

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF
UNION SANITARY DISTRICT
April 27, 2015**

CALL TO ORDER

President Fernandez called the meeting to order at 7:00 p.m.

PLEDGE OF ALLEGIANCE

ROLL CALL

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

STAFF: Paul Eldredge, General Manager
Dave O'Hara, District Counsel
Rich Cortés, Business Services Manager
Sami Ghossain, Technical Services Manager
James Schofield, Collection Services Manager
Armando Lopez, Treatment & Disposal Services Manager
Robert Simonich, Fabrication, Maintenance, & Construction Manager
Jamie Rojo, Accounting Technical Specialist
Regina McEvoy, Assistant to the GM/Board Secretary

APPROVAL OF THE MINUTES OF APRIL 13, 2015

It was moved by Director Lathi, seconded by Secretary Handley, to Approve the Minutes of the Board of Director's Meeting held April 13, 2015. Motion carried unanimously.

MONTHLY OPERATIONS REPORT FOR MARCH 2015

This item was reviewed by the Budget & Finance Committee. General Manager Eldredge reported the following:

- Odor Complaints: There was one odor complaint in March from Fremont. District staff investigated the complaint and found a light grease odor emanating from the USD main. Environmental Compliance staff inspected a nearby restaurant tied to the main and found them to be in compliance. Staff will continue to monitor for reoccurrence of the odor. At the Budget & Finance Committee meeting, a question was raised regarding the distance from the site of the odor and the nearest residence. General Manager Eldredge stated the nearest residence is approximately 650 feet from the site of the odor.
- Safety:
 - There was one first aid incident in March. An employee working in a TV truck was overcome by carbon monoxide fumes due to wind directing truck exhaust

into the truck. The employee was taken to urgent care and returned to work the next day. The TV trucks will undergo inspection to prevent reoccurrence of this issue.

- The employee that reported a work related injury in February is off work and awaiting surgery.
- The Security Guard at the vehicle gate has corrected the tailgating issue, and we have reduced the number of unidentified vehicles entering the facility.
- Safety staff worked hard to ensure the safety of our guests who attended the Co-Gen ribbon cutting ceremony.
- Personnel: The District selected Koff & Associates to conduct recruitments for Human Resources Administrator, Business Services Manager, and Business Services Coach. Effective March 1, 2015, all employees' PERS contributions were increased by 1.5% which brought the total "classic" employee contribution to PERS to 6.5%. This increase was part of the phased approach to having all District employees pay the full PERS employee contribution of 8%. Also effective March 1, 2015, classified employees received a 3.5% COLA increases.

Rich Cortes stated:

- Investments: The Districts average monthly yield has improved, and was above .5%.
- Revenues/Proceeds: Capacity fees received in March included \$100,000 from Chick-Fil-A, \$76,000 from Milan Catering, and \$164,000 from Catellus. Capacity fees at the end of March were at 118% of budget. The District received \$83,000 in field inspection fees and \$21,000 in plan check fees.
- Expenses: District expenses included \$344,000 for the Cogen Project, and \$176,000 for Primary Digester #5. Expenses by work group are below budget.

WRITTEN COMMUNICATIONS

There were no written communications.

ORAL COMMUNICATIONS

There were no oral communications.

AUTHORIZE THE GENERAL MANAGER TO EXECUTE AN AGREEMENT AND TASK ORDER NO. 1 WITH THE COVELLO GROUP, INC. FOR PROVIDING CONSTRUCTION MANAGEMENT SERVICES FOR THE NEWARK BACKYARD SANITARY SEWER REPLACEMENT PROJECT PHASE 2 AND MISCELLANEOUS SPOT REPAIRS PROJECT - PHASE 6

This item was reviewed by the Construction Committee. Technical Services Manager Ghossain stated the Newark Backyard Sanitary Sewer Relocation Project – Phase 2 is part of a three phased project to improve the existing sewer system within the residential neighborhood located north of the intersection of Dairy Avenue and Cherry Street in Newark. Phase 2 will include relocation of 93 sanitary sewer laterals to new sanitary sewer mains to be constructed. Phase 6 of the Miscellaneous Spot Repairs Project will repair broken or sagging sewer pipes at six sites throughout the District; three sites in Union City and three sites in Fremont. Staff recommended the Board award construction management services for both projects to one consultant for efficiency and cost-savings for the District.

It was moved by Secretary Handley, seconded by Vice President Toy, to Authorize the General Manager to Execute an Agreement and Task Order No. 1 with The Covello Group, Inc. for Providing Construction Management Services for the Newark Backyard Sanitary Sewer Replacement Project Phase 2 and Miscellaneous Spot Repairs Project - Phase 6. Motion carried unanimously.

AUTHORIZE THE GENERAL MANAGER TO EXECUTE TASK ORDER NO. 2 WITH WEST YOST ASSOCIATES FOR PROVIDING DESIGN SERVICES FOR THE PLANT FACILITIES IMPROVEMENTS PROJECT

This item was reviewed by the Construction Committee. Technical Services Manager Ghossain stated the scope of services for Task Order No. 2 included project management, detailed design, preparation of contract documents, and bid period services for the Plant Facilities Improvements Project and the Sodium Hypochlorite Tanks and Piping Replacement Project.

It was moved by Director Kite, seconded by Director Lathi, to Authorize the General Manager to Execute Task Order No. 2 with West Yost Associates for Providing Design Services for the Plant Facilities Improvements Project. Motion carried unanimously.

APPROVE A MOTION TO RESCHEDULE THE MAY 25, 2015, BOARD OF DIRECTORS MEETING

General Manager Eldredge stated the second regularly scheduled meeting of the Board of Directors in May falls on Memorial Day. Staff recommended the Board reschedule said meeting to be held Tuesday, May 26, 2015, at 7:00 p.m.

It was moved by Secretary Handley, seconded by Vice President Toy, to Approve a Motion to Reschedule the May 25, 2015, Board of Directors Meeting to May 26, 2015. Motion carried unanimously.

INFORMATION ITEMS:

Check Register

All questions were answered to the Board's satisfaction.

Cal-Card Quarterly Activity Report

This item was reviewed by the Budget & Finance Committee. Business Services Manager Cortes stated the FY 15 third quarter report covered Cal-Card transactions for the billing period of December 23, 2014 through March 22, 2015. There were 245 transactions totaling \$76,775.99 during the third quarter.

Certificates of Merit to Union Sanitary District's Class I Permitted Industries

This item was reviewed by the Legal/Community Affairs Committee. Technical Services Manager Ghossain stated the Certificates of Merit is an annual event held to recognize industries that have exceeded the requirements of their wastewater discharge permits during the prior calendar year and have demonstrated continued commitment to protecting the environment. The District has invited 32 Significant Industrial Users (SIUs) with Class I Wastewater Discharge Permits to receive Certificates of Merit at 3:00 p.m. on May 28, 2015.

Third Quarterly Report on the Capital Improvement Program (CIP) for FY 15

This item was reviewed by the Construction Committee. Technical Services Manager Ghossain stated that in June 2014, the Board approved the FY 15 CIP budget in the amount of \$14.87 million for design and construction of 21 projects. CIP expenditures up to March 31, 2015, were below third quarter projections by \$11,000.

Status of Priority 1 CIP Projects

This item was reviewed by the Construction Committee. Technical Services Manager Ghossain stated the status of Priority 1 CIP projects is reviewed by the Executive Team at the end of each quarter, and the status report is presented to the Board. For FY'15, nine projects were ranked as Priority 1 and the remaining twelve were ranked as Priority 2.

Report on the EBDA Commission Meeting of April 16, 2015

Secretary Handley reported the following:

- The Commission unanimously approved reports submitted by the General Manager, Managers Advisory Committee, Financial Management, Regulatory Affairs, Operation & Maintenance, Personnel, and Ad-Hoc Committees.
- The O&M Committee reported the MDF sodium bisulfite replacement is complete, and EBDA has realized a savings of approximately \$60,000 this fiscal year.
- A Closed Session was held to discuss labor negotiations for the Operations & Maintenance Manager. Reportable action from the Closed Session included amending the title of Deputy General Manager to Superintendent of Operations & Maintenance.

Discuss Topics for the General Manager Check-in Workshop Scheduled for April 30, 2015

General Manager Eldredge presented the following topics of discussion for the Workshop: Compensation Plan, Collection Services 3rd Coach Update, Goals for FY 2016, and Schedule and Process for General Manager Annual Performance Evaluation.

COMMITTEE MEETING REPORTS:

The Legal/Community Affairs, Construction, and Budget & Finance Committees met.

GENERAL MANAGER'S REPORT:

General Manager Eldredge reported the following:

- The Balanced Scorecard report originally scheduled to be presented at the second Board meeting in May has been rescheduled to the first Board meeting in May due to a scheduling conflict.
- Environmental Compliance staff participated in the Earth Day event held at Washington Hospital in Fremont on Saturday, April 25, 2015. District staff received 217 pollution prevention pledges, accepted 36 mercury thermometers, and collected over 160 pounds of expired medications. At the event, staff received multiple inquiries about reclaimed water. General Manager Eldredge and Communications Coordinator Powell will be working on reclaimed water fact sheet to be used as a resource for the Board and District staff.

- General Manager Eldredge has been in communication with Alameda County Water District's General Manager to explore reclaimed water options and concepts. Details will be shared as they become available.
- District staff have been working diligently to prepare for the Open House to be held 10:00 a.m. – 2:00 p.m. on Saturday, May 9, 2015.

OTHER BUSINESS:

There was no other business.

ADJOURNMENT:

The meeting was adjourned at 7:49 p.m. to the Check-in with the General Manager Workshop in the Boardroom on Thursday, April 30, 2015, at 6:30 p.m.

The Board will then adjourn to the next Regular Board Meeting in the Boardroom on Monday, May 11, 2015, at 7:00 p.m.

SUBMITTED:



REGINA McEVOY
SECRETARY TO THE BOARD

ATTEST:



TOM HANDLEY
SECRETARY

APPROVED:



MANNY FERNANDEZ
PRESIDENT

Adopted this 11th day of May, 2015