	Projected				
	2013	2014	2015	2016	2017	2018
NON-ECB - Fund 30						
Beginning Balance	\$314,224	\$342,473	\$0	\$0	\$0	\$0
Revenue						
Provisions from SSC	712,615	417,027	600,000	600,000	600,000	600,000
Expenditures						
Studies and Projects Estimated Carryover	842,097 (157,731)	759,500	600,000	600,000	600,000	600,000
Ending Balance	\$342,473	\$0	\$0	\$0	\$0	\$0

PROJECTS PLANNED FOR FY '14

Project Category	Amount
Administrative & Regulatory	\$89,500
Studies & Other	570,000
Hayward Marsh	100,000
Total	\$759,500

Fiscal Years Ending June 30,	Estimated	Projected				
	2013	2014	2015	2016	2017	2018
RETIREE MEDICAL - Fund 40						
Beginning Balance	(\$699)	\$0	\$0	\$0	\$0	\$0
Revenue						
Provisions from SSC	448,284	462,852	477,895	493,427	509,463	526,021
Expenditures						
Annual Required Contribution (ARC)	447,585	462,852	477,895	493,427	509,463	526,021
Ending Balance	\$0	\$0	\$0	\$0	\$0	\$0

Fiscal Years Ending June 30,	Estimated	Projected				
	2013	2014	2015	2016	2017	2018
RENEWAL & REPLACEMENT VEHICLES AND EQUIPMENT - Fund 50						
Beginning Balance	\$1,173,450	\$870,923	\$376,489	\$465,680	\$459,873	\$293,172
Revenue						
Provisions from SSC	566,000	561,800	624,015	655,216	687,977	708,616
Sale of surplus	10,000	33,500	31,000	39,000	46,000	18,000
Expenditures						
Vehicles and Equipment	878,527	1,089,734	565,824	700,023	900,678	397,915
Ending Balance	\$870,923	\$376,489	\$465,680	\$459,873	\$293,172	\$621,873
REPLACEMENTS SCHEDULED FOR FY- '14						
Vehicles			Equipment			
QTY	Type	Repl. Cost	QTY	Type	Repl. Cost	
1	Combination Unit*	\$453,734	1	Heavy Equipment Trailer	\$28,000	
2	Construction Trucks	340,000	1	Shock Pulse Monitor (Vibration Analyzer)	24,000	
1	10-Yard Dump Truck	145,000	15	Personal Monitors	13,000	
1	Transit Connect Vehic	34,000	1	Engine Exhaust Analyzer*	13,000	
1	Pickup w/Utility Shell*	26,000	28	Chairs (conference & office)	7,000	
			2	Line Locators	6,000	
Total for Vehicles		\$998,734	Total for Equipment		\$91,000	
TOTAL VEHICLES AND EQUIPMENT FY '14 BUDGET						\$1,089,734

*Carryover from FY'13

Fiscal Years Ending June 30,	Estimated	Projected				
	2013	2014	2015	2016	2017	2018
RENEWAL & REPLACEMENT INFORMATION SYSTEM - Fund 60						
Beginning Balance	\$1,269,037	\$1,169,812	\$867,822	\$470,122	\$212,022	\$398,622
Revenue						
Provisions from SSC	800,000	800,000	800,000	800,000	800,000	700,000
Expenditures						
IT/PBX/Security Replacements	257,138	176,300				
IT Master Plan Projects	642,087	925,690	1,197,700	1,058,100	613,400	768,700
Ending Balance	\$1,169,812	\$867,822	\$470,122	\$212,022	\$398,622	\$329,922

SYSTEM UPGRADES & REPLACEMENTS SCHEDULED FOR FY '14

Project / System	Amount
Hansen 8 Upgrade (cont'd)	\$375,790
Capital Projects Management System	150,000
Microwave Communications (cont'd)	137,000
SCADA Master Plan/Standards	87,500
Mobile Projects (Manhole, SCADA)	60,000
Public Website Improvements	40,000
Plant GIS (cont'd)	29,000
IT Disaster Recovery Plan Assessment	25,000
Urban Runoff/EC Databases (cont'd)	21,400
IT/PBX/Security Replacements	176,300
Total	\$1,101,990

	<i>Estimated</i>	<i>Projected</i>				
<i>Fiscal Years Ending June 30,</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>
RENEWAL & REPLACEMENT PLANT AND PUMP STATION - Fund 70						
Beginning Balance	\$110,992	\$136,783	\$0	\$0	\$0	\$0
Revenue						
Provisions from SSC	195,791	113,217	250,000	250,000	250,000	250,000
Expenditures						
Plant and Pump Station Equipment	170,000	220,000	200,000	200,000	200,000	200,000
Unplanned expenditures	0	30,000	50,000	50,000	50,000	50,000
Ending Balance	\$136,783	\$0	\$0	\$0	\$0	\$0
REPLACEMENTS SCHEDULED FOR FY 2014						
Overhaul 4 Hydrastol Pumps	\$120,000	It is anticipated that the Plant & Pump Station Renewal & Replacement fund will be incorporated with or replaced by an asset management program in the future.				
Overhaul 2 Gravity Belt Thickeners (last done 10 yrs ago)	100,000					
Subtotal Planned Projects:	\$220,000					
Unplanned Maintenance	\$30,000					
Total for FY 2014	\$250,000					
TOTAL PLANT AND PUMP STATION R&R, FY '14 BUDGET						

	<i>Estimated</i>	<i>Projected</i>				
<i>Fiscal Years Ending June 30,</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>
EMERGENCY - Fund 75						
Beginning Balance	\$1,250,000	\$2,000,000	\$2,750,000	\$3,500,000	\$4,250,000	\$5,000,000
Revenue						
Provisions from SSC	750,000	750,000	750,000	750,000	750,000	0
Expenditures						
	0	0	0	0	0	0
Ending Balance	\$2,000,000	\$2,750,000	\$3,500,000	\$4,250,000	\$5,000,000	\$5,000,000

	<i>Estimated</i>	<i>Projected</i>				
<u>Fiscal Years Ending June 30,</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
STRUCTURAL RENEWAL & REPLACEMENT - Fund 80						
<i>Beginning Balance</i>	<i>\$12,748,000</i>	<i>\$10,674,000</i>	<i>\$6,070,000</i>	<i>\$8,079,000</i>	<i>\$7,251,000</i>	<i>\$3,246,000</i>
<u>Revenue</u>						
Provisions from SSC/Net Revenue	9,291,000	11,141,000	9,929,000	11,399,000	12,886,000	15,669,000
SRF Proceeds	3,200,000	500,000	4,025,000	2,800,000	200,000	200,000
<u>Expenditures</u>						
CIP Projects	11,048,000	12,285,000	9,743,000	12,825,000	14,490,000	15,233,000
Debt Service (SRF Repayments)	3,517,000	3,960,000	2,202,000	2,202,000	2,601,000	2,601,000
<i>Ending Balance</i>	<i>\$10,674,000</i>	<i>\$6,070,000</i>	<i>\$8,079,000</i>	<i>\$7,251,000</i>	<i>\$3,246,000</i>	<i>\$1,281,000</i>

	<i>Estimated</i>	<i>Projected</i>				
<u>Fiscal Years Ending June 30,</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
PRETREATMENT - Fund 85						
<i>Beginning Balance</i>	<i>\$110,339</i>	<i>\$108,739</i>	<i>\$101,739</i>	<i>\$94,739</i>	<i>\$87,739</i>	<i>\$80,739</i>
<u>Revenue</u>						
Transfer from SSC	0	0	0	0	0	0
Enforcement Fees	3,400	0	0	0	0	0
<u>Expenses</u>						
Supplies/Equipment	4,000	4,000	4,000	4,000	4,000	4,000
Training	1,000	3,000	3,000	3,000	3,000	3,000
<i>Ending Balance</i>	<i>\$108,739</i>	<i>\$101,739</i>	<i>\$94,739</i>	<i>\$87,739</i>	<i>\$80,739</i>	<i>\$73,739</i>

	<i>Estimated</i>	<i>Projected</i>				
<u>Fiscal Years Ending June 30,</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
CAPACITY - Fund 90						
<i>Beginning Balance</i>	\$15,123,000	\$17,065,000	\$14,029,000	\$12,027,000	\$11,423,000	\$9,214,000
<u>Revenue</u>						
Capacity Fees	2,537,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000
SRF Proceeds	2,000,000	500,000	4,025,000	2,800,000	200,000	200,000
Interest	125,000	102,000	85,000	75,000	74,000	61,000
<u>Expenditures</u>						
CIP	2,150,000	5,220,000	7,493,000	4,860,000	3,465,000	2,588,000
Debt Servicing	570,000	718,000	919,000	919,000	1,318,000	1,318,000
<i>Ending Balance</i>	\$17,065,000	\$14,029,000	\$12,027,000	\$11,423,000	\$9,214,000	\$7,869,000

Annual Contract Purchases of Supplies, Services & Vehicle Renewal Replacements Over \$100,000 for Fiscal Year 2014 (included in ECB)	
ITEMS	
	<i>Estimated Expenditure</i>
Supplies*:	
Sodium Hypochlorite - One-year contract with Univar USA, Inc.	\$369,000
Ferrous Chloride, One-Year contract with Kemira Water Solutions, Inc.	349,000
Polymer, emulsion, One-Year Contract with BASF Corp.	394,000
Hydrogen Peroxide, One-Year Contract with Siemens, Inc.	301,000
Total Supplies:	\$1,413,000
Services:	
State Water Resources Control Board, Debt payments for seven SRF loans	\$4,677,181
PERS Retirement payments for employees	3,117,202
PERS Medical, payments for employee coverage	2,749,666
PERS Retiree Medical Trust payments (ARC)	462,852
PG&E, payments for electrical service	1,885,320
PG&E, payments for electrical service - Newark Pump Station	191,513
EBDA Operations & Maintenance payments	1,209,442
Biosolids, Year Three of Five-Year Contract with Synagro West	635,540
Total Services:	\$14,928,716
Vehicle & Equipment Renewal/Replacement:	
Combination Unit from FY13	\$453,734
2 New Construction Trucks	340,000
1 10-Yard Dump Truck	145,000
Total Vehicle & Equipment Renewal/Replacement	\$938,734

*Chemicals are bid annually via the Bay Area Chemical Consortium (BACC).

TEN YEAR CIP FY14-FY23 EXPENDITURE PLAN
June 10, 2013
(All Figures x\$1,000)

ADMINISTRATIVE FACILITIES

<u>Fund</u>	<u>%</u>	<u>Rank</u>	<u>Project Name</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
800		3	Additional CS (Vehicle) Storage		50	200								250
800	0.50	2	FMC Bldg. - New			350	2,500							2,850
900	0.50	2	FMC Bldg. - New			350	2,500							2,850
800		2	FMC Bldgs Renovation		50	300								350
800		1	Front Gate Modification	50										50
800		3	FMC Storage			50	200							250
800		3	Plant Paving					250				250		500
800		3	Solar Panels at Alvarado - Phase II				150	1,500						1,650
Total for ADMINISTRATIVE FACILITIES				50	100	1,250	5,350	1,750	0	0	0	250	0	8,750

COLLECTION SYSTEM

<u>Fund</u>	<u>%</u>	<u>Rank</u>	<u>Project Name</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
800		2	Cast Iron/Pipe Lining	800		500	500							1,800
800		1	I-680 Crossing at Sabercat Rd.	1,850										1,850
800		2	Misc. C S Projects		250	250	300	300	300	300	300	300	300	2,600
800		2	Misc. Sewer Rehab (Alvarado Basin)					200	2,000			100	1,000	3,300
800		2	Misc. Sewer Rehab (Irvington Basin)				200	2,000		100	1,000			3,300
800		1	Misc. Sewer Rehab (Newark Basin)	200	1,700				100	1,000				3,000
800		2	Newark Backyard Relocation	500	200	2,500	1,000	1,000						5,200

Collection cont'd next page

TEN YEAR CIP FY14-FY23 EXPENDITURE PLAN
June 10, 2013
(All Figures x\$1,000)

<u>Fund</u>	<u>%</u>	<u>Rank</u>	<u>Project Name</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
Collection cont'd														
800		2	Pine St. Easement	100										100
800		2	Spot Repairs	500	500	500								1,500
900		2	Stevenson at Davis St.				150	1,000						1,150
900		2	Veasy St. Sewer Improvements	600										600
Total for COLLECTION SYSTEM				4,550	2,650	3,750	2,150	4,500	2,400	1,400	1,300	400	1,300	24,400

TRANSPORT SYSTEM PROJECTS

<u>Fund</u>	<u>%</u>	<u>Rank</u>	<u>Project Name</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
800	0.50	2	Alameda Creek Crossing Lift Station						250		2,000	2,000		4,250
900	0.50	2	Alameda Creek Crossing Lift Station						250		2,000	2,000		4,250
800	0.50	1	Boyce Rd. LS Replacement	350										350
900	0.50	1	Boyce Rd. LS Replacement	350										350
800		2	Cherry St. PS Improvements	100										100
800	0.50	2	Eden Marsh			500	500	500						1,500
900	0.50	2	Eden Marsh			500	500	500						1,500
900		3	Equalization Storage @ Alvarado	500	2,500	1,500								4,500
800	0.25	3	Equalization Storage @ Irvington									75	750	825
900	0.75	3	Equalization Storage @ Irvington									225	2,250	2,475
800	0.25	2	Equalization Storage @ Newark					125		750	750			1,625
900	0.75	2	Equalization Storage @ Newark					375		2,250	2,250			4,875
800	0.50	2	Hayward Ponds and PS								200	1,500		1,700
900	0.50	2	Hayward Ponds and PS								200	1,500		1,700

Transport cont'd next page

TEN YEAR CIP FY14-FY23 EXPENDITURE PLAN
 June 10, 2013
 (All Figures x\$1,000)

<u>Fund</u>	<u>%</u>	<u>Rank</u>	<u>Project Name</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
Transport cont'd														
800		1	Hayward Marsh 30" FM Repair	100										100
800	0.50	2	Hayward Marsh Ammonia Removal Facility			50	500							550
900	0.50	2	Hayward Marsh Ammonia Removal Facility			50	500							550
800		2	New Cherry St. PS								300	3,000		3,300
800		3	Transport System Misc. Projects					1,000		1,000			1,000	3,000
Total for TRANSPORT SYSTEM PROJECTS				1,400	2,500	2,600	2,000	2,500	500	4,000	7,700	10,300	4,000	37,500

TREATMENT														
<u>Fund</u>	<u>%</u>	<u>Rank</u>	<u>Project Name</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
900		2	3rd Degritter System	100	500									600
800		2	30" ML Pipe Lining	100	500									600
800		1	Aeration Internal Lift Pumps	900						1,000				1,900
800		2	Aeration System Rehab			400	2,000	2,000						4,400
800		2	Aeration Tank (East) Baffling			100	500							600
800		2	Aeration Tank (East) Roof			250	2,500							2,750
800		3	Alvarado PS Roof			50								50
800		3	Blower Bldg & Channel Air Demo & Repl					100	500					600
800	0.50	1	Cogen Project	4,000	2,000									6,000
900	0.50	1	Cogen Project	4,000	2,000									6,000
800		2	Contact Tank Valve Replacement						1,000					1,000
Treatment cont'd next page														

TEN YEAR CIP FY14-FY23 EXPENDITURE PLAN
 June 10, 2013
 (All Figures x\$1,000)

<u>Fund</u>	<u>%</u>	<u>Rank</u>	<u>Project Name</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
Treatment cont'd														
800		2	Control Box No. 1 Improvements		150	1,500								1,650
800		2	Diffuser Replacement		100	100	150							350
900		3	Digester No. 7										100	100
800		2	Emergency Outfall Outlet Improvements			300								300
800	0.50	2	FOG Receiving Station & Fuel Cell									250	2,500	2,750
900	0.50	2	FOG Receiving Station & Fuel Cell									250	2,500	2,750
800		2	Gravity Belt Thickener					500	3,000	2,000				5,500
800		2	Generator Controls Upgrade		200	1,000								1,200
800		1	Headworks Conveyors, Screenings Comp	1,500										1,500
800		2	Headworks gates, actuators and Screens				100	1,500						1,600
800		1	MCC Replacement	500	100	600				100	600			1,900
800		2	Misc Mechanical Improvements at Plant						2,500	3,000	3,000	4,000	4,000	16,500
800		2	Misc. Electrical Equipment Upgrade			500				500		500		1,500
800		2	Misc. Projects		250	250	250	300	300	300	300	300	300	2,550
800		2	Odor Scrubber System Improvements					100	2,500	300	2,500	3,000	2,000	10,400
800		2	Old Newark Plant Demo			100	1,000							1,100
900		2	Paint Facilities - Additional				200	1,000						1,200
800		2	Plant Facilities Improvements	100	500									600
Treatment cont'd next page														

TEN YEAR CIP FY14-FY23 EXPENDITURE PLAN
 June 10, 2013
 (All Figures x\$1,000)

<u>Fund</u>	<u>%</u>	<u>Rank</u>	<u>Project Name</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
Treatment cont'd														
800		2	PLC Replacement	200		100	350	200						850
800		2	Primary Clarifier Rehab (5-6)				500	2,250	2,250					5,000
800		2	Primary Effluent (60") Pipeline Rehab	50	200									250
800		1	RAS PS Pumps, Valve & Pipe Replacement	650		100	600	600						1,950
800		2	Repairs to Concrete Tanks		200	200	200	200	200	200	200	200	200	1,800
800		2	Sec. Clarifiers No. 5 and 6 Rehabilitation			200	2,000	2,000						4,200
900		3	Secondary Clarifiers No. 7,8										100	100
800		2	Seismic Retrofit of Conc. Structures					200	2,000	200	2,000	200	2,000	6,600
800		2	Sludge Drying (BACWA)	100	100	100								300
800		2	Sludge Recirculation Pump Replacement		200	200								400
800		2	Standby Generators 5 and 6						150	2,500				2,650
800		2	Standby Generators 7 and 8						200	4,000				4,200
800	0.50	2	Storm Water Diversion Pump Station		75	750								825
900	0.50	3	Storm Water Diversion Pump Station		75	750								825
800	0.50	2	Thickener Control Bldg Improvements	250	3,250	2,250								5,750
900	0.50	2	Thickener Control Bldg Improvements	250	3,250	2,250								5,750
800		2	Thickener Mechanisms 1-2					100	2,200					2,300
800		1	Thickener Pumps Replacement (Interim P	750										750
Treatment cont'd next page														

TEN YEAR CIP FY14-FY23 EXPENDITURE PLAN
 June 10, 2013
 (All Figures x\$1,000)

<u>Fund</u>	<u>%</u>	<u>Rank</u>	<u>Project Name</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total</u>
Treatment cont'd														
800		2	Truck Scales Improvements				100							100
800		2	Water Storage Tank		250									250
Total for TREATMENT				13,450	13,900	12,050	10,450	11,050	16,800	14,100	8,600	8,700	13,700	122,800
GRAND TOTAL				19,450	19,150	19,650	19,950	19,800	19,700	19,500	17,600	19,650	19,000	193,450
FUND 800 - Structural Renewal & Replacement				13,650	10,825	14,250	16,100	16,925	19,450	17,250	13,150	15,675	14,050	151,325
FUND 900 - Capacity				5,800	8,325	5,400	3,850	2,875	250	2,250	4,450	3,975	4,950	42,125

STATEMENT OF CASH FLOW AND FUND BALANCES			
	FY '13 Budget	FY '13 Projected	FY '14 Proposed
OPERATING FUND			
Beginning Balance	\$36,979,000	\$36,979,000	\$36,946,257
<u>Revenues:</u>			
Sewer Service Charges	\$42,387,000	\$42,467,221	\$44,887,853
ECB Revenues	725,000	735,000	765,000
Interest Income	500,000	500,000	219,000
SRF Loan Proceeds	3,200,000	3,200,000	500,000
Misc. (LAVWMA, forfeited deposits, enforcement fees)	295,000	305,000	289,500
<i>Total Revenues</i>	\$47,107,000	\$47,207,221	\$46,661,353
<u>Expenditures:</u>			
Operating - ECB	\$30,279,646	\$29,675,181	\$32,049,429
Non-ECB	927,600	842,097	759,500
Retiree Medical Benefits (ARC)	448,224	448,000	462,852
R & R - Vehicles & Equipment	1,279,000	878,527	1,089,734
R & R - Information System	1,349,000	899,255	1,101,990
R & R - Plant & Pump Stations	250,000	170,000	250,000
Pretreatment Program	7,000	5,000	7,000
Sewer Service Fee from County	105,000	105,000	106,000
Debt Servicing	3,535,419	3,516,904	3,959,537
Capital Program - R & R Structural*	11,048,000	10,700,000	12,285,000
<i>Total Expenditures</i>	\$49,228,889	\$47,239,964	\$52,071,042
Ending Sewer Service Fund Balance	\$34,857,111	\$36,946,257	\$31,536,568
CAPACITY FUND			
Beginning Balance	\$15,123,000	\$15,123,000	\$17,065,000
<u>Revenues:</u>			
Capacity Fees	\$1,750,000	\$2,537,000	\$2,300,000
Interest Income	200,000	125,000	102,000
SRF Loan Proceeds	2,000,000	2,000,000	500,000
<i>Total Revenues</i>	\$3,950,000	\$4,662,000	\$2,902,000
<u>Expenditures:</u>			
Capital Program*	\$2,565,000	\$2,150,000	\$5,220,000
Debt Servicing - SRF	570,000	570,000	718,000
<i>Total Expenditures</i>	\$3,135,000	\$2,720,000	\$5,938,000
Ending Capacity Fund Balance	\$15,938,000	\$17,065,000	\$14,029,000

*CIP Budget at 90%

FY 2014 Budget

(all #'s x \$1,000)

ASSUMPTIONS (Long-Term)	
Interest Rate - Bonds, SRF	2.70%
CIP Inflation Rate	3.50%
Investment Rate	0.60%
CIP Funding @	90%

Debt Summary - At 2018	
SRF Loans Outstanding - SSC	\$43,818
SRF Loans Outstanding - Capacity	21,082
Total SRF Loans & other Debt Outstanding	\$64,900
CIP Expenditures - 2014-2018	
Renewal & Replacement - SSC	\$64,575
Capacity Fund	23,625
Total CIP Expenditures @ 90%	\$88,200

Debt Summary - At 2023	
SRF Loans Outstanding - SSC	\$30,247
SRF Loans Outstanding - Capacity	15,422
Total SRF Loans & other Debt Outstanding	\$45,669
CIP Expenditures - 2014 - 2023	
Renewal & Replacement - SSC	136,193
Capacity Fund	37,913
Total CIP Expenditures @ 90%	174,105

Rate Model Time Period (must match time period below)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Fiscal Years Ending June 30,	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Capacity Fee Increase	10.00%	10.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
SSC Increase	5.00%	5.70%	5.70%	5.70%	5.50%	5.50%	5.50%	4.00%	4.00%	4.00%	4.00%
Residential (EDU) Increase (Growth) - 1 year lag in rates	0.25%	0.00%	0.50%	0.50%	0.50%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
Commercial Increase (Memo only here)	0.00%	0.00%	0.00%	0.50%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Industrial Increase (Memo only here)	0.00%	0.00%	0.00%	0.20%	0.40%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Increase in Operations Budget	3.53%	5.85%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Capacity Fee Charge	\$4,845	\$5,329	\$5,595	\$5,875	\$6,169	\$6,477	\$6,801	\$7,141	\$7,498	\$7,873	\$8,267
Sewer Service Charge (SFD)	\$320	\$338	\$357	\$377	\$398	\$420	\$443	\$461	\$479	\$498	\$518

CASH FLOW PROJECTIONS

Sewer Service Fund

Beginning Balance	\$12,748	\$11,816	\$7,212	\$9,378	\$8,714	\$4,880	\$3,094	\$1,211	\$3,511	\$13,008	\$20,436
Revenue											
Net Revenues (SSC+int-Op Exp.-prov)	10,084	11,141	10,086	11,562	13,058	15,847	18,022	19,351	20,933	22,242	24,265
Loan Payments from Capacity Fund	0	0	0	0	0	0	0	0	0	0	0
Temporary Transfer To/From Capacity Fund	0	0	0	0	0	0	0	0	0	0	0
SRF Loan/SG P Proceeds	3,200	500	4,025	2,800	200	200	200	1,075	3,000	2,000	0
Expenditures											
CIP Expenditures	10,700	12,285	9,743	12,825	14,490	15,233	17,505	15,525	11,835	14,108	12,645
Loans to Capacity Fund	0	0	0	0	0	0	0	0	0	0	0
Debt Servicing - New Issues	0	0	0	0	0	0	0	0	0	0	0
Debt Servicing - SRF Loan	3,517	3,960	2,202	2,202	2,601	2,601	2,601	2,601	2,601	2,707	2,985
Ending Balance	\$11,816	\$7,212	\$9,378	\$8,714	\$4,880	\$3,094	\$1,211	\$3,511	\$13,008	\$20,436	\$29,071
Other Designated Reserves	25,130	24,325	25,686	27,194	29,116	30,342	31,422	32,063	32,993	33,690	35,175
Total Sewer Service Fund Balance	\$36,946	\$31,537	\$35,064	\$35,907	\$33,997	\$33,437	\$32,632	\$35,573	\$46,002	\$54,126	\$64,246

Capacity Fund (Capacity Fees)

Beginning Balance	\$15,123	\$17,066	\$14,030	\$12,028	\$11,424	\$9,214	\$7,869	\$8,879	\$10,719	\$12,268	\$11,438
Revenue											
Interest income	125	102	85	75	74	61	53	59	72	84	81
Capacity Fees	2,537	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Temporary Transfer To/From Existing Fund	0	0	0	0	0	0	0	0	0	0	0
SRF Loan/SG P Proceeds	2,000	500	4,025	2,800	200	200	200	2,825	4,500	2,000	0
Expenditures											
CIP Expenditures	2,150	5,220	7,493	4,860	3,465	2,588	225	2,025	4,005	3,578	4,455
Loan Payments to R & R Fund	0	0	0	0	0	0	0	0	0	0	0
Debt Servicing - SRF Loan	570	718	919	919	1,318	1,318	1,318	1,318	1,318	1,637	1,915
Ending Balance	\$17,066	\$14,030	\$12,028	\$11,424	\$9,214	\$7,869	\$8,879	\$10,719	\$12,268	\$11,438	\$7,449

% OF DEBT SERVICE TO GROSS REVENUES	8.8%	9.7%	6.1%	5.8%	6.9%	6.5%	6.2%	5.9%	5.6%	5.9%	6.4%
Debt Capacity Target (should not exceed 25% of Op + Debt)	11.8%	12.5%	8.3%	8.0%	9.5%	9.2%	8.9%	8.6%	8.3%	8.8%	9.5%
Ratio of debt service to SSC Net Rev (min. 1.30 per Debt policy#2060)	3.27	2.83	4.46	4.98	4.39	4.85	5.39	5.75	6.17	5.91	5.59

BONDING CAPACITY - Above 1.25 coverage	101,120	90,167	122,530	142,401	150,695	172,578	198,740	215,836	236,056	247,723	260,184
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**UNION SANITARY DISTRICT
CHECK REGISTER
05/18/2013-05/31/2013**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
150634	5/23/2013	20120256	COVELLO GROUP INC	HEADWORKS AND EMERGENCY OUTFALL/RAS PUMP STATION	\$27,746.50	\$75,263.22
	5/23/2013	201103316		THICKENER 3 & 4 REHABILITATION	\$12,953.72	
	5/23/2013	20130082		COGENERATION PROJECT	\$26,136.00	
	5/23/2013	201002232		PRIMARY CLARIFIERS 1 - 4 REHABILITATION	\$6,360.50	
	5/23/2013	20120246		MISC SPOT REPAIRS PHASE 4	\$205.50	
	5/23/2013	201200413		SFPUC AT MISSION BLVD & I-680	\$1,861.00	
150666	5/23/2013	799984	POLYDYNE INC	45,280 LBS CLARIFLOC C-6267	\$57,018.84	\$61,872.41
	5/23/2013	799536		42,620 LBS CLARIFLOC WE-539	\$4,853.57	
150690	5/30/2013	800347.4	ANDERSON PACIFIC ENG CONST INC	HEADWORKS AND EMERGENCY OUTFALL IMPROVEMENTS	\$23,269.87	\$60,705.57
	5/30/2013	800372.1		RAS PUMP STATION IMPROVEMENTS	\$37,435.70	
150677	5/23/2013	711059	VALLEY OIL COMPANY	330 GALS CARB DYED DIESEL FUEL	\$1,265.25	\$38,688.01
	5/23/2013	711060		951 GALS CARB DYED DIESEL FUEL	\$3,646.20	
	5/23/2013	710544		4,209 GALS UNLEADED 10% ETHANOL GASOLINE	\$16,015.77	
	5/23/2013	710548		4,973 GALS CLEAR DIESEL & 1 PAIL BIOADE	\$17,760.79	
150625	5/23/2013	41356	BEECHER ENGINEERING	BOYCE ROAD LIFT STATION	\$2,240.00	\$30,885.00
	5/23/2013	41355		MCC REPLACEMENT - PHASE 2	\$28,480.00	
	5/23/2013	41357		THICKENER CONTROL BLDG INTERIM	\$165.00	

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Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
150664	5/23/2013	170120130509	PACIFIC GAS AND ELECTRIC	SERV TO 04/22/13 PLANT	\$28,810.92	\$29,155.24
	5/23/2013	013720130508		SERV TO 05/07/13 BOYCE RD PS	\$344.32	
150623	5/23/2013	337	AUTOMATED NETWORK CONTROLS	BOYCE ROAD LIFT STATION	\$7,073.98	\$13,132.16
	5/23/2013	338		SCADA / PLC PROGRAMMING SERVICES	\$2,618.03	
	5/23/2013	336		HEADWORKS & EMERGENCY OUTFALL IMPROV	\$3,440.15	
150675	5/23/2013	552248	UNIVAR USA INC	4,870 GALS SODIUM HYPOCHLORITE	\$2,402.89	\$12,161.97
	5/23/2013	547817		5,009 GALS SODIUM HYPOCHLORITE	\$2,471.48	
	5/23/2013	548965		4,946 GALS SODIUM HYPOCHLORITE	\$2,440.39	
	5/23/2013	548684		4,950 GALS SODIUM HYPOCHLORITE	\$2,442.36	
	5/23/2013	548189		4,874 GALS SODIUM HYPOCHLORITE	\$2,404.85	
150724	5/30/2013	9017331693	KEMIRA WATER SOLUTIONS, INC.	7.58 DRY TONS FERROUS CHLORIDE	\$5,725.70	\$10,620.50
	5/30/2013	9017332328		6.48 DRY TONS FERROUS CHLORIDE	\$4,894.80	
150639	5/23/2013	51387	ENTERPRISE ROOFING SERVICES	REPLACE SKYLIGHTS ON BLDG 51	\$10,055.00	\$10,055.00
150661	5/23/2013	97720130502	DAVID M O'HARA ATTY AT LAW	CIP LEGAL - APRIL 13	\$824.98	\$7,292.98
	5/23/2013	86420130502		GENERAL LEGAL - APR 13	\$6,468.00	
150662	5/23/2013	312540	OWEN EQUIPMENT SALES	1 EA VACTOR SEWER CLEANER MANUAL	\$7,227.00	\$7,227.00
150668	5/23/2013	1225	QUANTUM RESOLVE INC	HANSEN 8 UPGRADE	\$6,000.00	\$6,000.00
150715	5/30/2013	221061	CITY OF FREMONT	NILES ROADWAY IMPROVEMENT #8666 (PWC)	\$5,880.00	\$5,880.00
150682	5/23/2013	2023383	WEST YOST & ASSOCIATES	NEWARK FLAT TOPS AREA SEWER RELOCATION	\$5,869.00	\$5,869.00

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Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
150667	5/23/2013	130430	PROSAFE	40 HRS INSPECTIONS & 16 HRS SPCC	\$5,600.00	\$5,600.00
150702	5/30/2013	127983	CAROLLO ENGINEERS	2011-2012 ON-CALL SERVICES	\$5,457.63	\$5,457.63
150651	5/23/2013	9017330511	KEMIRA WATER SOLUTIONS, INC.	7.19 DRY TONS FERROUS CHLORIDE	\$5,431.11	\$5,431.11
150635	5/23/2013	238730	CURTIS & TOMPKINS LTD	46 LAB SAMPLE ANALYSIS	\$2,440.00	\$5,380.00
	5/23/2013	238805		21 LAB SAMPLE ANALYSIS	\$1,120.00	
	5/23/2013	238721		31 LAB SAMPLE ANALYSIS	\$1,820.00	
150680	5/23/2013	1308	VON EUW TRUCKING	96.75 CRUSH/CLASS 2 AB & 26.5 HRS DUMP FEES	\$5,237.07	\$5,237.07
150642	5/23/2013	220929	CITY OF FREMONT	SFPUC AT MISSION BLVD & I-680	\$403.30	\$5,127.19
	5/23/2013	220931		MISC SPOT REPAIRS PHASE 4	\$4,723.89	
150703	5/30/2013	6233	CDW GOVERNMENT LLC	2 Q4 PRINTERS	\$3,143.40	\$4,715.13
	5/30/2013	678		1 Q4 PRINTERS	\$1,571.73	
150744	5/30/2013	20660	SENTRY AIR SYSTEMS INC	1 HIGH FLOW PORTABLE FLOOR SENTRY HD	\$4,136.63	\$4,136.63
150673	5/23/2013	1042097936	THYSSENKRUPP ELEVATOR CORP	MAINTENANCE MAY 2013-MAY 2014	\$3,882.77	\$3,882.77
150751	5/30/2013	22251	VALLEY OIL COMPANY	235 GALS BULK OIL & 80 GALS HYDRALIC FLUID	\$3,484.78	\$3,484.78
150712	5/30/2013	6446	ERS INDUSTRIAL SERVICES	REFUND # 16478	\$3,300.00	\$3,300.00
150739	5/30/2013	16075	RMC WATER AND ENVIRONMENT	MIDTOWN DEVELOPMENT SEWER EVALUATION	\$3,120.75	\$3,120.75
150671	5/23/2013	5501104	SIGNET TESTING LABS INC	MISC SPOT REPAIRS PHASE 4	\$2,694.50	\$2,694.50
150659	5/23/2013	3130243	NBS	SEWER SERVICE CHARGE DATA SERV APR - JUNE 2013	\$2,655.90	\$2,655.90
150700	5/30/2013	11188581	BROWN & CALDWELL CONSULTANTS	RAS PUMP STATION IMPROVEMENTS	\$2,604.16	\$2,604.16

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Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
150663	5/23/2013	208143	PACHECO BROTHERS GARDENING INC	LANDSCAPE MAINTENANCE SERVICES MAY 2013	\$1,468.00	\$2,523.00
	5/23/2013	208144		WEED ABATEMENT WORK MAY 2013	\$1,055.00	
150748	5/30/2013	549986	UNIVAR USA INC	4,878 GALS SODIUM HYPOCHLORITE	\$2,406.84	\$2,406.84
150653	5/23/2013	7657	LOOKINGPOINT INC	ANNUAL NETWORK 3 DEEP TEST	\$1,718.11	\$2,218.11
	5/23/2013	7652		MONTHLY PREMIER MAINTENANCE - MAY 2013	\$500.00	
150708	5/30/2013	538890	CURTIS & TOMPKINS LTD	38 LAB SAMPLE ANALYSIS	\$1,595.00	\$1,895.00
	5/30/2013	238919		5 LAB SAMPLE ANALYSIS	\$300.00	
150732	5/30/2013	9025253	CITY OF NEWARK	CEDAR BLVD & JARVIS AVE PAVEMENT REHAB PROJ	\$1,870.00	\$1,870.00
150678	5/23/2013	101134	VDA PRO	SSO WORKFLOW DIAGRAMMING & INTERACTIVE WIREFRAME	\$1,800.00	\$1,800.00
150699	5/30/2013	303648	BRENNTAG PACIFIC, INC.	5769 GAL SODIUM HYDROXIDE	\$1,097.30	\$1,646.03
	5/30/2013	303647		2885 GAL SODIUM HYDROXIDE	\$548.73	
150694	5/30/2013	9954	AVERY ASSOCIATES INC	DEPUTY GENERAL MANAGER RECRUITMENT	\$1,488.96	\$1,488.96
150736	5/30/2013	41113	PEAK SOLAR PERFORMANCE INC	IPS SOLAR PANEL CLEANING	\$1,344.00	\$1,344.00
150652	5/23/2013	20130520	DAVID LIVINGSTON	EXP REIMB: 2013 WEF CONF - NASHVILLE	\$1,285.70	\$1,285.70

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Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
150638	5/23/2013	90045796001	ENTERPRISE GOV 43-1514861	RENTAL: W. COGGINS, PALM SPRINGS	\$179.16	\$1,253.89
	5/23/2013	90045781016		RENTAL: L. RIVERA, PALM SPRINGS, CA	\$162.62	
	5/23/2013	90046013035		RENTAL: D. O'HARA, SANTA ANA, CA	\$113.07	
	5/23/2013	90046000359		RENTAL: R. CURRIE, ONTARIO	\$113.44	
	5/23/2013	90045792659		RENTAL: S. NESGIS, PALM SPRINGS, CA	\$135.93	
	5/23/2013	90045822532		RENTAL: L. SIMMERS, PALM SPRINGS, CA	\$160.84	
	5/23/2013	90045792323		RENTAL: R. SIMONICH, PALM SPRINGS	\$124.46	
	5/23/2013	90045809940		RENTAL: F. COUTO, PALM SPRINGS	\$264.37	
150705	5/30/2013	3265	CONSOLIDATED PARTITIONS INC	1 TIER 4 LOCKERS IN COLOR	\$1,230.00	\$1,230.00
150860	5/23/2013	5341351	NELSON STAFFING SOLUTIONS	TEMP LABOR-GOYENA, L., WKEND 04/21/13	\$1,080.00	\$1,080.00
150731	5/30/2013	5341989	NELSON STAFFING SOLUTIONS	TEMP LABOR-GOYENA, L., WKEND 04/28/13	\$1,080.00	\$1,080.00
150733	5/30/2013	27876	OWEN EQUIPMENT SALES	VACTOR PARTS	\$1,076.01	\$1,076.01
150649	5/23/2013	4412	IRON MOUNTAIN	OFF-SITE STORAGE AND SERVICE - APRIL 2013	\$776.13	\$1,050.92
	5/23/2013	3014		OFF-SITE STORAGE AND SERVICE - APRIL 2013	\$274.79	
150727	5/30/2013	92030	MCINERNEY & DILLON, P.C.	LEGAL SERVICES: LIFT STATION #1 IMPROVEMENTS	\$1,050.00	\$1,050.00
150622	5/23/2013	441477	A-PRO PEST CONTROL INC	APRIL PEST CONTROL	\$1,005.00	\$1,005.00
150672	5/23/2013	6898	STREAMLINE PLUMBING & DRAIN	REFUND # 16462	\$500.00	\$1,000.00
	5/23/2013	6913		REFUND # 16468	\$500.00	
150619	5/23/2013	6064124	ABC IMAGING, INC.	I-680 AT SABERCAT RD SEWER REPLACEMENT	\$996.59	\$996.59

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150706	5/30/2013	27113	CONTRACT OFFICE GROUP INC	1 HAWORTH LATERAL FILE	\$956.20	\$956.20
150687	5/30/2013	6064125	ABC IMAGING, INC.	CAST IRON LINING - PHASE 5	\$939.14	\$939.14
150656	5/23/2013	52153204	MCMASTER SUPPLY INC	ASTD PARTS & MATERIALS	\$489.07	\$924.70
	5/23/2013	51757441		2 EA GAROLITE UNTHREADED SPACERS	\$17.92	
	5/23/2013	51912960		ASTD PARTS & MATERIALS	\$162.57	
	5/23/2013	51990317		4 3A HITCH PINS	\$43.10	
	5/23/2013	52306646		ASTD PARTS & MATERIALS	\$212.04	
150704	5/30/2013	44061869	CINTAS FIRE PROTECTION	ANNUAL ELEVATOR INSPECTION	\$880.00	\$880.00
150633	5/23/2013	20130428	COMMUNICATION & CONTROL INC	UTILITY FEE/ANTENNA RENTAL	\$869.72	\$869.72
150717	5/30/2013	9120670501	GRAINGER INC	ASTD LIGHT FIXTURES	\$812.44	\$831.46
	5/30/2013	9119204361		1 EA BATTERY	\$19.02	
150696	5/30/2013	636368	BAY AREA NEWS GROUP EAST BAY	AD: CAST IRON LINING - PHASE 5	\$829.52	\$829.52
150620	5/23/2013	9909303777	AIRGAS NCN	CYLINDER RENTAL	\$514.35	\$814.10
	5/23/2013	9015139360		ASTD PARTS & MATERIALS	\$299.75	
150679	5/23/2013	536128	VINCENT ELECTRIC MOTOR CO	NPS PUMP 2 SERVICE CALL	\$810.00	\$810.00
150692	5/30/2013	4266466	AT&T	SERV: 03/13/13-04/12/13	\$800.61	\$800.61
150735	5/30/2013	20130529	ALEXANDER PAREDES	EXP REIMB: NACWA CONFERENCE PORTLAND	\$767.81	\$767.81
150621	5/23/2013	3050842	ALPHA ANALYTICAL LABORATORIES	109 LAB SAMPLE ANALYSIS	\$747.00	\$747.00

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150658	5/23/2013	24800998	MOTION INDUSTRIES INC	3 EA HI-VOL BALL BRG	\$259.13	\$742.81
	5/23/2013	24801046		24 EA BRAKLEEN EROSOL CLEANERS	\$101.87	
	5/23/2013	24800586		ASTD SHEAVES & BUSHINGS	\$381.81	
150723	5/30/2013	485997	INDUSTRIAL SAFETY SUPPLY	ASTD CALIBRATION GASES	\$684.80	\$737.77
	5/30/2013	486074		30 PACKS GAUZE PADS	\$52.97	
150628	5/23/2013	301567	BRENNTAG PACIFIC, INC.	3846 GAL SODIUM HYDROXIDE	\$731.54	\$731.54
150643	5/23/2013	9113168547	GRAINGER INC	ASTD PARTS & MATERIALS	\$347.24	\$716.98
	5/23/2013	9115333248		1 EA RAISING BLOCK	\$353.16	
	5/23/2013	9116618258		ASTD VIBRATION ISOLATORS	\$16.58	
150697	5/30/2013	9792710	BLAISDELL'S	1 TASK CHAIR, MEDIUM BACK, W/SEAT SLIDER	\$455.08	\$701.06
	5/30/2013	9807921		1 ELECTRIC STAPLER	\$98.54	
	5/30/2013	9811130		ASTD OFFICE SUPPLIES	\$147.44	
150740	5/30/2013	1016278	ROCHESTER MIDLAND CORPORATION	HOT WATER LOOP SERVICE	\$685.90	\$685.90
150684	5/23/2013	22557	WILEY PRICE & RADULOVICH LLP	LABOR & EMPLOYMENT LAW FEES	\$678.00	\$678.00
150686	5/28/2013	20130523	PETTY CASH	PETTY CASH REPLENISHMENT	\$670.81	\$670.81
150713	5/30/2013	9290	FREMONT EXPRESS COURIER SVC	COURIER SERVICES: APR 2013	\$660.00	\$660.00
150670	5/23/2013	17266	SAFARI BOOKS ONLINE	NEW 10 SLOT BOOKSHELF WITH DOWNLOADS	\$598.00	\$598.00

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150626	5/23/2013	9803330	BLAISDELL'S	2 BXS FOLDERS, HANG, LTR, AST	\$28.45	\$594.90
	5/23/2013	9807920		ASTD OFFICE SUPPLIES	\$29.32	
	5/23/2013	9802750		ASTD OFFICE SUPPLIES	\$43.34	
	5/23/2013	9802751		1 STAMP, INKED, COMPLETED, BLU	\$7.65	
	5/23/2013	9803750		ASTD OFFICE SUPPLIES	\$87.70	
	5/23/2013	9805801		ASTD OFFICE SUPPLIES	\$253.43	
	5/23/2013	9805060		1 MIRROR W/ CLOCK	\$16.41	
	5/23/2013	9805800		ASTD OFFICE SUPPLIES	\$117.66	
	5/23/2013	9803331		1 PK GLUE STICKS, ALL PURPOSE, 6/PK, PE	\$10.94	
150681	5/23/2013	8053769957	VWR INTERNATIONAL LLC	2 CS CONTAINER 8OZ NO LID	\$206.08	\$534.14
	5/23/2013	8053821176		2 HYDROGEN SULFUR DETECTOR TUBES 0.5-40 PPM	\$127.70	
	5/23/2013	8053827475		1 CS WEIGHING DISH & 2 HYDROGEN SULFUR DETECTOR TUBES	\$200.36	
150629	5/23/2013	6918	TOM BRODIE	REFUND # 16469	\$500.00	\$500.00
150695	5/30/2013	2521704385	BANK OF NEW YORK	APRIL 2013 SERVICE FEE	\$500.00	\$500.00
150709	5/30/2013	6921	MAHESH DASHORA	REFUND # 16476	\$500.00	\$500.00
150741	5/30/2013	2252207002	S & S SUPPLIES & SOLUTIONS	10 PR SOL-VEX NITRILE & 10 BX DISPOSABLE NITRILE GLOVES	\$175.09	\$499.21
	5/30/2013	2252207001		20 BXS DISPOSABLE LATEX EXAM GLOVES	\$324.12	
150640	5/23/2013	793801	EVERGREEN ENVIRONMENTAL SERVC	HAZ MAT - USED ANTIFREEZE	\$490.00	\$490.00
150645	5/23/2013	1358693	HANSON AGGREGATES INC	6.05 TONS 1/2 MED TYPE A	\$453.88	\$453.88

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150631	5/23/2013	40204	CITYLEAF INC	PLANT MAINTENANCE - MAY 2013	\$437.13	\$437.13
150657	5/23/2013	284415	MOBILE MODULAR MANAGEMENT CORP	FMC MOBILE MODULAR OFFICE RENTAL - MAY 2013	\$431.43	\$431.43
150691	5/30/2013	443950	A-PRO PEST CONTROL INC	MAY PEST CONTROL	\$395.00	\$395.00
150693	5/30/2013	198616	AUTO BODY TOOLMART	ASTD PARTS & MATERIALS	\$389.61	\$389.61
150755	5/30/2013	67957902	XEROX CORPORATION	MTHLY MAINTENANCE BASED ON USE	\$325.56	\$374.06
	5/30/2013	68004204		MTHLY MAINTENANCE BASED ON USE	\$48.50	
150630	5/23/2013	2113	CDW GOVERNMENT LLC	1 FUJITSU SCANSNAP S1300I SCANNER	\$370.15	\$370.15
150719	5/30/2013	3G2726	HARRINGTON INDUSTRIAL PLASTICS	ASTD PARTS & MATERIALS	\$361.67	\$361.67
150730	5/30/2013	102567	MUNIQUIP, LLC	1 EA TORUS BUSTER	\$353.18	\$353.18
150746	5/30/2013	20130522	SWRCB - CERTIFICATIONS	GRADE IV OP CERT - COSTELLO	\$340.00	\$340.00
150669	5/23/2013	2249106001	S & S SUPPLIES & SOLUTIONS	10 TOWELS SCRUBS BUCKET & 100 BRIEF RELIEF	\$320.84	\$320.84
150707	5/30/2013	86748	COPYMAT OF NEWARK/FREMONT	500 HANDOUTS - FOG PROGRAM	\$317.52	\$317.52
150737	5/30/2013	116792	R-2 ENGINEERING INC	2 PACKING GLAND HALF	\$311.91	\$311.91
150718	5/30/2013	1361419	HANSON AGGREGATES INC	4.08 TONS 1/2 MED TYPE A	\$307.86	\$307.86
150714	5/30/2013	116518228	FREMONT URGENT CARE CENTER	3 EMPLOYEE AUDIOMETRY/NEW HIRE PHYSICAL	\$293.00	\$293.00
150646	5/23/2013	3G2583	HARRINGTON INDUSTRIAL PLASTICS	6 EA VALVE BALLS	\$291.04	\$291.04
150753	5/30/2013	1841060244	WINGFOOT COMMERCIAL TIRE LLC	2 GOODYEAR WRANGLER SRTS TIRES	\$246.76	\$246.76

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150647	5/23/2013	600667273	HILLYARD/SAN FRANCISCO	ASTD JANITORIAL SUPPLIES	\$246.08	\$244.08
	5/23/2013	800079699		CREDIT FOR GLASS CLEANER ON INV 600667273	\$-72.86	
	5/23/2013	600670443		3 EA ARSENAL GLASS CLEANER	\$70.86	
150654	5/23/2013	3734569	MALLORY SAFETY AND SUPPLY LLC	3 DOZEN LEATHER GLOVES - MEDIUM	\$159.48	\$243.81
	5/23/2013	37333485		2 EA HI-VIS RAIN JACKETS	\$84.33	
150747	5/30/2013	20130528	RUFUS TAI	TUITION REIMB - SPRING QTR 2013	\$240.93	\$240.93
150674	5/23/2013	180485313	TRENCH PLATE RENTAL COMPANY	TRENCH PLATE RENTAL	\$221.20	\$221.20
150750	5/30/2013	20130501	USA MOBILITY WIRELESS INC	MAY 2013 PAGER SERVICE	\$219.34	\$219.34
150618	5/23/2013	25246	ABC FIRE PROTECTION INC	SERVICE CALL - SPRAY PAINT BOOTH SYSTEM	\$214.13	\$214.13
150665	5/23/2013	20130523	MARY PEDRO	I-680 AT SABERCAT RD SEWER REPLACEMENT	\$205.72	\$205.72
150624	5/23/2013	595618	AUTOMATION PRODUCTS GROUP	2 EA FLOAT SWITCH	\$202.31	\$202.31
150689	5/30/2013	2314	ALL AMERICA FLAG CO	2 5'X8' CALIFORNIA FLAGS	\$191.61	\$191.61
150676	5/23/2013	9853173	UPS - UNITED PARCEL SERVICE	SHIPPING CHARGES W/E 04/27/13	\$187.17	\$187.17
150716	5/30/2013	1185312306	GLACIER ICE COMPANY INC	84 EA 7-POUND BAGS OF ICE	\$107.52	\$184.32
	5/30/2013	1185312305		60 EA 7-POUND BAGS OF ICE	\$76.80	
150650	5/23/2013	100028	JOINTS	36 EA BUSHINGS	\$172.61	\$172.61
150749	5/30/2013	9853183	UPS - UNITED PARCEL SERVICE	SHIPPING CHARGES W/E 05/04/13	\$154.26	\$154.26
150632	5/23/2013	133355	CLARK'S HOME AND GARDEN INC	1 YARD CONCRETE	\$146.06	\$146.06
150738	5/30/2013	1690000007360	RED WING SHOE STORE	SAFETY SHOES - KULL, E	\$139.29	\$139.29

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Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
150725	5/30/2013	20130521	DUNG LU	EXP REIMB: MILEAGE FOR ALLEN BRADLEY PLC TRNG	\$134.23	\$134.23
150636	5/23/2013	20130425.25	DALE HARDWARE INC	04/13 - ASTD PARTS & MATERIALS	\$120.77	\$120.77
150721	5/30/2013	600676720	HILLYARD/SAN FRANCISCO	4 GAL MANDARIN-CRANBERRY FOAM SOAP	\$110.75	\$110.75
150685	5/23/2013	67867260	XEROX CORPORATION	MTHLY MAINTENANCE BASED ON USE	\$12.62	\$105.09
	5/23/2013	67867262		MTHLY MAINTENANCE BASED ON USE	\$92.47	
150627	5/23/2013	20130520	PERRY BORBECK	EXP REIMB: 2013 CWEA CONF MEALS & TRAVEL	\$101.57	\$101.57
150722	5/30/2013	5388981	HOSE & FITTINGS ETC	ASTD PARTS & MATERIALS	\$92.54	\$92.54
150683	5/23/2013	8954	WESTERN MACHINE & FAB INC	RE-CUT THREADS TO FIT NUT	\$90.00	\$90.00
150728	5/30/2013	90660258	METAL SUPERMARKETS	ASTD METAL, STEEL, STAINLESS, AND ALUMINUM	\$77.93	\$77.93
150729	5/30/2013	34829	METROMOBILE COMMUNICATIONS INC	6 EA RADIO BELT CLIPS FOR TPO	\$77.70	\$77.70
150754	5/30/2013	20130521	WILSON WONG	EXP REIMB: AUTOCAD ELECTRICAL TRAINING,	\$76.64	\$76.64
150711	5/30/2013	90046005257	ENTERPRISE GOV 43-1514861	RENTAL: T. HANDLEY, SANTA ANA	\$75.62	\$75.62
150752	5/30/2013	9704795335	VERIZON WIRELESS	WIRELESS SERV 04/13/13-05/12/13	\$73.12	\$73.12
150644	5/23/2013	8271611	HACH COMPANY	1 EA SALT BRIDGE	\$70.29	\$70.29
150637	5/23/2013	20130520	KATHRYN DESTAFNEY	EXP REIMB: 3RD QTR ALT COMP CEREMONY SNACKS	\$70.12	\$70.12
150745	5/30/2013	20130530	THOMAS SOLARI	EXP REIMB: MILEAGE FOR CALL OUT	\$65.09	\$65.09
150742	5/30/2013	85340220130522	SAN FRANCISCO WATER DEPT	SERVICE 04/20/13 TO 05/20/13	\$61.98	\$61.98
150641	5/23/2013	117671	FASTENAL	ASTD PARTS & MATERIALS	\$55.75	\$55.75
150698	5/30/2013	20130305	Laurie Brenner	REG REIMB: CWEA ANNUAL AWARDS BANQUET	\$55.00	\$55.00

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150710	5/30/2013	615320130518	DISH NETWORK	JUN 2013 - SERVICE FEE	\$54.86	\$54.86
150743	5/30/2013	20130528	MARIA SCOTT	EXP REIMB: EAST BAY ECONOMIC OUTLOOK	\$52.20	\$52.20
150726	5/30/2013	3736719	MALLORY SAFETY AND SUPPLY LLC	1 PR BOOTS	\$45.44	\$45.44
150688	5/30/2013	4047286120130515	ALAMEDA COUNTY WATER DISTRICT	SERV TO: 05/14/13- PASEO PADRE	\$36.16	\$36.16
150655	5/23/2013	3671422	MATHESON TRI-GAS INC	MONTHLY CYLINDER RENTAL - APRIL 2013	\$33.10	\$33.10
150701	5/30/2013	970578	STATE OF CALIFORNIA	NEW HIRE FINGERPRINTS	\$32.00	\$32.00
150720	5/30/2013	11843	HAYWARD PIPE AND SUPPLY	ASTD PARTS & MATERIALS	\$28.76	\$28.76
150734	5/30/2013	140120130512	PACIFIC GAS AND ELECTRIC	SERV TO 05/06/13 IRVINGTON PS	\$27.46	\$27.46
150648	5/23/2013	508587	HULBERT LUMBER SUPPLY	1 EA 2-BLADE MIXER	\$13.72	\$13.72

Invoices:

Credit Memos :	1	-72.86
\$0 - \$1,000 :	138	39,177.24
\$1,000 - \$10,000 :	56	173,659.39
\$10,000 - \$100,000 :	11	285,683.11
Over \$100,000 :	0	
Total:	206	498,446.88

Checks:

\$0 - \$1,000 :	90	33,507.74
\$1,000 - \$10,000 :	38	122,400.06
\$10,000 - \$100,000 :	10	342,539.08
Over \$100,000 :		
Total:	138	498,446.88



From the Union Sanitary District:

Union Sanitary District Wins Regional Collection System Of The Year Award

Union Sanitary District (USD) recently received the “Large Collection System of the Year” award from the San Francisco Bay Section of the California Water Environment Association (CWEA). The District received the award for outstanding performance in 2011 in the categories of regulatory compliance, maintenance, safety, training, emergency preparedness and administration for sewer systems of 500 miles or more. USD owns and maintains more than 779 miles of sewer lines in the Tri-Cities.

USD’s proactive evaluation of its main sewer line preventative maintenance program was among its 2011 accomplishments, as well as additions to its technical training facilities at the district’s headquarters in Union City.

The Bay Section award automatically enrolls the district in CWEA’s statewide competition. CWEA is the California industry association for wastewater professionals, with about 9,000 members statewide and over 1,600 in the San Francisco Bay section, which includes Alameda, Contra Costa and San Francisco counties, and part of San Mateo County. USD won CWEA’s Statewide Awards for Large Collection System of the Year and Large Treatment Plant of the Year for 2009.

Union Sanitary District operates a 30 million gallon per day wastewater treatment facility in Union City and provides collection, treatment and disposal services to the cities of Fremont, Newark and Union City. For more information about USD’s awards, contact Andy Morrison, Collection Services Manager, at (510) 447-7542.

Congratulations to Tri-City Industries

You're helping to keep San Francisco Bay clean!



Union Sanitary District congratulates the following industries. They have received USD's 2012 Certificate of Merit for 100% compliance with water quality requirements

Fremont

- ★ Analog Semiconductors (1/9)
- ★ Applied Thin-Film Products (7)
- Boehlinger Ingelheim Fremont, Inc.
- ★ Enablence USA Components, Inc. (4)
- ★ Finisar Corporation (1/0)
- ★ GE Sensing & Inspection (6)
- ★ Global Poting, Inc. (3)
- Intermatix Corporation
- ★ Intevac, Inc. (4)
- ★ Lam Research CA/3 (2)
- ★ Lam Research CA/30 (4)
- Materion ElectroFusion
- ★ Microwave Technology, Inc. (2)
- ★ Neophotonics Corporation (7)
- Nitinol Devices & Components, Inc. #1
- ★ Pantronix Corporation (8)
- ★ Quality Transport, Inc. (3)
- ★ Quantum Clean #2 (6)
- Seagate Technology LLC #3, Bldg. C
- ★ Silevo, Inc. (2)
- Serax, Inc.
- ★ Tri-Cities Recycling & Disposal Facility (8)
- Western Digital - Fremont (Bldg. 2)

Newark

- ★ Matheson Tri-Gas, Inc. (3)

Union City

- ★ California Work Trucks (3)
- ★ Star Pacific, Inc. (2)
- ★ United States Pipe & Foundry (2)

★ (Consecutive years receiving award)



Protecting The Tri-Cities & San Francisco Bay

Board of Directors

Manny Fernandez Tom Handley Pat Kite Arjall Lathi Jennifer Toy

Alameda County Water District urges conservation

Fremont Bulletin Staff Fremont Bulletin

Posted:

MercuryNews.com

Alameda County Water District announced Tuesday that the continuing dry conditions should remind Tri-City residents to continue the water conservation habits they developed during the last drought. Although water supplies are adequate to meet demands, the next significant rainfall probably will not occur until next autumn or winter.

"Water stored in the Sierra snowpack typically accounts for 40 percent of ACWD's water supply," Evan Buckland, district hydrologist, said.

"Unfortunately, it's been very dry in the Sierras for the past two winters. In fact, the months of January through April 2013 were the driest in recorded history across much of California. As a result, ACWD will be receiving only 35 percent of the water it would normally receive from the state water project."

Water district officials are quick to point out, however, that there's no water supply emergency yet.

Investments made by district ratepayers over the past decades have helped to offset the current lack of rain and snow. These investments have included the development of a diverse water supply portfolio, construction of the Newark Desalination Facility and participation in a groundwater "bank" in Kern County that provides for a dry year reserve water supply.

"Although we're in our second dry year, we've planned ahead for exactly these type of conditions," Laura Hidas, the district's water supply supervisor, said. "Because of our diverse water supply portfolio, we can weather dry spells of limited duration by making withdraws from the Kern County water bank and increasing production from water sources under local control. As a result, we don't anticipate any mandatory water rationing this summer or autumn."

The water district encourages customers to conserve water in the following ways:

- Adjust sprinklers to avoid watering the sidewalk or driveway.
- Water landscape no more than three days per week and water in the morning before the sun is overhead.
- Put in drip irrigation for shrubs, trees and gardens.
- Reduce lawn areas and choose drought tolerant plants for your landscapes.
- Get your car washed at a commercial car wash that recycles water.
- Take shorter showers.

-Find and fix leaks.

-Install high-efficiency clothes washers.

For more information, including rebates on turf replacement and high efficiency clothes washers, visit acwd.org.

For more breaking news and up-to-date information, follow us on our social media sites at [facebook.com/FremontBulletin](https://www.facebook.com/FremontBulletin) and twitter.com/FremontBulletin.

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EBMUD Showcases Advanced Energy Production Technology « News Articles « The Oakland Post Online

MAY 24, 2013



Nancy Stoner (right) and Katy Foulkes. Photo by Conway Jones.

By Conway Jones

Nancy Stoner, U.S. Environmental Protection Agency (EPA) Acting Assistant Administrator of the Office of Water, toured

EBMUD's wastewater treatment facility in Oakland with Katy Foulkes, Vice President, EBMUD Board of Directors, as part of a nationwide tour to highlight the use of innovative technology in addressing water challenges. EBMUD was the first sewage treatment facility in the nation to convert post-consumer food scraps to energy and is a national model for large-scale energy production at wastewater treatment facilities.

The tour demonstrated the process of turning wastewater gas capture into energy and displayed wastewater odor-suppression technology.

Ms. Stoner said, "EPA is committed to fostering the development and use of innovative technology to advance the agency's goal of clean and safe water and sustainable water utilities."

Earlier this year, EPA released a blueprint that highlights the agency's plans to advance and promote technology innovation across various EPA water programs.

Ms. Stoner said, “EPA is committed to fostering the development and use of innovative technology to advance the agency’s goal of clean and safe water and sustainable water utilities.”

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Original URL:

<http://www.postnewsgroup.com/publishedcontent/2013/05/24/ebmud-showcases-advanced-energy-production-technology/>

NOTICE INVITING BIDS

Notice is hereby given that sealed bids will be received by the Union Sanitary District in their office located at 5072 Benson Road, Union City, CA 94587-2508, at any time prior to 11:00:00 a.m. on June 13th, 2013 for furnishing all labor, materials, equipment, and services for the construction of improvements designated as:

Lift Station No. 1 Improvements Project Project No. 800-408

The project consists of replacing four (4) internal lift pumps; rehabilitating one lift station wet well; and rehabilitating one primary clarifier building concrete walkway at the Alvarado Wastewater Treatment Plant. To accomplish the above the Contractor shall complete the following items indicated on the Drawings and Specifications, including but not limited to the following:

- Remove and replace four (4) 72-inch diameter enclosed screw pump cylinders, upper and lower bearing assemblies, and all other components, as defined in the Contract Documents.
- Remove existing oil lubrication system and replace with new gravity fed oilers. Included in this work is the replacement/modification of the oil feed

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lines.

• Procure and install new drive units and Para-flex couplings.

• Coat all non stainless steel parts including but not limited to existing motors, new drive unit, fan shroud, and base plate, per the requirements of Specification Section 09960.

• Rehabilitate the wet well of Lift Station No. 1. Rehabilitation includes draining the wet well, sand blasting or hydroblasting, and the restoration and recoating of the concrete surfaces.

• Rehabilitate concrete walkway above a clarifier launder within the Primary Clarifier 5 and 6 building. Rehabilitation includes erecting access platforms within the clarifier launder, sand blasting, and re-finishing concrete recoating concrete surfaces.

• Replace a portion of the 12-inch diameter aeration basin drain line.

• Demolish a 42-inch sluice gate and 42-inch pipe and install a bulkhead and blind flange to cover openings.

• Prepare and submit record drawings and record specifications in accordance with specification section 01720.

• All other items defined in the Contract Documents.

The successful bidder will have two hundred seventy (270) calendar days to complete the Project from the Notice to Proceed.

The Engineer's Estimate for this Project is \$750,000.

Bids will be publicly opened, examined and declared on said day and hour, and will be referred to the District Board of Directors for subsequent action.

A prebid conference will be held at the District Office's located at 5072 Benson Road, Union City, CA 94587-2508 10:00 AM, local time, on May 23rd, 2013 and a site visit will be conducted immediately following the prebid conference. Attendance at both the prebid conference and site visit following the conference is mandatory for all contractors submitting a bid. For those who have attended both mandatory prebid conference and site visit, additional site visits can be scheduled if the District is notified 24 hours in advance.

Under California Laws and Regulations the District shall inform all prime contractors of public works, to the extent feasible of relevant public work requirements as listed in Section 00010 of the Contract Documents.

Copies of the Contract Documents are now on file and available for public inspection in the District Office, 5072 Benson Road, Union City, CA 94587-2508. A paper copy of the Contract Documents, including half size drawings, may be purchased at the District Office for a non-refundable \$70 charge, which includes the appropriate State sales tax and UPS Ground shipping costs. Bidders can provide their UPS or Fed Ex account number for any overnight shipping but the

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charge will not be discounted. Partial sets of Bid Documents are not available from the District. Bidders may pay for plans and Specs by sending a check made out to Union Sanitary District, 5072 Benson Road, Union City, California 94587, or by going to our website www.unionsanitary.com for payment by VISA or MASTERCARD credit card.

Project information may be viewed at www.unionsanitary.com.

Electronic copies of the Contract Documents are available on Compact Discs for a non-refundable \$15 charge, which includes the appropriate States sales tax and UPS Ground shipping costs. Bidders can provide their UPS or Fed Ex account number for any overnight shipping but the charge will not be discounted. However, all bidders submitting a bid must purchase and receive a paper copy of the Project Manual of Lift Station No. 1 Improvements Project, Project No. 800-408 from the District prior to the bid opening date. All submitted bids must be on bid forms included in the purchased paper copy of the Project Manual or subsequent addenda. A bid submitted to the District by a bidder who has not purchased and received a paper copy of the Project Manual of Lift Station No. 1 Improvements Project, Project No. 800-408, or submitted on bid forms not included in the purchased paper copy of the Project Manual or subsequent addenda shall be considered non-responsive and shall be rejected by the District.

Each bid must conform and be responsive to the invitation, the Plans and Specifications, and all documents comprising the Contract Documents. Each bid shall be presented under sealed cover and shall be accompanied by a certified check or bidder's bond, made payable to the District, in an amount not less than ten percent (10%) of the bid. The said check or bidder's bond shall be given as a guarantee that the successful bidder will execute the contract in conformity with the form of agreement contained within the contract documents, and will furnish bonds and insurance policies as specified within ten (10) days after notification of the award of the Contract to the successful bidder.

Cost for work described in each addenda issued during the time of bidding shall be included in the Bid and the addenda shall become a part of the Contract documents.

Bidders shall develop and submit bids at their own expense. The District will not reimburse any costs associated with the development and submittal of any and all Bids.

The District reserves the sole right to reject any and all bids and to waive any informality in a bid.

No bidder may withdraw its bid for a period of sixty (60) days after the date set for the opening thereof.

At the successful Contractor's option, securities may be substituted for the required retention, in accordance with the provisions of Section 22300 of the State of California Public Contract Code.

In accordance with the provisions of California Public Contract Code Section 3300, the District has determined that the Contractor shall possess, as a minimum, a valid Class A License. In accordance with the provisions of California Business and Professions Code Section 7028.15, a bid submitted to the District by a Contractor who is not licensed in accordance with Chapter 9 of the California Business and Professions Code shall be considered non-responsive and shall be rejected by the District.

Questions concerning this project should be directed to:

Union Sanitary District
Attn: Chris Pachmayer
5072 Benson Road
Union City, CA 94587
Phone: 510-477-7608

By: Manny Fernandez
Secretary of the Board
Union Sanitary District
Date: May 15, 2013
AR #4856017
May 15, 22, 2013

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UNION SANITARY DISTRICT NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that pursuant to Sections 5471 and 5473, et seq. of the Health and Safety Code of the State of California and Union Sanitary District Ordinance No. 31, the Board of Directors of Union Sanitary District will hear public comments regarding the proposed sewer service charge rate increase for Fiscal Years ending June 30, 2014, 2015, and 2016. On April 18, 2013 a notice complying with Proposition 218 was sent to all property owners notifying them of the proposed rate increase and public hearing.

NOTICE IS FURTHER GIVEN that on Monday, the 10th day of June 2013, at the hour of 7:00 p.m., at the Union Sanitary District Boardroom, 5072 Benson Road, Union City, California, in said District, said Board will hear and consider all comments and objections to said proposed rates.

By order of the Board of Directors of Union Sanitary District.

UNION SANITARY DISTRICT

Secretary
Board of Directors
AR #4855874
May 14, 21, 2013