

**MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF  
UNION SANITARY DISTRICT  
May 23, 2016**

**CALL TO ORDER**

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

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

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

STAFF: Paul Eldredge, General Manager  
Karen Murphy, District Counsel  
Armando Lopez, Treatment & Disposal Services Manager  
Robert Simonich, Fabrication, Maintenance, and Construction Manager  
Sami Ghossain, Technical Services Manager  
Pamela Arends-King, Business Services Manager/CFO  
Laurie Brenner, Operational Performance Program Manager  
Regina McEvoy, Assistant to the General Manager/Board Secretary

VISITOR: Alice Johnson, League of Women Voters

**APPROVAL OF THE MINUTES OF THE SPECIAL MEETING OF APRIL 27, 2016**

It was moved by Secretary Kite, seconded by Director Lathi, to approve the Minutes of the Special Meeting of April 27, 2016. Motion carried unanimously.

**APPROVAL OF THE MINUTES OF THE MEETING OF MAY 9, 2016**

It was moved by Vice President Handley, seconded by Director Fernandez, to approve the Minutes of the Meeting of May 9, 2016. Motion carried unanimously.

**MONTHLY OPERATIONS REPORT**

This item was reviewed by the Budget & Finance Committee.

- a. April Monthly Odor Report & Financial Reports – General Manager Eldredge presented the following:

- Odor Complaints: There were two odor complaints received during the month of April. Both were submitted by the same Union City resident regarding an odor he believes is originating from the Plant. District staff responded to both complaints, and the response is ongoing to date.

Business Services Manager/CFO Arends-King reported the following:

- Revenues:
  - Capacity fees collected through the end of April were at 144% due to increased construction.
  - The District received \$315,000 in capacity fees for residential development during the month of April.
  - The District received \$80,000 for the City of Fremont urban runoff contract.
- Expenses:
  - All Work Groups were under budget at the end of April 2016.
  - The District spent \$52,000 on three utility carts in April.

General Manager Eldredge called attention to the chart included in the Board meeting packet which showed the District's average monthly yield. General Manager Eldredge noted the increase in average monthly yield directly correlated with the arrival of Business Services Manager/CFO Arends-King.

- b. Third Quarter (Q3) Fiscal Year 2016 (FY16) District-Wide Balanced Scorecard Measures - Operational Performance Program Manager Brenner reported the following:
- Two minor incidents involving vehicle or equipment damage occurred during Q3. Due to these incidents, the goal of less than 2 such incidents for the fiscal year cannot be met.
  - There were no safety trainings held in Q3. The Training & Emergency Response Programs Manager vacancy continues to affect this measure, and the District expects to fill the position soon.
  - The Operational Excellence scorecard showed the District will not be able to attain the 85% annual target for Priority CIP Project Milestones due to several contributing factors including unexpected work delays, priority re-evaluation, and lack of market responsiveness to posted District project bids.
  - The measure for Number of Competency Assessments in Collection Services was behind target at the end of Q3, with four assessments completed. If Collection Services is able to complete all 63 planned assessments during Q4, the annual target of 65 will be achieved.
- c. Balanced Scorecard Report for the Technical Services Work Group - Technical Services Manager Ghossain presented the following:
- Capital Improvements Projects (CIP) Team measures focus on internal and external customer satisfaction, management of District funds, and successful quality control of capital projects.
    - Customer perspective surveys regarding communication and responsiveness of project managers were all 100%.

- One project exceeded the 20% target for percent of design and construction management costs to construction cost.
  - The owner requested change order percentage exceeded the 1% target by 0.8% for the Newark Backyard Sanitary Sewer Relocation Project Phase II.
- Environmental Compliance (EC) Team measures are related to the protection of District workers, facilities, and the Plant from potentially harmful discharges; compliance with Local, State, and Federal regulations and requirements; and developing constructive and professional relationships with our Industrial and Commercial Users.
  - All Public Outreach surveys returned indicated 100% positive feedback.
  - EC staff were successful in meeting the target of 90%-100% expenditures for the City of Fremont Clean Water Program Contract.
  - EC inspectors exceeded all quarterly targets for number of samples taken.
- Customer Service Team measures focus on timely completion of plan reviews, dispatching trouble calls, collection of fees, providing quality construction inspection of sewer facilities, and providing high-quality customer service to both external and internal customers.
  - The goal of less than five refunds issued per year was attained with only one refund issued in the past year.
  - The goal for 90% of all plans to be checked within 10 working days was attained.
  - The goal for 90% of trouble calls being dispatched within 10 minutes was exceeded for all four quarters.

### **WRITTEN COMMUNICATIONS**

There were no written communications.

### **ORAL COMMUNICATIONS**

Alice Johnson stated she recently witnessed an individual emerge from a manhole at the intersection of Logan Drive and Richmond Avenue in Fremont. The manhole was marked "USD", and has since been replaced by the City of Fremont to reflect it is a storm drain. Ms. Johnson expressed concern regarding mislabeled manholes in the District's service area.

### **SCHEDULE PUBLIC HEARING TO CONSIDER COLLECTION OF SEWER SERVICE CHARGES ON THE TAX ROLL FOR FISCAL YEAR 2017**

This item was reviewed by the Legal/Community Affairs Committee. General Manager Eldredge presented a desk item which showed the corrected date of the public hearing to consider collection of sewer service charges on the tax roll as June 27, 2016. The desk item was added to the Board meeting packet. General Manager Eldredge stated the Board approved sewer service charge rates for fiscal years 2017 through 2021 at the Board meeting held January 25, 2016. The Health and Safety Code requires a public

hearing be held in order for the Board to authorize collection of sewer service charges on the tax roll.

It was moved by Director Lathi, seconded by Secretary Kite, to schedule a Public Hearing to Consider Collection of Sewer Service Charges on the Tax Roll for Fiscal Year 2017 for June 23, 2016, in the Boardroom at 5072 Benson Road, Union City, California. Motion carried unanimously.

### **ACCEPT THE FINAL SEISMIC ASSESSMENT REPORTS FROM DEGENKOLB ENGINEERS**

This item was reviewed by the Construction Committee. Technical Services Manager Ghossain stated Degenkolb Engineers recently completed a detailed seismic assessment for the District's structures and major pipelines. Staff presented the findings at a Board Workshop held March 21, 2016. Technical Services Manager Ghossain explained three seismic performance levels per the standards outlined by the American Society of Civil Engineers.

The Construction Committee requested the following questions and answers be presented at the Board meeting:

- What is the expected useful life of the Administration building?
  - The useful life of the Administration building was estimated to be approximately 50 years from date of initial construction.
- Would seismic improvements extend the useful life of the Administration building?
  - No, seismic improvements would not extend the life of the Administration building. The goal of seismic improvements would be to lessen damage to the building in the event of an earthquake.
- How would the cost of seismic repairs to the Administration building compare to overall building replacement costs?
  - The estimated total cost to accomplish seismic repairs to the Administration building added to costs to relocate staff during repairs would be approximately \$7.5 million. The estimated cost to construct a new Administration building would be approximately \$15 million.

It was moved by Vice President Handley, seconded by Secretary Kite, to Accept the Final Seismic Assessment Report from Degenkolb Engineers. Motion carried unanimously.

### **AUTHORIZE THE GENERAL MANAGER TO EXECUTE AMENDMENT NO. 2 TO TASK ORDER NO. 2 WITH WEST YOST ASSOCIATES FOR THE PLANT FACILITIES IMPROVEMENTS PROJECT**

This item was reviewed by the Construction Committee. Technical Services Manager Ghossain stated the proposed second amendment to Task Order No. 2 would add \$63,257 in design services for the Plant Facilities Improvements Project.

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

## **INFORMATION ITEMS:**

### **Check Register**

All questions were answered to the Board's satisfaction.

### **Standard Specifications and Information Bulletin Update**

This item was reviewed by the Construction Committee. Technical Services Manager Ghossain stated standard specifications are used for sewer main and lateral inspections by private contractors. The Specification was last updated in 2006, and a number of revisions to building and plumbing codes have occurred since the revision. A Request for Proposals was issued for the 2016 Standard Specifications and Information Bulletin Update in March 2016, and West Yost Associates was selected from the three proposals received based on their experience with the District and with similar work. Staff anticipate work on the update to be completed by the end of August 2016.

## **COMMITTEE MEETING REPORTS:**

The Construction, Legislative, and Legal/Community Affairs Committees met.

## **GENERAL MANAGER'S REPORT:**

General Manager Eldredge reported the following:

- The SinkMod Recognition BBQ will be held at the District on June 8, 2016.
- A GSE Contractor employee was injured onsite while working in a confined space. Alameda County Fire Department staff quickly responded to the incident, and the injured individual was transported to the hospital.
- The District continues to experience issues with the CoGen engines. On May 15, 2016, an alarm was activated for CoGen number one after it had experienced a catastrophic failure caused by an overheated piston melting inside the engine. Western Energy has been responsive and have been working with District staff toward a solution.
- The District received an award for 2015 Water Conservation Business of the Year from Alameda County Water District.
- The recent Executive Team retreat afforded an opportunity for the work group managers to get to know each other, learn about differing decision making processes, and decide what is important to the team.
- A chart showing headworks monthly average flows and loads was presented. Historically, flow has been considered the most accurate indicator of growth. In recent years, flow has continued to decrease and solids have continued to increase as our population has grown. The chart illustrated a significant change that has been recently observed nationwide, and will be used to plan for the future.

**OTHER BUSINESS:**

Director Lathi stated she recently attended the California Water Environment Association (CWEA) Conference in Santa Clara. Director Lathi stated she attended a session titled "The Future of Biosolids" which discussed composting, hydrolysis, and drying technologies. She also participated in a discussion regarding potable reuse where it was stated a greater percentage of the public supports direct potable reuse as opposed to groundwater recharge. Another discussion regarding potable reuse noted there are many sources of polluted drinking water that need to be purified before the resource is delivered to customers, and effluent would also be treated before distribution.

President Toy stated she attended the Southern Alameda County Geographic Information System Authority meeting held May 18, 2016. The annual budget was approved and there were no changes to the Joint Powers Agreement. Alameda County Water District Board Member Sethy will be the Chair, and Newark Mayor Al Nagy will be the Vice Chair for the Authority during the upcoming fiscal year.

Secretary Kite stated she attended the Alameda County Special Districts Association meeting held May 11, 2016. Secretary Kite stated the meeting included a presentation highlighting the benefits of currently proposed Measure AA – San Francisco Bay Clean Water, Pollution Prevention, and Habitat Restoration Program.


**ADJOURNMENT:**

The meeting was adjourned at 8:30 p.m. to the next scheduled Regular Board Meeting to be held in the Boardroom on Monday, June 13, 2016, at 7:00 p.m.


SUBMITTED:

  
REGINA McEVOY  
SECRETARY TO THE BOARD

ATTEST:

  
PAT KITE  
SECRETARY

APPROVED:

  
JENNIFER TOY  
PRESIDENT

Adopted this 13<sup>th</sup> day of June, 2016