



**UNION SANITARY DISTRICT BOARD MEETING/
UNION SANITARY DISTRICT FINANCING AUTHORITY
AGENDA**

**Monday, February 13, 2023
Regular Meeting - 4:00 P.M.**

**Union Sanitary District
Administration Building
5072 Benson Road
Union City, CA 94587**

Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

CORONAVIRUS (COVID-19) ADVISORY NOTICE

This meeting will be held pursuant to Government Code Section 54953 (as amended by AB 361), which authorizes teleconferenced meetings under the Brown Act during a proclaimed state of emergency. The Governor of California proclaimed a State of Emergency related to COVID-19 on March 4, 2020. Consistent with Government Code Section 54953, this meeting will not be physically open to the public and Board Members will be teleconferencing into the meeting. **To maximize public safety while still maintaining transparency and public access, members of the public can observe the meeting by following the steps listed below, and may provide public comment by sending comments to the Board Clerk by email at assistanttogm@unionsanitary.ca.gov before or during the meeting or via voicemail by calling 510-477-7599 before 3:00 p.m. on the date of the meeting.** Comments will then be read into the record, with a maximum allowance of 3 minutes per individual comment, subject to the Board President's discretion. All comments should be a maximum of 500 words, which corresponds to approximately 3 minutes of speaking time. If a comment is received after the agenda item is heard but before the close of the meeting, the comment will still be included as a part of the record of the meeting but will not be read into the record.

Any member of the public who needs accommodations should email or call the Board Clerk, assistanttogm@unionsanitary.ca.gov or 510-477-7503, who will use their best efforts to provide reasonable accommodations to provide as much accessibility as possible while also maintaining public safety in accordance with the Union Sanitary District procedure for resolving reasonable accommodation requests.

To listen to this Regular Board Meeting:

Call: 1-888-788-0099 or 1-877-853-5247

Meeting ID: 818 8358 7854 #

Participant ID: #

Click the Zoom link below to watch and listen:

<https://us02web.zoom.us/j/81883587854>

1. Call to Order.

2. ~~Salute to the Flag.~~ (This item has been suspended until in-person meetings resume.)

3. Roll Call.

- Motion 4. Approve Minutes of the Union Sanitary District Board Meeting of January 23, 2023.

- Information 5. Fiscal Year 2023 Second Quarter Managed Investment and Portfolio Report from PFM *(to be reviewed by the Investment/Portfolio Ad Hoc).*

6. Written Communications.

7. Public Comment.
Public Comment is limited to three minutes per individual, with a maximum of 30 minutes per subject. If the comment relates to an agenda item, the speaker should address the Board at the time the item is considered. Speaker cards will be available in the Boardroom and are requested to be completed prior to the start of the meeting.

- Motion 8. Review and Consider Approval of Policy No. 2060, Debt Management Policy *(to be reviewed by the Budget & Finance Committee).*

- Motion 9. Review and Consider Approval of Side Letter Agreement Between SEIU Local 1021 and the District Regarding Modifying Sections in the MOU to Include Classified Limited Duration Employees *(to be reviewed by the Personnel Committee).*

- Motion 10. Authorize the General Manager to Execute an Agreement with PG&E to Relocate the Existing Primary Electrical Service for the Alvarado Wastewater Treatment Plant Site *(to be reviewed by the Engineering and Information Technology Committee).*

- Motion 11. Authorize Staff to Proceed with a Long Block Exchange for Cogeneration Engine No. 2 *(to be reviewed by the Engineering and Information Technology Committee).*

- Motion 12. Consider Confirming and Declaring the Need to Continue the Emergency Action to Repair Two Sewer Lines in the City of Fremont Damaged by Fiber Optic Line Installation *(to be reviewed by the Engineering and Information Technology Committee).*

- Motion 13. COVID-19 and AB 361 Update and Consider Adoption of a Resolution Authorizing the Use of Teleconference Meetings in Compliance with AB 361.

- Information 14. Update on the Subsurface Investigation at the Alvarado Wastewater Treatment Plant *(to be reviewed by the Engineering and Information Technology Committee).*

- Information 15. Solar and Cogeneration Facilities Operational Update *(to be reviewed by the Budget & Finance Committee).*

- Information 16. Report on the East Bay Dischargers Authority Meeting of January 19, 2023.

- Information 17. Check Register.

Information

18. Committee Meeting Reports. *(No Board action is taken at Committee meetings):*
 - a. Budget & Finance Committee – Wednesday, February 8, 2023, at 9:00 a.m.
 - Director Kite and Director Toy
 - b. Investment/Portfolio Ad Hoc – Wednesday, February 8, 2023, at 1:30 p.m.
 - Director Handley and Director Lathi
 - c. Engineering and Information Technology Committee – Thursday, February 9, 2023, at 11:30 a.m.
 - Director Handley and Director Lathi
 - d. Personnel Committee – Friday, February 10, 2023, at 10:00 a.m.
 - Director Fernandez and Director Toy
 - e. Legal/Community Affairs Committee – will not meet.
 - f. Legislative Committee – will not meet.
-

Information

19. General Manager’s Report. *(Information on recent issues of interest to the Board).*
-
20. Other Business:
 - a. Comments and questions. *Directors can share information relating to District business and are welcome to request information from staff.*
 - b. Scheduling matters for future consideration.
-
21. Adjournment – The Board will then adjourn to the next Regular Board Meeting to be held virtually on Monday, February 27, 2023, at 4:00 p.m.
-

The facilities at the District Offices are wheelchair accessible. Any attendee requiring special accommodations at the meeting should contact the General Manager’s office at (510) 477-7503 at least 24 hours in advance of the meeting.



USD TREAT
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TRI-CITY WASTEWATER

Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

BUDGET & FINANCE COMMITTEE MEETING
Committee Members: Director Kite and Director Toy

Officers
Paul R. Eldredge
*General Manager/
District Engineer*

AGENDA
Wednesday, February 8, 2023
9:00 A.M.

Karen W. Murphy
Attorney

Alvarado Conference Room
5072 Benson Road
Union City, CA 94587

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1. Call to Order

2. Roll Call

3. Public Comment

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4. Items to be reviewed for the Regular Board meeting of February 13, 2023:

- Review and Consider Approval of Policy No. 2060, Debt Management Policy
 - Solar and Cogeneration Facilities Operational Update
 - General Manager’s Expense Reimbursement
-

5. Adjournment

Items reviewed at committee meetings will be included in the agenda packet for the upcoming Board meeting. No action will be taken at committee meetings.

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Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

INVESTMENT/PORTFOLIO AD HOC MEETING
Committee Members: Director Handley and Director Lathi

Officers
Paul R. Eldredge
*General Manager/
District Engineer*

AGENDA
Wednesday, February 8, 2023
1:30 P.M.

Karen W. Murphy
Attorney

Alvarado Conference Room
5072 Benson Road
Union City, CA 94587

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1. Call to Order

2. Roll Call

3. Public Comment

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4. Items to be reviewed for the Regular Board meeting of February 13, 2023:

- Fiscal Year 2023 Second Quarter Managed Investment and Portfolio Report from PFM
-

5. Adjournment

Items reviewed at committee meetings will be included in the agenda packet for the upcoming Board meeting. No action will be taken at committee meetings.

The facilities at the District Offices are wheelchair accessible. Any attendee requiring special accommodations at the meeting should contact the General Manager's office at (510) 477-7503 at least 24 hours in advance of the meeting.



Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

**ENGINEERING AND INFORMATION TECHNOLOGY
COMMITTEE MEETING**
Committee Members: Director Handley and Director Lathi

Officers
Paul R. Eldredge
*General Manager/
District Engineer*

AGENDA
Thursday, February 9, 2023
11:30 A.M.

Karen W. Murphy
Attorney

Alvarado Conference Room
5072 Benson Road
Union City, CA 94587

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1. Call to Order

2. Roll Call

3. Public Comment

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4. Items to be reviewed for the Regular Board meeting of February 13, 2023:

- Authorize the General Manager to Execute an Agreement with PG&E to Relocate the Existing Primary Electrical Service for the Alvarado Wastewater Treatment Plant Site
 - Authorize Staff to Proceed with a Long Block Exchange for Cogeneration Engine No. 2
 - Consider Confirming and Declaring the Need to Continue the Emergency Action to Repair Two Sewer Lines in the City of Fremont Damaged by Fiber Optic Line Installation
 - Update on the Subsurface Investigation at the Alvarado Wastewater Treatment Plant
-

5. Adjournment

Items reviewed at committee meetings will be included in the agenda packet for the upcoming Board meeting. No action will be taken at committee meetings.

The facilities at the District Offices are wheelchair accessible. Any attendee requiring special accommodations at the meeting should contact the General Manager's office at (510) 477-7503 at least 24 hours in advance of the meeting.



Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

PERSONNEL COMMITTEE MEETING
Committee Members: Director Fernandez and Director Toy

Officers
Paul R. Eldredge
*General Manager/
District Engineer*

AGENDA
Friday, February 10, 2023
10:00 A.M.

Karen W. Murphy
Attorney

Alvarado Conference Room
5072 Benson Road
Union City, CA 94587

This meeting will be held pursuant to Government Code Section 54953 (as amended by AB 361), which authorizes teleconferenced meetings under the Brown Act during a proclaimed state of emergency. The Governor of California proclaimed a State of Emergency related to COVID-19 on March 4, 2020. Consistent with Government Code Section 54953, this meeting will not be physically open to the public and all Board Members will be teleconferencing into the meeting via conference call. To maximize public safety while still maintaining public access, members of the public can observe the meeting by calling 510-477-6190 to listen to the committee meeting, and may provide public comment by sending comments to the Board Clerk by email anytime during the meeting at assistanttoggm@unionsanitary.ca.gov or via voicemail by calling 510-477-7599 up to one hour before the scheduled meeting start time.

1. Call to Order

2. Roll Call

3. Public Comment

Public Comment is limited to three minutes per individual, with a maximum of 30 minutes per subject. If the comment relates to an agenda item, the speaker should address the Board at the time the item is considered. Speaker cards will be available and are requested to be completed prior to the start of the meeting.

4. Items to be reviewed for the Regular Board meeting of February 13, 2023:

- Review and Consider Approval of Side Letter Agreement Between SEIU Local 1021 and the District Modifying Section 4 of the Current MOU
-

5. Adjournment

Items reviewed at committee meetings will be included in the agenda packet for the upcoming Board meeting. No action will be taken at committee meetings.

The facilities at the District Offices are wheelchair accessible. Any attendee requiring special accommodations at the meeting should contact the General Manager's office at (510) 477-7503 at least 24 hours in advance of the meeting.

**MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF
UNION SANITARY DISTRICT/UNION SANITARY DISTRICT FINANCING
AUTHORITY
January 23, 2023**

This meeting was held pursuant to Government Code Section 54953 (as amended by AB 361), which authorizes teleconferenced meetings under the Brown Act during a proclaimed state of emergency. The Governor of California proclaimed a State of Emergency related to COVID-19 on March 4, 2020. Consistent with Government Code Section 54953, this meeting was not physically open to the public and all Board Members teleconferenced into the meeting. To maximize public safety while still maintaining transparency and public access, members of the public were able to observe the Board Meeting and provide public comment by sending comments to the Board Clerk.

CALL TO ORDER

President Lathi called the meeting to order at 4:00 p.m. The regular meeting time was modified due to the COVID-19 emergency.

SALUTE TO THE FLAG

ROLL CALL

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

STAFF: Paul Eldredge, General Manager/District Engineer
Karen Murphy, District Counsel
Mark Carlson, Business Services Manager/CFO
Armando Lopez, Treatment and Disposal Services Manager
Jose Rodrigues, Collection Services Manager
Raymond Chau, Technical Services Manager
Ric Pipkin, Enhanced Treatment and Site Upgrade Program Manager
Chris Pachmayer, Fabrication, Maintenance, and Construction Team Coach
Curtis Bosick, Capital Improvements Projects Team Coach
Allan Briggs, Interim Customer Service Team Coach
Alisa Gordon, Human Resources Manager
Trieu Nguyen, IT Administrator
Karoline Terrazas, Organizational Performance Manager
Regina McEvoy, Executive Assistant to the General Manager/Board Clerk

APPROVE MINUTES OF THE UNION SANITARY DISTRICT BOARD MEETING OF JANUARY 9, 2023

It was moved by Director Handley, seconded by Vice President Fernandez, to Approve the Minutes of the Board Meeting of January 9, 2023. Motion carried with the following vote:

AYES: Handley, Fernandez, Kite, Lathi, Toy
NOES: None
ABSTAIN: None
ABSENT: None

DECEMBER 2022 MONTHLY OPERATIONS REPORT

This item was reviewed by the Budget & Finance and Legal/Community Affairs Committees. General Manager Eldredge provided an overview of the Monthly Report, and Business Services Manager/CFO Carlson provided an overview of the financial reports.

WRITTEN COMMUNICATIONS

There were no written communications.

PUBLIC COMMENT

There was no public comment.

REVIEW AND CONSIDER APPROVAL OF UPDATED POLICY NO. 5334, EQUAL EMPLOYMENT OPPORTUNITY

This item was reviewed by the Personnel Committee. Human Resources Manager Gordon stated California State Senate Bill (SB) 523, the Contraceptive Equity Act of 2022, added “reproductive health decision-making” to its list of protections under the Fair Employment and Housing Act (FEHA) effective January 1, 2023. As defined in the bill, reproductive health decision-making means “a decision to use or access a particular drug, device, product, or medical service for reproductive health.” The new law makes it unlawful for an employer to discriminate against an employee on this basis. Staff have prepared proposed revisions to District Policy No. 5334, Equal Employment Opportunity, pursuant to SB 523. Staff recommended the Board review and consider approval of proposed changed to Policy No. 5334, Equal Employment Opportunity.

It was moved by Vice President Fernandez, seconded by Secretary Toy, to Approve Policy No. 5334, Equal Employment Opportunity. Motion carried with the following vote:

AYES: Handley, Fernandez, Kite, Lathi, Toy
NOES: None
ABSTAIN: None
ABSENT: None

CONSIDER A MOTION TO MODIFY THE JULY 10, 2023, BOARD MEETING, AND CANCEL THE NOVEMBER 27 AND DECEMBER 25, 2023, BOARD MEETINGS

Executive Assistant to the General Manager/Board Clerk McEvoy outlined impacts to regularly scheduled Board meetings throughout calendar year 2023 and presented options for the Board's consideration. Staff recommended the Board consider modifying the July 10, 2023, Board Meeting and cancel the November 27 and December 25, 2023, Board Meetings.

It was moved by Secretary Toy, seconded by Director Kite, to:

- Cancel the July 10 and July 24, 2023, Board Meetings and Schedule Special Meetings to be Held July 17 and July 31, 2023; and
- Cancel the November 27, 2023, Board Meeting and Authorize Staff to Schedule a Special Meeting for November 20, 2023, if needed; and
- Cancel the December 25, 2023, Board Meeting and Authorize Staff to Schedule a Special Meeting for December 18, 2023, if needed.

Motion carried with the following vote:

AYES: Handley, Fernandez, Kite, Lathi, Toy
NOES: None
ABSTAIN: None
ABSENT: None

AUTHORIZE THE GENERAL MANAGER TO EXECUTE CONTRACT CHANGE ORDER NO. 47 WITH C. OVERAA & CO. FOR THE PRIMARY DIGESTER NO. 7 PROJECT

This item was reviewed by the Engineering and Information Technology Committee. Technical Services Manager Chau stated glass-lined ductile iron pipe/fittings were specified for all sludge piping for the Primary Digester No. 7 Project. Glass-lined ductile iron pipe/fittings were purchased and installed by the contractor, C. Overaa and Co. and supplied by U.S. Pipe. During construction staff discovered a portion of the glass-lined ductile iron pipes and fittings provided for the Project did not meet the contract specifications, which required a minimum glass lining thickness of 10 mils. Field testing conducted by U.S. Pipe demonstrated that roughly 30% of the pipes and fittings had a nominal glass lining thickness of 7 to 8 mils. U.S. Pipe claimed the variance would have no impact on overall longevity or effectiveness of the piping system. Based upon feedback received from other consultants and the fact that the majority of the piping system was already installed when the non-conforming glass-lined ductile iron pipe/fittings were discovered, staff believed it was in the District's best interest to negotiate a settlement with Overaa in lieu of requiring replacement. Contract Change Order No. 47 is a credit change order that accounts for all costs and schedule impacts associated with the glass lining issue. Staff recommended the Board authorize the General Manager to execute Contract Change Order No. 47 with C. Overaa and Co. for a credit of \$110,000 for the Primary Digester No. 7 Project.

It was moved by Director Handley, seconded by Vice President Fernandez, to Authorize the General Manager to Execute Contract Change Order No. 47 with C. Overaa and Co. for a Credit of \$110,000 for the Primary Digester No. 7 Project. Motion carried with the following vote:

AYES: Handley, Fernandez, Kite, Lathi, Toy
NOES: None
ABSTAIN: None
ABSENT: None

AWARDING THE CONTRACT FOR THE CLEANING OF PRIMARY DIGESTER NO. 6 TO WASTEWATER SOLIDS MANAGEMENT

This item was reviewed by the Engineering and Information Technology Committee. Treatment and Disposal Services Manager Lopez stated Primary Digester No. 6 was originally anticipated to be cleaned in Fiscal Year 2017, but the work was delayed until Primary Digester No. 7 could be put in service due to the minimum digestion capacity required. Three bids were received, and Wastewater Solids Management submitted the lowest, responsive, and responsible bid. Wastewater Solids Management successfully completed cleaning Secondary Digester No. 1 in 2021, Primary Digester No. 2 in 2019, and Primary Digester No. 5 in 2014. The contractor will have until June 30, 2023, to complete the project. Once the Digester has been cleaned, the condition of Primary Digester No. 6 will be assessed, and design of necessary rehabilitation work will be completed. Staff recommended the Board award the cleaning contract for Primary Digester No. 6 to Wastewater Solids Management in the amount of \$136,960.

It was moved by Director Handley, seconded by Secretary Toy to Award the Cleaning Contract for Primary Digester No. 6 to Wastewater Solids Management in the Amount of \$136,960. Motion carried with the following vote:

AYES: Handley, Fernandez, Kite, Lathi, Toy
NOES: None
ABSTAIN: None
ABSENT: None

CONSIDER CONFIRMING AND DECLARING THE NEED TO CONTINUE THE EMERGENCY ACTION TO REPAIR TWO SEWER LINES IN THE CITY OF FREMONT DAMAGED BY FIBER OPTIC LINE INSTALLATION

This item was reviewed by the Engineering and Information Technology Committee. Collection Services Manager Rodrigues stated that on September 12, 2022, the Board adopted Resolution No. 2982 declaring an emergency and authorizing the expenditure of funds to allow staff to proceed with the expeditious repair of two sewer lines in the City of Fremont. Pursuant to Public Contract Code section 22050, the Board is required to review the status of emergency action at each subsequent meeting until the emergency action is terminated and authorize continuation of the emergency action. Staff recommended the Board receive an update on repairs and adopt a motion finding that there is a need to continue the action and confirming and declaring the continuance of the emergency.

It was moved by Director Kite, seconded by Director Handley, to Adopt a Motion Finding That There is a Need to Continue the Action and Confirming and Declaring the Continuance of the Emergency. Motion carried with the following vote:

AYES: Handley, Fernandez, Kite, Lathi, Toy
NOES: None
ABSTAIN: None
ABSENT: None

AUTHORIZE THE GENERAL MANAGER TO EXECUTE AMENDMENT NO. 1 TO TASK ORDER NO. 2 WITH CAROLLO ENGINEERS, INC. FOR THE WAS THICKENER REPLACEMENT PROJECT

This item was reviewed by the Engineering and Information Technology Committee. Technical Services Manager Chau stated that on August 10, 2020, the Board authorized the General Manager to execute Task Order No. 2 with Carollo to perform final design services for the Project. The Project was postponed due to limited staff and financial resources dedicated to ongoing construction projects. The postponement provided an opportunity to further evaluate some of the Project's scope of work and consider whether there were further enhancements that could be made to the WAS thickening process. The purpose of the proposed amendment would be for Carollo to further evaluate the equipment layout and maintenance access in the WAS Thickening Building to determine if any further optimization would be feasible. The scope of services and fees for Amendment No. 1 to Task Order No. 2 were summarized in the Board packet. Staff recommended the Board authorize the General Manager to execute Amendment No. 1 to Task Order No. 2 with Carollo Engineers, Inc. in the amount of \$209,777 for providing additional design services for the WAS Thickener Replacement Project.

It was moved by Director Kite, seconded by Vice President Fernandez, to Authorize the General Manager to Execute Amendment No. 1 to Task Order No. 2 with Carollo Engineers, Inc. in the Amount of \$209,777 for Providing Additional Design Services for the WAS Thickener Replacement Project. Motion carried with the following vote:

AYES: Handley, Fernandez, Kite, Lathi, Toy
NOES: None
ABSTAIN: None
ABSENT: None

COVID-19 UPDATE AND CONSIDER ADOPTION OF RESOLUTION AUTHORIZING THE USE OF TELECONFERENCE MEETINGS IN COMPLIANCE WITH AB 361

General Manager Eldredge provided an update regarding COVID-19 impacts on District operations and coordination efforts. AB 361 requires public agencies to make findings by majority vote within 30 days of the first teleconferenced meeting under AB 361 and every 30 days thereafter that a state of emergency still exists and continues to directly impact the ability of the members to meet safely in person, or that officials continue to impose or recommend measures to promote social distancing. The District is continuing to hold teleconferenced meetings as allowed under AB 361 due to the ongoing public health threat of COVID-19. The proposed resolution includes findings required by AB 361 to allow the District to hold teleconferenced meetings. Staff provided an update on the status

of the COVID-19 Emergency Order. Staff recommended the Board adopt a resolution authorizing the use of teleconference meetings in compliance with AB 361.

It was moved by Secretary Toy, seconded by Director Handley, to Adopt Resolution No. 2993 Authorizing the Use of Teleconference Meetings in Compliance with AB 361. Motion carried with the following vote:

AYES: Handley, Fernandez, Kite, Lathi, Toy
NOES: None
ABSTAIN: None
ABSENT: None

INFORMATION ITEMS:

CAL-Card Fiscal Year 2023 2nd Quarter Activity Report

This item was reviewed by the Budget & Finance Committee. General Manager Eldredge presented the activity report included in the Board meeting packet.

Board Expenses for 2nd Quarter of Fiscal Year 2023

This item was reviewed by the Budget & Finance Committee. General Manager Eldredge presented the Board of Director Travel and Training Expenditure Report for the 2nd Quarter of Fiscal Year 2023 included in the Board meeting packet.

Report on the East Bay Discharger's Authority Meeting of December 15, 2022

General Manager Eldredge provided an overview of the EBDA meeting minutes included in the Board meeting packet.

Check Register

There were no questions regarding the check register.

COMMITTEE MEETING REPORTS:

The Budget & Finance, Personnel, Engineering and Information Technology, and Legal/Community Affairs Committees met.

GENERAL MANAGER'S REPORT:

- General Manager Eldredge noted there were a number of articles regarding the effect of recent rain storms on wastewater infrastructure; staff included some of these articles at the end of the Board meeting packet.
- Staff will be reaching out to the Board to schedule a number of Board Workshops.

OTHER BUSINESS:

There was no other business.

ADJOURNMENT:

The meeting was adjourned at 4:58 p.m. to a Special Board Meeting to be held virtually on Monday, February 6, 2023, at 4:00 p.m.

The Board will then adjourn to the next Regular Board Meeting to be held virtually on Monday, February 13, 2023, at 4:00 p.m.

SUBMITTED:

REGINA McEVOY
BOARD CLERK

APPROVED:

ANJALI LATHI
PRESIDENT

ATTEST:

JENNIFER TOY
SECRETARY

Adopted this 13th day of February 2023



USD
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TRI-CITY WASTEWATER

Directors
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Jennifer Toy

Officers
Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

**FEBRUARY 13, 2023
BOARD OF DIRECTORS MEETING
AGENDA ITEM # 5**

TITLE: Fiscal Year 2023 Second Quarter Managed Investment Portfolio Report (*This is an Information Item*)

SUBMITTED: Paul R. Eldredge, General Manager/District Engineer
Mark Carlson, Business Services Work Group Manager/CFO

Recommendation

Information only.

Discussion

The attached report from PFM shows the District's investment positions for the 2nd Quarter of Fiscal Year 2023 (ending December 31, 2022).

This reporting format is intended to supplement the existing Monthly Operations Report provided by Staff for the months of October, November and December of 2022 and includes the following sections, which will be presented in detail:

- Market Update
- Account Summary
- Portfolio Review
- Disclosures
- Glossary

Representatives from PFM and staff will be available to answer questions.

Background

In October of 2018, the Board authorized the General Manager to sign the Portfolio Management Services Contract with PFM Asset Management LLC (PFM) for investment management services. The strategy behind this decision was to maximize investment returns to the extent practicable, while maintaining compliance with all policy, legal and regulatory requirements for government agency investments. The provision of comprehensive portfolio

reporting and current economic analyses were both deliverables in the contract negotiated with PFM.

Previous Board Action

None

Attachment:

Investment Performance Review for the Quarter Ended December 31, 2022.

UNION SANITARY DISTRICT

Investment Performance Review For the Quarter Ended December 31, 2022

Client Management Team

Monique Spyke, Managing Director
Joseph Creason, Portfolio Manager
Jeremy King, Key Account Manager
Rachael Miller, Client Consultant

PFM Asset Management LLC

1 California Street Ste. 1000
San Francisco, CA 94111-5411
415-393-7270

213 Market Street
Harrisburg, PA 17101-2141
717-232-2723

Agenda

- Market Update
- Account Summary
- Portfolio Review

Market Update

Current Market Themes



- ▶ The U.S. economy is characterized by:
 - ▶ High inflation that shows signs of slowing
 - ▶ Continued strong labor market
 - ▶ Potentially declining health of U.S. household finances
 - ▶ Expectations for a modest yet broad economic downturn

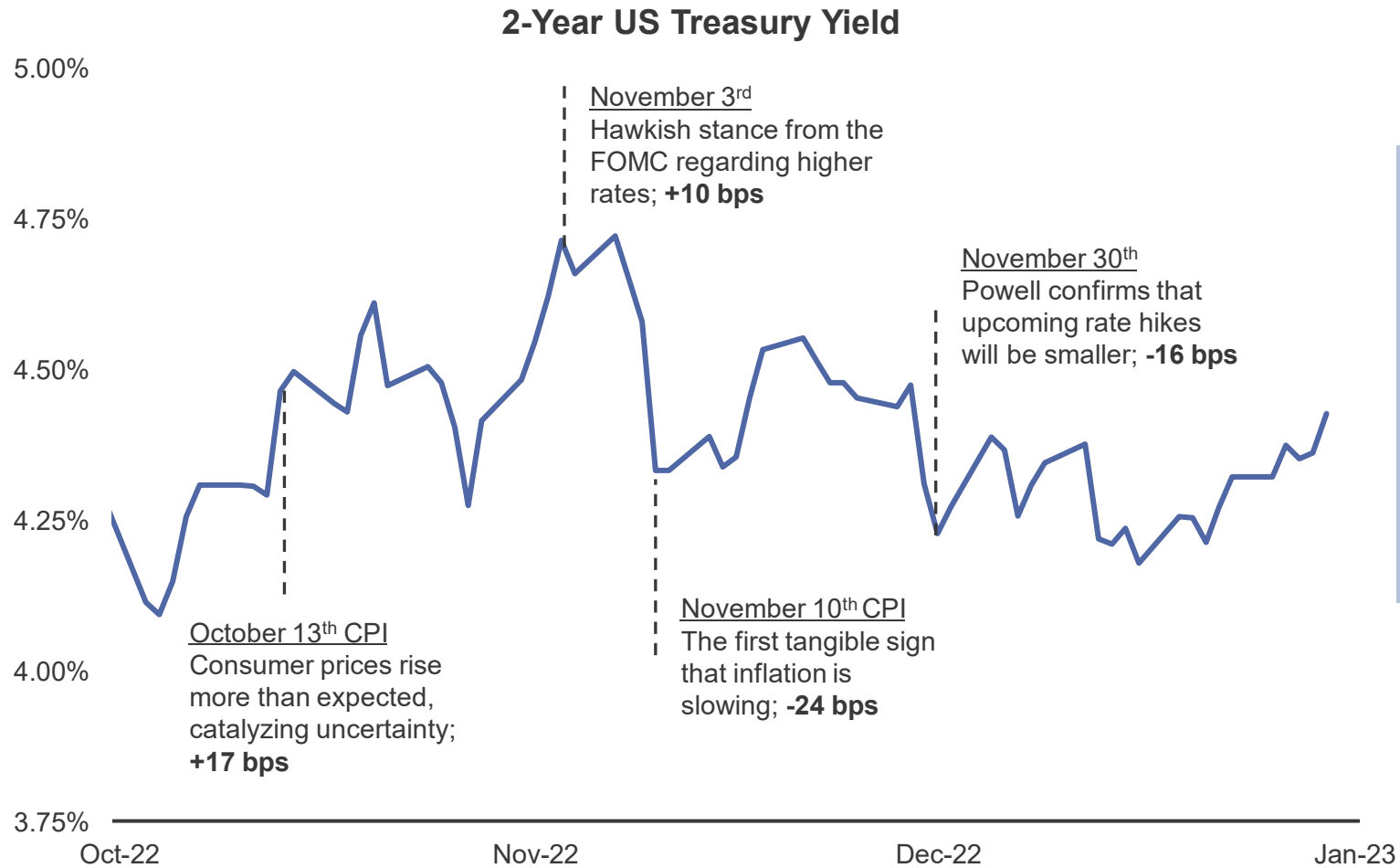


- ▶ The Federal Reserve is expected to wrap up their normalization process
 - ▶ Slowing pace of rate hikes
 - ▶ Fed projecting short-term fed funds rate to reach 5.00% to 5.25% by year-end, with markets expecting rate cuts in the second half of 2023
 - ▶ Fed officials reaffirm that restoring price stability is the utmost priority, despite risks of overtightening



- ▶ Volatile markets potentially calming
 - ▶ Treasury yields in the belly of the curve (3-7 years) ended the quarter slightly lower, while shorter and longer maturities ended higher
 - ▶ Yield curve inversion has deepened further since last quarter
 - ▶ While still elevated, volatility and liquidity challenges have begun subsiding

Rates Remain Sensitive to Fed and Inflation

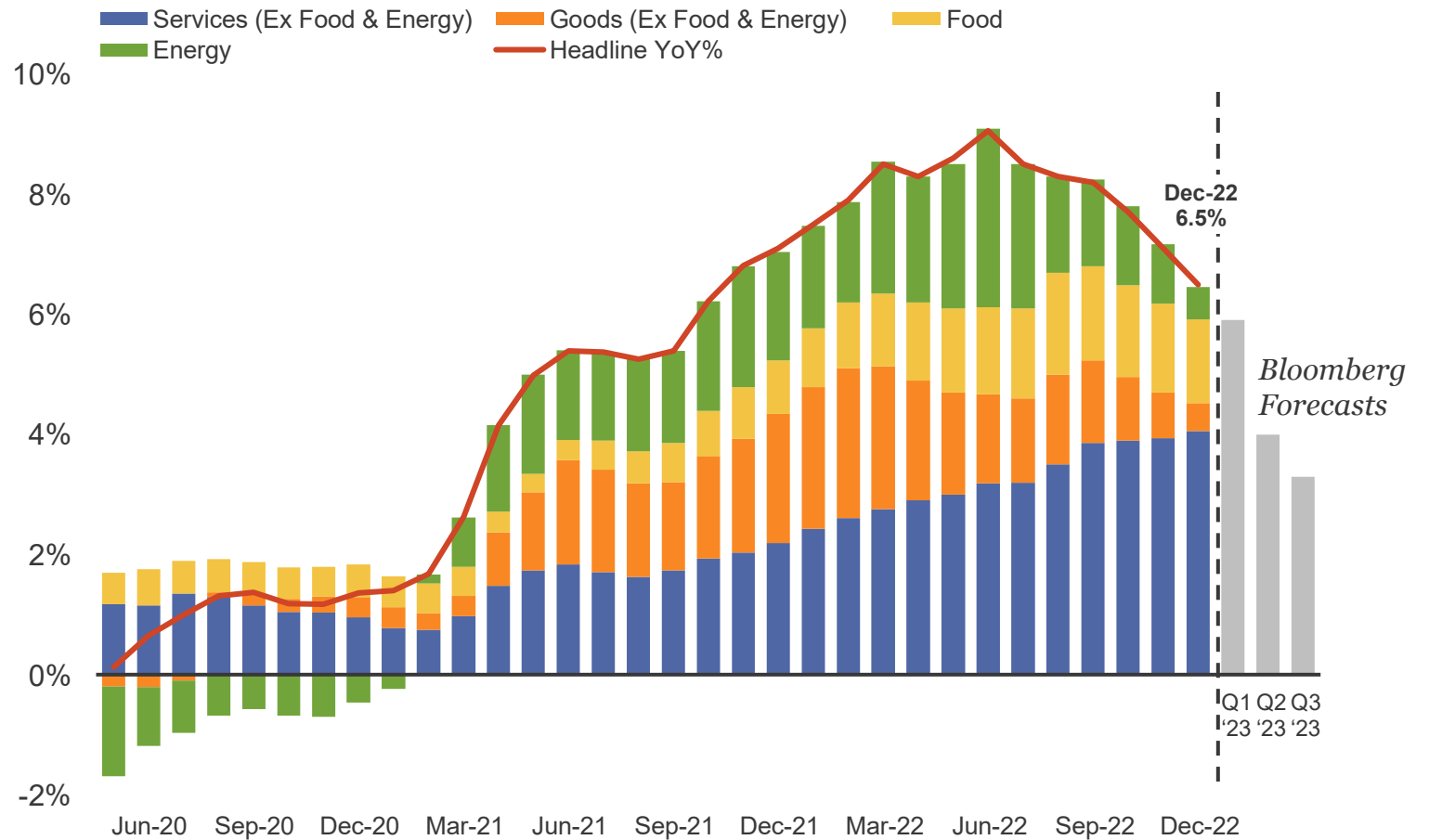


The 2-year Treasury is commonly used to gauge market reactions and near-term policy expectations

Source: Bloomberg, as of 12/31/2022.

Inflation Now Trending Lower

Consumer Prices (CPI)
Top-Line Contributions and Year-over-Year Reading

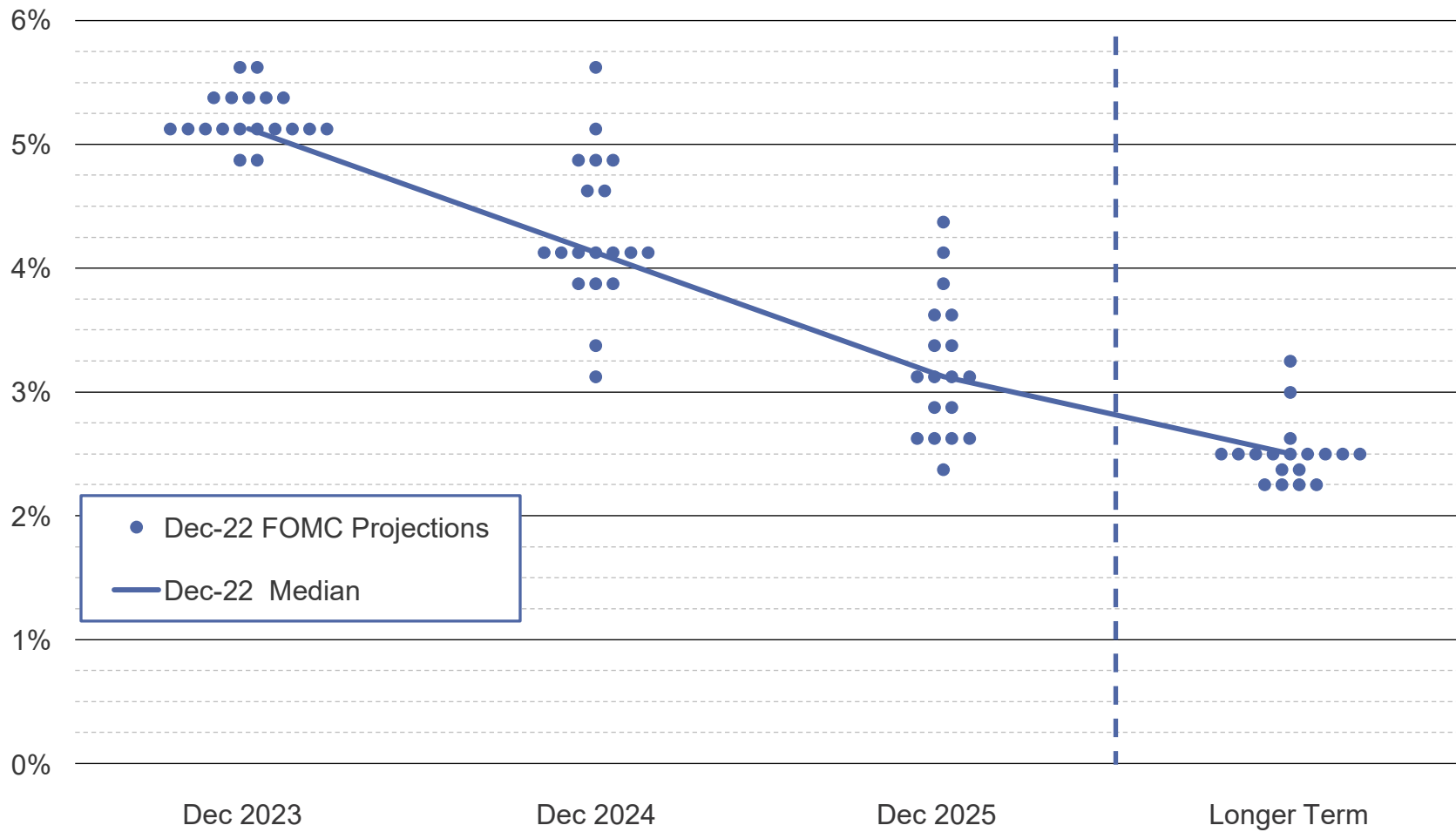


Lower energy and goods prices help to offset increases in wage-driven services costs

Source: Bloomberg, as of December 2022.

Fed's "Dot Plot" Suggests Expectations for a Drawn Out Normalization of Policy

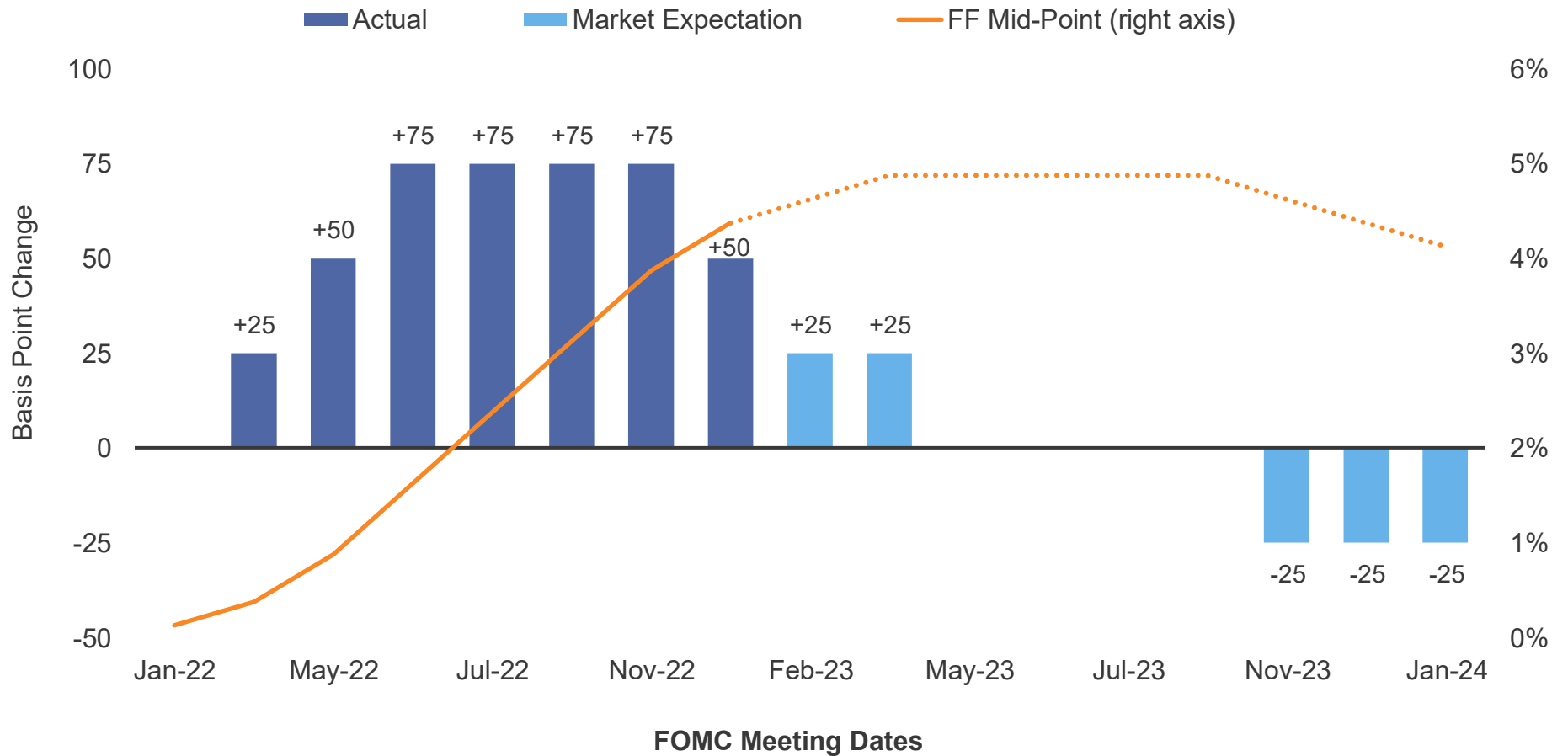
Fed Participants' Assessments of 'Appropriate' Monetary Policy



Source: Federal Reserve and Bloomberg. Individual dots represent each Fed members' judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end.

What Could the Fed's Pivot Look Like?

Changes to the Target Fed Funds Rate



Source: Bloomberg WIRP Interest Rate Probability as of 1/9/2023.

The Year in Review

Beginning in March, the Fed hiked rates by 425 basis points in 2022

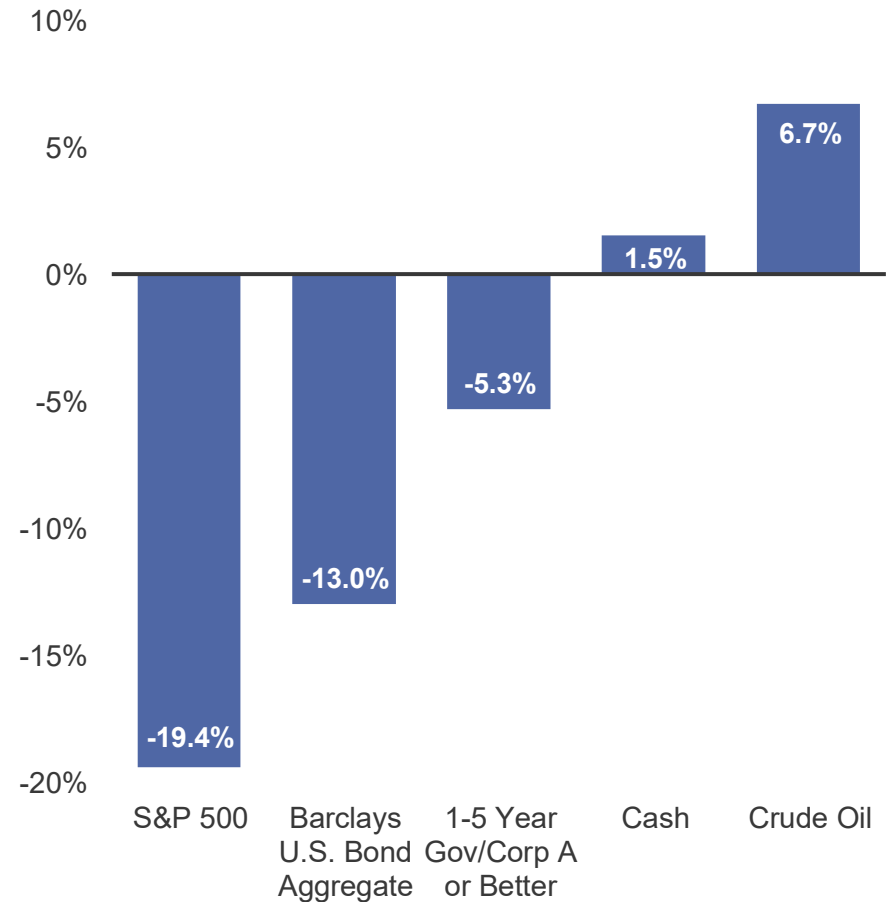
- The 2-year treasury yield rose just 370 bps through 2022

2022 saw an uncommon phenomenon of both stocks and bonds posting negative returns

Consumer spending remained resilient despite price pressures and extended credit levels

Energy prices surged due to uncertainty, geopolitical conflict (war in Ukraine), and storage challenges

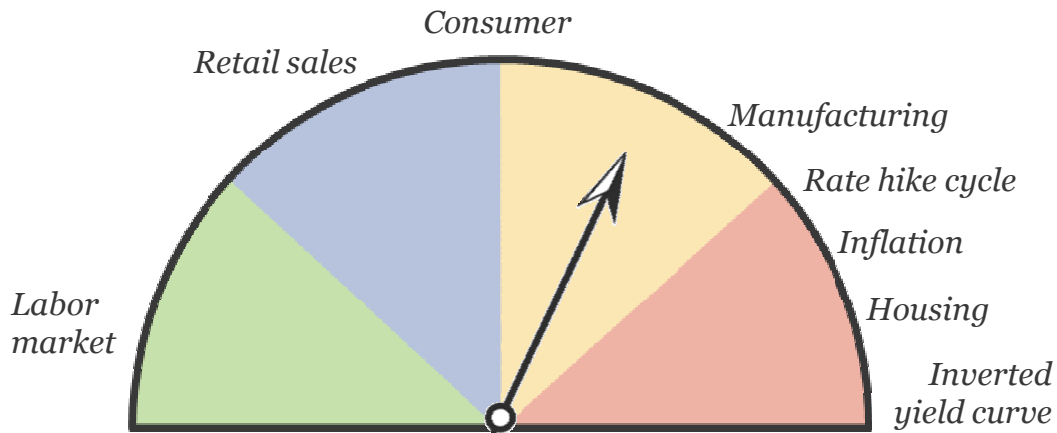
2022 Asset Class Returns



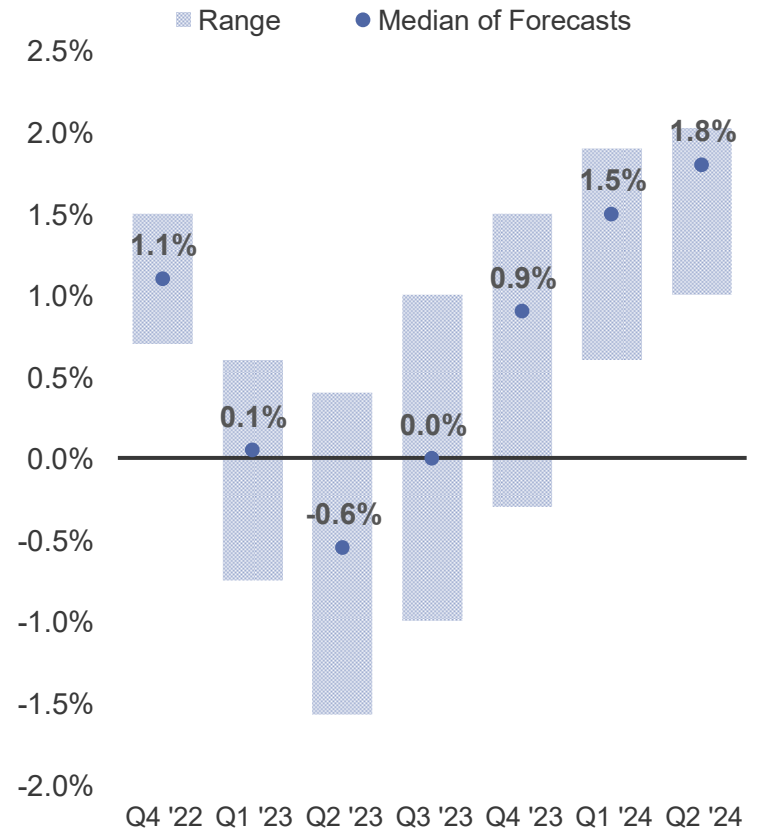
Source: Bloomberg, as of 12/31/2022.

Recession Gauge Flashing Yellow, but GDP Expected to Grow by End of Year

Recession Risk



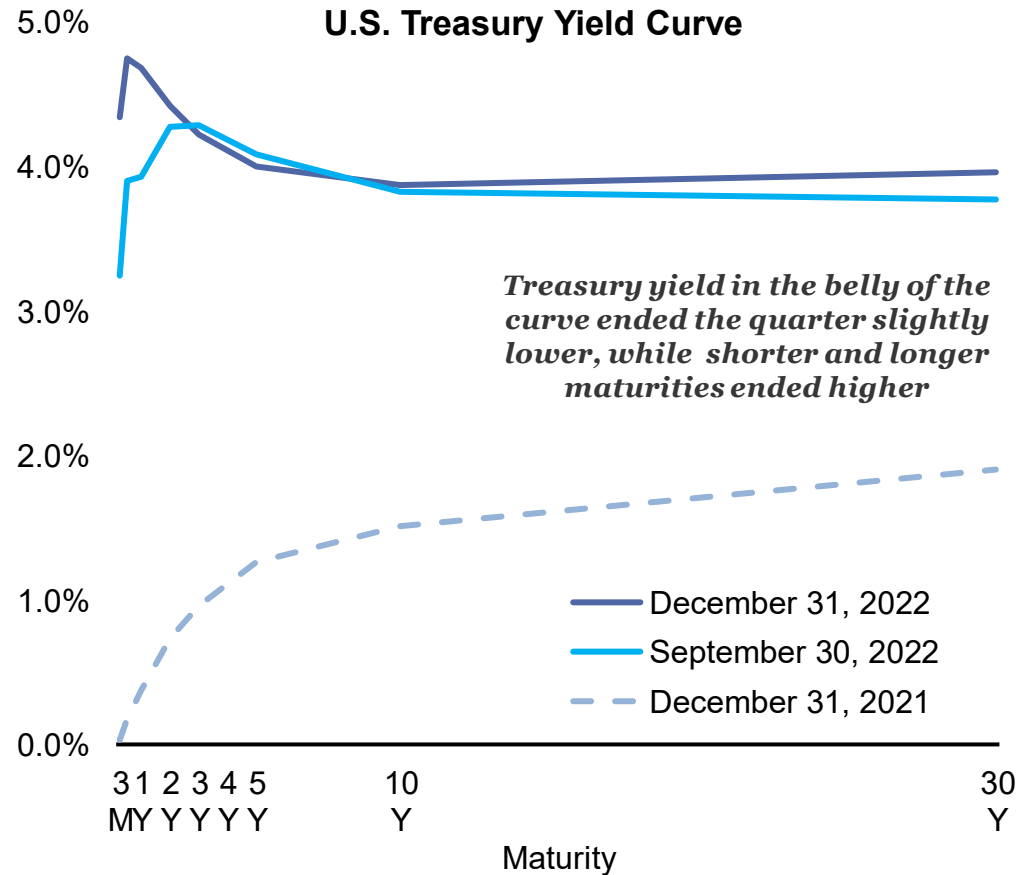
U.S. GDP Forecasts
Annualized Rate



Source: Bloomberg, Economist Forecasts. Recession risk based on most recent economic data as of 1/9/2023.

Yield Curve Inversion Deepens

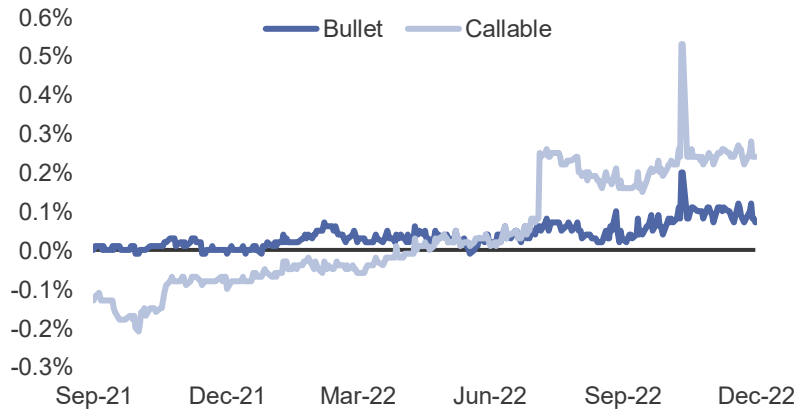
	4Q2022 12/31/22	3Q2022 09/30/22	QoQ Change
3-month	4.34%	3.25%	+1.10%
1-year	4.69%	3.93%	+0.75%
2-year	4.43%	4.28%	+0.15%
3-year	4.22%	4.29%	-0.06%
5-year	4.00%	4.09%	-0.09%
10-year	3.87%	3.83%	+0.05%
30-year	3.96%	3.78%	+0.19%



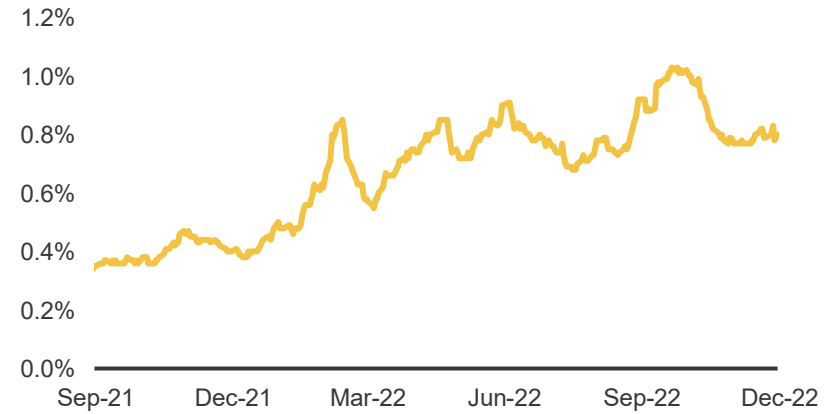
Source: Bloomberg, as of December 2022.

Sector Yield Spreads

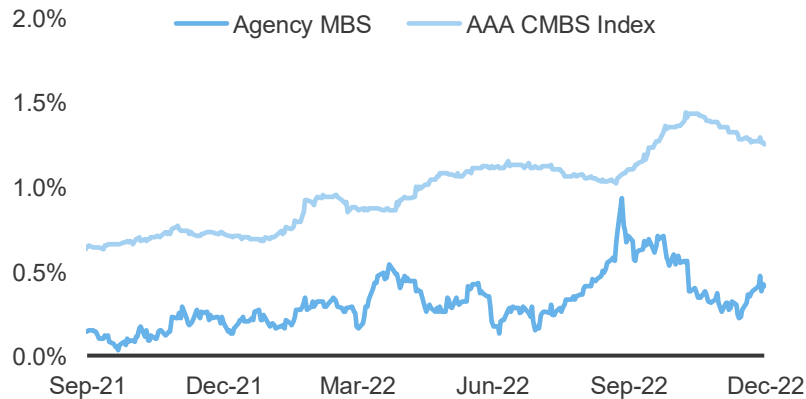
Federal Agency Yield Spreads



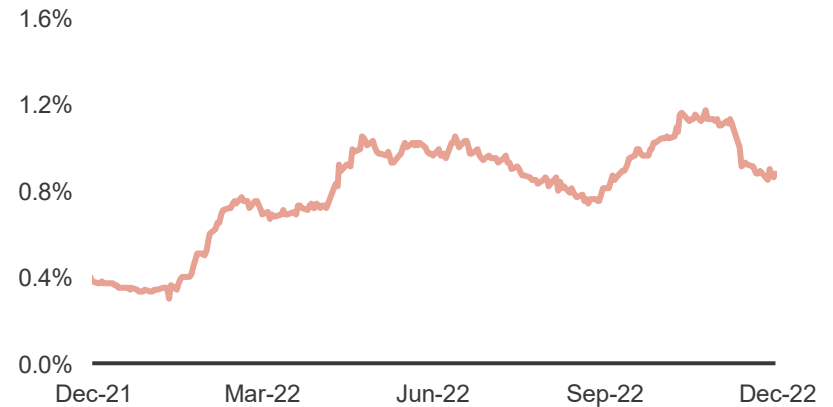
Corporate Notes A-AAA Yield Spreads



Mortgage-Backed Securities Yield Spreads

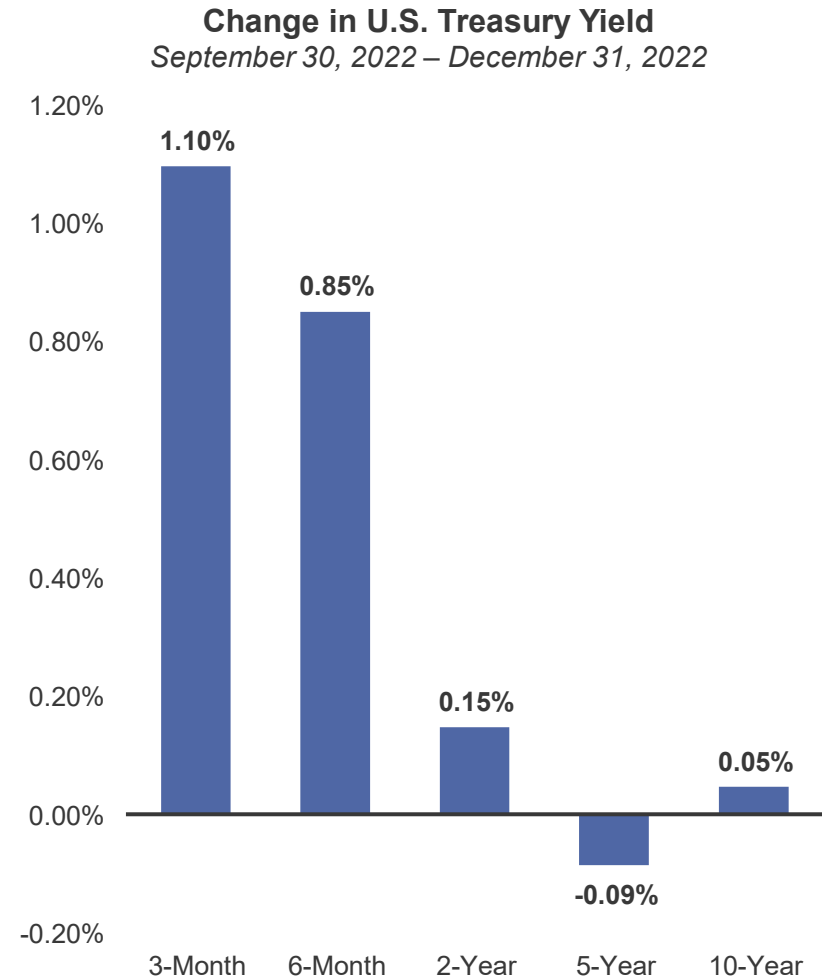
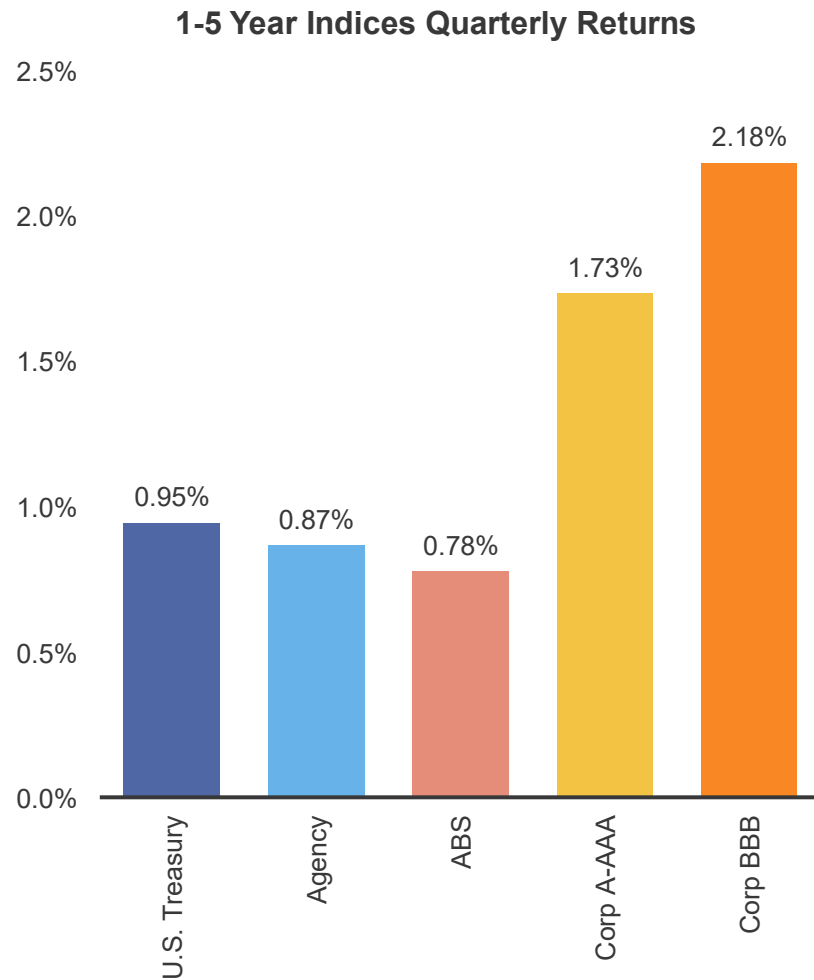


Asset-Backed Securities AAA Yield Spreads



Source: ICE BofAML 1-5 year Indices via Bloomberg, MarketAxess and PFMAM as of 12/31/2022. Spreads on ABS and MBS are option-adjusted spreads of 0-5 year indices based on weighted average life; spreads on agencies are relative to comparable maturity Treasuries. CMBS is Commercial Mortgage-Backed Securities.

Fixed-Income Markets in Q4 2022



Source: ICE BofAML Indices. ABS indices are 0-5 year, based on weighted average life. As of 12/31/2022.

Right Chart: Generic US Treasury securities via Bloomberg, change in yield from 9/30/2022 to 12/31/2022.

Fixed-Income Sector Commentary – 4Q 2022

- ▶ **U.S. Treasury** yields settled into a wide range after surging for the first three quarters of the year. The result of more stable yields was generally positive returns for the quarter.
- ▶ **Federal agency** bullet spreads finally broke single digits and climbed to the widest levels in the past 12 months for certain maturities. Callable structures were attractive early in the quarter as new issues came to market at wide levels on the heels of historically high bond volatility.
- ▶ **Supranational** issuance fell notably short of expectations in Q4 limiting new investment opportunities. Liquidity was better than that of federal agencies, which provided some ability to swap into other sectors which were more attractive.
- ▶ **Investment-Grade Corporate** yield spreads fluctuated in Q4 underscoring the historic levels of volatility experienced throughout the year. After reaching post-pandemic wides in late October, credit spreads reversed, ending the quarter modestly tighter. The sector generated strong excess returns in Q4 and buoyed portfolio returns relative to benchmarks.
- ▶ **Asset-Backed** yield spreads lagged the narrowing move in the corporate sector for much of Q4 but rallied into year end, ending the quarter only modestly wider than where they began. ABS and IG corporate spreads diverged markedly in November, growing to the widest margin since 2020 and leading to a year-end rally which brought performance just shy of matched-duration U.S. Treasuries.
- ▶ **Mortgage-Backed Securities** reversed course in Q4 after the dreadful negative returns for the first three quarters of 2022. Although still negative for the year, excess returns on MBS were near top-of-class amongst investment-grade options in Q4.
- ▶ **Taxable Municipal** issuance remained underwhelming as deals were heavily oversubscribed, dragging spreads lower, while secondary inventory at attractive levels was sparse.
- ▶ The **short-term credit** (commercial paper and CDs) yield curve was notably steep throughout the quarter as the market priced the expectation for further Fed rate increases. The aggressive pace of those rate hikes created valuable opportunities in floating-rate securities.

Fixed-Income Sector Outlook – 1Q 2023

Sector	Our Investment Preferences
COMMERCIAL PAPER / CD	
TREASURIES	
T-Bill	
T-Note	
FEDERAL AGENCIES	
Bullets	
Callables	
SUPRANATIONALS	
CORPORATES	
Financials	
Industrials	
SECURITIZED	
Asset-Backed	
Agency Mortgage-Backed	
Agency CMBS	
MUNICIPALS	

● Current outlook

○ Outlook one quarter ago



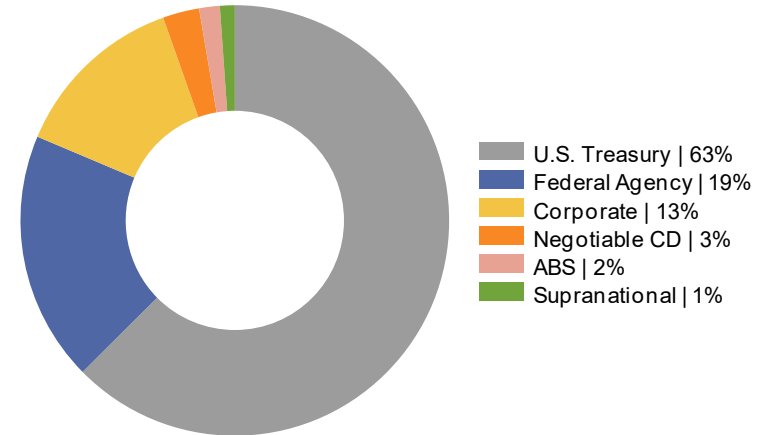
Account Summary

Consolidated Summary

Account Summary

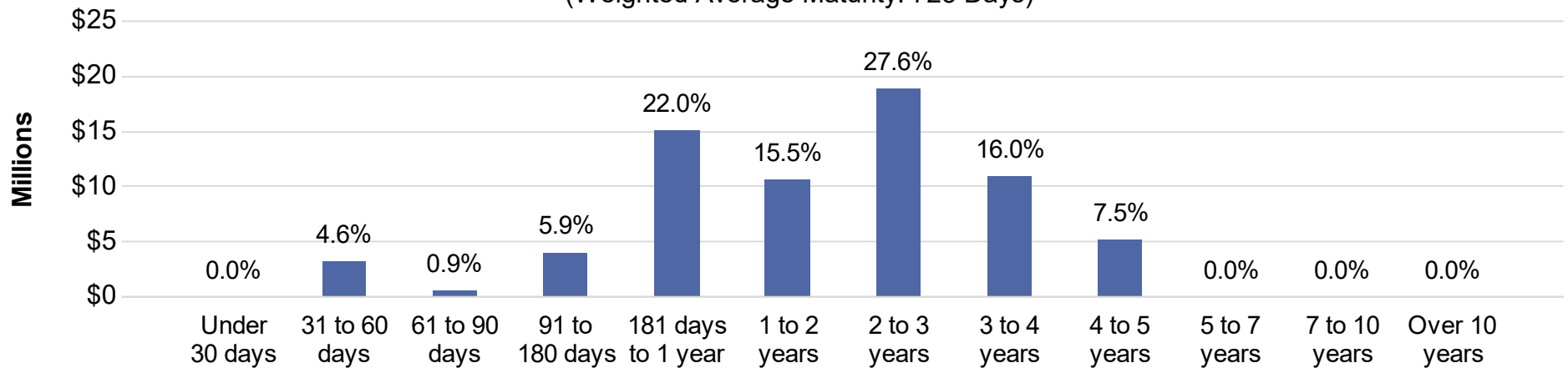
PFMAM Managed Account	\$69,674,036
Total Program	\$69,674,036

Sector Allocation



Maturity Distribution

(Weighted Average Maturity: 725 Days)



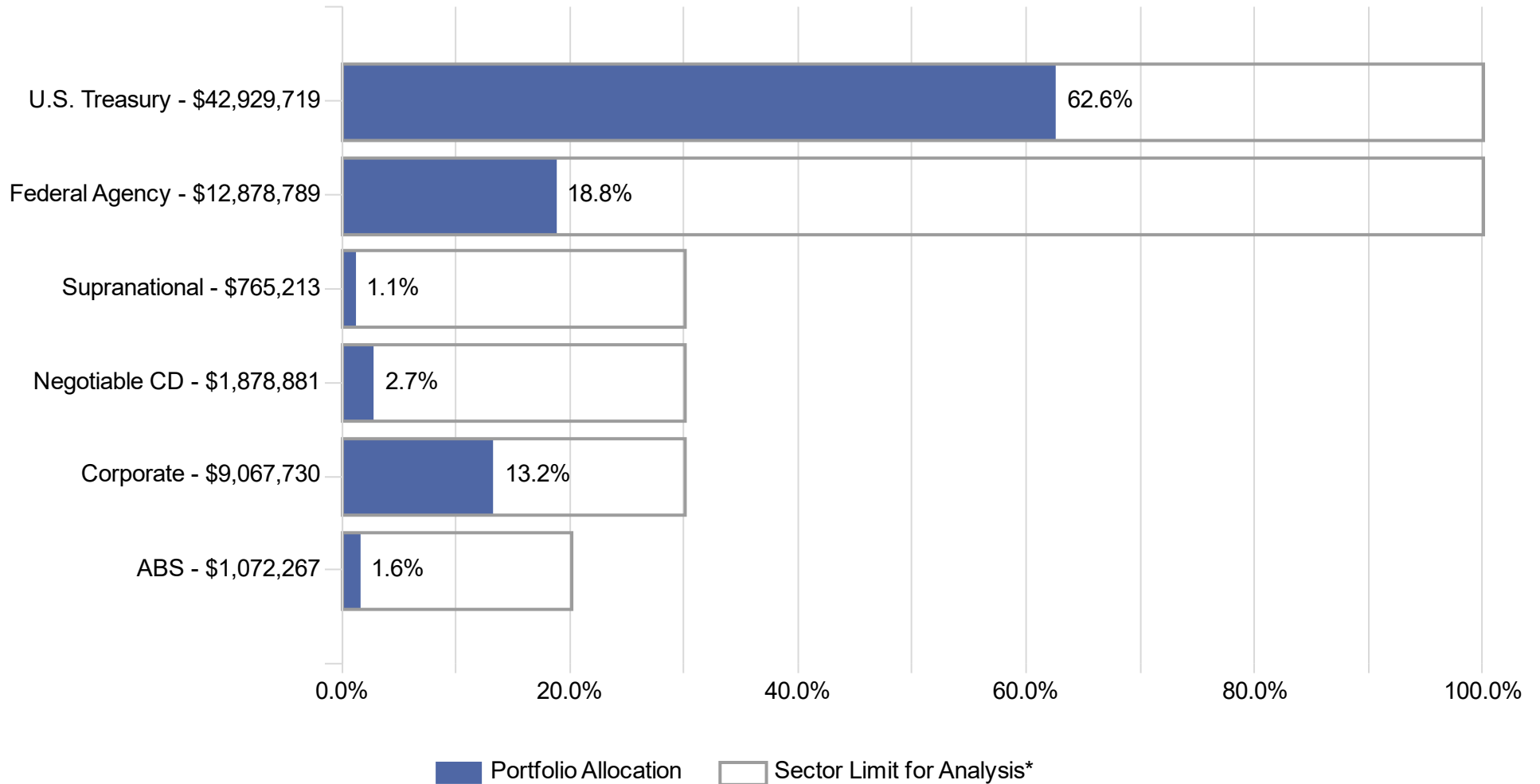
Account summary and sector allocation include market values, accrued interest, and overnight balances. Maturity distribution includes market values and excludes accrued interest and overnight balances

Account Summary

UNION SANITARY DISTRICT					
Portfolio Values		December 31, 2022	Analytics ¹		December 31, 2022
PFMAM Managed Account		\$68,392,488	Yield at Market		4.47%
Amortized Cost		\$72,055,542	Yield on Cost		1.50%
Market Value		\$68,392,488	Portfolio Duration		1.86
Accrued Interest		\$200,110			
Cash		\$1,081,438			

1. Yield at market, yield on cost, and portfolio duration only include investments held within the separately managed account(s), excludes balances invested in overnight funds.

Sector Allocation Analytics



For informational/analytical purposes only and is not provided for compliance assurance. Includes accrued interest.

**Sector Limit for Analysis is as derived from our interpretation of your most recent Investment Policy as provided.*

Issuer Diversification

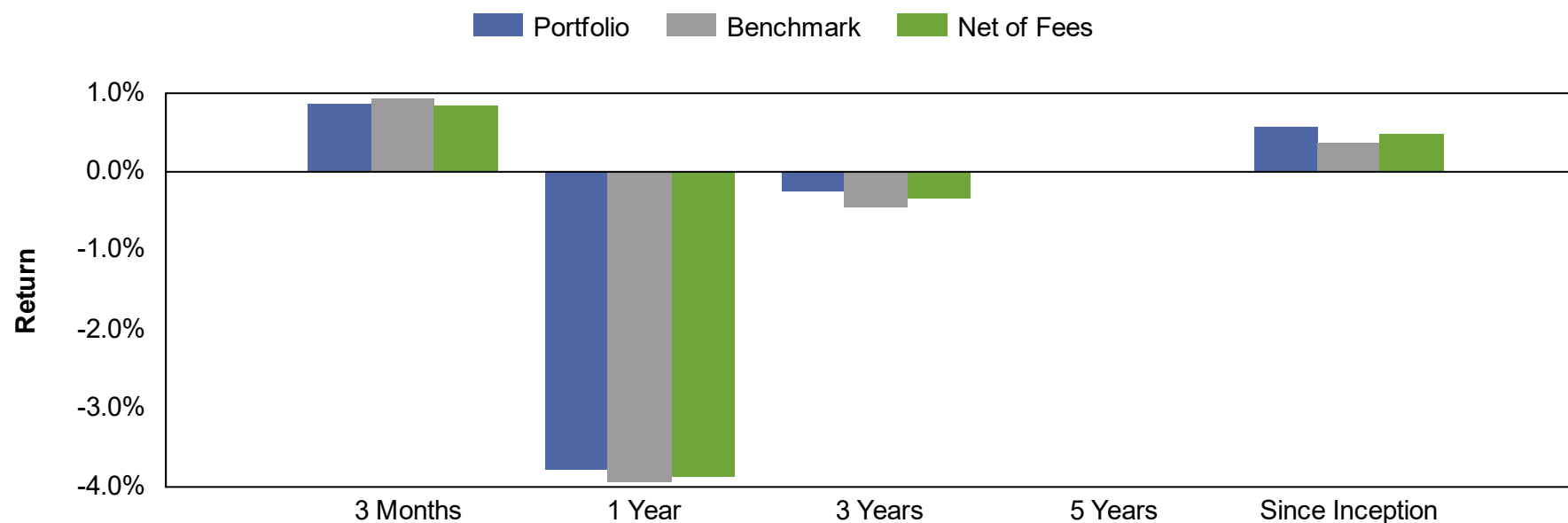
Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
U.S. Treasury	62.6%	
UNITED STATES TREASURY	62.6%	AA / Aaa / AAA
Federal Agency	18.8%	
FANNIE MAE	9.3%	AA / Aaa / AAA
FEDERAL FARM CREDIT BANKS	2.3%	AA / Aaa / AAA
FEDERAL HOME LOAN BANKS	1.9%	AA / Aaa / NR
FREDDIE MAC	5.3%	AA / Aaa / AAA
Supranational	1.1%	
INTER-AMERICAN DEVELOPMENT BANK	1.1%	AAA / Aaa / AAA
Negotiable CD	2.7%	
BARCLAYS PLC	1.1%	A / Aa / A
CREDIT SUISSE GROUP RK	0.6%	BBB / A / BBB
TORONTO-DOMINION BANK	1.0%	A / A / NR
Corporate	13.2%	
AMAZON.COM INC	1.0%	AA / A / AA
AMERICAN HONDA FINANCE	0.6%	A / A / A
APPLE INC	0.5%	AA / Aaa / NR
BANK OF AMERICA CO	1.6%	A / A / AA
BRISTOL-MYERS SQUIBB CO	0.3%	A / A / NR
CITIGROUP INC	0.4%	BBB / A / A
DEERE & COMPANY	0.8%	A / A / A
EXXON MOBIL CORP	1.4%	AA / Aa / NR
GOLDMAN SACHS GROUP INC	0.5%	BBB / A / A
JP MORGAN CHASE & CO	1.1%	A / A / AA
MICROSOFT CORP	1.0%	AAA / Aaa / AAA
MORGAN STANLEY	0.4%	A / A / A
TARGET CORP	0.7%	A / A / A

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
Corporate	13.2%	
THE BANK OF NEW YORK MELLON CORPORATION	1.0%	A / A / AA
TOYOTA MOTOR CORP	0.6%	A / A / A
WAL-MART STORES INC	1.4%	AA / Aa / AA
ABS	1.6%	
CARMAX AUTO OWNER TRUST	0.4%	AAA / NR / AAA
DISCOVER FINANCIAL SERVICES	0.2%	AAA / Aaa / NR
HONDA AUTO RECEIVABLES	0.3%	NR / Aaa / AAA
HYUNDAI AUTO RECEIVABLES	0.3%	AAA / NR / AAA
TOYOTA MOTOR CORP	0.4%	AAA / Aaa / NR
Total	100.0%	

Ratings shown are calculated by assigning a numeral value to each security rating, then calculating a weighted average rating for each security type / issuer category using all available security ratings, excluding Not-Rated (NR) ratings. For security type / issuer categories where a rating from the applicable NRSRO is not available, a rating of NR is assigned. Includes accrued interest and excludes balances invested in overnight funds.

Portfolio Review

Portfolio Performance



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	Since Inception ¹
Interest Earned ²	\$217,473	\$860,678	\$2,608,671	-	\$3,448,666
Change in Market Value	\$388,131	(\$3,691,996)	(\$3,633,310)	-	(\$2,829,253)
Total Dollar Return	\$605,604	(\$2,831,318)	(\$1,024,639)	-	\$619,413
Total Return³					
Portfolio	0.87%	-3.78%	-0.24%	0.00%	0.56%
Benchmark ⁴	0.93%	-3.93%	-0.45%	0.00%	0.36%
Basis Point Fee	0.02%	0.08%	0.09%	-	0.09%
Net of Fee Return	0.85%	-3.87%	-0.33%	-	0.48%

1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is March 31, 2019.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

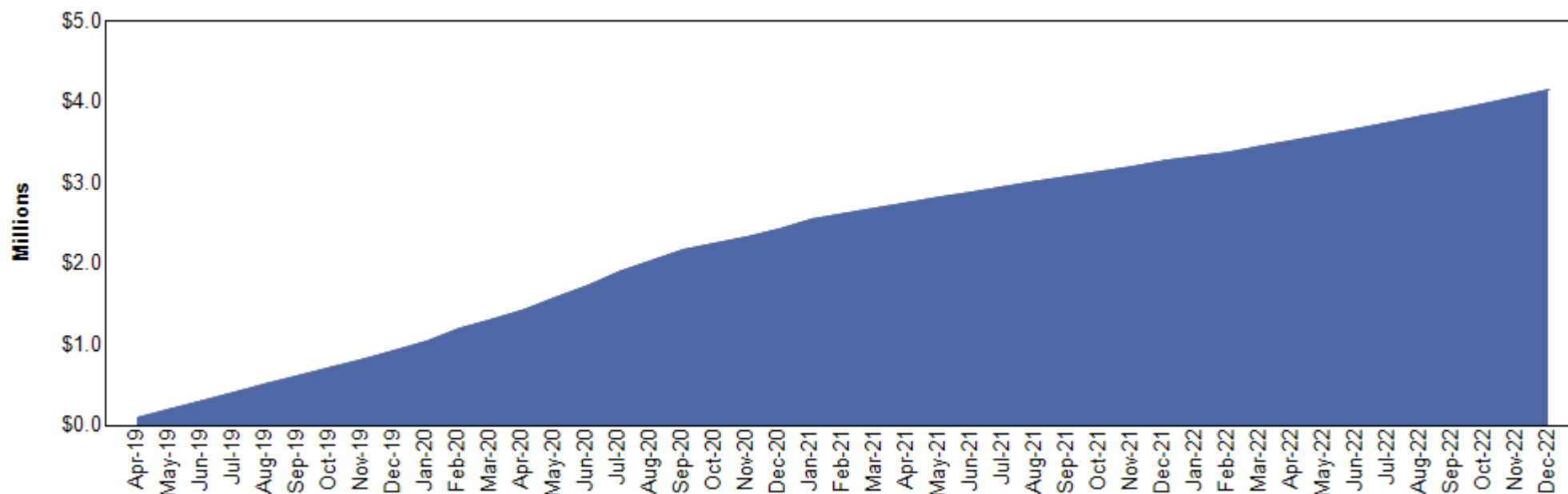
3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.

4. The portfolio's benchmark is the ICE BofAML 0-5 Year U.S. Treasury Index. Source: Bloomberg.

Periodic Performance

Periodic Performance				
	Current Quarter	Q3 2022	Q2 2022	Since Inception 3/31/2019
Net Accrual Earnings	\$217,473	\$205,822	\$216,432	\$3,448,666
Change in Market Value	\$388,131	-\$1,237,960	-\$690,204	-\$2,829,253
Total Dollar Return	\$605,604	-\$1,032,138	-\$473,772	\$619,413
Fees in Basis Points	0.02%	0.02%	0.02%	0.09%
Net of Fees Return	0.85%	-1.48%	-0.67%	0.48%

Accrual Basis Earnings - UNION SANITARY DISTRICT



Accrual Basis Earnings	3 Months	1 Year	3 Years	5 Year	Since Inception ¹
Interest Earned ²	\$217,473	\$860,678	\$2,608,671	-	\$3,448,666
Realized Gains / (Losses) ³	(\$4,745)	(\$49,173)	\$535,988	-	\$547,318
Change in Amortized Cost	\$42,761	\$67,076	\$81,470	-	\$156,965
Total Earnings	\$255,489	\$878,581	\$3,226,129	-	\$4,152,949

1. The lesser of 10 years or since inception is shown. Performance inception date is March 31, 2019.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Realized gains / (losses) are shown on an amortized cost basis.

**Issuer Distribution
As of December 31, 2022**

Issuer	Market Value (\$)	% of Portfolio
UNITED STATES TREASURY	42,832,311	62.62%
FANNIE MAE	6,354,150	9.28%
FREDDIE MAC	3,647,865	5.33%
FEDERAL FARM CREDIT BANKS	1,572,049	2.30%
FEDERAL HOME LOAN BANKS	1,284,587	1.88%
BANK OF AMERICA CO	1,056,051	1.54%
EXXON MOBIL CORP	981,903	1.44%
WAL-MART STORES INC	958,917	1.40%
INTER-AMERICAN DEVELOPMENT BANK	764,097	1.12%
BARCLAYS PLC	742,590	1.09%
JP MORGAN CHASE & CO	736,346	1.08%
TORONTO-DOMINION BANK	689,709	1.01%
MICROSOFT CORP	680,624	1.00%
AMAZON.COM INC	672,682	0.98%
TOYOTA MOTOR CORP	670,595	0.98%
THE BANK OF NEW YORK MELLON CORPORATION	668,836	0.98%
DEERE & COMPANY	527,942	0.77%
TARGET CORP	503,414	0.74%
CREDIT SUISSE GROUP RK	430,801	0.63%
AMERICAN HONDA FINANCE	409,999	0.60%
GOLDMAN SACHS GROUP INC	366,891	0.54%
APPLE INC	320,537	0.47%
CARMAX AUTO OWNER TRUST	290,980	0.43%
MORGAN STANLEY	270,919	0.40%

Issuer	Market Value (\$)	% of Portfolio
CITIGROUP INC	261,897	0.38%
HYUNDAI AUTO RECEIVABLES	197,967	0.29%
BRISTOL-MYERS SQUIBB CO	180,449	0.26%
HONDA AUTO RECEIVABLES	173,109	0.25%
DISCOVER FINANCIAL SERVICES	144,270	0.21%
Grand Total	68,392,488	100.00%

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY NOTES DTD 03/31/2016 1.500% 03/31/2023	912828Q29	175,000.00	AA+	Aaa	3/19/2019	3/20/2019	168,799.81	2.43	670.67	174,625.12	173,742.19
US TREASURY NOTES DTD 07/02/2018 2.625% 06/30/2023	9128284U1	2,395,000.00	AA+	Aaa	12/21/2021	12/21/2021	2,470,779.30	0.54	173.67	2,419,532.87	2,372,172.78
US TREASURY NOTES DTD 06/30/2016 1.375% 06/30/2023	912828S35	1,385,000.00	AA+	Aaa	3/19/2019	3/20/2019	1,325,866.99	2.43	52.61	1,378,190.06	1,363,143.04
US TREASURY NOTES DTD 08/01/2016 1.250% 07/31/2023	912828S92	1,035,000.00	AA+	Aaa	4/1/2019	4/2/2019	990,365.62	2.30	5,414.06	1,029,043.10	1,014,623.44
US TREASURY NOTES DTD 09/15/2020 0.125% 09/15/2023	91282CAK7	1,100,000.00	AA+	Aaa	6/29/2022	6/30/2022	1,062,703.13	3.00	410.22	1,078,313.81	1,065,453.18
US TREASURY NOTES DTD 09/30/2016 1.375% 09/30/2023	912828T26	1,545,000.00	AA+	Aaa	3/19/2019	3/20/2019	1,475,112.89	2.44	5,427.66	1,533,514.02	1,506,616.33
US TREASURY N/B NOTES DTD 11/30/2021 0.500% 11/30/2023	91282CDM0	2,505,000.00	AA+	Aaa	12/21/2021	12/21/2021	2,496,878.32	0.67	1,101.10	2,501,185.45	2,409,888.16
US TREASURY NOTES DTD 01/03/2017 2.250% 12/31/2023	912828V23	2,000,000.00	AA+	Aaa	3/19/2019	3/20/2019	1,982,968.75	2.44	124.31	1,996,451.42	1,951,562.40
US TREASURY NOTES DTD 02/28/2017 2.125% 02/29/2024	912828W48	2,000,000.00	AA+	Aaa	3/19/2019	3/20/2019	1,970,625.00	2.44	14,440.61	1,993,107.36	1,941,562.40
US TREASURY NOTES DTD 03/31/2017 2.125% 03/31/2024	912828W71	730,000.00	AA+	Aaa	3/2/2020	3/2/2020	767,412.50	0.84	3,963.36	741,424.62	707,073.47
US TREASURY NOTES DTD 05/01/2017 2.000% 04/30/2024	912828X70	590,000.00	AA+	Aaa	6/3/2019	6/7/2019	592,996.09	1.89	2,020.99	590,812.24	569,257.84
US TREASURY N/B NOTES DTD 05/15/2021 0.250% 05/15/2024	91282CCC3	2,530,000.00	AA+	Aaa	12/21/2021	12/21/2021	2,496,101.95	0.81	821.20	2,510,651.80	2,381,362.50
US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	355,000.00	AA+	Aaa	7/1/2019	7/3/2019	358,660.93	1.78	19.61	356,095.87	341,243.75
US TREASURY NOTES DTD 10/31/2019 1.500% 10/31/2024	912828YM6	60,000.00	AA+	Aaa	1/11/2021	1/12/2021	62,655.47	0.33	154.14	61,279.91	56,831.25
US TREASURY N/B NOTES DTD 12/15/2021 1.000% 12/15/2024	91282CDN8	2,495,000.00	AA+	Aaa	12/21/2021	12/21/2021	2,498,216.21	0.96	1,165.25	2,497,106.77	2,334,384.38

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY NOTES DTD 05/31/2020 0.250% 05/31/2025	912828ZT0	1,020,000.00	AA+	Aaa	5/17/2021	5/17/2021	1,005,576.56	0.61	224.18	1,011,385.05	925,331.25
US TREASURY NOTES DTD 05/31/2020 0.250% 05/31/2025	912828ZT0	2,570,000.00	AA+	Aaa	12/21/2021	12/21/2021	2,499,525.78	1.06	564.83	2,520,606.37	2,331,471.88
US TREASURY N/B NOTES DTD 06/15/2022 2.875% 06/15/2025	91282CEU1	865,000.00	AA+	Aaa	6/15/2022	6/15/2022	849,963.87	3.49	1,161.45	852,707.69	835,671.14
US TREASURY NOTES DTD 08/31/2020 0.250% 08/31/2025	91282CAJ0	500,000.00	AA+	Aaa	8/2/2021	8/2/2021	494,433.59	0.53	424.73	496,365.02	449,453.10
US TREASURY NOTES DTD 08/31/2020 0.250% 08/31/2025	91282CAJ0	410,000.00	AA+	Aaa	8/13/2021	8/16/2021	403,417.58	0.65	348.27	405,660.78	368,551.54
US TREASURY NOTES DTD 09/30/2020 0.250% 09/30/2025	91282CAM3	1,060,000.00	AA+	Aaa	9/7/2021	9/9/2021	1,042,195.31	0.67	677.06	1,047,950.00	951,515.57
US TREASURY NOTES DTD 10/31/2020 0.250% 10/31/2025	91282CAT8	555,000.00	AA+	Aaa	10/1/2021	10/1/2021	542,664.26	0.80	237.64	546,445.23	496,204.69
US TREASURY NOTES DTD 11/30/2020 0.375% 11/30/2025	91282CAZ4	1,020,000.00	AA+	Aaa	11/2/2021	11/3/2021	994,061.72	1.01	336.26	1,001,452.74	912,262.50
US TREASURY NOTES DTD 11/30/2020 0.375% 11/30/2025	91282CAZ4	2,575,000.00	AA+	Aaa	12/21/2021	12/21/2021	2,498,856.45	1.14	848.90	2,518,738.38	2,303,015.63
US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	755,000.00	AA+	Aaa	1/22/2021	1/25/2021	752,847.07	0.43	7.82	753,691.03	674,309.38
US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	535,000.00	AA+	Aaa	4/5/2021	4/7/2021	522,314.65	0.89	5.54	526,966.19	477,821.88
US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	600,000.00	AA+	Aaa	5/6/2021	5/7/2021	590,343.75	0.73	6.22	593,776.58	535,875.00
US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	137,000.00	AA+	Aaa	5/3/2021	5/3/2021	134,629.26	0.75	1.42	135,475.65	122,358.12
US TREASURY NOTES DTD 01/31/2019 2.625% 01/31/2026	9128286A3	715,000.00	AA+	Aaa	2/4/2021	2/4/2021	791,164.26	0.46	7,854.31	762,069.68	683,160.19
US TREASURY NOTES DTD 01/31/2021 0.375% 01/31/2026	91282CBH3	590,000.00	AA+	Aaa	7/2/2021	7/7/2021	578,660.94	0.80	925.88	582,350.04	524,731.25
US TREASURY NOTES DTD 01/31/2021 0.375% 01/31/2026	91282CBH3	580,000.00	AA+	Aaa	5/19/2022	5/20/2022	529,884.38	2.85	910.19	538,261.70	515,837.50
US TREASURY NOTES DTD 01/31/2021 0.375% 01/31/2026	91282CBH3	1,000,000.00	AA+	Aaa	6/29/2022	6/30/2022	905,273.44	3.19	1,569.29	918,640.65	889,375.00

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U.S. Treasury											
US TREASURY NOTES DTD 02/28/2021 0.500% 02/28/2026	91282CBQ3	1,260,000.00	AA+	Aaa	3/4/2021	3/5/2021	1,242,970.31	0.78	2,140.61	1,249,207.98	1,122,384.31
US TREASURY NOTES DTD 02/28/2021 0.500% 02/28/2026	91282CBQ3	1,040,000.00	AA+	Aaa	12/3/2021	12/7/2021	1,011,968.75	1.15	1,766.85	1,019,049.18	926,412.45
US TREASURY N/B NOTES DTD 04/30/2021 0.750% 04/30/2026	91282CBW0	245,000.00	AA+	Aaa	5/27/2021	5/28/2021	244,387.50	0.80	314.71	244,586.10	218,968.75
US TREASURY NOTES DTD 05/16/2016 1.625% 05/15/2026	912828R36	518,000.00	AA+	Aaa	12/21/2021	12/21/2021	527,429.22	1.20	1,092.88	525,221.63	476,802.84
US TREASURY N/B NOTES DTD 05/31/2021 0.750% 05/31/2026	91282CCF6	395,000.00	AA+	Aaa	6/1/2021	6/1/2021	393,750.20	0.81	260.44	394,146.71	352,228.93
US TREASURY NOTES DTD 08/15/2016 1.500% 08/15/2026	9128282A7	1,125,000.00	AA+	Aaa	10/4/2022	10/4/2022	1,024,672.85	4.01	6,373.98	1,031,001.07	1,025,331.98
US TREASURY N/B NOTES DTD 09/30/2021 0.875% 09/30/2026	91282CCZ2	645,000.00	AA+	Aaa	5/9/2022	5/10/2022	589,041.21	3.00	1,441.95	597,274.55	572,639.06
US TREASURY NOTES DTD 02/15/2017 2.250% 02/15/2027	912828V98	435,000.00	AA+	Aaa	7/5/2022	7/7/2022	423,751.17	2.85	3,696.91	424,940.18	404,550.00
US TREASURY NOTES DTD 05/15/2017 2.375% 05/15/2027	912828X88	310,000.00	AA+	Aaa	8/1/2022	8/1/2022	305,446.88	2.70	955.90	305,845.41	288,881.25
US TREASURY NOTES DTD 08/15/2017 2.250% 08/15/2027	9128282R0	1,365,000.00	AA+	Aaa	9/1/2022	9/6/2022	1,294,137.30	3.40	11,600.65	1,298,733.16	1,262,411.79
US TREASURY N/B NOTES DTD 09/30/2022 4.125% 09/30/2027	91282CFM8	474,000.00	AA+	Aaa	11/1/2022	11/3/2022	470,907.89	4.27	4,995.56	471,009.69	475,629.38
US TREASURY N/B NOTES DTD 10/31/2022 4.125% 10/31/2027	91282CFU0	1,150,000.00	AA+	Aaa	12/6/2022	12/8/2022	1,165,992.19	3.81	8,124.66	1,165,777.53	1,153,953.12
US TREASURY N/B NOTES DTD 10/31/2022 4.125% 10/31/2027	91282CFU0	365,000.00	AA+	Aaa	12/1/2022	12/2/2022	371,187.89	3.74	2,578.69	371,084.41	366,254.69
Security Type Sub-Total		45,714,000.00					44,921,599.19	1.68	97,407.24	45,171,754.80	42,832,311.28
Supranational											
INTER-AMERICAN DEVEL BK NOTES DTD 09/23/2021 0.500% 09/23/2024	4581X0DZ8	820,000.00	AAA	Aaa	9/15/2021	9/23/2021	819,393.20	0.52	1,116.11	819,650.65	764,096.50
Security Type Sub-Total		820,000.00					819,393.20	0.52	1,116.11	819,650.65	764,096.50

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Negotiable CD											
BARCLAYS BANK PLC NY CERT DEPOS DTD 02/03/2022 1.050% 02/01/2023	06742TG34	745,000.00	A-1	P-1	2/2/2022	2/3/2022	745,000.00	1.05	7,214.08	745,000.00	742,589.94
CREDIT SUISSE NEW YORK CERT DEPOS DTD 03/23/2021 0.590% 03/17/2023	22552G3C2	435,000.00	A-2	P-2	3/19/2021	3/23/2021	435,000.00	0.59	2,067.46	435,000.00	430,800.51
TORONTO DOMINION BANK NY CERT DEPOS DTD 10/31/2022 5.470% 10/25/2024	89115B6F2	690,000.00	A	A1	10/27/2022	10/31/2022	690,000.00	5.44	6,500.18	690,000.00	689,708.61
Security Type Sub-Total		1,870,000.00					1,870,000.00	2.57	15,781.72	1,870,000.00	1,863,099.06
Federal Agency											
FEDERAL HOME LOAN BANKS NOTES DTD 02/21/2020 1.375% 02/17/2023	3130AJ7E3	775,000.00	AA+	Aaa	2/20/2020	2/21/2020	773,574.00	1.44	3,966.49	774,938.62	771,913.95
FREDDIE MAC NOTES DTD 05/07/2020 0.375% 05/05/2023	3137EAER6	220,000.00	AA+	Aaa	5/29/2020	5/29/2020	220,305.80	0.33	128.33	220,035.41	216,771.72
FANNIE MAE NOTES DTD 05/22/2020 0.250% 05/22/2023	3135G04Q3	865,000.00	AA+	Aaa	5/20/2020	5/22/2020	862,396.35	0.35	234.27	864,664.74	850,036.37
FREDDIE MAC NOTES DTD 06/26/2020 0.250% 06/26/2023	3137EAES4	780,000.00	AA+	Aaa	6/24/2020	6/26/2020	777,722.40	0.35	27.08	779,633.92	763,070.10
FANNIE MAE NOTES DTD 07/10/2020 0.250% 07/10/2023	3135G05G4	795,000.00	AA+	Aaa	7/8/2020	7/10/2020	793,290.75	0.32	944.06	794,703.42	776,532.15
FREDDIE MAC NOTES DTD 08/21/2020 0.250% 08/24/2023	3137EAEV7	520,000.00	AA+	Aaa	8/19/2020	8/21/2020	519,469.60	0.28	458.61	519,886.48	504,962.12
FEDERAL FARM CREDIT BANK (CALLABLE) DTD 09/21/2020 0.250% 09/21/2023	3133EMAM4	1,625,000.00	AA+	Aaa	10/7/2020	10/9/2020	1,622,237.50	0.31	1,128.47	1,624,325.41	1,572,049.38
FANNIE MAE NOTES (CALLABLE) DTD 10/26/2020 0.310% 01/26/2024	3136G46V0	259,000.00	AA+	Aaa	10/23/2020	10/26/2020	258,896.40	0.32	345.69	258,965.96	246,577.32
FREDDIE MAC NOTES DTD 02/14/2020 1.500% 02/12/2025	3137EAEP0	1,035,000.00	AA+	Aaa	2/13/2020	2/14/2020	1,034,203.05	1.52	5,994.38	1,034,662.44	973,448.55
FEDERAL HOME LOAN BANK NOTES DTD 04/16/2020 0.500% 04/14/2025	3130AJHU6	560,000.00	AA+	Aaa	4/15/2020	4/16/2020	557,222.40	0.60	598.89	558,729.98	512,673.28

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Federal Agency											
FANNIE MAE NOTES DTD 04/24/2020 0.625% 04/22/2025	3135G03U5	125,000.00	AA+	Aaa	4/28/2020	4/28/2020	124,763.75	0.66	149.74	124,890.70	114,676.50
FANNIE MAE NOTES DTD 04/24/2020 0.625% 04/22/2025	3135G03U5	455,000.00	AA+	Aaa	4/22/2020	4/24/2020	454,062.70	0.67	545.05	454,567.32	417,422.46
FANNIE MAE NOTES DTD 06/19/2020 0.500% 06/17/2025	3135G04Z3	1,010,000.00	AA+	Aaa	10/26/2020	10/28/2020	1,011,494.80	0.47	196.39	1,010,792.87	919,322.20
FANNIE MAE NOTES DTD 06/19/2020 0.500% 06/17/2025	3135G04Z3	865,000.00	AA+	Aaa	6/17/2020	6/19/2020	863,209.45	0.54	168.19	864,118.47	787,340.30
FREDDIE MAC NOTES DTD 07/23/2020 0.375% 07/21/2025	3137EAEU9	525,000.00	AA+	Aaa	7/21/2020	7/23/2020	522,385.50	0.48	875.00	523,664.08	475,056.75
FANNIE MAE NOTES (CALLABLE) DTD 08/14/2020 0.500% 08/14/2025	3135G05S8	1,000,000.00	AA+	Aaa	8/24/2020	8/24/2020	998,400.00	0.53	1,902.78	999,157.71	900,295.00
FANNIE MAE NOTES DTD 08/27/2020 0.375% 08/25/2025	3135G05X7	555,000.00	AA+	Aaa	8/25/2020	8/27/2020	552,402.60	0.47	728.44	553,622.98	500,484.57
FANNIE MAE NOTES DTD 08/27/2020 0.375% 08/25/2025	3135G05X7	415,000.00	AA+	Aaa	10/21/2020	10/22/2020	412,754.85	0.49	544.69	413,772.02	374,236.21
FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	795,000.00	AA+	Aaa	9/23/2020	9/25/2020	792,607.05	0.44	811.56	793,693.32	714,555.54
FANNIE MAE NOTES DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	520,000.00	AA+	Aaa	11/9/2020	11/12/2020	518,138.40	0.57	390.00	518,935.79	467,226.76
Security Type Sub-Total		13,699,000.00					13,669,537.35	0.58	20,138.11	13,687,761.64	12,858,651.23
Corporate											
AMAZON INC BONDS (CALLABLE) DTD 06/06/2018 2.400% 02/22/2023	023135AW6	675,000.00	AA	A1	4/11/2019	4/15/2019	668,499.75	2.66	5,805.00	674,760.10	672,682.05
EXXON MOBIL CORPORATION CORP NOTES (CALL DTD 03/03/2016 2.726% 03/01/2023	30231GAR3	985,000.00	AA-	Aa2	6/13/2019	6/14/2019	1,001,400.25	2.26	8,950.37	985,000.00	981,903.16
WAL MART STORES INC GLOBAL NT (CALLABLE) DTD 04/11/2013 2.550% 04/11/2023	931142DH3	965,000.00	AA	Aa2	5/21/2020	5/26/2020	1,015,701.10	0.70	5,468.33	965,528.14	958,916.64
AMERICAN HONDA FINANCE DTD 01/10/2020 1.950% 05/10/2023	02665WDH1	415,000.00	A-	A3	1/7/2020	1/10/2020	414,846.45	1.96	1,146.44	414,983.71	409,999.25

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Corporate											
APPLE INC CORPORATE NOTES DTD 05/11/2020 0.750% 05/11/2023	037833DV9	325,000.00	AA+	Aaa	5/4/2020	5/11/2020	324,116.00	0.84	338.54	324,895.05	320,537.10
JPMORGAN CHASE & CO (CALLABLE) CORP NOTE DTD 05/18/2016 2.700% 05/18/2023	46625HRL6	525,000.00	A-	A1	3/20/2019	3/22/2019	517,970.25	3.04	1,693.13	524,365.56	519,960.53
BANK OF AMERICA CORP NOTES DTD 07/23/2013 4.100% 07/24/2023	06053FAA7	500,000.00	A-	A2	3/20/2019	3/22/2019	520,405.00	3.09	8,940.28	502,626.26	498,118.00
MORGAN STANLEY CORP NOTES (CALLABLE) DTD 04/22/2021 0.731% 04/05/2024	61772BAA1	70,000.00	A-	A1	4/19/2021	4/22/2021	70,000.00	0.73	122.24	70,000.00	68,961.20
MORGAN STANLEY CORP NOTES (CALLABLE) DTD 04/22/2021 0.731% 04/05/2024	61772BAA1	205,000.00	A-	A1	4/20/2021	4/22/2021	205,258.30	0.69	357.99	205,034.05	201,957.80
JPMORGAN CHASE & CO CORPORATE NOTES (CAL DTD 09/16/2020 0.653% 09/16/2024	46647PBS4	110,000.00	A-	A1	9/9/2020	9/16/2020	110,000.00	0.65	209.50	110,000.00	105,696.91
JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 01/10/2022 1.250% 01/10/2025	24422EVY2	565,000.00	A	A2	3/8/2022	3/10/2022	550,728.10	2.17	3,354.69	554,815.62	527,942.22
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	250,000.00	A+	A1	5/20/2020	5/26/2020	252,442.50	1.58	1,725.00	251,096.57	235,455.00
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	180,000.00	A+	A1	5/20/2020	5/26/2020	181,758.60	1.58	1,242.00	180,789.53	169,527.60
CITIGROUP INC (CALLABLE) CORPORATE NOTES DTD 05/04/2021 0.981% 05/01/2025	172967MX6	135,000.00	BBB+	A3	4/27/2021	5/4/2021	135,000.00	0.98	220.72	135,000.00	126,271.85
CITIGROUP INC (CALLABLE) CORPORATE NOTES DTD 05/04/2021 0.981% 05/01/2025	172967MX6	145,000.00	BBB+	A3	4/28/2021	5/4/2021	145,384.25	0.91	237.08	145,170.86	135,625.31
GOLDMAN SACHS GROUP INC CORPORATE NOTES DTD 05/22/2015 3.750% 05/22/2025	38148LAE6	380,000.00	BBB+	A2	2/12/2021	2/17/2021	424,528.40	0.94	1,543.75	403,782.90	366,890.76

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
JPMORGAN CHASE & CO CORP NOTES (CALLABLE) DTD 08/10/2021 0.768% 08/09/2025	46647PCM6	120,000.00	A-	A1	8/3/2021	8/10/2021	120,000.00	0.77	363.52	120,000.00	110,688.84
BRISTOL-MYERS SQUIBB CO CORPORATE NOTES DTD 11/13/2020 0.750% 11/13/2025	110122DN5	201,000.00	A+	A2	6/17/2021	6/21/2021	198,998.04	0.98	201.00	199,694.86	180,449.36
BANK OF AMERICA CORP NOTES (CALLABLE) DTD 03/22/2022 3.384% 04/02/2026	06051GKM0	585,000.00	A-	A2	3/17/2022	3/22/2022	585,000.00	3.38	4,894.11	585,000.00	557,932.64
MICROSOFT CORP (CALLABLE) NOTES DTD 08/08/2016 2.400% 08/08/2026	594918BR4	730,000.00	AAA	Aaa	2/23/2022	2/25/2022	738,095.70	2.14	6,959.33	736,458.60	680,624.26
TARGET CORP CORP NOTES (CALLABLE) DTD 01/24/2022 1.950% 01/15/2027	87612EBM7	100,000.00	A	A2	1/19/2022	1/24/2022	99,830.00	1.99	899.17	99,862.00	90,705.30
TARGET CORP CORP NOTES (CALLABLE) DTD 01/24/2022 1.950% 01/15/2027	87612EBM7	455,000.00	A	A2	1/27/2022	1/31/2022	454,722.45	1.96	4,091.21	454,773.82	412,709.12
BANK OF NY MELLON CORP (CALLABLE) CORPOR DTD 01/26/2022 2.050% 01/26/2027	06406RBA4	745,000.00	A	A1	1/26/2022	1/28/2022	747,398.90	1.98	6,575.66	746,946.68	668,836.42
Security Type Sub-Total		9,366,000.00					9,482,084.04	1.94	65,339.06	9,390,584.31	9,002,391.32
ABS											
HAROT 2020-1 A3 DTD 02/26/2020 1.610% 04/22/2024	43813RAC1	71,900.54	NR	Aaa	2/19/2020	2/26/2020	71,886.45	1.61	32.16	71,896.11	71,266.61
TAOT 2020-A A3 DTD 02/12/2020 1.660% 05/15/2024	89232HAC9	81,152.97	AAA	Aaa	2/4/2020	2/12/2020	81,147.11	1.66	59.87	81,151.08	80,680.07
CARMX 2020-1 A3 DTD 01/22/2020 1.890% 12/16/2024	14315XAC2	60,357.27	AAA	NR	1/14/2020	1/22/2020	60,345.42	1.89	50.70	60,352.54	59,635.36
HAROT 2021-1 A3 DTD 02/24/2021 0.270% 04/21/2025	43813GAC5	105,186.36	NR	Aaa	2/17/2021	2/24/2021	105,184.45	0.27	7.89	105,185.30	101,842.45
HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025	44933LAC7	112,127.85	AAA	NR	4/20/2021	4/28/2021	112,116.06	0.38	18.94	112,120.57	108,446.28

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Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
ABS											
CARMX 2021-1 A3 DTD 01/27/2021 0.340% 12/15/2025	14316NAC3	66,785.93	AAA	NR	1/20/2021	1/27/2021	66,772.75	0.34	10.09	66,777.95	64,459.92
TAOT 2021-C A3 DTD 09/27/2021 0.430% 01/15/2026	89239BAC5	195,000.00	AAA	Aaa	9/21/2021	9/27/2021	194,984.46	0.43	37.27	194,989.02	184,932.81
CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026	14314QAC8	173,382.79	AAA	NR	4/13/2021	4/21/2021	173,345.43	0.52	40.07	173,358.57	166,884.59
HART 2021-C A3 DTD 11/17/2021 0.740% 05/15/2026	44935FAD6	95,000.00	AAA	NR	11/9/2021	11/17/2021	94,978.80	0.75	31.24	94,984.10	89,520.29
DCENT 2021-A1 A1 DTD 09/27/2021 0.580% 09/15/2026	254683CP8	155,000.00	AAA	Aaa	9/20/2021	9/27/2021	154,966.81	0.58	39.96	154,975.24	144,270.08
Security Type Sub-Total		1,115,893.71					1,115,727.74	0.72	328.19	1,115,790.48	1,071,938.46
Managed Account Sub Total		72,584,893.71					71,878,341.52	1.50	200,110.43	72,055,541.88	68,392,487.85
Securities Sub Total		\$72,584,893.71					\$71,878,341.52	1.50%	\$200,110.43	\$72,055,541.88	\$68,392,487.85
Accrued Interest											\$200,110.43
Total Investments											\$68,592,598.28

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY									
10/4/2022	10/4/2022	1,125,000.00	9128282A7	US TREASURY NOTES	1.50%	8/15/2026	1,026,965.65	4.01%	
10/27/2022	10/31/2022	690,000.00	89115B6F2	TORONTO DOMINION BANK NY CERT DEPOS	5.47%	10/25/2024	690,000.00	5.44%	
11/1/2022	11/3/2022	474,000.00	91282CFM8	US TREASURY N/B NOTES	4.12%	9/30/2027	472,734.22	4.27%	
12/1/2022	12/2/2022	365,000.00	91282CFU0	US TREASURY N/B NOTES	4.12%	10/31/2027	372,518.83	3.74%	
12/6/2022	12/8/2022	1,150,000.00	91282CFU0	US TREASURY N/B NOTES	4.12%	10/31/2027	1,170,971.82	3.81%	
Total BUY		3,804,000.00					3,733,190.52		0.00
INTEREST									
10/2/2022	10/2/2022	585,000.00	06051GKM0	BANK OF AMERICA CORP NOTES (CALLABLE)	3.38%	4/2/2026	10,448.10		
10/5/2022	10/5/2022	275,000.00	61772BAA1	MORGAN STANLEY CORP NOTES (CALLABLE)	0.73%	4/5/2024	1,005.13		
10/11/2022	10/11/2022	965,000.00	931142DH3	WAL MART STORES INC GLOBAL NT (CALLABLE)	2.55%	4/11/2023	12,303.75		
10/14/2022	10/14/2022	560,000.00	3130AJHU6	FEDERAL HOME LOAN BANK NOTES	0.50%	4/14/2025	1,400.00		
10/15/2022	10/15/2022	180,000.00	14314QAC8	CARMX 2021-2 A3	0.52%	2/17/2026	78.00		
10/15/2022	10/15/2022	136,282.25	89232HAC9	TAOT 2020-A A3	1.66%	5/15/2024	188.52		
10/15/2022	10/15/2022	79,495.77	14316NAC3	CARMX 2021-1 A3	0.34%	12/15/2025	22.52		
10/15/2022	10/15/2022	120,000.00	44933LAC7	HART 2021-A A3	0.38%	9/15/2025	38.00		
10/15/2022	10/15/2022	155,000.00	254683CP8	DCENT 2021-A1 A1	0.58%	9/15/2026	74.92		
10/15/2022	10/15/2022	82,397.39	14315XAC2	CARMX 2020-1 A3	1.89%	12/16/2024	129.78		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
10/15/2022	10/15/2022	195,000.00	89239BAC5	TAOT 2021-C A3	0.43%	1/15/2026	69.88		
10/15/2022	10/15/2022	95,000.00	44935FAD6	HART 2021-C A3	0.74%	5/15/2026	58.58		
10/21/2022	10/21/2022	130,751.57	43813GAC5	HAROT 2021-1 A3	0.27%	4/21/2025	29.42		
10/21/2022	10/21/2022	110,933.43	43813RAC1	HAROT 2020-1 A3	1.61%	4/22/2024	148.84		
10/22/2022	10/22/2022	580,000.00	3135G03U5	FANNIE MAE NOTES	0.62%	4/22/2025	1,812.50		
10/31/2022	10/31/2022	245,000.00	91282CBW0	US TREASURY N/B NOTES	0.75%	4/30/2026	918.75		
10/31/2022	10/31/2022	555,000.00	91282CAT8	US TREASURY NOTES	0.25%	10/31/2025	693.75		
10/31/2022	10/31/2022	590,000.00	912828X70	US TREASURY NOTES	2.00%	4/30/2024	5,900.00		
10/31/2022	10/31/2022	60,000.00	912828YM6	US TREASURY NOTES	1.50%	10/31/2024	450.00		
11/1/2022	11/1/2022	280,000.00	172967MX6	CITIGROUP INC (CALLABLE) CORPORATE NOTES	0.98%	5/1/2025	1,373.40		
11/5/2022	11/5/2022	220,000.00	3137EAER6	FREDDIE MAC NOTES	0.37%	5/5/2023	412.50		
11/7/2022	11/7/2022	520,000.00	3135G06G3	FANNIE MAE NOTES	0.50%	11/7/2025	1,300.00		
11/10/2022	11/10/2022	415,000.00	02665WDH1	AMERICAN HONDA FINANCE	1.95%	5/10/2023	4,046.25		
11/11/2022	11/11/2022	325,000.00	037833DV9	APPLE INC CORPORATE NOTES	0.75%	5/11/2023	1,218.75		
11/13/2022	11/13/2022	201,000.00	110122DN5	BRISTOL-MYERS SQUIBB CO CORPORATE NOTES	0.75%	11/13/2025	753.75		
11/15/2022	11/15/2022	310,000.00	912828X88	US TREASURY NOTES	2.37%	5/15/2027	3,681.25		
11/15/2022	11/15/2022	155,000.00	254683CP8	DCENT 2021-A1 A1	0.58%	9/15/2026	74.92		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
11/15/2022	11/15/2022	518,000.00	912828R36	US TREASURY NOTES	1.62%	5/15/2026	4,208.75		
11/15/2022	11/15/2022	116,819.81	89232HAC9	TAOT 2020-A A3	1.66%	5/15/2024	161.60		
11/15/2022	11/15/2022	2,530,000.00	91282CCC3	US TREASURY N/B NOTES	0.25%	5/15/2024	3,162.50		
11/15/2022	11/15/2022	180,000.00	14314QAC8	CARMX 2021-2 A3	0.52%	2/17/2026	78.00		
11/15/2022	11/15/2022	195,000.00	89239BAC5	TAOT 2021-C A3	0.43%	1/15/2026	69.88		
11/15/2022	11/15/2022	74,491.91	14315XAC2	CARMX 2020-1 A3	1.89%	12/16/2024	117.32		
11/15/2022	11/15/2022	74,959.49	14316NAC3	CARMX 2021-1 A3	0.34%	12/15/2025	21.24		
11/15/2022	11/15/2022	95,000.00	44935FAD6	HART 2021-C A3	0.74%	5/15/2026	58.58		
11/15/2022	11/15/2022	120,000.00	44933LAC7	HART 2021-A A3	0.38%	9/15/2025	38.00		
11/18/2022	11/18/2022	525,000.00	46625HRL6	JPMORGAN CHASE & CO (CALLABLE) CORP NOTE	2.70%	5/18/2023	7,087.50		
11/21/2022	11/21/2022	97,114.86	43813RAC1	HAROT 2020-1 A3	1.61%	4/22/2024	130.30		
11/21/2022	11/21/2022	121,531.20	43813GAC5	HAROT 2021-1 A3	0.27%	4/21/2025	27.34		
11/22/2022	11/22/2022	380,000.00	38148LAE6	GOLDMAN SACHS GROUP INC CORPORATE NOTES	3.75%	5/22/2025	7,125.00		
11/22/2022	11/22/2022	865,000.00	3135G04Q3	FANNIE MAE NOTES	0.25%	5/22/2023	1,081.25		
11/30/2022	11/30/2022	3,595,000.00	91282CAZ4	US TREASURY NOTES	0.37%	11/30/2025	6,740.63		
11/30/2022	11/30/2022	3,590,000.00	912828ZT0	US TREASURY NOTES	0.25%	5/31/2025	4,487.50		
11/30/2022	11/30/2022	2,505,000.00	91282CDM0	US TREASURY N/B NOTES	0.50%	11/30/2023	6,262.50		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
11/30/2022	11/30/2022	395,000.00	91282CCF6	US TREASURY N/B NOTES	0.75%	5/31/2026	1,481.25		
12/15/2022	12/15/2022	865,000.00	91282CEU1	US TREASURY N/B NOTES	2.87%	6/15/2025	12,434.38		
12/15/2022	12/15/2022	98,662.33	89232HAC9	TAOT 2020-A A3	1.66%	5/15/2024	136.48		
12/15/2022	12/15/2022	195,000.00	89239BAC5	TAOT 2021-C A3	0.43%	1/15/2026	69.88		
12/15/2022	12/15/2022	2,495,000.00	91282CDN8	US TREASURY N/B NOTES	1.00%	12/15/2024	12,475.00		
12/15/2022	12/15/2022	95,000.00	44935FAD6	HART 2021-C A3	0.74%	5/15/2026	58.58		
12/15/2022	12/15/2022	180,000.00	14314QAC8	CARMX 2021-2 A3	0.52%	2/17/2026	78.00		
12/15/2022	12/15/2022	119,158.73	44933LAC7	HART 2021-A A3	0.38%	9/15/2025	37.73		
12/15/2022	12/15/2022	70,820.30	14316NAC3	CARMX 2021-1 A3	0.34%	12/15/2025	20.07		
12/15/2022	12/15/2022	155,000.00	254683CP8	DCENT 2021-A1 A1	0.58%	9/15/2026	74.92		
12/15/2022	12/15/2022	67,192.48	14315XAC2	CARMX 2020-1 A3	1.89%	12/16/2024	105.83		
12/17/2022	12/17/2022	1,875,000.00	3135G04Z3	FANNIE MAE NOTES	0.50%	6/17/2025	4,687.50		
12/21/2022	12/21/2022	113,168.55	43813GAC5	HAROT 2021-1 A3	0.27%	4/21/2025	25.46		
12/21/2022	12/21/2022	84,338.35	43813RAC1	HAROT 2020-1 A3	1.61%	4/22/2024	113.15		
12/26/2022	12/26/2022	780,000.00	3137EAES4	FREDDIE MAC NOTES	0.25%	6/26/2023	975.00		
12/31/2022	12/31/2022	2,395,000.00	9128284U1	US TREASURY NOTES	2.62%	6/30/2023	31,434.38		
12/31/2022	12/31/2022	1,385,000.00	912828S35	US TREASURY NOTES	1.37%	6/30/2023	9,521.88		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
12/31/2022	12/31/2022	2,027,000.00	91282CBC4	US TREASURY NOTES	0.37%	12/31/2025	3,800.63		
12/31/2022	12/31/2022	355,000.00	912828XX3	US TREASURY NOTES	2.00%	6/30/2024	3,550.00		
12/31/2022	12/31/2022	2,000,000.00	912828V23	US TREASURY NOTES	2.25%	12/31/2023	22,500.00		
Total INTEREST		39,459,118.42					193,069.27		0.00
MATURITY									
10/4/2022	10/4/2022	1,030,000.00	912796YC7	CASH MGMT BILL	0.00%	10/4/2022	1,030,000.00		
12/2/2022	12/2/2022	430,000.00	23341VZT1	DNB BANK ASA/NY LT CD	2.04%	12/2/2022	434,459.10		
12/31/2022	12/31/2022	1,010,000.00	91282CBD2	US TREASURY NOTES	0.12%	12/31/2022	1,010,631.25		
Total MATURITY		2,470,000.00					2,475,090.35		0.00
PAYDOWNS									
10/15/2022	10/15/2022	19,462.44	89232HAC9	TAOT 2020-A A3	1.66%	5/15/2024	19,462.44		
10/15/2022	10/15/2022	7,905.48	14315XAC2	CARMX 2020-1 A3	1.89%	12/16/2024	7,905.48		
10/15/2022	10/15/2022	4,536.28	14316NAC3	CARMX 2021-1 A3	0.34%	12/15/2025	4,536.28		
10/21/2022	10/21/2022	9,220.37	43813GAC5	HAROT 2021-1 A3	0.27%	4/21/2025	9,220.37		
10/21/2022	10/21/2022	13,818.57	43813RAC1	HAROT 2020-1 A3	1.61%	4/22/2024	13,818.57		
11/15/2022	11/15/2022	4,139.19	14316NAC3	CARMX 2021-1 A3	0.34%	12/15/2025	4,139.19		
11/15/2022	11/15/2022	18,157.48	89232HAC9	TAOT 2020-A A3	1.66%	5/15/2024	18,157.48		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
PAYDOWNS									
11/15/2022	11/15/2022	7,299.43	14315XAC2	CARMX 2020-1 A3	1.89%	12/16/2024	7,299.43		
11/15/2022	11/15/2022	841.27	44933LAC7	HART 2021-A A3	0.38%	9/15/2025	841.27		
11/21/2022	11/21/2022	12,776.51	43813RAC1	HAROT 2020-1 A3	1.61%	4/22/2024	12,776.51		
11/21/2022	11/21/2022	8,362.65	43813GAC5	HAROT 2021-1 A3	0.27%	4/21/2025	8,362.65		
12/15/2022	12/15/2022	4,034.37	14316NAC3	CARMX 2021-1 A3	0.34%	12/15/2025	4,034.37		
12/15/2022	12/15/2022	7,030.88	44933LAC7	HART 2021-A A3	0.38%	9/15/2025	7,030.88		
12/15/2022	12/15/2022	17,509.36	89232HAC9	TAOT 2020-A A3	1.66%	5/15/2024	17,509.36		
12/15/2022	12/15/2022	6,835.21	14315XAC2	CARMX 2020-1 A3	1.89%	12/16/2024	6,835.21		
12/15/2022	12/15/2022	6,617.21	14314QAC8	CARMX 2021-2 A3	0.52%	2/17/2026	6,617.21		
12/21/2022	12/21/2022	12,437.81	43813RAC1	HAROT 2020-1 A3	1.61%	4/22/2024	12,437.81		
12/21/2022	12/21/2022	7,982.19	43813GAC5	HAROT 2021-1 A3	0.27%	4/21/2025	7,982.19		
Total PAYDOWNS		168,966.70					168,966.70		0.00
SELL									
10/27/2022	10/31/2022	685,000.00	912828M80	US TREASURY NOTES	2.00%	11/30/2022	689,710.25		-1,964.21
11/1/2022	11/3/2022	470,000.00	912828M80	US TREASURY NOTES	2.00%	11/30/2022	473,382.34		-1,209.27

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
SELL									
12/6/2022	12/8/2022	1,170,000.00	912828N30	US TREASURY NOTES	2.12%	12/31/2022	1,179,094.92		-1,571.73
Total SELL		2,325,000.00					2,342,187.51		-4,745.21

Important Disclosures

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- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

Glossary

- **Accrued Interest:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **Agencies:** Federal agency securities and/or Government-sponsored enterprises.
- **Amortized Cost:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **Asset-Backed Security:** A financial instrument collateralized by an underlying pool of assets – usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, and receivables.
- **Bankers' Acceptance:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **Commercial Paper:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **Contribution to Total Return:** The weight of each individual security multiplied by its return, then summed for each sector to determine how much each sector added or subtracted from the overall portfolio performance.
- **Effective Duration:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **Effective Yield:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **Interest Rate:** Interest per year divided by principal amount and expressed as a percentage.
- **Market Value:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **Maturity:** The date upon which the principal or stated value of an investment becomes due and payable.
- **Negotiable Certificates of Deposit:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **Par Value:** The nominal dollar face amount of a security.
- **Pass-through Security:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.

Glossary

- **Repurchase Agreements:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **Settle Date:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **Supranational:** A multinational union or association in which member countries cede authority and sovereignty on at least some internal matters to the group, whose decisions are binding on its members.
- **Trade Date:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **Unsettled Trade:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. Treasury:** The department of the U.S. government that issues Treasury securities.
- **Yield:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM at Cost:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM at Market:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.



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*General Manager/
District Engineer*

Karen W. Murphy
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**FEBRUARY 13, 2023
BOARD OF DIRECTORS MEETING
AGENDA ITEM # 8**

TITLE: **Review and Consider Approval of Policy 2060 Debt Management Policy (*This is a Motion Item*)**

SUBMITTED: Paul R. Eldredge, General Manager/District Engineer
Mark Carlson, Business Services Work Group Manager/CFO

Recommendation

Review and consider approval of Policy 2060 Debt Management Policy.

Discussion

There are no recommended changes to this policy other than minor administrative updates and language clarifications.

Background

The Board last updated this policy July 2021 to provide clarifications regarding SRF loans.

Previous Board Action

07/14/2021 Board Meeting – Approval of Updates to Policy 2060 Debt Management Policy.

Attachments

Policy 2060 Debt Management Policy – Redline version
Policy 2060 Debt Management Policy – Cleanline version

Union Sanitary District Policy
Policy and Procedure Manual

Effective: January-February 13, 2020-2023 (modified 07/26/21)	Debt Management Policy	Policy No. 2060 Page 1 of 12
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Policy

This policy provides guidelines for the issuance of bonds and other forms of debt to finance capital improvements and other eligible expenditures. These guidelines will assist the District in determining if, when, how much, and what type of debt is appropriate. The guidelines are also designed to help the District issue debt in a cost-effective manner while preserving the District's credit quality and financial flexibility. This Policy should be periodically reviewed and amended to ensure it remains up-to-date and supports the District's financial objectives.

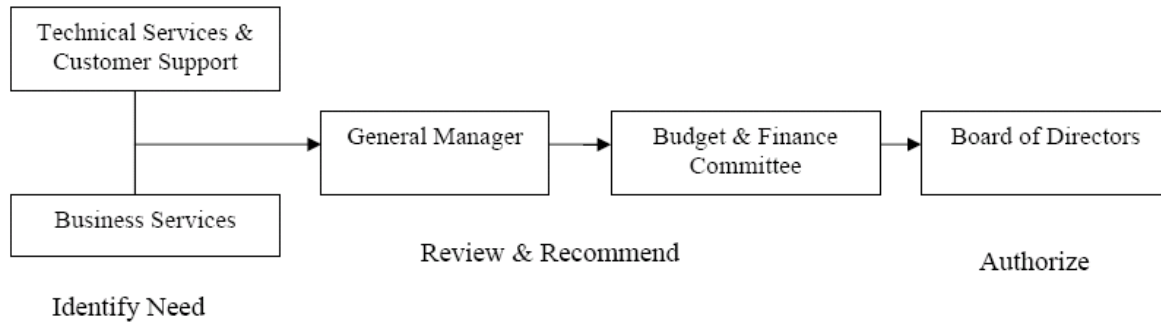
Objectives

Key objectives of this policy are to ensure the District:

- Updates its financial plan and evaluates financing alternatives prior to issuing debt;
- Adopts adequate rates and charges to support debt;
- Issues debt only when needed or when the District deems beneficial;
- Issues the most appropriate type and amount of debt, when needed;
- Issues debt in a cost-effective and prudent manner with competitive interest rates;
- Secures debt with favorable legal covenants that will preserve the District's financial flexibility;
- Understands the financial impacts, legal obligations, and potential benefits and risks of each proposed debt issue;
- Remains in compliance with California Government Code requiring issuers of debt to have an adopted debt policy;
- Remains in compliance with the Internal Revenue Service ("IRS"), Securities Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB") rules and regulations governing the issuance of debt.

Oversight & Authorization Process

The Board of Directors shall have the sole authority to authorize debt on behalf of the District. The following flow chart summarizes the general process for approving and authorizing debt.



Purposes for Which Debt Proceeds May be Used – Eligible Projects

The District can use debt to fund capital improvement projects, equipment purchases, land purchases, and other qualified expenditures, or to refund prior debt. Generally, a bond counsel or other legal counsel will need to verify that the anticipated expenditures can be funded by debt. Project costs may include the actual costs of construction labor and materials as well as related soft costs such as planning, engineering and design, environmental and/or legal review, permitting, project administration, and construction management. Debt can generally be issued for up to three years of anticipated project costs but must meet expected spend-down provisions governed by the IRS. Debt proceeds will not be used to finance operating costs or normal, ongoing maintenance costs.

Reimbursement for Prior Expenditures

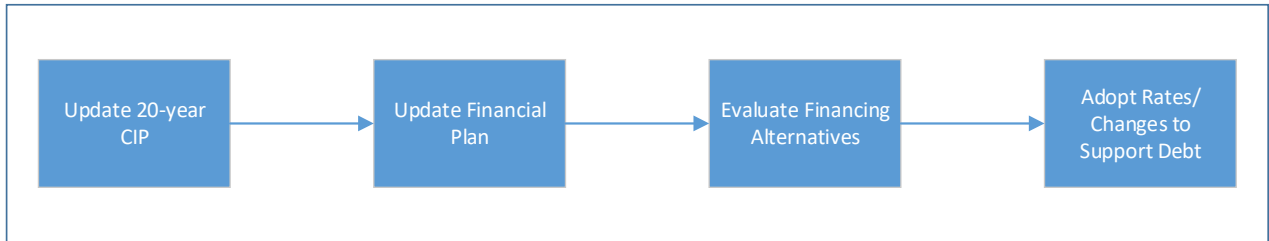
The District can use proceeds from debt which is subject to IRS rules and regulations for tax-exempt debt to reimburse itself for project-related expenditures made prior to debt issuance, subject to certain limitations. Without adoption of a Reimbursement Resolution, an agency can generally reimburse itself for a) soft costs such as planning and design costs provided the amount does not exceed 20% of the debt size, and b) capital expenditures incurred within 60 days prior to debt issuance.

If the District anticipates the need for additional reimbursement, the Board should adopt a Reimbursement Resolution. A Reimbursement Resolution authorizes the District to reimburse itself for capital project expenditures incurred prior to a future issue of debt. The Resolution allows reimbursement for project expenditures made up to 60 days prior to the Resolution's adoption. Debt must be issued within the later of a) 18 months after the date the expenditure is made, or b) 18 months after the date the project is placed in service, but in no case later than 3 years after the date of the expenditure.

Key Steps to Take Prior to Issuing Debt

Prior to issuing debt, the District should review and/or update its long-term Capital Improvement Plan and its Financial Plan to help determine if and how much debt is appropriate. The Financial Plan can be used to evaluate debt alternatives and potential impacts on rates and finances.

Subsequently, the District should evaluate financing alternatives and identify the revenue streams that will repay the debt. Generally, the District should adopt rates and charges necessary to support debt repayment prior to the issuance of debt. This can include adopting a multi-year rate increase, even if none or only part of the increase is actually in effect when debt is issued.



Rates & Charges

Rates and charges for wastewater service should be established at levels adequate to:

- Support the full cost (direct and indirect) of District operations, including preventive maintenance to keep infrastructure in good working condition and maximize its useful life
- Ensure the timely payment of outstanding debt and comply with outstanding debt covenants
- Fund a reasonable portion of the long-term Capital Improvement Plan on a pay-as-you-go basis
- Ensure adequate levels of liquidity and fund reserves to help maintain the District's long-term financial health and bond credit ratings

Rates and charges should be reviewed at least annually.

Independent Financial Advisor

The District should retain the services of an independent financial advisor on all debt issues. An independent financial advisor can assist the District by developing a capital financing plan, evaluating financing alternatives, and coordinating the sale of debt. The advisor should also assist the District in ensuring debt is issued cost-effectively with favorable legal covenants that will protect the District's financial flexibility. The advisor should have a fiduciary responsibility to solely represent the interests of the District throughout the debt issuance process. Retaining an independent financial advisor is not applicable to State and Federal Grants and Loans. In consultation with the General Manager, CIP and Finance will coordinate in evaluating and administering loans and grants with respect to compliance with debt targets, meeting terms and conditions, tracking proceeds and participating in Single Audits. The use of Bond Counsel may be advisable during the issuance of State or Federal Loans to ensure compliance with existing financial and legal covenants.

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Capital Funding Sources & Financing Options

Basic Capital Funding Sources

The District has a number of options for funding its capital projects, including:

Pay-As-You-Go Financing - The District anticipates funding a substantial portion of its capital projects on a pay-as-you-go basis using annual revenues and reserves. This is the District's preferred approach for funding capital projects.

Bonds and Other Types of Long-Term Debt – Long-term debt may be issued if the District determines that is necessary or beneficial to finance capital improvements over time and not from current revenues or reserves. Long-term debt can enable the District to fund a project over its useful life and recover costs from future project beneficiaries. Long-term debt will not be used to finance operating costs or normal, ongoing maintenance costs.

Short-Term Debt – Short-term debt may be issued if the District determines that it is necessary or beneficial to a) provide interim financing for capital projects, such as in anticipation of a grant or debt, or b) to mitigate short-term cash flow emergencies. Prior to issuing any short-term debt, the District will develop a plan to repay the debt, including a plan to repay any long-term debt used to refinance the short-term debt.

Inter-Fund Borrowing – The Board of Directors may approve inter-fund loans between the Sewer Service Charge Fund and the Capacity Fund. These loans shall be structured to include a market rate of interest and a defined principal repayment schedule.

State and Federal Grants & Loans – There are a number of state and federal financing programs that offer subsidized interest rate loans and/or grants for eligible projects. To the extent federal and state loans or grants are available, the District will appropriately evaluate and pursue such funding sources.

Types of Debt

If the District chooses to issue debt, the District should evaluate the full range of options and select the most appropriate and cost-effective type of financing mechanism. General types of financing available to help fund District projects include:

- JPA Revenue Bonds or Refunding Revenue Bonds
- Certificates of Participation (COPs)
- State and Federal Grants
- Water Infrastructure Finance and Innovation Act (WIFIA) Loans
- State Revolving Fund (SRF) Loans
- Bank Loans, Leases, and Private Placements

- Lines of Credit
- Short-Term Notes
- General Obligation Bonds
- Assessment District Bonds
- Community Facilities District (Mello-Roos) Bonds
- Commercial Paper

Tax-Exempt & Taxable Debt

The District should issue tax-exempt debt, which provides the lowest interest rates, unless it determines that taxable debt is legally necessary to meet the District's financial needs or objectives. Prior to approving the issuance of any debt, the District shall comply with Government Code Section 5852.1 by disclosing specified good faith estimates in a public meeting prior to the authorization of the issuance of bonds.

Fixed & Variable Rate Debt

Debt can be issued with either fixed or variable interest rates. With fixed rate debt, interest rates are locked in for the duration of the borrowing, which provides budget certainty that is important for financial planning. Fixed rate debt does not have ~~to remain outstanding to be held~~ through final maturity; it can be paid off early or refinanced according to its legal provisions to achieve savings. Unless the District has compelling reasons to issue variable rate debt, the District should generally issue fixed rate debt.

The District may consider variable rate debt in certain instances. Variable rate debt, if any, should not exceed 25% of total outstanding debt. Additionally, the total amount of variable rate debt should generally never exceed 150% of the District's anticipated level of long-term fund reserves. Maintaining adequate fund reserves provides a hedge against variable rate debt since the interest rate earned on investments generally moves in line with the interest rate of variable rate debt.

Interest Rate Swaps

The District should not enter into any swap agreement without a) fully understanding all the risks and potential costs involved, b) determining that the financing method provides a substantial economic benefit that outweighs the risks, c) review by an independent financial advisor representing the District's interests, (d) prior adoption by the Board of a swap or derivatives policy, and e) commitment to monitor the debt instrument and related risks and be able to respond to changing market conditions. To the extent the District is considering entering into a swap agreement, the District will engage the services of a qualified independent swap advisor to provide advice on the terms of any potential swap agreement.

Refinancing Debt

The District may refinance outstanding debt if deemed cost-effective and/or beneficial for other District objectives. The general rule of thumb is that a refunding debt issue should not be undertaken unless:

- a) Current refunding results in reasonable net overall present value savings of outstanding principal refunded by the new issue
- b) District needs to refund or restructure outstanding debt with onerous ~~terminate~~-legal covenants ~~securing outstanding debt or restructure debt~~.

Tax-exempt advance refundings (i.e. refunding bonds ~~issued prior to~~ 90 days before the call date) are prohibited under current tax law and the District will not pursue tax-exempt advance refundings unless there is a change to current law. Nothing in this paragraph precludes the District from pursuing advance refundings through the issuance of taxable debt.

Bond Issuance

Method of Bond Issuance

District should generally issue debt via a competitive sale process to ensure it obtains the lowest cost financing. The debt issue should be marketed to a wide range of potential underwriters and lenders. Negotiated sales should only be used if, in the determination of the District in consultation with its independent financial advisor, the potential debt issue is too complicated or not conducive to a competitive sale process. The underwriter should a) have substantial experience with similar types of debt issues, b) have a substantial retail distribution network, c) have a history of obtaining market interest rates, and d) should indicate all costs and fees that may be charged.

Hiring Financial Service Providers

Financial service providers can be selected based on an RFP process. As an alternative to engaging in an RFP process, the District can solicit a proposal from a preferred provider and check with an independent financial advisor to ensure the cost for services is reasonable. An independent financial advisor can assist with selecting and/or negotiating with potential service providers in order to ensure the District receives high-quality services at a reasonable cost.

Debt Structure & Term

Debt should be structured to meet the District's long-term financial needs and objectives. An independent financial advisor can assist the District in determining an appropriate debt structure and term. Utility revenue bonds are typically issued for terms up to 30 years. The term of the debt should generally not exceed the estimated useful life of the project being funded – technically, the weighted average maturity of the debt should not exceed 120% of the expected life of the project. Unless expressly approved by the Board at the recommendation of Finance after consultation with the Financial Advisor and Bond Counsel the final maturity of fixed rate debt should be no longer than 40 years and the final maturity of variable rate debt should be no longer than 40 years. Factors to be considered to determine the final maturity of debt include: the average useful life of the capital assets being financed, relative level of interest rates, intergenerational equity and the year-to-year differential in interest rates. The District may not issue taxable debt with a final maturity longer than 50 years unless expressly approved by the Board at the recommendation of the Business Services Workgroup

Manager/Chief Financial Officer (“CFO”) after consultation with the Financial Advisor and Bond Counsel.

Debt issued to finance new projects is most-commonly structured to generate level annual debt service payments. In some cases, debt is structured around pre-existing debt obligations in order to provide aggregate level annual debt service accounting for all outstanding issues combined. Subject to federal tax code limitations, refunding debt generally cannot have a term or a weighted average maturity that exceeds the debt being refunded.

Capitalized Interest

If needed or deemed beneficial, the District can set aside debt proceeds in a Capitalized Interest Fund to pay ~~debt service~~ interest payments for up to 3 years after the debt issuance date, or one year after the project is expected to be placed in service. Capitalizing interest requires the issuance of additional debt and results in a) lower debt service payments during the capitalized interest period, and b) higher debt service payments thereafter. In general, the District should not capitalize interest unless needed to meet cash flow requirements or legal covenants.

Bond Insurance / Credit Enhancement

Bond insurance provides investors with additional repayment security and can result in higher credit ratings (the insurance provider’s ratings) and lower interest rates. Bond insurance should be used whenever the debt service savings from the bond insurance is greater than the cost of the bond insurance premium. In general, most investment grade utility revenue bonds are issued with bond insurance since the savings almost always outweighs the cost of bond insurance. Bond insurance is only available at the insurer’s determination.

Bond insurance can be issued at bidder’s option (the option of the underwriter on a competitive sale) or purchased directly by the District prior to a bond sale. If purchasing bond insurance directly, the District should solicit bids from highly rated bond insurers and only use insurance if such credit enhancement results in a lower total cost of borrowing for the District or otherwise furthers the District’s financial objectives.

Legal Covenants for Revenue-Secured Debt

The District is a self-supporting utility enterprise and relies predominantly on revenues from rates and fees to fund all operating and capital expenditures, including debt repayment. The most common type of debt issued by utility enterprises is revenue secured debt. Revenue secured debt should generally be issued with the following legal covenants:

- Debt service coverage pledge should generally be set at 120% for legal purposes. (Total revenues less operating and maintenance expenses must equal at least 120% of outstanding debt service due per fiscal year.)
- Allowance of a rate stabilization fund to meet the debt service coverage requirement.
- Additional debt test should account for adopted (but not yet necessarily effective) rate increases. This would enable the District to phase in future rate increases if ever needed to secure debt.
- Permit issuance of debt with or without a debt service reserve fund, as market

conditions warrant, and in the case where a debt service reserve fund is deemed beneficial, allowance to use a reserve surety bond to satisfy the debt service reserve requirement.

- Special language may need to be incorporated to account for potential future SRF Loans and/or other state and federal financing programs.

Prepayment Options

The District should not enter into any long-term debt that does not include a reasonable and flexible prepayment option. Some general guidelines for prepayment options include:

- Long-term debt, such as 25 to 30-year bonds, should include a call-protection period not-to-exceed 10 years. Earlier call provisions provide more financial flexibility for refunding debt but may result in higher interest rates if the bonds are not redeemed on the call date. Shorter-term debt should have shorter call protection periods. For example, a 10-year loan should generally be able to be refunded after 5 years.
- The prepayment penalty or premium for refunding long-term debt should generally not exceed 2% of the outstanding principal amount on the first call date and should decline to 0% within a few years thereafter. It is typical in the current market to see 10-year calls with no premium on the first call date.
- In some cases, the District should also consider including special prepayment provisions if it anticipates refunding debt within a shorter timeframe, such as if a potential grant may be awarded after the project is constructed.
- Regarding SRF loans, the State Water Resource Control Board changed their loan terms and conditions in 2017 to restrict prepayments of SRF loans without their prior consent. Given the advantageous loan rates that generally accompany SRF loans, the District Board may accept these prepayment restrictions when ~~the~~ SRF loans are ~~is~~ approved.

Debt Service Reserve Fund

A debt service reserve fund may be beneficial to help provide additional security for revenue-supported debt such as revenue bonds. The reserve requirement cannot exceed the lesser of a) 10% of the principal amount of debt issued, b) 125% of average annual debt service, or c) maximum annual debt service on outstanding debt.

The District may satisfy the reserve requirement with cash, such as from bond proceeds. Alternatively, the District should retain the legal authority to satisfy the reserve requirement with a reserve surety policy/bond instead of cash. An independent financial advisor can assist in determining whether a reserve fund is necessary and an appropriate method for meeting the reserve requirement.

Internal Control Procedures Relating to Bond Proceeds

All debt transactions must be approved by the Board of Directors. The proceeds of bond sales will be invested until used for the intended project(s) in order to maximize utilization of the public funds.

Bond proceeds will be deposited and recorded in separate accounts to ensure funds are not comingled with other forms of District funds. The District's bond trustee will administer the disbursement of bond proceeds pursuant to provisions set forth in bond legal documents. To ensure proceeds from bond sales are used in accordance with legal requirements invoices are submitted by the appropriate Program or Workgroup Manager and approved by the Business Services Workgroup Manager or General Manager for payment. Requisition for the disbursement of bond funds will be approved by the District's CFO, General Manager, or designated alternate.

- In the case of an issue of bonds, the proceeds of which will be used by a governmental entity other than the District, the District may rely upon certification by such other governmental entity that it has adopted the policies described in SB 1029.

Investment of Debt Proceeds

The District can invest and earn money on its debt proceeds subject to certain legal limitations. The District should evaluate its investment options for each debt issue. The District can select the investment(s) based on recommendations by staff, its investment advisor or a qualified investment advisor, or can use an investment agent to bid out the investment subject to pre-established limitations, such as those imposed by the District's Investment Policy or those imposed by the bond insurer or agreed to in respective legal documents of related debt obligations. The District may also utilize its investment advisor to invest bond proceeds.

~~The District is not generally allowed to earn arbitrage by investing debt proceeds at an interest rate that exceeds the interest rate of the debt. However, the District will not necessarily be penalized for doing so; if~~ bond funds are invested at an interest rate that exceeds the Arbitrage Yield Limit of the bonds, the District is required to reimburse the federal government for amounts earned in excess of the allowed yield.

Arbitrage Rebate Compliance

The District shall establish a system of recordkeeping and reporting to meet the arbitrage rebate compliance requirements of the federal tax code. This will include tracking investment earnings on bond proceeds, using outside experts to assist in calculating rebate payments and preparing necessary filings, and making payments in a timely manner in order to preserve the tax-exempt status of the District's outstanding debt issues. Investment earnings in excess of the allowable Arbitrage Yield Limit must be refunded to the federal government within approximately five years of the date of debt issuance. Tax-exempt bonds will not be issued unless it can be demonstrated that 85% of the proceeds can reasonably be expected to be expended within the three-year temporary period.

State Reporting Requirements

State reporting requirements Pursuant to Government Code 8855(k), the District will submit annual debt transparency reports for any debt issued on or after January 1, 2017 every year until the later date on which the debt is no longer outstanding or proceeds have been fully spent by no later than January 31 each year.

Pursuant to the Government Code Section 6599.1(b) of the Marks-Roos Local Bond Pooling Act of 1985, as amended (Section 6584 et seq.) the District will submit the Marks-Roos yearly fiscal status reports, if required, annually to California Debt and Investment Advisory Commission (“CDIAC”) until the final maturity of the bonds by no later than October 30 each year.

Continuing Disclosure

The District will meet its continuing disclosure obligations for each debt issue by providing annual financial statements and other required information in a timely manner to the Nationally Recognized Municipal Securities Information Repositories (NRMSIRs) and other parties as required. In addition, the District will provide financial and other information to the rating agencies, bond insurers, trustee, and others upon request. The CFO shall be responsible for providing ongoing disclosure information, meeting disclosure requirements, and for maintaining compliance with disclosure standards dictated by state and national regulatory bodies. In the event a ‘material event’ occurs requiring immediate disclosure, the Business Services Workgroup Manager or General Manager will ensure information flows to the appropriate disclosure notification parties in a timely manner.

Effective February 27, 2019, Rule 15c2-12 was amended to add two events to the required disclosure by issuers with respect to any “financial obligation” as defined in Rule 15c2-12. For purposes of Rule 15c2-12, the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in Rule 15c2-12) has been provided to the MSRB consistent with Rule 15c2-12.

Under the first of the added events, the District must disclose any default, event of acceleration, termination event, modification of terms, or other similar events with respect to any “financial obligation” as defined in Rule 15c2-12. To assist in complying with this added event, the General Counsel, General Manager, or other senior staff, or other executive positions within the District, will provide written notice to the CFO of receipt by the District of any default, event of acceleration, termination event, modification of terms or other similar events (collectively, a “Potentially Reportable Event”) under any agreement or obligation to which the District is a party and which may be a “financial obligation” as defined above. Such written notice should be provided by General Counsel to the CFO as soon as the General Counsel is placed on written notice by District staff, consultants, or external parties of such event or receives written notice of such event so that the CFO can determine, with the assistance of disclosure counsel, whether notice of such Potentially Reportable Event is required to be filed on the Electronic Municipal Market Access (“EMMA”) pursuant to the disclosure requirements of Rule 15c2-12. If filing on EMMA is required, the filing is due within 10 business days of such Potentially Reportable Event to comply with continuing disclosure undertakings for debt obligations of the District issued after February 27, 2019.

Under the second of the added events, the District must disclose the incurrence of a “financial obligation” of the District, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect security holders. To assist in complying with this added event, the General Counsel, General Manager, or other senior staff or other executive positions within the District, as applicable, will report to the CFO the execution by the District of any agreement or other obligation entered into after February 27, 2019 which might constitute a “financial obligation” for purposes of Rule 15c2-12 and any amendments to existing District agreements or obligations which might constitute a “financial obligation” for purposes of Rule 15c2-12 which relate to covenants, events of default, remedies, priority rights, or other similar terms. Such report to the CFO should be made as soon as the General Counsel, General Manager, or such other senior staff is placed on written notice by District staff, consultants, or external parties of such event or receives a written notice of such amendment requests. Notice to the CFO is necessary so that the CFO can determine, with the assistance of Disclosure Counsel, whether such agreement or other obligation constitutes a material “financial obligation” for purposes of Rule 15c2-12. If such agreement or other obligation is determined to be a material “financial obligation” or a material amendment to a “financial obligation”, notice thereof would be required to be filed on EMMA within 10 business days of incurrence or amendment.

The types of agreements or other obligations which could constitute a “financial obligation” under the Rule and which may need to be reported on EMMA include:

- Bank loans or other obligations which are privately placed; and
- State or federal loans; and
- Commercial paper, variable rate debt, or other ~~short-term~~ indebtedness for which no offering document has been filed on EMMA; and
- Letters of credit, surety policies or other credit enhancement with respect to the District’s publicly offered debt; and
- Letters of credit, including letters of credit which are provided to third parties to secure the District’s obligation to pay or perform (an example of this is a standby letter of credit delivered to secure the District’s obligations for performance under a mitigation agreement); and
- Capital leases for property, facilities, fleet or equipment; and
- Agreements which guarantee the payment or performance obligations of a third party (regardless of whether the agreements constitute guarantees under California law); and
- Payment agreements which obligate the District to pay a share of another public agency’s debt service (for example, an agreement with a joint powers agency whereby the District agrees to pay a share of the joint powers agency’s bonds, notes or other obligations); and
- Service contracts with a public agency or a private party pursuant to which the District is obligated to pay a share of such public agency or private party’s debt service obligation (for example, certain types of public/private partnership arrangements); and

- Any agreement the payments under which are not characterized as an operation and maintenance expenses for accounting purposes if such agreement could be characterized as the borrowing of money.

The CFO will continue to work with the General Counsel and Disclosure Counsel to refine the definition of “financial obligation” going forward based on future SEC guidance.

Approved by: Board of Directors
Author/owner: Business Services Workgroup Manager
Reviewers: Executive Team, Board of Directors
Notify Person: Business Services Workgroup Manager
Revision frequency: Every 3 years
Next Review: ~~January-February 13, 2026~~

Union Sanitary District Policy
Policy and Procedure Manual

Effective: February 2023	Debt Management Policy	Policy No. 2060 Page 1 of 12
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Policy

This policy provides guidelines for the issuance of bonds and other forms of debt to finance capital improvements and other eligible expenditures. These guidelines will assist the District in determining if, when, how much, and what type of debt is appropriate. The guidelines are also designed to help the District issue debt in a cost-effective manner while preserving the District’s credit quality and financial flexibility. This Policy should be periodically reviewed and amended to ensure it remains up-to-date and supports the District’s financial objectives.

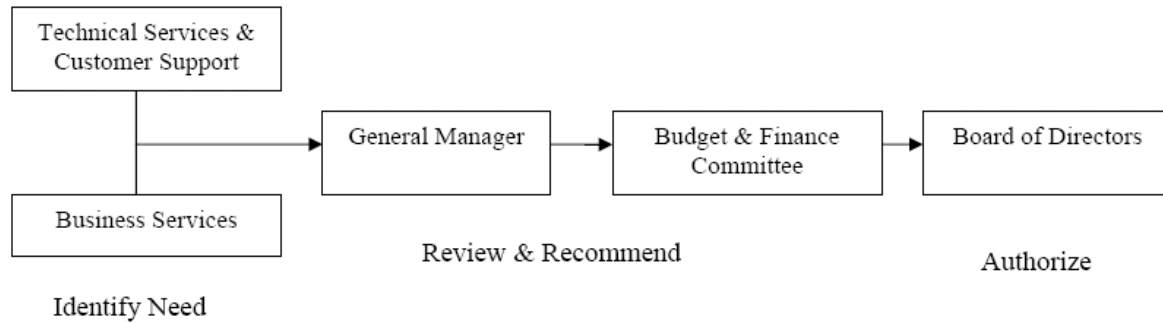
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Key objectives of this policy are to ensure the District:

- Updates its financial plan and evaluates financing alternatives prior to issuing debt;
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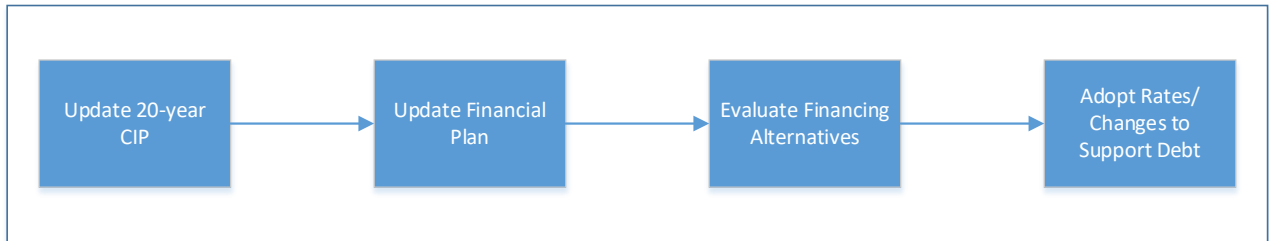
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If the District anticipates the need for additional reimbursement, the Board should adopt a Reimbursement Resolution. A Reimbursement Resolution authorizes the District to reimburse itself for capital project expenditures incurred prior to a future issue of debt. The Resolution allows reimbursement for project expenditures made up to 60 days prior to the Resolution's adoption. Debt must be issued within the later of a) 18 months after the date the expenditure is made, or b) 18 months after the date the project is placed in service, but in no case later than 3 years after the date of the expenditure.

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Rates & Charges

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Rates and charges should be reviewed at least annually.

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Bonds and Other Types of Long-Term Debt – Long-term debt may be issued if the District determines that is necessary or beneficial to finance capital improvements over time and not from current revenues or reserves. Long-term debt can enable the District to fund a project over its useful life and recover costs from future project beneficiaries. Long-term debt will not be used to finance operating costs or normal, ongoing maintenance costs.

Short-Term Debt – Short-term debt may be issued if the District determines that it is necessary or beneficial to a) provide interim financing for capital projects, such as in anticipation of a grant or debt, or b) to mitigate short-term cash flow emergencies. Prior to issuing any short-term debt, the District will develop a plan to repay the debt, including a plan to repay any long-term debt used to refinance the short-term debt.

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- Short-Term Notes
- General Obligation Bonds
- Assessment District Bonds
- Community Facilities District (Mello-Roos) Bonds
- Commercial Paper

Tax-Exempt & Taxable Debt

The District should issue tax-exempt debt, which provides the lowest interest rates, unless it determines that taxable debt is legally necessary to meet the District's financial needs or objectives. Prior to approving the issuance of any debt, the District shall comply with Government Code Section 5852.1 by disclosing specified good faith estimates in a public meeting prior to the authorization of the issuance of bonds.

Fixed & Variable Rate Debt

Debt can be issued with either fixed or variable interest rates. With fixed rate debt, interest rates are locked in for the duration of the borrowing, which provides budget certainty that is important for financial planning. Fixed rate debt does not have to remain outstanding through final maturity; it can be paid off early or refinanced according to its legal provisions to achieve savings. Unless the District has compelling reasons to issue variable rate debt, the District should generally issue fixed rate debt.

The District may consider variable rate debt in certain instances. Variable rate debt, if any, should not exceed 25% of total outstanding debt. Additionally, the total amount of variable rate debt should generally never exceed 150% of the District's anticipated level of long-term fund reserves. Maintaining adequate fund reserves provides a hedge against variable rate debt since the interest rate earned on investments generally moves in line with the interest rate of variable rate debt.

Interest Rate Swaps

The District should not enter into any swap agreement without a) fully understanding all the risks and potential costs involved, b) determining that the financing method provides a substantial economic benefit that outweighs the risks, c) review by an independent financial advisor representing the District's interests, (d) prior adoption by the Board of a swap or derivatives policy, and e) commitment to monitor the debt instrument and related risks and be able to respond to changing market conditions. To the extent the District is considering entering into a swap agreement, the District will engage the services of a qualified independent swap advisor to provide advice on the terms of any potential swap agreement.

Refinancing Debt

The District may refinance outstanding debt if deemed cost-effective and/or beneficial for other District objectives. The general rule of thumb is that a refunding debt issue should not be undertaken unless:

- a) Current refunding results in reasonable net overall present value savings of outstanding principal refunded by the new issue
- b) District needs to refund or restructure outstanding debt with onerous legal covenants.

Tax-exempt advance refundings (i.e. refunding bonds issued 90 days before the call date) are prohibited under current tax law and the District will not pursue tax-exempt advance refundings unless there is a change to current law. Nothing in this paragraph precludes the District from pursuing advance refundings through the issuance of taxable debt.

Bond Issuance

Method of Bond Issuance

District should generally issue debt via a competitive sale process to ensure it obtains the lowest cost financing. The debt issue should be marketed to a wide range of potential underwriters and lenders. Negotiated sales should only be used if, in the determination of the District in consultation with its independent financial advisor, the potential debt issue is too complicated or not conducive to a competitive sale process. The underwriter should a) have substantial experience with similar types of debt issues, b) have a substantial retail distribution network, c) have a history of obtaining market interest rates, and d) should indicate all costs and fees that may be charged.

Hiring Financial Service Providers

Financial service providers can be selected based on an RFP process. As an alternative to engaging in an RFP process, the District can solicit a proposal from a preferred provider and check with an independent financial advisor to ensure the cost for services is reasonable. An independent financial advisor can assist with selecting and/or negotiating with potential service providers in order to ensure the District receives high-quality services at a reasonable cost.

Debt Structure & Term

Debt should be structured to meet the District's long-term financial needs and objectives. An independent financial advisor can assist the District in determining an appropriate debt structure and term. Utility revenue bonds are typically issued for terms up to 30 years. The term of the debt should generally not exceed the estimated useful life of the project being funded – technically, the weighted average maturity of the debt should not exceed 120% of the expected life of the project. Unless expressly approved by the Board at the recommendation of Finance after consultation with the Financial Advisor and Bond Counsel the final maturity of fixed rate debt should be no longer than 40 years and the final maturity of variable rate debt should be no longer than 40 years. Factors to be considered to determine the final maturity of debt include: the average useful life of the capital assets being financed, relative level of interest rates, intergenerational equity and the year-to-year differential in interest rates. The District may not issue taxable debt with a final maturity longer than 50 years unless expressly approved by the Board at the recommendation of the Business Services Workgroup Manager/Chief Financial Officer ("CFO") after consultation with the Financial Advisor and Bond Counsel.

Debt issued to finance new projects is most-commonly structured to generate level annual debt service payments. In some cases, debt is structured around pre-existing debt obligations in order to provide aggregate level annual debt service accounting for all outstanding issues combined. Subject to federal tax code limitations, refunding debt generally cannot have a term or a weighted average maturity that exceeds the debt being refunded.

Capitalized Interest

If needed or deemed beneficial, the District can set aside debt proceeds in a Capitalized Interest Fund to pay interest payments for up to 3 years after the debt issuance date, or one year after the project is expected to be placed in service. Capitalizing interest requires the issuance of additional debt and results in a) lower debt service payments during the capitalized interest period, and b) higher debt service payments thereafter. In general, the District should not capitalize interest unless needed to meet cash flow requirements or legal covenants.

Bond Insurance / Credit Enhancement

Bond insurance provides investors with additional repayment security and can result in higher credit ratings (the insurance provider's ratings) and lower interest rates. Bond insurance should be used whenever the debt service savings from the bond insurance is greater than the cost of the bond insurance premium. In general, most investment grade utility revenue bonds are issued with bond insurance since the savings almost always outweighs the cost of bond insurance. Bond insurance is only available at the insurer's determination.

Bond insurance can be issued at bidder's option (the option of the underwriter on a competitive sale) or purchased directly by the District prior to a bond sale. If purchasing bond insurance directly, the District should solicit bids from highly rated bond insurers and only use insurance if such credit enhancement results in a lower total cost of borrowing for the District or otherwise furthers the District's financial objectives.

Legal Covenants for Revenue-Secured Debt

The District is a self-supporting utility enterprise and relies predominantly on revenues from rates and fees to fund all operating and capital expenditures, including debt repayment. The most common type of debt issued by utility enterprises is revenue secured debt. Revenue secured debt should generally be issued with the following legal covenants:

- Debt service coverage pledge should generally be set at 120% for legal purposes. (Total revenues less operating and maintenance expenses must equal at least 120% of outstanding debt service due per fiscal year.)
- Allowance of a rate stabilization fund to meet the debt service coverage requirement.
- Additional debt test should account for adopted (but not yet necessarily effective) rate increases. This would enable the District to phase in future rate increases if ever needed to secure debt.
- Permit issuance of debt with or without a debt service reserve fund, as market conditions warrant, and in the case where a debt service reserve fund is deemed beneficial, allowance to use a reserve surety bond to satisfy the debt service reserve

requirement.

- Special language may need to be incorporated to account for potential future SRF Loans and/or other state and federal financing programs.

Prepayment Options

The District should not enter into any long-term debt that does not include a reasonable and flexible prepayment option. Some general guidelines for prepayment options include:

- Long-term debt, such as 25 to 30-year bonds, should include a call-protection period not-to-exceed 10 years. Earlier call provisions provide more financial flexibility for refunding debt but may result in higher interest rates if the bonds are not redeemed on the call date. Shorter-term debt should have shorter call protection periods. For example, a 10-year loan should generally be able to be refunded after 5 years.
- The prepayment penalty or premium for refunding long-term debt should generally not exceed 2% of the outstanding principal amount on the first call date and should decline to 0% within a few years thereafter. It is typical in the current market to see 10-year calls with no premium on the first call date.
- In some cases, the District should also consider including special prepayment provisions if it anticipates refunding debt within a shorter timeframe, such as if a potential grant may be awarded after the project is constructed.
- Regarding SRF loans, the State Water Resource Control Board changed their loan terms and conditions in 2017 to restrict prepayments of SRF loans without their prior consent. Given the advantageous loan rates that generally accompany SRF loans, the District Board may accept these prepayment restrictions when SRF loans are approved.

Debt Service Reserve Fund

A debt service reserve fund may be beneficial to help provide additional security for revenue-supported debt such as revenue bonds. The reserve requirement cannot exceed the lesser of a) 10% of the principal amount of debt issued, b) 125% of average annual debt service, or c) maximum annual debt service on outstanding debt.

The District may satisfy the reserve requirement with cash, such as from bond proceeds. Alternatively, the District should retain the legal authority to satisfy the reserve requirement with a reserve surety policy/bond instead of cash. An independent financial advisor can assist in determining whether a reserve fund is necessary and an appropriate method for meeting the reserve requirement.

Internal Control Procedures Relating to Bond Proceeds

All debt transactions must be approved by the Board of Directors. The proceeds of bond sales will be invested until used for the intended project(s) in order to maximize utilization of the public funds.

Bond proceeds will be deposited and recorded in separate accounts to ensure funds are not comingled with other forms of District funds. The District's bond trustee will administer the

disbursement of bond proceeds pursuant to provisions set forth in bond legal documents. To ensure proceeds from bond sales are used in accordance with legal requirements invoices are submitted by the appropriate Program or Workgroup Manager and approved by the Business Services Workgroup Manager or General Manager for payment. Requisition for the disbursement of bond funds will be approved by the District's CFO, General Manager, or designated alternate.

- In the case of an issue of bonds, the proceeds of which will be used by a governmental entity other than the District, the District may rely upon certification by such other governmental entity that it has adopted the policies described in SB 1029.

Investment of Debt Proceeds

The District can invest and earn money on its debt proceeds subject to certain legal limitations. The District should evaluate its investment options for each debt issue. The District can select the investment(s) based on recommendations by staff, its investment advisor or a qualified investment advisor, or can use an investment agent to bid out the investment subject to pre-established limitations, such as those imposed by the District's Investment Policy or those imposed by the bond insurer or agreed to in respective legal documents of related debt obligations. The District may also utilize its investment advisor to invest bond proceeds.

If bond funds are invested at an interest rate that exceeds the Arbitrage Yield Limit of the bonds, the District is required to reimburse the federal government for amounts earned in excess of the allowed yield.

Arbitrage Rebate Compliance

The District shall establish a system of recordkeeping and reporting to meet the arbitrage rebate compliance requirements of the federal tax code. This will include tracking investment earnings on bond proceeds, using outside experts to assist in calculating rebate payments and preparing necessary filings, and making payments in a timely manner in order to preserve the tax-exempt status of the District's outstanding debt issues. Investment earnings in excess of the allowable Arbitrage Yield Limit must be refunded to the federal government within approximately five years of the date of debt issuance. Tax-exempt bonds will not be issued unless it can be demonstrated that 85% of the proceeds can reasonably be expected to be expended within the three-year temporary period.

State Reporting Requirements

State reporting requirements Pursuant to Government Code 8855(k), the District will submit annual debt transparency reports for any debt issued on or after January 1, 2017 every year until the later date on which the debt is no longer outstanding or proceeds have been fully spent by no later than January 31 each year.

Pursuant to the Government Code Section 6599.1(b) of the Marks-Roos Local Bond Pooling Act of 1985, as amended (Section 6584 et seq.) the District will submit the Marks-Roos yearly fiscal

status reports, if required, annually to California Debt and Investment Advisory Commission (“CDIAC”) until the final maturity of the bonds by no later than October 30 each year.

Continuing Disclosure

The District will meet its continuing disclosure obligations for each debt issue by providing annual financial statements and other required information in a timely manner to the Nationally Recognized Municipal Securities Information Repositories (NRMSIRs) and other parties as required. In addition, the District will provide financial and other information to the rating agencies, bond insurers, trustee, and others upon request. The CFO shall be responsible for providing ongoing disclosure information, meeting disclosure requirements, and for maintaining compliance with disclosure standards dictated by state and national regulatory bodies. In the event a ‘material event’ occurs requiring immediate disclosure, the Business Services Workgroup Manager or General Manager will ensure information flows to the appropriate disclosure notification parties in a timely manner.

Effective February 27, 2019, Rule 15c2-12 was amended to add two events to the required disclosure by issuers with respect to any “financial obligation” as defined in Rule 15c2-12. For purposes of Rule 15c2-12, the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in Rule 15c2-12) has been provided to the MSRB consistent with Rule 15c2-12.

Under the first of the added events, the District must disclose any default, event of acceleration, termination event, modification of terms, or other similar events with respect to any “financial obligation” as defined in Rule 15c2-12. To assist in complying with this added event, the General Counsel, General Manager, or other senior staff, or other executive positions within the District, will provide written notice to the CFO of receipt by the District of any default, event of acceleration, termination event, modification of terms or other similar events (collectively, a “Potentially Reportable Event”) under any agreement or obligation to which the District is a party and which may be a “financial obligation” as defined above. Such written notice should be provided by General Counsel to the CFO as soon as the General Counsel is placed on written notice by District staff, consultants, or external parties of such event or receives written notice of such event so that the CFO can determine, with the assistance of disclosure counsel, whether notice of such Potentially Reportable Event is required to be filed on the Electronic Municipal Market Access (“EMMA”) pursuant to the disclosure requirements of Rule 15c2-12. If filing on EMMA is required, the filing is due within 10 business days of such Potentially Reportable Event to comply with continuing disclosure undertakings for debt obligations of the District issued after February 27, 2019.

Under the second of the added events, the District must disclose the incurrence of a “financial obligation” of the District, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect security

holders. To assist in complying with this added event, the General Counsel, General Manager, or other senior staff or other executive positions within the District, as applicable, will report to the CFO the execution by the District of any agreement or other obligation entered into after February 27, 2019 which might constitute a “financial obligation” for purposes of Rule 15c2-12 and any amendments to existing District agreements or obligations which might constitute a “financial obligation” for purposes of Rule 15c2-12 which relate to covenants, events of default, remedies, priority rights, or other similar terms. Such report to the CFO should be made as soon as the General Counsel, General Manager, or such other senior staff is placed on written notice by District staff, consultants, or external parties of such event or receives a written notice of such amendment requests. Notice to the CFO is necessary so that the CFO can determine, with the assistance of Disclosure Counsel, whether such agreement or other obligation constitutes a material “financial obligation” for purposes of Rule 15c2-12. If such agreement or other obligation is determined to be a material “financial obligation” or a material amendment to a “financial obligation”, notice thereof would be required to be filed on EMMA within 10 business days of incurrence or amendment.

The types of agreements or other obligations which could constitute a “financial obligation” under the Rule and which may need to be reported on EMMA include:

- Bank loans or other obligations which are privately placed; and
- State or federal loans; and
- Commercial paper, variable rate debt, or other indebtedness for which no offering document has been filed on EMMA; and
- Letters of credit, surety policies or other credit enhancement with respect to the District’s publicly offered debt; and
- Letters of credit, including letters of credit which are provided to third parties to secure the District’s obligation to pay or perform (an example of this is a standby letter of credit delivered to secure the District’s obligations for performance under a mitigation agreement); and
- Capital leases for property, facilities, fleet or equipment; and
- Agreements which guarantee the payment or performance obligations of a third party (regardless of whether the agreements constitute guarantees under California law); and
- Payment agreements which obligate the District to pay a share of another public agency’s debt service (for example, an agreement with a joint powers agency whereby the District agrees to pay a share of the joint powers agency’s bonds, notes or other obligations); and
- Service contracts with a public agency or a private party pursuant to which the District is obligated to pay a share of such public agency or private party’s debt service obligation (for example, certain types of public/private partnership arrangements); and
- Any agreement the payments under which are not characterized as an operation and maintenance expenses for accounting purposes if such agreement could be characterized as the borrowing of money.

The CFO will continue to work with the General Counsel and Disclosure Counsel to refine the definition of “financial obligation” going forward based on future SEC guidance.

Approved by: Board of Directors
Author/owner: Business Services Workgroup Manager
Reviewers: Executive Team, Board of Directors
Notify Person: Business Services Workgroup Manager
Revision frequency: Every 3 years
Next Review: February 2026



USD TREAT
PROTECT
PRESERVE
est. 1918
TRI-CITY WASTEWATER

Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

**FEBRUARY 6, 2023
BOARD OF DIRECTORS MEETING
AGENDA ITEM # 9**

TITLE: **Review and Consider Approval of Side Letter Agreement Between SEIU Local 1021 and the District Regarding Modifying Sections in the MOU to Include Classified Limited Duration Employees (*This is a Motion Item*)**

SUBMITTED: Paul R. Eldredge, General Manager/District Engineer
Alisa Gordon, Human Resources Manager

Recommendation

Staff recommends the Board President and USD Board of Directors approve the Side Letter Agreement between the District and SEIU Local 1021 regarding Classified Limited Duration Employees.

Discussion

Due to the District's Enhanced Treatment Site Update (ETSU) program, the District identified additional operational support requirements and the need for longer term temporary help to meet ETSU's goals. Because the ETSU program is estimated for completion in 2030, support for the program may extend for a considerable length in time. The current SEIU Local 1021 MOU defines "Limited Term" employees as those that may work for a two (2) year assignment with a possible extension of an additional twelve (12) months.

The District and SEIU met to negotiate how a "Limited Duration" designation could be utilized and defined within the bargaining unit to meet the longer term needs of the ETSU program. The term "Limited Duration" is used to denote those positions that would have a duration of seven (7) to ten (10) years supporting the additional workload from the ETSU program. The Limited Duration position status is a new employment designation that can be applied to both classified and unclassified job classifications.

The provisions of this side letter to include Limited Duration designations has been voted on by members of SEIU Local 1021 and accepted by their members.

Background

The parties met to negotiate the sections of the MOU that would be impacted by the inclusion of this new employment designation to classified positions. The Side Letter tentatively agreed upon includes modified language to MOU Section 4.5 – Seniority, and new subsections under Sections 17- Layoffs (17.1(f) – Limited Duration Employees) and Section 19- Evaluating Vacancies (19.3 Classified Limited Duration Employees Consideration Process for Filling a Permanent Position Vacancy). The new and modified sections in the Side Letter Agreement document the impacts or processes for those serving in Limited Duration position designation.

Classified Limited Duration employees are subject to all salary, benefit and employment term portions of the MOU that would otherwise apply to their specific job classifications.

Previous Board Action

None

Attachment: Side Letter of Agreement between Union Sanitary District & Service Employees' International Union, Local 1021 Regarding Classified Limited Duration Employees.

**SIDE LETTER AGREEMENT
BETWEEN
UNION SANITARY DISTRICT
&
SERVICE EMPLOYEES' INTERNATIONAL UNION, LOCAL 1021
REGARDING CLASSIFIED LIMITED DURATION EMPLOYEES**

Representatives from Service Employees' International Union (SEIU), Local 1021, and representatives for the Union Sanitary District (USD) met and mutually agreed to various provisions related to Classified Limited Duration Employees, *with an effective date for the changes beginning on January 19, 2023*, in the following manner:

SECTION 4 – EMPLOYMENT STATUS

4.1(f) Limited Duration

Limited duration employees are hired to support the Enhanced Site and Treatment Upgrade (ETSU) program at the District. Limited duration employees may be hired on a full or part-time basis to support the program and will have a duration of seven (7) to ten (10) years from the beginning of the program with an estimated completion in 2030. The limited duration employee shall be hired using the process which is provided in Section 20 of the MOU. Limited duration employees shall receive the same salary and benefits which are provided to a permanent employee in the same classification. In the event the limited duration employee is hired for a permanent position, without a break in service from the limited duration position, the employee shall receive seniority credit for all purposes for the time served in the limited duration position.

A limited duration employee will be considered an internal candidate for any recruitment which may occur while the employee is working.

Limited duration employees will not automatically be assigned to a vacant position but rather will need to go through the normal recruitment process.

4.5 Seniority

Section 4.5 shall be modified to include the definition of a Limited Duration Employee, as follows:

- Limited Duration Employee – Seniority shall be defined as the employee's original date of hire with the District, provided the employee does not have a break in service between the employee's limited duration appointment and their appointment as a regular employee.

Seniority is defined as above except as provided herein.

Employees who move from non-bargaining unit positions to bargaining unit positions after March 1, 2007, will have seniority as follows:

- For the purpose of a layoff, seniority is defined as the employee's original date of hire with the District.
- For all other purposes under the Memorandum of Understanding, seniority is defined as the employee's original date of hire with the District minus any hours spent in a non-bargaining unit position.

In the event that a non-bargaining unit employee is involuntarily assigned to a bargaining unit position, the Union and the District will meet and confer regarding the impacts of the assignment.

SECTION 17 LAYOFFS

17.1(f) Limited Duration Employees

Should layoffs be deemed necessary at the end of the ETSU projects, Limited Duration employees who have not been placed in permanent positions will be laid off first.

Limited Duration employees who moved from a classified or unclassified position will be placed back into their former position should their limited duration assignment end.

SECTION 19 EVALUATING VACANCIES

19.3 Classified Limited Duration Employees Consideration Process for Filling A Permanent Position Vacancy

The procedure for limited duration employees to move into permanent positions will be as follows:

1. If a vacancy for a permanent position should arise, all Classified Limited Duration Employees (CLDE) performing the duties of the permanent position who are in good standing, (No disciplinary or attendance issues), will be polled by management for their interest in the current vacancy. This process is internal only. If there are no internal, qualified applicants, the District will move to the normal recruitment process as outlined in Section 20 – Recruitment and Selection Process of the MOU.
2. Limited Duration employees interested in applying for the permanent vacancy will be moved to the hiring interview as follows:
 - a. If multiple qualifying limited duration employees apply, all will be granted hiring interviews.
 - b. Management will gather a hiring panel to interview the candidate(s).
 - c. Panel members will discuss their support, or lack of support, for the candidate.
 - d. The joint group will select, and may participate in, a team hiring interview panel, which may include the hiring manager, if he/she desires. The hiring

interview panel conducts the hiring interview, including evaluation of the finalists' "fit" with the team/organization, work history, motivation, etc. The joint group and hiring panel make a recommendation of the top candidate and other candidates to be considered by the hiring manager. If two or more internal candidates are determined to be "substantially equal," seniority will be given a preference. Note: "Substantially equal" candidates are those candidates whose total combined scores on all scored testing components are within a five percent (5%) range of each other.

- e. If a candidate is denied the transition to the permanent position, they are eligible to apply for the regular recruitment process, if one is deemed necessary.
3. If a Classified Limited Duration employee is approved for the permanent position, management will process a personnel action form to change their position from Limited Duration to the normal class description. This is not considered a promotion.
4. If multiple Classified Limited Duration employees apply for the permanent vacancy, the candidate with the top score will be offered the position first. If the first candidate declines the offer, the next candidate will be offered the position. This process will continue until the group of candidates is exhausted.
5. If a Classified Limited Duration employee is not interested in the permanent vacancy, or is not in good standing, or has not passed probation, the District will move to the normal recruitment process as outlined in MOU Section 20, Recruitment and Selection Process.
6. Limited Duration employees who have previously passed probation shall not serve a new probationary period if they have moved to a permanent position of the same classification. If a Limited Duration employee moves into a permanent position of the same classification but had not previously finished probation in their Limited Duration status, they will serve a continued probationary period for up to nine (9) months, which may include their previous probationary time served. If a Limited Duration employee moves to a permanent position in a separate classification from their Limited Duration position, they will be required to serve a new probationary period of nine (9) months.

FOR THE DISTRICT

FOR SEIU LOCAL 1021

Paul R. Eldredge
General Manager

Date

Ossee Desmangles
SEIU Local 1021 Field Representative

Date

FOR THE DISTRICT

Alisa Gordon Date
Human Resources Manager

FOR SEIU LOCAL 1021

Ed Tatola Date
SEIU Local 1021 President

Emily Chandler-Perez Date
SEIU Local 1021 Vice President



Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

**FEBRUARY 13, 2023
BOARD OF DIRECTORS MEETING
AGENDA ITEM # 10**

TITLE: Authorize the General Manager to Execute an Agreement with PG&E to Relocate the Existing Primary Electrical Service for the Alvarado Wastewater Treatment Plant Site (This is a Motion Item)

SUBMITTED: Paul R. Eldredge, General Manager/District Engineer
Ric Pipkin, Enhanced Treatment and Site Upgrade Program Manager
Gus Carrillo, Enhanced Treatment and Site Upgrade Assistant Engineer
ETSU Steering Committee (Armando Lopez, Raymond Chau, Robert Simonich)

Recommendation

Staff recommends the Board authorize the General Manager to execute an Agreement with Pacific Gas and Electric (PG&E) to relocate the existing primary electrical service for the Alvarado Wastewater Treatment Plant Site in the amount of \$165,466.38 in the form attached with minor revisions as may be approved by the General Manager in consultation with the General Counsel.

Discussion

The ETSU Phase 1A Aeration Basin Modifications Project includes the construction of a new 12kV switchgear. This will be the new point of electrical service connection with PG&E for the entire treatment plant site. Installing this new electrical service has multiple benefits impacting multiple District projects on-site including the following:

1. The installation of the new electrical service is required to ensure ample power for the ETSU projects as well as future plant projects.
2. The installation of the new electrical service allows for a more efficient and simplified method of connecting the new stand-by power generators currently under construction with the existing plant electrical distribution system.

3. The installation of the new electrical service allows for the removal of three existing power poles on the new Campus Building site which improves traffic flow around the new Campus site.

The ETSU Phase 1A Aeration Basin contractor will provide, install, and test the new switchgear and the prefabricated building as well as make all the electrical connections to connect the treatment plant to the new switchgear.

PG&E requires they install the new meter, power pole, and cabling required to connect the new switchgear to the PG&E system as well as the removal of the existing poles and cabling. The total PG&E fees to complete their engineering, submittal review, and accomplish their field work is \$165,466.38. PG&E required the District to pay \$5,000 as a deposit to begin the application process. Staff did include a \$200,000 estimate for PG&E fees in the budget for the project. See attached Figure 1 to see the area of the work.

Staff estimates that PG&E will begin their field work in the summer of 2023. Due to delays in the submittal process, supply chain challenges, and various other factors, it is currently estimated the 12 Kv switchgear is approximately 20 months behind schedule. Due to this, staff's preliminary estimate for the completion of the work by PG&E is spring 2025. Staff is working on contingency plans to mitigate this potential delay and its impacts to the Campus Building schedule.

Background

The ETSU Program is the culmination of the District's planning efforts and is based on the outcomes and findings of the Plant Solids System/Capacity Assessment – Phases 1 and 2, Administration/Control/FMC Buildings Evaluation, the Effluent Management Study and the Secondary Treatment Process Improvements evaluation. The Program includes projects recommended for implementation that will be phased to address both immediate drivers (poor sludge settleability, treatment capacity, effluent disposal and aging infrastructure), while preparing for future requirements such as nutrient regulations for discharge in the Bay that are currently being considered by the Regional Water Quality Control Board.

The Phase 1 and 2 projects included in this program were presented to the Board during the workshop held on May 8, 2019 and are summarized in the Final Report which was approved by the Board on August 26, 2019. A third phase of projects was briefly outlined that covered the timeframe from 2040 to 2058 and included potentially stricter nutrient limits in the more distant future. The projects identified in the ETSU Program and modified by the 30% design report to be implemented in the near-term (the next seven to ten years) are included in Phase 1 and are summarized in the table below.

Phase 1A	Aeration Basin Modifications	Retrofitting existing Aeration Basins 1 through 7 and construction of an 8 th aeration basin with the flexibility to operate initially with an anaerobic selector during the implementation phase and transitioning to a biological nutrient removal (BNR) process following completion.
Phase 1A	Campus Building (Admin, FMC, Ops)	Construction of a new combined Campus Building, including associated site and utility improvements.
Phase 1B	Secondary Clarifiers	Construction of four new 160-foot diameter secondary clarifiers, mixed liquor control box, and centralized RAS pump station.
Phase 1B	Effluent Facilities	Construction of new chlorination/dechlorination contact basins, effluent pump stations, and relocation of existing effluent force main.
Phase 1C	Plant Equalization Storage	Retrofitting existing Secondary Clarifiers 1 through 4 to operate as primary effluent equalization basins.

The full version of the ETSU Program report, including appendices, can be found at the following link: <https://unionsanitary.ca.gov/ETSU>.

Previous Board Action

August 26, 2019, the Board Adopted Resolution 2864 Approving the District’s Final Report for the Enhanced Treatment & Site Upgrade Program.

January 13, 2020, the Board authorized the General Manager to execute an Agreement and Task Order No. 1 with Hazen and Sawyer in the amount of \$6,752,860 for the Enhanced Treatment and Site Upgrade Phase 1A Project to provide the 30% design services for all projects in Phase 1 of the ETSU Program (excluding the Campus Building project) and final design services associated with the Aeration Basin Modifications Project.

March 9, 2020, the Board authorized the General Manager to execute Task Order No. 2 with Hazen and Sawyer in the amount of \$3,737,412 for the Enhanced Treatment and Site Upgrade Phase 1A Project to complete the design of the Campus Building Project.

July 13, 2020, the Board authorized the General Manager to execute Amendment No. 1 to Task Order No. 1 with Hazen and Sawyer in the amount of \$98,335 for the Enhanced Treatment and Site Upgrade Phase 1A Project to include Aeration Basin No. 8 in the 30% Design of the Aeration Basin Modifications Project.

November 11, 2020, the Board authorized the General Manager to execute Amendment No. 2 to Task Order No. 1 with Hazen and Sawyer in the amount of \$750,760 for the Enhanced Treatment and Site Upgrade Phase 1A Project to include Aeration Basin No. 8 in the Final Design of the Aeration Basin Modifications Project.

January 10, 2022, the Board awarded the construction contract, including Bid Alternates A, B, and E, for the Enhanced Treatment and Site Upgrade Program Phase 1A Aeration Basins Modifications Project to W. M. Lyles Co. in the amount of \$121,040,200.90.

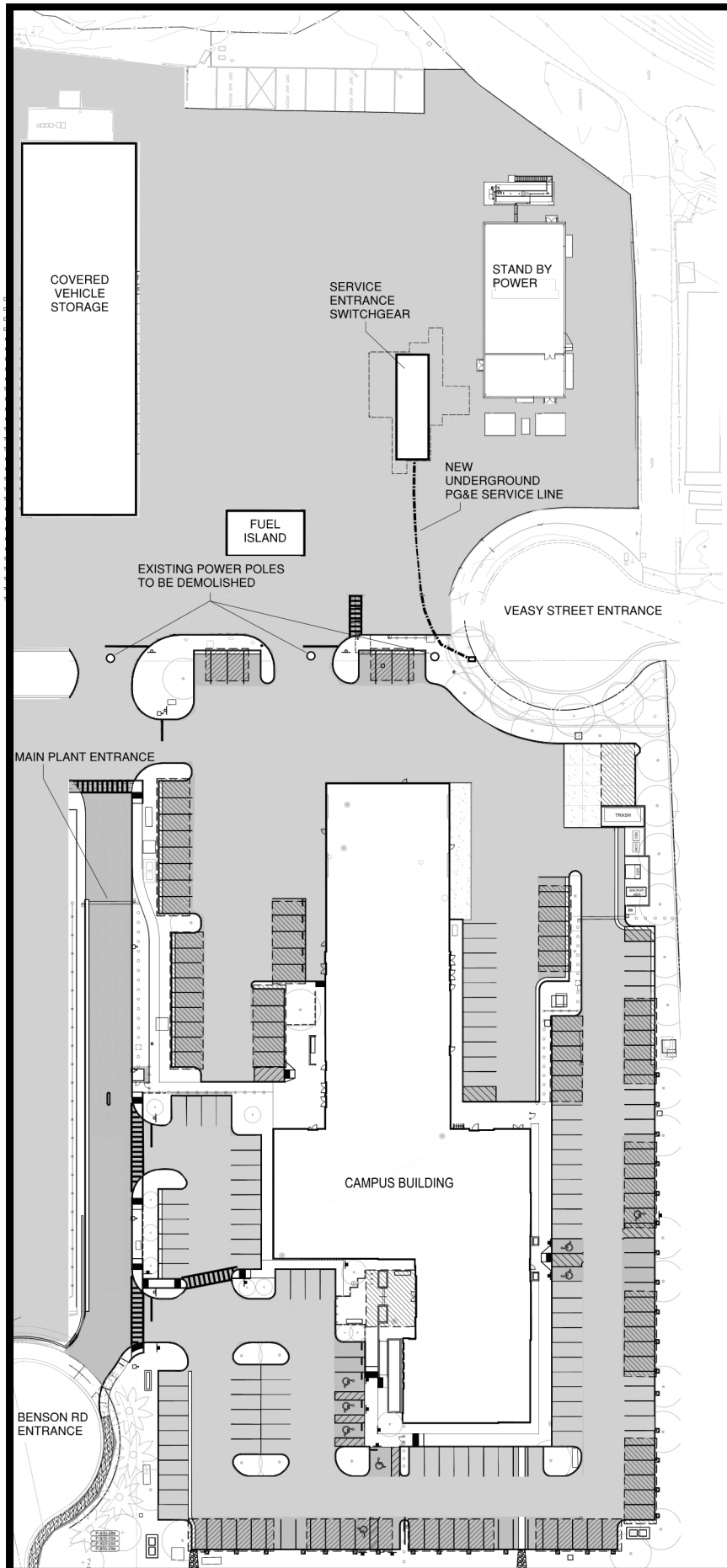
February 28, 2022 the Board authorized the General Manager to execute Task Order No. 3 with Hazen and Sawyer in the amount of \$3,924,756 for the Enhanced Treatment and Site Upgrade Phase 1A Project to provide engineering services during construction for the Phase 1A Aeration Basins Modifications Project.

June 13, 2022, the Board awarded the construction contract for the Enhanced Treatment and Site Upgrade Program Phase 1A Campus Building Project to Zovich Construction in the amount of \$76,375,000.00.

PRE/RP/GC

Attachments: Figure 1 – Site Plan
PG&E Service Replacement Agreement

FIGURE 1:
NEW PG&E 12 KV POWER
INCOMING SERVICE LINE ROUTING AND SCOPE OF WORK





Customer Payment Coupon

November 22, 2022

Union Sanitary District
5072 Benson Road
UNION CITY, CA 94587

References	
Notification #	123061777
Contract #	50071802 V1
ERR-PM #	35347994
Customer #	2803065

Customer Cost Summary

5072 BENSON RD, UNION CITY

Amounts Due	Total Due
Elec Reloc & Rearrangement Non-Refundable Payment	\$165,466.38
Minus the following credit	
Advance Credit	(\$5,000.00)
	\$160,466.38

Important Payment Information

To complete your contract ONLINE

- Follow the instructions provided with your electronic contract
- Submit payment at <https://www.pge.com/contractpayments>

To complete your contract BY MAIL

- Please make check payable to: **PG&E** or **Pacific Gas and Electric**
- Complete, sign and return the enclosed agreement(s), the SACAC form and the customer payment coupon with your payment
- **Remit payment and SACAC form to:**
PG&E CFM/PPC Department
PO BOX 997340
Sacramento, CA 95899-7340

IMPORTANT MESSAGE

Please review the enclosed information and total due. This document needs to be returned with the enclosed agreements.

If you complete your contract ONLINE, a copy will be saved to your Customer Connections Online (CCO) account at pge.com/cco.

To learn more about PG&E's gas and electric safety initiatives and resources please visit pge.com/safety.

Have Questions?
Please Call 1-800-422-0436



123061777



**® Pacific Gas and Electric Company
Agreement to Perform
Tariff Schedule Related Work**

November 22, 2022

DISTRIBUTION:

- Applicant (Original)
- Division (Original)
- ACCTG. SVCS.

REFERENCES:

Notification # 123061777
Contract # 50071802 V1
RR-PM # 35347994

Union Sanitary District, A GOVERNMENT AGENCY (Applicant) has requested PACIFIC GAS AND ELECTRIC COMPANY, a California corporation (PG&E), to perform the tariff schedule related work as located and described in paragraph 3 herein. PG&E agrees to perform the requested work and furnish all necessary labor, equipment, materials and related facilities required therefore, subject to the following conditions:

1. Whenever part or all of the requested work is to be furnished or performed upon property other than that of Applicant, Applicant shall first procure from such owners all necessary rights-of-way and/or permits in a form satisfactory to PG&E and without cost to it.
2. Applicant shall indemnify and hold harmless PG&E, its officers, agents and employees, against all loss, damage, expense and liability resulting from injury to or death of any person, including but not limited to, employees of PG&E, Applicant or any third party, or for the loss, destruction or damage to property, including, but not limited to property of PG&E, Applicant or any third party, arising out of or in any way connected with the performance of this agreement, however caused, except to the extent caused by the active negligence or willful misconduct of PG&E, its officers, agents and employees. Applicant will, on PG&E's request, defend any suit asserting a claim covered by this indemnity. Applicant will pay all costs that may be incurred by PG&E in enforcing this indemnity, including reasonable attorneys' fees.
3. The location and requested work are described as follows: (Describe in detail the materials and facilities to be furnished and/or work to be performed by PG&E. If more space is required, use other side and attach any necessary drawings as Exhibits A, B, C, etc):

LOCATION: 5072 BENSON RD, UNION CITY

DESCRIPTION OF WORK ELECTRIC: Relocating Ex primary svc at customer request

DESCRIPTION OF WORK GAS:

		Electric	Gas
Engineering and Administrative Costs	(+)	<u>\$36,364.70</u>	<u>\$0.00</u>
Including Applicant Design Value of		<u>\$0.00</u>	<u>\$0.00</u>
Re-engineering/Comp Prep/Add'l AD Plan Checks	(+)	<u>\$0.00</u>	<u>\$0.00</u>
Facilities (Cable, Transformers / Gas Pipe)	(+)	<u>\$69,929.83</u>	<u>\$0.00</u>
Trench, Conduits & Substructures	(+)	<u>\$3,534.08</u>	<u>\$0.00</u>
Tie-In / Meters	(+)	<u>\$70,396.22</u>	<u>\$0.00</u>
Trench Permits & Land Rights	(+)	<u>\$452.00</u>	<u>\$0.00</u>
Inspection Fees	(+)	<u>\$1,070.43</u>	<u>\$0.00</u>
Subtotal	(=)	<u>\$170,025.61</u>	<u>\$0.00</u>
Including Net Joint Pole Credit Value of		<u>(\$11,721.65)</u>	<u>\$0.00</u>
plus ITCC @ <u>24%</u> Electric <u>0%</u> Gas	(+)	<u>\$40,806.15</u>	<u>\$0.00</u>
plus Non Taxable Work	(+)	<u>\$0.00</u>	<u>\$0.00</u>
D.0405055 Line Extension Costs - Residential	(+)	<u>\$0.00</u>	<u>\$0.00</u>
D.0405055 Line Extension Costs - Non-Residential	(+)	<u>\$0.00</u>	<u>\$0.00</u>
less Value of Relocation Applicant Design Work	(-)	<u>\$0.00</u>	<u>\$0.00</u>
less Work Provided by Applicant	(-)	<u>\$3,534.08</u>	<u>\$0.00</u>
less Salvage	(-)	<u>\$41,831.30</u>	<u>\$0.00</u>
Total Payment	(=)	<u>\$165,466.38</u>	<u>\$0.00</u>



123061777

4. Applicant shall pay to PG&E, promptly upon demand by PG&E, as the complete contract price hereunder, the sum of One hundred sixty-five thousand four hundred sixty-six dollars and thirty-eight cents \$165,466.38

Upon completion of requested work, ownership shall vest in: PG&E Applicant

Executed this _____ day of _____

Union Sanitary District, A
GOVERNMENT AGENCY

Applicant

PACIFIC GAS & ELECTRIC COMPANY

By: _____

Richard Pipkin
Print/Type/Name

By: _____ Renee Romo

Title: Authorized Signatory

Title: Service Planning Supervisor

Mailing Address: 5072 Benson Road
UNION CITY, CA 94587



123061777



USD TREAT
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TRI-CITY WASTEWATER

Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

**FEBRUARY 13, 2023
BOARD OF DIRECTORS MEETING
AGENDA ITEM # 11**

TITLE: Authorize Staff to Proceed with a Long Block Exchange for Cogeneration Engine No. 2 (*This is a Motion Item*)

SUBMITTED: Paul R. Eldredge, General Manager/District Engineer
Robert Simonich, Maintenance & Technology Manager
Chris Pachmayer, Electrical & Technology Coach

Recommendation

Staff recommends the Board authorize the General Manager to execute a Long Block exchange contract for Cogeneration Engine No. 2 with Western Energy Systems (WES) in the amount of \$511,271.94.

Discussion

The District's Jenbacher cogen engines require an engine block replacement every 60,000 hours as a part of the routine maintenance. Cogeneration engine No.2's engine block is nearing the end of its useful life and is due for replacement.

Staff originally planned for the replacement of the engine block during FY 2023 and the project was budgeted accordingly. However, the funds for the engine block replacement was moved to FY 2024 due to a concurrent Cogeneration Replacement and Ventilation Study (Study) that was underway.

The purpose of the Study is to evaluate the long-term plans for the cogeneration engines and determine if utilizing the existing internal combustion engines is the best use of the District's digester gas. The draft study results have been submitted and yielded a recommendation to keep the existing cogen engines with the possibility of expanding the number of cogen engines in the future. The full Study results will be presented to the Board at a future meeting. Since the preliminary results support keeping the existing engines, it is prudent to proceed with replacing the cogen #2 engine block.

The lead time to procure a replacement engine block is currently 8 -10 months. Staff would like to issue the purchase order prior to the end of February with the intent of the engine block arriving in the wintertime. Replacement of the engine block is desirable during the winter months as the power and demand charges will be less while the engine is down for service.

The costs associated with the engine block exchange are shown below:

Description	Total Cost	FY when cost is encumbered
30% of engine block cost due at time of order.	\$153,368.98	FY 2023
35% of engine block cost due at time of delivery.	\$178,951.48	FY 2024
35% of cost due at completion of commissioning and startup of Cogeneration Engine No. 2.	\$178,951.48	FY 2024
Freight	TBD	FY 2024
Total Cost (minus freight)	\$511,271.94	

The total cost of the engine block exchange is \$511,271.94 minus the freight costs. The FY 2023 cost impact for engine block exchange is \$153,368.98. It is anticipated that funding for the 30% initial deposit will come from the FMC R&R budget as certain planned expenditures from the fund can be postponed to the beginning of the FY 24 budget (July 2023). The remainder of the funds required to complete the purchase of the engine block will be budgeted as part of the CIP budget for FY 2024.

Background

The Cogeneration Project was completed in 2014 which consisted of installing two (2) 852 kW multigas Jenbacher cogeneration engines and generators. The original project contract provided a one-year warranty from acceptance of the project which expired in 2015. The Long Block exchange provides an additional one-year warranty which would start upon the completion of commissioning of Cogeneration Engine No. 2.

The trade term used to describe the exchange of an engine block is called a “Long Block”. A Long Block exchange primarily consists of removing the existing engine and replacing it with a reconditioned engine block, crank case and crank shaft, along with new pistons, camshafts and other ancillary engine components that make up engine assembly. Attachment 1 shows a detailed list of the new and reconditioned parts included with the Long Block exchange.

The installation of the new Long Block will be performed by WES technicians. FMC will provide a support role for the WES technicians as required to complete the work. WES is anticipating that the Long Block exchange will take approximately 2-3 weeks to complete.

Previous Board Action

None

Attachment: Detailed Long Block Description

LONGBLOCK

J412 - B828/B802

Project Name	Union Sanitary District
J- Number	J R223
created by	Joachim Mörl / O&R Team
date	05.07.2022



Symbol Picture

Crankshaft	Overhauled - Remachined (Undersize dimension at main and con rod pin possible)
Crankcase	Overhauled - Remachined (Oversize dimension at main bore & liner bore possible)
Main Bearings	NEW <i>size aligned to shaft & block dimensions</i>
Cylinder Liners	NEW <i>size aligned to liner bore dimension</i>
Scraper Rings	NEW
Pistons	NEW <i>Type Alu Heart-mould Piston $\epsilon=12,5$ inclusive Piston Pin & Rings</i>
Piston Cooling Nozzles	Overhauled
Connecting Rods	Overhauled
Connecting Rod Bearings	NEW <i>size aligned to shaft dimensions</i>
Camshaft	NEW <i>Type Miller LIVC 629 for Roller tappets</i>
Camshaft pickup	NEW <i>inclusive cable</i>
Cam Followers	Overhauled <i>Type Roller tappets</i>
Cylinderheads	NEW E Version* <i>with Standard dimensions</i>
Cylinderhead Gaskets	NEW
Rockers	Overhauled
Push Rods	Overhauled
Spark Plugs	NEW <i>Type P3V3i</i>
Gear Drive	Overhauled
Gear Drive Bearings	NEW
Flywheel	Overhauled
Vibration Damper	NEW
Oil Lubrication Pump	Overhauled
Oil Filter cartridge	NEW
Oil pressure regulation valve	Overhauled
Oil Sump	Overhauled
Mixture intake manifold	Overhauled
Throttle Valve	Overhauled
Actuator	NEW <i>inclusive cable</i>
Starter	NEW - Type ISKRA
Exhaust Gas Manifold	NEW
Exhaust Manifold Insulation	NEW

Overhaul Repair Team
Scope Description

Turbocharger	NEW - Type ABB	<i>TPS48 H (watercooled) / inclusive connection KIT</i>
Turbocharger Insulation	NEW	
Turbobypass Valve	NEW	<i>inclusive cable</i>
Intercooler	NEW	
Temperature Sensor air mixture	NEW	<i>inclusive cable</i>
Thermocouples	NEW	
Pressue transducer air mixture	NEW	<i>inclusive cable</i>
Pickups	NEW	<i>inclusive cables</i>
Ignition Rail with coils	NEW	<i>Type MORIS</i>
Knocking Control	NEW	<i>Type SAFI</i>
Gaskets & O-Rings	NEW	

Additional Services

Engine Test Run *in Test frame with protocol*
Preservation
Type plate with over-/undersize information
Lifting lugs installed and mounted on transport frame
Painting (cleaned & recoated)
Updated spare parts list, wiring diagramm & software in digital form

Not included

Spare parts & local services
Gaskets & sealing elements for onsite connection
TecJet, Air Filter and Blow By System

Core Return Policy

The replaced engine needs to be returned to get deposit refunded

Core Criteria

All Core returns need to be announced prior to shipment
On Time return shipment
Core must be returned fully assembled
Incomplete, excessively damaged, cracked, welded, corroded, machined,
or non genuine parts installed get charged according to price list

ABB UTEX explanation

ABB customized Service exchange program for Jenbacher gas engines
Delivered turbocharger has exactly the same warranty period like a new turbocharger
SIKO relevant parts (SIKO= "SIcherheitsKOnzept" / security concept) will be replaced by ABB
genuine spare parts (incl. Compressor wheel and shaft).
All other components will be checked closely according to ABB working instructions. Technical
irreprochable parts will be reused and are included in the mentioned warranty period, equal to
new turbocharger.
Due to the fact, that UTEX is a service product and therefore the amount of turbochargers in
the field is still the same, UTEX turbochargers are delivered without changing the serial
number.
UTEX turbochargers are special product for INNIO Jenbacher Repairshop in Jenbach and are
subject to usual Terms and Conditions.

**Non JENBACHER standard scope*



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Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

**FEBRUARY 13, 2023
BOARD OF DIRECTORS MEETING
AGENDA ITEM #12**

TITLE: Consider Confirming and Declaring the Need to Continue the Emergency Action to Repair Two Sewer Lines in the City of Fremont Damaged by Fiber Optic Line Installation (*This is a Motion Item*)

SUBMITTED: Paul R. Eldredge, General Manager/District Engineer
Jose Rodrigues, Collection Services Work Group Manager
Raymond Chau, Technical Services Work Group Manager
Curtis Bosick, CIP Team Coach

Recommendation

Receive an update on repairs and adopt a motion by a four-fifths vote finding that there is a need to continue the action and confirming and declaring the continuance of the emergency.

Discussion

On January 23, 2023, the Board received an update on the emergency action and adopted a motion to continue the action and confirmed and declared the continuance of the emergency action to repair two sewer lines in the City of Fremont. Since that meeting, McGuire and Hester (MH) have completed the repairs on both sewer lines and are in the process of completing some minor miscellaneous tasks.

After the determination of an emergency pursuant to Public Contract Code section 22050, the Board is required to review the status of the emergency action at each subsequent meeting until the emergency action is terminated and authorize continuation of the emergency action by a four-fifths vote. This staff report seeks such authorization as there is a need to complete the actions described above.

Staff will continue to bring a similar agenda item to the Board to continue the emergency until it is terminated.

Background

In March of 2022, the District was notified that a contractor, HP Communications and JK Communication & Construction/Kleven Construction (JKC), working in the City of Fremont installing 5G fiber optic lines had damaged three separate sewer lines. Staff confirmed the damages by CCTV inspection. HP Communications repaired one of the damaged sewer mains due to its shallow depth and location. The District began discussions with the contractor and its insurance company about the repair of the other two damaged sewer mains given concerns about an inexperienced contractor further damaging the District's facilities sewer due to both sewer mains depth at (15'), groundwater concerns, the need to bypass sewage and possibly soft soil conditions in the area. The size and locations of the remaining damaged sewer mains are:

1. 8" sewer main near the intersection of Paseo Padre Parkway and Washington Blvd.
2. 18" sewer main near the intersection of Fremont Blvd. and Clipper Court.

Staff negotiated with the contractor and its insurance company for months to resolve the issue and complete the work without expending public funds, but the parties did not reach an acceptable resolution.

Given the upcoming wet weather season and time required to complete the work, it was necessary for the District to expeditiously proceed with the repair, while concurrently working toward reimbursement of funding from the contractor. The damaged sewer mains in their current condition create enough risk to the District that staff recommended an emergency be declared to expedite the necessary repairs.

The District's Purchasing Policy and California Public Contract Code (PCC) Section 20806 allow for emergency contracting without competitive bidding in accordance with the requirements of PCC Section 22050. Section 22050(a) provides that the District, pursuant to a four-fifths vote of the Board, "may repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts."

The attached Resolution No. 2982, adopted on September 12, 2022, addressed the requirements of the PCC, and declared an emergency and authorized additional expenditures without the need for competitive bidding. As such, the District has proceeded with the work under our emergency services contract with McGuire and Hester, as described above. Cost estimates for the repairs range from \$583,000, with McGuire and Hester fully performing all of the repairs, to \$459,000, with McGuire and Hester performing the sewer line work and HP/ JK Communications performing the paving and restoration.

Previous Board Action

09/12/2022 Board Meeting – The Board adopted a resolution declaring an emergency and authorizing the emergency expenditure of funds for the repair of two sewer lines in the City of Fremont damaged by fiber optic line installation.

09/26/2022 Board Meeting – The Board received an update on the emergency action and adopted a motion to continue the action and confirmed and declared the continuance of the emergency action.

10/10/2022 Board Meeting – The Board received an update on the emergency action and adopted a motion to continue the action and confirmed and declared the continuance of the emergency action.

10/24/2022 Board Meeting – The Board received an update on the emergency action and adopted a motion to continue the action and confirmed and declared the continuance of the emergency action.

11/14/2022 Board Meeting – The Board received an update on the emergency action and adopted a motion to continue the action and confirmed and declared the continuance of the emergency action.

12/12/2022 Board Meeting – The Board received an update on the emergency action and adopted a motion to continue the action and confirmed and declared the continuance of the emergency action.

01/09/2023 Board Meeting – The Board received an update on the emergency action and adopted a motion to continue the action and confirmed and declared the continuance of the emergency action.

01/23/2023 Board Meeting – The Board received an update on the emergency action and adopted a motion to continue the action and confirmed and declared the continuance of the emergency action.

Attachments: Figures 1 through 4 – Location Maps and Photos of Damaged Sewers
 Figures 5 through 6 – Updated Construction Pictures
 Resolution No. 2982

Figure 1 - Location of Damaged 18" Sewer Main



Figure 2 - Photo of Damaged 18" Sewer Main



Figure 3 - Location of Damaged 8" Sewer Main

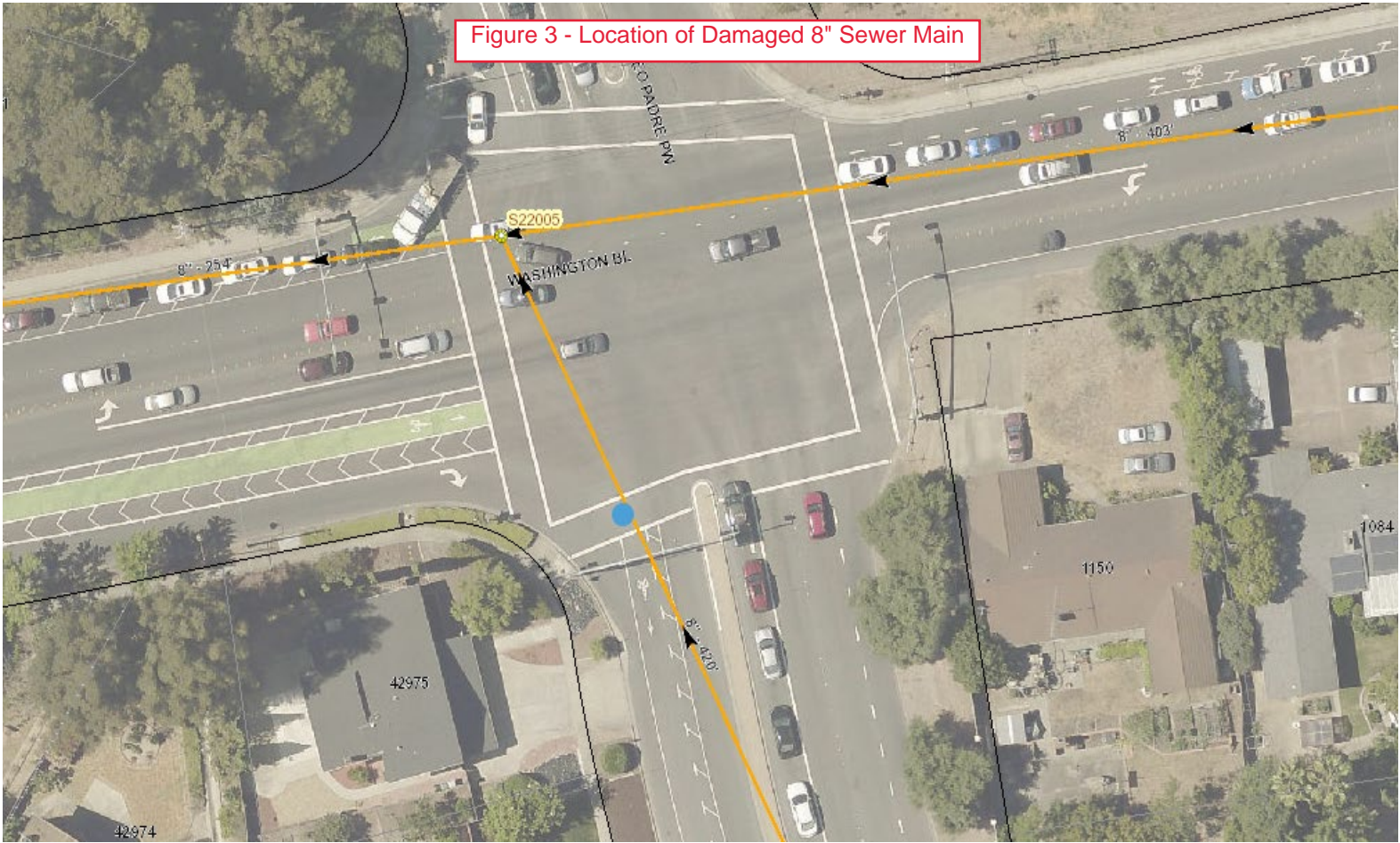
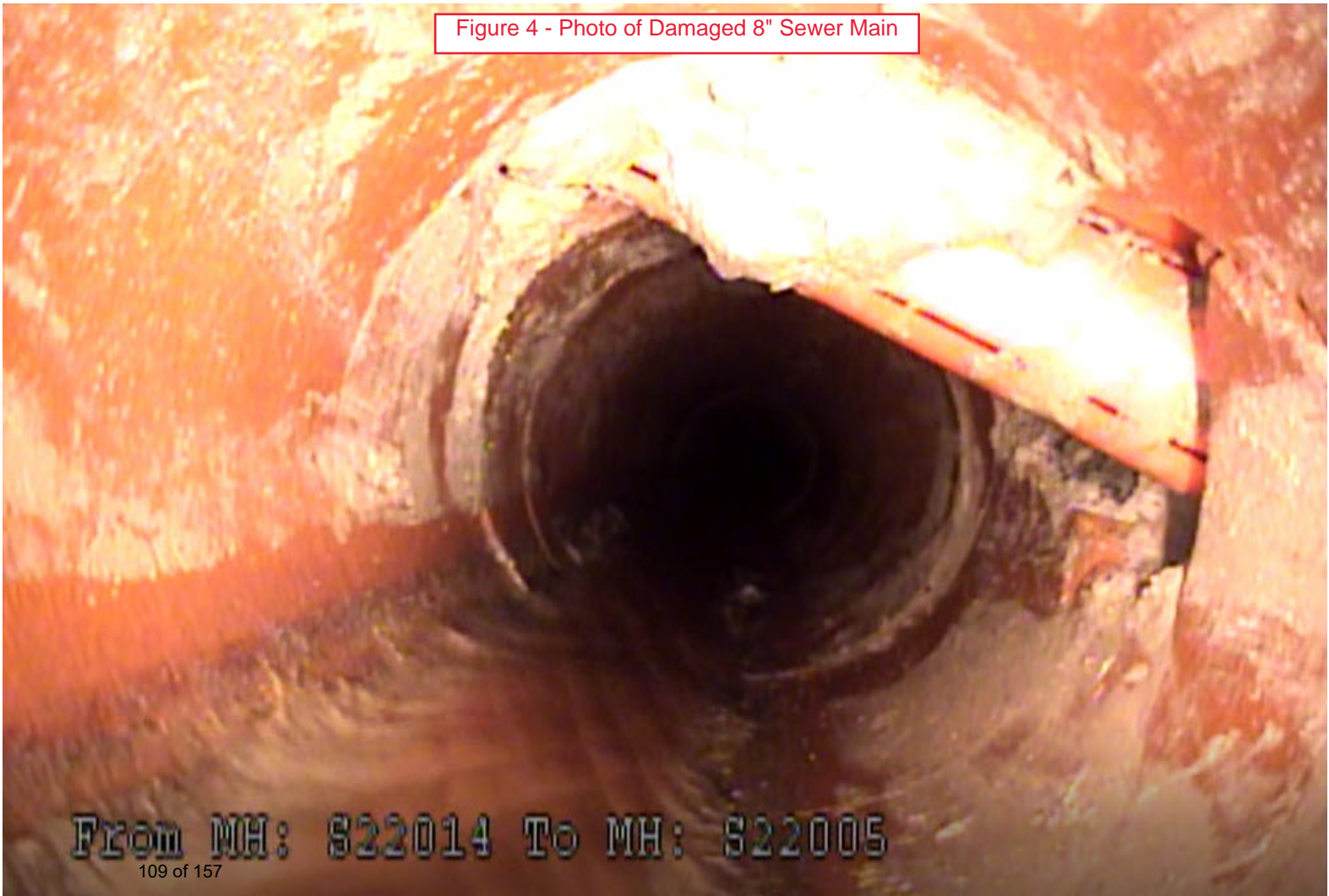


Figure 4 - Photo of Damaged 8" Sewer Main



From MH: S22014 To MH: S22005

Figure 5 - Completed Repair





RESOLUTION NO. 2982

DECLARING AN EMERGENCY AND AUTHORIZING THE EMERGENCY EXPENDITURE OF FUNDS FOR THE REPAIR OF TWO SEWER LINES IN THE CITY OF FREMONT DAMAGED BY FIBER OPTIC LINE INSTALLATION

WHEREAS, two gravity sewer mains in the City of Fremont located at (1) the intersection of Paseo Padre Parkway and Washington Blvd; and (2) the intersection of Fremont Blvd. and Clipper Court, have been damaged by a private third-party contractor installing 5G fiber optic lines in City's right-of-way; and

WHEREAS, the District has not been able to reach resolution with the contractor and its insurance company regarding the completion of the repair and reimbursement to the District; and

WHEREAS, given the upcoming wet weather season and time required to complete the work, it is necessary for the District to expeditiously proceed with the repair, while concurrently working toward resolution of the reimbursement of funding from the contractor; and

WHEREAS, the damaged sewer mains in their current condition create risk to the District and must be repaired; and

WHEREAS, compliance with competitive bidding procedures typically takes a number of months and would not allow prompt action to be taken to complete the repair, as required to safeguard the public and District facilities; and

WHEREAS, the District's Purchasing Policy and California Public Contract Code (PCC) Section 20806 allow for emergency contracting without competitive bidding in accordance with the requirements of PCC Section 22050; and

WHEREAS, the California Environmental Quality Act establishes a statutory exemption for emergency repairs to public service facilities necessary to maintain service, and other specific actions necessary to prevent or mitigate an emergency; and

WHEREAS, the damage involves a clear and imminent threat, demanding immediate action to prevent or mitigate loss of, or damage to, life, health, property, and essential public services.

NOW, THEREFORE, BE IT RESOLVED, BY THE UNION SANITARY DISTRICT BOARD OF DIRECTORS, BASED ON THE STAFF REPORT AND ORAL AND WRITTEN TESTIMONY, AS FOLLOWS:

1. The above recitals are true and correct and are material to this Resolution and are incorporated into this Resolution as findings of the District Board.

2. The Board finds and declares, pursuant to Public Contract Code section 22050(a), that based on substantial evidence presented before the Board, the emergency will not permit a delay resulting from competitive solicitation for bids for the repair of the District's damaged sewer mains, and that this action is necessary to respond to the emergency.

3. The Board authorizes staff to continue to proceed with the repair or replacement of the two sewer mains in Fremont located at (1) the intersection of Paseo Padre Parkway and Washington Blvd; and (2) the intersection of Fremont Blvd. and Clipper Court, and procurement of the necessary equipment, services and supplies for that purpose without giving notice for bids to let contracts.

4. The Board will review the status of the emergency at each subsequent meeting of the Board of Directors and vote to authorize continuation of this resolution until the emergency action is completed.


PASSED, APPROVED, AND ADOPTED by at least a four-fifths vote, at a regular meeting of the Board of Directors on this 12th day of September, 2022.

AYES: Fernandez, Handley, Kite, Lathi, Toy

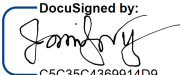
NOES: None

ABSENT: None

ABSTAIN: None

DocuSigned by:

3307E6A1ED28476...
ANJALI LATHI
President, Board of Directors
UNION SANITARY DISTRICT

Attest:

DocuSigned by:

C5C35C4366044D9...
JENNIFER TOY
Secretary, Board of Directors
UNION SANITARY DISTRICT

Certificate Of Completion

Envelope Id: 81133E93D6A147E7B870935D3BB35AF5	Status: Completed
Subject: USD Requests Please DocuSign: Reso No 2982.pdf	
Source Envelope:	
Document Pages: 2	Signatures: 2
Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelope Stamping: Enabled	Sharon Anderson
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	5072 Benson Road
	Union City, CA 94587
	sharona@unionsanitary.ca.gov
	IP Address: 50.227.238.26

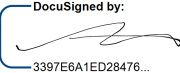
Record Tracking

Status: Original	Holder: Sharon Anderson	Location: DocuSign
9/13/2022 10:49:31 AM	sharona@unionsanitary.ca.gov	

Signer Events

Anjali Lathi
 alathi@unionsanitary.ca.gov
 Union Sanitary District
 Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:

 3397E6A1ED28476...
 Signature Adoption: Drawn on Device
 Using IP Address: 107.196.101.34

Timestamp

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 Viewed: 9/14/2022 12:46:05 AM
 Signed: 9/14/2022 12:46:15 AM

Electronic Record and Signature Disclosure:

Accepted: 5/31/2022 9:51:04 AM
 ID: 4b0bedca-90b5-4845-8e7c-1c057a198d32

Jennifer Toy
 jtoy@unionsanitary.ca.gov
 Security Level: Email, Account Authentication (None)

DocuSigned by:

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 Signature Adoption: Drawn on Device
 Using IP Address: 207.163.116.24
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Electronic Record and Signature Disclosure:

Accepted: 5/31/2022 9:03:18 PM
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In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	9/13/2022 10:51:31 AM
Certified Delivered	Security Checked	9/15/2022 7:54:07 PM

Envelope Summary Events	Status	Timestamps
Signing Complete	Security Checked	9/15/2022 7:54:17 PM
Completed	Security Checked	9/15/2022 7:54:17 PM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		



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TRI-CITY WASTEWATER

Directors

Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers

Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

**FEBRUARY 13, 2023
BOARD OF DIRECTORS MEETING
AGENDA ITEM #13**

TITLE: COVID-19 Update and Consider Adoption of a Resolution Authorizing the Use of Teleconference Meetings in Compliance with AB 361 (*This is a Motion Item*)

SUBMITTED: Paul R. Eldredge, General Manager/District Engineer
Karen W. Murphy, General Counsel
Regina McEvoy, Executive Assistant to the General Manager/Board Clerk

Recommendation

1. Receive an update from the General Manager on the District's COVID-19 response and staffing levels.
2. Adopt the attached resolution authorizing the use of teleconference meetings in compliance with AB 361.

Discussion

AB 361 requires public agencies to make findings by majority vote within 30 days of the first teleconferenced meeting under AB 361 and every 30 days thereafter that a state of emergency still exists and continues to directly impact the ability of the members to meet safely in person, or that officials continue to impose or recommend measures to promote social distancing. As directed by the Board on September 27, 2021, the District is continuing to hold teleconferenced meetings as allowed under AB 361.

The Board has adopted resolutions at least every 30 days starting on October 25, 2021, authorizing the use of teleconference meetings. Since the Board meeting of March 28, 2022, the Board has been scheduling teleconference meeting for committees and phasing-in in-person meetings for the Board.

The attached resolution reaffirms the findings required by AB 361 to allow the District to continue to hold teleconferenced meetings. This agenda item also includes the COVID-19 Update from the General Manager.

As discussed at earlier Board meetings, the Governor has announced that the COVID-19 State of Emergency will end on February 28, 2023. Although AB 361 does not sunset until January 1, 2024, we will no longer be able to make the findings required to hold teleconference meetings under AB 361 after the expiration of the State of Emergency. Therefore, unless there is any change regarding the State of Emergency, starting on March 1, the Board will be returning to in-person Board Meetings, which includes Regular Board Meetings, Closed Sessions, Board Workshops, Committee Meetings, and any other Special Board Meetings.

In addition, when the Board formally changed the Board meeting time to 4:00 pm in July 2021, there was direction to implement this change for a six-month trial period that would start when the Board returns to in-person meetings. Therefore, when the Board returns to in-person meetings in March, the clock on that six-month trial period will start. At the end of the trial period, staff will bring a discussion item to the Board to discuss whether to continue holding meetings at 4:00 pm.

Background

AB 361 was signed into law by the Governor on September 16, 2021, and amends the Brown Act to allow local legislative bodies to continue using teleconferencing and virtual meeting technology as long as there is a “proclaimed state of emergency” by the Governor. This allowance also depends on state or local officials imposing or recommending measures that promote social distancing or a legislative body finding that meeting in person would present an imminent safety risk to attendees. Though adopted in the context of the pandemic, AB 361 will allow for virtual meetings during other proclaimed emergencies, such as earthquakes or wildfires, where physical attendance may present a risk.

AB 361 prohibits councils and boards from limiting public comments to those submitted in advance of the meeting and specifies that the legislative body “must provide an opportunity for the public to ... offer comment in real time.” (Government Code 54953(e)(2)(E).) Additionally, the body must allow a reasonable time for public comment during the comment periods. The District allows for email comments to be submitted throughout Board meeting and the Board Clerk checks for emails continuously, including during the public comment portion for each agenda item.

The agenda must include information on the manner in which the public may access the meeting and provide comments remotely. AB 361 provides that if technical problems arise that result in the public’s access being disrupted, the legislative body may not take any vote or other official action until the technical disruption is corrected and public access is restored.

In addition, as noted in the Discussion section above, AB 361 requires public agencies to make findings by majority vote within 30 days of the first teleconferenced meeting under AB 361 and

every 30 days thereafter that a state of emergency still exists and continues to directly impact the ability of the members to meet safely in person, or that officials continue to impose or recommend measures to promote social distancing. AB 361 will sunset on January 1, 2024.

Previous Board Action

The Board has adopted resolutions at least every 30 days starting on October 25, 2021, authorizing the use of teleconference meetings.

July 12, 2021 – Adopted Resolution No. 2928 Setting the Time and Place for Holding Regular Meetings of the Union Sanitary District Board of Directors, with a start time of 4:00 pm, and review approximately six months after meetings return in-person.

RESOLUTION NO. ___

A RESOLUTION OF THE BOARD OF DIRECTORS AUTHORIZING THE USE OF TELECONFERENCE MEETINGS IN COMPLIANCE WITH AB 361

WHEREAS, the Union Sanitary District is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of Union Sanitary District's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963); and

WHEREAS, Government Code 54953(e) permits teleconferencing in the event that a state of emergency is declared by the Governor pursuant to Government Code section 8625, and that either state or local officials have imposed or recommended measures to promote social distancing, or that the legislative body finds that meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, on March 4, 2020, Governor Newsom issued a Proclamation of a State of Emergency in response to COVID-19, which remains in effect; and

WHEREAS, the Board has adopted resolutions authorizing the use of teleconference meetings in compliance with AB 361 since October 25, 2021; and

WHEREAS, the Board now desires to reaffirm and make the findings required to continue holding teleconference meetings in compliance with AB 361 due to COVID-19.

NOW, THEREFORE, BE IT RESOLVED, BY THE UNION SANITARY DISTRICT BOARD OF DIRECTORS, AS FOLLOWS:

1. The above recitals are true and correct and are material to this Resolution and are incorporated into this Resolution as findings of the District Board.

2. Pursuant to the requirements of Government Code Section 54953(e)(3), the District Board makes the following findings:

(a) The state of emergency continues to exist;

(b) The District Board has considered the circumstances of the continuing state of emergency;

(c) Holding meetings in person will present imminent risks to the health and safety of attendees; and

(d) The District Board will continue to meet by teleconference in accordance with Government Code section 54953(e).

3. The aforementioned findings apply to all committees and subcommittees of the District which are classified as legislative bodies pursuant to Government Code Section 54952.

4. The District Board will reconsider at least every 30 days, the circumstances of the emergency and review whether it continues to directly impact the ability of the members to meet safely in person.

5. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Resolution is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Resolution. The Board hereby declares that it would have adopted this Resolution and each and every section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared unconstitutional.

6. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Board of Directors on this 13th day of February, 2023.

AYES:

NOES:

ABSENT:

Jennifer Toy, Secretary

Anjali Lathi, President



USD TREAT
PROTECT
PRESERVE
est. 1918
TRI-CITY WASTEWATER

Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

**FEBRUARY 13, 2023
BOARD OF DIRECTORS MEETING
AGENDA ITEM # 14**

TITLE: Update on the Subsurface Investigation at the Alvarado Wastewater Treatment Plant (*This is an Information Item*)

SUBMITTED: Paul R. Eldredge, General Manager/District Engineer
Raymond Chau, Technical Services Work Group Manager
Curtis Bosick, CIP Team Coach
Derek Chiu, Assistant Engineer

Recommendation
Information only.

Discussion

In September 2022, staff hired Brown and Caldwell to collect groundwater samples from the seven groundwater monitoring wells at the Plant, analyze the test results, and prepare a report. The conclusions from the annual 2022 groundwater monitoring event were as follows:

1. Groundwater elevations in the Former Boneyard Area and the Former 550-Gallon Gasoline Underground Storage Tank (UST) Area have declined and are at historical low levels, with the groundwater flow direction corresponding with the results from the previous monitoring events.
2. Three of five monitoring wells (MW-1, MW-2, and MW-5) measured contained groundwater with an electrical conductivity that exceeded the State Water Resources Control Board's (SWRCB's) acceptable limits for a groundwater source to be considered suitable, or potentially suitable, for domestic or municipal drinking water supply.
3. A less than 0.1-foot-thick layer of light, non-aqueous phase liquid (LNAPL) was detected in well MW-1 during the 2022 annual event. This layer of LNAPL has not changed from 2021.

4. From August 2007 to August 2015 and November 2016 to August 2022, the District has conducted 161 monthly purging events on MW-1 removing a total of 884 gallons of groundwater/LNAPL mixture and removing approximately 5.10 gallons of LNAPL.
5. Drinking water environmental screening levels (ESLs) were exceeded in groundwater samples collected from monitoring wells MW-5 for methyl tertiary butyl ether (MTBE) and MW-1 for total petroleum hydrocarbons as diesel (TPH-D). Non-drinking water ESLs were not exceeded in all of the monitoring wells for any constituent of concern.

Overall, the 2022 sampling results show a good improvement compared to the 2021 results. There were significant decreases in the levels of TPH-D and total petroleum hydrocarbons as motor oil (TPH-MO) recorded in MW-1 but are still consistent with historical results, and LNAPL thickness has remained consistent. The levels of TPH-D and TPH-MO remained consistent for MW-2 and MW-3, as well as the levels for TBA and MTBE in MW-5 and MW-8, indicating that the hydrocarbon plume is not increasing and is likely stable in areal extent. The analytical test results are included in Table 2.

Next Steps

The last requirement in the Path to Closure Plan is to remove free product to the maximum extent practicable. The sampling results from the 2022 groundwater monitoring event does not support the District's case for closure. Staff will continue the monthly purging of MW-1 and will perform the next sampling during the 2023 groundwater monitoring event.

Background

The Alameda County Water District (ACWD) is responsible for regulating the groundwater supply within our service area, most of which is underlain by aquifers that provide drinking water for the three cities. In 1999, pursuant to ACWD's request to investigate potential releases of petroleum hydrocarbons into soil and groundwater beneath the treatment plant property, the District initiated environmental investigation activities in three areas of the plant. These areas are shown in Figure 1 and are summarized as follows:

- Former Boneyard Area – The District conducted an environmental investigation and remediation in this area (Figure 2), which was previously used for equipment storage and maintenance. The investigation indicated a subsurface petroleum impact of primarily diesel-range hydrocarbons. In the summer of 1999, a source removal operation was conducted with approximately 5,000 cubic yards of impacted soil excavated and disposed offsite. Upon completing the soil removal, the District backfilled the excavation with clean fill, installed three groundwater monitoring wells (MW-1 through MW-3) and initiated monitoring these wells.
- Former 550-Gallon Gasoline Underground Storage Tank (UST) Area – In August 1999, a subsurface investigation was initiated in this area (Figure 3) after hydrocarbon odors emanating from an excavation performed during construction at the facility was

observed. In September 2000, the District removed this UST under the oversight of the Union City Environmental Program Department (UCEPD) and the ACWD. Observations made during the UST removal indicated that the subsurface petroleum hydrocarbons likely originated from a leak in an underground fuel line beneath a fuel dispenser. The District over-excavated impacted soil in the suspected source area.

In 2000, another subsurface investigation was conducted at the site to assess whether petroleum hydrocarbons were present in soil near a 10,000-gallon diesel UST and a 1,000-gallon waste oil UST. This investigation was conducted at the request of the UCEPD after pressure testing indicated potential failures of the secondary containment systems of these USTs. The investigation included collecting soil and grab groundwater samples from borings advanced throughout the area. The laboratory results indicated the presence of hydrocarbons associated with gasoline, primarily MTBE, and not diesel or waste oil. It was concluded that these hydrocarbons were likely from the former 550-gallon gasoline UST.

In 2003, the District installed and initiated monitoring of five groundwater monitoring wells (MW-5 through MW-9) in this area. Well MW-4 was an existing well in the area and was included in the groundwater monitoring program.

- Closed-in-place 6,000-gallon Diesel UST Area – The subsequent investigation conducted in 2000 also included sampling the subsurface in the vicinity of a 6,000-gallon diesel UST located in the southwest corner of the plant (Figure 4). The soil and grab groundwater samples collected adjacent to this UST contained detectable concentrations of petroleum hydrocarbons in the diesel range. The 6,000-gallon diesel UST was closed-in-place by the District in June 2005 under oversight from UCEPD and the ACWD.

In 2003, the District installed and initiated monitoring of one groundwater well (MW-10) in this area.

Groundwater Monitoring Program

The purpose of the Plant's groundwater monitoring program is to document groundwater conditions in the areas of concern. The monitoring is performed to evaluate changes in water levels and groundwater flow direction and gradient, establish water quality conditions, and assess hydrocarbon concentration trends. The ten groundwater monitoring wells were initially monitored quarterly but upon approval of the ACWD, the frequency was reduced to semi-annual or annual in subsequent years. Due to the analytical results at wells MW-4, MW-9, and MW-10, the ACWD approved the removal of these wells from the monitoring program and the District closed the wells in 2008.

The current sampling schedule of the remaining seven wells is summarized in Table 1 below:

Table 1 – Summary of Sampling Schedule

Well	Sampling Frequency	Sampling Constituents
MW-1	Annual	TPH-D, TPH-MO, Monthly Purging
MW-2	Annual	TPH-D, TPH-MO
MW-3	Annual	TPH-D, TPH-MO
MW-5	Annual	MTBE, TBA
MW-6	Removed from Sampling	Groundwater Level Measurement Only
MW-7	Removed from Sampling	Groundwater Level Measurement Only
MW-8	Annual	MTBE, TBA

Legend

- TBA = tertiary-butyl alcohol
- MTBE = methyl tertiary-butyl ether
- TPH-D = total petroleum hydrocarbons as diesel
- TPH-MO = total petroleum hydrocarbons as motor oil

Since 2007, staff has conducted monthly purging of the light, non-aqueous phase liquid (LNAPL) present in well MW-1. The objective of this purging is to eliminate the LNAPL layer observed in this monitoring well and mitigate the elevated dissolved petroleum hydrocarbons present in the groundwater in its vicinity.

Following the 2015 annual monitoring event, and in consultation with ACWD, staff switched to placing a hydrocarbon absorbent sock in MW-1 to remove LNAPL in place of the monthly purging. It was expected to be more efficient in removing the hydrocarbons than the monthly purging. However, the results of the 2016 annual monitoring event indicated otherwise. Staff has discontinued the use of the hydrocarbon absorbent sock and resumed monthly purging of MW-1.

Previous Board Action

February 8, 2021, the Board Authorized the General Manager to execute Task Order No. 14 with Brown and Caldwell in the amount of \$50,242 to provide 2021-2025 annual groundwater monitoring services at the Plant for the Step II Plant Subsurface Investigation.

Attachments: Figures 1 through 4
 Table 2

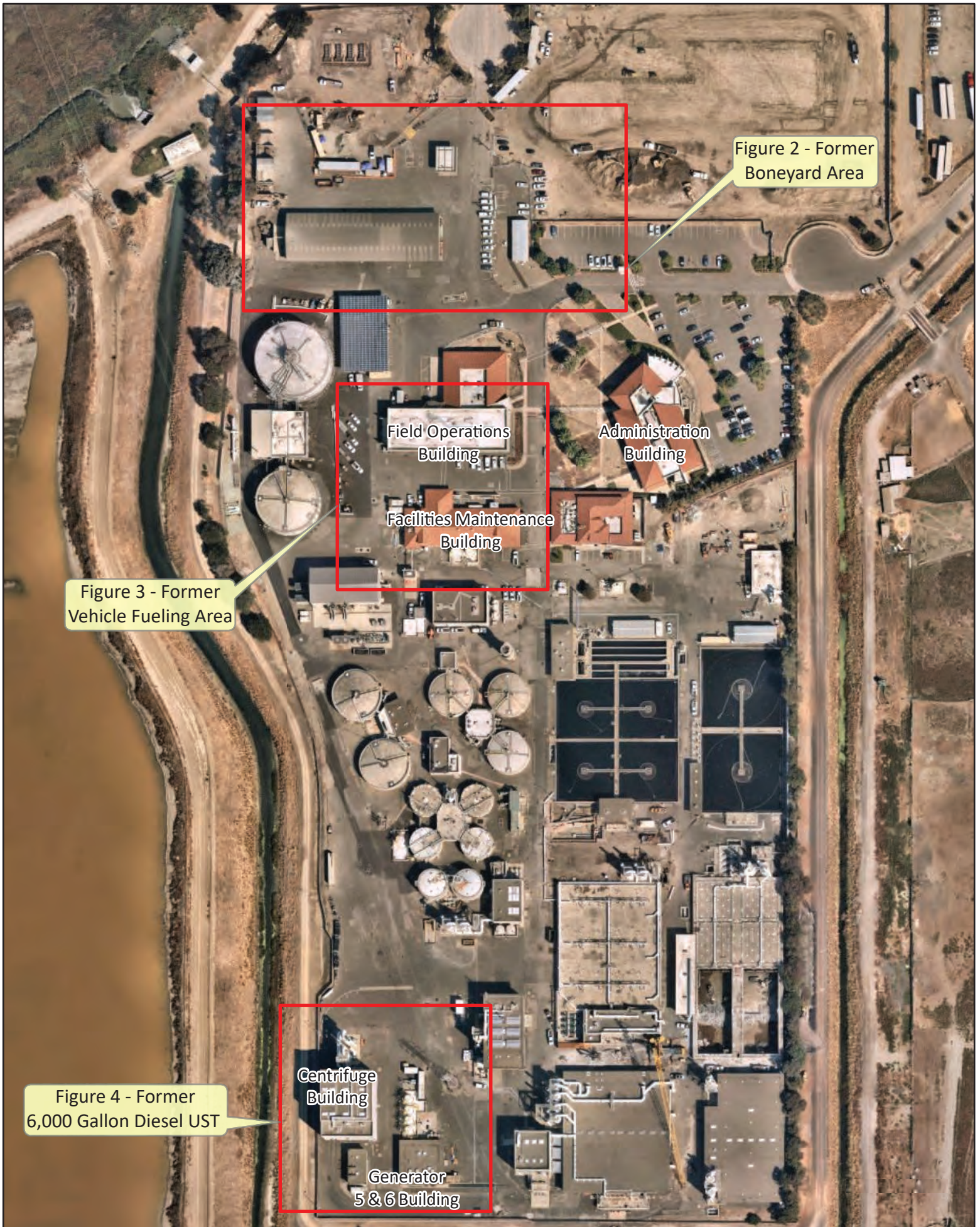


Figure 3 - Former Vehicle Fueling Area

Figure 2 - Former Boneyard Area

Figure 4 - Former 6,000 Gallon Diesel UST

Field Operations Building

Administration Building

Facilities Maintenance Building

Centrifuge Building

Generator 5 & 6 Building

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Figure 1: Alvarado WWT Site Plan

0 100 200 400 Feet





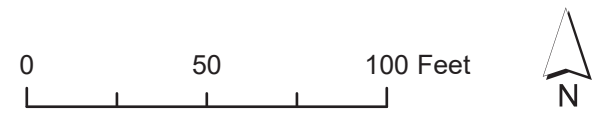
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Figure 2: Former Boneyard Area

0 50 100 Feet





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 Figure 3: Former Vehicle Fueling Area





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Figure 4: Closed-in-Place 6,000 Gallon Diesel UST



Table 2. Analytical Results - Petroleum Hydrocarbons
Alvarado Wastewater Treatment Plant

Well ID	Sample Date	Benzene (ug/L)	Toluene (ug/L)	Ethylbenzene (ug/L)	Xylenes (ug/L)	tBA (ug/L)	DIPE (ug/L)	EtBE (ug/L)	tAME (ug/L)	MIBE (ug/L)	TPH-G (ug/L)	TPH-D (ug/L)	TPH-MO (ug/L)	PNAs (ug/L)
MW-1	11/8/1999	<0.5	<0.5	<0.5	<0.5	----	----	----	----	<5.0	61 ^a	150 ^b	<250	ND
	6/8/2000 ^{NI}	----	----	----	----	----	----	----	----	----	----	----	----	----
	9/18/2000	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<1.0	<50	570 ^{ndp}	700	ND
	12/21/2000	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<5.0	<50	51 ^{ndp}	<500	ND
	2/27/2001	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<5.0	<50	<50	<500	ND
	12/15/2005	<0.50	<0.50	<0.50	<0.50	<10	<0.50	<0.50	<0.50	<0.50	<50	1,500 ^h	1,300 ⁱ	----
	3/21/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<0.50	<50	260 ^h	1,000 ⁱ	----
	3/21/2006 Dup	----	----	----	----	----	----	----	----	----	----	3,100 ^h	3,600 ⁱ	----
	6/28/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<2.0	160 ^{hy}	19,000 ^h	16,000 ⁱ	----
	6/28/2006 Dup	----	----	----	----	----	----	----	----	----	----	18,000 ^h	14,000 ⁱ	----
	9/11/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<2.0	<50	17,000 ^h	13,000 ⁱ	----
	9/11/2006 Dup	----	----	----	----	----	----	----	----	----	----	13,000 ^h	10,000 ⁱ	----
	4/10/2007	----	----	----	----	----	----	----	----	----	----	1,600 ^{hy}	1,200 ^{hj}	----
	4/10/2007 Dup	----	----	----	----	----	----	----	----	----	----	4,700 ^{hy}	3,800 ^{hj}	----
	9/24/2007	----	----	----	----	----	----	----	----	----	----	390 ^h	340 ^h	----
	3/7/2008	----	----	----	----	----	----	----	----	----	----	450	<300	----
	9/9/2008	----	----	----	----	----	----	----	----	----	----	300 ^l	<300	----
	3/17/2009	----	----	----	----	----	----	----	----	----	----	540 ^l	<300	----
	9/30/2009	----	----	----	----	----	----	----	----	----	----	120 ^l	<300	----
	4/21/2010	----	----	----	----	----	----	----	----	----	----	890 ^l	550	----
	4/21/2010 Dup	----	----	----	----	----	----	----	----	----	----	270 ^l	<300	----
	9/17/2010	----	----	----	----	----	----	----	----	----	----	350 ^l	<300	----
	10/28/2011	----	----	----	----	----	----	----	----	----	----	510	360	----
	10/28/2011 Dup	----	----	----	----	----	----	----	----	----	----	320	150	----
	9/14/2012	----	----	----	----	----	----	----	----	----	----	<55	<110	----
	9/14/2012 Dup	----	----	----	----	----	----	----	----	----	----	210	140	----
	9/24/2013	----	----	----	----	----	----	----	----	----	----	1,300	1,300	----
	9/24/2013 Dup	----	----	----	----	----	----	----	----	----	----	320	330	----
	9/29/2014	----	----	----	----	----	----	----	----	----	----	1,300	1,400	----
	9/23/2015	----	----	----	----	----	----	----	----	----	----	86	<100	----
10/4/2016	----	----	----	----	----	----	----	----	----	----	6,100	5,500	----	
10/10/2017	----	----	----	----	----	----	----	----	----	----	6,700	6,300	----	
9/26/2018	----	----	----	----	----	----	----	----	----	----	20,000	22,000	----	
9/19/2019	----	----	----	----	----	----	----	----	----	----	710	720	----	
9/29/2020	----	----	----	----	----	----	----	----	----	----	9,400	10,000	----	
9/29/2021	----	----	----	----	----	----	----	----	----	----	8,500	8,700	----	
9/14/2022	----	----	----	----	----	----	----	----	----	----	320	<510	----	

Table 2. Analytical Results - Petroleum Hydrocarbons
Alvarado Wastewater Treatment Plant

Well ID	Sample Date	Benzene (ug/L)	Toluene (ug/L)	Ethylbenzene (ug/L)	Xylenes (ug/L)	tBA (ug/L)	DIPE (ug/L)	EtBE (ug/L)	tAME (ug/L)	MtBE (ug/L)	TPH-G (ug/L)	TPH-D (ug/L)	TPH-MO (ug/L)	PNAs (ug/L)
MW-2 **	11/8/1999	<0.5	<0.5	<0.5	<0.5	----	----	----	----	<5.0	<50	<50	<250	ND
	11/8/99 Dup	<0.5	<0.5	<0.5	<0.5	----	----	----	----	<5.0	<50	----	----	----
	6/8/2000	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<5.0	<50	170 ^{ndp}	<500	ND
	6/8/2000 Dup	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<5.0	<50	<50	<500	ND
	9/18/2000	<0.50	<0.50	<0.50	<0.50	----	----	----	----	2.0	<50	<50	<500	ND
	9/18/2000 Dup	<0.50	<0.50	<0.50	<0.50	----	----	----	----	2.1	<50	<50	<500	ND
	12/21/2000	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<5.0	<50	240 ^{ndp}	3,700	----
	12/21/2000 Dup	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<5.0	<50	200 ^{ndp}	4,000	----
	2/27/2001	<0.50	<0.50 (0.86')	<0.50	<0.50	----	----	----	----	<5.0	<50	56 ^{dr}	1,100	----
	2/27/2001 Dup	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<5.0	<50	71 ^{dr}	1,400	----
	12/13/2005	<0.50	<0.50	<0.50	<0.50	<10	<0.50	<0.50	<0.50	2.2	<50	61 ^{dr}	<300	----
	3/20/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	2.2	<50	65 ^h	650	----
	6/27/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	2.2	<50	<50	<300	----
	9/11/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	2.0	<50	<50	<300	----
	4/10/2007	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	9/24/2007	----	----	----	----	----	----	----	----	----	----	<50	430 ^h	----
	9/24/2007 Dup	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	3/7/2008	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	3/7/2008 Dup	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	9/8/2008	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	3/17/2009	----	----	----	----	----	----	----	----	----	----	<50	350	----
	3/17/2009 Dup	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	9/29/2009	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	9/29/2009 Dup	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	9/17/2010	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	9/17/2010 Dup	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	10/28/2011	----	----	----	----	----	----	----	----	----	----	69	430	----
	9/14/2012	----	----	----	----	----	----	----	----	----	----	<53	<110	----
	9/24/2013	----	----	----	----	----	----	----	----	----	----	<54	370	----
	9/29/2014	----	----	----	----	----	----	----	----	----	----	<52	<100	----
	9/29/2014 Dup	----	----	----	----	----	----	----	----	----	----	<53	<110	----
	9/23/2015	----	----	----	----	----	----	----	----	----	----	<52	<100	----
	10/4/2016	----	----	----	----	----	----	----	----	----	----	140	230	----
	10/10/2017	----	----	----	----	----	----	----	----	----	----	680	2700	----
	9/26/2018	----	----	----	----	----	----	----	----	----	----	150	270	----
	9/26/2018 Dup	----	----	----	----	----	----	----	----	----	----	200	810	----
	9/19/2019	----	----	----	----	----	----	----	----	----	----	<48	<96	----
	9/19/2019 Dup	----	----	----	----	----	----	----	----	----	----	<49	<97	----
	9/29/2020	----	----	----	----	----	----	----	----	----	----	<50	<500	----
	9/29/2020 Dup	----	----	----	----	----	----	----	----	----	----	<50	<500	----
	9/29/2021	----	----	----	----	----	----	----	----	----	----	<50	<500	----
	9/29/2021 Dup	----	----	----	----	----	----	----	----	----	----	<50	<500	----
	9/14/2022	----	----	----	----	----	----	----	----	----	----	<51	<510	----
	9/14/2022 Dup	----	----	----	----	----	----	----	----	----	----	<53	<530	----

Table 2. Analytical Results - Petroleum Hydrocarbons
Alvarado Wastewater Treatment Plant

Well ID	Sample Date	Benzene (ug/L)	Toluene (ug/L)	Ethylbenzene (ug/L)	Xylenes (ug/L)	tBA (ug/L)	DIPE (ug/L)	EtBE (ug/L)	tAME (ug/L)	MBE (ug/L)	TPH-G (ug/L)	TPH-D (ug/L)	TPH-MO (ug/L)	PNAs (ug/L)
MW-3 **	11/8/1999	<0.5	<0.5	<0.5	<0.5	----	----	----	----	<5.0	<50	170 ^c	<250	ND
	6/8/2000	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<5.0	<50	<50	<500	ND
	9/18/2000	<0.50	<0.50	<0.50	<0.50	----	----	----	----	2.1	<50	<50	<500	ND
	12/21/2000	<0.50	<0.50	<0.50 (0.97*)	<0.50	----	----	----	----	<5.0	<50	<50	<500	----
	2/27/2001	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<5.0	<50	<50	<500	----
	12/13/2005	<0.50	<0.50	<0.50	<0.50	<10	<0.50	<0.50	<0.50	1.9	<50	<50	<300	----
	3/21/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<2.0	<50	<50	<300	----
	6/28/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<0.50	<50	<50	<300	----
	9/11/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<2.0	<50	<50	<300	----
	4/11/2007	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	9/25/2007	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	3/8/2008	----	----	----	----	----	----	----	----	----	----	72 ^d	<300	----
	9/9/2008	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	3/17/2009	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	9/30/2009	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	9/17/2010	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	10/28/2011	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	9/14/2012	----	----	----	----	----	----	----	----	----	----	<54	<110	----
	9/24/2013	----	----	----	----	----	----	----	----	----	----	<55	<110	----
	9/29/2014	----	----	----	----	----	----	----	----	----	----	<51	<100	----
9/25/2015	----	----	----	----	----	----	----	----	----	----	<50	<100	----	
10/4/2016	----	----	----	----	----	----	----	----	----	----	160	270	----	
10/10/2017	----	----	----	----	----	----	----	----	----	----	79 ^c	110 ^c	----	
9/26/2018	----	----	----	----	----	----	----	----	----	----	23 ^c	34 ^c	----	
9/19/2019	----	----	----	----	----	----	----	----	----	----	<49	<98	----	
9/29/2020	----	----	----	----	----	----	----	----	----	----	<51	<510	----	
9/29/2021	----	----	----	----	----	----	----	----	----	----	<50	<500	----	
9/14/2022	----	----	----	----	----	----	----	----	----	----	<51	<510	----	
MW-4*	9/3/1999	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<2.5	<50	100	----	----
	6/8/2000	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<5.0	80 ^g	<50	<500	5.2 ^{bp}
	9/18/2000	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<1.0	<50	<50	<500	ND
	12/21/2000	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<5.0	<50	<50	<500	----
	2/27/2001	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<5.0	<50	<50	<500	----
	12/14/2005	<0.50	<0.50	<0.50	<0.50	<10	<0.50	<0.50	<0.50	<0.50	<50	<50	----	----
	3/21/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<0.50	<50	<50	<300	----
	6/27/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<2.0	<50	<50	----	----
	9/11/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<0.5	<50	<50	----	----
	4/11/2007	----	----	----	----	----	----	----	----	<0.5	----	----	----	----
9/24/2007	----	----	----	----	----	----	----	----	----	----	----	----	----	

Table 2. Analytical Results - Petroleum Hydrocarbons
Alvarado Wastewater Treatment Plant

Well ID	Sample Date	Benzene (ug/L)	Toluene (ug/L)	Ethylbenzene (ug/L)	Xylenes (ug/L)	tBA (ug/L)	DIPE (ug/L)	EtBE (ug/L)	tAME (ug/L)	MBE (ug/L)	TPH-G (ug/L)	TPH-D (ug/L)	TPH-MO (ug/L)	PNAs (ug/L)
MW-5	12/14/2005	<0.83	<0.83	<0.83	<0.83	<17	<0.83	<0.83	<0.83	180	<83	<50	----	----
	12/14/2005 Dup	<0.50	<0.50	<0.50	<0.50	<10	<0.50	<0.50	0.52	180	<50	<50	----	----
	3/21/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	910	<50	78	<300	----
	3/21/2006 Dup	<0.50	<0.50	<0.50	<0.50	----	----	----	----	870	<50	----	----	----
	6/27/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	320	<50	210 ^{hr}	----	----
	6/27/2006 Dup	<0.50	<0.50	<0.50	<0.50	----	----	----	----	690	<50	----	----	----
	9/11/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	430	<50	<50	----	----
	9/11/2006 Dup	<0.50	<0.50	<0.50	<0.50	----	----	----	----	510	<50	----	----	----
	4/11/2007	----	----	----	----	----	----	----	----	110	----	----	----	----
	4/11/2007 Dup	----	----	----	----	----	----	----	----	100	----	----	----	----
	9/25/2007	----	----	----	----	<14	----	----	----	200	----	----	----	----
	9/25/2007 Dup	----	----	----	----	<14	----	----	----	130	----	----	----	----
	3/7/2008	----	----	----	----	32	----	----	----	460	----	----	----	----
	3/7/2008 Dup	----	----	----	----	<170	----	----	----	960	----	----	----	----
	9/8/2008	----	----	----	----	<25	----	----	----	290	----	----	----	----
	9/8/2008 Dup	----	----	----	----	<25	----	----	----	390	----	----	----	----
	9/30/2009	----	----	----	----	<25	----	----	----	130	----	----	----	----
	9/30/09 Dup	----	----	----	----	<33	----	----	----	200	----	----	----	----
	9/17/2010	<0.50	<0.50	<0.50	<0.50	<83	----	----	----	470	----	----	----	----
	9/17/2010 Dup	<0.50	<0.50	<0.50	<0.50	<100	----	----	----	680	----	----	----	----
	10/28/2011	----	----	----	----	<100	----	----	----	130	----	----	----	----
	10/28/2011 Dup	----	----	----	----	<100	----	----	----	40	----	----	----	----
	9/14/2012	----	----	----	----	63	----	----	----	570	----	----	----	----
	9/14/2012 Dup	----	----	----	----	44	----	----	----	460	----	----	----	----
	9/24/2013	----	----	----	----	<100	----	----	----	230	----	----	----	----
	9/24/2013 Dup	----	----	----	----	<100	----	----	----	230	----	----	----	----
	9/29/2014	----	----	----	----	<200	----	----	----	720	----	----	----	----
	9/29/2014 Dup	----	----	----	----	<200	----	----	----	750	----	----	----	----
	9/23/2015	----	----	----	----	<20	----	----	----	600	----	----	----	----
	10/4/2016	----	----	----	----	<400 D	----	----	----	710	----	----	----	----
	10/10/2017	----	----	----	----	<20	----	----	----	170	----	----	----	----
	9/26/2018	----	----	----	----	44	----	----	----	550	----	----	----	----
	9/26/2018 Dup	----	----	----	----	<200	----	----	----	240	----	----	----	----
	9/19/2019	----	----	----	----	<100	----	----	----	190	----	----	----	----
	9/19/2019 Dup	----	----	----	----	<100	----	----	----	190	----	----	----	----
	9/29/2020	----	----	----	----	<20	----	----	----	280	----	----	----	----
	9/29/2020 Dup	----	----	----	----	<20	----	----	----	280	----	----	----	----
	9/29/2021	----	----	----	----	<200	----	----	----	230	----	----	----	----
	9/29/2021 Dup	----	----	----	----	<200	----	----	----	230	----	----	----	----
	9/14/2022	----	----	----	----	<20	----	----	----	200	----	----	----	----
	9/14/2022 Dup	----	----	----	----	<20	----	----	----	280	----	----	----	----

Table 2. Analytical Results - Petroleum Hydrocarbons
Alvarado Wastewater Treatment Plant

Well ID	Sample Date	Benzene (ug/L)	Toluene (ug/L)	Ethylbenzene (ug/L)	Xylenes (ug/L)	tBA (ug/L)	DIPE (ug/L)	EtBE (ug/L)	tAME (ug/L)	MIBE (ug/L)	TPH-G (ug/L)	TPH-D (ug/L)	TPH-MO (ug/L)	PNAs (ug/L)
MW-6*	12/14/2005	<0.50	<0.50	<0.50	<0.50	<10	<0.50	<0.50	<0.50	<0.50	<50	<50	----	----
	3/20/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<0.50	<50	<50	<300	----
	6/27/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	0.7	<50	<50	----	----
	9/11/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	0.6	<50	<50	----	----
	4/11/2007	----	----	----	----	----	----	----	----	0.7	----	----	----	----
	9/25/2007	----	----	----	----	<10	----	----	----	0.6	----	----	----	----
	9/9/2008	----	----	----	----	<10	----	----	----	0.6	----	----	----	----
9/30/2009	----	----	----	----	<10	----	----	----	< 0.5	----	----	----	----	
MW-7*	12/15/2005	<0.50	<0.50	<0.50	<0.50	<10	<0.50	<0.50	<0.50	0.59	<50	<50	----	----
	3/20/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<2.0	<50	<50	<300	----
	6/27/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	1.0	<50	<50	----	----
	9/11/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	1.2	<50	<50	----	----
	4/11/2007	----	----	----	----	----	----	----	----	1.0	----	----	----	----
	9/25/2007	----	----	----	----	<10	----	----	----	0.8	----	----	----	----
	9/9/2008	----	----	----	----	<10	----	----	----	0.8	----	----	----	----
9/30/2009	----	----	----	----	<10	----	----	----	< 0.5	----	----	----	----	
MW-8**	12/15/2005	<0.50	<0.50	<0.50	<0.50	<10	<0.50	<0.50	<0.50	58	<50	<50	----	----
	3/20/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	37	<50	78	<300	----
	6/28/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	16	<50	61 ^y	----	----
	9/11/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	33	<50	55 ^y	----	----
	4/11/2007	----	----	----	----	----	----	----	----	61	----	----	----	----
	9/25/2007	----	----	----	----	<10	----	----	----	32	----	----	----	----
	3/7/2008	----	----	----	----	<10	----	----	----	48	----	----	----	----
	9/9/2008	----	----	----	----	<10	----	----	----	69	----	----	----	----
	9/29/2009	----	----	----	----	< 10	----	----	----	51	----	----	----	----
	9/17/2010	<0.50	<0.50	<0.50	<0.50	<10	----	----	----	78	----	----	----	----
	10/28/2011	----	----	----	----	<10	----	----	----	36	----	----	----	----
	9/14/2012	----	----	----	----	7.2	----	----	----	24	----	----	----	----
	9/24/2013	----	----	----	----	<10	----	----	----	65	----	----	----	----
	9/29/2014	----	----	----	----	<20	----	----	----	9.7	----	----	----	----
	9/23/2015	----	----	----	----	<20	----	----	----	16	----	----	----	----
	10/4/2016	----	----	----	----	<20	----	----	----	22	----	----	----	----
	10/10/2017	----	----	----	----	<20	----	----	----	160	----	----	----	----
9/26/2018	----	----	----	----	<20	----	----	----	0.59	----	----	----	----	
9/19/2019	----	----	----	----	<20	----	----	----	5.3	----	----	----	----	
9/29/2020	----	----	----	----	<20	----	----	----	5.8	----	----	----	----	
9/29/2021	----	----	----	----	<20	----	----	----	3.6	----	----	----	----	
9/14/2022	----	----	----	----	<10	----	----	----	3.8	----	----	----	----	

Table 2. Analytical Results - Petroleum Hydrocarbons
Alvarado Wastewater Treatment Plant

Well ID	Sample Date	Benzene (ug/L)	Toluene (ug/L)	Ethylbenzene (ug/L)	Xylenes (ug/L)	tBA (ug/L)	DIPE (ug/L)	EtBE (ug/L)	tAME (ug/L)	MIBE (ug/L)	TPH-G (ug/L)	TPH-D (ug/L)	TPH-MO (ug/L)	PNAs (ug/L)
MW-9*	12/14/2005	<0.50	<0.50	<0.50	<0.50	<10	<0.50	<0.50	<0.50	<0.50	<50	<50	----	----
	3/21/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<0.50	<50	52	<300	----
	6/28/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<2.0	<50	<50	----	----
	9/11/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<0.5	<50	<50	----	----
	4/11/2007	----	----	----	----	----	----	----	----	<0.5	----	----	----	----
	9/24/2007	----	----	----	----	----	----	----	----	----	----	----	----	----
MW-10*	12/14/2005	<0.50	<0.50	<0.50	<0.50	<10	<0.50	<0.50	<0.50	<0.50	<50	<50	----	----
	3/21/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<0.50	<50	83	<300	----
	3/21/2006 Dup	----	----	----	----	----	----	----	----	----	----	72 ^C	<300	----
	6/27/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<2.0	<50	68 ^Y	----	----
	6/27/2006 Dup	----	----	----	----	----	----	----	----	----	----	62 ^Y	----	----
	9/11/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<0.5	<50	76 ^Z	----	----
	9/11/2006 Dup	----	----	----	----	----	----	----	----	----	----	<50	----	----
	4/10/2007	----	----	----	----	----	----	----	----	----	----	55 ^Y	----	----
9/24/2007	----	----	----	----	----	----	----	----	----	----	----	----	----	
Field Equipment Blank	6/8/2000	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<5.0	<50	----	----	----
	9/18/2000	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<1.0	<50	----	----	----
	12/21/2000	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<5.0	<50	----	----	----
	2/27/2001	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<5.0	<50	----	----	----
	3/20/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<0.50	<50	<50	<300	----
	4/11/2007	----	----	----	----	----	----	----	----	<0.5	<50	<300	----	----
	9/24/2007	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	9/25/2007	----	----	----	----	<10	----	----	----	<0.5	----	----	----	----
	3/7/2008	----	----	----	----	<10	----	----	----	<0.5	----	----	----	----
	9/8/2008	----	----	----	----	<10	----	----	----	<0.5	----	----	----	----
	9/9/2008	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	3/17/2009	----	----	----	----	----	----	----	----	----	----	<50	<300	----
	9/17/2010	<0.5	<0.5	<0.5	<0.5	<10	----	----	----	<0.5	----	----	----	----
	9/14/2012	----	----	----	----	<4	----	----	----	<0.5	----	----	----	----
	9/24/2013	----	----	----	----	<10	----	----	----	<0.5	----	----	----	----
9/29/2014	----	----	----	----	<20	----	----	----	<0.5	----	----	----	----	

Table 2. Analytical Results - Petroleum Hydrocarbons
Alvarado Wastewater Treatment Plant

Well ID	Sample Date	Benzene (ug/L)	Toluene (ug/L)	Ethylbenzene (ug/L)	Xylenes (ug/L)	tBA (ug/L)	DIPE (ug/L)	EtBE (ug/L)	tAME (ug/L)	MtBE (ug/L)	TPH-G (ug/L)	TPH-D (ug/L)	TPH-MO (ug/L)	PNAs (ug/L)
Trip Blank	11/8/1999	<0.5	<0.5	<0.5	<0.5	----	----	----	----	<5.0	<50	----	----	----
	6/8/2000	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<5.0	<50	----	----	----
	9/18/2000	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<1.0	<50	----	----	----
	12/21/2000	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<5.0	<50	----	----	----
	2/27/2001	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<5.0	<50	----	----	----
	12/14/2005	<0.50	<0.50	<0.50	<0.50	<10	<0.50	<0.50	<0.50	<0.50	<50	----	----	----
	3/20/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<0.50	<50	----	----	----
	6/27/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<2.0	<50	----	----	----
	9/11/2006	<0.50	<0.50	<0.50	<0.50	----	----	----	----	<2.0	<50	----	----	----
	4/11/2007	----	----	----	----	----	----	----	----	<0.5	----	----	----	----
	9/25/2007	----	----	----	----	<10	----	----	----	<0.5	----	----	----	----
	9/8/2008	----	----	----	----	<10	----	----	----	<0.5	----	----	----	----
	9/30/2008	----	----	----	----	<10	----	----	----	<0.5	----	----	----	----
	9/17/2010	<0.5	<0.5	<0.5	<0.5	<10	----	----	----	<0.5	----	----	----	----
	10/28/2011	----	----	----	----	<10	----	----	----	<0.5	----	----	----	----
	9/14/2012	----	----	----	----	<4	----	----	----	<0.5	----	----	----	----
	9/24/2013	----	----	----	----	<10	----	----	----	<0.5	----	----	----	----
	9/29/2014	----	----	----	----	<20	----	----	----	<0.5	----	----	----	----
	9/23/2015	----	----	----	----	<20	----	----	----	<0.5	----	----	----	----
	10/4/2016	----	----	----	----	---	----	----	----	---	----	----	----	----
10/10/2017	----	----	----	----	---	----	----	----	---	----	----	----	----	
9/26/2018	----	----	----	----	<20	----	----	----	<0.5	----	----	----	----	
9/19/2019	----	----	----	----	<20	----	----	----	<0.5	----	----	----	----	
9/29/2020	----	----	----	----	<20	----	----	----	<0.5	----	----	----	----	
9/29/2021	----	----	----	----	<20	----	----	----	<0.5	----	----	----	----	
9/14/2022	----	----	----	----	<10	----	----	----	<1.0	----	----	----	----	
ESL - DW		1.0	40	30	20	12	NE	NE	NE	5.0	100	100	100	
ESL - NDW		46	130	43	100	18,000	NE	NE	NE	1,800	500	640	640	

Table 2. Analytical Results - Petroleum Hydrocarbons
Alvarado Wastewater Treatment Plant

Well ID	Sample Date	Benzene (ug/L)	Toluene (ug/L)	Ethylbenzene (ug/L)	Xylenes (ug/L)	tBA (ug/L)	DIPE (ug/L)	EtBE (ug/L)	tAME (ug/L)	MtBE (ug/L)	TPH-G (ug/L)	TPH-D (ug/L)	TPH-MO (ug/L)	PNAs (ug/L)
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Notes:

- ug/L = micrograms per liter
- D = Dilution factor on sample increased reporting limit.
- Benzene analyzed following U.S. EPA Method 8020, 8021B or 8260B
- Toluene analyzed following U.S. EPA Method 8020, 8021B or 8260B
- Ethylbenzene analyzed following U.S. EPA Method 8020, 8021B or 8260B
- Xylenes analyzed following U.S. EPA Method 8020, 8021B or 8260B (concentration reported is total of m,p- and o-xylenes).
- tBA = tert-Butyl Alcohol analyzed following U.S. EPA Method 8260B
- DIPE = Isopropyl Ether analyzed following U.S. EPA Method 8260B
- EtBE = Ethyl tert-Butyl Ether analyzed following U.S. EPA Method 8260B
- tAME = Methyl tert-Amyl Ether analyzed following U.S. EPA Method 8260B
- MtBE = Methyl tert-Butyl Ether analyzed following U.S. EPA Method 8260A or 8260B
- TPH-G = Total Petroleum Hydrocarbons as Gasoline analyzed following modified EPA Method 8015
- TPH-D = Total Petroleum Hydrocarbons as Diesel analyzed following modified EPA Method 8015 and prepared with silica gel clean-up
- TPH-MO = Total Petroleum Hydrocarbons as Motor Oil analyzed following modified EPA Method 8015 and prepared with silica gel clean-up
- PNAs = Polynuclear Aromatic Hydrocarbons analyzed following U.S. EPA Method 8270A
- ESL-DW = San Francisco Regional Water Quality Control Board Environmental Screening Level for sites where groundwater is a current or potential drinking water source, Table F-1a, May 2008
- ESL-NDW = San Francisco Regional Water Quality Control Board Environmental Screening Level for sites where groundwater is not a current or potential drinking water source, Table F-1b, May 2008
- Dup = Duplicate sample
- <n = Not detected above the laboratory reporting limit of n ug/L
- ND = Not detected above laboratory reporting limits for respective individual compounds
- NF = Well not found
- NE = Not established
- = Not analyzed
- ^a = Heavier gasoline range compounds are significant, chromatogram possibly shows aged gasoline pattern
- ^b = Medium boiling point pattern that does not match diesel, chromatogram possibly shows aged kerosene pattern
- ^c = Diesel range compounds are significant; no recognizable pattern
- ^d = Heavier hydrocarbons contributed to the quantitation
- ^e = Lighter hydrocarbons contributed to the quantitation
- ^f = Sample exhibits chromatographic pattern which does not resemble standard
- z = Sample analyzed outside EPA Method's holding time
- bp = bis (2-Ethylhexyl) phthalate concentration reported
- ^g = Hydrocarbon reported in the gasoline range does not match laboratory's gasoline standard
- ndp = Hydrocarbon reported does not match the pattern of laboratory's diesel standard
- ldr = Hydrocarbon reported is in the late diesel range, and does not match laboratory's diesel standard
- * = Analyzed following U.S. EPA Method 8260A
- Bold** = Current groundwater monitoring event
- Italicize* = Concentration exceeds the respective ESL-DW
- Underline = Concentration exceeds the respective ESL-NDW
- = Discontinued sampling groundwater monitoring well per approval from Alameda County Water District: MW-4, MW-9 and MW-10 were destructed on May 2, 201
- = Well sampled annually per approval from Alameda County Water District



USD TREAT
PROTECT
PRESERVE
est. 1918
TRI-CITY WASTEWATER

Directors
Manny Fernandez
Tom Handley
Pat Kite
Anjali Lathi
Jennifer Toy

Officers
Paul R. Eldredge
*General Manager/
District Engineer*

Karen W. Murphy
Attorney

**FEBRUARY 13, 2023
BOARD OF DIRECTORS MEETING
AGENDA ITEM # 15**

TITLE: **Solar and Cogeneration Facilities Operational Update (*This is an Information Item*)**

SUBMITTED: Paul R. Eldredge, General Manager/District Engineer
Raymond Chau, Technical Services Work Group Manager
Curtis Bosick, CIP Team Coach

Recommendation

This is an information item.

Discussion

Alvarado Wastewater Treatment Plant Solar Carport

Since startup in September 2011 through December 31, 2022, the Solar Carport facility has generated a total of 2,309,556 kWh of power, which equates to \$462,122 in energy savings at the Plant. Additionally, the District received \$276,030 or approximately 109% of the estimated CSI incentive rebate from PG&E. The total benefit of the Solar Carport is \$738,152, which represents 82.9% of simple payback for the initial construction and ongoing maintenance costs of the facility.

Irvington Pump Station Solar Facility

Since startup in April 2012 through December 31, 2022, the solar facility has generated a total of 8,705,730 kWh of power, which equates to \$3,039,820 in energy savings at the Irvington Pump Station. Additionally, the District received \$680,632 or 109% of the estimated CSI incentive rebate from PG&E. The total benefit of the solar facility is \$3,720,452, which represents 129.8% of simple payback for the initial construction and ongoing maintenance costs of the facility.

Cogeneration Facility

Since startup in November 2014 through December 31, 2022, the facility has generated a total of 87,522,056 kWh of power, which equates to approximately \$9,083,666 in energy savings at the Plant. Additionally, the District received \$3,114,556 or 92.1% of the SGIP incentive rebate from PG&E. The total benefit of the cogeneration facility is \$12,198,222, which represents 82.8% of simple payback for the initial construction and maintenance costs of the facility.

USD labor and equipment costs have not been factored into the maintenance costs of these facilities. The rationale is that no personnel or equipment has been acquired specifically for the maintenance and the work has been accommodated to date with existing resources.

Staff will provide the Board with an operational update of the solar and cogeneration facilities on a semi-annual basis. The attached Table 1 summarizes the operational data that was discussed in this update.

Background

Alvarado Wastewater Treatment Plant Solar Carport

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 original system consisted of 637 solar panels and was rated at 125 kilowatt (kW). The system rating was based on the California Energy Commission's calculation that accounted for the number of panels, the rating of each panel, and the inverter efficiency.

In February 2020, as part of the construction of the Primary Digester No. 7 Project, the western portion of the solar carport facility was demolished to allow the contractor to install the shoring system and to excavate and construct the digester tank. This resulted in the removal of 195 solar panels from the solar carport facility. The current system consists of 442 solar panels and is rated at 86 kW.

The District applied for the California Solar Initiative (CSI) incentive that would rebate \$0.2568 per kilowatt-hour (kWh) of power generated by the system for a period of five years from September 2011 through August 2016. PG&E, the administrator of the CSI program, approved an estimated incentive amount of \$252,850. In September 2016, the District received its final CSI incentive disbursement.

Irvington Pump Station Solar Facility

The District 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.

The District applied for the CSI incentive that would rebate \$0.15 per kWh of power generated by the system for a period of five years from June 2012 through May 2017. PG&E approved an

estimated incentive amount of \$623,370. In February 2017, the District received its final CSI incentive disbursement.

Cogeneration Facility

The District completed construction of the Cogeneration Facility located at the Alvarado Wastewater Treatment Plant at a construction cost of \$11.8 million and the facility was fully operational in late November 2014. The facility consists of two 850-kW biogas-fueled engine generators and a packaged biogas conditioning system.

The District applied for the Self-Generation Incentive Program (SGIP) that provides financial incentives for the installation of new, qualifying self-generation equipment installed to meet all or a portion of the electric energy needs of a facility. PG&E, the administrator of the SGIP in Northern California, approved the District's application for a maximum rebate of \$3.38 million. The District received half of the total rebate from PG&E in 2015 upon successful operational testing of the facility. The other half was paid to the District annually over the next five years and was dependent on the actual electric energy generated by the facility and the actual amount of engine and exhaust heat recovered and utilized to heat the biosolids in the primary digesters. In June 2020, the District received its final SGIP incentive disbursement.

Previous Board Action

None.

Attachment: Table 1 – Solar and Cogeneration Facilities Operational Data

Union Sanitary District
Table 1 - Solar and Cogeneration Facilities Operational Data

Facility	System Rating ¹ (kW)	Energy Generated This Period ² (kWh)	Total Energy Generated To Date (kWh)	Value of Energy Generated To Date (\$)	Rebates Received To Date (\$)	Total Received or Generated (\$)	Construction Cost (\$)	Maintenance Costs To Date ⁴ (\$)	Total Costs Incurred To Date (\$)	Simple Payback To Date (%)	Simple Payback Term (Years)	Original Payback Term ⁵ (Years)	Comments
Alvarado WWTP Solar Carport ⁶	86	63,098	2,309,556	462,122	276,030	738,152	884,000	6,225	890,225	82.9%	14.7		System began operation in September 2011. Values are current through December 31, 2022.
Irvington Pump Station Solar Facility	408	303,644	8,705,730	3,039,820	680,632	3,720,452	2,850,000	17,234	2,867,234	129.8%	8.4	10.0	System began operation in April 2012. Values are current through December 31, 2022.
Cogeneration Facility ³	1,700	6,253,757	87,522,056	9,083,666	3,114,556	12,198,222	11,800,000	2,940,435	14,740,435	82.8%	12.3	8.9	System began operation in late November 2014. Values are current through December 31, 2022.

1) System Rating for the solar facilities is based on the number of panels, the rating of each panel, and the inverter efficiency.

2) Period is from July 2022 through December 2022.

3) The cogeneration equipment consists of two 850-kW engine generators.

4) Maintenance costs do not include USD labor or equipment costs.

5) Original payback terms for the Irvington Pump Station Solar Facility and Cogeneration Facility were calculated during the design phase. A payback period was not calculated for the Alvarado WWTP Solar Carport at the time the project was designed.

6) Due to the construction of Primary Digester No. 7, the number of panels at the Alvarado WWTP Solar Carport was reduced from 637 to 442, and the system rating was reduced from 125 kW to 86 kW in February 2020.



Summary of the EBDA Commission Meeting Thursday, January 19, 2023, at 9:30 a.m.

- Commissioners Andrews, Azevedo, Lathi, Sadoff, and Simon, were present. This meeting was conducted telephonically and the dial-in information for the meeting was provided in the agenda.
- Commissioner Lathi moved to approve the Commission Meeting Minutes of December 15, 2022; Commission Workshop Minutes of December 16, 2022; List of Disbursements for December 2022; Treasurer’s Report for December 2022; and Resolution Authorizing Remote Teleconference Meetings Pursuant to AB 361. The motion was seconded by Commissioner Sadoff and carried 4-0-1.
- The Commission unanimously approved the reports from the Financial Management and Operations & Maintenance Committees. The following items were discussed:
- **General Managers Report**
The General Manager (GM) welcomed newly appointed Commissioners Azevedo and Simon to the EBDA Commission, representing the City of San Leandro and Oro Loma Sanitary District, respectively. The COVID-19 State of Emergency will end on February 28, 2023, eliminating the conditions allowing EBDA to hold remote meetings. Therefore, EBDA expects to resume in-person meetings in March 2023. In addition, the GM announced a Hayward Area Shoreline Planning Agency (HASPA) tour on Friday, January 20, at 10:00 a.m. The GM provided an update on the strategic planning process, a Water Research Foundation study on the fate of PFAS in biosolids thermal treatment that recently kicked off, and a grant for continued exploration of Nature Based Solutions that was awarded to the Hayward Water Pollution Control Plant.
- **Manager’s Advisory Committee**
The GM reported that the MAC discussed recent wet weather and the Cargill project.
- **Financial Management Committee**
The GM reported on the January 18 meeting of the Financial Management Committee. The Committee reviewed the List of Disbursements and Treasurer’s Report for December 2022 and recommended approval. The Committee also discussed the budget process for FY 2023/2024 and suggested the Financial Management Committee review the Renewal and Replacement Fund (RRF) project list in addition to the Operations and Maintenance (O&M) Committee.
- **Operations and Maintenance Committee**
The Operations and Maintenance (O&M) Manager and GM reported on the January 18 meeting of the O&M Committee. The O&M Manager updated the Commission on EBDA’s facilities, flow management following recent wet weather, and the roof replacement project. The GM provided an update on the Cargill project and implementation of the Advanced Quantitative Precipitation Information (AQPI) Project.

- **Motion Awarding the HEPS Pump Replacement Project to Pump Repair Service Company, Inc. for a Contract Value not to Exceed \$725,900 and Authorizing the General Manager to Negotiate a Negative Change Order**

Commissioner Lathi moved to approve the item. The motion was seconded by Commissioner Duncan and carried unanimously 5-0, by roll call vote.

Ayes: Commissioners Azevedo, Lathi, Simon, Sadoff, Chair Andrews

Noes: None

Absent: None

Abstain: None

- **Motion Authorizing the General Manager to Execute an Amendment to Work Order 2 Under the Professional Services Agreement with Currie Engineers, Inc. in the Amount of \$18,930 for a Total Work Order Value of \$38,247 for Project and Construction Management Services**

Commissioner Azevedo moved to approve the item. The motion was seconded by Commissioner Lathi and carried unanimously 5-0, by roll call vote.

Ayes: Commissioners Azevedo, Lathi, Simon, Sadoff, Chair Andrews

Noes: None

Absent: None

Abstain: None

- **Items from Commission and Staff**

Staff advised the Commission that Statements of Economic Interest (Form 700) filings are due on April 1, 2023.

- **Adjournment**

Chair Andrews adjourned the meeting at 10:17 a.m.

**UNION SANITARY DISTRICT
CHECK REGISTER
01/14/2023-02/03/2023**

Check No.	Date	Dept	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
183060	1/19/2023	114	800545.2	ZOVICH CONSTRUCTION	CAMPUS BUILDINGS (ADMIN, FMC, OPS)		
						\$3,645,585.90	\$3,645,585.90
183096	1/26/2023	143	800551.03	INSITUFORM TECHNOLOGIES, LLC	IRVINGTON BASIN RCP REHABILITATION		
						\$1,074,352.82	\$1,074,352.82
183088	1/26/2023	110	3338	EAST BAY DISCHARGERS AUTHORITY	CREDIT: O&M ASSESSMENT, FY22		
						\$-285,601.68	\$401,891.32
	1/26/2023	110	3346		O&M ASSESSMENT, JAN-JUN 2023		
						\$687,493.00	
183074	1/26/2023		7106	CAL SANITATION RISK MNGT AUTH	POOLED LIABILITY INSURANCE: 12/31/2022-12/30/2023		
						\$290,352.00	\$290,352.00
183061	1/19/2023	114	800545.2E	ZOVICH CONSTRUCTION	CAMPUS BUILDINGS (ADMIN, FMC, OPS) - ESCROW PYMT		
						\$191,872.94	\$191,872.94
183114	1/26/2023	143	800516.5	POWER ENGINEERING CONSTRUCTION	FORCE MAIN CORROSION REPAIRS PROJECT PHASE 3		
						\$172,378.19	\$172,378.19
183080	1/26/2023	143	22346601.7	CONSOR NORTH AMERICA INC	FORCE MAIN CORROSION REPAIRS PROJECT PHASE 3 & IRVINGTC		
						\$109,294.81	\$109,294.81
183063	1/19/2023	170	096020230106	PACIFIC GAS AND ELECTRIC	SERV TO 12/29/22 CATHODIC PROJECT		
						\$49.16	\$95,485.72
	1/19/2023	170	380420230106		SERV TO 12/29/22 CHERRY ST PS		
						\$446.04	
	1/19/2023	170	898220230106		SERV TO 12/29/22 FREMONT PS		
						\$283.32	
	1/19/2023	110	170120230104		SERV TO 12/19/2022 PLANT		
						\$73,314.50	
	1/19/2023	170	666720230106		SERV TO 12/29/22 PASEO PADRE PS		
						\$469.16	
	1/19/2023	170	761520221230		SERV TO 12/22/22 NEWARK PS		
						\$20,923.54	
183076	1/26/2023	173	98879	CDW GOVERNMENT LLC	CCAL BRIDGE O365		
						\$80,249.86	\$81,073.84
	1/26/2023	173	25362		20 HARDWARE KITS		
						\$823.98	
183148	2/2/2023	170	55290	CARBON ACTIVATED CORPORATION	GAS SKID MEDIA EXCHANGE		
						\$66,356.00	\$66,356.00

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Check No.	Date	Dept	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
183034	1/19/2023	170	481703	LUBRICATION ENGINEERS INC	OIL CONSOLIDATION HARDWARE KITS		
	1/19/2023	170	481704		OIL CONSOLIDATION HARDWARE KITS	\$43,542.62	\$51,685.91
						\$8,143.29	
183026	1/19/2023	173	7400	INFOR PUBLIC SECTOR, INC	HANSEN SUPPORT AND MAINTENANCE		
						\$40,963.81	\$40,963.81
183197	2/2/2023	122	835256	WESTERN STATES OIL CO	6103 GAL DYED CARB ULTRA LOW SULFUR DIESEL		
	2/2/2023	111	835352		2806 GAL DYED CARB ULTRA LOW SULFUR DIESEL	\$25,636.15	\$36,292.97
						\$10,656.82	
183040	1/19/2023	170	103807	PRIME MECHANICAL SERVICE INC	SERVICE CALL: BLDG 52 AIR REGISTERS AND BALANCE		
						\$34,585.00	\$34,585.00
183054	1/19/2023		533620221222	US BANK CORP PAYMENT SYSTEM	MONTHLY CAL-CARD REPORT - DECEMBER 2022		
						\$33,232.85	\$33,232.85
183193	2/2/2023	110	50834384	UNIVAR SOLUTIONS USA INC	4900.7 GALS SODIUM HYPOCHLORITE		
	2/2/2023	110	50845060		4902.7 GALS SODIUM HYPOCHLORITE	\$7,773.33	\$31,249.74
	2/2/2023	110	50830962		4998.8 GALS SODIUM HYPOCHLORITE	\$7,776.51	
	2/2/2023	110	50838075		4899.2 GALS SODIUM HYPOCHLORITE	\$7,928.94	
						\$7,770.96	
183052	1/19/2023	110	50801925	UNIVAR SOLUTIONS USA INC	4899.2 GALS SODIUM HYPOCHLORITE		
	1/19/2023	110	50807863		4848.6 GALS SODIUM HYPOCHLORITE	\$7,770.96	\$31,012.29
	1/19/2023	110	50807862		4903.8 GALS SODIUM HYPOCHLORITE	\$7,690.70	
	1/19/2023	110	50814671		4900.1 GALS SODIUM HYPOCHLORITE	\$7,778.25	
						\$7,772.38	
183058	1/19/2023	171	3375	VISTAM INC	SUBSTATION 1 BREAKER MAINTENANCE - FIRST HALF		
						\$24,988.05	\$24,988.05
183028	1/19/2023	110	9017777517	KEMIRA WATER SOLUTIONS INC	46,840 LBS FERROUS CHLORIDE		
	1/19/2023	110	9017777851		47,420 LBS FERROUS CHLORIDE	\$8,087.41	\$24,120.14
	1/19/2023	110	9017776824		47,060 LBS FERROUS CHLORIDE	\$8,117.84	
						\$7,914.89	

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Check No.	Date	Dept	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
183020	1/19/2023	110	1424248	DEPARTMENT OF GENERAL SERVICES	SERV: NOV 2022 PLANT		
						\$22,351.68	\$22,351.68
183056	1/19/2023	110	470009553	USP TECHNOLOGIES	4068 GALS HYDROGEN PEROXIDE		
						\$18,733.14	\$18,733.14
183164	2/2/2023	114	2011800912	HAZEN AND SAWYER	HEADWORKS DEGRITTING STUDY		
						\$6,045.00	\$18,465.00
	2/2/2023	150	2011800812		INTERIM CIP COACH SERVICES - NOV 22		
						\$12,420.00	
183135	1/26/2023	143	2051887	WEST YOST ASSOCIATES	FORCE MAIN CORROSION REPAIRS PROJECT PHASE 4		
						\$18,294.50	\$18,294.50
183131	1/26/2023	110	50817511	UNIVAR SOLUTIONS USA INC	4902.4 GALS SODIUM HYPOCHLORITE		
						\$7,776.03	\$15,540.17
	1/26/2023	110	50817512		4894.9 GALS SODIUM HYPOCHLORITE		
						\$7,764.14	
183101	1/26/2023	110	9017778208	KEMIRA WATER SOLUTIONS INC	47,200 LBS FERROUS CHLORIDE		
						\$8,127.98	\$15,423.89
	1/26/2023	110	9017778770		45,600 LBS FERROUS CHLORIDE		
						\$7,295.91	
183091	1/26/2023	173	349	FORMULA DESIGN	PUBLIC WEBSITE HOSTING & MAINTENANCE		
						\$12,920.00	\$12,920.00
183112	1/26/2023	170	013720230111	PACIFIC GAS AND ELECTRIC	SERV TO 01/04/23 BOYCE RD PS		
						\$2,863.20	\$11,035.71
	1/26/2023	170	140120230111		SERV TO 01/03/23 IRVINGTON PS		
						\$8,172.51	
183145	2/2/2023	132	4285	BRYCE CONSULTING INC	HUMAN RESOURCES TECHNICAL SERVICES		
						\$10,925.00	\$10,925.00
183169	2/2/2023	171	95625	LIBERTY PROCESS EQUIPMENT INC	REBUILD PARTS FOR PWAS PUMP 3		
						\$10,907.18	\$10,907.18
183133	1/26/2023	170	138519	VALLEY OIL COMPANY	1350 GALS DYED DIESEL FUEL - NEWARK		
						\$5,842.43	\$10,610.81
	1/26/2023	170	138521		140 GALS DYED DIESEL FUEL - BOYCE		
						\$603.06	
	1/26/2023	170	138522		217 GALS DYED DIESEL FUEL - FREMONT		
						\$934.71	
	1/26/2023	170	138520		750 GALS DYED DIESEL FUEL - FREMONT		
						\$3,230.61	
183081	1/26/2023	170	80031	CONTROLWORX LLC	WATER CHAMP REPAIRS		
						\$10,172.70	\$10,172.70

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Check No.	Date	Dept	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
183085	1/26/2023	173	10640320377	DELL MARKETING LP C/O DELL USA	4 LAPTOPS		
						\$9,655.82	\$9,655.82
183014	1/19/2023	150	294481	BURKE, WILLIAMS & SORENSON LLP	GENERAL LEGAL - NOV 2022		
						\$3,727.36	\$9,518.08
	1/19/2023	150	294483		FORCE MAIN RELOCATION - NOV 22		
						\$865.28	
	1/19/2023	150	294521		CLAIMS - NOV 2022		
						\$2,329.60	
	1/19/2023	143	294482		CIP - NOV 2022		
						\$2,595.84	
183181	2/2/2023	110	1705744	POLYDYNE INC	43,520 LBS CLARIFLOC WE-539		
						\$9,480.62	\$9,480.62
183039	1/19/2023	110	1701220	POLYDYNE INC	41,940 LBS CLARIFLOC WE-539		
						\$9,136.43	\$9,136.43
183167	2/2/2023	110	9017778929	KEMIRA WATER SOLUTIONS INC	47,520 LBS FERROUS CHLORIDE		
						\$8,168.57	\$8,168.57
183149	2/2/2023	143	31855	CAROLLO ENGINEERS	PRIMARY DIGESTER NO. 8 FEASIBILITY STUDY		
						\$7,717.67	\$7,717.67
183173	2/2/2023	170	40720381	MICRO MOTION INC	2 ROSEMOUNT FLOW METER SENSORS		
						\$7,449.19	\$7,449.19
183115	1/26/2023		73691	R.D. KINCAIDE INC	14 PATCH KITS		
						\$7,322.79	\$7,322.79
183137	2/2/2023	170	4017275220230110	ALAMEDA COUNTY WATER DISTRICT	SERV TO: 01/06/23 - FREMONT BLVD		
						\$1,178.11	\$7,144.40
	2/2/2023	170	4017274120230110		SERV TO: 01/06/23 - FREMONT BLVD		
						\$5,901.96	
	2/2/2023	170	4017420220230113		SERV TO: 01/10/23 - FREMONT BLVD		
						\$64.33	
183093	1/26/2023	170	250477	FRANK A OLSEN COMPANY	2 GATE VALVES		
						\$6,958.15	\$6,958.15
183192	2/2/2023	143	223017	TANNER PACIFIC INC	ALVARADO INFLUENT PS PUMPS AND VFDS		
						\$6,550.00	\$6,550.00
183037	1/19/2023		29612388	PAN PACIFIC SUPPLY COMPANY	2 SPLIT SEALS		
						\$6,083.59	\$6,083.59
183005	1/19/2023	144	69841	ABACUS PRODUCTS INC	5000 GREASE SCRAPERS		
						\$5,595.39	\$5,595.39

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Check No.	Date	Dept	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
183176	2/2/2023	171	2400156822	MOTION INDUSTRIES INC	ASTD PARTS & MATERIALS		\$5,362.86
	2/2/2023		2400156841		ASTD PARTS & MATERIALS	\$3,309.47	
	2/2/2023	170	2400157966		ASTD PARTS & MATERIALS	\$1,669.83	
	2/2/2023		2400157098		ASTD PARTS & MATERIALS	\$217.29	
						\$166.27	
183179	2/2/2023	130	13546179	PFM ASSET MANAGEMENT LLC	INVESTMENT MANAGEMENT / ADVISORY SERVICES	\$5,209.85	\$5,209.85
183022	1/19/2023	170	9308429	FISHER SCIENTIFIC	LAB SUPPLIES	\$4,752.75	\$4,752.75
183099	1/26/2023	121	104355	JJ JR'S TRUCK REPAIR & MAINT.	PLANK REPLACEMENT FOR TRAILER # T4104	\$4,564.38	\$4,564.38
183095	1/26/2023		9551001606	GRAINGER INC	ASTD PARTS & MATERIALS	\$445.30	\$4,522.31
	1/26/2023		9551001622		ASTD PARTS & MATERIALS	\$441.46	
	1/26/2023		9549990712		ASTD PARTS & MATERIALS	\$3,285.16	
	1/26/2023	122	9553435943		ASTD PARTS & MATERIALS	\$307.61	
	1/26/2023	111	9551001614		ASTD PARTS & MATERIALS	\$42.78	
183129	1/26/2023	122	152257	TRI-SIGNAL INTEGRATION INC	FIRE PROTECTION SERVICE - UL CERTIFICATE	\$1,219.00	\$4,514.00
	1/26/2023	122	152167		ANNUAL FIRE HYDRANT SERVICE AGREEMENT 12/31/22-12/30/23	\$1,695.00	
	1/26/2023	122	152256		FIRE PROTECTION SERVICE - MONITORING AGREEMENT 01/01/23-1	\$1,600.00	
183156	2/2/2023	150	3232	ENS RESOURCES INC	PROFESSIONAL SERVICES	\$4,230.00	\$4,230.00
183013	1/19/2023	173	9351732446	BRADY WORLDWIDE INC	LINK360 SUBSCRIPTION RENEWAL 12/1/2022-12/1/2023	\$3,913.97	\$3,913.97
183024	1/19/2023	143	2011800712	HAZEN AND SAWYER	PUMP STATION ASSET CONDITION ASSESSMENT	\$3,910.00	\$3,910.00

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183195	2/2/2023		9925833610	VERIZON WIRELESS	WIRELESS SERV 12/21/22-01/20/23	\$814.14	\$3,749.60
	2/2/2023		9925833611		WIRELESS SERV 12/21/22-01/20/23	\$2,935.46	
183086	1/26/2023		33667	DPR CONSTRUCTION	REFUND # 54090	\$3,300.00	\$3,300.00
183165	2/2/2023		23022	KATO ROAD JV LLC	REFUND # 55102	\$3,300.00	\$3,300.00
183117	1/26/2023		229597	RF MACDONALD CO	1 ECO KOP KIT	\$3,207.35	\$3,207.35
183031	1/19/2023	132	232072	LIEBERT CASSIDY WHITMORE	NOR CAL EMPLOY RELATIONS CONSORTIUM MEMBERSHIP	\$3,045.00	\$3,045.00
183011	1/19/2023	122	27970	BAYSCAPE LANDSCAPE MANAGEMENT	LANDSCAPE MAINTENANCE SERVICES - DEC 2022	\$2,925.00	\$2,925.00
183188	2/2/2023	110	23010512	S&S TRUCKING	GRIT HAULING 01/03 & 01/06/2023	\$2,899.67	\$2,899.67
183178	2/2/2023	123	4797	MUNICIPAL MAINT EQUIPMENT INC	1 HOSE	\$2,890.58	\$2,890.58
183021	1/19/2023	170	511023	EXPONENT INC	COGEN GENERATOR FAILURE ANALYSIS	\$2,868.00	\$2,868.00
183109	1/26/2023		20221231	NAPA AUTO PARTS	MONTHLY AUTO PARTS STMT - DECEMBER 2022	\$2,681.61	\$2,681.61
183094	1/26/2023		35811	GLOVER & SON HEATING INC	REFUND # 54073	\$2,500.00	\$2,500.00
183113	1/26/2023		33774	PACIFIC PLUMBING & SEWER SERV	REFUND # 54071	\$2,500.00	\$2,500.00
183180	2/2/2023		40004	PM DESIGN GROUP INC	REFUND # 55106	\$2,500.00	\$2,500.00
183136	2/2/2023	170	2000709507	AECOM TECHNICAL SERVICES INC	HAZMAT CONSULTING SERVICES	\$2,439.75	\$2,439.75
183062	1/19/2023	114	20230113	PACIFIC GAS AND ELECTRIC	SHUTOFF FEE - ETSU PHASE 1A AB MODS PROJECT	\$2,433.17	\$2,433.17
183098	1/26/2023	141	HDCX434	IRON MOUNTAIN	OFF-SITE STORAGE AND SERVICE - JAN 23	\$1,636.68	\$2,387.76
	1/26/2023	141	HCKY062		OFF-SITE STORAGE AND SERVICE - JAN 23	\$751.08	
183055	1/19/2023	171	61780	USA SCALES INC	DEGRITTER TRUCK SCALE & CENTRIFUGE HOPPER CALIBRATION	\$2,140.00	\$2,140.00

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183047	1/19/2023		760278845601	STAPLES CONTRACT & COMMERCIAL	JANITORIAL & BREAKROOM SUPPLIES	\$225.89	\$2,058.64
	1/19/2023		760348329701		JANITORIAL & BREAKROOM SUPPLIES	\$1,687.72	
	1/19/2023		760275166201		JANITORIAL & BREAKROOM SUPPLIES	\$145.03	
183159	2/2/2023	170	326865	CITY OF FREMONT	RANGE 5 HAZMAT STORAGE PERMIT	\$2,029.58	\$2,029.58
183147	2/2/2023	113	704193	CALTEST ANALYTICAL LABORATORY	7 LAB SAMPLE ANALYSIS	\$2,013.20	\$2,013.20
183143	2/2/2023	111	20230130	JEFFREY BARTON	TRAVEL REIMB: WEF TECH REG, AIRFARE, LODGING, PER DIEM, TA	\$1,987.29	\$1,987.29
183043	1/19/2023		8007547201	RS HUGHES CO INC	80 HARD HATS	\$1,983.66	\$1,983.66
183163	2/2/2023		9557684314	GRAINGER INC	ASTD PARTS & MATERIALS	\$349.42	\$1,888.44
	2/2/2023		9558247640		ASTD PARTS & MATERIALS	\$239.89	
	2/2/2023		9558551991		ASTD PARTS & MATERIALS	\$1,046.54	
	2/2/2023	170	9557125649		ASTD PARTS & MATERIALS	\$252.59	
183177	2/2/2023	170	962956802	MSA SAFETY SALES	2 H2S SENSOR BUILDING 52	\$1,881.13	\$1,881.13
183019	1/19/2023		20221225	DALE HARDWARE INC	12/22 - ASTD PARTS & MATERIALS	\$1,785.42	\$1,785.42
183067	1/26/2023	120	16692	AMERICAN DISCOUNT SECURITY	12/01/22 - 12/30/22 GUARD AT DISTRICT	\$1,695.75	\$1,695.75
183120	1/26/2023	110	23010404	S&S TRUCKING	GRIT HAULING 01/01/2023	\$540.00	\$1,584.05
	1/26/2023	110	23010403		GRIT HAULING 12/28/2022	\$1,044.05	
183075	1/26/2023	173	6002826447	CANON SOLUTIONS AMERICA INC	MTHLY MAINTENANCE BASED ON USE	\$363.30	\$1,541.41
	1/26/2023	173	6002502643		MTHLY MAINTENANCE BASED ON USE	\$661.91	
	1/26/2023	173	6002825576		MTHLY MAINTENANCE BASED ON USE	\$516.20	

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183127	1/26/2023	170	428559068	TERMINIX COMMERCIAL	PEST CONTROL	\$148.00	\$1,506.00
	1/26/2023	170	428556532		PEST CONTROL	\$182.00	
	1/26/2023	170	428559069		PEST CONTROL	\$1,176.00	
183175	2/2/2023	171	2372692	MOBILE MODULAR MANAGEMENT CORP	FMC TRAILER RENTAL - FEB 2023	\$1,492.89	\$1,492.89
183064	1/26/2023		20221231	AFLAC GROUP	GROUP INSURANCE - DEC 2022	\$1,423.06	\$1,423.06
183027	1/19/2023	110	5101141322	KELLY SERVICES INC	TEMP LABOR-HATO, N. WK ENDING 12/25/22	\$1,386.00	\$1,386.00
183009	1/19/2023	130	16518365	APPLEONE EMPLOYMENT SVCS	TEMP LABOR-GONZALES, WK END 12/24/22	\$1,377.28	\$1,377.28
183166	2/2/2023	113	101709223	KELLY SERVICES INC	TEMP LABOR-HATO, N. WK ENDING 01/08/23	\$1,336.50	\$1,336.50
183084	1/26/2023	120	20220123	CWEA	5 CERT & 4 MEMBERSHIP RENEWALS - CS 9 EMPLOYEES	\$1,303.00	\$1,303.00
183102	1/26/2023	173	26906MSA	LOOKINGPOINT INC	NEXT CARE ON DEMAND RENEWAL	\$1,225.00	\$1,225.00
183097	1/26/2023	170	1926102009841	INTERSTATE ALL BATTERY CENTER	1 DIESEL PUMP BATTERY	\$816.95	\$1,162.11
	1/26/2023	171	1926102009850		1 BATTERY	\$345.16	
183140	2/2/2023	130	16527500	APPLEONE EMPLOYMENT SVCS	TEMP LABOR-GONZALES, WK END 01/07/23	\$1,108.29	\$1,108.29
183157	2/2/2023	170	513772	EXPONENT INC	COGEN GENERATOR FAILURE ANALYSIS	\$1,096.37	\$1,096.37
183182	2/2/2023	171	8201134446	RED WING BUS ADVANTAGE ACCT	SAFETY SHOES: E. TATOLA	\$224.90	\$1,093.99
	2/2/2023	111	8201134536		SAFETY SHOES: N. LUNDY	\$210.86	
	2/2/2023	121	8201135152		SAFETY SHOES: J. POWELL	\$208.33	
	2/2/2023	111	8201134739		SAFETY SHOES: P. CHAPARRO	\$225.00	
	2/2/2023	114	8201134851		SAFETY SHOES: O. FAJARDO	\$224.90	

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183196	2/2/2023		8811710367	VWR INTERNATIONAL LLC	LAB SUPPLIES	\$517.26	\$1,089.68
	2/2/2023		8811740756		LAB SUPPLIES	\$369.24	
	2/2/2023		8811772107		LAB SUPPLIES	\$203.18	
183100	1/26/2023	110	5200975222	KELLY SERVICES INC	TEMP LABOR-HATO, N. WK ENDING 01/01/23	\$1,064.25	\$1,064.25
183051	1/19/2023	122	151923	TRI-SIGNAL INTEGRATION INC	FIRE PROTECTION SERVICE - SEMI ANNUAL WATERFLOW & TAMPE	\$750.00	\$1,062.50
	1/19/2023	122	151922		FIRE PROTECTION SERVICE - QUARTERLY SPRINKLER SYSTEM INS	\$312.50	
183153	2/2/2023	144	3649974	DAILY JOURNAL CORPORATION	AD: PUBLIC NOTICE	\$1,058.82	\$1,058.82
183069	1/26/2023		46424	APPLIED AIR FILTERS INC	160 FILTERS	\$1,048.01	\$1,048.01
183105	1/26/2023	113	2212302	MCCAMPBELL ANALYTICAL	LAB SAMPLE ANALYSIS	\$1,022.00	\$1,022.00
183116	1/26/2023		37916	RESCUE ROOTER	REFUND # 54072	\$1,000.00	\$1,000.00
183142	2/2/2023		19329481	AT&T	SERV: 12/10/22 - 01/09/23	\$997.77	\$997.77
183106	1/26/2023	170	90596149	MCMASTER SUPPLY INC	ASTD PARTS & MATERIALS	\$97.14	\$992.98
	1/26/2023		91133747		ASTD PARTS & MATERIALS	\$254.65	
	1/26/2023	170	91390935		ASTD PARTS & MATERIALS	\$45.26	
	1/26/2023	123	90158682		ASTD PARTS & MATERIALS	\$490.67	
	1/26/2023	123	90158814		ASTD PARTS & MATERIALS	\$68.23	
	1/26/2023	170	91378842		ASTD PARTS & MATERIALS	\$37.03	
183065	1/26/2023	170	9994128923	AIRGAS NCN	CYLINDER RENTAL	\$983.93	\$983.93
183042	1/19/2023	141	61191735	ROBERT HALF INTERNATIONAL INC	TEMP LABOR-PRASAD, J. WK ENDING 12/02/2022	\$949.74	\$949.74

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183045	1/19/2023	110	22122814	S&S TRUCKING	GRIT HAULING 12/23/2022		
						\$896.45	\$896.45
183172	2/2/2023		91722576	MCMASTER SUPPLY INC	ASTD PARTS & MATERIALS		
	2/2/2023	123	90750572		ASTD PARTS & MATERIALS	\$831.15	\$877.68
						\$46.53	
183068	1/26/2023	130	16525612	APPLEONE EMPLOYMENT SVCS	TEMP LABOR-GONZALES, WK END 12/31/22		
						\$860.80	\$860.80
183070	1/26/2023		2591112877	ARAMARK	ASTD DUST MOPS, WET MOPS & TERRY		
	1/26/2023		2591110860		UNIFORM LAUNDERING & RUGS	\$66.94	\$810.04
	1/26/2023		2591112917		UNIFORM LAUNDERING SERVICE	\$352.96	
						\$390.14	
183118	1/26/2023	170	359541	ROCHESTER MIDLAND CORPORATION	HOT WATER LOOP SERVICE		
						\$799.86	\$799.86
183141	2/2/2023		2591114936	ARAMARK	UNIFORM LAUNDERING & RUGS		
	2/2/2023		2591114958		UNIFORM LAUNDERING SERVICE	\$378.23	\$787.41
						\$409.18	
183107	1/26/2023	170	230160	METROMOBILE COMMUNICATIONS INC	RADIO SERVICE - JAN 2023		
						\$772.91	\$772.91
183138	2/2/2023		20230110	AMAZON.COM LLC	01/23 - ASTD OFFICE SUPPLIES		
						\$741.53	\$741.53
183160	2/2/2023	170	326866	CITY OF FREMONT	RANGE 3 HAZMAT STORAGE PERMIT		
						\$738.80	\$738.80
183007	1/19/2023		47002	ALLIED FLUID PRODUCTS CORP	36 GASKETS		
	1/19/2023	170	47533		1 HOSE	\$170.14	\$662.81
						\$492.67	
183152	2/2/2023	132	275265	CLAREMONT BEHAVIORAL SERVICES	JAN 2023 EAP PREMIUMS		
						\$653.20	\$653.20
183029	1/19/2023	136	54709	LANCE, SOLL & LUNGHARD LLP	2022 GOVERNMENT AUDIT		
						\$600.00	\$600.00

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183023	1/19/2023	170	9543802483	GRAINGER INC	ASTD PARTS & MATERIALS	\$11.13	\$565.63
	1/19/2023	111	9542494928		ASTD PARTS & MATERIALS	\$56.10	
	1/19/2023		9544160808		ASTD PARTS & MATERIALS	\$232.80	
	1/19/2023		9543539929		ASTD PARTS & MATERIALS	\$114.83	
	1/19/2023	170	9540659118		ASTD PARTS & MATERIALS	\$150.77	
183130	1/26/2023	123	214345552001	UNITED RENTALS NORTHWEST INC	MISC PARTS & SHOP SUPPLIES	\$537.96	\$537.96
183155	2/2/2023		7855	ENERGY CHOICE INC	1 FILTER	\$507.31	\$507.31
183030	1/19/2023		38974	LARRIETA SANITATION CONST	REFUND # 54069	\$500.00	\$500.00
183032	1/19/2023		9631	ZI-QIANG LIU	REFUND # 53065	\$500.00	\$500.00
183041	1/19/2023		37892	RESCUE ROOTER	REFUND # 54078	\$500.00	\$500.00
183072	1/26/2023		36851	BENJAMIN FRANKLIN PLUMBING	REFUND # 54075	\$500.00	\$500.00
183083	1/26/2023		33746	LUIS CUELLAR	REFUND # 54076	\$500.00	\$500.00
183087	1/26/2023		40000	DRAINLINE SEWER SPECIALIST	REFUND # 54074	\$500.00	\$500.00
183090	1/26/2023		41041	EXCALIBUR ROOTER & PLUMBING	REFUND # 54092	\$500.00	\$500.00
183108	1/26/2023		37943	MSC CONSTRUCTION	REFUND # 54070	\$500.00	\$500.00
183125	1/26/2023		39981	STREAMLINE PLUMBING & DRAIN	REFUND # 54091	\$500.00	\$500.00
183128	1/26/2023		37899	TRIPLE A PLUMBING SERVICE	REFUND # 54077	\$500.00	\$500.00
183184	2/2/2023		42052	AMERICAN RESIDENTIAL SVCS RESCUE ROOT	REFUND # 55105	\$500.00	\$500.00
183187	2/2/2023		41032	ROOTER HERO	REFUND # 55107	\$500.00	\$500.00

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183123	1/26/2023	173	2846	SHARESQUARED INC	SHAREPOINT PROFESSIONAL SUPPORT	\$462.50	\$462.50
183089	1/26/2023	170	905669880	EVOQUA WATER TECHNOLOGIES	DI WATER SYSTEM	\$461.13	\$461.13
183035	1/19/2023		90676601	MCMASTER SUPPLY INC	ASTD PARTS & MATERIALS	\$286.06	\$428.29
	1/19/2023	170	90218835		ASTD PARTS & MATERIALS	\$142.23	
183018	1/19/2023	144	3649976	DAILY JOURNAL CORPORATION	AD: PUBLIC NOTICE	\$415.00	\$415.00
183017	1/19/2023	111	1903597676	CINTAS CORPORATION	6 JACKETS FOR LUNDY	\$408.18	\$408.18
183010	1/19/2023		2591110892	ARAMARK	UNIFORM LAUNDERING SERVICE	\$395.36	\$395.36
183071	1/26/2023		2591112898	ARAMARK	UNIFORM LAUNDERING & RUGS	\$367.46	\$367.46
183161	2/2/2023	170	327408	CITY OF FREMONT	RANGE 2 HAZMAT STORAGE PERMIT	\$362.96	\$362.96
183162	2/2/2023	170	326867	CITY OF FREMONT	RANGE 2 HAZMAT STORAGE PERMIT	\$362.96	\$362.96
183078	1/26/2023	150	100124	CITYLEAF INC	PLANT MAINTENANCE - JAN 2023	\$361.65	\$361.65
183174	2/2/2023	120	1072135	MISSION COMMUNICATIONS LLC	3 BATTERY REPLACEMENT KITS	\$358.00	\$358.00
183050	1/19/2023	170	330358	TECHNICAL SAFETY SERVICES LLC	1 FUME HOOD CALIBRATION & FUME HOOD TEST	\$350.00	\$350.00
183111	1/26/2023	132	2202837	OPTIMUM TECHNOLOGIES LLC	AT HOME EMPLOYEE PORTAL	\$337.00	\$337.00
183186	2/2/2023	170	470750	RKI INSTRUMENTS INC	ASTD PARTS & MATERIALS	\$171.61	\$308.66
	2/2/2023		470749		ASTD PARTS & MATERIALS	\$137.05	
183066	1/26/2023		16169	ALAMEDA COUNTY WATER DISTRICT	SPONSORSHIP FEE - SCIENCE & ENGINEERING FAIR	\$300.00	\$300.00
183082	1/26/2023	173	30645545	CORELOGIC INFORMATION SOLUTION	REALQUEST 12 MONTH SERVICE	\$300.00	\$300.00
183171	2/2/2023	171	20230131	SCOTT MARTIN	EXP REIMB: SAFETY GLASSES	\$300.00	\$300.00

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183079	1/26/2023	123	20230123	KEVIN CLENNON	EXP REIMB - QAC RENEWAL FEE & CONTINUED EDUCATION SEMIN	\$273.00	\$273.00
183119	1/26/2023	120	20230123	JESSICA RODRIGUEZ	EXP REIMB: LUNCH FOR SSMP AUDIT ATTENDEES	\$272.70	\$272.70
183103	1/26/2023		5519055	MALLORY SAFETY AND SUPPLY LLC	60 PR GLOVES	\$256.22	\$256.22
183198	2/2/2023	143	5267	WORKSMART AUTOMATION INC	AERATION BLOWER 11 (HIGH SPEED)	\$232.50	\$232.50
183025	1/19/2023	111	20230112	TIM HUGHES	EXP REIMB: SAFETY SHOES	\$225.00	\$225.00
183144	2/2/2023	171	26294100	BECK'S SHOES	SAFETY SHOES: M. TATAKAMOTONGA	\$225.00	\$225.00
183104	1/26/2023	170	771065455	MATHESON TRI-GAS INC	MONTHLY CYLINDER RENTAL - DEC 2022	\$207.46	\$207.46
183012	1/19/2023	143	122265	BEECHER ENGINEERING	IRVINGTON PS PUMPS AND VFDS	\$200.00	\$200.00
183124	1/26/2023	130	20230124	JENNIFER SIO-KWOK	EXP REIMB: OST RECOGNITION LUNCH	\$189.54	\$189.54
183168	2/2/2023	170	395412	KLEEN BLAST ABRASIVES	BLASTING MATERIALS	\$188.30	\$188.30
183015	1/19/2023		20230118	STATE OF CALIFORNIA	SALES & USE TAX 10/01/22 - 12/31/2022	\$187.18	\$187.18
183006	1/19/2023	170	5487509001	ALAMEDA ELECTRICAL DISTR. INC.	ASTD ELECTRICAL SUPPLIES	\$176.68	\$176.68
183190	2/2/2023	170	2301139S	SGS NORTH AMERICA INC	1 ANALYSIS	\$20.00	\$168.66
	2/2/2023		2212471S		OIL SAMPLE KITS	\$148.66	
183191	2/2/2023	141	20221230	SPOK INC	JAN 2023 PAGER SERVICE	\$150.68	\$150.68
183183	2/2/2023		121470	REMOTE SATELLITE SYSTEMS INT'L	IRIDIUM SVC FEE FEB 2023	\$139.90	\$139.90
183044	1/19/2023	172	20230110	GERARDO RUIZ	EXP REIMB: MILEAGE	\$68.77	\$137.54
	1/19/2023	172	20230110.1		EXP REIMB: MILEAGE	\$68.77	
183158	2/2/2023	111	175670	FREMONT RUBBER STAMP CO INC	2 STAMPS	\$131.96	\$131.96

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183073	1/26/2023		17708490	BLAISDELL'S	ASTD OFFICE SUPPLIES		
						\$131.33	\$131.33
183048	1/19/2023	171	20230118.1	DUSTIN STRASBURG	EXP REIMB: MILEAGE FOR CALL OUT		
						\$63.38	\$129.80
	1/19/2023	171	20230118		EXP REIMB: MILEAGE FOR CALL OUT		
						\$66.42	
183151	2/2/2023	111	1903597523	CINTAS CORPORATION	2 JACKETS FOR TOOTIAN		
						\$120.92	\$120.92
183049	1/19/2023	120	20230118	STANLEY TARNOWSKI	EXP REIMB: DMV PRACTICE TEST		
						\$24.99	\$115.86
	1/19/2023	120	20230118.1		EXP REIMB: DMV FEE - CLASS A LIC		
						\$90.87	
183033	1/19/2023	110	20230118	ARMANDO LOPEZ	EXP REIMB: LIGHTS AND EXTENSION CORDS		
						\$109.27	\$109.27
183110	1/26/2023	120	20230124	SHAWN NESGIS	EXP REIMB: SNACKS FOR SSMP/WDR AUDIT AND INSPECTION		
						\$106.21	\$106.21
183189	2/2/2023	170	85340220230123	SAN FRANCISCO WATER DEPT	SERVICE 12/20/22 - 01/20/23		
						\$96.84	\$96.84
183016	1/19/2023	141	20230117	RAYMOND CHAU	EXP REIMB: BEREAVEMENT FLOWERS		
						\$80.00	\$80.00
183150	2/2/2023	141	20230131	RAYMOND CHAU	EXP REIMB: BEREAVEMENT FLOWERS		
						\$80.00	\$80.00
183053	1/19/2023	136	98XW53522	UPS - UNITED PARCEL SERVICE	SHIPPING CHARGES W/E 12/24/22		
						\$79.25	\$79.25
183154	2/2/2023	173	592244	DLT SOLUTIONS, LLC	AWS CLOUD STORAGE - NOV 2022		
						\$76.47	\$76.47
183057	1/19/2023		9924194395	VERIZON WIRELESS	WIRELESS SERV 12/02/22-01/01/23		
						\$67.92	\$67.92
183121	1/26/2023		2120956002	SAN LEANDRO ELECTRIC SUPPLY	ASTD ELECTRICAL SUPPLIES		
						\$66.70	\$66.70
183146	2/2/2023	132	629220	STATE OF CALIFORNIA	2 NEW HIRE FINGERPRINTS		
						\$64.00	\$64.00
183092	1/26/2023	110	20230118	MAURICE FORTNER	EXP REIMB: RED WING SAFETY BOOT INSOLES		
						\$60.60	\$60.60
183122	1/26/2023	170	2301074S	SGS NORTH AMERICA INC	2 ANALYSIS		
						\$40.00	\$60.00
	1/26/2023	170	2212591S		1 ANALYSIS		
						\$20.00	

**UNION SANITARY DISTRICT
CHECK REGISTER
01/14/2023-02/03/2023**

Check No.	Date	Dept	Invoice No.	Vendor	Description	Invoice Amt	Check Amt
183194	2/2/2023	136	98XW53013	UPS - UNITED PARCEL SERVICE	SHIPPING CHARGES W/E 01/07/23	\$53.34	\$53.34
183038	1/19/2023	114	20230118	RIC PIPKIN	EXP REIMB: SAFETY RECOGNITION ETSU	\$49.24	\$49.24
183059	1/19/2023	113	8811692397	VWR INTERNATIONAL LLC	LAB SUPPLIES	\$40.46	\$40.46
183126	1/26/2023	170	20230124	EDWARD TATOLA	EXP REIMB: MILEAGE FOR CALL OUT	\$32.48	\$32.48
183132	1/26/2023	136	98XW53532	UPS - UNITED PARCEL SERVICE	SHIPPING CHARGES W/E 12/31/22	\$30.00	\$30.00
183077	1/26/2023	171	20230118	PETE CHAPARRO	EXP REIMB: MILEAGE FOR CALL OUT	\$29.54	\$29.54
183008	1/19/2023	113	1NNN197RD9TR	AMAZON.COM LLC	ASTD OFFICE SUPPLIES	\$27.10	\$27.10
183185	2/2/2023	132	20230131	JOSE RIVAS	EXP REIMB: LIVESCAN FEE PRE-EMPLOYMENT	\$26.00	\$26.00
183046	1/19/2023	170	2212403S	SGS NORTH AMERICA INC	1 ANALYSIS	\$20.00	\$20.00
183170	2/2/2023	120	20230131	MATTHEW LUBINA	EXP REIMB: REFRESHMENTS FOR MTV TEAM MTG	\$18.50	\$18.50
183139	2/2/2023	120	1M1LXJVC69K4	AMAZON.COM LLC	ASTD OFFICE SUPPLIES	\$17.69	\$17.69
183134	1/26/2023	113	8811716281	VWR INTERNATIONAL LLC	LAB SUPPLIES	\$11.45	\$11.45

Invoices:

Credit Memos :	1	-285,601.68
\$0 - \$1,000 :	155	48,936.73
\$1,000 - \$10,000 :	90	371,327.85
\$10,000 - \$100,000 :	19	571,173.40
Over \$100,000 :	7	6,171,329.66
Total:	272	6,877,165.96

Checks:

\$0 - \$1,000 :	94	33,179.25
\$1,000 - \$10,000 :	68	231,832.63
\$10,000 - \$100,000 :	24	726,426.10
Over \$100,000 :	7	5,885,727.98
Total:	193	6,877,165.96

**SIDE LETTER AGREEMENT
BETWEEN
UNION SANITARY DISTRICT
&
SERVICE EMPLOYEES' INTERNATIONAL UNION, LOCAL 1021
REGARDING CLASSIFIED LIMITED DURATION EMPLOYEES**

Representatives from Service Employees' International Union (SEIU), Local 1021, and representatives for the Union Sanitary District (USD) met and mutually agreed to various provisions related to Classified Limited Duration Employees, *with an effective date for the changes beginning on January 19, 2023*, in the following manner:

SECTION 4 – EMPLOYMENT STATUS

4.1(f) Limited Duration

Limited duration employees are hired to support the Enhanced Treatment and Site ~~and Treatment~~ Upgrade (ETSU) program at the District. Limited duration employees may be hired on a full or part-time basis to support the program and will have a duration of seven (7) to ten (10) years from the beginning of the program with an estimated completion in 2030. The limited duration employee shall be hired using the process which is provided in Section 20 of the MOU. Limited duration employees shall receive the same salary and benefits which are provided to a permanent employee in the same classification. In the event the limited duration employee is hired for a permanent position, without a break in service from the limited duration position, the employee shall receive seniority credit for all purposes for the time served in the limited duration position.

A limited duration employee will be considered an internal candidate for any recruitment which may occur while the employee is working.

Limited duration employees will not automatically be assigned to a vacant position but rather will need to go through the normal recruitment process.

4.5 Seniority

Section 4.5 shall be modified to include the definition of a Limited Duration Employee, as follows:

- Limited Duration Employee – Seniority shall be defined as the employee's original date of hire with the District, provided the employee does not have a break in service between the employee's limited duration appointment and their appointment as a regular employee.

**DESK ITEM
Item #9
2/13/2023**

Seniority is defined as above except as provided herein.

Employees who move from non-bargaining unit positions to bargaining unit positions after March 1, 2007, will have seniority as follows:

- For the purpose of a layoff, seniority is defined as the employee's original date of hire with the District.
- For all other purposes under the Memorandum of Understanding, seniority is defined as the employee's original date of hire with the District minus any hours spent in a non-bargaining unit position.

In the event that a non-bargaining unit employee is involuntarily assigned to a bargaining unit position, the Union and the District will meet and confer regarding the impacts of the assignment.

SECTION 17 LAYOFFS

17.1(f) Limited Duration Employees

Should layoffs be deemed necessary at the end of the ETSU projects, Limited Duration employees who have not been placed in permanent positions will be laid off first.

Limited Duration employees who moved from a classified or unclassified position will be placed back into their former position should their limited duration assignment end.

SECTION 19 EVALUATING VACANCIES

19.3 Classified Limited Duration Employees Consideration Process for Filling a Permanent Position Vacancy

The procedure for limited duration employees to move into permanent positions will be as follows:

1. If a vacancy for a permanent position should arise, all Classified Limited Duration Employees (CLDE) performing the duties of the permanent position who are in good standing, (No disciplinary or attendance issues), will be polled by management for their interest in the current vacancy. This process is internal only. If there are no internal, qualified applicants, the District will move to the normal recruitment process as outlined in Section 20 – Recruitment and Selection Process of the MOU.
2. Limited Duration employees interested in applying for the permanent vacancy will be moved to the hiring interview as follows:
 - a. If multiple qualifying limited duration employees apply, all will be granted hiring interviews.
 - b. Management will gather a hiring panel to interview the candidate(s).
 - c. Panel members will discuss their support, or lack of support, for the candidate.
 - d. The joint group will select, and may participate in, a team hiring interview panel, which may include the hiring manager, if he/she desires. The hiring

interview panel conducts the hiring interview, including evaluation of the finalists' "fit" with the team/organization, work history, motivation, etc. The joint group and hiring panel make a recommendation of the top candidate and other candidates to be considered by the hiring manager. If two or more internal candidates are determined to be "substantially equal," seniority will be given a preference. Note: "Substantially equal" candidates are those candidates whose total combined scores on all scored testing components are within a five percent (5%) range of each other.

- e. If a candidate is denied the transition to the permanent position, they are eligible to apply for the regular recruitment process, if one is deemed necessary.
- 3. If a Classified Limited Duration employee is approved for the permanent position, management will process a personnel action form to change their position from Limited Duration to the normal class description. This is not considered a promotion.
- 4. If multiple Classified Limited Duration employees apply for the permanent vacancy, the candidate with the top score will be offered the position first. If the first candidate declines the offer, the next candidate will be offered the position. This process will continue until the group of candidates is exhausted.
- 5. If a Classified Limited Duration employee is not interested in the permanent vacancy, or is not in good standing, or has not passed probation, the District will move to the normal recruitment process as outlined in MOU Section 20, Recruitment and Selection Process.
- 6. Limited Duration employees who have previously passed probation shall not serve a new probationary period if they have moved to a permanent position of the same classification. If a Limited Duration employee moves into a permanent position of the same classification but had not previously finished probation in their Limited Duration status, they will serve a continued probationary period for up to nine (9) months, which may include their previous probationary time served. If a Limited Duration employee moves to a permanent position in a separate classification from their Limited Duration position, they will be required to serve a new probationary period of nine (9) months.

FOR THE DISTRICT

FOR SEIU LOCAL 1021

Paul R. Eldredge
General Manager

Date

Ossee Desmangles
~~SEIU~~ Local 1021 Field Representative

FOR THE DISTRICT

Alisa Gordon Date
Human Resources Manager

FOR SEIU LOCAL 1021

Ed Tatola Date
~~SEIU~~ SEIU Local 1021 President

Emily Chandler-Perez Date
~~SEIU~~ SEIU Local 1021 Vice President