

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF
UNION SANITARY DISTRICT
July 22, 2013**

1. CALL TO ORDER

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

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

PRESENT: Manny Fernandez, Vice President
Tom Handley, Director
Pat Kite, Director
Anjali Lathi, President
Jennifer Toy, Treasurer (arrived 7:03 p.m.)

ABSENT: None

STAFF: Rich Currie, General Manager
Ed McCormick, Deputy General Manager
Rich Cortes, Manager, Business Services
Sami Ghossain, Coach, Capital Improvements Projects
Tim Grillo, Coach, Research and Support
Dave Livingston, Manager, Treatment & Disposal Services
Andy Morrison, Manager, Collection Services
Michelle Powell, Communications Coordinator
Maria Scott, Principal Financial Analyst
Robert Simonich, Manager, Fabrication, Maintenance & Construction
David O'Hara, Legal Counsel
Tom Graves, Assistant to the General Manager/Board Secretary

CONSULTANTS: None

VISITORS: None

4. APPROVAL OF THE MINUTES OF July 8, 2013

Action

On a motion made by Director Kite and seconded by Director Fernandez, the Minutes of the Board of Directors Meeting of July 8, 2013 were approved. The motion carried unanimously (Director Toy absent).

5. WRITTEN COMMUNICATIONS

There were no official written communications.

6. ORAL COMMUNICATIONS

There were no oral communications.

7. MONTHLY OPERATIONS REPORT FOR JUNE, 2013

GM Summary

General Manager Currie reported briefly on odor complaints. There have been a total of four complaints this month while three appear unrelated to USD operations, one was related to the treatment plant. sTAFF is working diligently to find the source(s) of the odors. The resident making the complaints was invited to tour the facility, but cancelled just before the tour was to begin. A subsequent tour has yet to be scheduled.

The pipe failure in Newark at Cedar and Thornton was quickly diagnosed and quickly repaired. Staff, the contractor and the City of Newark all did a great job, completing the work on a Saturday.

The GM and staff met with East Bay Regional Parks District staff to discuss next steps a Hayward Marsh. USD has now stepped up to take the lead, and the Executive Team is working with the Regional Water Board to determine a roadmap for moving forward.

Regarding Hours Worked for June, Hours Worked per Employee has stayed the same, while Sick Leave Hours continue on the downward trend.

Director Handley asked about the source of the Notice of Violation (NOV) from Cellotape. Staff will check into this.

Financials

Maria Scott presented the Financial Report. The Board had no questions. Mr. Currie inquired if the PERS earnings report of 12.5% included the Retiree Medical Fund as well, and Ms. Scott replied that the 12.5% was for PERS overall.

Director Lathi inquired about the increase in the "age of work orders completed". Robert Simonich said as work order backlog was addressed, they are focused on completing some of the older items, which temporarily increases the age.

Director Handley inquired about the relatively low number of dental inspections, and Sami Ghossain replied that the initial numbers were higher, but have now been reduced by design.

President Lathi welcomed Deputy General Manager Ed McCormick to his first Board meeting as the Deputy GM, and other members of the Board joined her.

8. **AWARDING THE CONSTRUCTION CONTRACT FOR THE HAYWARD MARSH PIPELINE REHABILITATION PROJECT TO MCGUIRE AND HESTER**

Sami Ghossain made a brief presentation about the pipeline leak at Hayward Marsh. There were no questions from the board.

Action

On a motion made by Director Kite and seconded by Director Fernandez, the Board awarded the Construction Contract for the Hayward Marsh Pipeline Rehabilitation Project to McGuire and Hester in the amount of \$115, 451. The motion carried unanimously.

9. **AUTHORIZING THE GENERAL MANAGER TO EXECUTE AN AGREEMENT AND TASK ORDER NO. 1 WITH WEST YOST ASSOCIATES FOR THE DESIGN OF THE UPPER HETCH HETCHY CORRIDOR SANITARY SEWER REHABILITATION PROJECT**

The Newark Basin Master Plan update, completed by RMC Water & Environment in December of 2012, identified the Upper Hetch Hetchy Corridor trunk sewer as having high critical ratings due to Hydrogen Sulfide (H₂S) corrosion. These sewers were installed in the late 1950's and early 1960's using reinforced concrete pipe (RCP) that is highly susceptible to corrosion. Staff has reviewed television inspections performed by Collection Services and confirmed that there is extensive corrosion in this RCP trunk sewer that requires immediate rehabilitation. The design will include lining of the sewer, similar to others in the area.

Action

On a motion made by Director Handley and seconded by Director Fernandez, the Board authorized the General Manager to execute an Agreement and Task Order No. 1 with West Yost Associates for the design of the Upper Hetch Hetchy Corridor Sanitary Sewer Rehabilitation Project. The motion carried unanimously.

10. **RESOLUTION NO. 2713, AUTHORIZING STAFF TO SPECIFY JWC ENVIRONMENTAL MUFFIN MONSTER IN-LINE GRINDERS EXCLUSIVELY FOR THE THICKENER CONTROL BUILDING IMPROVEMENTS PROJECTS**

Sami Ghossain made the presentation. There were no questions from the board.

Action

On a motion made by Director Kite and seconded by Director Toy, the Board adopted Resolution No. 2713, authorizing staff to specify JWC Environmental Muffin Monster In-Line Grinders exclusively for the Thickener Control Building Improvements Projects. The motion carried unanimously.

RESOLUTION NO. 2713

RESOLUTION AUTHORIZING STAFF TO SPECIFY JWC ENVIRONMENTAL IN-LINE MUFFIN MONSTER GRINDERS EXCLUSIVELY FOR THE THICKENER CONTROL BUILDING IMPROVEMENTS PROJECTS

WHEREAS, the UNION SANITARY DISTRICT staff has developed the scope of the Thickener Control Building Improvements Project, which will install two new in-line sludge grinders; and

WHEREAS, staff has identified certain equipment which will be acquired from an identified manufacturer or vendor in order to match existing equipment; and

WHEREAS, District legal counsel has rendered an opinion regarding circumstances where specification of a single manufacturer for procurement or directly negotiated purchases may be utilized when formal, competitive bidding would be unavailing; now therefore, be it

RESOLVED that formal bidding procedures would be unavailing for the acquisition of the items set forth below; and

BE IT FURTHER RESOLVED, that the UNION SANITARY DISTRICT hereby authorizes staff to specify JWC Environmental Muffin Monster In-Line Grinders exclusively for the Thickener Control Building Improvements Projects; and

On motion duly made and seconded, this resolution was adopted by the following vote on July 22, 2013.

AYES: Fernandez, Handley, Kite, Lathi, Toy

NOES: ----

ABSTAIN: ----

ABSENT: ----



ANJALI LATHI
President, Board of Directors
UNION SANITARY DISTRICT

Attest:



JENNIFER TOY
Secretary, Board of Directors
UNION SANITARY DISTRICT

10.1 ELECTION OF REPRESENTATIVE TO THE CSDA BOARD OF DIRECTORS FOR REGION 3, SEAT B

Action

On a motion made by Director Kite and seconded by Director Fernandez, the Board endorsed Sherry Sterrett as the Region 3, Seat B Representative on the CSDA Board of Directors. The motion carried unanimously.

INFORMATION ITEMS

11. BOARD STANDING COMMITTEE ASSIGNMENTS FOR FY14

President Lathi announced the new Standing Committee assignments for FY14, as follows:

Budget & Finance: Directors Kite and Toy, Director Lathi Alternate
Construction: Directors Handley and Fernandez, Director Kite Alternate
Legal/Comm. Affairs: Directors Lathi and Handley, Director Fernandez Alternate
Legislative: Directors Kite and Lathi, Director Handley Alternate
Personnel: Directors Fernandez and Toy, Director Lathi Alternate
Audit: Directors Handley and Toy, Director Fernandez Alternate

Mr. Currie pointed out that the Audit Committee is not an *ad hoc* committee, and will be included in the list of available committee assignments for Directors next year. Director Lathi suggested that on the form to express choices for Committees that there be "yes/no" check boxes to indicate interest in serving on the Audit Committee.

12. CAL-CARD QUARTERLY ACTIVITY REPORT

Rich Cortes presented the report. The Board had no questions.

13. STATUS REPORT ON THE COMPUTER PURCHASE AND STUDENT LOAN PROGRAM

Rich Cortes presented the report. He indicated that we are getting close to using the full amount of available funds. Staff will monitor closely. The Board had no questions.

14. STATUS OF PRIORITY 1 CIP PROJECTS AT THE END OF FY13

Sami Ghossain reported that the Board approved 24 CIP construction projects for FY13 for a total of \$13.61M. There are currently eleven projects ranked as Priority 1, and thirteen projects ranked as Priority II. At the end of the 4th quarter of FY13, out of the eleven Priority I projects identified, the CIP team met all the milestones established for ten out of the eleven Priority I projects. The only project that was delayed was the Boyce Road Lift Station. However, this project was substantially completed in FY 13. Sami recognized the CIP Team and Operating Groups for the outstanding efforts in completing these difficult projects. The Board acknowledged the efforts and thanked the staff.

15. SOLAR FACILITIES OPERATIONAL UPDATE

Sami Ghossain reported that the District completed construction of the Solar Carport facility located at the Alvarado Wastewater Treatment Plant at a cost of \$884,000 and began operation in September 2011. The system consists of 637 solar panels and is rated at 125 kilowatt (kW)

The District also completed construction of the solar facility located at the Irvington Pump Station at a cost of \$2.85 million and began operation in April 2012. The system consists of 1,680 solar panels and is rated at 408 kW.

Combined, the two facilities have generated over \$410,000 in energy, and over \$230,000 has been recovered from PG&E in incentive rebates.

Director Fernandez asked if the District is setting funds aside in expectation of the eventual end-of-life cycle of the panels. Rich Currie said that other sources and technologies may be available by that time, so no determination has been made yet to do so.

16. CHECK REGISTER

Director Handley noticed payments to Verizon Wireless on both page 5 and page 7 of the report, and suggested that it might be possible for the District to combine bills and accounts with Verizon, so that minutes are combined as well, thus avoiding overcharges. Rich Cortes said he would look into the possibility of doing so.

17. REPORT FROM THE EAST BAY DISCHARGERS AUTHORITY MEETING OF JULY 18, 2013

Director Handley presented the report.

18. COMMITTEE MEETING REPORTS

The following committees met: Budget & Finance and Construction.

19. GENERAL MANAGER'S REPORT

General Manager Rich Currie said that Deputy GM Ed McCormick started his first day at 7:00 a.m. this morning, so the first day has been a long one.

The District received an unexpected but welcome certificate from Assemblymember Wieckowski, congratulating Collections Services Worker Jose Rodrigues on being named, "Collections System Worker of the Year".

There was a 1900 gallon spill on Mission Boulevard, which was entirely contained and recovered. This ended the prior 13 months of being spill-free.

As stated earlier, the District has met with the Regional Water Board staff on the Hayward Marsh rehabilitation plan. Board representatives have asked us to have a plan in place by the end of our permit cycle, which expires in April of 2016.

Several emails have been received from a member of the public who is critical of the lack of information available on our website. He has made a number of suggestions, and many of them are fairly simple to implement. By consensus, Boardmembers agreed that President Lathi would be the appropriate individual to respond on behalf of the Board.

Director Handley said this issue points up the need to decide on Board email addresses and business cards, and that issue will be scheduled for the next Board meeting agenda.

20. OTHER BUSINESS

Director Kite said that she and Director Fernandez attended the CSDA meeting at Washington Hospital.

21. **ADJOURNMENT**

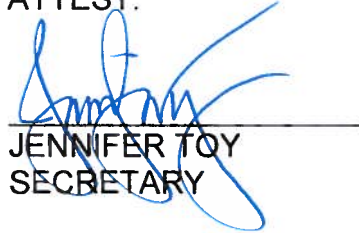
At 7:47 p.m., the Board adjourned to the next Regular Board Meeting on Monday, August 12, 2013 at 7:00 p.m. in the Boardroom.

SUBMITTED:



TOM GRAVES
SECRETARY TO THE BOARD

ATTEST:



JENNIFER TOY
SECRETARY

APPROVED:



ANJALI LATHI
PRESIDENT

Adopted this 12th day of August, 2013.