



BOARD MEETING AGENDA
Monday, June 24, 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 June 6, 2013 Special Board Meeting
Motion approving the Minutes of June 6, 2013 as submitted.

Motion

4.1 Minutes of the June 10, 2013 Board Meeting
Motion approving the Minutes of June 10, 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.

Information

7. Monthly Operations Report for May (to be reviewed by the Budget & Finance Committee).

Public Hearing

8. Public Hearing: 1) Confirming Sewer Service Charge Ordinance No. 31.36, 2) Adopting Sewer Service Charge for Fiscal Years 2014, 2015, and 2016, and 3) Setting and Collecting Sewer Service Charges for Fiscal Year 2014 on the Tax Roll (to be reviewed by the Budget & Finance Committee).

Motion

9. Resolution No. 2709, Considering Protests and Confirming Sewer Service Charge Rates for Fiscal Years 2014, 2015, and 2016 (to be reviewed by the Budget & Finance Committee).

Motion

10. Resolution No. 2710, Adopting Ordinance No. 31.36, Setting the Sewer Service Charges Specified Therein for Fiscal Year 2014 (to be reviewed by the Budget & Finance Committee)

- Public Hearing 11. Public Hearing: 1) Establishing Capacity Fees of Ordinance No. 35.20, and 2) Adopting Capacity Fees for Fiscal Year 2014 (to be reviewed by the Budget & Finance Committee).
-
- Motion 12. Resolution No. 2711, Considering Protests and Confirming Capacity Fee Rates for Fiscal Year 2014 (to be reviewed by the Budget & Finance Committee).
-
- Motion 13. Resolution No. 2712, Adopting Ordinance No. 35.20, Providing for the Establishing of Capacity Fees for Fiscal Year 2014 (to be reviewed by the Budget & Finance Committee).
-
- Motion 14. Adopting Final Operating Fund and Capital Fund Budgets for Fiscal Year 2014 (to be reviewed by the Budget & Finance Committee).
-
- Motion 15. Approving Revised Internal Controls Policy No. 2010 (to be reviewed by the Audit Committee).
-
- Motion 16. Awarding the Construction Contract for the Lift Station No.1 Improvements Project (to be reviewed by the Construction Committee).
-
- Motion 17. Legislative Update (to be reviewed by the Legislative Committee).
-

INFORMATION ITEMS

18. Check Register.
-
19. Committee Meeting Reports *(No Board action is taken at Committee meetings)*:
- Construction Committee, Tuesday, June 18, 2013 at 3:30 p.m.
 - Audit Committee, Tuesday, June 18, 2013 at 5:30 p.m.
 - Legislative Committee, Wednesday, June 19, 2013 at 4:30 p.m.
 - Budget & Finance Committee, Wednesday, June 19, 2013 at 5:00 p.m.
-
20. General Manager's Report *(information on recent issues of interest to the Board)*.
-
21. 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.
-
22. Adjournment – The Board will adjourn to a Regular Board Meeting on July 8, 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 24, 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

Construction Committee, Tuesday, June 18, 2013 at 3:30 p.m.

16. Awarding the Construction Contract for the Lift Station No.1 Improvements Project

Audit Committee, Tuesday, June 18, 2013 at 5:30 p.m.

15. Approving Revised Internal Controls Policy No. 2010

Legislative Committee, Wednesday, June 19, 2013 at 4:30 p.m.

17. Legislative Update

Budget & Finance Committee, Wednesday, June 19, 2013 at 5:00 p.m.

7. Monthly Operations Report for May
8. Public Hearing: 1) Confirming Sewer Service Charge Ordinance No. 31.36, 2) Adopting Sewer Service Charge for Fiscal Years 2014, 2015, and 2016, and 3) Setting and Collecting Sewer Service Charges for Fiscal Year 2014 on the Tax Roll
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11. Public Hearing: 1) Establishing Capacity Fees of Ordinance No. 35.20, and 2) Adopting Capacity Fees for Fiscal Year 2014
12. Resolution No. 2711, Considering Protests and Confirming Capacity Fee Rates for Fiscal Year 2014
13. Resolution No. 2712, Adopting Ordinance No. 35.20, Providing for the Establishing of Capacity Fees for Fiscal Year 2014
14. Adopting Final Operating Fund and Capital Fund Budgets for Fiscal Year 2014

**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
June 10, 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
Richard Cortes, Manager, Business Services
Sami Ghossain, Coach, Capital Improvements Projects
Jesse Gill, Manager, Technical Support & Customer Services
Tim Grillo, Coach, Research and Support
Andy Morrison, Manager, Collection Services
David O'Hara, Legal Counsel
Maria Scott, Principal Financial Analyst
Robert Simonich, Manager, Fabrication, Maintenance & Construction
Tom Graves, Assistant to the General Manager/Board Secretary

CONSULTANTS: None

VISITORS: Mr. and Mrs. Robert Bush

4. APPROVAL OF THE MINUTES OF MAY 28, 2013

Action

On a motion made by Director Lathi and seconded by Director Toy, the Minutes of the Board of Directors Meeting of May 28, 2013 were approved. The motion carried unanimously.

5. WRITTEN COMMUNICATIONS

There were no official written communications.

6. ORAL COMMUNICATIONS

There were no oral communications.

7. RECEIVING PUBLIC COMMENTS ON PROPOSED SEWER SERVICE CHARGE RATE INCREASE FOR 2014, 2015 AND 2016.

GM Rich Currie made a presentation to the Board discussing the proposed rate increase. He said there are two types of fees charged by USD: Capacity Fees and Sewer Service Charges (SSC). He gave a brief history of SSC's, and said that of the 24 agencies surveyed this year, USD ranks in the 12th percentile. He reviewed information on District expenditures and discussed how USD controls costs and saves money.

The District's Capital Improvement Program includes expenditures of \$10-20M a year in new construction, like the new Co-Generation Project, the Cast Iron Repair/Replacement Project, the Old Town Newark Replacement Project, the I-680 @ Sabercat Road undercrossing, and the Headworks Improvement Project. The new Co-Generation Project alone will save the District over \$1M a year in energy costs.

Regarding the proposed rate increases, we have heard from 27 customers: 11 emails, 23 phone calls, and 2 letters.

Public Hearing

President Kite opened the Public Hearing at 7:21 p.m.

SPEAKING FROM THE FLOOR:

Robert Bush indicated that he was a resident in the City of Fremont and said that he moved here in 1978, although he visited here in 1972, and toured USD while taking a quantitative analysis class at Cal State Hayward. Six weeks ago, he noticed a USD worker at a manhole in front of his house, and Mr. Bush engaged him in conversation, saying he was doing an excellent job.

The last five years of his professional life, Mr. Bush taught high school at Washington High School in Fremont. As part of his curriculum, his classes reviewed water usage in the State of California. The class calculated that some homes were at about 200 gallons/day (gpd), although most were at 400-500 gpd. One young woman in the class said her family's usage was 1200 gpd, because in addition to her immediate family, there were extended family members living with them, bringing the total number of family in the house to 18. Mr. Bush stated that the proposed USD increase is a regressive tax, which is why he is opposed to the increase. He asked the Board to take note of the fact that he was at the meeting in person to protest the increase, and didn't send an email or telephone. He stated that board members have a professional responsibility and a duty to represent the people who elect them.

SPEAKING FROM THE FLOOR (continued)

Mr. Bush went on to state that Mr. Currie carefully avoided mentioning that salaries and benefits comprise about 70% of the District's expenditures. He recalled a newspaper story about a BART Director who received 80 weeks of vacation pay before being forced out, and that if BART had had a cap on vacation accrual, that wouldn't have happened.

Mr. Currie agreed that employee costs are close to 70% of the budget, with electricity and chemicals the next largest. He said he appreciated Mr. Bush's suggestions, and pointed out that during the recent contract negotiation, employees agreed to increase their contributions to their retirement. In terms of vacation, the District does have a cap, as Mr. Bush suggested.

Director Kite invited Mr. Bush and his wife to tour the facility.

President Kite closed the Public hearing at 7:34 p.m.

8. AWARDING THE CONSTRUCTION CONTRACT FOR THE MOTOR CONTROL CENTER REPLACEMENT PROJECT – PHASE 2

TSCS Manager Jesse Gill presented the staff report, and recommended that the board award the contract to D. W. Nicholson in the amount of \$795,684. The estimated completion date is April, 2014.

Director Fernandez inquired if parts of the old MCCs are salvageable and Mr. Gill replied that FMC staff will salvage what they can use and the contractor will haul the rest away.

Action

On a motion made by Director Fernandez and seconded by Director Handley, the Board awarded the construction contract for the Motor Control Center Replacement Project – Phase 2 to D. W. Nicholson. The motion carried unanimously.

9. APPROVING REVISED CAPITAL ASSETS POLICY NO. 2070.

Business Services Manager Rich Cortes made a brief presentation about this item. Staff is recommending changing the capitalization threshold from \$5,000 to \$10,000, which will align with efforts currently underway in FMC to categorize assets over \$10,000 in the new Hansen (maintenance management) software upgrade. The change will result in a reduction of only 0.42% of the current value of the financial asset register.

Director Handley inquired how easements are assessed, and Mr. Cortes replied that Fair Market Value for easements is \$5 per square foot.

Action On a motion made by Director Lathi and seconded by Director Fernandez, the Board approved the Revised Capital Assets Policy No. 2070. The motion carried unanimously.

10. ADOPTING RESOLUTION NO. 2708, IMPLEMENTING COST-SHARING CONTRIBUTIONS UNDER PERS FOR REPRESENTED EMPLOYEES WHO ARE CLASSIC MEMBERS

Mr. Currie pointed out that this Resolution is almost identical to the one previously adopted by the Board for Unclassified (non-union) Employees. The intent is to define how the increased employee contribution will be used to pay for PERS retirement contributions. A handout was given to the Board depicting contributions.

Action On a motion made by Director Handley and seconded by Director Lathi, the Board adopted Resolution No. 2708, Implementing Cost-Sharing Contributions under PERS for Represented Employees who are Classic Members. The motion carried unanimously.

11. ADOPTING AN AGREEMENT TO IMPLEMENT COST-SHARING FOR ALL CLASSIC MISCELLANEOUS EMPLOYEES.

This item was withdrawn by staff.

12. THIS ITEM IS UNASSIGNED.

13. **AUTHORIZING THE GENERAL MANAGER TO EXECUTE TASK ORDER NO. 3 WITH COLLISON ENGINEERING FOR CONTINUATION OF THE HAYWARD MARSH AMMONIA REMOVAL PILOT STUDY**

Mr. Currie introduced this item by saying that it is an extension of a pilot project at Hayward Marsh on ways to remove ammonia from effluent.

Coach Tim Grillo explained that Task Order No. 3 provides for an additional six months 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 Marsh and evaluate the process vulnerability to upset during a pilot plant shutdown. The Project includes the evaluation of 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. Funding for Task Order No. 3 is included in the FY14 Non-ECB budget.

Director Handley inquired if this project was inspected by the Regional Water Quality Control Board. Mr. Currie replied that this project is not part of the RWQCB permit requirement, although the regional board is very much interested in it.

Director Kite asked where else the zeolite-anammox process has been used. Mr. Grillo replied that it has been in use in Europe for about 10 years, although the zeolite-anammox process is a new variation on the anammox process. This new process is not in full-scale use anywhere.

Director Fernandez asked if there was any by-product produced in the operation, and Mr. Grillo stated that there was not.

Mr. Handley asked, and the Board concurred, for a final report on the study at an appropriate time.

Action

On a motion made by Director Handley and seconded by Director Fernandez, the Board authorized the General Manager to Execute Task Order No. 3 with Collison Engineering for Continuation of the Hayward Marsh Ammonia Removal Pilot Study. The motion carried unanimously.

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

Mr. Currie made a brief presentation of the staff report. The Board determined by consensus that it did not wish to nominate a candidate for election to the Alternate Special District seat on the Alameda County LAFCO. Director Kite expressed the view that the current incumbent, Mr. Andrade, is doing a fine job.

Action

On a motion made by Director Toy and seconded by Director Handley, the Board designated Director Kite to cast the ballot on behalf of the District at the Wednesday, July 10, 2013 meeting at Washington Hospital. The motion carried unanimously

INFORMATION ITEMS

15. PRELIMINARY OPERATING FUND AND CAPACITY FUND BUDGETS FOR FY14.

Principal Analyst Maria Scott presented the preliminary budget, pointing out that the GM's Budget Message was very helpful in navigating the document. Director Lathi said that she liked the transmittal letter, and asked when comments should be sent to the GM. Ms. Scott replied that comments should be sent by the end of the week. Ms. Scott also explained the two changes to the budget and reviewed the list of items greater than \$100,000 that the Board will be pre-approving.

16. THIS ITEM IS UNASSIGNED.

17. CHECK REGISTER

Director Handley inquired about an item for solar panel cleaning on Page 4 of the register, asking if there has been much degrading of our panels. FMC Manager Robert Simonich stated that this cleaning was recommended by the manufacturer. Mr. Simonich also said that readings were taken before the cleaning, but he hasn't seen the "after" readings yet.

Director Handley also inquired about the payment for "Annual Network 3 Deep Test", and Mr. Cortes explained that for critical business processes, the E.T. has benchmarked that the District should be "three deep." I.T. is lacking that third level, and so an outside contractor was hired to be the third level of support in place of a NOC (Network Operations Center). This charge is for a test, run quarterly, that will determine whether or not the third level is functioning effectively.

18. COMMITTEE MEETING REPORTS

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

By consensus, the Board approved the General Manager's expense report presented to the Budget & Finance Committee.

19. GENERAL MANAGER'S REPORT

Mr. Currie reported that there had been a critical asset failure over the weekend of Generator #1. The engine is the part that usually fails, but this time it was the generator. The failure is rare, and technical staff was here over the weekend to deal with the situation. The unit was pulled, and should be back in service by the end of the week.

This is the 12th consecutive month without a spill in Collections. Mr. Currie expressed appreciation for the great work of the Collections staff.

The District-wide meeting last week was well-attended. Topics ranged from the new labor contract, the hiring of the Deputy General Manager, and succession planning. Director Kite attended as well.

The new Boyce Road pump station is continuing to operate well. We will start demolition of the old facility shortly.

The Permit to Construct has arrived from the Air Quality Management District for the Co-Gen Project.

The Bay Area Air Quality Management District conducted an onsite inspection here at the plant, and did not require any action on our part.

Finally, Jesse Gill reported on an article this past weekend on failures associated with solar panels manufactured in China. Some facilities are failing within 2 years of start-up, and the Chinese manufacturers are being sued for cutting corners.

20. OTHER BUSINESS

Director Lathi inquired about a press release included in the Board packet, asking what the date was and where it was distributed. Mr. Currie said he would check and send the information back to her.

Director Kite said she went to Outreach Coordinator Mike Auer's presentation at Snow Elementary School. She said the kids had lots of questions, and the material was very exciting. She said she was impressed both by the school classes, and by the presentation made by Mr. Auer.

ADJOURNMENT

At 8:00 p.m., the Board adjourned to a Special Meeting on Thursday, June 13, 2013 at 6:30 p.m. in the Boardroom on the Public Employees' Pension reform Act of 2013.

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

SUBMITTED:

ATTEST:

TOM GRAVES
SECRETARY TO THE BOARD

MANNY FERNANDEZ
SECRETARY

APPROVED:

PAT KITE
PRESIDENT

Adopted this 24th day of June, 2013.

**MINUTES OF THE SPECIAL MEETING
OF THE
BOARD OF DIRECTORS OF
UNION SANITARY DISTRICT
June 6, 2013**

1. CALL TO ORDER

President Kite called the Meeting to Order at 6:30 p.m.

2. 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
Donna Wies, Quality Coordinator
Ric Pipkin, Senior Engineer

CONSULTANTS: None

VISITORS: Zoe Siegel

3. ORAL COMMUNICATIONS

There were no oral communications.

4. APPROVING THE TENTATIVE AGREEMENTS BETWEEN UNION SANITARY DISTRICT AND SERVICE EMPLOYEES INTERNATIONAL UNION (SEIU) LOCAL 1021 THAT WILL BECOME THE BASIS FOR A NEW MEMORANDUM OF UNDERSTANDING EFFECTIVE JUNE 6, 2013 THROUGH AUGUST 31, 2016.

Action

On a motion made by Director Fernandez and seconded by Director Toy, the board approved the Tentative Agreements between Union Sanitary District and Service Employees International Union (SEIU) Local 1021 that will become the basis for a new Memorandum of Understanding effective June 6, 2013 through August 31, 2016. The motion carried unanimously.

5. **CONDUCTING A WORKSHOP ON STRATEGIC PLANNING**

The Board conducted a Workshop on Strategic Planning.

6. **ADJOURNMENT**

At 7:45 p.m., the Board adjourned to the next Regular Board Meeting on Monday, June 10, 2013 at 7:00 p.m. in the Boardroom.

SUBMITTED:

ATTEST:

TOM GRAVES
SECRETARY TO THE BOARD

MANNY FERNANDEZ
SECRETARY

APPROVED:

PAT KITE
PRESIDENT

Adopted this 28th day of May, 2013.

Monthly Operations Report

For the Month of

May, 2013

Presented at the June 24, 2013 Board Meeting

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GENERAL MANAGER'S SUMMARY

Below is a summary of major activities that occurred at the District during May 2013.

ODOR COMPLAINTS: USD received 3 odor complaints related to the collection system, with 2 being from the same location, three days apart. None of the odors were the responsibility of USD.

SAFETY: There were no accidents or injuries during the month. Several employees attended safety training events.

FINANCIAL: USD received several e-mails and phone calls protesting the proposed rate increase. Staff is making minor changes to the budget for presentation to the Board in June.

COLLECTION SYSTEM: The group completed the month of May with no spills, thus completing twelve consecutive months without a spill.

PLANT OPERATIONS: Participation in the Bay Area Chemical Consortium has resulted in savings of nearly \$100,000 for FY14 for chemicals used at the plant. Our biosolids contract hauler, Synagro, has filed Chapter 11 bankruptcy reorganization. They are being purchased by another company and have kept USD informed of the process. We expect no changes in service or pricing. The Bay Area Air Quality Management District conducted an inspection of our cogeneration engine emissions, which were found in compliance.

PROJECTS: The New Boyce Pump Station was successfully started-up and is in operation. D.W. Nicholson has mobilized on-site and has begun construction of the Cogeneration project.

STAFFING & PERSONNEL:

- Interviews for the deputy general manager position were completed. An offer was made, and subsequently accepted by our number one candidate.
- Chris Nicholetti has become a Grade III Certified Mechanic in the FMC group.
- USD received 76 applications for the Assistant/Associate engineering position to fill the vacancy created by the departure of Todd Yamello to Carollo Engineers.

G.M. ACTIVITIES: For the month of May, the GM was involved in the following:

- Mediation was conducted to resolve the labor contract with SEIU Local 1021.
- The Tri-City Voice conducted an interview with the GM and Communications Coordinator for a future feature article.
- GM worked with Niles Pie Company consultant and owner to resolve a dispute of Capacity Fees.
- Interviews for the future Deputy General Manager.
- The GM and Executive Team are conducting strategic planning to develop a new 3 year plan for USD. Donna Wies is facilitating the sessions.
- The Records Management Advisory Committee is meeting to revise the Records Management Policy and Document Retention Schedule.
- GM attended the CSRMA Pooled Liability Committee Meeting as well as EBDA meetings.

HOURS WORKED AND LEAVE TIME BY WORK GROUP
June 30, 2012 to May 17, 2013

DIVISION	Reg.			Total				Historical FY12			Average Number of Employees
	Hours	Lt Duty	O/T	Leaves*	Sick	STD	WC	Sick	STD	WC	
General Manager Staff	4,672		52	928 17%	90 1.6%			66 0.9%			130
Business Service	34,191		65	5,429 14%	657 1.7%	211 0.5%		974 2.1%	203 0.4%		Current Number of Vacant Positions (1)
Technical Service	48,611		162	8,943 16%	1,933 3.4%	367 0.6%		1,448 2.1%	382 0.6%	17 0.0%	2
Collection System	47,321		3,763	8,549 15%	1,395 2.5%	235 0.4%	124 0.2%	2,133 3.4%	274 0.4%	3,617 5.8%	Hours Worked Per Week Per Employee (2)
Treatment & Disposal	38,368		672	5,672 13%	926 2.1%	144 0.3%		759 1.5%	238 0.5%		35.07
FMC	29,921		2,005	6,674 18%	1,149 3.1%	74 0.2%	33 0.1%	1,266 2.9%	236 0.6%	31 0.1%	Projected Average Annual Sick Leave Per Employee (3)
Totals	203,085		6,719	36,195	6,151	1,031	157	6,646	1,333	3,665	53.47
%	84.9%		2.8%	15.1%	2.6%	0.4%	0.1%	2.4%	0.5%	1.3%	

(1) Current vacancies include: Business Services (0), Collections (0), FMC (1), T&D (0), TSCS (1)

(2) An employee using 3 weeks vacation, 11 holidays, 2 HEC days and 40 hours of sick leave will work an average of 34.9 hours per week over the course of a year. With four weeks vacation, 34.2 hours per week.

(3) Target goal for sick leave incentive program is 47 hours per employee per year.



ODOR REPORT May 2013

During the recording period from May 01, 2013 through May 31, 2013, there were three odor related service requests received by the District.

City: Fremont

1. Complaint Details:

Date: 5/20/2013

Location: CALCUTTA DR

Wind (from): North West

Temperature: 65 Degrees F

Time: 4:00 pm

Reported By: Carl Duncan

Wind Speed: 23 mph

Weather: Clear

Response and Follow-up:

We inspected the manholes adjacent to the house and in the court. There were no odors detected in the manholes or in the neighborhood. The complainant said the odors were inside his house and not outside. We gave him the traps and vents and odors brochures and explained to him our responsibilities. We told him to call us back should he have any more problems.

2. Complaint Details:

Date: 5/21/2013

Location: MORRISON CANYON RD

Wind (from): North West

Temperature: 64 Degrees F

Time: 2:30 pm

Reported By: Name Not Given

Wind Speed: 20 mph

Weather: Sunny

Response and Follow-up:

We inspected USD manholes AB20003 and AB20001 in the area and found no odors. We also checked the storm drains in the area and did find some standing water in the double grate drain inlet on Morrison Canyon, but no odors were found. The only smell was the scent from the eucalyptus trees in the area. We re-visited the site the following day to see if any odors were detectable. No odors were found.

3. Complaint Details:

Date: 5/24/2013

Location: MORRISON CANYON RD

Wind (from): South West

Temperature: 65 Degrees F

Time: 2:00 pm

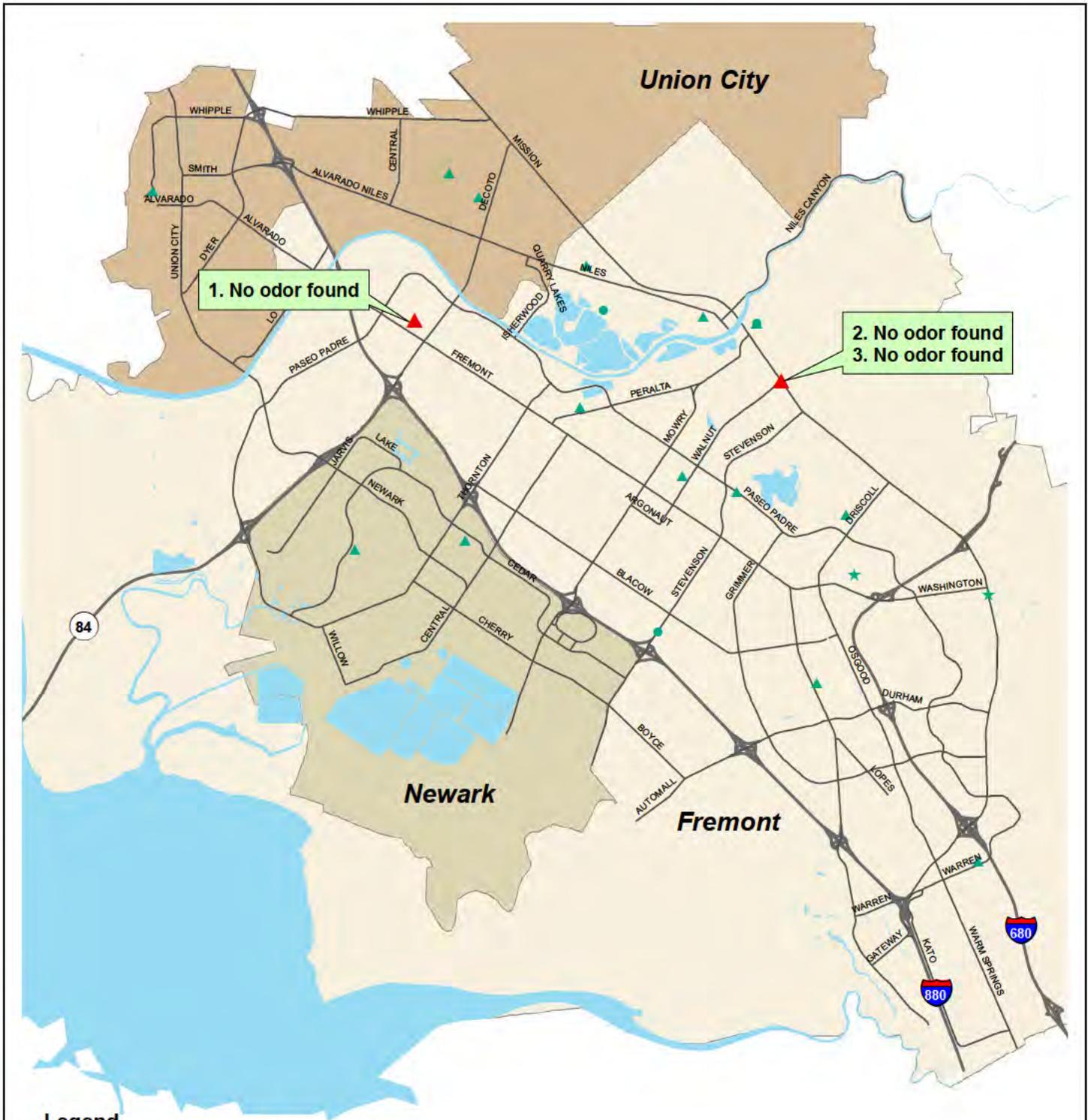
Reported By: Mike Dutra, ACFC

Wind Speed: 10 mph

Weather: Sunny

Response and Follow-up:

We received a call from Mike at Alameda County Flood Control about an odor coming from blue standing water in a storm inlet. We inspected our manholes, mains and storm drain inlets in the surrounding area. I used the gas tech in an attempt to detect any odors in the area, in our mains and storm drain inlets. I found no odors in the area of our mains or storm drain. We had an odor call out on 5/21/13 in the same location and no odors were detected then. We told Mike to contact C.O.F. about the problem since it is in the storm drain inlet. This information was shared with our EC Team.



Legend

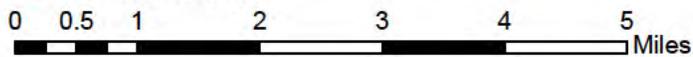
Odor Complaints: May 2013

- ★ Odor found, USD resolved (0)
- Odor found, not related to USD (0)
- ▲ No odor found (3)

Odor Complaints: Jun. 2012 - Apr. 2013

- ★ Odor found, USD resolved (2)
- Odor found, not related to USD (3)
- ▲ No odor found (16)

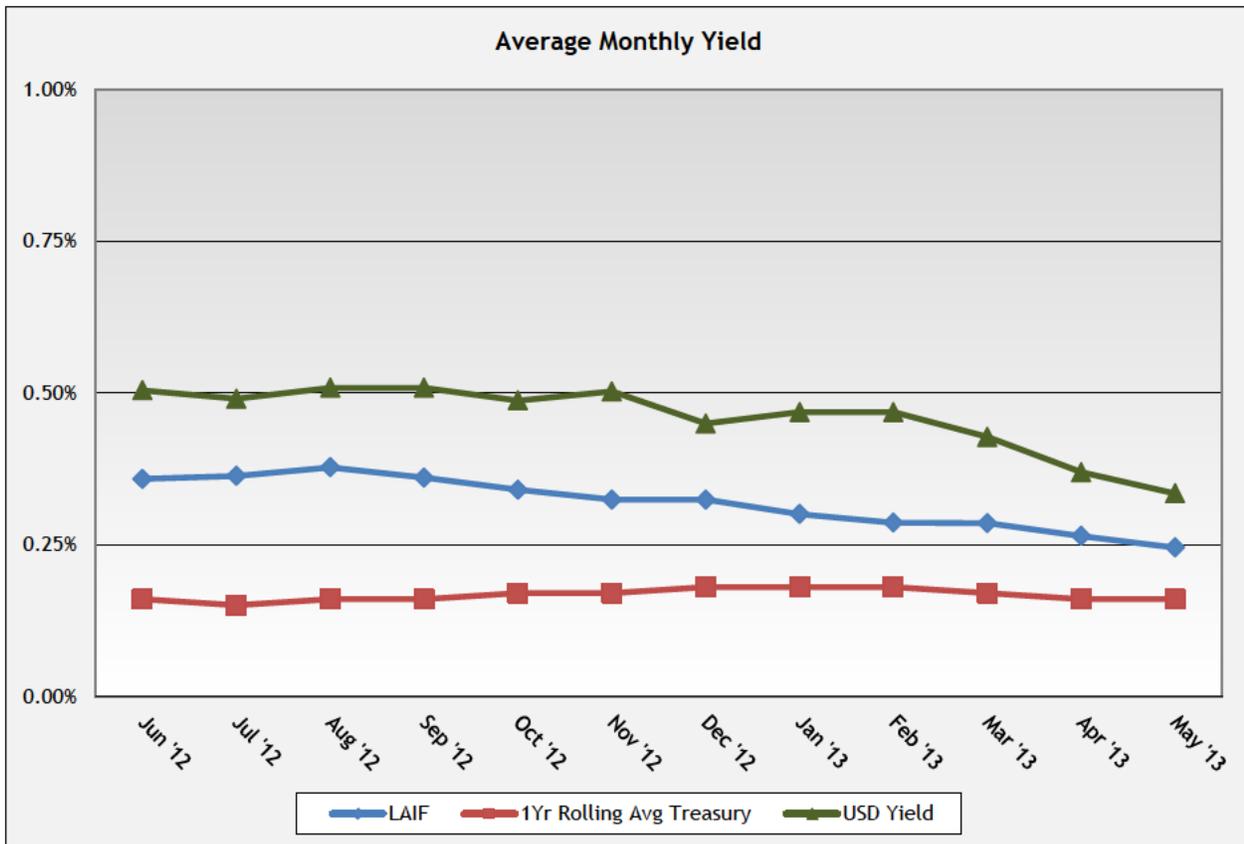
**Location of Odor Reports
June 2012 to May 2013**



**Business Services Group
Activities Report
May 2013**

- The District hosted the Human Resources Forum, a group of approximately 25 wastewater special district professionals who share best practices and resources.
- The Human Resources Administrator participated in the mediation to resolve the outstanding labor relations issues and achieve a contract between the District and SEIU Local 1021.
- The Human Resources Administrator participated in the Deputy General Manager interviews and facilitated an interview for the Board of Directors.
- HR presented the Board of Directors with the publicly available pay schedule for their approval.
- The Quality Coordinator began strategic planning sessions with the ET.
- The Quality Coordinator presented a Leadership School session on Facilitation and Problem-solving.
- With the Alt Comp Committee, the Quality Coordinator presented the 3rd quarter Special Recognition Awards.
- The Quality Coordinator prepared the 3rd Quarter BSC Report and presented it to the Board of Directors.

Performance Measures
AVERAGE MONTHLY YIELD



FY 2013 BUDGET AND FINANCE REPORT

Year-to-date as of 5/31/13

92% of year elapsed

**Audited
Last Year
Actuals 6/30/12**

REVENUES

	Budget	Actual	% of Budget Rec'd	
Capacity Fees	\$1,750,000	\$2,289,289	131%	\$2,848,488
Sewer Service Charges	42,387,000	40,087,456	95%	40,630,578
ECB Revenues	725,000	666,434	92%	830,990
Interest	700,000	609,259	87%	631,940
Misc. (incl. annual LAVWMA payment, PG&E rebates)	295,000	292,291	99%	196,367
Subtotal Revenues	\$45,857,000	\$43,944,729	96%	\$45,138,363
SRF Loan Proceeds (Boyce, Prim Clarif, Subst 1)	5,200,000	4,117,994	79%	10,755,247
Total Revenues + SRF Proceeds	\$51,057,000	\$48,062,723	94%	\$55,893,610

EXPENSES

	Budget	Actual	% of Budget Used	Last Year Actuals
Capital Improvement Program:				
Capacity Projects	\$2,565,000	\$2,217,230	86%	\$3,032,556
Renewal & Repl. Projects	11,048,000	9,483,829	86%	15,580,736
Expenditure Control Budget (ECB)	30,279,646	25,916,474	86%	28,332,356
Non-ECB	927,600	617,203	67%	653,213
Retiree Medical (ARC* + balance transfers)	448,284	394,820	88%	369,269
Vehicle & Equipment	1,279,000	589,238	46%	301,390
Information Systems	1,349,000	605,781	45%	434,297
Plant & Pump Station R&R	250,000	56,508	23%	189,272
Pretreatment Fund	7,000	5,220	75%	9,530
County Fee for SSC Admin.	105,000	105,251	100%	104,948
Debt Servicing:				
State Revolving Fund Loans	4,105,419	4,086,647	100%	3,929,320
Union City Use Permit	0	0	0%	500,000
Total Expenses	\$52,363,949	\$44,078,201	84%	\$53,436,888
Total Revenue & Proceeds less Expenses	(\$1,306,949)	\$3,984,522		\$2,456,722

Gross ECB Expenses by Work Group

	Budget	Actual	% of Budget Used	Last Year Actuals
Board of Directors	\$187,300	\$135,434	72%	\$153,717
General Manager/Admin.	904,500	749,153	83%	848,498
Business Services	4,306,237	3,749,119	87%	4,002,736
Collection Services	5,321,029	4,729,893	89%	4,798,992
Tech Support & Cust. Services	5,005,136	4,332,140	87%	4,708,242
Treatment & Disposal Services	9,349,644	8,033,082	86%	8,974,904
Fabrication, Maint. & Construction	5,205,800	4,187,653	80%	4,845,266
Total	\$30,279,646	\$25,916,474	86%	\$28,332,356

ECB Expenses by Type

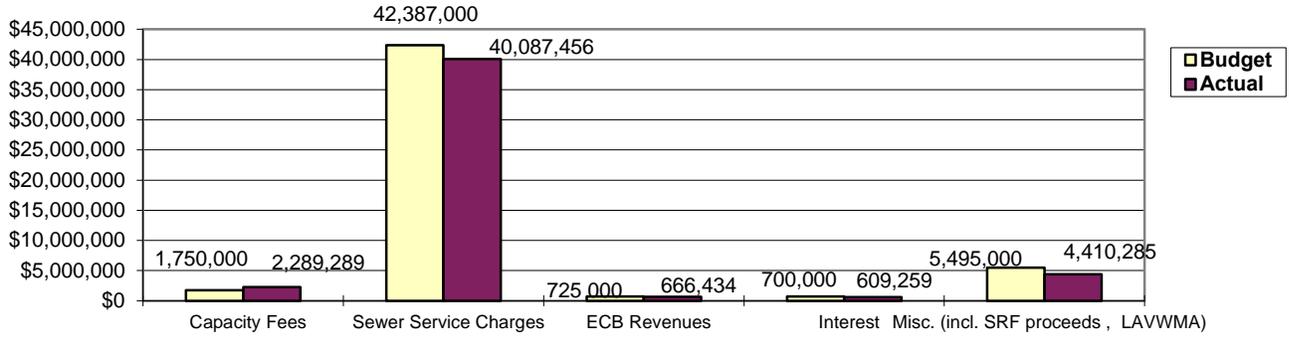
	Budget	Actual	% of Budget Used	Last Year Actuals
Personnel (incl D&E)	\$20,483,861	\$17,991,078	88% (92%)**	\$18,900,153
Repairs & Maintenance	2,024,837	1,458,200	72%	1,960,647
Operating Supplies & Matls	2,396,233	2,026,147	85%	2,215,039
Outside Services	5,247,715	4,417,125	84%	5,215,149
Fixed Assets	127,000	23,924	19%	41,367
Total	\$30,279,646	\$25,916,474	86%	\$28,332,356

Some totals are on a cash basis, except for June YTD which is all on a full accrual basis, and consistent with Generally Accepted Accounting Principles (GAAP).

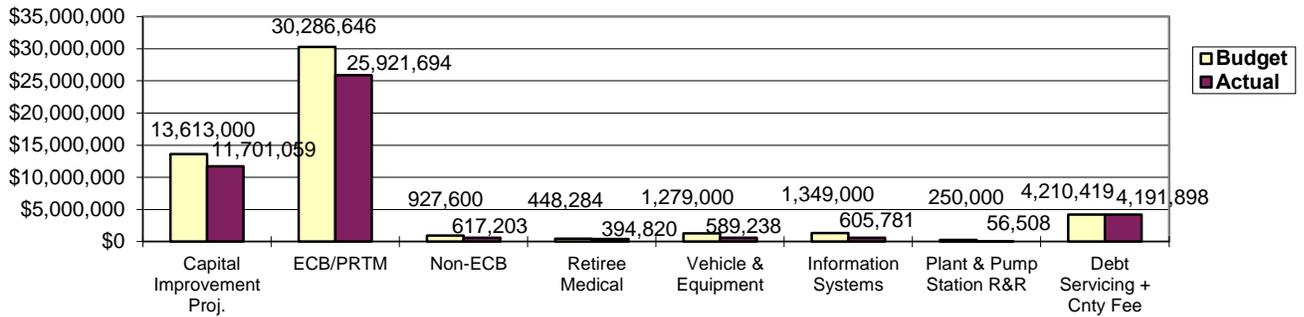
*ARC = Annual Required Contribution

** Personnel Budget Target

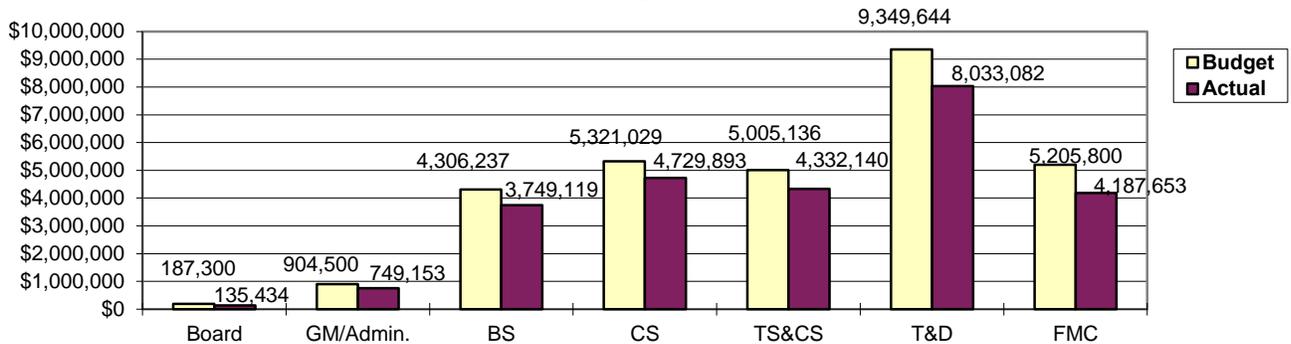
USD Revenues



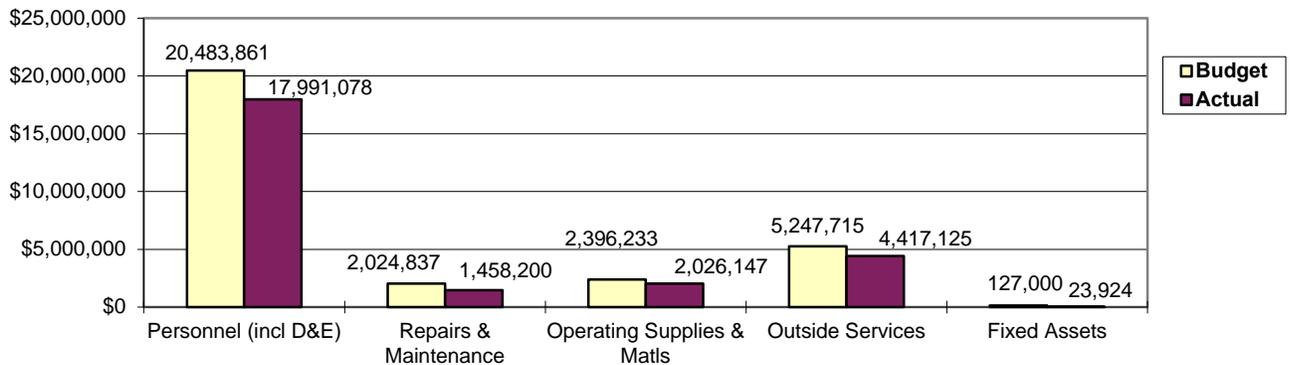
Total USD Expenses



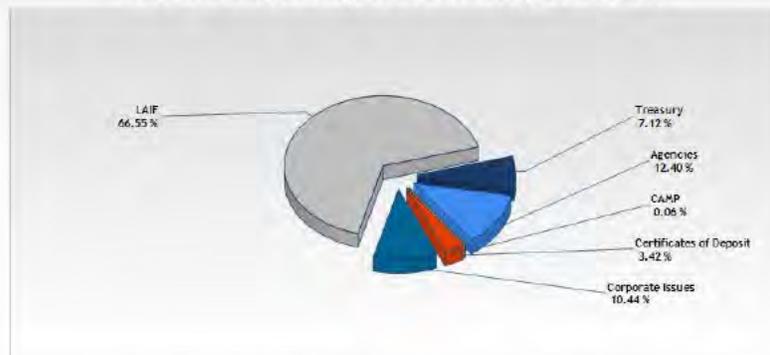
ECB Expenses by Work Group



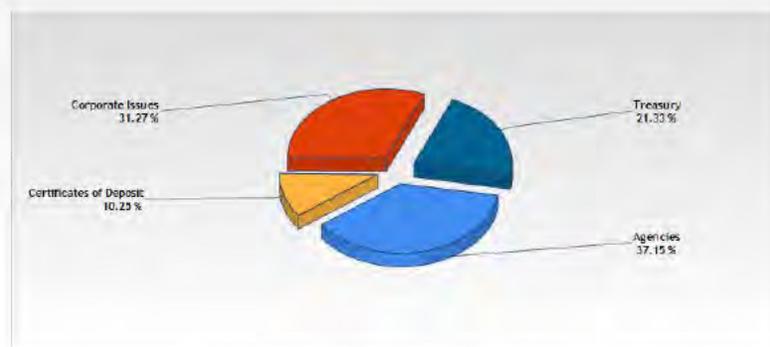
ECB Expenses by Type



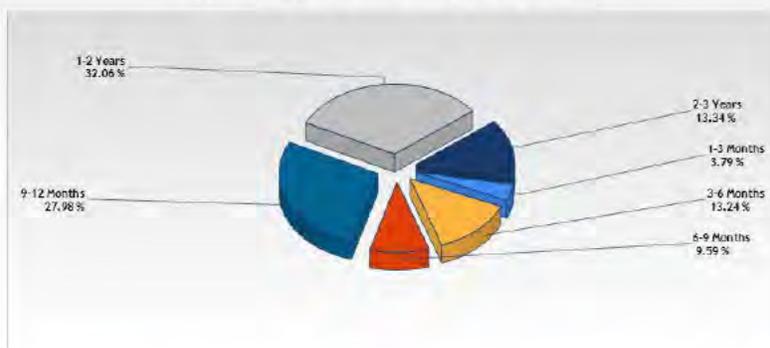
All Portfolio Holdings Distribution by Asset Class



Operating Fund Holdings Distribution by Asset Class



Operating Fund Maturity Distribution



Maturity Range	Face Amount/Shares	YTM @ Cost	Cost Value	Days To Maturity	% of Portfolio	Market Value	Book Value	Duration To Maturity
1-3 Months	705,000.00	0.418	714,778.35	73	3.79	706,360.65	706,344.29	0.20
3-6 Months	2,500,000.00	0.464	2,499,671.90	163	13.24	2,501,048.16	2,499,830.32	0.09
6-9 Months	1,740,000.00	0.582	1,809,840.00	234	9.59	1,780,913.95	1,782,310.48	0.63
9-12 Months	5,170,000.00	0.461	5,280,595.64	325	27.98	5,228,370.18	5,215,564.98	0.89
1-2 Years	5,970,000.00	0.553	6,050,404.00	503	32.06	6,046,155.96	6,035,068.38	1.36
2-3 Years	2,500,000.00	0.535	2,517,745.00	740	13.34	2,513,920.00	2,514,316.56	2.01
Total / Average	18,585,000.00	0.511	18,873,034.89	398	100	18,776,768.90	18,753,435.01	1.03

**Union Sanitary District
Board Report - Holdings**
Report Format: By Transaction
Group By: Asset Class
Portfolio/Report Group: All Portfolios
As of 5/31/2013

Description	CUSIP/Ticker	Credit Rating 1	Settlement Date	Face Amount/Shares	Cost Value	Coupon Rate	Market Value	YTM @ Cost	Next Call Date	Maturity Date	% of Portfolio
Agencies											
FHLB 0.4 6/27/2014	313379N47	Moodys- Aaa	6/6/2012	2,000,000.00	1,999,980.00	0.400	2,004,100.00	0.401		6/27/2014	3.54
FHLB 2.375 3/14/2014	3133XWKV0	Moodys- Aaa	3/21/2012	2,000,000.00	2,075,820.00	2.375	2,034,220.00	0.450		3/14/2014	3.67
FNMA 0.42 6/5/2015-13	3135G0SE4	Moodys- Aaa	12/5/2012	2,000,000.00	2,000,000.00	0.420	1,998,940.00	0.420	6/5/2013	6/5/2015	3.54
FNMA 1 5/16/2014-11	31398A6A5	Moodys- Aaa	3/21/2012	925,000.00	934,795.64	1.000	932,881.00	0.505		5/16/2014	1.65
Sub Total / Average				6,925,000.00	7,010,595.64	1.071	6,970,141.00	0.435			12.40
CAMP											
CAMP LGIP	LGIP4000	None	5/31/2011	33,639.66	33,639.66	0.100	33,639.66	0.100	N/A	N/A	0.06
Sub Total / Average				33,639.66	33,639.66	0.100	33,639.66	0.100			0.06
Certificates of Deposit											
Ally Bank 0.75 5/16/2014	02005QF24	None	5/16/2012	245,000.00	245,000.00	0.750	245,331.78	0.750		5/16/2014	0.43
Apple Bank 0.55 6/6/2014	037830LH7	None	6/6/2012	250,000.00	250,000.00	0.550	249,876.82	0.550		6/6/2014	0.44
BMW Bank 0.35 11/14/2013	05568P2D8	None	12/26/2012	240,000.00	239,676.00	0.350	240,032.66	0.503		11/14/2013	0.42
Discover Bank 0.5 11/21/2013	254671JE1	None	12/26/2012	240,000.00	239,995.90	0.500	240,207.50	0.502		11/21/2013	0.42
Fifth Third Bank 0.4 2/20/2014	316777GL9	None	2/20/2013	240,000.00	240,000.00	0.400	239,963.95	0.400		2/20/2014	0.42
GE Capital Retail Bank 0.95	36157PAU3	None	1/2/2013	240,000.00	240,000.00	0.950	241,993.70	0.950		3/16/2015	0.42

Description	CUSIP/Ticker	Credit Rating 1	Settlement Date	Face Amount/Shares	Cost Value	Coupon Rate	Market Value	YTM @ Cost	Next Call Date	Maturity Date	% of Portfolio
3/16/2015											
Goldman Sachs Bank 0.75 11/14/2014	38143AU78	None	11/30/2012	240,000.00	240,000.00	0.750	240,747.72	0.750		11/14/2014	0.42
Sallie Mae Bank 0.75 11/14/2014	795450QK4	None	11/30/2012	240,000.00	240,000.00	0.750	240,747.72	0.750		11/14/2014	0.42
Sub Total / Average				1,935,000.00	1,934,671.90	0.625	1,938,901.85	0.644			3.42
Corporate Issues											
Credit Suisse USA Inc 5.125 1/15/2014	22541LAM5	Moodys-A1	1/2/2013	1,500,000.00	1,569,840.00	5.125	1,540,950.00	0.610		1/15/2014	2.78
General Electric Capital 2.375 6/30/2015	36962G5F7	Moodys-A1	11/30/2012	500,000.00	517,745.00	2.375	514,980.00	0.980		6/30/2015	0.92
JP Morgan Chase 4.75 3/1/2015	46625HCE8	Moodys-A2	1/2/2013	1,000,000.00	1,079,800.00	4.750	1,064,470.00	1.012		3/1/2015	1.91
Principal Life Income Fund Var. Corp 11/8/2013	74254PPF3	Moodys-AA3	5/21/2012	2,020,000.00	2,020,000.00	0.455	2,020,808.00	0.455		11/8/2013	3.57
Toyota Motor Credit 1.375 8/12/2013	89233P4H6	Moodys-AA3	2/28/2012	705,000.00	714,778.35	1.375	706,360.65	0.418		8/12/2013	1.26
Sub Total / Average				5,725,000.00	5,902,163.35	2.763	5,847,568.65	0.640			10.44
LAIF											
LAIF LGIP	LGIP1002	None	4/30/2011	37,609,735.27	37,609,735.27	0.245	37,609,735.27	0.245	N/A	N/A	66.55
Sub Total / Average				37,609,735.27	37,609,735.27	0.245	37,609,735.27	0.245			66.55
Treasury											
T-Note 0.375 11/15/2014	912828RQ5	Moodys-Aaa	5/25/2012	2,000,000.00	2,000,624.00	0.375	2,004,220.00	0.362		11/15/2014	3.54
T-Note 1 5/15/2014	912828QM5	Moodys-Aaa	3/21/2012	2,000,000.00	2,024,980.00	1.000	2,015,937.40	0.416		5/15/2014	3.58

Description	CUSIP/Ticker	Credit Rating 1	Settlement Date	Face Amount/Shares	Cost Value	Coupon Rate	Market Value	YTM @ Cost	Next Call Date	Maturity Date	% of Portfolio
Sub Total / Average				4,000,000.00	4,025,604.00	0.689	4,020,157.40	0.389			7.12
Total / Average				56,228,374.93	56,516,409.82	0.655	56,420,143.83	0.334			100

**Union Sanitary District
Board Report - Activity
Portfolio/Report Group: All Portfolios
From 5/1/2013 To 5/31/2013**

Description	CUSIP/Ticker	Face Amount/Shares	Principal	Interest/Dividends	Coupon Rate	YTM @ Cost	Settlement Date	Total
DEPOSIT								
CAMP LGIP	LGIP4000	2.91	2.91	0.00		0.000	5/31/2013	2.91
LAIF LGIP	LGIP1002	2,000,000.00	2,000,000.00	0.00		0.000	5/1/2013	2,000,000.00
LAIF LGIP	LGIP1002	900,000.00	900,000.00	0.00		0.000	5/2/2013	900,000.00
Sub Total / Average		2,900,002.91	2,900,002.91	0.00				2,900,002.91
INTEREST								
Ally Bank 0.75 5/16/2014	02005QF24	0.00	0.00	911.20	0.750	0.000	5/16/2013	911.20
CAMP LGIP	LGIP4000	0.00	0.00	2.91		0.000	5/31/2013	2.91
FNMA 1 5/16/2014-11	31398A6A5	0.00	0.00	4,625.00	1.000	0.000	5/16/2013	4,625.00
General Electric Capital 4.8 5/1/2013	36962G3T9	0.00	0.00	36,000.00	4.800	0.000	5/1/2013	36,000.00
Goldman Sachs Bank 0.75 11/14/2014	38143AU78	0.00	0.00	892.60	0.750	0.000	5/14/2013	892.60
Principal Life Income Fund Var. Corp 11/8/2013	74254PPF3	0.00	0.00	2,362.11		0.000	5/8/2013	2,362.11
Sallie Mae Bank 0.75 11/14/2014	795450QK4	0.00	0.00	892.60	0.750	0.000	5/14/2013	892.60
T-Note 0.375 11/15/2014	912828RQ5	0.00	0.00	3,750.00	0.375	0.000	5/15/2013	3,750.00
T-Note 1 5/15/2014	912828QM5	0.00	0.00	10,000.00	1.000	0.000	5/15/2013	10,000.00
Sub Total / Average		0.00	0.00	59,436.42				59,436.42
MATURED								
General Electric Capital 4.8 5/1/2013	36962G3T9	1,500,000.00	1,500,000.00	0.00	4.800	0.000	5/1/2013	1,500,000.00
Sub Total / Average		1,500,000.00	1,500,000.00	0.00				1,500,000.00
WITHDRAW								
LAIF LGIP	LGIP1002	1,000,000.00	1,000,000.00	0.00		0.000	5/10/2013	1,000,000.00
LAIF LGIP	LGIP1002	700,000.00	700,000.00	0.00		0.000	5/21/2013	700,000.00

Description	CUSIP/Ticker	Face Amount/Shares	Principal	Interest/Dividends	Coupon Rate	YTM @ Cost	Settlement Date	Total
LAIF LGIP	LGIP1002	400,000.00	400,000.00	0.00		0.000	5/24/2013	400,000.00
LAIF LGIP	LGIP1002	300,000.00	300,000.00	0.00		0.000	5/31/2013	300,000.00
Sub Total / Average		2,400,000.00	2,400,000.00	0.00				2,400,000.00

COLLECTION SERVICES ACTIVITIES REPORT April and May 2013

Progress/Accomplishments

- Completed 157,075 feet of cleaning and 123,066 feet of televising of sewer lines in April
- Completed 149,811 feet of cleaning and 83,061 feet of televising of sewer lines in May
- Responded to 29 service request calls in April and 25 service request calls in May
- Completed a total of 19 main repairs in April and a total of 12 main repairs in May
- Marked and located all sewer lines (Underground Service Alerts)
- Provided support on the following projects: Boyce Pump Station, I-680 Crossing, Hansen 8, and Plant Shut Downs
- Participated in a CASSE benchmarking meeting
- Continued training of 2 new Collection System Workers
- Continued to make progress on catching up on 72 Month Cleaning and Inspection PMP
- Prepared FY14 Budgets
- Participated in Negotiations and Mediation
- Participated in Strategic Planning

Training for Collections included;

Joint training with ACFD on trench mock rescue, several employees attended the CWEA Annual Conference, Harassment, Communications/Conflict Resolution, SOP-CS549 Chop Saw, SOP-CS100-2 Relieving a Stoppage, Sop-CS100-5 Wash Down Street and Manholes, SOP-CS510 Magnetic Manhole Cover Lifter, and Safety Star Points shared and discussed topics from Safety meeting.

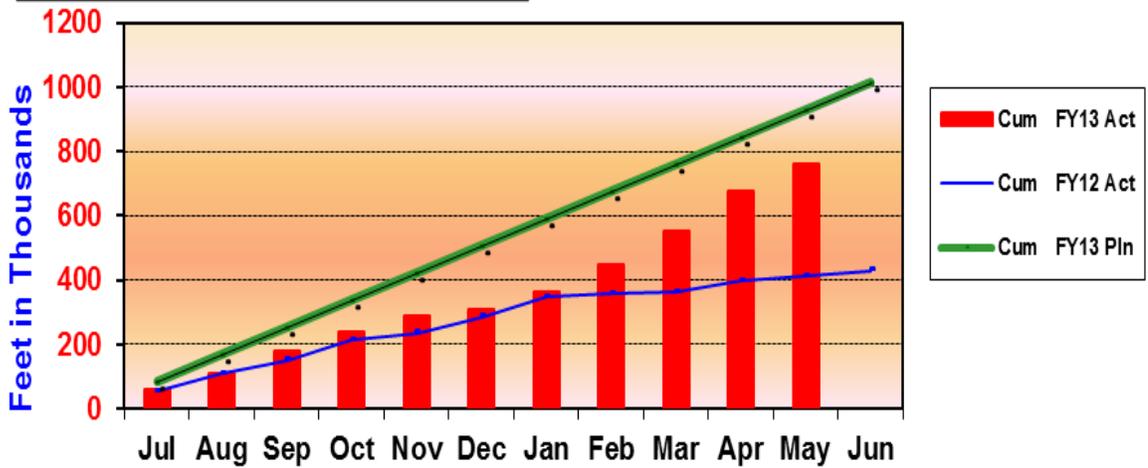
Future Planning

- Continue developing the By-Pass Training Module
- Continue effort of to catch up on 72 Month Cleaning and Inspection PMP
- Develop and Implement Phase II of 72 Month Pilot TV after rinsing

Performance Measures



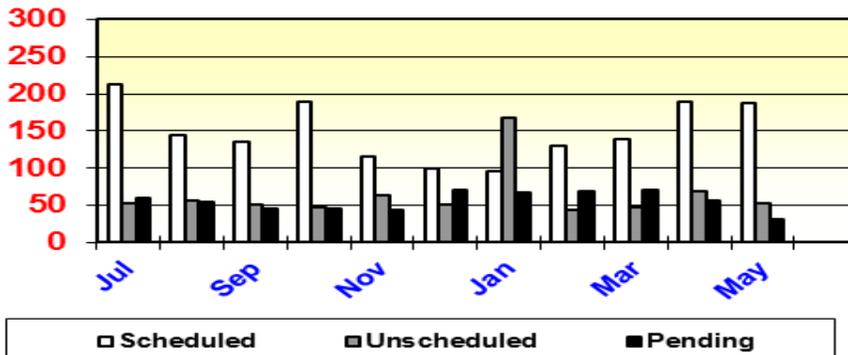
FY13 Cumulative Televising



Other Collection Services Status Data:

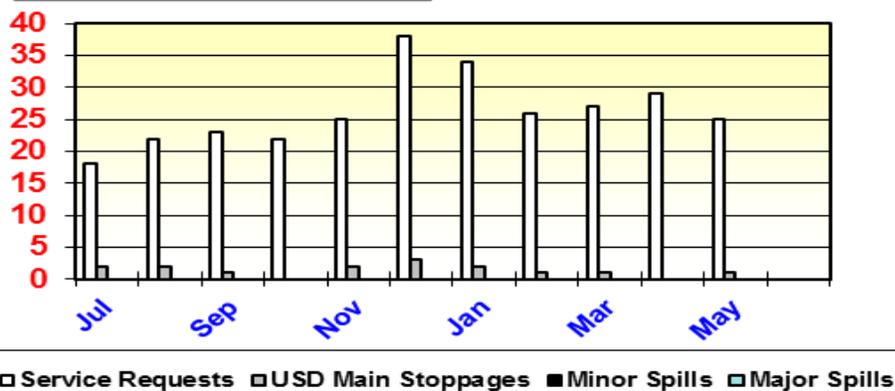
Support Team Work Order Status:

FY13 WORK ORDERS COMPLETED



C/S Maintenance Status:

FY13 STOPPAGES AND OVERFLOWS



**T&D/FMC
Activities Report
May 2013**

Progress/Accomplishments

- Maintained 100% compliance with NPDES permits.
- Completed 97% preventive maintenance activities for the month of May.
- Completed 72 corrective maintenance work orders for the month of May.
- Assembled and installed return activated sludge pump #5.
- Repaired heat exchanger #4.
- Repaired sludge mixing pump #4 motor base plate.
- Participated in safety site visit to Monterey Regional Water Pollution Control Agency.
- Attended BAAQMD training on Airborne Toxic Control Measures for stationary engines.
- Attended energy conservation and aeration technology seminar.
- Participated in a BACWA Selenium TMDL workshop .
- Provided additional technical data in follow up to the USEPA sponsored energy audit performed by the Industrial Assessment Center in February 2012.
- Obtained the BAAQMD Authority to Construct for the Treatment Plant Cogeneration System.
- Began biosolids dewaterability study with Carollo Engineers.

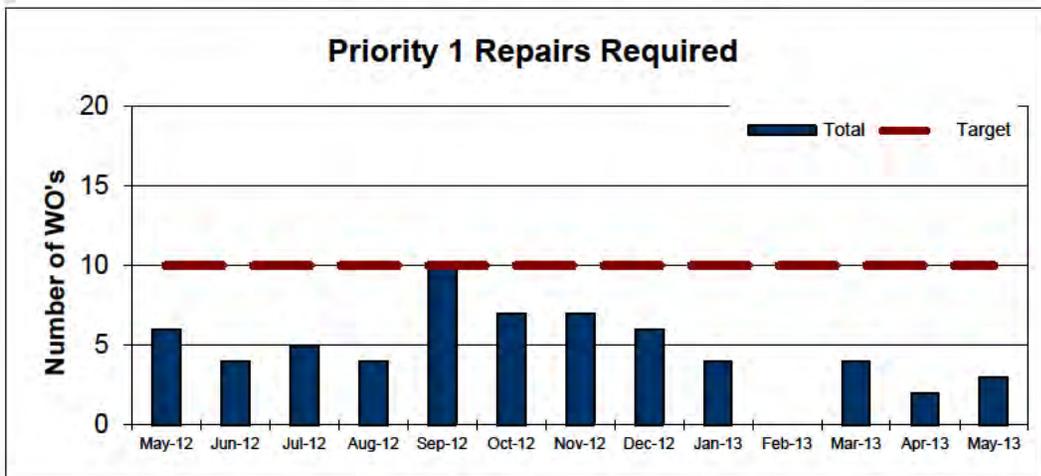
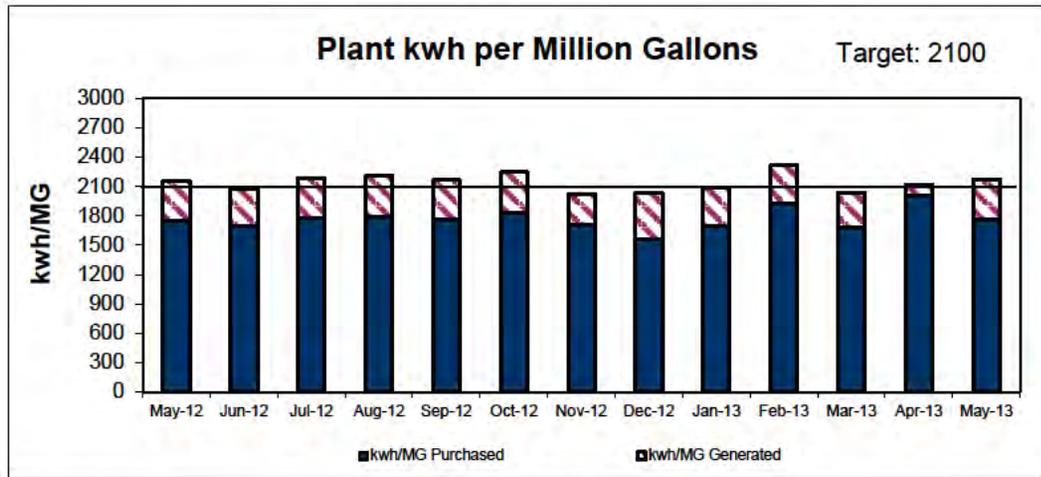
Future Planning

- Overhaul cogeneration engine #1.
- Replace/repair centrifuge polymer pumps 1-4.
- Rebuild sample pump #7.
- Discuss the plant energy audit report and recommendations.
- Participate in the Nutrient Stakeholder Advisory Group.
- Meet with EBRPD to discuss Hayward Marsh Dredging Project progress.
- Participate in BAAQMD annual inspection of the treatment plant.

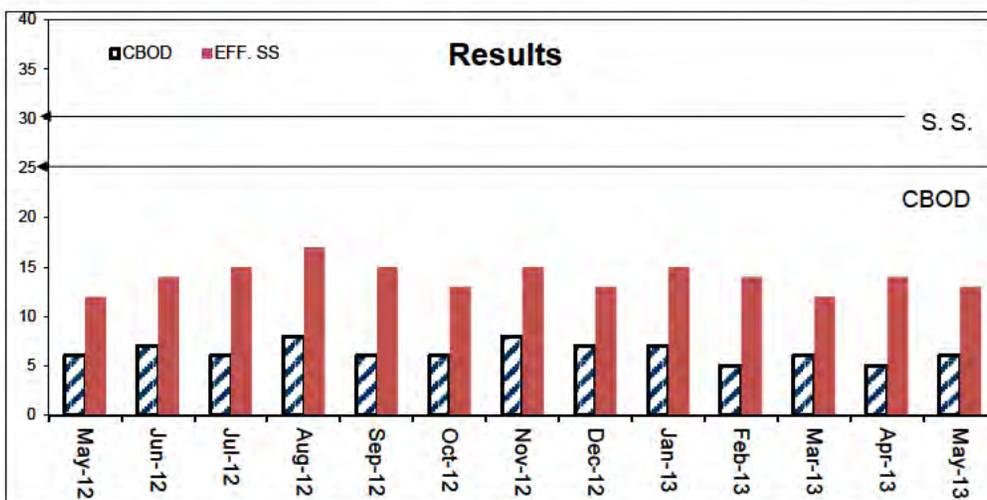
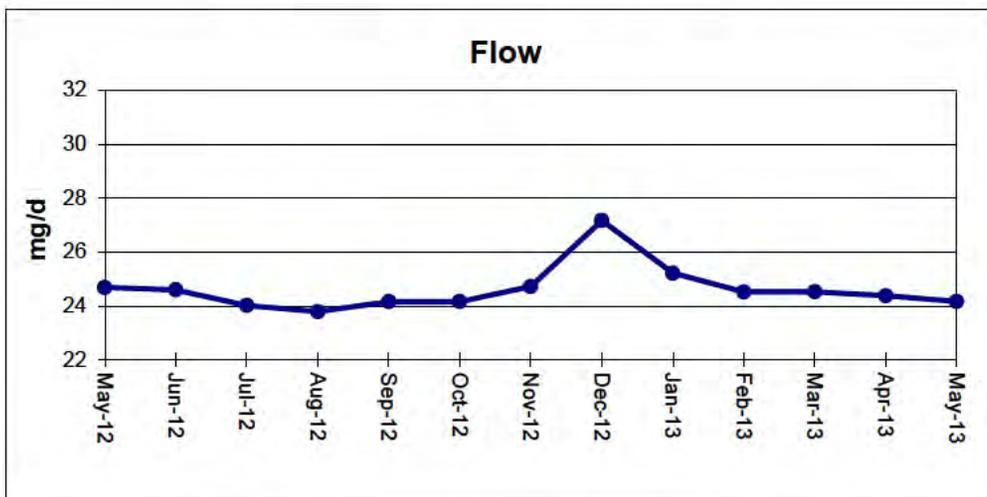
Other

- Co-gen system produced 18.2% of power consumed for the month of May.

Performance Measurements



Operational/NPDES Performance



<u>Parameter</u>	<u>Monthly Average</u>	<u>NPDES Permit Limits</u>
SS	13	30 mg/l
BOD	6	25 mg/l
F. Coliform	3 - 18	500, 5-Day Log Mean
	18 - 38	1100, 90th Percentile
Copper	4.9	78 µg/l
Nickel	3.6	79 µg/l
Mercury	0.00233	0.066 µg/l
Cyanide	< 3.0	42 µg/l

MONTHLY OPERATIONS REPORT FOR THE MONTH OF MAY 2013 TECHNICAL SUPPORT AND CUSTOMER SERVICE WORK GROUP SUMMARY
--

Capital Improvement Program

Boyce Road Lift Station – Lift station startup and operational testing commenced on May 22nd.

Cast Iron Lining Phase IV – Submittals are in progress. Nor-Cal Pipeline plans to begin field work in June, pending the outstanding submittals.

I-680 @ Sabercat Rd. SS Relocation – NTP was issued on May 8th. Submittals are in progress. Ranger Pipelines plans to begin field work in June.

Misc. SS Spot Repairs Phase IV – Retention to be released in June.

Thickener Control Building Interim Improvements Project – Placement of utilities under new concrete slab completed.

Headworks Improvements Project – Construction of hydrogen peroxide containment and conveyance system in progress.

RAS Pump Station Piping Improvements Project – Submittals are in progress. Installation of temporary stairs at access pathway has been completed.

Cogeneration Project – Contractor backfilled the site of the future Cogeneration Building in preparation for the compaction grouting of the soil underneath the site. Contractor also excavated at various locations around the site to locate existing utilities and confirm routing of the new utilities.

Customer Service

Trouble Calls dispatched from the Front Desk during business hours:

Fremont	Newark	Union City	Total
16	6	2	<u>24</u>

Graphics and Communications

- Updated website: Contact Us emergency information, EC spill notification page, Certificates of Merit Winners
- Prepared Emergency Communication Plan – second draft
- Designed Sabercat/I-680 District construction sign
- Created USD business card for City Permit departments to give to customers

Environmental Compliance

Pollution Prevention Program

# of Dental Inspections	# of School Outreach Events including Sewer Science	# of Plant Tours
6	8 5 th grade class rooms at Millard and Forest Park	0

Misc. Pollution Prevention (Dental trainings, Plumbing Contractor training, etc.)

Name of Event	Date
Home Depot Union City	5/14
Home Depot Newark	5/18

Reports (Annual Pollution Prevention, City of Fremont reports, etc.)

Report Name	Date Report Completed and Submitted
None	

Pollution and Prevention

Business Inspected			Illicit Discharge Complaints	Enforcement Actions		
UR	FOG	Total		Type	UR	FOG
43	22	65		Verbal Warning	9	6
				Notice of Deficiency		
				Warning Letter		11
				Notices of Violation	4	
				Admin Fine	1	
				Legal Action		

Industrial

Reports (Annual & Semi-Annual Pretreatment Report, Union City Report, etc.)

Report Name	Date Report Completed and Submitted
None	

Pending Permits

New Industrial/Groundwater Permits	Groundwater/Temporary
	BART-Warm Springs BART Project
	Cherry Logistics Center

Permits Issued

Company Name	Date Permit Issued
Compugraphics	6/6/2013

Industrial Closures

Company Name	Date of Closure
Advance Anodize (Pending)	(Pending June 2013)

Enforcement Action

Violation	IU Name & Nature of Business	City (F, N, UC)	Parameters Violated	Discharge conc. or mass	USD/Fed Limit Violated	Comments
WL-13-006	Materion Electrofusion	F	A/V O&G	389 mg/L	300 mg/L	IU claims that animal/vegetable O&G resulted from disposal of food marinade and washing after party during same time period.
NOV-13-004	Cellotape	F	Copper	2.55 mg/L	2.0 mg/L	Violation issued on 6/5/13.

(1) Warning Letter (WL), Notice of Violation (NOV), Administrative Order (AO), Cease & Desist Order (C&D), Significant Non Compliance (SNC), (EM) Enforcement Meeting

(2) Fremont (F) Newark (N) Union City (UC)

Other - Team training, Special Meetings, Conferences, Special Recognition, IAC (topics)

Activity	Date of Event	
Alameda County Safe Medication Conference	5/30	Mike Auer

Engineering/Construction

	Construction Projects	Capital (\$1000)	Scheduled Completion	Completed Scope	Completed Time	Comments for May 2013 Activity
1.	Boyce Road Lift Station – Curtis/Raymond	\$4,591	5/13	95%	100%	Operational testing commenced on May 22 nd .
2.	Cast Iron Lining Phase IV – Chris E.	\$436	7/13	0%	51%	Submittals in progress. Field work to begin in June.
3.	Headworks Improvements Project – Ric	\$1,739	11/13	15%	54%	Hydrogen peroxide containment and conveyance system in progress.
4.	I-680 @ Sabercat Rd. SS Relocation – Chris E.	\$1,804	10/13	0%	16%	Submittals in progress. Field work to begin in June.
5.	Misc. SS Spot Repairs Phase IV – Chris E.	\$623	4/13	100%	100%	Retention release in June.
6.	Thickener Control Building Interim Improvements Project – Ric	\$633	10/13	20%	38%	Placement of utilities under new concrete slab completed.
7.	RAS Pump Station Piping Improvements – Curtis	\$506	11/13	10%	36%	Submittals in progress. Field work to begin in July.

	Construction Projects	Capital (\$1000)	Scheduled Completion	Completed Scope	Completed Time	Comments for May 2013 Activity
8.	Cogeneration Project – Raymond	\$10,566	9/14	4%	10%	Contractor laid out new building site, began earthwork activities, and excavated to confirm routing of existing utilities.

Design/Study

	Design/Study Projects	Capital (\$1000)	Scheduled Completion	Completed Scope	Completed Time	Comments for May 2013 Activity
1	Flow Equalization Study Update - Sami	\$183	12/12	89%	98%	Consultant is reviewing additional precipitation/flow information as part of an amendment
2	Local Limits and Wastewater Treatability Study - Ric	\$107	12/12	85%	100%	Draft analysis of potential ammonia local limit submitted
3	Jarvis Ave. (Misc. SS Spot Repairs Phase V) – Chris E.	\$TBD	TBD	--%	--%	Jarvis Ave. reach selected as project scope.
4	MCC Replacement Project - Phase 2 – Chris P.	\$69	2/13	100%	100%	Bids were opened on May 30. DW Nicholson is the low bidder. Board to award project in June
5	Mowry Ave. SS Rehabilitation – Chris E.	\$TBD	TBD	--%	--%	West Yost Agreement & TO1 for design in progress.
6	Internal Lift Station No. 1 Rehabilitation Project – Chris P.	\$50	5/13	100%	100%	Project began advertising in May. Bid opening in June.
7	Pine St. Easement Improvements – Chris E.	\$TBD	TBD	--%	--%	Design approach and permitting requirements being pursued.
8	Thickener Control Building Improvements Project – Ric	\$706	6/13	80%	90%	90% design submittal due 6/14/13.



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 17, 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. 8 - Meeting of June 24, 2013
PUBLIC HEARING: 1) CONFIRMING SEWER SERVICE CHARGE ORDINANCE NO. 31.36, 2) ADOPTING SEWER SERVICE CHARGES FOR FISCAL YEAR 2014, 2015, AND 2016, AND 3) SETTING AND COLLECTING SEWER SERVICE CHARGES FOR FISCAL YEAR 2014 ON THE TAX ROLL.

Recommendation

1. Open the public hearing - receive any oral or written communications regarding the proposed ordinance.
2. Close the public hearing and consider action (items which follow).

Background

The Notice of Public Hearing to set the Sewer Service Charges for Fiscal Year 2014, 2015, and 2016 has been published in the Argus newspaper on June 1 and 8, 2013. Staff will be prepared to present the subsequent Board agenda items on the Sewer Service Charge rate at the public hearing and answer questions from the Board and audience.

On April 18, 2013, a notice complying with Proposition 218 was sent to all property owners notifying them of a proposed 5.7% per year rate increase for the next three years. FY 2014 will be the first year of the three year period.



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 17, 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 24, 2013
**RESOLUTION NO. 2709, CONSIDERING PROTESTS AND
ESTABLISHING SEWER SERVICE CHARGE RATES FOR FISCAL
YEARS 2014, 2015, and 2016**

Recommendation

A majority of the property owners have not protested the rate increase in accordance with Proposition 218 requirements. The attached Resolution should be considered for adoption by the Board of Directors after the public hearing to consider sewer service charges is closed. Any and all protests are hereby overruled.

Attachment

RESOLUTION NO. 2709

RESOLUTION CONSIDERING PROTESTS TO AND ESTABLISHING REPORT ON SEWER SERVICE CHARGE RATES FOR UNION SANITARY DISTRICT FOR THE FISCAL YEARS 2014, 2015, AND 2016

RESOLVED, by the Board of Directors of the UNION SANITARY DISTRICT, Alameda County, California, that:

WHEREAS, this Board intends to adopt sewer service charges increasing the current rate for the next three (3) fiscal years by five and seven tenths percent (5.7%) each year; and

WHEREAS, this Board intends to adopt Ordinance No. 31.36 establishing sewer charge rates and to elect to have sewer service charges collected on the tax roll for the Fiscal Year 2014, and directed the preparation of a written report containing the rates; and

WHEREAS, said written report and Ordinance were duly prepared and filed with the Secretary of the UNION SANITARY DISTRICT; and

WHEREAS, this Board appointed the time and place of hearing protests to said report and directed notice; and

WHEREAS, notice was given of the time therein stated in the manner provided by law as it appears by the Affidavit of Publication on file in the office of the Secretary of said District; and

WHEREAS, said matter came on regularly for hearing at the time fixed; and

WHEREAS, all written protests and other written communications were summarized at said meeting and all persons desiring to be heard were fully heard;

NOW, THEREFORE, IT IS ORDERED AS FOLLOWS:

1. That objections to and protests against said report were not made by the owners of a majority of the separate parcels of property within the Service District against which sewer service charge rates for the services and facilities provided by the District were fixed.
2. That all objections to and protests against said report have been heard by this Board and that said objections and protests be, and each of them are, hereby overruled.

RESOLUTION NO. 2709, Page Two

3. That said report be, and it is, hereby adopted in full without revision, change, reduction, modification, and that sewer service charges based upon these rates and the 2014 rates shall be collected on the tax roll of the County of Alameda in the manner provided by law.
4. That the sewer service charges for the fiscal years 2015 and 2016 be increased by five and seven tenths percent (5.7%) per year over the fiscal year 2014 rates as was proposed in the Proposition 218 notice to all landowners.
5. That the Secretary of this District be, and is, hereby directed to file with the County Auditor of Alameda County forthwith, a copy of said Ordinance fixing the rates, upon which shall be endorsed over his/her signature a statement that the Ordinance has been finally adopted by the Board of Directors of the UNION SANITARY DISTRICT.
6. The County Auditor of Alameda County shall, upon receipt of a copy of said Ordinance and a report showing the amounts of the charges based upon currently adopted rates, enter the amounts of the charges against the respective lots or parcels as they appear on the current assessment roll for the Fiscal Year 2014.

I hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Board of Directors of the UNION SANITARY DISTRICT, Alameda County, California, at a meeting thereof held on the 24th day of June 2013.

AYES: Fernandez, Handley, Kite, Lathi, Toy

NOES: ----

ABSTAIN: ----

ABSENT: ----

President, Board of Directors
Union Sanitary District

ATTEST:

Secretary, Board of Directors
Union Sanitary District



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 17, 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. 10 - Meeting of June 24, 2013
**RESOLUTION NO. 2710, ADOPTION OF ORDINANCE 31.36,
SETTING THE SEWER SERVICE CHARGES SPECIFIED
THEREIN FOR FISCAL YEAR 2014.**

Recommendation

Adopt Ordinance 31.36 and set the sewer service charges specified therein for Fiscal Year 2014.

Background

The FY 2013 authorized single family rate is \$319.55. In Ordinance 31.36, for FY 2014, the single family authorized rate increases 5.7% to \$337.76, and the multi-residential category authorized rate will be \$298.25. The rates are being set for FY 2014 with the Proposition 218 notice that was issued to all property owners in April, 2013. The ordinance also includes rates for the two subsequent years of the notice, FY 2015 and FY 2016.

Attachment

RESOLUTION NO. 2710

**UNION SANITARY DISTRICT
ORDINANCE NO. 31.36**

AN ORDINANCE PROVIDING FOR THE ESTABLISHMENT OF SEWER SERVICE CHARGES FOR FISCAL YEARS 2014, 2015 AND 2016 FOR SERVICES AND FACILITIES FURNISHED BY DISTRICT'S WASTEWATER SYSTEM, COLLECTION PROCEDURES, PENALTIES FOR DELINQUENCY, RESTRICTION ON USE OF FUNDS DERIVED, ELECTION TO HAVE SEWER SERVICE CHARGES COLLECTED ON THE ALAMEDA COUNTY TAX ROLL

The Board of Directors of the UNION SANITARY DISTRICT does ordain as follows:

**ARTICLE I
GENERAL**

SECTION 1. PURPOSE

- (a) The purpose of the sewer service charge is to raise revenue for the cost of maintenance and operation of the UNION SANITARY DISTRICT wastewater facilities used for the collection, treatment and disposal of wastewater, industrial wastewater, industrial waste, payment of principal and interest on bonds and capital recovery costs in accordance with Federal and State Revenue Program guidelines. The funds derived from the sewer service charge shall be used for only those purposes provided for in Division 5, Part 3, Chapter 6, Article 4 (commencing with Section 5470) of the Health and Safety Code of the State of California.
- (b) The purpose of this ordinance is to establish a method of sharing the cost of operation of the District's collection, transport, and treatment facilities among the users of sewer service. For commercial and industrial dischargers, an estimation of the relevant wastewater flow constituents and loadings are utilized which are known to be historically valid.
- (c) Quantity of wastewater flow is an important factor in the cost of collection, transport and treatment of industrial and commercial wastewater discharge. Therefore, the quantity of discharge is calculated from flow for the prior year. These flows may vary widely. The District bills the industrial and commercial users the following year for what is in essence the previous year's discharge. For this reason there can be no adjustments to sewer service charges based only upon a change in water usage for a particular user. This change in usage will be reflected in the ensuing year's bill.

ARTICLE II **DEFINITIONS**

SECTION 1. DWELLING UNITS

The following residential establishments shall be deemed to have the following number of dwelling units:

- (a) Single family residential dwelling, designed for occupancy by one family: one dwelling unit.
- (b) Duplex, triplex, fourplex, townhouse or condominium, apartment house, mobile home park or other multi-residential establishment, designed for occupancy for living purposes by more than one family, which is divided into separate housekeeping units, each of which is designed for occupancy by one family only: each housekeeping unit shall be deemed to be one dwelling unit.

SECTION 2. COMMERCIAL OR INSTITUTIONAL USE

Any parcel or portion thereof discharging domestic wastewater and shall include the following:

- (a) Parcels used for commercial or business purposes.
- (b) Hotel, auto court, motel and similar transient living facilities.
- (c) Schools, churches, hospitals, convalescent homes, parks, public office and service buildings public transportation facilities, or other types of public facilities or publicly owned facilities available for public use.

SECTION 3. INDUSTRIAL

Any parcel or portion thereof used for manufacturing, processing or other operations which discharges non-domestic wastewater by reason of manufacturing, processing or other operations involved.

SECTION 4. DOMESTIC WASTEWATER

Wastewater of a quality essentially similar to that of a single family dwelling.

SECTION 5. OWNER

Any human being, individual, firm, company, partnership, association, and private or public and municipal corporations, the United States of America, the State of California, districts and all political subdivisions, governmental agencies and mandatories thereof.

SECTION 6. FAST FOOD RESTAURANTS

Restaurants that serve all food on disposable plates, cups and utensils.

SECTION 7. FULL SERVICE RESTAURANTS

Restaurants with sit down service that utilize washable plates, cups or utensils.

ARTICLE III **SEWER SERVICE CHARGE**

SECTION 1. CLASSIFICATION

The owner of each parcel of property as it appears on the Assessor's records of Alameda County lying within the UNION SANITARY DISTRICT and upon which there are wastewater facilities shall pay a sewer service charge in accordance with the purpose for which said parcel is used, as hereinafter set forth in Section 2. In the event that the use of any parcel results in the discharge of wastewater in more than one classification, there shall be an annual charge for each classification of use of said parcel and the annual sewer service charges for such parcel shall be the aggregate of all such annual charges.

SECTION 2. RATES

Each individual parcel of land connected to the District sewer system is subject to a minimum charge equal to one dwelling unit as listed in (a) below, with the exception of those multiple dwelling units which are specified in subsection (b).

- (a) Residential dwelling units as defined in Section 1(a) of Article II: FY 2014 \$337.76 per dwelling unit per year; FY 2015 \$357.02 per dwelling unit per Year; FY 2016 \$377.37 per dwelling unit per year.
- (b) Residential dwelling units as defined in Section 1(b) of Article II: FY 2014 \$298.25 per dwelling unit per year; FY 2015 \$315.25 per dwelling unit per Year; FY 2016 \$333.22 per dwelling unit per year.

Sewer service charges that exceed the minimum rate specified above in subsection (a) shall be calculated as follows:

- (c) Restaurants shall pay either the rate for fast food or full service restaurant as defined in Sections 6 and 7 of Article II. Unit rates for the volume of wastewater discharged are as follows:

Fast Food Restaurants \$6.75 per 1,000 gallons per year in FY 2014;
\$7.14 in FY 2015; \$7.55 in FY 2016.

Full Service Restaurants \$8.64 per 1,000 gallons per year in FY 2014; \$9.13 in FY 2015; \$9.65 in FY 2016.

- (d) Commercial or institutional use as defined in Section 2 of Article II, or wastewater discharged from industrial uses that are not sampled by the District, shall be determined by classifying the parcel into one of three strength classifications: strong, moderate or weak. Unit rates for the volume of wastewater discharged and examples of the types of uses which fall into the strong, moderate and weak categories are as follows:

Weak - \$3.34 per 1,000 gallons discharged per year in FY 2014; \$3.53 in FY 2015; \$3.73 in FY 2016.

Examples of establishments assigned to the weak user classification group include, but are not limited to the following: garden/nurseries, libraries, retail stores, schools, churches, spas and health clubs, professional offices, and soft water processing. The weak strength category is based on an average wastewater strength for the group of 144 milligrams per liter of suspended solids, and 331 milligrams per liter of chemical oxygen demand.

Moderate - \$3.82 per 1,000 gallons discharged per year in FY 2014; \$4.03 in FY 2015; \$4.26 in FY 2016.

Examples of establishments assigned to the moderate user classification group include, but are not limited to the following: car washes, service stations, bars, dining and reception halls, hotels and motels without dining facilities, hospitals, convalescent homes, mixed multi-tenant retail (unless a more specific rate applies) cold storage facilities, theaters, medical offices, and miscellaneous commercial and industrial. The moderate strength category is based on an average wastewater strength for the group of 199 milligrams per liter of suspended solids, and 536 milligrams per liter of chemical oxygen demand.

Strong - \$7.07 per 1,000 gallons discharged per year in FY 2014; \$7.47 in FY 2015; \$7.90 in FY 2016.

Examples of establishments assigned to the strong user classification group include, but are not limited to the following: auto steam cleaners, bakeries, restaurants, markets with a bakery or deli, mortuaries, bowling alleys with dining facilities. The strong strength category is based on an average wastewater strength for the group of 489 milligrams per liter of suspended solids, and 1,839 milligrams per liter of chemical oxygen demand.

- (e) Industrial use as defined in Section 3 of Article II and that have wastewater sampled by the District shall be based on the total volume, chemical oxygen demand and suspended solids discharged to the sewer system. The charges for these three components shall be calculated and added to arrive at the total

sewer service charge. The unit rates for each of the three components are provided below:

Volume - \$2.12 per 1,000 gallons per year in FY 2014; \$2.25 in FY 2015; \$2.37 in FY 2016.

Chemical Oxygen Demand - \$215.27 per 1,000 pounds per year in FY 2014; \$227.54 in FY 2015; \$240.51 in FY 2016.

Suspended Solids - \$394.67 per 1,000 pounds per year in FY 2014; \$417.17 in FY 2015; \$440.95 in FY 2016.

SECTION 3. ADJUSTMENTS

The owner of any parcel subject to the scheduled charges set forth in Section 2 above may appeal to the Union Sanitary District staff if the charges imposed do not fairly reflect the quantity of discharge made to the sanitary sewer for any period. Any appeal should be made within ninety (90) days of receiving the tax bill reflecting the charges imposed, which relate to actual usage of water for the prior year. In most instances, the Union Sanitary District staff will make any adjustment which is in order. Any such appeal can only relate to the quantity of water actually discharged to the sewer system and cannot relate to strength of discharge or category of discharger. The Union Sanitary District staff will have forty-five (45) days to act on any request for adjustment or the request will be deemed denied. After a decision on the adjustment request, the owner will have fifteen (15) days to appeal to the Board of Directors, in writing. The Board of Directors shall act on such appeal within sixty (60) days. The determination of an appeal by the Board of Directors of Union Sanitary District shall constitute a final determination regarding any requested adjustment.

SECTION 4. OPTIONAL SERVICES

- (a) Segregation of Charges for Multi-tenant Parcels - Sewer Service Charges for parcels of land with multiple tenants shall be determined by assigning the parcel into one of three strength categories, strong, moderate, or weak as defined by this ordinance. This determination shall be made by the District based on the quantity of flow from each strength category. The strength category which includes a majority of flow shall be the strength category assigned to the entire parcel.
- (b) As an optional service, the property owner may request in writing, that the District segregate the annual sewer service charges by considering the flow from each water meter on the property as a separate calculation. The flow from each water meter would be assigned into one of three strength categories (strong, moderate, or weak) or into one of the restaurant categories and calculated separately. The charge for each water meter shall be totaled and the entire amount billed to the parcel with the property tax bill. When the charges are segregated, a written breakdown of the District's strength assignments and calculations will be provided to the property owner by

October first of each year. To request the start or stop of this optional service, the property owner or authorized representative, shall give written notice by June first for the upcoming fiscal year starting July first. Upon receipt of written notice to start this optional service, the District will continue to segregate the charges each year until it is given a written notice to discontinue the service.

- (c) In order to qualify for and receive this optional service initially, the property owner must be able to provide documentation acceptable to the District (such as a site plan or plumbing plan) showing which water meters serve which tenants. Insufficient documentation, as determined by the District, will be grounds to disqualify a property from receiving this optional service.
- (d) Property owners who request this optional service shall pay an annual service charge, which shall be added to the total sewer service charges and collected with the property tax bill. Annual service charges shall be as follows:

\$50.00 Per year per water meter, for the first year the service is started or re-started

\$25.00 Per year per water meter, for the second and succeeding years the service is provided

ARTICLE IV **BILLING AND COLLECTING**

SECTION 1. MAILING

Except as provided elsewhere in this ordinance, the District shall ascertain the amount of each sewer service charge applicable to each parcel in the district, and shall mail to the owner thereof a bill for the first installment on or before November 1 of each year, and a bill for the second installment on or before the following February 1 of each year. Each bill so mailed shall contain a statement that a delinquency in payment for sixty (60) days shall constitute a lien against the parcel against which the charge is imposed, and that when recorded shall have the force, effect and priority of a judgment lien for three years unless sooner released or otherwise discharged. Failure of the District to mail any such bill or failure of the owner to receive any such bill shall not excuse the owner of any parcel from the obligation of paying any sewer service charge for any parcel owned by him.

SECTION 2. DUE DATES OF CHARGES

All sewer service charges shall become due and payable in the following installments. One-half thereof on November 1 of each year and one-half thereof on the following February 1 of each year.

SECTION 3. DELINQUENCY DATES

The first installment due on November 1 of each year is delinquent if not paid by 5:00 P.M. on December 10 of each year. The second installment due February 1 of each year is delinquent if not paid by 5:00 P.M. on the following April 10 of each year.

(a) Government Parcels. For all government or public parcels or for any parcel which is not subject to taxation and not on the tax roll the sewer service charge shall become due and payable on January 1 of each year. Payment is due on January 1 of each year and is delinquent if not paid by 5:00 P.M. on February 15 of each year.

SECTION 4. PENALTIES FOR NON-PAYMENT, LIEN

Except as otherwise provided in this ordinance for collection of sewer service charges through general tax law, whenever a delinquency shall occur for non-payment, a penalty shall be paid in accordance with the requirements of the Alameda County Tax Collector. After delinquency for sixty (60) days, such unpaid charge and penalty shall constitute a lien upon the parcel of land against which the charge was levied.

SECTION 5. COLLECTION OF CHARGES ON TAX ROLL

- (a) Pursuant to the provisions of Division 5, Part 3, Chapter 6, Article 4, of the Health and Safety Code of the State of California, and subject to the exceptions hereinafter set forth, the District hereby elects as an alternative procedure for the collection of sewer service charges prescribed or imposed by the provisions of this ordinance to have all such sewer service charges for each fiscal year commencing with fiscal-year 1974-75, collected on the tax roll in the same manner, by the same persons, and at the same time as, and together with and not separately, from general taxes.
- (b) The amount of the charges shall constitute a lien against the lot or parcel of land against which the charge has been imposed as of the date prescribed by law as the lien date for general property taxes. The Tax Collector of the County of Alameda shall include the amount of the charges on bills for taxes levied against the respective lots and parcels of land.
- (c) Thereafter the amount of the charges shall be collected at the same time and in the same manner and by the same persons as, together with and not separately from, the general taxes for the District and shall be delinquent at the same time and thereafter be subject to the same delinquency penalties.
- (d) All laws applicable to the levy, collection and enforcement of general taxes of the District, including, but not limited to, those pertaining to the matters of delinquency, correction, cancellation, refund and redemption, are applicable to such charges. The Tax Collector of Alameda County may, in his discretion, issue separate bills for such charges and separate receipts for collection on account of such charges. The County of Alameda shall be compensated for

services rendered in connection with the levy, collection and enforcement of such charges in an amount to be fixed by agreement between the Board of Supervisors of Alameda County and the Board of Directors of the UNION SANITARY DISTRICT.

- (e) The sewer service charges for any and all governmental or public parcels or for any parcel which is not subject to taxation on the tax roll shall be collected in accordance with other provisions of this ordinance.

SECTION 6. TIMING OF SEWER SERVICE CHARGE CALCULATIONS

- (a) The sewer service charge to be billed for the current fiscal year is calculated based on water use and pollutant strength records for the period March to February preceding this fiscal year.
- (b) The owner of property served by Union Sanitary District is responsible for the payment of sewer service charges regardless of whether or not the owner actually conducts any business or utilizes any services for wastewater disposal on the premises. The charges made herein are for the fiscal year beginning July 1 and ending the following June 30.
- (c) In the event a property receives a new connection from the Alameda County Water District after March of a given year, there will be no sewer service charge imposed until the following year, and the sewer service charge imposed will be calculated on the basis of water usage for the previous fiscal year.

SECTION 7. RESPONSIBILITY TO PAY

In the event of a sale or transfer of real property, the owner of record at the time the annual sewer service charge bill is payable (one-half each on November 1 and February 1 of each year) is responsible for payment of charges. It is understood that the current owner will be assessed sewer service charges based on flows as calculated in Section 2 of Article III and Section 6 of Article IV. It shall be the responsibility of the prior and new owner to account for the payment of upcoming sewer service charges in their real property transfer agreements. Notwithstanding such accounting, the property owner of record at the time the annual sewer service charge is payable is responsible for payment.

ARTICLE V **ENFORCEMENT**

SECTION 1. FAILURE TO PAY

In the event of the failure of any owner to pay when due any sewer service charges, applicable to a parcel owned by him, the District may enforce payments of such delinquent charges in any of the following manners:

- (a) The District may have such parcel disconnected from the sanitary sewer system. In the event such disconnection should create a public hazard or nuisance, the manager or his representatives may enter upon the parcel for the purpose of doing such things as may be reasonably necessary to alleviate or remove such hazard or menace.

The owner of such parcel shall have a duty to reimburse the District for all expenses incurred by District in disconnecting any such parcel, or in doing other things authorized by this Section; and no reconnection shall be made until all such charges are paid.

- (b) During the period of non-connection or disconnection, habitation of such parcel by human beings may constitute a public nuisance, whereupon the Sanitary Board may cause proceedings to be brought for the abatement of the occupancy of said parcel by the human beings. In such event, and as a condition of connection or reconnection, there shall be paid to the District reasonable attorney's fees and costs of suit arising in said action.
- (c) The District may institute action in any court of competent jurisdiction to collect any charges, penalties and interest which may be due and payable in the same manner as any other debts owing to the District may be collected, in which event the District shall have judgment for the costs of suit and reasonable attorney's fees.
- (d) Any and all delinquent payments may be placed on the tax roll, and collected with the property taxes, as provided in this ordinance.
- (e) Such other action may be taken as may be authorized by law and the District Board.

SECTION 2. AUTHORITY

All powers authorized by this Article for the enforcement and collection of said sewer service charges, penalties and interest are cumulative and may be pursued alternatively or collectively as the District determines.

ARTICLE VI MISCELLANEOUS

SECTION 1. VACANCY

No credit, adjustment or refund will be made to any owner because the structure or any portion thereof on a parcel is vacant or the wastewater facilities are not being utilized.

SECTION 2. SEVERABILITY

If any section, sentence, clause or phrase of this ordinance is for any reason held to be invalid, unconstitutional, or unenforceable, such decision shall not affect the validity of the remaining portions of this ordinance. The Board of Directors of the UNION SANITARY DISTRICT hereby declares that it would have passed the provisions of this ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, sentences, clauses or phrases may be declared invalid, unconstitutional or unenforceable.

SECTION 3. PUBLICATION AND MINUTE ENTRY

This ordinance shall take effect and be in force July 15, 2013, and at least one week prior to said date a summary of the changes shall be published in The Argus, a newspaper of general circulation published in the UNION SANITARY DISTRICT service area. This ordinance shall be entered in the minutes of the District.

Passed and adopted by the Board of Directors of UNION SANITARY DISTRICT on this 24th day of June 2013, by the following vote:

AYES:	Fernandez, Handley, Kite, Lathi, Toy
NOES:	----
ABSENT:	----
ABSTAIN:	----

President, Board of Directors
UNION SANITARY DISTRICT

ATTEST:

Secretary, Board of Directors
UNION SANITARY DISTRICT



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 17, 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.11 - Meeting of June 24, 2013
**PUBLIC HEARING: 1) ESTABLISHING CAPACITY FEES OF
ORDINANCE NO. 35.20, AND 2) ADOPTING CAPACITY FEES
FOR FISCAL YEAR 2014**

Recommendation

1. Open the public hearing - receive any oral or written communications regarding the proposed ordinance.
2. Close the public hearing and consider action (items which follow).

Background

The Notice of Public Hearing to set the Capacity Charges for Fiscal Year 2014 has been published in the Argus newspaper on June 1 and 8, 2013. For FY 2014 the single family dwelling fee will increase by 10% to \$5,329.20. Commercial and Industrial fees will also increase 10%. Staff will be prepared to present the subsequent Board agenda items on the Capacity Charges at the public hearing and answer questions from the Board and audience.



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 17, 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. 12 - Meeting of June 24, 2013
**RESOLUTION NO. 2711, CONSIDERING PROTESTS AND
CONFIRMING CAPACITY FEE RATES FOR FISCAL YEAR 2014**

Recommendation

The attached Resolution should be considered for adoption by the Board of Directors after the public hearing to consider capacity charges is closed.

Attachment

RESOLUTION NO. 2711

**RESOLUTION CONSIDERING PROTESTS TO AND CONFIRMING REPORT ON
CAPACITY CHARGES FOR UNION SANITARY DISTRICT FOR THE FISCAL YEAR
2014**

RESOLVED, by the Board of Directors of the UNION SANITARY DISTRICT, Alameda County, California, that:

WHEREAS, this Board intends to adopt Ordinance No. 35.20 establishing capacity charges, and directed the preparation of a written report containing the rates; and

WHEREAS, said written report and Ordinance were duly prepared and filed with the Secretary of the UNION SANITARY DISTRICT; and

WHEREAS, this Board appointed the time and place of hearing protests to said report and directed notice; and

WHEREAS, notice was given of the time therein stated in the manner provided by law as it appears by the Affidavit of Publication on file in the office of the Secretary of said District; and

WHEREAS, said matter came on regularly for hearing at the time fixed; and

WHEREAS, all written protests and other written communications were publicly read at said meeting and all persons desiring to be heard were fully heard;

NOW, THEREFORE, IT IS ORDERED AS FOLLOWS:

1. That all objections to and protests against said report have been heard and considered by this Board and that said objections and protests be, and each of them are, hereby overruled.
2. That said report be, and it is, hereby adopted in full without revision, change, reduction, or modification.

I hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Board of Directors of the UNION SANITARY DISTRICT, Alameda County, California, at a meeting thereof held on the 24TH day of June, 2013.

AYES: Fernandez, Handley, Kite, Lathi, Toy

NOES: ----

ABSENT: ----

ABSTAIN: ----

President, Board of Directors
Union Sanitary District

ATTEST:

Secretary, Board of Directors
Union Sanitary District



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 17, 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. 13 - Meeting of June 24, 2013
**RESOLUTION NO. 2712, ADOPTING ORDINANCE 35.20
PROVIDING FOR THE ESTABLISHING OF CAPACITY FEES
FOR FISCAL YEAR 2014.**

Recommendation

Adopt Ordinance 35.20, which establishes Capacity Fee rates for Fiscal Year 2014.

Background

In 2010, the District retained Bartle Wells Associates to conduct a comprehensive capacity fee study and recommend updates to the District's capacity charges. The firm's presentation included recommendations on allowable rates, comparison of USD rates with other agencies, and suggestions on how USD could expand the use of Capacity Fees.

The attached ordinance reflects those recommendations that had been agreed to at subsequent Board meetings.

For FY 2014, the fees have been increased 10%. The single family equivalent dwelling unit charge will increase to \$5,329.20. In the future, staff will continue to annually benchmark our capacity fees with neighboring agencies and present this information to the Board.

Attachment

RESOLUTION NO. 2712

ORDINANCE NO. 35.20

**AN ORDINANCE PROVIDING FOR THE COLLECTION
OF CAPACITY CHARGES FOR CONNECTION TO
THE MAIN SEWERS OF UNION SANITARY DISTRICT**

The District Board of UNION SANITARY DISTRICT does order and ordain as follows:

ARTICLE I

REPEAL OF PREVIOUS ORDINANCE

Ordinance No. 35.19 is hereby repealed.

ARTICLE II

GENERAL

SECTION 1 SHORT TITLE

This Ordinance shall be known as the "CAPACITY CHARGE ORDINANCE."

SECTION 2 PURPOSE OF THE CAPACITY CHARGE

The District allows new and existing users to buy a share of the District's system's capacity for the discharge of their wastewater. The Capacity Charge exists to fund facilities and assets that increase or maintain system capacity. The purpose of the Capacity Charge is to provide revenue to recover costs for: the acquisition of future facilities and assets that benefit new or expanded connections; the replacement or rehabilitation of existing facilities and assets that benefit new or expanded connections; a share of any debt service and financing costs related to new or existing facilities and assets benefiting new or expanded connections; other costs that the District has incurred or anticipates incurring in acquiring facilities or assets that benefit new or expanded connections.

SECTION 3 USE OF THE CAPACITY CHARGE

Current Capacity Fund Reserves and revenues collected in the future, through the payment of the capacity charge will be used to fund capital projects, upgrades and replacements that increase capacity or maintain existing capacity. The capacity charges can be used to fund a proportionate share of capital outlays, including debt service, for any capital projects. The collected revenue will not be used to fund operating or maintenance costs.

SECTION 4 ADOPTION OF A CAPITAL IMPROVEMENT PLAN

The District has prepared a Capital Improvement Plan (CIP) which contains projects and facility upgrades that are required in order to increase or maintain the capacity of the system. The Capital Improvement Plan, which has been reviewed and formally adopted by the Board of Directors, will be revised each year, and an updated Capital Improvement Plan will be adopted by the Board annually.

SECTION 5 REASONABLENESS OF THE CAPACITY CHARGE

In order to demonstrate the reasonableness of the District's Capacity Charge, the calculation method and the basis for determining the capacity charge for an equivalent dwelling unit (EDU) are presented in a separate report entitled "USD Capacity Fee Study, October 2010", and may be referenced by contacting the District. The District will establish capacity charges that consider the approximate average capacity charge of other agencies in the San Francisco Bay Area and construction cost inflation.

SECTION 6 DEFINITIONS

Unless the context indicates otherwise, the following words and terms shall have the meaning as follows:

- a. **Boarding Establishment Unit.** One or more rooms with centralized kitchen facilities designed for use by transients, students, retirees, or other occupants for living and/or sleeping purposes. Each separate room which is designed for occupancy by one or more persons or which serves as one housekeeping unit shall be deemed to be one living unit. For facilities with only communal living space, the design occupancy shall be deemed as the determining factor for the capacity charge.
- b. **Building Sewer.** A sewer conveying wastewater from the property of the user to a main sewer. Also referred to as a private sewer or lateral.
- c. **Building Sewer Construction Permit.** A permit issued by UNION SANITARY DISTRICT allowing the construction and connection of a building sewer line to the main sewer.
- d. **Capacity Charge.** The charge to be made by the UNION SANITARY DISTRICT for a sewer connection either directly or indirectly to a main sewer; or, for a change, alteration, or expansion of the use of an existing building, as listed in and in accordance with all the provisions of Article III herein.
- e. **Chemical Oxygen Demand (COD).** The equivalent quantity of oxygen utilized during oxidation of organic and inorganic matter in wastewater under the conditions of the COD test as described in the latest edition of "Standard Methods for the Examination of Water and Wastewater", expressed in milligrams per liter.

- f. **Chemical Oxygen Demand (COD) loading.** The annual average mg/L COD multiplied by the total annual industrial wastewater discharge volume in million gallons multiplied by the conversion factor 8.34.
- g. **Commercial/Industrial/Office Use (C/I/O) (Domestic Use Only).** A parcel of real property designed for use by a single tenant for a single commercial or industrial use whose discharge is limited to domestic waste only. Examples include retail sales, office space, showrooms, and other uses producing domestic waste only, which do not fall into one of the other specifically designated categories. Also included in this category are individual tenant units in the mixed-use commercial category whose floor space exceeds 10,000 square feet.
- h. **District.** Union Sanitary District of Alameda County, California.
- i. **District Engineer.** The General Manager of the District or his designees, including, but not limited to, duly authorized personnel.
- j. **Domestic Loading.** The Domestic Premise in terms of pounds/yr allocating 20 gallons/day/employee to be used in the absence of a separate approved industrial wastewater or industrial process water flow meter.
- k. **Domestic Premise.** Domestic loading equal to 500 mg/L COD and 200 mg/L SS.
- l. **Domestic Wastewater.** Any wastewater which will enter into the main sewers from the non-industrial operation, preparation, cooking and handling of food; or, containing human wastes and similar matter from the sanitary conveniences of dwellings, commercial buildings, industrial facilities and installations.
- m. **Dwelling Unit.** The following living establishments shall be deemed to be one dwelling unit:
 - (i) Single family residential dwelling or mobile home designed for occupancy by one family and up to 4,500 square feet of building area. Single family residential dwelling units above 4,500 square feet will be charged an additional proportionate charge above 4,500 square feet.
 - (ii) Multi-family dwelling is each housekeeping unit of a: duplex, triplex, fourplex, townhouse or condominium, apartment house, mobile home park, or other multi-residential establishment designed for occupancy for living purposes by more than one family, and which is divided into separate housekeeping units, each of which is designed for occupancy by one family only.
- n. **Groundwater.** Any water found below the land surface or from saturated soil including: potable or irrigation water source wells, injected subsurface water, rising subsurface water, underground infiltration to manmade structures, pumped subsurface waters, foundation and footing drainage, water from crawl space

pumps, natural springs, and subsurface flows from riparian habitats, streams, and wetlands.

- o. **Industrial User.** Any establishment engaged in producing, manufacturing, or processing operations, and all other establishments engaged in any activity resulting in the production of industrial wastewater which will enter into the sewer system.
- p. **Industrial Wastewater.** Any non-domestic wastewater which will enter into the main sewers by being discharged, permitted to flow or escape from any industrial, manufacturing, commercial, or business establishment or process; or from the development, recovery, or processing of any natural resource. Industrial wastewater is directly reported from a separate approved industrial wastewater flow meter or industrial process water flow meter; otherwise, industrial wastewater is calculated from potable water meter sources excluding a calculated percentage of non-industrial use.
- q. **Loadings.** The equivalent weight of Chemical Oxygen Demand and Suspended Solids discharged to the main sewer system during a given time interval. Unless otherwise specified, the loadings shall mean pounds per day or per year of a particular constituent or combination of constituents.
- r. **Main Sewer.** An existing sanitary sewer dedicated to public use, within the public right of way or dedicated easement.
- s. **Mixed Use Commercial Property.** A parcel of real property designed for the occupancy of multiple tenants, such as a shopping center. Examples of acceptable uses on mixed use commercial properties include; retail sales outlets, restaurants, offices, service companies, health clubs, laundromats, theaters, and similar commercial uses. Individual tenant units whose floor area exceeds 10,000 square feet may be included in the Commercial/Industrial/Office Use (C/I/O) (Domestic Use Only Category).
- t. **Person.** Any individual, firm, company, partnership or association; private, public, and municipal corporations; responsible corporate officer; the United States of America; the State of California; districts and all political subdivisions; governmental agencies and mandatories thereof.
- u. **Private Cafeteria.** A food service facility within a school, commercial or industrial building which is used exclusively by the students or employees of the company or school. Cafeterias which are open to the public, or provide catering or off-site food service to other companies will be considered a restaurant. Capacity fees for private cafeterias will be based on the area of food preparation, cooking, food storage, and food serving areas but shall exclude seating areas.

- v. **Property.** A parcel of real estate or portion thereof, including any improvements thereon, which is determined by the District to be a single user for purposes of receiving, using, and paying for service.
- w. **Public Assembly Facilities.** Any facility where the public may assemble for social, business, educational or entertainment purposes, including, but not limited to, movie theaters, auditoriums, theaters and music halls.
- x. **Suspended Solids (SS).** The solids that either float on the surface of, or are in suspension in, wastewater and which are largely removable by standard laboratory filtration procedures, expressed in milligrams per liter.
- y. **Suspended Solids (SS) loading.** The annual average mg/L SS multiplied by the total annual industrial wastewater discharge volume in million gallons multiplied by the conversion factor 8.34.
- z. **User.** Any person that discharges, causes, or permits the discharge of wastewater into a main sewer.
- aa. **Volume.** The quantity of wastewater discharged during a specified period of time, expressed in gallons.
- bb. **Warehouse.** A building or portion of a building used exclusively for the storage of goods. The following is NOT considered a warehouse;
 1. A distribution, wholesale trade, shipping, receiving, and/or packing center,
 2. Storage areas for goods or finished products within a manufacturing plant or commercial building that are not separated by a permanent partition wall, and or
 3. Storage areas that do not exceed 5,000 square feet in area.

Warehouse buildings that contain office, industrial, or other non-warehouse areas, totaling more than ten percent of the gross area of the entire building, will be segregated into separate uses and charged the appropriate rate for each different use. Otherwise, the warehouse rate shall apply to the gross area of the entire building.

Whenever the use of a proposed building or part of a building is not clear or not determined prior to connecting to the sanitary sewer, the Commercial/Industrial/Office Use rate will be used to calculate the capacity fee. If, after the building is first occupied, it becomes evident that it, or part of it, is being used exclusively for warehouse purposes, as described herein, a refund may be issued.

- cc. **Wastewater Discharge Permit.** A permit issued by UNION SANITARY DISTRICT authorizing the discharge of groundwater or industrial wastewater by an industrial user, either directly or indirectly into a main sewer.

SECTION 7 TERMINOLOGY

Words, phrases, or terms not specifically defined herein and having a technical or specialized meaning shall be defined as set forth in the latest edition of "Standard Methods for the Examination of Water and Wastewater," published by the American Public Health Association, the American Water Works Association and the Water Environment Federation. Reference to waste constituents and characteristics shall have the meanings ascribed to them in the aforesaid "Standard Methods for the Examination of Water and Wastewater" and measurements thereof shall be as set forth in said publication, or as established by Federal or State regulatory agencies.

ARTICLE III
BASIS FOR CAPACITY CHARGES

SECTION 1 DOMESTIC WASTEWATER

The capacity charge to be paid for connecting either directly or indirectly to a main sewer shall be determined by the District based upon the existing or proposed use of the property to be served, the number of existing or proposed units thereon, and the volume of wastewater generated, in accordance with the following:

Connection Category	Charge per Unit
1. Single Family Dwelling Unit (less than or equal to 4500 square feet)	\$5,329.20 per unit
Single Family Dwelling Unit (greater than 4500 square feet)	\$5,329.20 per unit, plus proportionate charge above 4500 square feet (i.e. charge for 4600 square feet = 4600/4500 x Charge per Unit)
Multi Family Dwelling Unit	\$4,567.89 per unit
2. Mixed Use Commercial Property with individual tenant units less than 10,000 square feet.	\$6.06 per square foot of building floor area
Commercial/Industrial/Office Use (C/I/O) (Domestic Use Only) and Mixed Use Commercial Property with individual tenant units exceeding 10,000 square feet.	\$2.52 per square foot of building floor area

3.	Boarding Establishments	\$3,555.44	per living unit; or
	Including Hotels and Motels	\$1,777.70	per capita design tenant
4.	Schools and Day Care Centers (Boarding Facilities Excluded)	\$2.85	per square foot of building floor area
5.	Churches (School and Day Care Facilities Excluded)	\$1.84	per square foot of building floor area
6.	Public Assembly Facilities	\$115.42	per seat
7.	Health Clubs	\$7.77	per square foot of building floor area
8.	Park or Recreation Site Restrooms	\$4,844.73	per water closet
9.	¹ Coin-Operated Laundromats	\$3,691.62	per washing machine
10.	Restaurants - All	\$19.10	per square foot of building floor area
11.	Eating/Drinking Facilities without Cooking Facilities	\$9.61	per square foot of building floor area
12.	Car Wash with Water Recycling	\$4,844.73	lump sum
13.	Warehouses	\$0.89	per square foot of building floor area up to 50,000 square feet
		\$0.28	per square foot of building floor area for that portion in each building above 50,000 square feet
14.	Private Cafeterias	\$19.10	Per square foot of floor area for food preparation, cooking, food storage, and food serving areas but excluding seating areas
15.	Equipment Wash Pad with Interceptor	\$4,844.73	lump sum,
		\$15.48	plus per square foot for any additional pad area above 600 sq. ft.

16. Mobile Home Holding Tank Disposal Station	\$9,671.61	lump sum
17. Non-Standard Connections		Capacity charges for users not listed in the above table shall be determined by the District Engineer based upon a reasonable estimate of the volume and pollutant loadings of the wastewater to be discharged.

¹ Note: The charge listed is in addition to other capacity charges that may apply (example: Mixed-Use Commercial).

SECTION 2 INDUSTRIAL WASTEWATER

Properties with industrial wastewater discharges will be charged a Capacity Charge that will be divided into four annual installments, in addition to the Domestic Wastewater Capacity Charge in accordance with the following formula:

- a. **Initial Charge.** The initial charge shall be the sum of the following:
 - (i) Volume Component. Estimated total annual industrial wastewater discharge volume (exclusive of domestic wastewater) times \$8.87 per 1,000 gallons.
 - (ii) COD Component. Estimated annual Chemical Oxygen Demand loading (exclusive of COD domestic loading) times \$570.53 per 1,000 pounds.
 - (iii) Suspended Solids Component. Estimated annual Suspended Solids loading (exclusive of SS domestic loading) times \$1,230.86 per 1,000 pounds.

- b. **Succeeding Three Annual Charges.** At the time a Building Sewer Construction Permit is issued, or prior to the issuance of a Wastewater Discharge Permit, the prospective user shall enter into an agreement with UNION SANITARY DISTRICT which shall provide that there be three additional charges due and payable upon billing at the end of the first, second, and third year from the date of acceptance of the building sewer or issuance of a Wastewater Discharge Permit. Each of these annual charges shall be the sum of the following:
 - (i) Volume Component. \$8.87 per 1,000 gallons times the previous year's industrial wastewater discharge volume (exclusive of domestic wastewater).
 - (ii) COD Component. \$570.53 per 1,000 pounds times the previous year's discharge of Chemical Oxygen Demand loading (exclusive of COD domestic loading).

- (iii) Suspended Solids. \$1,230.86 per 1,000 pounds times the previous year's discharge of Suspended Solids loading (exclusive of SS domestic loading).

Final paid capacity is the average of 4 payments which creates a baseline represented by the combination of the three parameters; flow, COD, and SS, provided that any increase in the combined industrial flow and loadings does not exceed the initial estimate by more than 25%.

- c. **Excess Capacity.** In the event that the combined industrial flow and loadings exceed the initial estimate by more than 25%, an additional capacity charge shall be paid over 4 years, concurrently with the initial payment and succeeding annual payments, for the entire increase at the present-day rate.
- d. **Single Installment Amount.** If the calculated charges for an industrial use total less than \$500, the initial charge and the succeeding annual charges shall be paid in a single installment prior to the issuance of any permit.

SECTION 3 GROUNDWATER DISCHARGE

If a discharge permit is granted for groundwater, from the cleanup of spills, leaking underground storage tanks, monitoring wells or other similar sources, the duration of discharge will govern capacity fees. If discharge is for less than one year, ten percent of the minimum capacity charge will be assessed. For discharge durations of one year or greater, the capacity fee will be calculated by multiplying the actual volume of groundwater discharged by ten percent of the industrial wastewater volume component in effect that year, up to a maximum of ten years. Completion of discharge will terminate any ongoing capacity rights.

SECTION 4 MINIMUM CAPACITY CHARGE

In no case shall the minimum capacity charge for any initial connection to the District's system be less than the domestic wastewater capacity charge for a multi-family dwelling unit.

ARTICLE IV

ALLOWANCE FOR INDUSTRIAL CREDITS, REVIEW OF CHARGES AND CHANGES IN PROPERTY USE

SECTION 1 QUALIFICATION FOR INDUSTRIAL RELOCATION CREDIT

This section shall apply to industrial wastewater only, not to domestic wastewater. If the transfer of an industry discharging industrial wastewater to a different parcel of land does not impose any additional burden on the District's facilities, a credit, which shall be referred to as a relocation credit, may be allowed, provided that:

- (i) The owner of the real property, from which the industry is moving, is willing to relinquish the industrial wastewater capacity for the purpose of a relocating tenant or relocating industrial process.
- (ii) essentially the same industrial operation has been transferred from one parcel to another and such operation was previously connected to the District's system;
- (iii) the industrial operation was owned prior to the transfer by the person now making claim to the relocation credit;
- (iv) the discharger has demonstrated to the satisfaction of the District that the industrial operation has been abandoned from the parcel from which the transfer has occurred, or presented a certification in writing and a performance bond of equal or greater value than the relocation credit that such industrial operation will be abandoned within six (6) months of the District approving an application for connection. Should the facility not be abandoned within the prescribed period, the relocation credit shall be revoked and a capacity charge, with respect to the parcel to which the industrial operation transferred, shall be due and payable as of the date said parcel was connected to the District's system;
- (v) there is adequate capacity in the District's system at the new location to accommodate connection of the industrial operation to be transferred.

SECTION 2 BASIS FOR RELOCATION CREDIT

The relocation credit shall be based upon the amount of capacity purchased. If a record of the amount of capacity purchased does not exist the average of the total annual discharge of: the number of gallons of industrial wastewater, number of pounds of Chemical Oxygen Demand (exclusive of COD domestic loading), and number of pounds of Suspended Solids (exclusive of SS domestic loading) for the preceding four (4) years, or years of operation if less than four (4) years, prior to the transfer. In no case shall there be a refund or a credit applied to any other type of fee or charge if the fee for the industrial wastewater discharge for the relocated industrial operation is less than the relocation credit allowed.

SECTION 3 REVIEW OF CAPACITY CHARGE

Capacity charges or relocation credit determined under Article III and Article IV may be reviewed at the applicant's request. The review will be based on the use data provided by the applicant and other criteria to be established by the District for a review fee of \$25.00. Any requested adjustments to the capacity charge using this method are subject to verification by the District using District sampling, monitoring, and analysis procedures. All verification costs must be paid by the applicant. After completion of the District's review, the questioned capacity charge may be adjusted up or down in accordance with the results of the verification study.

SECTION 4 CHANGE OF PROPERTY USE

- a. **Industrial Wastewater.** If the existing use of a building or property is changed, an industrial process is altered, production is increased or any other change, or alteration will increase the existing combined industrial wastewater flow and loadings by more than 25%, an additional capacity charge shall be paid over 4 years for the entire increase at the present-day rate.
- b. **Change in Building Size.** If the existing size of a building or property is expanded, added onto, increased, or otherwise physically modified, an additional capacity charge applicable to the expansion, addition, or increase shall be paid. In no instance shall a refund be granted if the size of a building or property is decreased.
- c. **Domestic Wastewater Changes in Use.** When the use of a building or property is modified or changed, such as a change in tenants, or a change in the type of business occupying the property, the District will consider this a change in use. Each change in use shall be reviewed by the District to determine if an additional capacity fee will apply. An additional capacity fee shall apply whenever the capacity fee calculated for the new use is greater than the value of capacity fees already paid for the former use. For the purpose of this comparison, the current capacity fee rates as listed in Article III of this Ordinance, shall apply to both the new and former use. Whenever the capacity fee calculated for the new use exceeds the value of the capacity fees already paid for the former use, the difference shall be paid to the District as an additional capacity fee for the change of use. In no instance shall a refund be granted if the change in the use of a building or property results in the value of capacity fees paid for the former use being greater than the cost of the capacity fee calculated for the new use.
- d. **Credit for Previously Purchased Capacity.** If the existing size or use of a building or property is expanded, added onto, or increased, a credit may be allowed based on verified previously purchased capacity that is retained on the property site. This verification will include review of District records and any records supplied to the District. If no credible records exist then no credit will be allowed. In no instance shall a refund be granted if the decreased use of a building or property results in a lower discharge volume and/or loading level than that for which capacity charges have previously been paid.
- e. **Payment Due Date.** If a Building Sewer Construction Permit or a new or revised Wastewater Discharge Permit is required as a result of an expansion of a building or property and/or the increase in flow or loadings from the property, additional capacity charges shall be paid prior to the issuance of the permit. If neither permit is required, additional capacity charges shall be paid upon billing by the UNION SANITARY DISTRICT and be delinquent thirty (30) days thereafter.

ARTICLE V
PAYMENT AND DEPOSITION OF CHARGES

SECTION 1 PAYMENT OF INITIAL CHARGES

No building sewer or building drain shall be constructed and connected to any main sewer until the UNION SANITARY DISTRICT has issued a Building Sewer Construction Permit in accordance with District specifications and a capacity charge has been paid to the District. The capacity charge shall be in addition to the annual sewer service charge, charges for annexation, inspection, permits, reimbursements, and the requirements of any other rule, regulation, or ordinance of the UNION SANITARY DISTRICT.

SECTION 2 PAYMENT OF SUCCEEDING CHARGES

All charges prescribed under this Ordinance are payable upon billing and delinquent at the expiration of thirty (30) days thereafter. If it is necessary to initiate legal action to collect the delinquent obligation, all penalties allowed by the law will be applied. In addition to all other means of legal process available for the collection of the delinquent charges, the UNION SANITARY DISTRICT may elect to have the delinquent charges collected annually on the property tax roll in the same manner, by the same persons, at the same time as, and together with and not separately from general taxes in accordance with the provisions of 5473 and 5473a et seq. of the California Health and Safety Code and UNION SANITARY DISTRICT Ordinance No. 31 as amended. Delinquent tenant capacity charges will be charged against the property of the owner of the premises occupied by the tenant.

SECTION 3 DEPOSITION OF FUNDS

The collected capacity charges shall be deposited in the Capacity Fund.

ARTICLE VI
ADMINISTRATION

SECTION 1 APPEALS

Any user, permit applicant, or permit holder affected by any decision, action, or determination made by the District interpreting or implementing the provisions of this Ordinance may file a written request for reconsideration with the District Engineer, setting forth in detail the facts supporting the user's request.

If the ruling made by the District Engineer is unsatisfactory to the person requesting reconsideration, he may file a written appeal to the District's governing body within ten (10) days after notification of the District's action. The written appeal shall be heard by the governing body within thirty (30) days from the date of filing or as soon thereafter as reasonably possible. The District's governing body shall make a final ruling on the

appeal within thirty (30) days of the meeting. The District Engineer's decision, action, or determination shall remain in effect during the period of reconsideration.

SECTION 2 FALSIFYING OF INFORMATION

Any person who knowingly makes any false statements, representation, record, report, plan or other document filed with the District; or who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required under this Ordinance, is hereby declared to be in violation of this Ordinance, and subject to the Civil Penalties imposed under Section 7.05 of UNION SANITARY DISTRICT'S Ordinance No. 36.

SECTION 3 SEVERABILITY

If any provision of this Ordinance or the application to any person or circumstances is held invalid, the remainder of the Ordinance or the application of such provisions to other persons or other circumstances shall not be affected.

SECTION 4 EFFECTIVE DATE

A summary of the changes to this Ordinance shall be published once in the Argus, a newspaper of general circulation published in the UNION SANITARY DISTRICT, and shall take effect sixty days thereafter.

On Motion duly made and seconded, this Ordinance was adopted by the following vote on June 25, 2012.

- AYES: Fernandez, Handley, Kite, Lathi, Toy
- NOES: ----
- ABSENT: ----
- ABSTAIN: ----

President, Board of Directors
UNION SANITARY DISTRICT

ATTEST:

Secretary, Board of Directors
UNION SANITARY DISTRICT



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 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. 14 - Meeting of June 24, 2013
**ADOPTING FINAL OPERATING FUND AND CAPITAL FUND
BUDGETS FOR FISCAL YEAR 2014**

Recommendation

Adopt final Operating and Capital Improvement Program Budgets for FY 2014.

Background

Attached for your review are the final 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 and the June 10th Board meeting. The budget reflects 1) 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, 2) 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, 3) increasing the Net Operating Budget (ECB) 6.0%.

Since the June 10th Board meeting, there are two changes to the budget document:

- 1) Net increase in personnel costs of \$51K due to MOU changes.
- 2) Increase in SRF Loan for the Thickener project in the 10-year plan from \$12.2M to \$13.4M. If the loan is approved, this change will increase proceeds as well as debt payable. Fund balances remain positive in the 10-year plan.

Attached are schedules supporting the budget including brief comments.

Attachments

Union Sanitary District Union City, California

Operating & CIP Budgets FY 2014

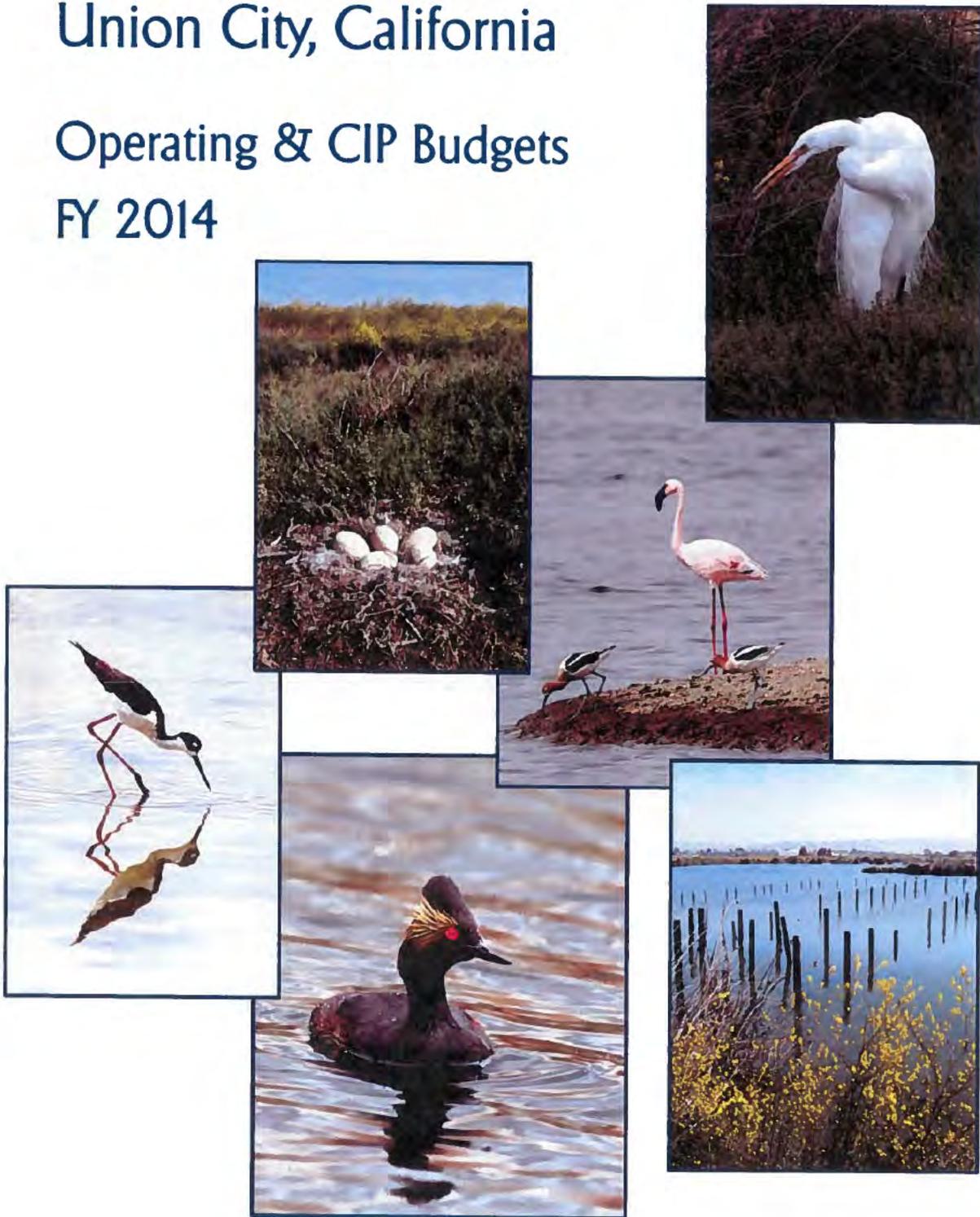


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Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

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

David M. O'Hara
Attorney

Date: June 3, 2013
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: \$46,661,553

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: \$52,122,433

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

- Expenditure Control Budget (ECB): FY 2014 Expense: \$32,100,357

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 6.0% in FY 2014, a combination

of: 1) Salary and benefits increase of \$1,461,366, 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 3.7%.

- 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 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 \$11,064,000. 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.

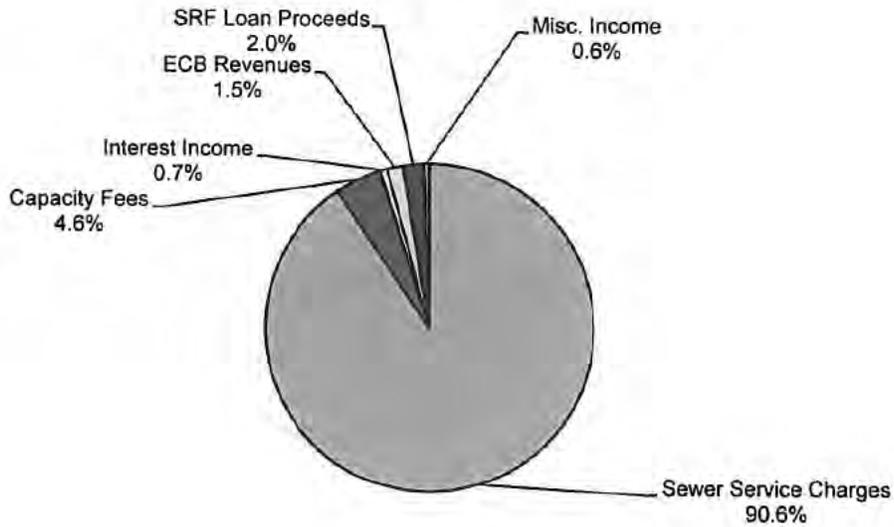
CAPACITY FUND **FY 2014 Expense: \$5,938,000**

- 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.

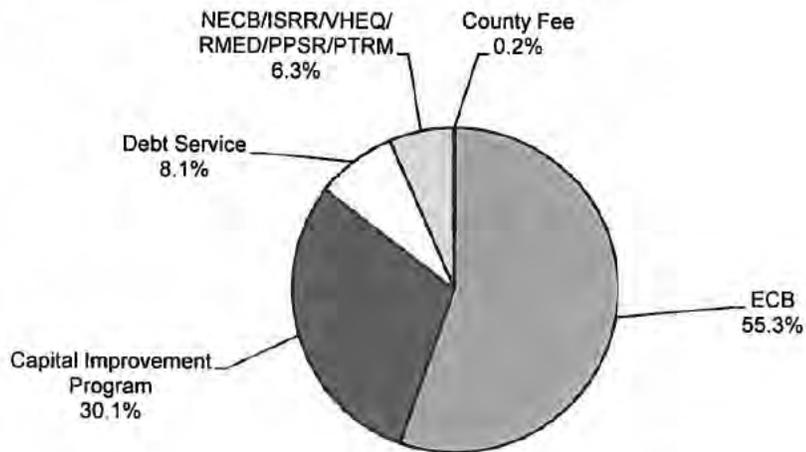
CAPACITY FUND RESERVES

- 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
\$58,060,433**



**Amount from Reserves
(\$8,497,080)**

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	4,501,787
Collection Services	5,281,029	5,175,000	5,552,778
Technical Support & Customer Service	4,520,136	4,390,000	4,721,559
Treatment & Disposal Services	9,169,644	9,076,144	9,709,975
Fabrication, Maintenance & Construction	5,185,800	5,029,626	5,476,790
Total ECB	\$29,554,646	\$28,937,651	\$31,335,357
Percent of FY '13 Budget		97.9%	

Percent change from FY '13 Budget

6.03%

NON-ECB EXPENDITURES FY '13 - FY '14

	<u>DESCRIPTION</u>	<u>BUDGET</u> FY '13	<u>PROJECTION</u> FY '13	<u>ESTIMATED</u> <u>CARRYOVER</u>	<u>PROPOSED</u> <u>BUDGET</u> FY '14
<i>Administrative & Regulatory</i>					
	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>
<i>Studies & Other</i>					
	ACWD-USD Water Recycling and Conservation Program	70,000	70,000	0	70,000
	Alvarado Sub-Surface Investigation (was Plant Groundwater Wells)	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>
<i>Hayward Marsh</i>					
	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

90.8%

81.9%

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						
ARC + Balance transfers Transfer to SSC Fund	447,585 0	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 Vehicl	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

Fiscal Years Ending June 30,	Estimated	Projected				
	2013	2014	2015	2016	2017	2018
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
Overhaul 2 Gravity Belt Thickeners (last done 10 yrs ago)	100,000
Subtotal Planned Projects:	\$220,000
Unplanned Maintenance	<u>\$30,000</u>
Total for FY 2014	<u>\$250,000</u>
TOTAL PLANT AND PUMPSTATION R&R: FY '14 BUDGET	

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.

Fiscal Years Ending June 30,	Estimated	Projected				
	2013	2014	2015	2016	2017	2018
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>
CAPACITY - Fund 90						
<i>Beginning Balance</i>	\$15,123,000	\$17,065,000	\$14,029,000	\$12,027,000	\$11,483,000	\$9,235,000
<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	3,400,000	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	5,400,000	3,465,000	2,588,000
Debt Servicing	570,000	718,000	919,000	919,000	1,357,000	1,357,000
<i>Ending Balance</i>	\$17,065,000	\$14,029,000	\$12,027,000	\$11,483,000	\$9,235,000	\$7,851,000

	<i>Estimated</i>	<i>Projected</i>				
<u>Fiscal Years Ending June 30,</u>	2013	2014	2015	2016	2017	2018
STRUCTURAL RENEWAL & REPLACEMENT - Fund 80						
Beginning Balance	\$12,748,000	\$11,815,000	\$7,134,000	\$9,246,000	\$8,585,000	\$4,654,000
Revenue						
Provisions from SSC/Net Revenue	10,084,000	11,064,000	10,032,000	11,506,000	12,999,000	15,785,000
SRF Proceeds	3,200,000	500,000	4,025,000	3,400,000	200,000	200,000
Expenditures						
CIP Projects	10,700,000	12,285,000	9,743,000	13,365,000	14,490,000	15,233,000
Debt Service (SRF Repayments)	3,517,000	3,960,000	2,202,000	2,202,000	2,640,000	2,640,000
Ending Balance	\$11,815,000	\$7,134,000	\$9,246,000	\$8,585,000	\$4,654,000	\$2,766,000

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

This fund is based on Pretreatment Ordinance #36 which requires its funds to be segregated from other District funds. Maximum fund balance is \$200,000, per District policy.

Annual Contract Purchases of Supplies, Services & Vehicle Renewal Replacements Over \$100,000 for Fiscal Year 2014	
ITEMS	
	Estimated Expenditure
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)

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	\$32,100,357
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	3,960,000
Capital Program - R & R Structural*	11,048,000	10,700,000	12,285,000
<i>Total Expenditures</i>	\$49,228,889	\$47,239,964	\$52,122,433
Ending Sewer Service Fund Balance	\$34,857,111	\$36,946,257	\$31,485,177
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%

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

ADMINISTRATIVE FACILITIES														
Fund	%	Rank	Project Name	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
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														
Fund	%	Rank	Project Name	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
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	200	2,000			100	1,000	3,300
800		2	Misc. Sewer Rehab (Irvington Basin)				200	2,000			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)

Fund	%	Rank	Project Name	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
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														
Fund	%	Rank	Project Name	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
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					1,625
900	0.75	2	Equalization Storage @ Newark					375	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)

Fund	%	Rank	Project Name	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
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

Fund	%	Rank	Project Name	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
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>
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)

Fund	%	Rank	Project Name	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
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 Replacem	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								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 F	750										750

Treatment cont'd next page

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

Fund	%	Rank	Project Name	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
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

FY 2014 Budget

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

Debt Summary - AI 2018	
SRF Loans Outstanding - SSC	\$43,618
SRF Loans Outstanding - Capacity	21,082
Total SRF Loans & other Debt Outstanding	\$64,900
CIP Expenditures - 2014-2018	\$65,115
Renewal & Replacement - SSC	24,165
Capacity Fund	\$89,280
Total CIP Expenditures @ 90%	

Debt Summary - AI 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	136,733
Renewal & Replacement - SSC	38,453
Capacity Fund	175,182
Total CIP Expenditures @ 90%	

Capacity Fee Increase	2013		2014		2015		2016		2017		2018		2019		2020		2021		2022		2023	
	10.00%	5.00%	10.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	
SSC Increase	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	
Rate Model Time Period (must match time period below)	Projection																					
Fiscal Years Ending June 30,																						
Residential (EDU) Increase (Growth) - 1 year lag in rates	0.25%	0.00%	0.00%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	
Commercial Increase (Memo only here)	0.00%	0.00%	0.00%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	
Industrial Increase (Memo only here)	0.00%	0.00%	0.00%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	
Increase in Operations Budget	3.50%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	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	\$5,329	\$5,875	\$5,875	\$5,875	\$5,875	\$5,875	\$5,875	\$5,875	\$5,875	\$5,875	\$5,875	\$5,875	\$5,875	\$5,875	\$5,875	\$5,875	\$5,875	\$5,875	\$5,875	
Sewer Service Charge (SFD)	\$320	\$338	\$338	\$377	\$377	\$377	\$377	\$377	\$377	\$377	\$377	\$377	\$377	\$377	\$377	\$377	\$377	\$377	\$377	\$377	\$377	

CASH FLOW PROJECTIONS

Sewer Service Fund	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Beginning Balance	\$12,748	\$11,816	\$7,136	\$9,248	\$8,566	\$4,655	\$2,768	\$2,973	\$2,973	\$2,361	\$19,675
Revenue											
Net Revenues (SSC+Int-Op Exp-prov)	10,084	11,064	10,032	11,506	12,999	15,785	17,957	19,283	20,862	22,167	24,187
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/SGIP Proceeds	3,200	500	4,025	3,400	200	200	200	1,075	3,000	2,000	0
Expenditures											
CIP Expenditures	10,700	12,285	9,743	13,365	14,480	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	2,640	2,640	2,640	2,640	2,640	2,746	3,024
Ending Balance	\$11,816	\$7,136	\$8,248	\$8,566	\$4,655	\$2,768	\$780	\$2,973	\$2,361	\$19,675	\$28,192
Other Designated Reserves											
Total Sewer Service Fund Balance	26,130	24,350	25,713	27,221	28,145	30,372	31,453	32,095	33,027	33,724	35,211
Capacity Fund (Capacity Fees)	\$36,846	\$31,486	\$34,960	\$35,807	\$33,800	\$33,140	\$32,233	\$35,068	\$45,388	\$63,399	\$63,404

BONDING CAPACITY - Above 1.25 coverage

Beginning Balance	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Beginning Balance	\$15,123	\$17,066	\$14,030	\$12,028	\$11,484	\$9,236	\$7,853	\$8,823	\$10,625	\$12,135	\$11,265
Revenue											
Interest Income	125	102	65	75	74	61	53	59	72	84	80
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/SGIP Proceeds	2,000	500	4,025	3,400	200	200	200	2,825	4,500	2,000	0
Expenditures											
CIP Expenditures	2,150	5,220	7,493	5,400	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	716	918	919	1,357	1,357	1,357	1,357	1,357	1,676	1,964
Ending Balance	\$17,066	\$14,030	\$12,028	\$11,484	\$9,236	\$7,853	\$8,823	\$10,625	\$12,135	\$11,268	\$7,237
% OF DEBT SERVICE TO GROSS REVENUES	8.8%	9.7%	6.1%	5.8%	7.0%	6.7%	6.3%	6.0%	5.7%	6.0%	6.5%
Debt Capacity Target (should not exceed 25% of Op + Debt)	11.8%	12.5%	8.3%	8.0%	9.7%	9.4%	9.0%	8.7%	8.4%	8.9%	9.5%
Ratio of debt service to SSC Net Rev. (min. 1.20 per Debt policy#2060)	3.27	2.81	4.44	4.96	4.29	4.74	5.27	5.62	6.03	5.78	5.49
BONDING CAPACITY - Above 1.25 coverage	101,120	89,544	121,878	141,719	148,793	170,641	196,757	213,825	234,005	245,631	258,050



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 13, 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 24, 2013
**APPROVING REVISED INTERNAL CONTROLS POLICY NO.
2010**

Recommendation:

Approve revised Internal Controls Policy No. 2010.

Background:

The Internal Controls policy was previously reviewed in March 2010. The policy contains procedures for preventing and mitigating losses due to fraud or misuse of District financial resources. Staff is recommending adding controls for checking journal entries, check register and construction bidders. These were suggested from the previous financial audit and have been implemented. We have also updated the remote access protocol for banking. 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 25, 2013	Internal Controls Policy	Policy Number 2010 Page 1 of 3
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Policy

It is the policy of Union Sanitary District to adhere to internal controls in order to safeguard the District's assets.

Purpose

To provide employees with the procedures for internal controls at Union Sanitary District.

Procedure

Union Sanitary District has an obligation to safeguard the District's assets, both financial and physical (infrastructure and other property). In order to protect these assets, a series of checks and balances have been put into place. These checks and balances serve to mitigate fraud, loss, and other misuse of the District's resources. Listed below are procedures currently in place:

- Signing authority – Only certain individuals are permitted to sign on certain invoices and/or accounts in accordance with the Purchasing Policy. Signing authority is updated at least annually, or when there is a change.
- An annual financial audit is performed by an independent external auditing firm.
- Employees with procurement cards are given dollar limits which they cannot exceed and restrictions on types of goods they may purchase.
- Security access to financial system – employees have access to the District's financial system, based on their authority/security level, to view specific information. They may inquire on accounts and run reports. Employees responsible for processing transactions have limited access, in that no one person (without collusion) could produce checks or commit theft of funds without the awareness of other staff. There are audit trails for any entries made to the general ledger.
- Review and release of Accounts Payable batches by other than batch preparer prior to checks being issued.
- **Finance staff documents their review of the payroll check register each pay period.**
- Positive Pay – This is a system set up with the bank whereby checks not issued by the District will not be paid by the bank without the District's approval.
- Use of multiple security features on accounts payable and payroll check stock.
- Rapid (daily) deposit of checks received by the District, and deposit of cash at least once per month, or when amount reaches \$500.00.

- Dual signatures for wires and transfers – Wire transfers for investments and other transactions require two staff members to successfully complete the transaction.
- Board review of monthly investment transactions and check register.
- Securities purchased from any bank or dealer are placed with an independent third party for custodial safekeeping.
- All telephone transactions for banking and securities are supported by written confirmations.
- All investment trades, where applicable, will be executed by delivery vs. payment (DVP). This ensures that securities are deposited in the eligible financial institution before the release of District funds.
- Timely reconciliation of general ledger accounts and bank statements to ensure proper handling of all transactions.
- Passwords – Staff is required to periodically change system passwords.
- Remote access of online banking is accomplished through a dedicated virtual machine.
- There is segregation of duties, to the extent possible, throughout the accounting and related functions including Accounts Payable, Payroll, Human Resources, and General Ledger, Investments and cash handling. These controls are reviewed annually by our independent Financial Auditors.
- Accounting staff is encouraged to take periodic normal vacation periods, ensuring that no one person guards a particular function for an extended period of time without some oversight.
- The same individual that makes deposits does not reconcile the bank accounts.
- Review of non-standard journal entries by Senior Accountant or Principal Financial Analyst.
- Journal entries greater than \$10,000 are reviewed and approved by a second member of the finance staff. The approval is verified and documented monthly by the BS Workgroup Manager.
- Gift card transactions (purchase, expense, distribution, and payroll) for employee recognition are reconciled monthly.
- The CIP group documents its review of bidders on the debarment list maintained by the California Department of Industrial Relations.
- The District's Audit Committee provides an independent forum for internal control oversight and reporting of fraud. In accordance with Fraud in the Workplace Policy No. 2025 a third-party hotline has been instituted for anonymous reporting.

The District balances internal controls with the value they provide.

- Continue to identify and implement new controls to address changes in technology or District practices.

Business Services Responsibility

Business Services is responsible for following the internal controls identified in the Policy.

Management Responsibility

Management is responsible for ensuring adherence to the District's Internal Controls policy.

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

Title	Policy #	Effective Date
Internal Controls Policy	2010	January 8, 2007
Internal Controls Policy	2010	March 8, 2010

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

Union Sanitary District
Policy and Procedure Manual

Effective date: June 25, 2013	Internal Controls Policy	Policy Number 2010 Page 1 of 3
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Policy

It is the policy of Union Sanitary District to adhere to internal controls in order to safeguard the District's assets.

Purpose

To provide employees with the procedures for internal controls at Union Sanitary District.

Procedure

Union Sanitary District has an obligation to safeguard the District's assets, both financial and physical (infrastructure and other property). In order to protect these assets, a series of checks and balances have been put into place. These checks and balances serve to mitigate fraud, loss, and other misuse of the District's resources. Listed below are procedures currently in place:

- Signing authority – Only certain individuals are permitted to sign on certain invoices and/or accounts in accordance with the Purchasing Policy. Signing authority is updated at least annually, or when there is a change.
- An annual financial audit is performed by an independent external auditing firm.
- Employees with procurement cards are given dollar limits which they cannot exceed and restrictions on types of goods they may purchase.
- Security access to financial system – employees have access to the District's financial system, based on their authority/security level, to view specific information. They may inquire on accounts and run reports. Employees responsible for processing transactions have limited access, in that no one person (without collusion) could produce checks or commit theft of funds without the awareness of other staff. There are audit trails for any entries made to the general ledger.
- Review and release of Accounts Payable batches by other than batch preparer prior to checks being issued.
- Finance staff documents their review of the payroll check register each pay period.
- Positive Pay – This is a system set up with the bank whereby checks not issued by the District will not be paid by the bank without the District's approval.
- Use of multiple security features on accounts payable and payroll check stock.
- Rapid (daily) deposit of checks received by the District, and deposit of cash at least once per month, or when amount reaches \$500.00.

- Dual signatures for wires and transfers – Wire transfers for investments and other transactions require two staff members to successfully complete the transaction.
- Board review of monthly investment transactions and check register.
- Securities purchased from any bank or dealer are placed with an independent third party for custodial safekeeping.
- All telephone transactions for banking and securities are supported by written confirmations.
- All investment trades, where applicable, will be executed by delivery vs. payment (DVP). This ensures that securities are deposited in the eligible financial institution before the release of District funds.
- Timely reconciliation of general ledger accounts and bank statements to ensure proper handling of all transactions.
- Passwords – Staff is required to periodically change system passwords.
- Remote access of online banking is accomplished through a dedicated virtual machine.
- There is segregation of duties, to the extent possible, throughout the accounting and related functions including Accounts Payable, Payroll, Human Resources, and General Ledger, Investments and cash handling. These controls are reviewed annually by our independent Financial Auditors.
- Accounting staff is encouraged to take periodic normal vacation periods, ensuring that no one person guards a particular function for an extended period of time without some oversight.
- The same individual that makes deposits does not reconcile the bank accounts.
- Review of non-standard journal entries by Senior Accountant or Principal Financial Analyst.
- Journal entries greater than \$10,000 are reviewed and approved by a second member of the finance staff. The approval is verified and documented monthly by the BS Workgroup Manager.
- Gift card transactions (purchase, expense, distribution, and payroll) for employee recognition are reconciled monthly.
- The CIP group documents its review of bidders on the debarment list maintained by the California Department of Industrial Relations.
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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 17, 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. 16 - Meeting of June 24, 2013
**AWARDING THE CONSTRUCTION CONTRACT FOR THE LIFT
STATION NO. 1 IMPROVEMENTS PROJECT TO D.W. NICHOLSON
CORPORATION**

Recommendation

Staff recommends the Board take the following actions:

- (1) Relieve the June 13, 2013 bid submitted by NMI Industrial Holdings (NMI); and
- (2) Award the construction contract for the Lift Station No. 1 Improvements Project to D.W. Nicholson Corporation in the amount of \$747,000. Funds for the Project have been budgeted in the Renewal and Replacement Fund.

Background

The purpose of the project is to replace four (4) primary effluent lift pumps at Lift Station No. 1 located at the Alvarado Wastewater Treatment Plant (Plant). Primary effluent is wastewater that has had the settleable solids removed in the primary clarifiers. The pumps lift the primary effluent to the aeration basins where the wastewater undergoes secondary treatment.

The Plant has two primary effluent lift stations consisting of eight (8) total pumps. Staff conducted a condition assessment of both lift stations in May of 2009. The assessment

5072 Benson Road
Union City, CA 94587
(510) 477-7500 FAX (510) 477-7501

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revealed that the carbon steel lift pumps were corroding and in need of replacement. Primary Effluent Lift Pumps No. 5 through 8 were replaced at Lift Station No. 2 in 2010. This Project will replace Primary Effluent Lift Pumps No. 1 through 4 located at Lift Station No. 1.

The District has pre-purchased four (4) new stainless steel effluent lift pumps from Siemens Industry Inc. Three of the effluent lift pumps are currently in possession of the District and the fourth will be fabricated by Siemens and will be delivered to the District in the fall of 2013.

Scope of Work

The Project consists of replacing four (4) primary effluent lift pumps located at the Plant as follows:

- Replacement of four (4) 72-inch diameter enclosed screw pump cylinders and ancillary pump parts and equipment (i.e. bearings, oil lubrication, and gear boxes for each of the pumps).
- Rehabilitation of the wet well of Lift Station No. 1. Rehabilitation includes draining the wet well, sand blasting the concrete surfaces, and recoating of the concrete surfaces. The existing coating inside the wet well is failing and in need of replacement. This work was added to the Project to take advantage of the Lift Station being out of service.
- Rehabilitation of the concrete walkway above a clarifier launder within the Primary Clarifier 5 and 6 building. Rehabilitation includes erecting access platforms within the clarifier launder, hydroblasting, and refinishing and recoating concrete surfaces. The existing walkway is corroded and in need of repair. This work was added to the Project because it is in close proximity to and similar in nature to the concrete repair work occurring inside of Lift Station No. 1
- Replacement of a corroded portion of the 12-inch diameter aeration basin drain line located adjacent to Lift Station No. 1. This work is being done as part of this project since the aeration basins and Lift Station are out of service.

Carollo Engineers completed the design of the Project in May 2013.

Bid Results

The project was advertised for bids on May 15, 2013. Four (4) bids were received and opened on June 13, 2013 with the total base bid amounts shown as follows:

Contractor	Total Base Bid Amount
NMI Industrial Holdings, Inc. Sacramento, CA	\$340,512
D.W. Nicholson Corporation (DWN) Hayward, CA	\$747,000
GSE Construction Livermore, CA	\$932,500
Con – Quest San Francisco, CA	\$1,005,000

The engineer's estimate for the Project is \$750,000. A bid tabulation sheet is provided to show detailed results for the four (4) bidders.

NMI's Bid

NMI submitted the apparent low bid. NMI's bid was 55% below the Engineer's Estimate. However, NMI requested to be relieved from their bid based on an error made during preparation of their estimate. In a letter sent to staff dated June 17, 2013, NMI stated that their bid did not support the dollar amounts needed for the necessary equipment for this project.

On June 17, 2013, staff provided a letter to NMI acknowledging their request and notifying them that staff will recommend to the Board to formally relieve NMI's bid.

With the relief of NMI's bid, DW Nicholson Corporation (DWN) becomes the lowest responsive, responsible bidder with a total base bid of \$747,000 which is 0.4% below the Engineer's Estimate.

DW Nicholson's Bid

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 270 consecutive calendar days to complete the project from Notice to Proceed, which puts the estimated substantial completion date in April 2014. Staff will provide construction management for the project.

Agenda Item No. 16
Meeting of June 24, 2013
Page 4

Staff recommends the Board relieve the June 13, 2013 bid submitted by NMI Industrial Holdings and award the construction contract for the Lift Station No. 1 Improvements Project to D. W. Nicholson Corporation in the amount of \$747,000.

RBC/JG/SEG/RC/CAP;mp

Attachment: Bid Tab Sheet
Figure 1 – Project location
Figure 2 – Pump Diagram
Contractor's Agreement

Bid Tabulation

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

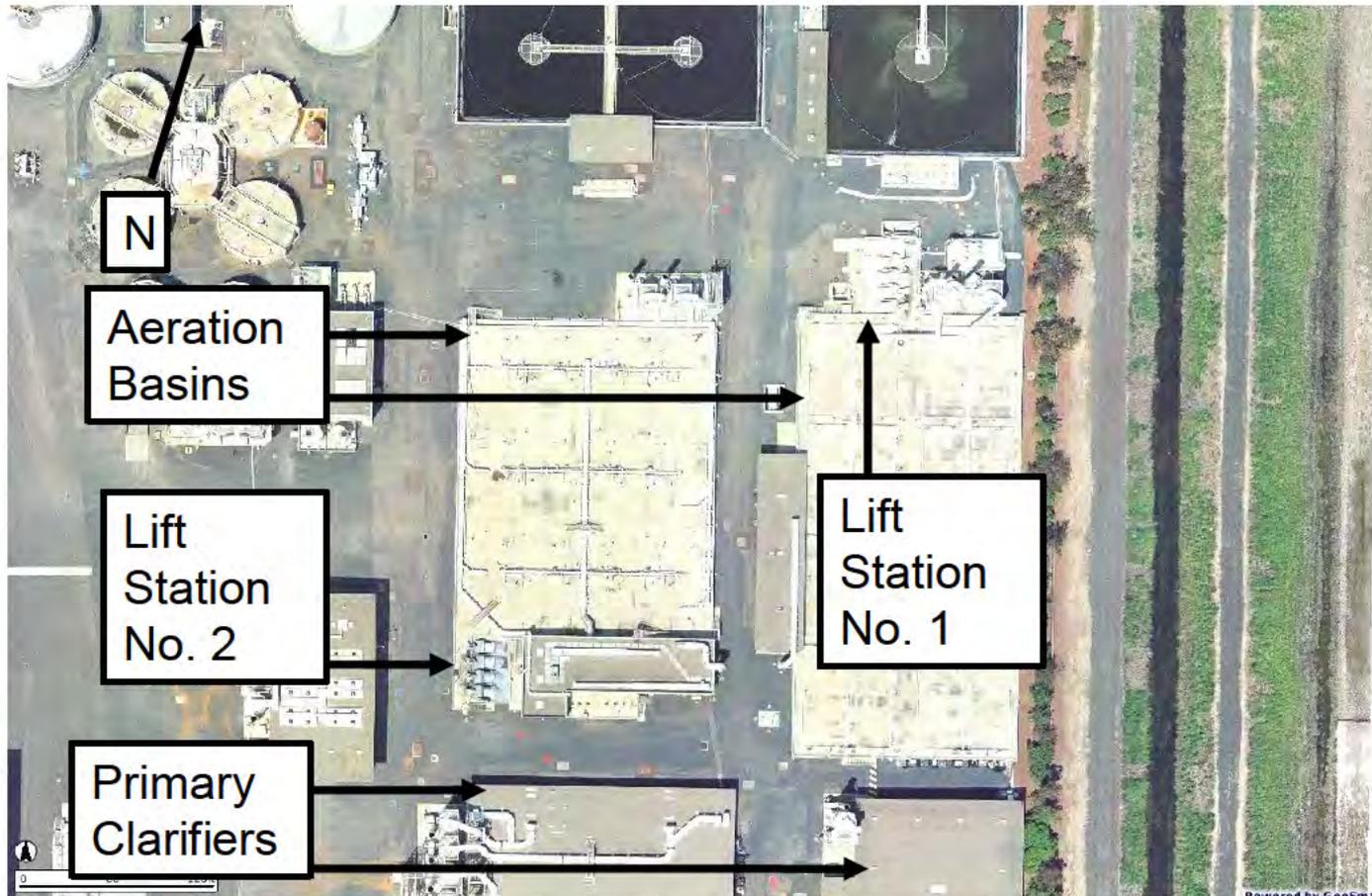
Bid Item No.	Description	NMI Industrial Holdings	D.W. Nicholson	GSE Construction	Con - Quest
1	Lump sum work for the work associated with Lift Station No. 1	\$295,912	\$680,000	\$866,900	\$890,000
2	Lump sum work for the rehabilitation of Primary Clarifier 5 & 6 building concrete walkway	24,600	\$47,000	\$45,500	\$90,000
3	Allowance for providing for time and material costs associated with epoxy injection of cracks for concrete structures	\$10,000	\$10,000	\$10,000	\$10,000
4	Allowance for providing for time and material costs associated with the wet well concrete rehabilitation of pump slot No. 5.	\$10,000	\$10,000	\$10,000	\$10,000
5	Lump sum cost for providing sheeting and shoring	N/A	\$0	\$100	\$5,000
Total Base Bid Amount		\$340,512	\$747,000	\$932,500	\$1,005,000
Bid Alternate A		N/A	\$15,000	\$1,820	\$2,500

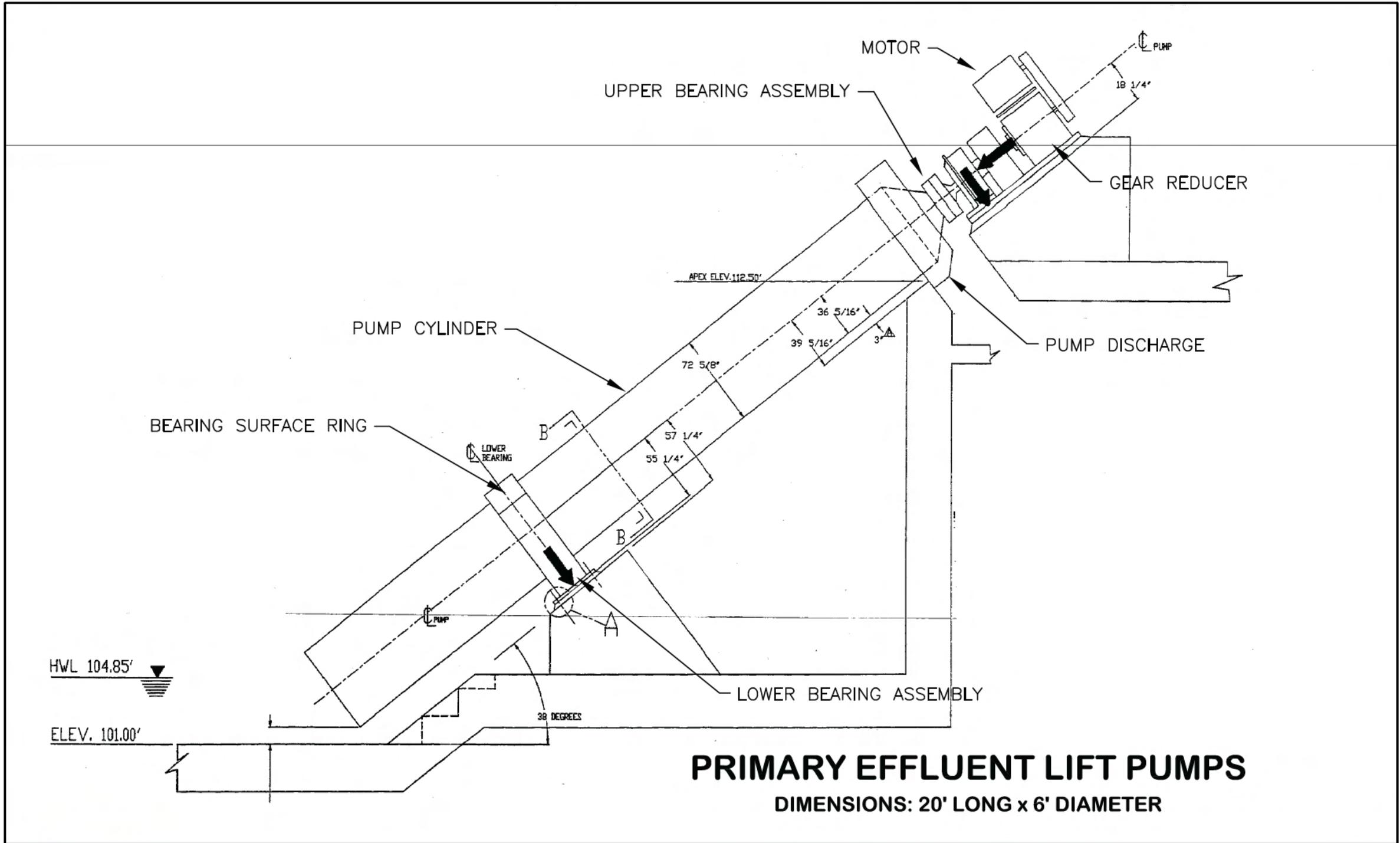
Engineer's Estimate=\$750,000

Figure 1

Alvarado Wastewater Treatment Plant

Primary Effluent Lift Station Location





PRIMARY EFFLUENT LIFT PUMPS
 DIMENSIONS: 20' LONG x 6' DIAMETER

AGREEMENT FOR THE CONSTRUCTION OF

Lift Station No. 1 Improvements Project

Project No. 800-408

THIS AGREEMENT, made and concluded, in duplicate, this 24th 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: **Lift Station No. 1 Improvements Project (Project No. 800-408)** 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 Forty Seven Thousand dollars and no 00/100 (\$747,000.00)** computed in accordance with Contractor's accepted proposal dated June 13^h, 2013, which accepted proposal is incorporated herein by reference thereto as if herein fully set forth. 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
Union Sanitary District Lift Station No. 1 Improvements Project

and mechanics of all crafts, classifications or types, including, but necessarily limited to the 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
Union Sanitary District Lift Station No. 1 Improvements Project

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

Union Sanitary District

Lift Station No. 1 Improvements Project

Agreement - 4

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.

Union Sanitary District

Lift Station No. 1 Improvements Project

Agreement - 5

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 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.

Union Sanitary District

Lift Station No. 1 Improvements Project

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 24th 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



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 17, 2013

MEMO TO: Board of Directors - Union Sanitary District

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

SUBJECT: Agenda Item No. - June 24, 2013
**LEGISLATIVE COMMITTEE UPDATE ON STATE, NATIONAL
AND REGIONAL ISSUES OF INTEREST TO THE BOARD**

Information on State, National and Regional Issues

California

State Budget. The recently approved state budget has little impact on wastewater agencies according to Mike Dillon at CASA. The Governor has “borrowed” \$500 million of cap and trade funds from Green House Gas reduction proceeds to supplement the general fund, which could have potentially been used by local government agencies to help fund alternative energy programs.

Legislation. May 31 was the deadline for bills to be passed out of their original house of origin and sent to the other house for action. Below is an update of several bills of interest to USD and CASA.

AB39, SB39 - Proposition 39 Proceeds. The passage of Proposition 39 regarding tax paid to California associated with transactions with companies out of State, will result in \$100s of millions of dollars in new revenues dedicated to alternative energy and reduction of greenhouse gases. CASA has been lobbying to include funding of alternative energy projects from wastewater facilities. Senator Corbett was successful in getting a supplemental bill passed out of committee to specifically address this. Unfortunately, very recent developments have resulted in an agreement to utilize 100% of the funds available for K-14 school programs. The bill passed the Assembly by a wide margin while a similar Senate bill passed as well.

AB194 Campos – Public Meetings. Under this bill, it would be a misdemeanor for the chair of a public agency to prohibit a member of the public from criticizing the elected officials or the agency when speaking at a public meeting. This controversial bill was withdrawn by the author from further consideration.

AB 543 Campos – CEQA Requirements. This bill would require the lead agency for a project to translate major CEQA documents into other languages where 25% or more of the population is non-English speaking. CASA was successful in amending the bill which originally set the threshold at 5%, which would have potentially required translation to multiple languages.

AB616 Bocanegra – Impasse Procedures. Recently amended to remove many objectionable elements, the bill would have taken several employer rights in labor relations and given those responsibility to the Public Employee Relations Board (PERB). Remaining in the bill, however, is a provision that allows an appeal of impasse declaration to PERB, who would have the ability to nullify the declaration and require continued negotiations. CASA continues to oppose the bill.

AB1235 Gordon – Mandatory Financial Training. Similar to AB1234, elected officials would be required to attend training on elements of financial management. This would be a four hour training session and would be required once in every term of office. This bill has passed the Assembly and has moved to the Senate.

SB570 DeSaulnier – Public Records. This bill would require public agencies to provide documents that are available in PDF format to a requestor at no charge. It would also prohibit charging for providing electronic data unless new programming is needed to provide data in the requested format. The language of the bill is vague and may result in unreimbursed expenses for providing data for large electronic files, such as GIS. Although USD staff believes there would be minimal impacts, CASA is opposing the bill.

Senate Constitutional Amendment No. 11 – Special Tax Approval. There are currently six or more bills addressing the issue of the threshold for approval of special taxes, reducing the requirement from 2/3 to a 55% majority. Among them is SCA11, which would apply to local government taxes. It is unlikely that wastewater agencies would seek a special tax when fee increases are subject to Prop 218 restrictions.

Kern County Biosolids. In February, the California Court of Appeals in Fresno County affirmed the preliminary injunction which allows continuation of biosolids land application in Kern County while the case is heard in the court system. In response, the legislature created SB371 to allow counties to ban biosolids from outside of their county for land application. After passing from Committee, the bill was put in the inactive file before coming to a vote on the Senate Floor. This effort was the result of extensive lobbying by CASA members and CASA staff. While the bill is not officially dead, it cannot be brought up again until 2014.

New CalPERS Medical Insurance Options. CalPERS has announced the addition of 4 new HMO plans to its insurance options for the next five years. In an effort to help control costs through competition, they have contracted with Anthem, Health Net, Sharp, and United Health Care to offer HMO options in addition to Kaiser and Blue Shield, starting on January 1, 2014.

Federal Issues

ASCE Report Card on Water and Wastewater Infrastructure. US Water and Wastewater Infrastructure received near failing grades of “D” in the American Society of Civil Engineers assessment that is conducted every 4 years. The group estimates \$298 billion needs to be invested in pipes and treatment plants, including storm drainage facilities. Drinking water system improvement needs are estimated at over \$1 trillion dollars.

S. 601 – Water Resources Development Act. The Senate has passed a bill that includes a \$50 million pilot program for the Water Infrastructure Finance and Innovation Act (WIFIA). This program provides financing in the form of grants and loans for flood control, water and wastewater infrastructure projects. It is the first attempt to provide financial assistance for addressing failing infrastructure on a national basis. Provisions added by amendment include preferences for small and rural communities, American-made provisions, and prohibitions that supplemental financing cannot be through the use of tax exempt bonds or other tax exempt methods.

Water Quality Protection and Job Creation Act of 2013. Several representatives from both parties are sponsoring a bill in the House to authorize \$13.8 billion over 5 years for loans, loan guarantees and creation of a Clean Water Infrastructure Trust Fund to be used to finance infrastructure improvement projects. The program would be implemented through the Clean Water SRF program.

SRF Program Funding. The presidential budget request for FY14 includes \$1.1 million for the Clean Water SRF program, a reduction of \$350,000 from 2013.

Water Board Member Qualifications. CASA has been working with the EPA to seek reform on qualification criteria for state and regional water board members. Current criteria severely limits income that a Board member may receive from an NPDES permit holder. This criteria eliminates many highly qualified candidates with knowledge of our industry. The EPA has informed CASA that they will revise the standard as part of NPDES streamlining.

Sewer Service Charge Trends. NACWA's annual survey has found that sewer service charges on a nationwide basis are increasing by 2.8 percent, outpacing inflation of 2.1 percent for the period. This is the lowest average increase in sewer service charges in the last 10 years. The average charge for a single family residence was about \$410 compared to USD's 2012 rate of \$336.

Municipal Bonds. As part of the proposed budget plan, the Obama administration is proposing to eliminate the broad tax exempt status of municipal bonds. The conference of mayors and organizations such as NACWA are working with legislators to reject these proposals, which could significantly impact the ability of local government to finance capital projects.

Local and Regional Issues

Legal Action by River Watch. Both the City of American Canyon and Delta Diablo Sanitation District recently settled law suits filed by River Watch under the Clean Water Act for unpermitted discharges associated with SSOs. Settlements include commitments to undertake improved inspection, testing and repair programs, improvements to SSMP practices, and payment to various environment groups and attorney fees. Typical settlements include \$30,000⁺ payments to River Watch for attorney fees.

New BACWA Executive Officer. Dave Williams, former Director of Wastewater at EBMUD and current Board member of Central San, was selected to be the new Executive Officer at the Bay Area Clean Water Agencies. He replaces Jim Kelly, former GM at Central San.

Sacramento Regional County SD Reaches Settlement on Ammonia Removal. SRCSD agreed to drop its lawsuit with the Central Valley Regional Water Board regarding the permit requirement to remove ammonia from its discharge. The new permit requires compliance by May of 2021. The District, which serves 1.4 million people, is still pursuing legal action against the Board with regards to the accompanying requirement to provide tertiary treatment. The combined cost for ammonia removal and tertiary treatment is estimated at \$1.6 billion.

City of Dixon Plant Upgrade. The City of Dixon, in the Central Valley, will be constructing a new activated sludge treatment plant as a result of a cease and desist order from their Regional Water Board. It is estimated that the plant upgrade will cost \$30 million for a 2.5 mgd plant and will require a rate increase of \$26 per month. The City serves a population of 18,500.

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Consolidation Measure Defeated. Four small Districts in southern Marin County voted on consolidation and ultimately defeated the measure. All four, including Richardson Bay Sanitary District, contribute flow to the Sewerage Agency of Southern Marin treatment plant in Mill Valley. The consolidation vote was ordered by Marin County LAFCo following legislative action in 2009. The action was prompted by two large spills that occurred at the SASM plant in 2008.

Hurricane Sandy Impacts. It is estimated that 3.45 billion gallons of untreated wastewater and over 6 billion gallons of partially treated wastewater were discharged into waterways and streets in New York and New Jersey as a result of the flooding associated with the Hurricane. Over 1 billion gallons of untreated sewage flowed into the Hudson River alone. The storm surge caused motors and electrical equipment to be swamped and shorted out, resulting in sewage back-ups.

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Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
150828	6/6/2013	20130426	SWRCB - STATE WATER RESOURCES	SRF LOAN #C064070110 - PLANT UPGRADE	\$1,960,383.70	\$1,960,383.70
150778	6/6/2013	1048	DW NICHOLSON CORP	COGENERATION PROJECT	\$402,938.60	\$402,938.60
150767	6/6/2013	128319	CAROLLO ENGINEERS	THICKENER CONROL BUILDING IMPROV PHASE II	\$33,095.23	\$99,226.03
	6/6/2013	128362		PRIMARY CLARIFIERS 1 - 4 REHABILITATION	\$6,472.14	
	6/6/2013	128320		THICKENER CONTROL BLDG INTERIM IMPROV	\$3,869.85	
	6/6/2013	128322		HEADWORKS AND EMERGENCY OUTFALL IMPROV	\$7,349.45	
	6/6/2013	128363		COGENERATION PROJECT	\$48,439.36	
150786	6/6/2013	800311.23	GSE CONSTRUCTION CO INC	BOYCE ROAD LIFT STATION	\$80,971.00	\$80,971.00
150840	6/13/2013	800400.1	ANDERSON PACIFIC ENG CONST INC	THICKENER CONTROL BLDG INTERIM IMPROV	\$58,659.27	\$58,659.27
150765	6/6/2013	11192299	BROWN & CALDWELL CONSULTANTS	THICKENER 3 AND 4 REHABILITATION	\$715.61	\$31,878.39
	6/6/2013	11192075		BOYCE ROAD LIFT STATION	\$31,162.78	
150806	6/6/2013	224720130523	PACIFIC GAS AND ELECTRIC	SERV TO 05/22/13 CS TRAINING TRAILER	\$26.72	\$19,134.93
	6/6/2013	761520130528		SERVICE TO 05/28/13 NEWARK PS	\$19,108.21	
150776	6/6/2013	569047A	DELTA DENTAL SERVICE	MAY 2013 DENTAL	\$1,887.37	\$16,632.47
	6/6/2013	569047C		MAY 2013 DENTAL	\$14,745.10	
150891	6/13/2013	533620130522	US BANK CORP PAYMENT SYSTEM	MONTHLY CAL CARD STMT - MAY 2013	\$15,243.16	\$15,243.16
150775	6/6/2013	7458	DC FROST ASSOCIATES INC	ASTD CLARIFIER PARTS	\$13,140.41	\$13,140.41

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150868	6/13/2013	9017334356	KEMIRA WATER SOLUTIONS, INC.	7.97 DRY TONS FERROUS CHLORIDE	\$6,020.30	\$11,927.29
	6/13/2013	9017333782		7.82 DRY TONS FERROUS CHLORIDE	\$5,906.99	
150769	6/6/2013	611281	CHILLICOTHE METAL COMPANY	MOTORIZED INTAKE LOUVER ASSEMBLY	\$10,814.79	\$10,814.79
150881	6/13/2013	35104	PUMP REPAIR SERVICE CO INC	ASTD PARTS FOR FAIRBANKS MORSE PUMP	\$10,810.85	\$10,810.85
150889	6/13/2013	552146	UNIVAR USA INC	4,891 GALS SODIUM HYPOCHLORITE	\$2,413.25	\$9,769.96
	6/13/2013	552859		5,006 GALS SODIUM HYPOCHLORITE	\$2,469.99	
	6/13/2013	552031		5,011 GALS SODIUM HYPOCHLORITE	\$2,472.47	
	6/13/2013	552856		4,893 GALS SODIUM HYPOCHLORITE	\$2,414.25	
150886	6/13/2013	901242390	SIEMENS INDUSTRY INC	1,800 GALS HYDROGEN PEROXIDE	\$7,884.00	\$7,884.00
150796	6/6/2013	9017332521	KEMIRA WATER SOLUTIONS, INC.	8.45 DRY TONS FERROUS CHLORIDE	\$6,382.87	\$6,382.87
150798	6/6/2013	374322	LINCOLN FINANCIAL GROUP	LIFE & DISABILITY INSURANCE - JUNE 2013	\$6,088.11	\$6,088.11
150781	6/6/2013	102764	ESA	SEA LEVEL RISE STUDY	\$5,660.86	\$5,660.86
150893	6/13/2013	8053992415	VWR INTERNATIONAL LLC	12 PKS FILTER GLASS & 4 PH7 BUFFER YELLOW	\$1,035.17	\$5,628.74
	6/13/2013	8053978968		1METTLER TOLEDO MS6001S TOP LOADER BALANCE	\$1,846.96	
	6/13/2013	8054008062		1 REFRIGEERATOR 6 CUFT RH HINGE	\$2,746.61	

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150853	6/13/2013	54201357	CINTAS CORPORATION	UNIFORM LAUNDERING SERVICE	\$288.21	\$5,025.95
	6/13/2013	54205994		UNIFORM LAUNDERING SERVICE	\$300.21	
	6/13/2013	54205997		23 HI-VIS THERMAL LINED HOODIES	\$2,255.70	
	6/13/2013	54201359		ASTD DUST MOPS, WET MOPS & TERRY TOWELS	\$87.25	
	6/13/2013	54208268		UNIFORM LAUNDERING SERVICE	\$290.42	
	6/13/2013	54198972		UNIFORM LAUNDERING SERVICE	\$153.33	
	6/13/2013	54201358		UNIFORM LAUNDERING SERVICE	\$312.42	
	6/13/2013	54198973		UNIFORM LAUNDERING SERVICE	\$129.15	
	6/13/2013	54205995		UNIFORM LAUNDERING SERVICE	\$290.42	
	6/13/2013	54205996		ASTD DUST MOPS & TERRY TOWELS	\$53.50	
	6/13/2013	54208267		UNIFORM LAUNDERING SERVICE	\$280.71	
	6/13/2013	54203668		UNIFORM LAUNDERING SERVICE	\$294.92	
	6/13/2013	54203667		UNIFORM LAUNDERING SERVICE	\$289.71	
150888	6/13/2013	130598	TOTAL WASTE SYSTEMS INC	MAY 2013 GRIT DISPOSAL	\$4,985.85	\$4,985.85
150772	6/6/2013	12031	CRANE WORKS INC	1 CENTRIFUGE CRANE CONTROLLER	\$4,938.45	\$4,938.45
150831	6/6/2013	551778	UNIVAR USA INC	4,896 GALS SODIUM HYPOCHLORITE	\$2,415.72	\$4,886.20
	6/6/2013	550621		5,007 GALS SODIUM HYPOCHLORITE	\$2,470.48	
150879	6/13/2013	804094	POLYDYNE INC	42,900 LBS CLARIFLOC WE-539	\$4,885.45	\$4,885.45

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150773	6/6/2013	238960	CURTIS & TOMPKINS LTD	23 LAB SAMPLE ANALYSIS	\$1,475.00	\$4,810.00
	6/6/2013	239066		33 LAB SAMPLE ANALYSIS	\$2,365.00	
	6/6/2013	239011		23 LAB SAMPLE ANALYSIS	\$970.00	
150864	6/13/2013	1097446	HANSON BRIDGETT	LEGAL SERVICES - COST SHARING	\$4,732.20	\$4,732.20
150854	6/13/2013	20130512	COLLISON ENGINEERING	HAYWARD MARSH PERMIT METAL STUDY	\$4,701.60	\$4,701.60
150760	6/6/2013	135730	BABBITT BEARING CO INC	1 STRIP, CHROM, POLISH 3 MONYO ROTOR	\$977.33	\$3,945.73
	6/6/2013	135731		1 STRIP, CHROM, POLISH 3 MONYO ROTOR	\$1,484.20	
	6/6/2013	135732		1 STRIP, CHROM, POLISH 3 MONYO ROTOR	\$1,484.20	
150815	6/6/2013	16126	RMC WATER AND ENVIRONMENT	LOCAL LIMITS & WASTEWATER TREATABILITY	\$3,866.25	\$3,866.25
150770	6/6/2013	44576043	CINTAS FIRE PROTECTION	INSPECTION, ANNUAL, SPRINKLER SYSTEM WET	\$365.33	\$3,757.20
	6/6/2013	44062186		INSTALL FACP SIGN ON BUILDING 70	\$25.87	
	6/6/2013	44062257		INSPECTION, ANNUAL ALARM SYSTEM	\$3,016.00	
	6/6/2013	44573904		INSPECTION, ANNUAL, SPRINKLER SYSTEM WET	\$350.00	
150800	6/6/2013	92029	MCINERNEY & DILLON, P.C.	LEGAL SERV: I-680 AT SABERCAT RD SEWER REPLACEMENT	\$3,395.00	\$3,395.00
150771	6/6/2013	6904	CLANCY CONSTRUCTION	REFUND # 16485	\$3,300.00	\$3,300.00
150833	6/6/2013	20130601	VISION SERVICE PLAN - CA	JUNE 2013 VISION STMT	\$3,186.04	\$3,186.04

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150834	6/6/2013	8053953938	VWR INTERNATIONAL LLC	1 CONDUCTIVITY PROBE 1ML CBL	\$326.20	\$2,808.43
	6/6/2013	8053948527		2 PIPETTE 2000UL SER2000 FIX VOL	\$635.80	
	6/6/2013	8053962819		1 BLENDER SGL SPD COMM 1.2L 120V	\$245.60	
	6/6/2013	8053932643		1 SPIGOT REPLACEMENT PP 1-1/8IN	\$51.05	
	6/6/2013	8053978251		1 SULFURIC ACID 0.5 NORMAL 4L	\$31.76	
	6/6/2013	8053953936		1 SPECTROPHOTOMETER 20D+	\$1,518.02	
150874	6/13/2013	539161	NAPA AUTO PARTS	7 EA GENERATOR BATTERIES	\$1,898.40	\$2,687.76
	6/13/2013	20130531		MONTHLY AUTO PARTS STMT - MAY 2013	\$789.36	
150758	6/6/2013	130501372	AIRTECH MECHANICAL INC	SERVICE CALL: BLDG 82 ADMIN SERVER RM	\$785.00	\$2,612.75
	6/6/2013	130501375		SERVICE CALL: BLDG 83 AC# M-2	\$639.00	
	6/6/2013	130501391		SERVICE CALL: BLDG 70 SERVER RM	\$1,188.75	
150849	6/13/2013	9829260	BLAISDELL'S	ASTD OFFICE SUPPLIES	\$335.45	\$2,590.00
	6/13/2013	9828040		ASTD OFFICE SUPPLIES	\$48.98	
	6/13/2013	9815730		50 MULTI-USE PAPER	\$2,093.64	
	6/13/2013	9826190		ASTD OFFICE SUPPLIES	\$111.93	
150783	6/6/2013	6926	GETTLER-RYAN INC	REFUND # 16490	\$2,500.00	\$2,500.00
150816	6/6/2013	7547635732	ROYAL WHOLESALE ELECTRIC	AB TRAINING FOR YUNG LU	\$2,304.90	\$2,304.90
150846	6/13/2013	150432	BAY CENTRAL PRINTING	SCANNING SERVICES	\$1,307.71	\$2,155.55
	6/13/2013	150738		SCANNING SERVICES	\$847.84	

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150762	6/6/2013	2610	BAY POWER LLC	1 TEMPERATURE CONTROL VALVE FOR COGEN	\$1,677.50	\$2,119.60
	6/6/2013	2612		ASTD PARTS & MATERIALS	\$442.10	
150809	6/6/2013	35063	PUMP REPAIR SERVICE CO INC	ASTD PARTS FOR ARMSTRONG PUMP	\$523.94	\$2,113.82
	6/6/2013	35072		1 VAUGHAN CUTTER BAR	\$1,589.88	
150847	6/13/2013	2621	BAY POWER LLC	GEN 1 SERVICE & REPAIR	\$2,000.00	\$2,000.00
150803	6/6/2013	486991	MISSION CLAY PRODUCTS LLC	25 EA REPAIR COUPLINGS	\$1,973.26	\$1,973.26
150844	6/13/2013	9960	AVERY ASSOCIATES INC	DEPUTY GENERAL MANAGER RECRUITMENT	\$1,957.20	\$1,957.20
150875	6/13/2013	5343313	NELSON STAFFING SOLUTIONS	TEMP LABOR-GOYENA, L., WKS END 05/05 & 05/12/13	\$1,930.50	\$1,930.50
150824	6/6/2013	3200909273	STAPLES CONTRACT & COMMERCIAL	ASTD OFFICE SUPPLIES - INVENTORY	\$459.13	\$1,913.63
	6/6/2013	3200909278		ASTD OFFICE SUPPLIES - CUSTOMER SERVICE	\$111.85	
	6/6/2013	3200909279		ASTD OFFICE SUPPLIES - CUSTOMER SERVICE	\$80.66	
	6/6/2013	3200909275		2 PKS FORK CORN PLASTIC HEAT STABLE	\$135.28	
	6/6/2013	3200909274		ASTD OFFICE SUPPLIES - INVENTORY	\$540.47	
	6/6/2013	3200909276		25 BUNN 100CT COFFEE FILTERS & 10 SS CLEANER	\$113.50	
	6/6/2013	3200909277		ASTD OFFICE SUPPLIES - INVENTORY	\$472.74	

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150870	6/13/2013	52967539	MCMaster SUPPLY INC	2 EA POWER CORDS	\$28.51	\$1,722.86
	6/13/2013	52910983		1 EA ALUMINUM ANTISLIP FLOOR PLATE	\$1,134.44	
	6/13/2013	53376757		3 EA ALUMINUM PIPE NIPPLES	\$27.79	
	6/13/2013	53386190		1 EA DESK FAN	\$44.96	
	6/13/2013	53082011		10 FT RUBBER EDGE TRIM	\$32.69	
	6/13/2013	53194599		ASTD PARTS & MATERIALS	\$454.47	
150841	6/13/2013	10388	APPLIED POWER TECHNOLOGIES COR	SCADA SERVER RM UPS ANNUAL SUPPORT	\$1,679.00	\$1,679.00
150837	6/13/2013	916001683271	ALLIED WASTE SERVICES #916	RECYCLE & ROLL OFF - MAY 2013	\$1,645.41	\$1,645.41
150757	6/6/2013	6097841	ABC IMAGING, INC.	BOYCE ROAD LIFT STATION	\$173.99	\$1,617.80
	6/6/2013	6097842		MCC REPLACEMENT - PHASE 2	\$817.28	
	6/6/2013	6097843		LIFT STATION #1 IMPROVEMENTS	\$626.53	
150801	6/6/2013	52752916	MCMaster SUPPLY INC	2 EA LIQUID-FILLED GAUGES	\$45.36	\$1,601.99
	6/6/2013	52901482		ASTD ALUMINUM PIPE	\$85.81	
	6/6/2013	52671032		1 EA CIRCUIT BREAKER	\$22.73	
	6/6/2013	52826759		1 EA ANTISLIP FLOOR PLATE	\$1,134.44	
	6/6/2013	52957862		2 EA GAUGES WITH ISOLATING GUARDS	\$313.65	

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150818	6/6/2013	1519541001	SAN LEANDRO ELECTRIC SUPPLY	10 REFLECTOR ALUMINUM & 1 PK CABLE TIES	\$304.55	\$1,516.76
	6/6/2013	1520798001		CREDIT 4 CONDUIT UNION 1 INCH	\$-150.42	
	6/6/2013	1515904004		45 SPRING NUT 1/2 INCH SS	\$285.63	
	6/6/2013	1520793001		4 CONDUIT UNION 1 INCH	\$233.67	
	6/6/2013	1516278001		CREDIT 5 SPRING NUT 1/2 INCH SS	\$-31.74	
	6/6/2013	1515904003		2 PB OPERATOR & 3 STANDARD CONTACT BLOCKS	\$124.29	
	6/6/2013	1515904002		5 SPRING NUT 1/2 INCH SS	\$31.74	
	6/6/2013	1519541002		2 PB OPERATOR, 50 COND CLAMP & 4 CONDUIT UNION	\$439.62	
	6/6/2013	1515904001		4 CONDULET 3/4 PVC COATED & 3 RECEPTACLE SINGLE	\$279.42	
150761	6/6/2013	150039	BAY CENTRAL PRINTING	SCANNING SERVICES - DRAWINGS	\$1,491.94	\$1,491.94
150812	6/6/2013	178943	RF MACDONALD CO	1 ECO GEAR CHEM PUMP ASSEMBLY	\$1,850.56	\$1,304.31
	6/6/2013	CM004237		ASTD PARTS & MATERIALS CREDIT	\$-546.25	
150829	6/6/2013	463205670	TELEPACIFIC COMMUNICATIONS	WIRELESS INTERNET BACKUP - MAY	\$1,259.61	\$1,259.61
150787	6/6/2013	2387	HADRONEX INC.	MANHOLE MONITORING - 1/1/13 - 12/31/13	\$1,200.00	\$1,200.00
150791	6/6/2013	20130604	THOMAS HERLIHY	EXP REIMB: CWEA CONFERENCE, APRIL 15-19, 2013	\$1,177.01	\$1,177.01
150797	6/6/2013	13522	KL BRAJENOVICH CONSULTING	ENV HEALTH & SAFETY PRGM MGR PHY STDS	\$1,169.81	\$1,169.81
150779	6/6/2013	3573228	DWYER INSTRUMENTS, INC.	4 VA15419 GLASS FLOWMETER	\$1,152.84	\$1,152.84
150777	6/6/2013	13017	DUBLIN SAN RAMON SVCS DISTR	BACC MEMBERSHIP FEES FY14	\$1,000.00	\$1,000.00
150851	6/13/2013	20130611	CALPELRA	CONFERENCE REG: J. BERZON	\$970.00	\$970.00

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150774	6/6/2013	20130525.10	DALE HARDWARE INC	05/13 - ASTD PARTS & MATERIALS	\$966.75	\$966.75
150802	6/6/2013	34858	METROMOBILE COMMUNICATIONS INC	2 EA HEAVY-DUTY RADIO HEADSETS	\$898.81	\$898.81
150759	6/6/2013	4359354	AT&T	SERV: 04/13/13-05/12/13	\$94.49	\$889.09
	6/6/2013	4350063		SERV: 04/13/13-05/12/13	\$794.60	
150877	6/13/2013	096020130603	PACIFIC GAS AND ELECTRIC	SERV TO 06/02/13 CATHODIC PROJECT	\$50.96	\$868.27
	6/13/2013	666720130603		SERV TO 06/02/13 PASEO PADRE PS	\$224.21	
	6/13/2013	380420130603		SERV TO 05/30/13 CHERRY ST PS	\$177.62	
	6/13/2013	892820130603		SERV TO 06/02/13 HAYWARD MARSH	\$147.87	
	6/13/2013	898220130603		SERV TO 06/02/13 FREMONT PS	\$267.61	
150872	6/13/2013	34774	METROMOBILE COMMUNICATIONS INC	1 EA MOTOROLA RADIO - TPO SPARE	\$852.68	\$852.68
150822	6/6/2013	8122768052313	SIERRA SPRING WATER COMPANY	BOTTLESS COOLERS RENTAL	\$239.00	\$823.96
	6/6/2013	4868173052313		WATER SERVICE 04/26/13-05/23/13	\$584.96	
150866	6/13/2013	997720130528	HOME DEPOT CREDIT SERVICES	MONTHLY HARDWARE STMT, MAY 2013	\$822.86	\$822.86
150867	6/13/2013	486606	INDUSTRIAL SAFETY SUPPLY	2 EA ESCAPE APPARATUS	\$796.62	\$796.62
150764	6/6/2013	305779	BRENNTAG PACIFIC, INC.	2885 GAL SODIUM HYDROXIDE	\$548.73	\$792.58
	6/6/2013	305780		1282 GAL SODIUM HYDROXIDE	\$243.85	
150835	6/6/2013	1204518035	WRA ENVIRONMENTAL CONSULTANTS	FORCE MAIN CONSTRUCTION	\$791.04	\$791.04
150855	6/13/2013	20130510	RICHARD B CURRIE	EXP REIMB: CASA SPRING CONF	\$788.82	\$788.82
150863	6/13/2013	20130605	TOM HANDLEY	EXP REIMB: APRIL 2013 CASA CONFERENCE	\$787.77	\$787.77

**UNION SANITARY DISTRICT
CHECK REGISTER
06/01/2013-06/14/2013**

Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
150817	6/6/2013	2249106002	S & S SUPPLIES & SOLUTIONS	20 PK TAG LOCKOUT "DO NOT OPERATE"	\$728.18	\$728.18
150808	6/6/2013	20130604.2	MICHELLE POWELL	EXP REIMB: CASA ANNUAL CONFERENCE	\$104.82	\$662.99
	6/6/2013	20130604		EXP REIMB: CAPIO ANNUAL CONFERENCE	\$558.17	
150814	6/6/2013	214946	RKI INSTRUMENTS INC	ASTD PARTS & MATERIALS	\$647.15	\$647.15
150882	6/13/2013	116800	R-2 ENGINEERING INC	1 STATOR SUPPORT & 2 GEAR JOINT SEAL SUPPORTS	\$617.50	\$617.50
150861	6/13/2013	228299	FRANK A OLSEN COMPANY	1 EA RECYCLE GATE ACTUATOR 90 GEARBOX	\$598.77	\$598.77
150887	6/13/2013	36926	SPM INSTRUMENTS INC	CALIBRATION OF LEONOVA	\$560.56	\$560.56
150789	6/6/2013	11823	HAYWARD PIPE AND SUPPLY	ASTD PIPE FITTINGS	\$297.40	\$541.21
	6/6/2013	11869		84 FEET OF PIPE	\$243.81	
150756	6/6/2013	59480	3T EQUIPMENT COMPANY INC	10 SPECIAL 33" MANHOLE HOOK W/10 1/2" T HANDLE	\$529.43	\$529.43
150807	6/6/2013	20130605	PETTY CASH	PETTY CASH REPLENISHMENT	\$526.79	\$526.79
150782	6/6/2013	6828	EXPRESS PLUMBING	REFUND # 16481	\$500.00	\$500.00
150825	6/6/2013	6852	STAR ROOTER AND PLUMBING	REFUND # 16483	\$500.00	\$500.00
150826	6/6/2013	6893	STAR ROOTER AND PLUMBING	REFUND # 16484	\$500.00	\$500.00
150827	6/6/2013	6834	STAR ROOTER AND PLUMBING	REFUND # 16482	\$500.00	\$500.00
150838	6/13/2013	6936	ALPHA PLUMBING & ROOTER SERV	REFUND # 16502	\$500.00	\$500.00
150848	6/13/2013	6935	BENJAMIN FRANKLIN PLUMBING	REFUND # 16499	\$500.00	\$500.00
150873	6/13/2013	6912	MR. ROOTER - SAN JOSE	REFUND # 16498	\$500.00	\$500.00
150794	6/6/2013	1A676639	INTERNATIONAL PAINT LLC	ASTD PAINT SUPPLIES	\$465.63	\$465.63

**UNION SANITARY DISTRICT
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Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
150830	6/6/2013	1059771	TOTAL FILTRATION SERVICES INC	21 FILTER OIL ELEMENTS	\$454.97	\$454.97
150850	6/13/2013	20130606	CURTIS BOSICK	TRAVEL REIMB: APWA CONFERENCE	\$423.55	\$423.55
150785	6/6/2013	8936451	GROENIGER AND COMPANY	6 EA TEES	\$416.64	\$416.64
150895	6/13/2013	2132721	WHAT'S HAPPENING INC	AD NAME: CONGRATS TO TRI-CITY INDUSTRIES	\$415.00	\$415.00
150792	6/6/2013	600685101	HILLYARD/SAN FRANCISCO	ASTD JANITORIAL SUPPLIES	\$388.59	\$388.59
150819	6/6/2013	807980401	SANDERSON SAFETY SUPPLY CO	4 ABSORBENT PAD 20X16 EXTRA HEAVY DUTY	\$362.12	\$362.12
150862	6/13/2013	8310008	HACH COMPANY	4 KITS CHLORINE ANALYZER SUPPLIES	\$358.42	\$358.42
150883	6/13/2013	215240	RKI INSTRUMENTS INC	EAGLE 2 REPAIR SERVICE	\$340.14	\$340.14
150788	6/6/2013	3G3141	HARRINGTON INDUSTRIAL PLASTICS	50 EA FILTER BAGS	\$312.55	\$312.55
150805	6/6/2013	20130603	BRODERICK MOY	EXP REIMB: THREE CWEA RENEWALS	\$309.00	\$309.00
150880	6/13/2013	20130610	MICHELLE POWELL	TUITION REIMB - SPRING QTR 2013	\$308.35	\$308.35
150766	6/6/2013	20130530	AL BUNYI	TUITION REIMB: SPRING QTR	\$305.00	\$305.00
150810	6/6/2013	116793	R-2 ENGINEERING INC	1 LOCK NUT	\$301.16	\$301.16
150860	6/13/2013	5605	FERRIS HOIST AND REPAIR INC	ANNUAL SAFETY INSPECTION	\$285.00	\$285.00
150780	6/6/2013	996	ELITE ANALYTICAL LABORATORIES	2 LAB SAMPLE ANALYSIS	\$270.00	\$270.00
150865	6/13/2013	3G3376	HARRINGTON INDUSTRIAL PLASTICS	1 EA VALVE BALL	\$260.61	\$260.61
150845	6/13/2013	133830	BARNETT MEDICAL SERVICES LLC	255 LBS PHARMACEUTICAL WASTE REMOVAL	\$253.00	\$253.00
150856	6/13/2013	239135	CURTIS & TOMPKINS LTD	3 LAB SAMPLE ANALYSIS	\$80.00	\$245.00
	6/13/2013	238678		10 LAB SAMPLE ANALYSIS	\$165.00	

**UNION SANITARY DISTRICT
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Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
150813	6/6/2013	20130531	LOUIS RIVERA III	TUITION REIMB - SPRING QTR 2013	\$242.64	\$242.64
150768	6/6/2013	257984	CENTERVILLE LOCKSMITH	85 REKEYS - REKEY EXERCISE ROOM DOOR	\$241.42	\$241.42
150894	6/13/2013	9007	WESTERN MACHINE & FAB INC	MFG 1 3/16" DRIVE SHAFT PER SAMPLE	\$229.95	\$229.95
150795	6/6/2013	103938338	IRON MOUNTAIN	DATA/MEDIA OFF-SITE STORAGE - APRIL 2013	\$225.67	\$225.67
150892	6/13/2013	20130601	USA MOBILITY WIRELESS INC	JUNE 2013 PAGER SERVICE	\$222.63	\$222.63
150836	6/13/2013	5077213	ALL INDUSTRIAL ELECTRIC SUPPLY	ASTD PARTS & MATERIALS	\$221.46	\$221.46
150821	6/6/2013	901238924	SIEMENS WATER TECHNOLOGY	DI WATER SERVICE	\$221.00	\$221.00
150884	6/13/2013	2255210001	S & S SUPPLIES & SOLUTIONS	10 BXS GLOVES & 40 BXS BANDAGES	\$138.84	\$191.40
	6/13/2013	2241352002		10 CHILL ITS COTTON DEW RAG	\$52.56	
150842	6/13/2013	126658	ASHBROOK SIMON HARTLEY OPS. LP	1 OPTI POLYMER SOLVENT PART#033863	\$187.88	\$187.88
150839	6/13/2013	1695310	ANALYSTS INC	8 LAB SAMPLE ANALYSIS	\$176.00	\$176.00
150763	6/6/2013	9803751	BLAISDELL'S	1 SLNT SIGN HOLDER	\$7.88	\$166.61
	6/6/2013	9817660		ASTD OFFICE SUPPLIES	\$60.20	
	6/6/2013	9818560		2 FOOTRESTS	\$98.53	
150784	6/6/2013	9125630286	GRAINGER INC	1 EA BALLAST KIT	\$91.24	\$153.74
	6/6/2013	9126701417		1 EA HANDLE	\$55.75	
	6/6/2013	9125453861		1 EA CONDUIT BODY COVER	\$6.75	
150871	6/13/2013	90660529	METAL SUPERMARKETS	ASTD METAL, STEEL, STAINLESS, AND ALUMINUM	\$141.95	\$141.95
150852	6/13/2013	61534	CDW GOVERNMENT LLC	INFOCUS PROJECTOR CEILING MOUNT	\$136.30	\$136.30

**UNION SANITARY DISTRICT
CHECK REGISTER
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Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
150885	6/13/2013	2335	SABRE BACKFLOW INC	CALIBRATE/INSPECT BACK FLOW TEST KIT	\$134.85	\$134.85
150820	6/6/2013	783074541	SHARP BUSINESS SYSTEMS	MTHLY MAINTENANCE BASED ON USE	\$115.71	\$115.71
150878	6/13/2013	20130610	MARY PEDRO	EXP REIMB: CIP EOFY RECOGNITION	\$104.12	\$104.12
150804	6/6/2013	24801081	MOTION INDUSTRIES INC	5 PKS RETAINING RINGS	\$21.70	\$91.19
	6/6/2013	24801533		2 EA OIL SEALS	\$40.63	
	6/6/2013	24801298		6 EA RETAINING RINGS	\$28.86	
150793	6/6/2013	5390223	HOSE & FITTINGS ETC	ASTD PARTS & MATERIALS	\$80.09	\$80.09
150832	6/6/2013	9853193	UPS - UNITED PARCEL SERVICE	SHIPPING CHARGES W/E 05/11/13	\$79.65	\$79.65
150876	6/13/2013	20130610	SHAWN NESGIS	EXP REIMB: MAY CS SAFETY RECOG - GIFT CARDS	\$75.00	\$75.00
150823	6/6/2013	20130603	PAUL SIMMONS	EXP REIMB: MILEAGE FOR CALL OUT	\$56.48	\$56.48
150811	6/6/2013	56893	REMOTE SATELLITE SYSTEMS INT'L	IRIDIUM SVC FEE JUNE 2013	\$48.95	\$48.95
150799	6/6/2013	3737858	MALLORY SAFETY AND SUPPLY LLC	1 PAIR BOOTS	\$45.44	\$45.44
	6/6/2013	3739981		ASTD LEATHER GLOVES	\$44.30	
	6/6/2013	3743520		CREDIT FOR ASTD LEATHER GLOVES	\$-44.30	
150857	6/13/2013	XJ4X49C65	DELL MARKETING LP C/O DELL USA	1 Q4 LAPTOP CASE	\$39.74	\$39.74
150890	6/13/2013	9853203	UPS - UNITED PARCEL SERVICE	SHIPPING CHARGES W/E 05/18/13	\$33.62	\$33.62
150859	6/13/2013	227626526	FEDERAL EXPRESS CORPORATION	SHIPPING SERVICE - GM	\$31.92	\$31.92
150790	6/6/2013	35569020020130528	HAYWARD WATER SYSTEM	WATER SERV 03/18/13-05/17/13	\$29.85	\$29.85
150858	6/13/2013	92864	EXAMINETICS	3 EA HEARING TESTS	\$19.75	\$19.75

**UNION SANITARY DISTRICT
CHECK REGISTER
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Check No.	Date	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
150843	6/13/2013	4378424	AT&T	SERV: 04/20/13 - 05/19/13	\$15.62	\$15.62
150869	6/13/2013	117074	MCIVORS HARDWARE	1 EA LOCKTITE	\$6.53	\$6.53

Invoices:

Credit Memos :	4	-772.71
\$0 - \$1,000 :	157	49,549.46
\$1,000 - \$10,000 :	58	167,712.60
\$10,000 - \$100,000 :	11	336,190.16
Over \$100,000 :	2	2,363,322.30
Total:	232	2,915,001.81

Checks:

\$0 - \$1,000 :	80	31,203.72
\$1,000 - \$10,000 :	47	152,037.20
\$10,000 - \$100,000 :	11	368,438.59
Over \$100,000 :	2	2,363,322.30
Total:	140	2,915,001.81

Sewer district spreads word on itself

By RICHARD CHANG
rchang@sacbee.com

Have you heard of the Sacramento Area Sewer District? Many area customers don't know the public sewer utility exists.

To get its name out, the agency launched a one-month advertising blitz at the beginning of April on radio and in print.

Founded in 1978, the public sewer utility has more than 1 million ratepayers in unincorporated Sacramento County and the cities of Rancho Cordova, Elk Grove and Citrus Heights. It is by far the largest sewer collection agency serving the region. The utility is not to be confused with the Sacramento Regional County Sanitation District, a separate agency that treats local wastewater.

Claudia Goss, the district's public affairs manager, discusses the outreach campaign and when to call about a sewer problem.

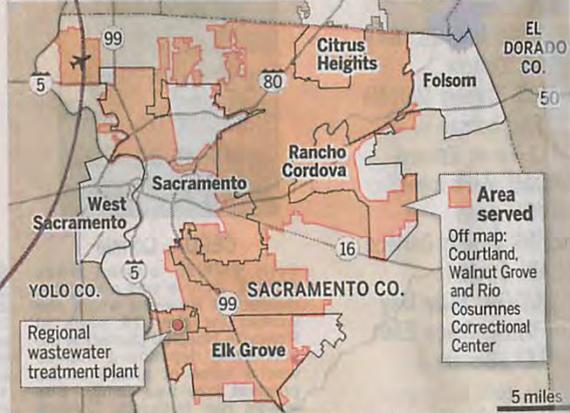
Why launch such a big advertising campaign now?

Our customers (ratepayers) have a very low awareness of us. There's a wastewater treatment agency and other cities with their own sewer services. It's very confusing for people. If you have a sewer problem, you don't know who to call. There's a loss of time there.

The ad campaign is an efficient way to reach people quickly. We're spending \$67,000 on advertising, which is quite small in the grand scheme of things. To put this in context, our overall operating budget for 2012-13 was

SACRAMENTO AREA SEWER DISTRICT

The district serves much of unincorporated Sacramento County, Citrus Heights and parts of the county's other major cities.



Sharon Okada sokada@sacbee.com

LEARN MORE

For more information about the Sacramento Area Sewer District, visit www.sacsewer.com or call the 24-hour service line at (916) 875-6730.

more than \$111 million.

Why is it important for people to call you when there's a sewer problem?

If a customer doesn't know who to call, we lose time in responding. We also have a regulatory requirement to reduce sewer overflows, and customer awareness is critical to address that. If the sewer overflow gets worse, and we are not notified, that is a violation.

We have a goal of responding within two hours of a service call. The issue could be in the public portion of the sewer system. And in that case, we are the folks who would take care of it.

What does the Sacramento Area Sewer District do on a day-to-day basis?

If your lights go out, you call the Sacramento Municipal Utility District. We're like SMUD, except we do sewer. On a day-to-day basis, we clean sewer lines, complete preventative maintenance and respond to repair requests.

What is a typical sewer problem?

You might notice that the bathtub or shower drains slowly. But you're not sure if it's a problem with the pipes or with the public sewer. It's

hard for a customer to know where the problem is, so just give us a call. Our crews will come out and pop open the manhole. If everything is running smoothly in the public portion of the line, we'll advise the customer of what to do next, such as calling a plumber.

How do you know if you are a customer?

Our customers receive a consolidated utility bill that may also include trash and water. They can check their bill to see if Sacramento Area Sewer District is listed under sewer. There is also an online form you can fill out with your address.

Are there any rate increases on the horizon?

Our monthly rate covers the cost to provide the service. We are a public agency not a business.

The current rate for a single family home is \$19.85, which was instituted in 2011. This rate will run through 2014. At present, it doesn't look like there will be a rate increase in 2015, but long-term rates haven't been established.

Call The Bee's Richard Chang, (916) 321-1018. Follow him on Twitter @RichardYChang.

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 consider adoption of Ordinance No. 31.36 which establishes Sewer Service Charges for the Fiscal Year ending June 30, 2014. The District has elected to collect its charges for sewer services on the tax roll, in the same manner as general taxes.

NOTICE IS FURTHER GIVEN that on Monday, the 24th 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 protests and objections to said proposed rates and to collect charges for sewer services on the tax roll, in the same manner as general taxes.

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

UNION SANITARY DISTRICT

Secretary
Board of Directors
AR #4874948
June 1, 8, 2013

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. 35, the Board of Directors of Union Sanitary District will consider adopting and establishing the Capacity Fee Ordinance No. 35.20. Ordinance 35.20 would set the Capacity Fees for the Fiscal Year ending June 30, 2014. Copies of the proposed Ordinance 35.20 are available for review at the office of the Union Sanitary District, 5072 Benson Road, Union City, California.

NOTICE IS FURTHER GIVEN that on Monday, the 24th 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 protests and objections to said proposed Ordinance 35.20.

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

UNION SANITARY DISTRICT

Secretary
Board of Directors
AR #4874961
June 1, 8, 2013

Water rates flow uphill at EBMUD

Barring an act of God or a surge of guilt, East Bay Municipal Utility District board members will vote Tuesday afternoon to enact back-to-back annual water rate hikes of 9.75 and 9.5 percent, effective July 1, for their 1.3 million residential customers.

If this sounds vaguely familiar, it should. It comes on top of 7.5 percent increases in 2010 and 2011 and 6 percent hikes in 2012 and 2013. You name a year, and EBMUD will name a rate hike. The price of its water never stands still.

Because it's highly unlikely that most of its customers have enjoyed similar bumps in income — and because this year's



TOM BARNIDGE
COLUMNIST

water is pretty much the same as last year's — you might be scratching your head at how the agency can justify higher fees.

Listen and learn.

"What we've been through in the last seven years is a recession, just like the rest of the country," spokesman Charles Hardy said. "Our water sales have dropped."

You see, when people use less of a product, they must be charged more for it. This is the lesser-known corollary to supply-and-demand: squeeze-if-you-can.

But it's all good.

"I have to emphasize that there's no profit motive here," Hardy said. "Any revenue that comes in pays the bills."

My household is on the same plan. Every dollar we make is already spent.

"We've been paying to maintain a system that stretches from the Sierras and entails 4,200 miles of pipe just in the East Bay," Hardy said. "We have a service area that's seven times larger than San Francisco. We have 30 miles of sewer interceptors, 167 reservoirs and 12 treatment plants — \$14 billion worth of infrastructure. As it ages and our revenues drop, we still

have to fix it in a timely fashion."

Those with long memories will recall that the last two rate hikes were also supposed to fund infrastructure repair, but upkeep for a water agency apparently is like plastic surgery for Joan Rivers. It never really ends.

One mile of pipe replacement can run \$25 million, and EBMUD hopes to replace as many as 12 miles of its oldest pipes per year.

Then there's debt service on loans to fund earlier expenses. Add in operating costs, crunch the numbers, and you start wondering how the agency will ever squeak by on a paltry \$713 million budget.

Finance Director Eric Sandler said EBMUD will use this larger-than-normal rate hike to catch up on postponed repairs as a first step in what he describes as long-term financial planning. (Gee, there's an idea.) Besides, he added, rate increases shouldn't matter to customers nearly as much as their monthly bills.

"When you look at the cost of a similar amount of water at Contra Costa Water and EBMUD, we're still cheaper," he said.

Because public officials sometimes tinker with facts, I sampled several friends' recent bills (two are EBMUD customers and two are serviced by Contra Costa) only to discover — hold on to your faucet handles! — Sandler is right. For roughly comparable water usage — exclusive of add-ons such as elevation pumping charges — the difference in costs is as much as 26 cents a day.

For service and delivery of 22,440 gallons across 59 days, EBMUD charged \$106.34. For 21,693 gallons in 61 days, Contra Costa Water charged \$125.77. The facts speak for themselves.

But don't go throwing a party just yet. When an agency is as gifted as EBMUD at hiking its rates, it's only a matter of time before it catches up.

Contact Tom Barnidge at tbarnidge@bayareanewsgroup.com.

blog.sfgate.com

Raw sewage on clubhouse level creates postgame chaos

by SUSAN SLUSSER, EMAIL, TWITTER | JUNE 16, 2013

From Chronicle Staff Writer Susan Slusser at the Coliseum

In what equipment manager Steve Vucinich, a 46-year employee of the A's, described as a first, the A's and Mariners had to shower together in the Raiders' seconf-floor locker room after today's 10-2 Oakland win. Players from both teams trudged up and down one stairway in towels and shower shoes as both teams tried to get their flights out of town.

"It's an unfortunate situation," A's third baseman Josh Donaldson said.

"Kind of a weird thing," Oakland catcher John Jaso said. "The ups and downs of the Coliseum. Did you hear how loud it got in the stadium when Josh Reddick hit his triple? It was booming. Then you come in here and you've got to find another place to shower."

Raw sewage backed up into both clubhouse shower areas, the umpires' room and all bathrooms on the clubhouse level, as well as both managers' offices and the Mariners' training room. The umpires left without showering, as did much of the Mariners' coaching staff and manager Eric Wedge.

"There is a blockage somewhere on the clubhouse level," A's vice president of stadium operations David Rinetti said. According to Rinetti, the team deals with this issue on a regular basis because of the age of the building, "but never to this extent." No other part of the building was affected on Sunday; the A's drew 36,067, a sellout, which might have put addition strain on the aging plumbing, but leaking pipes and backed up drains are common even on days off because the facility was built in 1966.

Asked about his team's need for a new stadium, team president Michael Crowley said, "It's clear, right? This isn't the first time this has happened."

The Angels filed a complaint about unsanitary conditions several years ago over the same problem, voicing concerns about E. coli in the training room.

The Coliseum is owned jointly by the city of Oakland and Alameda County, and it is run by the Oakland-Alameda County Coliseum Joint Powers Authority. The A's have a lease, which expires after this season.

"We will deal with the facility to evaluate it," Rinetti said. "We will replace all carpeting in affected areas to make sure it's safe for players and staff of all teams and for our own employees to work down there. That is a very high priority."

Original URL:

<http://blog.sfgate.com/athletics/2013/06/16/raw-sewage-on-clubhouse-level-creates-postgame-chaos/>

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Taxpayer association sues water district over service charge

by JIM JOHNSON HERALD STAFF WRITER | JUNE 14, 2013

Click photo to enlarge



A pile of protest letters against the water use fee in June 2012. (DAVID ROYAL/The Herald)



Nine months after it failed to force a vote on a controversial water service charge, a taxpayer advocacy organization is suing.

In a lawsuit filed in Monterey County Superior Court on Thursday, the Monterey Peninsula Taxpayers Association argues the Monterey Peninsula Water Management District board of directors should be ordered to either repeal the water service charge or submit it to a vote, as required by elections law.

The suit says the water district board exceeded its authority by rejecting a certified petition submitted by the association that called for repeal or a public

vote.

The district board voted 6-1 in September to find the association's petition invalid. They agreed with a legal argument contained in a staff report that the petition was legally flawed. Supervisor Dave Potter cast the lone dissenting vote, arguing a vote should be allowed.

Taxpayers association president Ron Pasquinelli said the lawsuit was a final resort after the district board made it clear it wouldn't reverse course on allowing voters to weigh in on the charge.

"They've had a year to think about it and change their minds, and haven't done so," Pasquinelli said. "They seem to be deathly afraid of what the voters will say about what they've been doing over the last 37 years when they've spent tens of millions of dollars and haven't produced a drop of water. Now they want more money but they've been adamant about not putting it to a vote."

Pasquinelli said the

association even tried to persuade district officials to put the charge on the ballot by promising to support it as long as it included a sunset clause and an oversight committee.

Now, he said, the association would no longer support the charge because of district officials' intransigence, though he acknowledged the officials had agreed to both the sunset clause and the oversight committee.

Taxpayer association member Rick Heuer noted district officials declined to seek a court ruling on the petition's validity, and he accused the board of acting as "judge, jury and executioner."

Heuer said the association's goal is to get the referendum on the November ballot.

District general manager Dave Stoldt said the board "didn't take ruling the petition invalid lightly," and said the staff report, which was unveiled at the same meeting as the board's vote, included five separate legal theories potentially supporting the finding. Among them was that petitioners inappropriately relied on a referendum rather than an initiative to challenge the charge, and that the petition didn't provide enough information to those who signed it.

Stoldt suggested the taxpayer association was actually split on filing the lawsuit. He accused the group's attorney Margaret Thum of having a "vendetta" against the district, and Pasquinelli and Heuer of being the "most vitriolic" members of the association.

He said the lawsuit would result in the "frivolous use of taxpayer money" for the district's defense.

The lawsuit names the association and Pasquinelli, Heuer and Tom Rawley as petitioners.

Stoldt said the district has collected about \$3.3 million in the 2012-13 fiscal year for the charge, which was adopted by the board in June 2012. He said the proceeds have been largely spent on the district's efforts in support of the Monterey Regional Water Pollution Control Agency's proposed groundwater replenishment project, along with the district's own aquifer storage and recovery program.

Other water supply initiatives to be funded by the charge include the district's work on seeking a viable alternative for California American Water's proposed desalination plant; a proposed public contribution plan designed to lower the costs of Cal Am's Peninsula water supply project; and water rights-related work, Stoldt said.

Administrative costs are limited to 15 percent of the charge proceeds, he said.

The charge is assessed on parcels within the district boundaries and is collected through semi-annual property tax bills.

Jim Johnson can be reached at 753-6753 or jjohnson@montereyherald.com.

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