

**MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF  
UNION SANITARY DISTRICT  
July 14, 2014**

**CALL TO ORDER**

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

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

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

STAFF: Richard Cortes, Acting General Manager/Business Services Manager  
Andy Morrison, Collection Services Manager  
Dave Livingston, Treatment & Disposal Services Manager  
Robert Simonich, FMC Manager  
Raymond Chau, Technical Services Coach  
Michelle Powell, Communications Coordinator  
David O'Hara, Legal Counsel  
Carol Rice, Assistant to the GM/Board Secretary

ABSENT: Richard Currie, General Manager/District Engineer

VISITOR: Paul Eldredge, New General Manager, effective August 11, 2014

**APPROVAL OF THE MINUTES OF JUNE 23, 2014.**

On a motion made by Director Kite and seconded by Director Toy, the minutes of the Board of Directors' Meeting of June 23, 2014 were unanimously approved.

**APPROVAL OF THE MINUTES OF SPECIAL MEETING ON JUNE 25, 2014.**

On a motion made by Director Handley and seconded by Director Fernandez, the minutes of the Special Meeting of the Board of Directors' on June 25, 2014 were unanimously approved.

## **WRITTEN COMMUNICATIONS.**

The Board received an invitation to Castro Valley Sanitary District's 75<sup>th</sup> anniversary, scheduled for July 25, 2014.

## **ORAL COMMUNICATIONS.**

There were no oral communications.

## **CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) ELECTION OF REGION THREE REPRESENTATIVE.**

The Legal/Community Affairs Committee reviewed this item. Rich Cortes stated there are two candidates running for the CSDA Board of Directors. The Board was unfamiliar with the candidates and asked for advice from the General Manager. Rich Cortes stated that Rich Currie left instructions that his advice would be to vote for incumbent Stanley Caldwell.

On a motion made by Director Kite and seconded by Director Handley, the Board unanimously agreed to vote for Stanley Caldwell, Incumbent, for Seat C on the CSDA Board of Directors.

## **AUTHORIZING THE GENERAL MANAGER TO EXECUTE TASK ORDER NO. 4 WITH WEST YOST ASSOCIATES FOR PROVIDING DESIGN SERVICES FOR THE NEWARK BACKYARD SANITARY SEWER RELOCATION PROJECT, PHASE 2.**

The Budget & Finance Committee reviewed this item. Raymond Chau stated the purpose of the Newark Backyard Sanitary Sewer Relocation Project is to improve the existing gravity sewer system within the residential neighborhood in the City of Newark. The existing sewers have very flat slopes and require frequent and expensive maintenance. The sewers are also located in backyard easements and are difficult to access for maintenance and inspection. Phase 1 of the project included relocating 33 sewer laterals from the backyard of homes in the project area. The Board awarded the construction contract to Ranger Pipelines, Inc. on April 28, 2014. Construction is in progress and scheduled for completion in August 2014.

Phase 2 of the project will include the construction of approximately 3,800 feet of new sewer mains to replace existing sewer mains located in backyard easements, and relocating approximately 105 sewer laterals from the backyard to the public street fronting the homes. The preliminary construction cost estimate for Phase 2 is \$3 million.

On a motion made by Director Handley and seconded by Director Kite, the Board unanimously authorized the General Manager to execute Task Order No. 4 with West Yost Associates for providing Design Services for the Newark Backyard Sanitary Sewer Relocation Project, Phase 2.

**CONSIDER CLAIM OF JEAN CIARDELLI FOR SEWER OVERFLOW DAMAGE.**

The Legal/Community Affairs Committee reviewed this item. Dave O'Hara stated that on May 16, 2014, the claimant's son entered their property on Glenmoor Drive in Fremont and found the offices flooded with toilet overflow. They filed a claim against the District stating that eight days prior, USD staff had cleaned the main sewer line in front of their property. The Collection Services Manager and Coach investigated the property and said the problem could not have been caused by USD doing sewer main cleaning.

The plumber who cleared the blockage noted there is a device which would have prevented the problem, a back-flow preventer (BFP). The BFP is not required of all sewer laterals, and would have only prevented the flooding in the building if it was upstream of the blockage in the lateral. Given this information, Mr. O'Hara stated it would be appropriate to deny the claim and inform the homeowner of the action.

On a motion made by Director Handley and seconded by Director Fernandez, the Board unanimously denied the claim of Jean Ciardelli for the sewer overflow damage.

**AUTHORIZING THE GENERAL MANAGER TO EXECUTE TASK ORDER NO. 2 WITH HARRIS & ASSOCIATES FOR PROVIDING CONSTRUCTION MANAGEMENT SERVICES FOR THE JARVIS AVENUE SANITARY SEWER REPLACEMENT PROJECT.**

The Construction Committee reviewed this item. Raymond Chau stated the Newark Basin Masterplan update, completed in December 2012, identified the 10-inch sanitary sewer on Jarvis Avenue as having high critical ratings due to cracking and sags. Staff reviewed the television inspections and confirmed that the sewer is in poor structural condition. The Project will replace 2,456 feet of existing 10-inch diameter gravity sewer.

On June 23, 2014, the Board awarded the construction contract to D'Arcy & Harty Construction, Inc., in the amount of \$1,034,736.80.

The purpose of Task Order No. 2 is to authorize construction management services to Harris & Associates for the duration of the Project. The negotiated cost proposal is \$122,500 which represents 11.8% of the construction contract. Typical fees for this kind of project range between 8% and 10%. Even though the fee percentage is above the range staff believes this to be reasonable given the four-month construction period and the need for a full-time construction manager to monitor the activities. Work under Task Order No. 2 will begin in July 2014, and the Project is expected to be completed by mid-November 2014.

On a motion made by Director Toy and seconded by Director Handley, the Board unanimously authorized the General Manager to execute Task Order No. 2 with Harris & Associates for providing Construction Management Services for the Jarvis Avenue Sanitary Sewer Replacement Project.

**ELECTION OF OFFICERS FOR THE USD BOARD OF DIRECTORS FOR FY15.**

The Personnel Committee reviewed this item. On a motion made by Director Kite and seconded by Director Toy, the following election of officers for FY15 was made:

Manny Fernandez, President  
Jennifer Toy, Vice President  
Tom Handley, Secretary

**SELECT BOARD MEMBER TO REPRESENT THE DISTRICT ON EXTERNAL COMMITTEES FOR FY15.**

On a motion made by Director Kite and seconded by Director Fernandez, the following Board members were selected to represent the District on external committees for FY15:

East Bay Dischargers Authority	Tom Handley	Manny Fernandez (alternate)
California Special Districts Association	Pat Kite	Manny Fernandez (alternate)
GIS	Jennifer Toy	Anjali Lathi (alternate)

**INFORMATION ITEMS:**

**Check Register.** The Board had no questions.

**Solar Facilities Operational Update.** The Budget & Finance Committee reviewed this item. Raymond Chau reported the District completed construction of the Solar Carport facility at the Treatment Plant at a cost of \$884,000. The District applied for the California Solar Initiative (CSI) incentive that would rebate \$0.2568 kilowatt-hour (kWh) of power generated by the system for a period of five years. PG&E, the administrator of the CSI program, approved an incentive amount up to \$252,850. Through May 31, 2014, the Solar Carport facility has generated a total of 749,490 kWh of power, which equates to \$117,039 in energy savings at the Plant. Additionally, the District has received \$149,040 of CSI incentive rebate from PG&E. The total benefit of the Solar Carport is \$266,079, which represents 30.1% of simple payback for the initial construction cost of the facility.

The District completed construction of the solar facility located at the Irvington Pump Station at a cost of \$2.85 million. 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. PG&E approved an incentive amount up to \$623,370. Through June 4, 2014, the solar facility has generated a total of 2,112,284 kWh of power, which equates to \$599,984 in energy savings at the Irvington Pump Station. Additionally, the District has received \$279,974 of CSI incentive rebate from PG&E. The total benefit of the solar facility is \$879,957, which represents 30.9% of simple payback for the initial construction cost of the facility. Future reports will contain data from the new Co-Gen system.

## **COMMITTEE MEETING REPORTS:**

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

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

Rich Cortes reported the following:

- Tests were held for the Assistant to the General Manager/Board Secretary position on June 28<sup>th</sup> and July 12<sup>th</sup>. Five candidates will be invited to the Qualifications Appraisal Interview on July 25, 2014. Paul Eldredge will participate in the interviews.
- An article about USD's new General Manager and rate increase was published on Friday, June 27<sup>th</sup>. To date there have been no comments on the story.
- Collection System Worker Steve Noegel tested and interviewed for the Mechanic 1 opening. He started his new position on July 14, 2014. Collection Systems will be working with Human Resources to develop a new list for Collection System Workers.
- The new Environmental Compliance Inspector, Douglas Datawalker, started work July 14, 2014. He replaces an EC inspector who resigned earlier this year.
- The Newark Backyard laterals for phase 1 have all been installed.
- The Jarvis Avenue Sewer public meeting was held on July 9, 2014. Director Kite and one resident attended the meeting.
- The Supreme Court took on the case of whether private emails are part of the Public Records Act.
- AT&T, our external website host, is having problems and staff cannot update our website. They hope to have a resolution within 48 hours. This means the new Sewer Service Charge Ordinance cannot be posted until the problem is resolved.
- The General Manager's retirement event is scheduled for September 30, 2014 at the Portuguese Hall in Union City. The Committee coordinating the event is working with an ET approved budget.

## **OTHER BUSINESS:**

Director Kite stated she attended the CSDA Meeting on July 9, 2014. A guest speaker was present and the discussion was about the drought. She also reported that the East Bay Regional Park District will hold their 80<sup>th</sup> year anniversary celebration on September 13, 2014, and that the East Bay Economic Alliance is looking for committee members.

Director Kite stated that the CSDA Meetings are generally held on Wednesdays, the same date and time that the Budget & Finance Committee meets. If she is still on the Budget & Finance Committee for FY15, she would like to consider changing the date/time.

Director Fernandez inquired if USD has had a demand for reclaimed water for landscaping. Dave Livingston stated there was one inquiry through the USD contact website and they wanted to know if we had reclaimed water available to sell. The Board discussed what it would entail to research using secondary effluent for tanker truck filling. They are also interested in discussing reclaimed water use and asked to have more discussions about the options.

Director Toy asked if ACWD has responded to USD's request for a joint meeting. Staff will check into it and report back.

Director Lathi inquired about the Pacific Commons Water Quality Enhancement area. Staff will ask Mike Dunning, Environmental Compliance Manager, to provide details.


**ADJOURNMENT:**

The meeting was adjourned at 7:33 p.m. to the next Regular Meeting in the Boardroom on Monday, July 28, 2014 at 7:00 p.m.

SUBMITTED:

  
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CAROL RICE  
SECRETARY TO THE BOARD

ATTEST:

  
\_\_\_\_\_  
JENNIFER TOY  
SECRETARY

APPROVED:

  
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ANJALI LATHI  
PRESIDENT

Adopted this 28th day of July, 2014